UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 333-199861

MYLAN N.V.

(Exact name of registrant as specified in its charter)

Netherlands	**98-1493528**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

Building 4, Trident Place, Mosquito Way, Hatfield, Hertfordshire, AL10 9UL, England

(Address of principal executive offices)

+44 (0) 1707-853-000

(Registrant's telephone number, including area code)

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

Title of Each Class:	**Trading Symbol(s)**	**Name of Each Exchange on Which Registered:**
Ordinary shares, nominal value €0.01	MYL	The NASDAQ Stock Market

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. 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. 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. 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). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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.

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). Yes ☐ No ☑

The aggregate market value of the outstanding ordinary shares, nominal value €0.01, of the registrant other than shares held by persons who may be deemed affiliates of the registrant, as of June 30, 2019, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $12,814,190,996.

The number of ordinary shares outstanding, nominal value €0.01, of the registrant as of February 24, 2020 was 516,177,189.

INCORPORATED BY REFERENCE

Document	**Part of Form 10-K into Which Document is Incorporated**
An amendment to this Form 10-K will be filed no later than 120 days after the close of registrant's fiscal year.	III

MYLAN N.V.
INDEX TO FORM 10-K
For the Year Ended December 31, 2019

		Page
	PART I	
ITEM 1.	Business	3
ITEM 1A.	Risk Factors	14
ITEM 1B.	Unresolved Staff Comments	39
ITEM 2.	Properties	39
ITEM 3.	Legal Proceedings	39
	PART II	
ITEM 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	40
ITEM 6.	Selected Financial Data	42
ITEM 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	44
ITEM 7A.	Quantitative and Qualitative Disclosures about Market Risk	70
ITEM 8.	Financial Statements and Supplementary Data	71
ITEM 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	159
ITEM 9A.	Controls and Procedures	159
ITEM 9B.	Other Information	159
	PART III	
ITEM 10.	Directors, Executive Officers and Corporate Governance	160
ITEM 11.	Executive Compensation	160
ITEM 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	160
ITEM 13.	Certain Relationships and Related Transactions, and Director Independence	160
ITEM 14.	Principal Accounting Fees and Services	160
	PART IV	
ITEM 15.	Exhibits and Consolidated Financial Statement Schedules	161
Signatures		169

PART I

ITEM 1. Business

Mylan N.V. (the successor registrant to Mylan Inc.), along with its subsidiaries (collectively, the "Company," "Mylan," "our" or "we"), is a global pharmaceutical company committed to setting new standards in healthcare and providing 7 billion people access to high quality medicine. We offer a portfolio of more than 7,500 products, including prescription generic, branded generic, brand-name drugs and over-the-counter ("OTC") remedies. We market our products in more than 165 countries and territories. As of December 31, 2019, our global workforce totaled approximately 35,000 employees and external contractors. Some of our employees are unionized or part of works councils or trade unions.

OUR MISSION

At Mylan, we are committed to setting new standards in healthcare. Working together around the world to provide 7 billion people access to high quality medicine, we:

- Innovate to satisfy unmet needs;
- Make reliability and service excellence a habit;
- Do what's right, not what's easy; and
- Impact the future through passionate global leadership.

On July 29, 2019, the Company, Pfizer Inc. ("Pfizer"), Upjohn Inc., a wholly-owned subsidiary of Pfizer ("Upjohn" or "Newco"), and certain other affiliated entities entered into a Business Combination Agreement (the "Business Combination Agreement") pursuant to which the Company will combine with Pfizer's Upjohn Business (the "Upjohn Business") in a Reverse Morris Trust transaction (the "Combination"). Newco, which will be the parent entity of the combined Upjohn Business and Mylan business, will be renamed "Viatris" effective as of the closing of the Combination. The Upjohn Business is a global, primarily off-patent branded and generic established medicines business, which includes 20 primarily off-patent solid oral dose legacy brands, such as Lyrica, Lipitor, Celebrex and Viagra. The consummation of the Combination is subject to various customary closing conditions, including receipt of regulatory approvals and approval of the Combination by Mylan's shareholders, and is expected to close in mid-2020. See Item 1A, "Risk Factors," Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and Note 4 *Acquisitions and Other Transactions* of the notes to consolidated financial statements included in Item 8 in this Annual Report on Form 10-K for additional information regarding the Combination.

Business Evolution

Mylan was founded in 1961 as a privately-owned company to help people in rural communities in the United States ("U.S.") state of West Virginia obtain quality affordable medicines. Originally a distributor of other firms' products, we grew over time into one of the nation's largest manufacturers of generic drugs ("Gx"). Mylan became a publicly traded company in 1973.

Approximately a decade ago, in response to industry changes, Mylan developed and began executing on a strategy to set new standards in healthcare. Our goal was to create a durable business model that would harness the power of competition to drive innovations capable of increasing access to medicine.

Our strategy involved creating robust research, manufacturing, supply chain and commercial platforms on a global scale; substantially expanding our portfolio of medicines; diversifying by geography, product type and channel; maintaining our commitment to quality; cultivating our corporate culture and workforce; and continuing to manage for the long-term.

Acquisitions, including that of Matrix Laboratories Limited (2007); Merck KGaA's generics and specialty pharmaceutical business (2007); the EPD Business (as defined below) (2015) and Meda AB (publ.) ("Meda") (2016), have played a significant role in the evolution of the Company.

Mylan N.V. was originally incorporated as a private limited liability company in the Netherlands in 2014. Mylan became a public limited liability company in the Netherlands through its acquisition of Abbott Laboratories' non-U.S. developed markets specialty and branded generics ("Bx") business (the "EPD Business") on February 27, 2015. Mylan's corporate seat is in the Netherlands; our principal executive offices are in England and our group's global headquarters is in the U.S.

We expect that the planned combination with the Upjohn Business will not only complete this strategy, but will also further unlock the true value of our platform. We also expect to acquire complementary products and product-development capabilities in the future. As part of our acquisition and integration efforts, Mylan has been and is planning to continue to remain focused on how to best optimize and maximize all of our assets across the organization and all geographies.

Unless otherwise indicated, industry data included in this Item 1 is sourced from IQVIA Holdings Inc. and is for the twelve months ended November 2019. Mylan product information is from internal sources and is as of December 31, 2019.

Business Model and Operations

Our mission is grounded in our conviction that every person should have the opportunity to live the healthiest life possible. For this reason, providing access to medicine is an important goal of our business model, pictured below.

OUR BUSINESS MODEL

To provide access, we seek to satisfy the needs of an incredibly diverse global pharmaceutical marketplace whose economic and political systems, approaches to delivering and paying for healthcare, languages and traditions, and customer and patient requirements vary by location and over time.

It is with these considerations in mind that we built and scaled our commercial, operational and scientific platforms, which we believe meet the evolving needs of customers in ways that are globally consistent and locally sensitive. As a result, Mylan now reaches patients in nearly every corner of the world with a wide range of products.

We believe that the breadth and depth - i.e., the diversity - of our business and platforms have rendered our business durable, as we are not dependent on any single market or product.

We also believe that durability not only helps us expand people's access to medicine, it also allows us to better compete on a global basis than many of our peers. Our primary competitors in the prescription drugs space include other pharmaceutical companies, including manufacturers of brand-name, generic drugs and branded drug companies, that continue to sell or license branded pharmaceutical products after patent expirations and other statutory expirations. Our OTC products face competition from pharmaceutical companies and from retailers that carry their own private-label brands.

DURABILITY COMPONENTS

We have structured our business and strive to operate it in ways that maximize our operational and financial results. Operationally, for instance, we have chosen to vertically integrate much of our manufacturing activity; this means producing many of our own active pharmaceutical ingredients ("APIs") and finished dosage forms. This approach affords us greater control over the cost and quality of what we make. All of the facilities discussed below are included in our reportable segments (North America, Europe, and Rest of World) primarily based on the location of the facility.

Our principal administrative, research and development ("R&D") and manufacturing facilities are located around the world; many of the latter are strategically located in proximity to key markets.

In the U.S. and Puerto Rico, we own 16 manufacturing, distribution, and administrative facilities. Principal facilities include the group's global headquarters in Canonsburg, Pennsylvania; our campus in Morgantown, West Virginia, which includes an R&D center of excellence and manufacturing plant; and our distribution center in Greensboro, North Carolina.

Outside the U.S. and Puerto Rico, we own 37 production, distribution, and administrative facilities in 15 countries.

In Europe, principal facilities include our principal executive offices in Hatfield, Hertfordshire, England; our global center in Dublin, Ireland; as well as key facilities in Ireland, Hungary, and France.

We also operate key facilities in India, Australia, and Japan. In India, principal facilities include our global center in Bangalore; an R&D center of excellence in Hyderabad; and several manufacturing plants located throughout the country.

Mylan also leases manufacturing, warehousing, distribution and administrative facilities in various locations, both within and outside of the U.S. Finally, Mylan relies upon many of our collaboration partners' manufacturing and other facilities throughout the world.

We believe all our facilities are in good operating condition, the machinery and equipment are well-maintained, the facilities are suitable for their intended purposes and they have capacities adequate for the current operations.

The APIs and other materials and supplies we use in our manufacturing operations are purchased from third parties, and some are produced internally. Occasionally, however, resources we need are available from only a single supplier. Like many pharmaceutical companies, we supplement our production footprint through arrangements with other manufacturers.

Facilities and records related to our products are subject to periodic inspection by the U.S. Food and Drug Administration (the "FDA"), the European Medicines Agency ("EMA"), the Therapeutic Goods Administration in Australia and other authorities, as applicable. In addition, authorities often conduct pre-approval plant inspections to determine whether our systems and processes comply with current Good Manufacturing Practices ("cGMP") and other regulations, and clinical-trial reviews to evaluate regulatory compliance and data integrity. Our suppliers, contract manufacturers, clinical trial partners and other business partners are subject to similar regulations and periodic inspections.

Moreover, as a part of our commitment to caring for the environment, we strive to comply in all material respects with applicable environmental laws and regulations. While it is impossible to predict accurately the future costs associated with environmental compliance and potential remediation activities, compliance with environmental laws is not expected to require significant capital expenditures and has not had, and is not expected to have, a material adverse effect on our operations or competitive position.

Customers and Marketing

Our customers are essential in helping us create better health for a better world by making our products available to patients. Numbering in the tens of thousands, our customers include retail pharmacies; wholesalers and distributors; payers, insurers and governments; and institutions such as hospitals; among others. See "Channel Types" below for more information about our customers.

The table below displays the percentage of consolidated net sales to our largest customers during the years ended December 31, 2019, 2018 and 2017.

	Percentage of Consolidated Net Sales		
	2019	2018	2017
McKesson Corporation	15%	12%	13%
AmerisourceBergen Corporation	9%	8%	8%
Cardinal Health, Inc.	8%	8%	10%

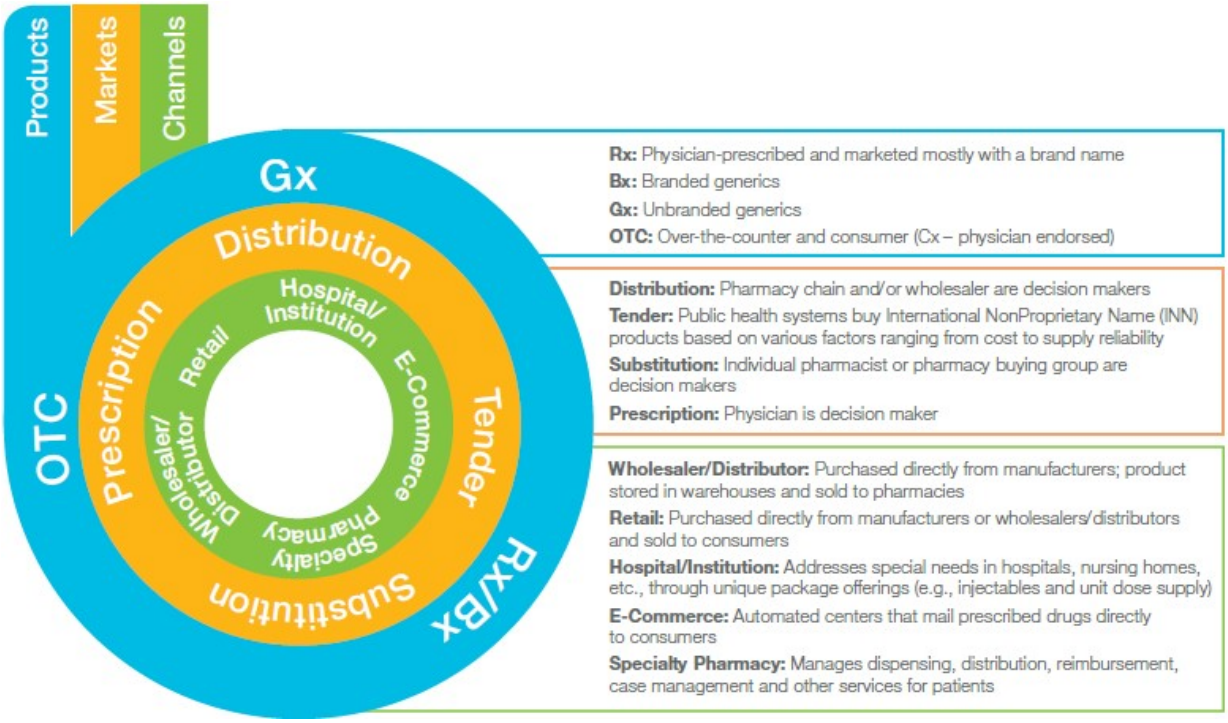
We serve our customers through a team of approximately 7,000 sales and marketing professionals, all of whom are focused on establishing Mylan as our customers' partner of choice. To best meet customers' needs, Mylan manages its business on a geographic basis.

In addition to being dynamic, the pharmaceutical industry is complex. How it functions, how it is regulated and how it provides patients access varies by location. Similarly, competition is affected by many factors. Examples of factors include innovation and development, timely approval of prescription drugs by health authorities, manufacturing capabilities, product quality, marketing effectiveness, portfolio size, customer service, consumer acceptance, product price, political stability and the availability of funding for healthcare.

Certain parts of our business also are affected by seasonality, e.g., due to the timing and severity of peak cough, cold and flu incidence, which can cause variability in sales trends for some of our products. While seasonality may affect quarterly comparisons within a fiscal year; it generally is not material to our annual consolidated results.

For these and other reasons, Mylan's sales and marketing efforts vary accordingly by product, market and channel type, each of which is described below.

See the *Application of Critical Accounting Policies* section in Item 7 of this Annual Report on Form 10-K for more information related to customer arrangements.



Product Types

Mylan markets prescription brand-name drugs; unbranded and branded prescription generic drugs; OTC products and APIs.

Brand-name drugs ("Rx") typically are prescription pharmaceuticals that are sufficiently novel as to be protected by patents or other forms of exclusivity. As such, these drugs, which bear trade names, may be produced and sold only by those owning the rights, subject to certain challenges that other companies may make. Developing new medicines can take years and significant investment. Only a few promising therapies ever enter clinical trials. Fewer still are approved for sale by health authorities, at which point marketing to healthcare providers and consumers begins.

Because patents and exclusivities last many years, they serve as an incentive to developers. During the periods protected, developers often recoup their investments and earn a profit. In many high-income countries, the brand business often is characterized by higher margins on lower volumes - especially as compared with generic manufacturers. We have acquired most of the branded products we offer.

Generic drugs ("Gx") are therapeutically equivalent versions of brand-name medicines. Generics generally become available once the patents and other exclusivities on their branded counterparts expire. Gx products typically are sold under their International Nonproprietary Names ("INNs"). INNs facilitate the identification of pharmaceutical substances or APIs. Each INN is unique and globally recognized. A nonproprietary name also is known as a generic name.

Mylan, like many other generic drugmakers, invests significant sums in R&D and in manufacturing capacity. We also often incur substantial litigation expense as a result of challenging brand patents or exclusivities. But because generic

drugmakers are not required to reproduce expensive clinical trials and seldom engage in product promotion, Gx typically cost far less than branded drugs. The generics business is generally characterized by lower margins on higher volumes, as most generic drugmakers, Mylan included, offer a relatively large number of products.

Branded generics ("Bx") are off-patent products that are sold under an approved proprietary name for marketing purposes. Rx products often become Bx products once patent protections or other forms of exclusivity expire. Bx products are common in many countries outside the U.S., including emerging markets. In addition, complex products, such as biosimilars (that is, a biological product that is highly similar to an already approved reference biological product, and for which there are no clinically meaningful differences between the biosimilar and the reference biological product in terms of safety, purity and potency), often are marketed under a brand-name.

Rx and Bx products are more sensitive to promotion than are unbranded generic products. They therefore represent the focus of most of our sales representatives and product-level marketing activity.

OTC products are sold directly to consumers, without a prescription and without reimbursement. As with prescription medicines, properly approved OTC products are proven to be safe and effective when used as directed. OTC products also are subject to various regulatory requirements, including those applicable to manufacturing, advertising and promotion. OTC products may be sold under a brand-name or a molecule name.

Our API is sold through a dedicated sales and marketing team primarily to pharmaceutical companies throughout the world.

Market Types

Like other drug companies, Mylan focuses its sales and marketing efforts on the people who make key decisions around pharmaceutical prescribing, dispensing or buying. Decision-makers vary by country or region, reflecting law and custom, giving rise to different types of pharmaceutical markets. Many countries feature a mix of or hybrids of various market types, though Mylan may focus on just one type.

In *prescription* markets, physicians decide which medicines patients will take. Pharmacies then dispense the products as directed. Drug companies employ sales forces to educate doctors about the clinical benefits of their products. Representatives call on individual doctors or group practices; the process is known as detailing. Examples of countries served by Mylan that are mainly prescription markets are Japan, China, Russia, Turkey, Poland and Mexico.

In *substitution* markets, pharmacists generally are authorized (and in some cases required) by law to dispense an unbranded or branded generic, if available, in place of a brand-name medicine, or vice versa. Drug companies may use sales forces in these markets too, with representatives calling on and educating pharmacy personnel about their organization and products. Examples of countries served by Mylan that are mainly substitution markets are France, Italy, Spain, Portugal and Australia.

In *tender* markets, payers, such as governments or insurance companies, negotiate the lowest price for a drug (or group of drugs) on behalf of their constituents or members. In exchange, the chosen supplier's product is placed on the payer's formulary, or list of covered prescriptions. Often, a supplier's drug is the only one available in an entire class of drugs. Large sales forces are not needed to reach these decision-makers. Examples of generic markets served by Mylan that are mainly tender markets are Germany, New Zealand, Sweden and Denmark.

In *distribution* markets, retailers and wholesalers make drug-purchasing decisions. Large sales forces are not needed to reach the decision-makers representing these organizations. Note, however, that pharmacists operating in distribution markets also may be authorized to make substitution decisions when dispensing medicines. Examples of countries served by Mylan that are mainly distribution markets are the U.S., the United Kingdom ("U.K.") and Norway.

The allocation of our sales and marketing resources reflects the characteristics of these different market types.

In the case of OTC products, consumers are the decision-makers. OTC products are commonly sold via retail channels, such as pharmacies, drugstores and supermarkets. This makes their sale and marketing comparable to other retail businesses, with broad advertising and trade-channel promotion. Consumers often are loyal to well-known OTC brands. For this reason, suppliers of OTC products, Mylan included, must invest the time and resources needed to build strong OTC brand names.

Channel Types

Mylan's products make their way to patients through a variety of intermediaries, or channels.

Pharmaceutical wholesalers/distributors purchase prescription medicines and other medical products directly from manufacturers for storage in warehouses and distribution centers. The distributors then fill orders placed by healthcare providers and other authorized buyers.

Pharmaceutical retailers purchase products directly from manufacturers or wholesalers/distributors. They then sell them to consumers in relatively small quantities for personal use.

Institutional pharmacies address the unique needs of hospitals, nursing homes and other such venues. Among the services provided are specialized packaging, including for injectables and unit-dose products, for controlled administration.

Mail-order and e-commerce pharmacies receive prescriptions by mail, fax, phone or the internet at a central location; process them in large, mostly automated centers; and mail the drugs to the consumer.

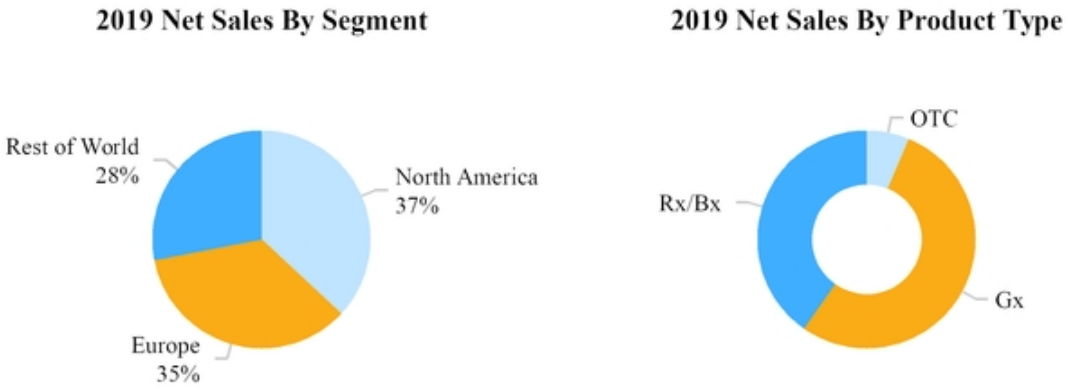
Specialty pharmacies focus on managing the handling and service requirements associated with high-cost and more-complex drug therapies, such as those used to treat patients with rare or serious diseases.

Business Segments

Consistent with Mylan's focus on bringing its broad and diversified portfolio products to people in markets everywhere, the company reports results in three segments on a geographic basis as follows: North America, Europe and Rest of World.

Our *North America* segment comprises our operations in the U.S. and Canada. Our *Europe* segment encompasses our operations across 35 countries, including France, Italy, Germany, the U.K. and Spain. Our *Rest of World* segment reflects our operations in more than 120 countries outside of our North America and Europe segments.

The charts below display Mylan's net sales by segment and by product type for the year ended December 31, 2019. Net sales are generated primarily from the sale of pharmaceutical products, including API.



With respect to product type, generic offerings continue to represent over 50% of our net sales, in keeping with Mylan's emphasis on expanding people's access to medicine.

In addition, we have focused our products in 10 major therapeutic areas. We have critical mass in these areas, though our sales emphasis varies by market according to need and opportunity.

MYLAN'S MAJOR THERAPEUTIC AREAS*

Products	Cardiovascular	CNS & Anesthesia	Dermatology	Diabetes & Metabolism	Gastroenterology
Current	1,150	1,900	500	450	700
Pipeline	300	400	60	250	100

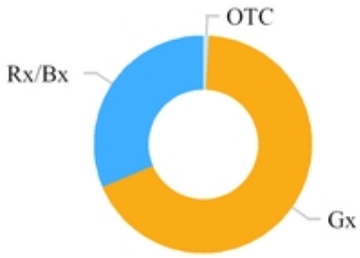
Products	Immunology	Infectious Disease	Oncology	Respiratory & Allergy	Women's Health
Current	80	1,100	450	600	650
Pipeline	75	800	500	150	150

*Product defined by product/dosage form/country. Products taken from internal data and rounded.

North America

Mylan's business in North America is driven mainly by our operations in the U.S., where we are one of the largest providers of prescription medicines. The U.S. pharmaceutical industry is very competitive, and the primary means of competition are innovation and development, timely FDA approval, manufacturing capabilities, product quality, marketing, portfolio size, customer service, reputation and price. We rely on cost-effective manufacturing processes to meet the rapidly changing needs of our customers around a reliable, high quality supply of generic pharmaceutical products.

2019 North America Net Sales by Product Type



Gx are widely accepted in the U.S., accounting in 2019 for approximately 90% of prescriptions dispensed, but only about 20% of total prescription drug costs. Over the last five years, Mylan has launched more generics in the U.S. than any other company.

Among our branded prescription products are EpiPen® Auto-Injector, Perforomist® Inhalation Solution and Dymista®. YUPELRI™, an inhalation solution for the maintenance treatment of patients with chronic obstructive pulmonary disease, was launched in December 2018. Our OTC portfolio includes Cold-EEZE®, MidNite® and Vivarin®, as well as other products. Our promotion efforts are supported by a salesforce of approximately 300 sales representatives.

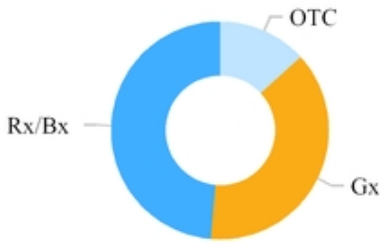
New product launches are an important growth driver. Important recent launches include complex products such as Ogivri™ (trastuzumab-dkst), a biosimilar to Herceptin® (trastuzumab), and Wixela™ Inhub™ (AB rated generic of Advair Diskus®). Our emphasis on complex products, some of which we develop in collaboration with other companies, is evidenced by our efforts to develop and introduce generic versions of Symbicort®, Restasis®, and a biosimilar to Avastin® in North America.

While our U.S. customer base is extensive, it increasingly comprises a small number of very large firms as the pharmaceutical industry continues to undergo tremendous change and consolidation. Mylan is well positioned to serve such customers - in the U.S. and elsewhere - due to the scale we have built in terms of R&D, API and finished-dosage-form manufacturing, and portfolio breadth.

Europe

Mylan's business in Europe is driven by our scale across 35 countries.

2019 Europe Net Sales by Product Type



Generic medicines have transformed healthcare in the region over the last decade by significantly increasing patients' access to medicine in an era of rising demand for healthcare services and constrained finances. In 2019 generic pharmaceuticals represented more than half of medicines used in Europe, but less than one quarter of total drug costs. Europe represents the world's second largest generic pharmaceuticals market, by value. The European markets, where many governments provide healthcare at a low direct cost to consumers and regulate pharmaceutical prices or patient reimbursement levels, continue to be highly competitive, especially in terms of pricing, quality standards, service levels and product portfolio. Our leadership position in a number of countries provides us a platform to fulfill the needs of patients, physicians, pharmacies, customers and payors.

Among our many branded prescription products are Creon®, Influvac® and Dymista®. Our OTC portfolio includes Brufen®, CB12® and EndWarts®, as well as other products. Our promotional efforts in the region are supported by approximately 2,500 sales representatives.

New product launches are an important growth driver. Our focus on complex products is evidenced by our ability to gain approval for products such as Hulio™ (adalimumab), Glatiramer Acetate, Semglee™, our insulin glargine, and Ogivri™ (trastuzumab-dkst). In addition we remain focused on introducing additional biosimilars like Fulphila™ (pegfilgrastim) and rituximab.

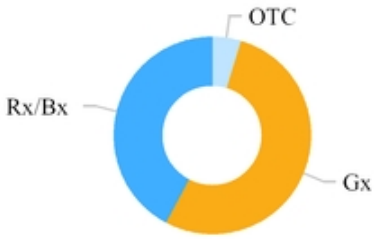
We expect Mylan's business in Europe to keep benefiting from our commercial platform, through which we simultaneously can serve multiple market types through multiple channels. Doing so allows us to focus on maximizing returns on investment by, for instance, repurposing branded drugs that lose exclusivity as tender or substitution products, or by switching from one proven strategy to another as individual government policies evolve, as is currently the case for biosimilars.

We look to maintain our leadership positions in markets such as France and Italy and prioritize opportunities in additional markets, such as Germany, Spain and the U.K.

Rest of World

Mylan's commercial operations in Rest of World comprise a diverse group of businesses, many of which we believe have high growth potential. The Rest of World markets are attractive because of the growing middle class within these countries combined with an increase in the demand for pharmaceutical products. The highly competitive environment includes conditions like pricing and market access challenges, potential political instability, significant currency fluctuations and limited or changing availability of funding for healthcare.

2019 Rest of World Net Sales by Product Type



Mylan's focus on becoming a leader in supplying antiretroviral medicines ("ARVs") to treat HIV/AIDS has helped to increase our presence in many emerging market countries over the last decade.

Today approximately 40% of people being treated worldwide for the disease rely on one of our products. Most of these individuals live in countries that make up our Rest of World segment.

Many countries in this segment are brand-focused, and generic penetration is low. Our approximately 2,000 sales representatives are deployed in approximately 35 countries to promote our products. Among them are brands such as Amitiza®, Dona®, Creon®, Elidel® and Legalon®.

New product launches are an important growth driver. In accordance with our focus on complex products, we look forward to continuing to launch products such as Semglee™, ABEVMY® (bevacizumab) and Ogivri™ (trastuzumab-dkst) into additional countries and introducing new medicines.

We look to maintain our leadership positions in countries such as Australia and Japan. We also are focused on maximizing opportunities in emerging markets like China, Brazil, India, Russia, Mexico, Turkey and Southeast Asia, where we see opportunity to introduce our existing global portfolio of products, especially our generics.

In addition, we have begun leveraging our ARV platform and expertise to help HIV patients in higher-income countries and to expand access to treatments for other infectious diseases, such as tuberculosis and malaria.

Refer to Note 15 *Segment Information* included in Item 8 in this Annual Report on Form 10-K for more information about our segments.

Government Regulation

Regulation by governmental authorities is a significant factor in the R&D, manufacture, marketing, sales and distribution of pharmaceuticals. Human therapeutic products are subject to rigorous preclinical and clinical testing to gather data to support approval, which requires extensive data and information; manufacturing is conducted under exacting conditions governed by extensive regulation; and post-approval activities, such as advertising and promotion and pharmacovigilance, are subject to pervasive regulation.

The lengthy process of developing products and obtaining required approvals and the continuing need for post-approval compliance with applicable statutes and regulations require the expenditure of substantial resources. Regulatory approval, if and when obtained, may be limited in scope. Further, approved drugs, as well as their manufacturers, are subject to

ongoing post-marketing review and inspection, which can lead to the discovery of previously unknown problems with products or the manufacturing or quality control procedures used in their production, which may result in restrictions on their manufacture, sale or use or in their withdrawal from the market.

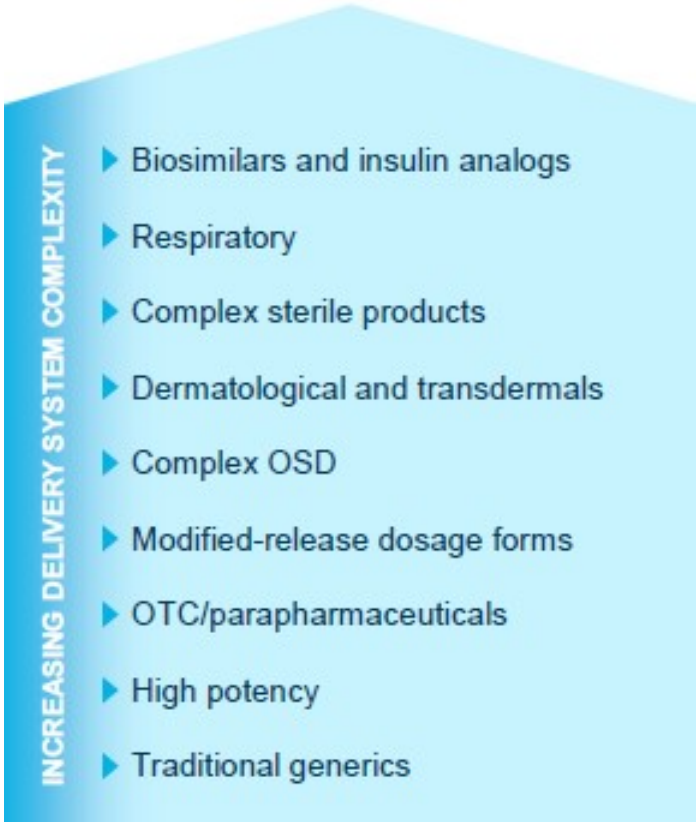
Any failure or delay by us, our suppliers of manufactured drug product, collaborators or licensees, in obtaining regulatory approvals could adversely affect the marketing of our products and our ability to receive product revenue, license revenue or profit-sharing payments.

Other Regulatory Requirements

Our business is subject to a wide range of various other federal, state, non-governmental, and local agency rules and regulations. They focus on fraud and corruption, pricing and reimbursement, data privacy, and the environment, among many other considerations. For more information about certain of these regulations and the associated risks we face, see Item 1A. “Risk Factors” of this Annual Report on Form 10-K.

Research and Development

Mylan has a globally integrated R&D platform that is fueling our growth by filling our pipeline. We believe R&D always has been one of Mylan’s core strengths. Our Scientific Affairs team, which includes researchers and regulatory and clinical experts, numbers more than 3,000 people who work collaboratively across our 12 different R&D centers around the world, including 10 technology-focused development sites and 2 global R&D centers.



Consistent with Mylan’s drive for durability, the allocation of our investments over the last several years has shifted away from commodity products, such as conventional oral solid dosage forms, to more complex or difficult-to-formulate products, such as biosimilars.

As a result, our product pipeline includes a variety of dosage forms. Collectively, these investments represent more than 3,000 products under development or pending approval around the world. Refer to the chart in the Business Segments section above for information pertaining to products in pipeline by major therapeutic area.

Collaboration and Licensing Agreements

We periodically enter into collaboration and licensing agreements with other pharmaceutical companies for the development, manufacture, marketing and/or sale of pharmaceutical products. Doing so helps us share risks and costs, leverage strengths and scale up commercialization. The result often is that medicines become available sooner and to a significantly larger group of patients.

Our significant collaboration agreements are primarily focused on the development, manufacturing, supply and commercialization of multiple, high-value generic biosimilar compounds, insulin analog products and respiratory products, among other complex products. Mylan's significant collaboration and licensing agreements include those with Pfizer, Momenta Pharmaceuticals, Inc. ("Momenta"), Theravance Biopharma, Inc. ("Theravance Biopharma"), Biocon Ltd. ("Biocon") and Fujifilm Kyowa Kirin Biologics Co. Ltd ("FKB"). Refer to Note 19 *Collaboration and Licensing Agreements* included in Item 8 in this Annual Report on Form 10-K for more information.

Intellectual Property

Mylan considers the protection of our intellectual property rights to be extremely valuable, and we act to protect them from infringement by third parties.

We have an extensive trademark portfolio and routinely apply to register key brand-name, generic, branded generic, biosimilars and OTC trade names in numerous countries around the world. Our registered trademarks are renewable indefinitely, and these registrations are properly maintained in accordance with the laws of the countries in which they are registered.

We also have an extensive patent portfolio and actively file for patent protection in various countries to protect our brand-name, generic, branded generic, biosimilars and OTC products, including processes for making and using them. We have more than 5,000 patents filed globally. For additional information, see "Risk Factors - *We rely on the effectiveness of our patents, confidentiality agreements and other measures to protect our intellectual property rights*."

Further, we have well-established safeguards in place to protect our proprietary know-how and trade secrets, both of which we consider extremely valuable to our intellectual property portfolio.

We look for intellectual property licensing opportunities to or from third parties, related not only to our existing products, but as a means for expanding our product portfolio.

We rely on the aforementioned types of intellectual property, as well as our copyrights, regulatory exclusivities and contractual protections, to establish a broad scope of intellectual property rights for our product portfolio.

Exchange Act Reports

Mylan maintains a website at Mylan.com. We make available on or through it certain reports and associated amendments that the Company files with the Securities and Exchange Commission ("SEC") in accordance with the Securities Exchange Act of 1934 ("Exchange Act"). Filings include our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports.

We make this information available on our website free of charge, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The contents of our website are not incorporated by reference in this Annual Report on Form 10-K and shall not be deemed "filed" under the Exchange Act.

The SEC also maintains a website (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

ITEM 1A. Risk Factors

We operate in a complex and rapidly changing environment that involves risks, many of which are beyond our control. Our business, financial condition, results of operations, cash flows, and/or share price could be materially affected by any of these risks, if they occur, or by other factors not currently known to us, or not currently considered to be material. These risk factors should be read in conjunction with the other information in this Annual Report on Form 10-K, as well as our other filings with the SEC. As discussed in Item 1. "Business" of this Annual Report on Form 10-K, Mylan, Pfizer, Upjohn and certain of their

affiliates have entered into a Business Combination Agreement pursuant to which they plan to effect the Combination. In addition to the risks described below, other risks related to the Combination, the Upjohn Business, the combined company's business and Newco common stock are described in the registration statement on Form S-4, which has been filed by Upjohn with the SEC and subsequently amended, and declared effective on February 13, 2020, Form 10, which has been filed by Upjohn with the SEC and subsequently amended and has not yet been declared effective, and a definitive proxy statement of Mylan, which has been filed by Mylan on February 13, 2020.

Our risk factors are organized into five categories: Combination, Strategic, Operational, Compliance and Finance.

Combination Risks

Mylan, Pfizer and Upjohn may be unable to satisfy the conditions or obtain the approvals required to complete the Combination, and regulatory agencies may delay or impose conditions on approval of the Combination, which may diminish the anticipated benefits of the Combination. Failure to complete the Combination could adversely impact the market price of our shares as well as our business and operating results.

The consummation of the Combination is subject to the satisfaction (or, if applicable, valid waiver) of various conditions, including (a) the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder (the "HSR Act") and the receipt of regulatory approvals in certain other jurisdictions, (b) the consummation of the Separation and the Distribution in accordance with the terms of the Separation Agreement (each as defined in Item 7 of this Annual Report on Form 10-K), (c) the approval of the Combination by Mylan shareholders, (d) the absence of any legal restraint (including legal actions or proceedings pursued by U.S. state authorities in the relevant states) preventing the consummation of the transactions, (e) in the case of Pfizer's and Newco's obligations to consummate the transactions, (i) the distribution of $12 billion in cash from Upjohn to Pfizer in accordance with the terms of the Separation Agreement and (ii) the receipt by Pfizer of a U.S. Internal Revenue Service ("IRS") ruling and tax opinion of its tax counsel with respect to the Combination, and (f) other customary closing conditions. We cannot make any assurances that these conditions will be satisfied (or, if applicable, validly waived) in a timely manner or at all, in which case closing of the Combination may be delayed or may not occur and the benefits expected to result from the Combination may not be achieved. Any delay in the completion of the Combination could diminish anticipated benefits of the Combination or result in additional transaction costs, loss of revenue or other effects associated with uncertainty about the Combination.

To the extent that the market price of our ordinary shares reflects positive market assumptions that the Combination will be consummated, the price of our ordinary shares may decline if the Combination is not consummated for any reason or in a timely manner. We may also be subject to additional risks if the Combination is not consummated, including:

- the requirement that we pay Pfizer a termination fee of $322 million if the Combination is not consummated because the Business Combination Agreement is terminated under certain circumstances;
- the requirement that we must reimburse Pfizer up to $96 million of Pfizer's reasonable out-of-pocket costs, fees and expenses in connection with the transactions, if our shareholders do not approve the Combination and the Business Combination Agreement is terminated by either Pfizer or us;
- the fact that substantial costs related to the Combination incurred by us, such as legal, accounting, filing, financial advisory and financial printing fees, must be paid regardless of whether the Combination is consummated; and
- possible negative reactions from our customers, regulators and employees.

The pendency of the Combination could adversely affect our business and operations.

Whether the Combination is ultimately consummated or not, its pendency could have a number of negative effects on our current business, including potentially disrupting our regular operations, diverting the attention of our workforce and management team, or increasing workforce turnover. The completion of the Combination, including, for example, obtaining regulatory approvals, will require significant time and attention from our management and may divert attention from the day-to-day operations of our business. Any uncertainty over the ability of Pfizer, us and Upjohn to complete the Combination could make it more difficult for us to retain key employees or attract new talent, or to pursue business strategies.

Parties with which we have business relationships, either contractual or operational, may experience uncertainty as to the future or desirability of such relationships and may delay or defer certain business decisions, seek alternative relationships with third parties or seek to alter their present business relationships with us. Parties with whom we otherwise may have sought to establish business relationships may seek alternative relationships with third parties. Additionally, we have contracts with certain

customers, suppliers, vendors, distributors, lenders, and other business partners, and these contracts may require us to obtain consent from these other parties in connection with the Combination. Obtaining such consents may be difficult and could impose costs on us, including renegotiating such contracts on terms less favorable to us, which in turn may result in us suffering a loss of potential future revenue, incurring contractual liabilities or losing rights that are material to our business.

The Business Combination Agreement subjects us to restrictions on certain of our business activities and obligates us to generally operate our business in the ordinary course in all material respects consistent with past practice prior to completion of the Combination. These restrictions could prevent us from pursuing attractive business opportunities that arise prior to the completion of the Combination and are outside the ordinary course of business, or otherwise have an adverse effect on our results of operations, cash flows and financial position. The Business Combination Agreement also subjects us to certain restrictions on our ability to solicit any alternative transaction proposal during the pendency of the Combination, although in certain circumstances we may make a change in recommendation in response to an unsolicited alternative transaction proposal that our board of directors determines is more favorable to us and our shareholders and other stakeholders than the Combination.

Strategic Risks

We do not anticipate paying dividends for the foreseeable future, and our shareholders must rely on increases in the trading price of our ordinary shares to obtain a return on their investment.

Mylan N.V. does not anticipate paying dividends in the immediate future. We anticipate that we will retain all earnings, if any, to support our operations and to opportunistically pursue additional transactions to deliver additional shareholder value. Any future determination as to the payment of dividends will, subject to Dutch law requirements, be at the sole discretion of our board of directors and will depend on our financial position, results of operations, capital requirements, and other factors our board of directors deems relevant at that time. Holders of Mylan N.V.'s ordinary shares must rely on increases in the trading price of their shares to obtain a return on their investment in the foreseeable future.

The market price of our ordinary shares may be volatile, and the value of your investment could materially decline.

Investors who hold Mylan N.V.'s ordinary shares may not be able to sell their shares at or above the price at which they purchased such shares. The share price of Mylan N.V.'s ordinary shares fluctuates materially from time to time, including significant declines in the past few years, and we cannot predict the price of our ordinary shares at any given time. The risks described herein could cause the price of our ordinary shares to fluctuate materially. In addition, the stock market in general, including the market for pharmaceutical companies, has experienced price and volume fluctuations. These broad market and industry factors may materially harm the market price of our ordinary shares, regardless of our operating performance. In addition, the price of our ordinary shares may be affected by the valuations and recommendations of the analysts who cover us, and if our results do not meet the analysts' forecasts and expectations, the price of our ordinary shares could decline as a result of analysts lowering their valuations and recommendations or otherwise. Following periods of volatility in the market and/or in the price of a company's stock, securities class-action litigation actions have been instituted against us and other companies. Such litigation has in the past and could in the future result in substantial costs and diversion of management's attention and resources, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price. In addition, we or our shareholders also may offer or sell our ordinary shares or securities convertible into or exchangeable or exercisable for ordinary shares. An increase in the number of ordinary shares issued and outstanding and the possibility of sales of ordinary shares or securities convertible into or exchangeable or exercisable for ordinary shares may depress the future trading price of our ordinary shares. Furthermore, if additional offerings occur, the voting power of our then existing shareholders may be diluted.

Our strategic initiatives may not achieve all intended benefits.

There can be no assurance that our strategic initiatives will achieve their intended effects. We continually evaluate various strategic transactions and business arrangements, including acquisitions, asset purchases, partnerships, joint ventures, restructurings, divestitures, product rationalization, investments, market selection and market strategy on an ongoing basis. These transactions and arrangements may be material both from a strategic and financial perspective. There can be no assurance that we will be able to fully realize the expected benefits of any transactions or restructurings or successfully complete the integration of acquired businesses or assets. Furthermore, although our expectation is to engage in asset sales only if they advance or otherwise support our overall strategy, any such sale could reduce the size or scope of our business, our market share in particular markets or our opportunities with respect to certain markets, products or therapeutic categories. During the pendency of the Combination, these activities and initiatives are subject to applicable operating covenants set forth in the Business Combination Agreement and as discussed in "*The pendency of the Combination could adversely affect our business and operations*" above.

The difficulties of achieving the benefits of strategic initiatives include, among others:

- the diversion of management's attention to integration matters and restructuring activities;
- difficulties in achieving anticipated synergies, operating efficiencies, business opportunities, and growth prospects from restructuring or business transformation activities or business or asset combinations within the expected timeframe or at all;
- difficulties in the integration of operations and information technology ("IT") applications, including enterprise resource planning ("ERP") systems;
- difficulties in the integration of employees;
- difficulties in managing the operations of a larger or more complex company;
- challenges in keeping existing customers and obtaining new customers;
- challenges in reducing reliance on transition services prior to the expiration of any period in which such services are provided by a transaction counterparty;
- difficulties in obtaining a favorable price for any divestiture, in a timely manner or at all;
- challenges in moving or rationalizing production facilities, including obtaining the consent of customers or regulatory authorities;
- operational or financial difficulties that would not have occurred if acquired companies, businesses, or assets continued operating in their former structures;
- challenges in attracting and retaining key personnel; and
- the complexities of managing relationships with transaction counterparties and other business partners, including service agreements, development and manufacturing relationships, and license arrangements.

The overall execution of a strategic initiative, including the integration of a business or asset or restructuring activities, may result in material unanticipated problems, expenses, liabilities, competitive responses, loss of customer relationships, and diversion of management's and/or employee's attention, among other potential adverse consequences, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We may be adversely affected by significant scrutiny from third parties, including governments, or negative publicity with respect to matters relating to our products, pricing practices and other matters.

The Company has been subject to significant press coverage and scrutiny from third parties, including regulators, legislative bodies and enforcement agencies, with respect to matters relating to our business, pricing practices, and other matters. This coverage and public scrutiny have included assertions of wrongdoing against the Company which, regardless of the factual or legal basis for such assertions, have resulted in, and may continue to result in, investigations, and calls for investigations, by governmental agencies at both the federal and state levels, claims brought against the Company by governmental agencies or private parties, and regulators taking other measures that could have a negative effect on the Company's business. For example, both the U.S. House of Representatives and the U.S. Senate have conducted hearings with respect to pharmaceutical drug pricing practices and alleged anti-competitive behavior by pharmaceutical companies, and additional hearings are likely. Ongoing focus on these issues has in the past led and in the future could lead to investigations of price increases and other business practices of specific pharmaceutical companies, including Mylan. It is not possible to predict the ultimate outcome of any such investigations or claims or what other investigations or lawsuits or regulatory responses may result from such assertions.

There has also recently been intense publicity regarding the pricing of pharmaceuticals more generally, including publicity and pressure resulting from prices charged by competitors and peer companies for new products as well as price increases by competitors and peer companies on older products that some have deemed excessive. We have experienced and may continue to experience downward pricing pressure on the price of certain of our products due to social or political pressure to lower the cost of drugs, which could reduce our revenue and future profitability.

Any of the above developments could result in reputational harm and reduced market acceptance and demand for our products, could harm our ability to market our products in the future, could cause us to incur significant expense, could cause our senior management to be distracted from execution of our business strategy, and could have a material adverse effect on our business, reputation, financial condition, results of operations, cash flows and/or ordinary share price.

We have and may continue to experience pressure on the pricing of and reimbursements for certain of our products due to consolidation among purchasers or social and political pressure to lower the cost of drugs.

We operate in a challenging environment, with significant pressures on the pricing of our products and on our ability to obtain and maintain satisfactory rates of reimbursement for our products by governments, insurers and other payors. The growth of overall healthcare costs has led governments and payors to implement new measures to control healthcare spending. As a result, we face numerous cost-containment measures by governments and other payors, including certain government-imposed industry-wide price reductions, mandatory rebates or pricing, international reference pricing (i.e., the practice of a country linking its regulated medicine prices to those of other countries), volume-based procurement, tender systems, shifting of the payment burden to patients through higher co-payments, and requirements for increased transparency on pricing. In the U.S., certain of these pressures are further compounded by increasing consolidation among wholesalers, retailer drug chains, pharmacy benefit managers ("PBMs"), private insurers, managed care organizations and other private payors, which can increase their negotiating power, particularly with respect to our generic drugs. Please also refer to "*A significant portion of our revenues is derived from sales to a limited number of customers.*"

There has also been increasing U.S. federal and state legislative and enforcement interest with respect to drug pricing. In particular, U.S. federal prosecutors have issued subpoenas to pharmaceutical companies, including Mylan, seeking information about their drug pricing practices, among other issues, and members of the Congress have sought information from certain pharmaceutical companies, including Mylan, relating to drug-price increases.

In addition, there has been legislation and legislative proposals concerning drug prices and related issues, including the perceived need to bring more transparency to drug pricing, reviewing the relationship between pricing and manufacturer patient programs, and reforming government program reimbursement methodologies for drugs. For example, California, Oregon and several other states have recently implemented legislation requiring pharmaceutical companies to provide greater transparency with respect to drug prices and price increases and other states are considering similar legislation. In addition, Congress continues to consider drug pricing legislation that, if passed and signed into law, could impact companies' ability to increase prices for prescription drugs. The current U.S. administration has also focused on lowering drug prices, through, for instance, the U.S. Department of Health and Human Services and FDA's Safe Importation Action Plan announced in July 2019. These types of initiatives, at the federal or state level, could affect demand for, or pricing of, our products and we cannot predict what, if any, additional legislative developments may transpire or what the ultimate impact may be.

Any of the events or developments described above could have a material adverse impact on our business, reputation, financial condition, results of operations, cash flows and/or ordinary share price.

Current and changing economic conditions may adversely affect our industry, business, partners and suppliers.

The global economy continues to experience significant volatility, and the economic environment may become less favorable. Economic volatility, governmental financial restructuring efforts and evolving deficit and spending reduction programs could negatively impact the global economy and the pharmaceutical industry. This has led, or could lead, to reduced consumer and customer spending, reduced or eliminated governmental or third-party payor coverage or reimbursement or reduced spending on healthcare, including but not limited to pharmaceutical products. While generic drugs present an alternative to higher-priced branded products, our sales could be negatively impacted if patients forego obtaining healthcare, patients and customers reduce spending or purchases, or if governments or third-party payors reduce or eliminate coverage or reimbursement amounts for pharmaceuticals or impose price or other controls adversely impacting the price or availability of pharmaceuticals. In addition, reduced consumer and customer spending, reduced government or third-party payor coverage or reimbursement, or new government controls, may drive us and our competitors to decrease prices, may reduce the ability of customers to pay, or may result in reduced demand for our products. The occurrence of any of these risks could have a material adverse effect on our industry, business, financial condition, results of operations, cash flows, and/or ordinary share price.

We have significant operations globally, which exposes us to the risks inherent in conducting our business internationally.

Our operations extend to numerous countries globally, including our significant operations in India, and are subject to the risks inherent in conducting business globally and under the laws, regulations, and customs of various jurisdictions. These risks include, but are not limited to:

- compliance with the national and local laws of countries in which we do business, including, but not limited to, data privacy and protection, import/export and intellectual property protections;

- less established legal and regulatory regimes in certain jurisdictions, including with respect to the enforcement of intellectual property rights;
- compliance with a variety of U.S. laws including, but not limited to, regulations put forth by the U.S. Treasury's Office of Foreign Assets Control, the Iran Threat Reduction and Syria Human Rights Act of 2012 and rules relating to the use of certain "conflict minerals" under Section 1502 of the Dodd-Frank Wall Street Reform and the Consumer Protection Act;
- changes in laws, regulations, and practices affecting the pharmaceutical industry and the healthcare system, including but not limited to imports, exports, manufacturing, quality, cost, pricing, reimbursement, approval, inspection, and delivery of healthcare;
- changes in policies designed to promote foreign investment, including significant tax incentives, liberalized import and export duties, and preferential rules on foreign investment and repatriation;
- increased Congressional scrutiny of overseas pharmaceutical manufacturing and policy proposals related to increasing U.S. production of pharmaceutical products and API;
- differing local product preferences and product requirements;
- adverse changes in the economies in which we or our partners and suppliers operate as a result of a slowdown in overall growth, a change in government or economic policies, or financial, political, or social change or instability in such countries that affects the markets in which we operate, particularly emerging markets;
- changes in employment laws, wage increases, or rising inflation in the countries in which we or our partners and suppliers operate;
- supply disruptions and increases in energy and transportation costs;
- increased tariffs on the import or export of our products or API, including on imports from China to the U.S.;
- natural or man-made disasters, including droughts, floods, earthquakes, hurricanes and the impact of climate change in the countries in which we or our partners and suppliers operate;
- local disturbances, the outbreak of highly contagious diseases or other health epidemics (such as coronavirus), terrorist attacks, riots, social disruption, wars, or regional hostilities in the countries in which we or our partners and suppliers operate and that could affect the economy, our operations and employees by disrupting operations and communications, making travel and the conduct of our business more difficult, and/or causing our customers to be concerned about our ability to meet their needs; and
- government uncertainty, including as a result of new or changed laws and regulations.

We also face the risk that some of our competitors have more experience with operations in such countries or with international operations generally and may be able to manage unexpected crises more easily. Moreover, the internal political stability of, or the relationship between, any country or countries where we conduct business operations may deteriorate. Changes in a country's political stability or the state of relations between any such countries are difficult to predict and the political or social stability in and/or diplomatic relations between any countries in which we or our partners and suppliers do business could meaningfully deteriorate.

For example, the formal change in the relationship between the European Union ("EU") and the U.K. as a result of the U.K. referendum to leave the EU ("Brexit") could impact our business. Pursuant to the withdrawal agreement between the U.K. and the EU, the U.K. formally withdrew from the EU on January 31, 2020 with status quo arrangements through a transition period. The transition period began on February 1, 2020 and is expected to last until December 31, 2020. While the Withdrawal Agreement provides for the possibility of one or more extensions of this transition period for up to two additional years, the United Kingdom has currently ruled out any such extension. During this transition period, the U.K. and the EU will negotiate a final agreement to govern their long-term relationship (the "Final Agreement"); however, if no agreement is reached before December 31, 2020 and no extension to the transition period is agreed to, a no-deal Brexit will occur on December 31, 2020.

Since Final Agreement negotiations are ongoing and a no-deal Brexit is still possible, the impact of Brexit on us remains uncertain. It continues to be the case that Brexit could lead to divergent national laws and regulations, import/export restrictions, and potential changes to intellectual property rights, regulatory approval requirements and pharmaceutical regulations in the EU and the U.K., which could materially impact the way we conduct our operations in those markets. In addition, because we are tax resident in the U.K., the U.K. withdrawal from the EU could, depending on the results of the ongoing Final Agreement negotiations, eliminate the benefit of certain tax treaties and tax-related EU directives. Any of these potential effects of Brexit, and others we cannot anticipate, could negatively affect our business and financial results.

In addition, in December 2019, a novel strain of coronavirus was reported to have surfaced in Wuhan, Hubei Province, China. At the time of this filing, the outbreak has been largely concentrated in China, although cases have been confirmed in numerous other countries. In order to inhibit the spread of coronavirus, many manufacturing facilities throughout China have been shut down or are operating at lower capacities, which could impact the supply of API and other pharmaceutical product components from China. The extent to which the coronavirus impacts Mylan's operations, including continued or increased disruptions to the supply chain, will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among others.

The occurrence of any one or more of the above risks could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Charges to earnings resulting from acquisitions could have a material adverse effect on our business, financial condition, results of operations, cash flows and/or ordinary share price.

Under accounting principles generally accepted in the U.S. ("U.S. GAAP") relating to business acquisition accounting standards, we recognize the identifiable assets acquired, the liabilities assumed, and any noncontrolling interests in acquired companies generally at their acquisition date fair values and, in each case, separately from goodwill. Goodwill as of the acquisition date is measured as the excess amount of consideration transferred, which is also generally measured at fair value, and the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. Our estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain. After we complete an acquisition, the following factors could result in material charges and adversely affect our operating results and may adversely affect our cash flows:

- costs incurred to combine the operations of companies we acquire, such as transitional employee expenses and employee retention, redeployment or relocation expenses;
- impairment of goodwill or intangible assets, including acquired in-process research and development ("IPR&D");
- amortization of intangible assets acquired;
- a reduction in the useful lives of intangible assets acquired;
- identification of or changes to assumed contingent liabilities, including, but not limited to, contingent purchase price consideration including fair value adjustments, income tax contingencies and other non-income tax contingencies, after our final determination of the amounts for these contingencies or the conclusion of the measurement period (generally up to one year from the acquisition date), whichever comes first;
- charges to our operating results to eliminate certain duplicative pre-acquisition activities, to restructure our operations or to reduce our cost structure; and
- charges to our operating results resulting from expenses incurred to effect the acquisition.

A significant portion of these adjustments could be accounted for as expenses that will decrease our net income and earnings per share for the periods in which those costs are incurred.

In particular, the amount of goodwill and identifiable intangible assets in our consolidated balance sheets is significant as a result of our acquisitions and other transactions, and may increase further following future potential acquisitions, and we may, from time to time, sell assets that we determine are not critical to our strategy or execution. Future events or decisions may also lead to asset impairments and/or related charges. Certain non-cash impairments may result from a change in our strategic goals, business direction or other factors relating to the overall business environment.

Any such charges could cause a material adverse effect on our business, financial condition, results of operations, cash flows, shareholders' equity and/or ordinary share price.

The illegal distribution and sale by third parties of counterfeit versions of our products or of diverted or stolen products could have a negative impact on our reputation and our business.

The pharmaceutical drug supply has been increasingly challenged by the vulnerability of distribution channels to illegal counterfeiting and the presence of counterfeit products in a growing number of markets and over the Internet.

Third parties may illegally distribute and sell counterfeit versions of our products that do not meet the rigorous manufacturing and testing standards that our products undergo. Counterfeit products are frequently unsafe or ineffective and can

be potentially life-threatening. Counterfeit medicines may contain harmful substances, the wrong dose of API or no API at all. However, to distributors and users, counterfeit products may be visually indistinguishable from the authentic version.

Reports of adverse reactions to counterfeit drugs or increased levels of counterfeiting could materially affect patient confidence in the authentic product. It is possible that adverse events caused by unsafe counterfeit products will mistakenly be attributed to the authentic product. In addition, unauthorized diversions of products or thefts of inventory at warehouses, plants, or while in-transit, which are not properly stored, or which are sold through unauthorized channels, could adversely impact patient safety, our reputation, and our business.

Public loss of confidence in the integrity of pharmaceutical products as a result of counterfeiting, diversion, or theft could have a material adverse effect on our business, reputation, financial condition, results of operations, cash flows, and/or ordinary share price.

We face vigorous competition that threatens the commercial acceptance and pricing of our products.

The pharmaceutical industry is highly competitive. We face competition from other pharmaceutical manufacturers globally, some of whom are significantly larger than we are. Our competitors may be able to develop products and processes competitive with or superior to our own for many reasons, including but not limited to the possibility that they may have:

- proprietary processes or delivery systems;
- larger or more productive R&D and marketing staff;
- larger or more efficient production capabilities in a particular therapeutic area;
- more experience in preclinical testing and human clinical trials;
- more products; or
- more experience in developing new drugs and greater financial resources, particularly with regard to manufacturers of branded products.

We also face increasing competition from lower-cost generic products and other branded products. Certain of our products are not protected by patent rights or have limited patent life and will soon lose patent protection. Loss of patent protection for a product typically is followed promptly with the launch of generic products. As a result, sales of many of these products may decline or stop growing over time. Various factors may result in the sales of certain of our products declining faster than has been projected. In addition, legislative proposals emerge from time to time in various jurisdictions to further encourage the early and rapid approval of generic drugs. Any such proposal that is enacted into law could increase competition and worsen this negative effect on our sales.

Competitors' products may also be safer, more effective, more effectively marketed or sold, or have lower prices or better performance features than ours. We cannot predict with certainty the timing or impact of competitors' products. PBMs and other pharmaceutical manufacturers may utilize contracting strategies that could decrease generic utilization and negatively impact our products. In addition, our sales may suffer as a result of changes in consumer demand for our products, including those related to fluctuations in consumer buying patterns tied to seasonality, importation by consumers or the introduction of new products by competitors.

The occurrence of any of the above risks could have an adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

A relatively small group of products may represent a significant portion of our revenues, net sales, gross profit, or net earnings from time to time.

Sales of a limited number of our products from time to time represent a significant portion of our revenues, net sales, gross profit, and net earnings. For the years ended December 31, 2019 and 2018, Mylan's top ten products in terms of sales, in the aggregate, represented approximately 23% and 20%, respectively, of the Company's net sales. If the volume or pricing of our largest selling products declines in the future, our business, financial condition, results of operations, cash flows, and/or ordinary share price could be materially adversely affected.

Our business could be negatively affected by the performance of our third-party collaboration partners.

We have entered into strategic alliances with partners to develop, manufacture, market and/or distribute certain products, and/or certain components of our products, in various markets. We commit substantial effort, funds and other resources to these various collaborations, including with respect to the development of biosimilar products. There is a risk that the investments made by us in these collaborative arrangements will not generate financial returns. While we believe our relationships with our partners generally are successful, disputes or conflicting priorities and regulatory or legal intervention could be a source of delay or uncertainty as to the expected benefits of the collaboration. In addition, we enter into agreements with our collaboration partners that provide for certain services, as well as cross manufacturing, development and licensing arrangements. A failure or inability of our partners to fulfill their collaboration obligations, or the occurrence of any of the risks above, could have an adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We may experience reductions in the levels of reimbursement for pharmaceutical products by governmental authorities, health maintenance organizations ("HMOs"), or other third-party payors. In addition, the use of tender systems and other forms of price control, including legislative or regulatory programs impacting pharmaceutical prices, could reduce prices for our products or reduce our market opportunities.

Various governmental authorities (including, among others, the U.K. National Health Service and the German statutory health insurance scheme) and private health insurers and other organizations, such as HMOs in the U.S., provide reimbursements or subsidies to consumers for the cost of certain pharmaceutical products. Demand for our products depends in part on the extent to which such reimbursement is available. In the U.S., third-party payors increasingly challenge the pricing of pharmaceutical products. These trends and other trends toward the growth of HMOs, managed healthcare, and legislative healthcare reform create significant uncertainties regarding the future levels of reimbursement for pharmaceutical products. Further, any reimbursement may be reduced in the future to the point that market demand for our products and/or our profitability declines. Such a decline could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

In addition, current or future U.S. federal, U.S. state or other countries' laws and regulations may influence the prices of drugs and, therefore, could adversely affect the payments we receive for our products. For example, existing programs in certain U.S. states seek to broadly set prices within those states through the regulation and administration of the sale of prescription drugs. Expansion of these programs, and, in particular, changes to state Medicare and/or Medicaid programs, or changes required in the way in which Medicare payment rates are set and/or the way Medicaid rebates are calculated, could adversely affect the payment we receive for our products. In order to control expenditure on pharmaceuticals, most member states in the EU regulate the pricing of products and, in some cases, limit the range of different forms of pharmaceuticals available for prescription by national health services. These controls can result in considerable price differences between member states.

Several countries in which we operate have implemented, or plan to or may implement, government mandated price reductions and/or other controls. For example, China has implemented a volume-based procurement process and other measures designed to decrease prices for non-patented drug products. When such price controls occur, pharmaceutical companies have generally experienced significant declines in revenues and profitability and uncertainties continue to exist within the market after the price decrease. Such price reductions or controls could have an adverse effect on our business, and as uncertainties are resolved or if other countries in which we operate enact similar measures, they could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

A number of markets in which we operate have also implemented or may implement tender systems for generic pharmaceuticals in an effort to lower prices. Under such tender systems, manufacturers submit bids which establish prices for generic pharmaceutical products. Upon winning the tender, the winning company will receive a preferential reimbursement for a period of time. The tender system often results in companies underbidding one another by proposing low pricing in order to win the tender. Other markets may also consider the implementation of a tender system or other forms of price controls. Even if a tender system is ultimately not implemented, the anticipation of such could result in price reductions.

Failing to win tenders, or the implementation of similar systems or other forms of price controls in other markets leading to further price declines, could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Healthcare reform legislation could have a material adverse effect on our business.

In recent years, there have been numerous initiatives on the federal and state levels for comprehensive reforms affecting the payment for, the availability of and reimbursement for, healthcare services in the U.S., and it is likely that Congress and state

legislatures and health agencies will continue to focus on healthcare reform in the future. The Patient Protection and Affordable Care Act ("PPACA") and The Health Care and Education and Reconciliation Act of 2010 (H.R. 4872), which amends the PPACA (collectively, the "Health Reform Laws"), were signed into law in March 2010. While the Health Reform Laws increased the number of patients who have insurance coverage for our products, they also included provisions such as the assessment of a pharmaceutical manufacturer fee and an increase in the amount of rebates that manufacturers pay for coverage of their drugs by Medicaid programs. The Health Reform Laws continue to face uncertainty due to administrative efforts to repeal, substantially modify or invalidate some or all provisions of the Health Reform Laws, as well as challenges to their constitutionality. Further, Congress continues to consider drug pricing legislation that, if passed and signed into law, could impact companies' ability to increase prices for products beyond the rate of inflation.

We are unable to predict the future course of federal or state healthcare legislation, including the outcome of challenges to such laws once passed. The Health Reform Laws and further changes in the law or regulatory framework that reduce our revenues or increase our costs could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Additionally, we encounter similar regulatory and legislative issues in most other countries. In the EU and some other international markets, the government provides healthcare at low cost to consumers and regulates pharmaceutical prices, patient eligibility and/or reimbursement levels to control costs for the government-sponsored healthcare system. These systems of price regulations may lead to inconsistent and lower prices. Within the EU and in other countries, the availability of our products in some markets at lower prices undermines our sales in other markets with higher prices. Additionally, certain countries set prices by reference to the prices in other countries where our products are marketed. Thus, our inability to secure adequate prices in a particular country may also impair our ability to obtain acceptable prices in existing and potential new markets, and may create the opportunity for third party cross border trade.

Significant additional reforms to the U.S. or EU healthcare systems, or to the healthcare systems of other markets in which we operate, could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Provisions in our governance arrangements or that are otherwise available under Dutch law could discourage, delay, or prevent a change in control of us and may affect the market price of our ordinary shares.

Some provisions of our governance arrangements that are available under Dutch law, such as our grant to a Dutch foundation (*stichting*) of a call option to acquire preferred shares to safeguard the interests of the Company, its businesses and its stakeholders against threats to our strategy, mission, independence, continuity and/or identity, may discourage, delay, or prevent a change in control of us, even if such a change in control is sought by our shareholders.

The expansion of social media platforms presents new risks and challenges.

To the extent that we seek to use social media tools as a means to communicate about our products and/or business, there are uncertainties as to the rules that apply to such communications, or as to the interpretations that authorities will apply to the rules that exist. As a result, despite our efforts to monitor evolving social media communication guidelines and comply with applicable rules, there is risk that our use of social media for such purposes may cause us to be found in violation of them. Our employees may knowingly or inadvertently make use of social media tools in ways that may not be aligned with our social media strategy, may give rise to liability, or could lead to the loss of material non-public information, trade secrets or other intellectual property, or public exposure of personal information (including sensitive personal information) of our employees, clinical trial patients, customers, and others. In addition, negative posts or comments about us on any social media website could damage our reputation. Any of the above risks could have a material adverse effect on our business, reputation, financial condition, results of operations, cash flows, and/or ordinary share price.

Operational Risks

Our failure to comply with applicable environmental and occupational health and safety laws and regulations worldwide could adversely impact our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We are subject globally to various laws and regulations concerning, among other things, the environment, climate change, regulation of chemicals, employee safety and product safety. These requirements include regulation of the handling, manufacture, transportation, storage, use and disposal of materials, including the discharge of regulated materials and pollutants into the environment. In the normal course of our business, we are exposed to risks relating to possible releases of hazardous substances into the environment, which could cause environmental or property damage or personal injuries, and which could result in (i) our

noncompliance with such environmental and occupational health and safety laws and regulations and (ii) regulatory enforcement actions or claims for personal injury and property damage against us. If an unapproved 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 adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price. In addition, our environmental capital expenditures and costs for environmental compliance may increase substantially in the future as a result of changes in global environmental health and safety laws and regulations, the development and manufacturing of a new product or increased development or manufacturing activities at any of our facilities. We may be required to expend significant funds and our manufacturing activities could be delayed or suspended, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

The pharmaceutical industry is heavily regulated, and we face significant costs and uncertainties associated with our efforts to comply with applicable laws and regulations.

The pharmaceutical industry is subject to regulation by various governmental authorities. For instance, we must comply with applicable laws and requirements of the FDA and other regulatory agencies, including foreign authorities, with respect to the research, development, manufacture, quality, safety, effectiveness, approval, labeling, tracking, tracing, authentication, storage, record-keeping, reporting, pharmacovigilance, sale, distribution, import, export, marketing, advertising, and promotion of pharmaceutical products. We are committed to conducting our business, including the sale and marketing of our products, in compliance with all applicable laws and regulations. These laws and regulations, however, are numerous and complex and it is possible that a governmental authority may challenge our activities, or that an employee or agent could violate these laws and regulations without our knowledge. Failure to comply with regulations of the FDA and other U.S. and foreign regulators could result in a range of consequences, including, but not limited to, fines, penalties, disgorgement, exclusion from U.S. federal healthcare reimbursement programs, unanticipated compliance expenditures, suspension of review of applications or other submissions, rejection or delay in approval of applications, recall or seizure of products, total or partial suspension of production and/or distribution, our inability to sell products, the return by customers of our products, injunctions, and/or criminal prosecution. Under certain circumstances, a regulator may also have the authority to revoke or vary previously granted drug approvals.

The safety profile of any product will continue to be closely monitored by the FDA and comparable foreign regulatory authorities after approval. If the FDA or comparable foreign regulatory authorities become aware of new safety information about any of our marketed or investigational products, those authorities may require further inspections, enhancements to manufacturing controls, labeling changes, establishment of a risk evaluation and mitigation strategy or similar strategy, restrictions on a product's indicated uses or marketing, or post-approval studies or post-market surveillance. In addition, we are subject to regulations in various jurisdictions, including the Federal Drug Supply Chain Security Act in the U.S., the Falsified Medicines Directive in the EU and several other such regulations in other countries that require us to develop electronic systems to serialize, track, trace and authenticate units of our products through the supply chain and distribution system. Compliance with these regulations has in the past and may in the future result in increased expenses for us or impose greater administrative burdens on our organization, and failure to meet these requirements could result in fines or other penalties.

The FDA and comparable regulatory authorities also regulate the facilities and operational procedures that we use to manufacture our products. We must register our facilities with the FDA and similar regulators in other countries. Products must be manufactured in our facilities in accordance with cGMP or similar standards in each territory in which we manufacture. Compliance with such regulations and with our own quality standards requires substantial expenditures of time, money, and effort in multiple areas, including training of personnel, record-keeping, production, and quality control and quality assurance. The FDA and other regulatory authorities, including foreign authorities, periodically inspect our manufacturing facilities for compliance with cGMP or similar standards in the applicable territory. Regulatory approval to manufacture a drug is granted on a site-specific basis. Failure to comply with cGMP and other regulatory standards at one of our or our partners' or suppliers' manufacturing facilities could result in an adverse action brought by the FDA or other regulatory authorities, which could result in a receipt of an untitled or warning letter, fines, penalties, disgorgement, unanticipated compliance expenditures, rejection or delay in approval of applications, suspension of review of applications or other submissions, suspension of ongoing clinical trials, recall or seizure of products, total or partial suspension of production and/or distribution, our inability to sell products, the return by customers of our products, orders to suspend, vary, or withdraw marketing authorizations, injunctions, consent decrees, requirements to modify promotional materials or issue corrective information to healthcare practitioners, refusal to permit import or export, criminal prosecution and/or other adverse actions.

If any regulatory body were to delay, withhold, or withdraw approval of an application; require a recall or other adverse product action; require one of our manufacturing facilities to cease or limit production; or suspend, vary, or withdraw related marketing authorization, our business could be adversely affected. Delay and cost in obtaining FDA or other regulatory approval

to manufacture at a different facility also could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Although we have established internal quality and regulatory compliance programs and policies, there is no guarantee that these programs and policies, as currently designed, will meet regulatory agency standards in the future or will prevent instances of non-compliance with applicable laws and regulations. Additionally, despite efforts at compliance, from time to time we or our partners receive notices of manufacturing and quality-related observations following inspections by regulatory authorities around the world, as well as official agency correspondence regarding compliance. For example, on November 5, 2019 the FDA issued a warning letter to Mylan's API manufacturer Mylan Laboratories Limited Unit 8 relating to the manufacturing of valsartan API and nitrosamine impurities. Mylan has provided a thorough response to the FDA regarding the issues identified and remediation is ongoing. In addition, on November 9, 2018, the FDA issued a warning letter with respect to our manufacturing plant in Morgantown, West Virginia. This action resulted from previously disclosed observations of the plant made by FDA in April 2018. We have implemented comprehensive restructuring and remediation activities at our Morgantown plant, and the issues raised in the warning letter are being addressed within the context of these activities. However, we or our partners may receive similar observations and correspondence in the future. If we are unable to resolve these observations and address regulator's concerns in a timely fashion, our business, financial condition, results of operations, cash flows, and/or ordinary share price could be materially affected.

We utilize controlled substances in certain of our current products and products in development, and therefore must meet the requirements of the Controlled Substances Act of 1970 and the related regulations administered by the Drug Enforcement Agency ("DEA") in the U.S., as well as those of similar laws in other countries where we operate. These laws relate to the manufacture, shipment, storage, sale, and use of controlled substances. The DEA and other regulatory agencies limit the availability of the controlled substances used in certain of our current products and products in development and, as a result, our procurement quota of these active ingredients may not be sufficient to meet commercial demand or complete clinical trials. We must annually apply to the DEA and similar regulatory agencies for procurement quotas in order to obtain these substances. Any delay or refusal by the DEA or such similar agencies in establishing our procurement quota for controlled substances could delay or stop our clinical trials or product launches, or could cause trade inventory disruptions for those products that have already been launched. In addition, some states have passed laws and regulations imposing assessments on the sale or distribution of certain controlled substances, and other states are considering and may implement similar laws and regulations in the future. The occurrence of any of the above risks could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

The use of legal, regulatory, and legislative strategies by both brand and generic competitors, including but not limited to "authorized generics" and regulatory petitions, may increase costs associated with the introduction or marketing of our generic products, could delay or prevent such introduction, and could significantly reduce our revenue and profit.

Our competitors, both branded and generic, often pursue strategies to prevent or delay generic alternatives to branded products. These strategies include, but are not limited to:

- entering into agreements whereby other generic companies will begin to market an authorized generic, which is the approved brand-name drug without the brand-name on its label, at the same time or after generic competition initially enters the market;
- launching their own authorized generic product prior to or at the same time or after generic competition initially enters the market;
- pricing a branded product at a discount equivalent to generic pricing, as was the case for Copaxone after the launch of our generic glatiramer acetate products;
- filing petitions with the FDA or other regulatory bodies seeking to prevent or delay approvals, including timing the filings so as to thwart generic competition by causing delays of our product approvals;
- contracting strategies among pharmaceutical manufacturers and PBMs that could decrease generic or biosimilar utilization and negatively impact our product launches;
- seeking to establish regulatory and legal obstacles that would make it more difficult to demonstrate bioequivalence or to meet other requirements for approval, and/or to prevent regulatory agency review of applications;
- initiating legislative or other efforts to limit the substitution of generic versions of brand pharmaceuticals;
- filing suits for patent infringement and other claims that may delay or prevent regulatory approval, manufacture, and/or sale of generic products;
- introducing "next-generation" products prior to the expiration of market exclusivity for the reference product, which often materially reduces the demand for the generic or the reference product for which we seek regulatory approval;

- persuading regulatory bodies to withdraw the approval of brand-name drugs for which the patents are about to expire and converting the market to another product of the brand company on which longer patent protection exists;
- obtaining extensions of market exclusivity by conducting clinical trials of brand drugs in pediatric populations or by other methods; and
- seeking to obtain new patents on drugs for which patent protection is about to expire.

In the U.S., some companies have lobbied Congress for amendments to the Drug Price Competition and Patent Term Restoration Act of 1984 (the "Hatch-Waxman Act") that would give them additional advantages over generic competitors. For example, although the term of a company's drug patent can be extended to reflect a portion of the time a new drug application ("NDA", which is filed in the U.S. with the FDA when approval is sought to market a newly developed branded product and, in certain instances, for a new dosage form, a new delivery system or a new indication for a previously approved drug) is under regulatory review, some companies have proposed extending the patent term by a full year for each year spent in clinical trials rather than the one-half year that is currently permitted.

If proposals like these in the U.S., Europe, or in other countries where we or our partners and suppliers operate were to become effective, or if any other actions by our competitors and other third parties to prevent or delay activities necessary to the approval, manufacture, or distribution of our products are successful, our entry into the market and our ability to generate revenues associated with new products may be delayed, reduced, or eliminated, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

If we are unable to successfully introduce new products in a timely manner, our future revenue and profitability may be adversely affected.

Our future revenues and profitability will depend, in part, upon our ability to successfully and timely develop, license, or otherwise acquire and commercialize new products. Product development is inherently risky, especially for new drugs for which safety and efficacy have not been established and/or the market is not yet proven as well as for complex generic drugs and biosimilars. Likewise, product licensing involves inherent risks, including, among others, uncertainties due to matters that may affect the achievement of milestones, as well as the possibility of contractual disagreements with regard to whether the supply of product meets certain specifications or terms such as license scope or termination rights. The development and commercialization process, particularly with regard to new and complex drugs, also requires substantial time, effort and financial resources. We, or a partner, may not be successful in commercializing such products on a timely basis, or at all, which could adversely affect our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Before any prescription drug product, including generic drug products, can be marketed, marketing authorization approval is required by the relevant regulatory authorities and/or national regulatory agencies (for example, the FDA in the U.S. and the EMA in the EU). The process of obtaining regulatory approval to manufacture and market new branded and generic pharmaceutical products is rigorous, time consuming, costly, and inherently unpredictable. In addition, these regulatory agencies may be delayed in reviewing and approving products as a result of lapsed or insufficient funding, insufficient staffing or other factors beyond our control. As a result of Brexit, the EU moved the headquarters of the EMA from the U.K. to the Netherlands in March 2019, which raises the possibility that any existing and/or new regulatory approval applications in the EU, whether for existing or new drug products, could be delayed as a result. Any delay in regulatory approval could impact the commercial or financial success of a product.

Outside the U.S., the approval process may be more or less rigorous, depending on the country, and the time required for approval may be longer or shorter than that required in the U.S. Bioequivalence, clinical, or other studies conducted in one country may not be accepted in other countries, the requirements for approval may differ among countries, and the approval of a pharmaceutical product in one country does not necessarily mean that the product will be approved in another country. We, or a partner or supplier, may be unable to obtain requisite approvals on a timely basis, or at all, for new products that we may develop, license or otherwise acquire. Moreover, if we obtain regulatory approval for a drug, it may be limited, for example, with respect to the indicated uses and delivery methods for which the drug may be marketed, or may include warnings, precautions or contraindications in the labeling, which could restrict our potential market for the drug. A regulatory approval may also include post-approval study or risk management requirements that may substantially increase the resources required to market the drug. Also, for products pending approval, we may obtain raw materials or produce batches of inventory to be used in efficacy and bioequivalence testing, as well as in anticipation of the product's launch. In the event that regulatory approval is denied or delayed, we could be exposed to the risk of this inventory becoming obsolete.

The approval process for generic pharmaceutical products often results in the relevant regulatory agency granting final approval to a number of generic pharmaceutical products at the time a patent claim for a corresponding branded product or other market exclusivity expires. This often forces us to face immediate competition when we introduce a generic product into the

market. Additionally, further generic approvals often continue to be granted for a given product subsequent to the initial launch of the generic product. These circumstances generally result in significantly lower prices, as well as reduced margins, for generic products compared to branded products. New generic market entrants generally cause continued price, margin, and sales erosion over the generic product life cycle.

In the U.S., the Hatch-Waxman Act provides for a period of 180 days of generic marketing exclusivity for a "first applicant," that is the first submitted Abbreviated New Drug Application ("ANDA", which is filed in the U.S. with the FDA when approval is sought to market a generic equivalent of a drug product previously approved under an NDA and listed in the FDA publication entitled Approved Drug Products with Therapeutic Equivalence Evaluations, popularly known as the "Orange Book" or for a new dosage strength for a drug previously approved under an ANDA) containing a certification of invalidity, non-infringement or unenforceability related to a patent listed with the ANDA's reference drug product, commonly referred to as a Paragraph IV certification. During this exclusivity period, which under certain circumstances may be shared with other ANDAs filed on the same day, the FDA cannot grant final approval to later-submitted ANDAs for the same generic equivalent. If an ANDA is awarded 180-day exclusivity, the applicant generally enjoys higher market share, net revenues, and gross margin for that generic product. However, our ability to obtain 180 days of generic marketing exclusivity may be dependent upon our ability to obtain FDA approval or tentative approval within an applicable time period of the FDA's acceptance of our ANDA. If we are unable to obtain approval or tentative approval within that time period, we may risk forfeiture of such marketing exclusivity. By contrast, if we are not a "first applicant" to challenge a listed patent for such a product, we may lose significant advantages to a competitor with 180-day exclusivity, even if we obtain FDA approval for our generic drug product. The same would be true in situations where we are required to share our exclusivity period with other ANDA sponsors with Paragraph IV certifications.

In the EU and other countries and regions, there is no exclusivity period for the first generic product. The European Commission or national regulatory agencies may grant marketing authorizations to any number of generics.

If we are unable to navigate our products through the approval process in a timely manner, there could be an adverse effect on our product introduction plans, business, financial condition, results of operations, cash flows, and/or ordinary share price.

We expend a significant amount of resources on R&D efforts that may not lead to successful product introductions.

Much of our development effort is focused on technically difficult-to-formulate products and/or products that require advanced manufacturing technology, including our biosimilars program and respiratory platform. We conduct R&D primarily to enable us to gain approval for, manufacture, and market pharmaceuticals in accordance with applicable laws and regulations. We also partner with third parties to develop products. Typically, research expenses related to the development of innovative or complex compounds and the filing of marketing authorization applications for innovative and complex compounds (such as NDAs and biosimilar applications in the U.S.) are significantly greater than those expenses associated with the development of and filing of marketing authorization applications for most generic products (such as ANDAs in the U.S. and abridged applications in Europe). As we and our partners continue to develop new and/or complex products, our research expenses will likely increase. Because of the inherent risk associated with R&D efforts in our industry, including the high cost and uncertainty of conducting clinical trials (where required) particularly with respect to new and/or complex drugs, our, or a partner's, R&D expenditures may not result in the successful introduction of new pharmaceutical products approved by the relevant regulatory bodies. Also, after we submit a marketing authorization application for a new compound or generic product, the relevant regulatory authority may change standards and/or request that we conduct additional studies or evaluations and, as a result, we may incur approval delays as well as R&D costs in excess of what we anticipated.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. We or our partners may experience delays in our ongoing or future clinical trials, and we do not know whether planned clinical trials will begin or enroll subjects on time, need to be redesigned, or be completed on schedule, if at all.

Clinical trials may be delayed, suspended or prematurely terminated for a variety of reasons. If we experience delays in the completion of, or the termination of, any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed, and our ability to generate product revenues from any of these product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process, and jeopardize our ability to commence product sales and generate revenues. Any of these occurrences may harm our business, financial condition and prospects significantly. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

Finally, we cannot be certain that any investment made in developing products will be recovered, even if we are successful in commercialization. To the extent that we expend significant resources on R&D efforts and are not able, ultimately, to introduce successful new and/or complex products as a result of those efforts, there could be a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Even if our products in development receive regulatory approval, such products may not achieve expected levels of market acceptance.

Even if we are able to obtain regulatory approvals for our new products, the success of those products is dependent upon market acceptance. Levels of market acceptance for our products could be impacted by several factors, including but not limited to:

- the availability, perceived advantages, and relative safety and efficacy of alternative products from our competitors;
- the degree to which the approved labeling supports promotional initiatives for commercial success;
- the prices of our products relative to those of our competitors;
- the timing of our market entry;
- the effectiveness of our marketing, sales, and distribution strategy and operations; and
- other competitor actions, including legal actions.

Additionally, studies of the proper utilization, safety, and efficacy of pharmaceutical products are being conducted by the industry, government agencies, and others. Such studies, which increasingly employ sophisticated methods and techniques, can call into question the utilization, safety, and efficacy of previously marketed as well as future products. In some cases, such studies have resulted, and may in the future result, in the discontinuation or variation of product marketing authorizations or requirements for risk management programs, such as a patient registry. Any of these events could adversely affect our profitability, business, financial condition, results of operations, cash flows, and/or ordinary share price.

The development, approval process, manufacture and commercialization of biosimilar products involve unique challenges and uncertainties, and our failure to successfully introduce biosimilar products could have a negative impact on our business and future operating results.

We and our partners and suppliers are actively working to develop and commercialize biosimilar products. Although the Biologics Price Competition and Innovation Act of 2009 (“BPCIA”) established a framework for the review and approval of biosimilar products and the FDA has begun to review and approve biosimilar product applications, there continues to be significant uncertainty regarding the regulatory pathway in the U.S., with the FDA continuing to issue and revise guidance related to its interpretation and implementation of the BPCIA. There is also uncertainty regarding the pathway to obtain approval for biosimilar products in other countries as well as uncertainty regarding the commercial pathway to successfully market and sell such products.

Moreover, biosimilar products generally involve extensive patent clearances and often involve patent infringement litigation related to multiple patents, which could delay or prevent the commercial launch of a biosimilar product for many years. If we are unable to obtain FDA or other non-U.S. regulatory authority approval for our products, we will be unable to market them. In addition, the development and manufacture of biosimilars pose unique challenges related to the supply of the materials needed to manufacture biosimilars. Access to and the supply of necessary biological materials may be limited, and government regulations restrict access to and regulate the transport and use of such materials.

Even if our biosimilar products are approved for marketing, the products may not be commercially successful, may require more time than expected to achieve market acceptance, and may not generate profits in amounts that are sufficient to offset the amount invested to obtain such approvals. Market success of biosimilar products will depend on demonstrating to regulators, patients, physicians and payors (such as insurance companies) that such products are safe and effective yet offer a more competitive price or other benefit over existing therapies. In addition, manufacturers of biologic products may try to dissuade physicians from prescribing or accepting biosimilar products. We may not be able to generate future sales of biosimilar products in certain jurisdictions and may not realize the anticipated benefits of our investments in the development, manufacture and sale of such products. If our development efforts do not result in the development and timely approval of biosimilar products or if such products, once developed and approved, are not commercially successful, or upon the occurrence of any of the above risks, our business, financial condition, results of operations, cash flows, and/or ordinary share price could be materially adversely affected.

Our business is highly dependent upon market perceptions of us, our products, and the safety and quality of our products, and may be adversely impacted by negative publicity or findings.

Market perceptions of us are very important to our business, especially market perceptions of our company, products and the safety and quality of our products. If we, our partners and suppliers, or our products suffer from negative publicity, or if any of our products or similar products which other companies distribute are subject to market withdrawal or recall or are proven to be, or are claimed to be, ineffective or harmful to consumers, then this could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price. Also, because we are dependent on market perceptions, negative publicity associated with product quality, patient illness, or other adverse effects resulting from, or perceived to be resulting from, our products, or our partners' and suppliers' manufacturing facilities, could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

A significant portion of our revenues is derived from sales to a limited number of customers.

A significant portion of our revenues is derived from sales to a limited number of customers. If we were to experience a significant reduction in or loss of business with one or more such customers, or if one or more such customers were to experience difficulty in paying us on a timely basis, our business, financial condition, results of operations, cash flows, and/or ordinary share price could be materially adversely affected.

In addition, a significant amount of our sales are to a relatively small number of drug wholesalers and retail drug chains. These customers represent an essential part of the distribution chain of generic pharmaceutical products. Drug wholesalers and retail drug chains have undergone, and are continuing to undergo, significant consolidation. This consolidation has resulted in these groups gaining additional purchasing leverage and, consequently, increasing the product pricing pressures facing our business. We expect this trend of increased pricing pressures to continue. Additionally, the emergence of large buying groups representing independent retail pharmacies and the prevalence and influence of managed care organizations and similar institutions increases the negotiating power of these groups, enabling them to attempt to extract price discounts, rebates, and other restrictive pricing terms on our products. These factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

During the years ended December 31, 2019, 2018 and 2017, Mylan's consolidated net sales to its three largest customers were approximately: 8%, 8%, and 10%, respectively, to Cardinal Health, Inc.; 15%, 12%, and 13%, respectively, to McKesson Corporation; and 9%, 8%, and 8%, respectively, to AmerisourceBergen Corporation.

The supply of API into Europe may be negatively affected by recent regulations promulgated by the EU.

All API imported into the EU has needed to be certified as complying with the good manufacturing practice standards established by the EU laws and guidance, 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 an API may cause delays in delivery or shortages of an 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 prevent us from manufacturing, or 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. The occurrence of any of the above risks could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We have a limited number of manufacturing facilities and certain third-party suppliers produce a substantial portion of our API and products, some of which require a highly exacting and complex manufacturing process.

A substantial portion of our capacity, as well as our current production, is attributable to a limited number of manufacturing facilities and certain third-party suppliers. A significant disruption at any one of such facilities within our internal or third-party supply chain, even on a short-term basis, whether due to the failure of a third-party supplier to fulfill the terms of their agreement with us, labor disruption, adverse quality or compliance observation, other regulatory action, infringement of brand or other third-party intellectual property rights, natural disaster, civil or political unrest, export or import restrictions, or other events could impair our ability to produce and ship products to the market on a timely basis and could, among other consequences, subject us to exposure to claims from customers. Any of these events could have a material adverse effect on our reputation, business, financial condition, results of operations, cash flows, and/or ordinary share price. If we or our third-party suppliers' face significant manufacturing issues, this could lead to shutdowns or product shortages, or to our being entirely unable to supply certain products

to customers for an extended period of time. Such shortages or shutdowns have led and could continue to lead to significant losses of sales revenue, third-party litigation, or negative publicity. See also *"The pharmaceutical industry is heavily regulated, and we face significant costs and uncertainties associated with our efforts to comply with applicable laws and regulations."*

We purchase certain API and other materials and supplies that we use in our manufacturing operations, as well as certain finished products, from many different foreign and domestic suppliers. The price of API and other materials and supplies is subject to volatility, and in certain cases, we have listed only one supplier in our applications with regulatory agencies. There is no guarantee that we will always have timely, sufficient or affordable access to critical raw materials or finished product supplied by third parties, even when we have more than one supplier, which could lead to our or our partners' and suppliers' inability to supply sufficient quantities of our products to meet market demand. In addition, quality deficiencies in the products which we or our suppliers provide, or at our or their manufacturing facilities, have in the past and could in the future adversely impact our manufacturing and supply capabilities, cause supply interruptions, or lead to voluntary market withdrawals or product recalls. An increase in the price, or an interruption in the supply, of a single-sourced or any other raw material, including the relevant API, or in the supply of finished product, could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

In addition, the manufacture of some of our products is a highly exacting and complex process, due in part to strict regulatory requirements. Problems may arise during manufacturing at our or our third-party suppliers' facilities for a variety of reasons, including, among others, equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials, natural disasters, power outages, labor unrest, and environmental factors. If problems arise during the production of a batch of product, that batch of product may have to be discarded. This could, among other things, lead to increased costs, lost revenue, damage to customer relations, time and expense spent investigating the cause, and, depending on the cause, similar losses with respect to other batches or products. If problems are not discovered before the product is released to the market, recall and product liability costs may also be incurred.

If we or one of our suppliers experience any of the problems described above, such problems could have a material adverse effect on our reputation, business, financial condition, results of operations, cash flows, and/or ordinary share price.

Our future success is highly dependent on our continued ability to attract and retain key personnel.

It is important that we attract and retain qualified personnel in order to develop and commercialize new products, manage our business, and compete effectively. Competition for qualified personnel in the pharmaceutical industry is very intense. If we fail to attract, develop, incentivize and retain key scientific, technical, commercial, regulatory or management personnel, this could lead to loss of customers, business disruption, and a decline in revenues, adversely affect the progress of pipeline products, or otherwise adversely affect our operations. Additionally, while we work to ensure that we have effective plans in place for management succession, any anticipated or unanticipated management transition could create uncertainty, which could disrupt or result in changes to our strategy and have a negative impact on our business. While we have employment agreements with certain key employees in place, their employment for the duration of the agreement is not guaranteed. Current and prospective employees might also experience uncertainty about their future roles with us following the consummation and/or integration of recent acquisitions, the Combination, and potential future transactions, which might adversely affect our ability to retain key managers and other employees. If we are unsuccessful in retaining our key employees or enforcing certain post-employment contractual provisions such as confidentiality or non-competition provisions, it could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We are in the process of enhancing and further developing our global ERP systems and associated business applications, which could result in business interruptions if we encounter difficulties.

We are enhancing and further developing our global ERP and other business critical IT infrastructure systems and associated applications to provide more operating efficiencies and effective management of our business and financial operations. Such changes to ERP systems and related software, and other IT infrastructure carry risks such as cost overruns, project delays and business interruptions and delays. If we experience a material business interruption as a result of our ERP enhancements, it could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Compliance Risks

We are subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and similar worldwide anti-corruption laws, which impose restrictions on certain conduct and may carry substantial fines and penalties.

We are subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and similar anti-corruption laws in other jurisdictions. These laws generally prohibit companies and their intermediaries from engaging in bribery or making other prohibited payments to government officials for the purpose of obtaining or retaining business, and some have record keeping requirements. The failure to comply with these laws could result in substantial criminal and/or monetary penalties. We operate in jurisdictions that have experienced corruption, bribery, pay-offs and other similar practices from time-to-time and, in certain circumstances, such practices may be local custom. We have implemented and trained relevant employees regarding internal control policies and procedures that mandate compliance with these anti-corruption laws. However, we cannot be certain that these policies and procedures will protect us against liability. There can be no assurance that our employees or other agents will not engage in such conduct for which we might be held responsible. If our employees or agents are found to have engaged in such practices, we could suffer severe criminal or civil penalties and other consequences that could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Our competitors, including branded pharmaceutical companies, and/or other third parties, may allege that we or our suppliers are infringing upon their intellectual property, including in an "at risk launch" situation, which could result in substantial monetary damages, impact our ability to launch a product and/or our ability to continue marketing a product, and/or force us to expend substantial resources in resulting litigation, the outcome of which is uncertain.

Companies that produce branded pharmaceutical products and other patent holders routinely bring litigation against entities selling or seeking regulatory approval to manufacture and market generic forms of their branded products, as well as other entities involved in the manufacture, supply, and other aspects relating to API and finished pharmaceutical products. These companies and other patent holders may allege patent infringement or other violations of intellectual property rights as the basis for filing suit against an applicant for a generic product as well as others who may be involved in some aspect of research, supply, production, distribution, testing, packaging or other processes. Litigation often involves significant expense and can delay or prevent introduction or sale of our generic products. If patents are held valid and infringed by our products in a particular jurisdiction, we and/or our supplier(s) or partner(s) may, unless we or the supplier(s) or partner(s) could obtain a license from the patent holder, need to cease manufacturing and other activities, including but not limited to selling in that jurisdiction. We may also need to pay damages, surrender or withdraw the product, or destroy existing stock in that jurisdiction.

There also may be situations, such as the decision to launch our 40mg/mL glatiramer acetate and Fulphila products, where we use our business judgment and decide to market and sell products directly or through third parties, notwithstanding the fact that allegations of patent infringement(s) and other third-party rights have not been finally resolved by the courts (i.e., an "at-risk launch"). The risk involved in doing so can be substantial because the remedies available to the owner of a patent for infringement may include, among other things, a reasonable royalty on sales, damages measured by the profits lost by the patent holder, or by profits earned by the infringer. If there is a finding by a court of willful infringement, the definition of which is subjective, such damages may be increased by up to three times. Moreover, because of the discount pricing typically involved with bioequivalent products, patented branded products generally realize a substantially higher profit margin than generic or biosimilar products. An adverse decision in a case such as this, or a judicial order preventing us or our suppliers and partners from manufacturing, marketing, selling, and/or other activities necessary to the manufacture and distribution of our products, could result in substantial penalties, and/or have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We rely on the effectiveness of our patents, trademarks, confidentiality agreements and other measures to protect our intellectual property rights.

Our ability to commercialize any branded product successfully will largely depend upon our or any partner's or supplier's ability to obtain, maintain and enforce patents and trademarks of sufficient scope to lawfully prevent third parties from developing and/or marketing infringing products. In the absence of adequate intellectual property protections or other barriers to entry, competitors may adversely affect our branded products business by independently developing and/or marketing substantially equivalent products. It is also possible that we could incur substantial costs if we initiate litigation against others to protect or enforce our intellectual property rights.

We may file patent filings covering the API, formulation, methods of making, and/or methods of using for our branded products and branded product candidates. We may not be issued patents based on patent applications already filed or that we file in the future. Further, due to other factors that affect patentability, and if patents are issued, they may be insufficient in scope to cover or otherwise protect our branded products. Patents are national in scope and therefore the issuance of a patent in one country does not ensure the issuance of a patent in any other country. Furthermore, the patent position of companies in the pharmaceutical

industry generally involves complex legal and factual questions and has been and remains the subject of significant litigation. Legal standards relating to scope and validity of patent claims are evolving and may differ in various countries. Any patents we have obtained, or obtain in the future, may be challenged, invalidated or circumvented. Moreover, the U.S. Patent and Trademark Office or any other governmental agency may commence *inter partes* review or interference proceedings involving, or consider other challenges to, our patents or patent applications. In addition, branded products often have market viability based upon the goodwill of the product name, which typically benefits from trademark protection. Our branded products may therefore also be subject to risks related to the loss of trademark or patent protection or to competition from generic or other branded products. Challenges can come from other businesses, individuals or governments, and governments could require compulsory licensing of this intellectual property. Any challenge to, or invalidation or circumvention of, our intellectual property (including patents or patent applications, copyrights and trademark protection) would be costly, would require significant time and attention of our management, and could cause a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We also rely on trade secrets, unpatented proprietary know-how, trademarks, trade dress, regulatory exclusivity and continuing technological innovation that we seek to protect, in part by confidentiality agreements with licensees, suppliers, employees and consultants. These measures may not provide adequate protection for our unpatented technology. If these agreements are breached, it is possible that we will not have adequate remedies. Disputes may arise concerning the ownership of intellectual property or the applicability of confidentiality agreements. Furthermore, our trade secrets and proprietary technology may otherwise become known or be independently developed by our competitors or we may not be able to maintain the confidentiality of information relating to such products.

Our ability to enforce intellectual property rights also depends on the laws of individual countries, each country's practices with respect to enforcement of intellectual property rights, and the extent to which certain countries may seek to engage in policies or practices that may weaken its intellectual property framework (e.g., a policy of routine compulsory licensing, or threat of compulsory licensing, of pharmaceutical intellectual property). If we are unable to adequately protect our technology, trade secrets or proprietary know-how, or enforce our intellectual property rights, this could cause a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Our reporting and payment obligations related to our participation in U.S. federal healthcare programs, including Medicare, Medicaid and the Department of Veterans Affairs (the "VA"), are complex and often involve subjective decisions that could change as a result of new business circumstances, new regulations or agency guidance, or advice of legal counsel. Any failure to comply with those obligations could subject us to investigation, penalties, and sanctions.

U.S. federal laws regarding reporting and payment obligations with respect to a pharmaceutical company's participation in federal healthcare programs, including Medicare, Medicaid and the VA, are complex. Because our processes for calculating applicable government prices and the judgments involved in making these calculations involve subjective decisions and complex methodologies, these calculations are subject to risk of errors and differing interpretations. In addition, they are subject to review and challenge by the applicable governmental agencies, and it is possible that such reviews could result in changes that may have material adverse legal, regulatory, or economic consequences.

Pharmaceutical manufacturers that participate in the Medicaid Drug Rebate Program, such as Mylan, are required to report certain pricing data to the Centers for Medicare & Medicaid Services ("CMS"), the federal agency that administers the Medicare and Medicaid programs. This data includes the Average Manufacturer Price ("AMP") for each of the manufacturer's covered outpatient drugs. CMS calculates a type of U.S. federal ceiling on reimbursement rates to pharmacies for multiple source drugs under the Medicaid program, known as the federal upper limit ("FUL"). Since April 2016, CMS is required to use the weighted average AMP for pharmaceutically and therapeutically equivalent multiple source drugs to calculate FULs, instead of the other pricing data CMS previously used. Although weighted average AMP-based FULs do not reveal Mylan's individual AMP, publishing a weighted average AMP available to customers and the public at large could negatively affect our commercial price negotiations.

In addition, a number of state and federal government agencies are conducting investigations of manufacturers' reporting practices with respect to Average Wholesale Prices ("AWP"). The government has alleged that reporting of inflated AWP has led to excessive payments for prescription drugs, and we may be named as a defendant in actions relating to pharmaceutical pricing issues and whether allegedly improper actions by pharmaceutical manufacturers led to excessive payments by Medicare, Medicaid and/or the VA.

Any governmental agencies or authorities that have commenced, or may commence, an investigation of us relating to the sales, marketing, pricing, quality, or manufacturing of pharmaceutical products could seek to impose, based on a claim of violation of anti-fraud and false claims laws or otherwise, civil and/or criminal sanctions, including fines, penalties, and possible

exclusion from federal healthcare programs, including Medicare, Medicaid and/or the VA. Some of the applicable laws may impose liability even in the absence of specific intent to defraud. Furthermore, should there be ambiguity with regard to how to properly calculate and report payments - and even in the absence of any such ambiguity - a governmental authority may take a position contrary to a position we have taken, and may impose or pursue civil and/or criminal sanctions. Governmental agencies may also make changes in program interpretations, requirements or conditions of participation, some of which may have implications for amounts previously estimated or paid. There can be no assurance that our submissions will not be found by CMS or the VA to be incomplete or incorrect. Any failure to comply with the above laws and regulations, and any such penalties or sanctions could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We are involved in various legal proceedings and certain government inquiries and may experience unfavorable outcomes of such proceedings or inquiries.

We are or may be involved in various legal proceedings and certain government inquiries or investigations, including, but not limited to, patent infringement, product liability, claims with respect to the manufacture, sale marketing and distribution of opioid products, antitrust matters, breach of contract, and claims involving Medicare, Medicaid and/or VA reimbursements, or laws relating to sales, marketing, and pricing practices, some of which are described in our periodic reports, that involve claims for, or the possibility of, fines and penalties involving substantial amounts of money or other relief, including but not limited to civil or criminal fines and penalties and exclusion from participation in various government healthcare-related programs. With respect to government enforcement of state and federal laws, including antitrust laws, as well as private plaintiff litigation of so-called “pay for delay” patent settlements, large verdicts, settlements or government fines are possible, especially in the U.S. and EU. In addition, after the consummation of the Combination, Newco has agreed to pay Pfizer an amount equal to 57% of any losses actually incurred or suffered by Mylan, Newco or their respective subsidiaries, since the date of the Business Combination Agreement, arising out of third-party actions relating to the manufacture, distribution, marketing, promotion or sale of opioids by or on behalf of Mylan or its subsidiaries. If any of these legal proceedings or inquiries were to result in an adverse outcome, the impact could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price. Refer to Note 20 *Litigation* included in Item 8 in this Annual Report on Form 10-K for further discussion of litigation matters.

Emerging developments in the U.S. legal landscape relative to the liability of generic pharmaceutical manufacturers for certain product liabilities claims could increase our exposure to litigation costs and damages. Although we maintain a combination of self-insurance and commercial insurance, no reasonable amount of insurance can fully protect against all risks because of the potential liability inherent in the business of producing pharmaceuticals for human consumption. To the extent that a loss occurs, depending on the nature of the loss and the level of insurance coverage maintained, it could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

In addition, in limited circumstances, entities that we have acquired are party to litigation in matters under which we are, or may be, entitled to indemnification by the previous owners. Even in the case of indemnification, there are risks inherent in such indemnities and, accordingly, there can be no assurance that we will receive the full benefits of such indemnification, or that we will not experience an adverse result in a matter that is not indemnified, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

If we fail to comply with our corporate integrity agreement, we could be subject to substantial penalties and exclusion from participation in federal healthcare programs.

In August 2017, Mylan Inc. and Mylan Specialty L.P. entered into a Corporate Integrity Agreement (the “CIA”) with the Office of Inspector General of the Department of Health and Human Services (“OIG-HHS”). The CIA has a five-year term and requires, among other things, enhancements to our compliance program, fulfillment of reporting and monitoring obligations, management certifications and resolutions from Mylan Inc.’s board, as well as that an independent review organization annually review various matters relating to the Medicaid Drug Rebate Program, among other things. If we fail to comply with the CIA, the OIG-HHS may impose substantial monetary penalties or exclude us from federal healthcare programs, including Medicare, Medicaid or the VA, which could have a material adverse effect on our business, financial condition and results of operations.

We are increasingly dependent on IT and our systems and infrastructure face certain risks, including cybersecurity and data leakage risks.

Significant disruptions to our IT systems or breaches of information security could adversely affect our business. We are increasingly dependent on sophisticated IT systems and infrastructure to operate our business. We also have outsourced significant elements of our operations to third parties, some of which are outside the U.S., including significant elements of our IT 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. The size and complexity of our IT systems, and those of our third-party vendors with whom we contract, make such systems potentially vulnerable to service interruptions. In addition, we and our vendors have experienced and expect to continue to experience phishing attempts, firewall and business email compromises and other third-party attacks on our or our vendors' IT systems, networks and infrastructures. Such attacks are increasingly sophisticated and are made by groups and individuals with a wide range of motives and expertise, including state and quasi-state actors, criminal groups, "hackers" and others. Any security breach or other disruption to our or our vendors' IT infrastructure could also interfere with or disrupt our business operations, including our manufacturing, distribution, R&D, sales and/or marketing activities.

In the ordinary course of business, we and our vendors collect, store and transmit large amounts of confidential information (including trade secrets or other intellectual property, proprietary business information and personal information), and it is critical that we do so in a secure manner to maintain the confidentiality and integrity of such confidential information. The size and complexity of our and our vendors' systems and the large amounts of confidential information that is present on them also makes them potentially vulnerable to security breaches from inadvertent or intentional actions by our employees, partners or vendors, or from attacks by malicious third parties. Maintaining the security, confidentiality and integrity of this confidential information (including trade secrets or other intellectual property, proprietary business information and personal information) is important to our competitive business position. However, such information can be difficult to protect. While we have taken steps to protect such information, and to ensure that the third-party vendors' on which we rely have taken adequate steps to protect such information, there can be no assurance that our or our vendors' efforts will prevent service interruptions or security breaches in our systems or the unauthorized or inadvertent wrongful use or disclosure of confidential or material non-public information that could adversely affect our business operations or result in the loss, misappropriation, and/or unauthorized access, use or disclosure of, or the prevention of access to, confidential information.

A breach of our or our vendors' security measures or the accidental loss, inadvertent disclosure, unapproved dissemination, misappropriation or misuse of trade secrets, proprietary information, or other confidential information, whether as a result of theft, hacking, fraud, trickery or other forms of deception, or for any other cause, could enable others to produce competing products, use our proprietary technology or information, and/or adversely affect our business position. Further, any such interruption, security breach, or loss, misappropriation, and/or unauthorized access, use or disclosure of confidential information, including personal information regarding our patients and employees, could result in financial, legal, business, and reputational harm to us and could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We are subject to data privacy and security laws and regulations in many different jurisdictions and countries where we do business, and our or our vendors' inability to comply could result in fines, penalties, reputational damage, and could impact the way we operate our business.

We are subject to federal, state and international data privacy and security laws and regulations governing the collection, use, disclosure, transmission and protection of personal information, including health-related information. As the legislative and regulatory landscape for data privacy and security continues to evolve around the world, there has been an increasing focus on data privacy and security matters that may affect our business.

In the U.S., the federal Health Insurance Portability and Accountability Act of 1996, and the Health Information Technology for Economic and Clinical Health Act (collectively, "HIPAA") governs the use, disclosure, and security of protected health information by HIPAA covered entities and business associates. Several U.S. states have enacted, or proposed, data privacy laws and regulations governing the confidentiality, security, use and disclosure of personal information, which may impose greater restrictions than federal data privacy and security laws and regulations. For example, the California Consumer Privacy Act of 2018 ("CCPA") was signed into law on June 28, 2018 and became effective on January 1, 2020. The CCPA grants new rights to California consumers, including, among others, the right to know what personal information is collected, used, shared, or sold and a right to deletion of personal information held by businesses and businesses' service providers. We may also be subject to other state data privacy and security breach notification laws, state health information privacy laws, and federal and state consumer protection laws which impose requirements for the collection, use, disclosure, transmission and protection of personal information. Each of these laws are subject to varying interpretations by courts and regulatory or government agencies, creating complex compliance issues for us. If we, or the third-party vendors on which we rely, fail to comply with applicable laws and regulations we could be subject to fines, penalties or sanctions, including criminal penalties.

Outside of the U.S., data protection laws, including the EU's General Data Protection Regulation ("GDPR"), EU member states implementing regulations, and other jurisdictional data protection laws and regulations impose significant compliance obligations on our organization. The GDPR became effective in EU member states on May 25, 2018. The GDPR contains data protection requirements in the EU and imposes a framework of obligations and restrictions governing the collection, processing, and the transmission of personal data to jurisdictions outside of the EU. The GDPR affords individuals with a series of privacy rights related to the collection, processing, and transmission of their personal data. The GDPR imposes significant compliance

obligations, including required processes and policies governing our collection, transmission, processing and use of individuals personal data. In addition, the GDPR includes significant penalties for non-compliance, with fines up to the higher of €20 million or 4% of total annual worldwide revenue. In general, GDPR, and other data protection laws and regulations, could require adaptation of our technologies or practices to satisfy local country data protection requirements and standards.

Other countries in which we operate, including Australia, Canada, China, India, Japan, Russia and South Africa, have, or are developing, laws and regulations governing the collection, use, securing and transmission of personal information as well that may affect our business or require us to adapt our technologies or practices. Most recently, Brazil enacted significant data privacy legislation, the Lei Geral de Protecaode Dados, which becomes effective in August 2020. Some countries, including India and Russia, are considering legislation implementing data protection requirements or requiring local storage and processing of data or similar requirements.

These and similar initiatives could increase the cost of developing, implementing or maintaining our IT systems, require us to allocate more resources to compliance initiatives or increase our costs. In addition, a failure by us, or our third-party vendors, to comply with applicable data privacy and security laws may lead to government enforcement actions and private litigation, which could result in financial, legal, business, and reputational harm to us and could have a material adverse effect on the way we operate our business, our financial condition, results of operations, cash flows, and/or ordinary share price.

Increasing scrutiny and evolving expectations from customers, regulators, investors, and other stakeholders with respect to our environmental, social and governance practices may impose additional costs on us or expose us to new or additional risks.

Companies are facing increasing scrutiny from customers, regulators, investors, and other stakeholders related to their environmental, social and governance practices and disclosure. Investor advocacy groups, investment funds and influential investors are also increasingly focused on these practices, especially as they relate to the environment, health and safety, supply chain management, diversity and human rights. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact our reputation and the price of our ordinary shares.

In addition, a number of our customers, including certain government purchasers, have adopted, or may adopt, procurement policies that include social and environmental requirements, including, for example, requirements to conduct third party audits, or these customers may seek to include such provisions in their procurement contract terms and conditions. These social and environmental responsibility provisions and initiatives are subject to change, vary from jurisdiction to jurisdiction, and certain elements may be difficult and/or cost prohibitive for us to comply with given the inherent complexity of our external supply chain and the global scope of our operations. In certain circumstances, in order to meet the requirements or standards of our customers, we may be obligated to modify our sourcing practices or make other operational choices which may require additional investments and increase our costs or result in inefficiencies. Alternatively, we may be ineligible to participate in bids or tenders in certain markets, which may result in lost sales and revenues.

Any of the factors mentioned above, or the perception that we or our suppliers or contract manufacturers have not responded appropriately to the growing concern for such issues, regardless of whether we are legally required to do so, may damage our reputation and have a material adverse effect on our business, financial condition, results of operations cash flows and/or ordinary share price.

Finance Risks

If the intercompany terms of cross border arrangements that we have among our subsidiaries are determined to be inappropriate or ineffective, our tax liability may increase.

We have potential tax exposures resulting from the varying application of statutes, regulations, and interpretations which include exposures on intercompany terms of cross-border arrangements among our subsidiaries (including intercompany loans, sales, and services agreements) in relation to various aspects of our business, including manufacturing, marketing, sales, and delivery functions. Although we believe our cross-border arrangements among our subsidiaries are based upon internationally accepted standards and applicable law, tax authorities in various jurisdictions may disagree with and subsequently challenge the amount of profits taxed in their country, which may result in increased tax liability, including accrued interest and penalties, which would cause our tax expense to increase and could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We may not be able to maintain competitive financial flexibility and our corporate tax rate which could adversely affect us and our shareholders.

We believe that our structure and operations give us the ability to achieve competitive financial flexibility and a competitive worldwide effective corporate tax rate. We must make material assumptions underlying our expected tax rates, including regarding the effect of certain internal reorganization transactions, including various intercompany transactions. We cannot give any assurance as to what our effective tax rate will be, however, because of, among other reasons, uncertainty regarding the tax policies of the jurisdictions where we operate, potential changes of laws and interpretations thereof, and the potential for tax audits or challenges. Our actual effective tax rate may vary from our expectation and that variance may be material. Additionally, the tax laws of the U.K., the Netherlands and other jurisdictions could change in the future, and such changes could cause a material change in our effective tax rate.

Any of the factors discussed above could materially increase our overall effective income tax rate and income tax expense and could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Unanticipated changes in our tax provisions or exposure to additional income tax liabilities and changes in income tax laws and tax rulings may have a significant adverse impact on our effective tax rate and income tax expense.

We are subject to income taxes in many jurisdictions. Significant analysis and judgment are required in determining our worldwide provision for income taxes. In the ordinary course of business, there are many transactions and calculations where the ultimate tax determination is uncertain. We are currently subject to tax audits and investigations in several jurisdictions, and may be subject to other audits and investigations in the future. The final determination of any tax audits or related litigation could be materially different from our income tax provisions and accruals.

Additionally, changes in the effective tax rate as a result of a change in the mix of earnings in countries with differing statutory tax rates, changes in our overall profitability, changes in the valuation of deferred tax assets and liabilities, the results of audits and the examination of previously filed tax returns by taxing authorities, and continuing assessments of our tax exposures could impact our tax liabilities and affect our income tax expense, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We may become taxable in a jurisdiction other than the U.K. and this may increase the aggregate tax burden on us.

Based on our current management structure and current tax laws of the U.S., the U.K., and the Netherlands, as well as applicable income tax treaties, and current interpretations thereof, the U.K. and the Netherlands competent authorities have determined that we are tax resident solely in the U.K. for the purposes of the Netherlands-U.K. tax treaty. We have received a binding ruling from the competent authorities in the U.K. and in the Netherlands confirming this treatment. We will therefore be tax resident solely in the U.K. so long as the facts and circumstances set forth in the relevant application letters sent to those authorities remain accurate. Even though we received a binding ruling, the applicable tax laws or interpretations thereof may change, or the assumptions on which such rulings were based may differ from the facts. As a consequence, we may become a tax resident of a jurisdiction other than the U.K. As a consequence, our overall effective income tax rate and income tax expense could materially increase, which could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We have a number of clean energy investments which are subject to various risks and uncertainties.

We have invested in clean energy operations capable of producing refined coal that we believe qualify for tax credits under Section 45 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”). Our ability to claim tax credits under Section 45 of the Code depends upon the operations in which we have invested satisfying certain ongoing conditions set forth in Section 45 of the Code. These include, among others, the emissions reduction, “qualifying technology”, and “placed-in-service” requirements of Section 45 of the Code, as well as the requirement that at least one of the operations’ owners qualifies as a “producer” of refined coal. While we have received some degree of confirmation from the IRS relating to our ability to claim these tax credits, the IRS could ultimately determine that the operations have not satisfied, or have not continued to satisfy, the conditions set forth in Section 45 of the Code. The ability to claim tax credits under these provisions is set to expire in 2021 and may not be renewed.

In addition, Congress could modify or repeal Section 45 of the Code and remove the tax credits retroactively. Further, Section 45 of the Code contains phase out provisions based upon the market price of coal, such that, if the price of coal rises to specified levels, we could lose some or all of the tax credits we expect to receive from these investments. Finally, when the price

of natural gas or oil declines relative to that of coal, some utilities may choose to burn natural gas or oil instead of coal. Market demand for coal may also decline as a result of an economic slowdown and a corresponding decline in the use of electricity. If utilities burn less coal, eliminate coal in the production of electricity or are otherwise unable to operate for an extended period of time, the availability of the tax credits would also be reduced. During the past few years, as a result of a decline in current and expected future production levels at certain of our clean energy facilities, the Company impaired its investment balance and other assets and in 2018 we terminated certain of our clean energy investments. Additional impairments or terminations could occur in the future.

The occurrence of any of the above risks could limit the value of our investment, result in increased costs, materially increase our tax burden or adversely affect our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Currency fluctuations and changes in exchange rates could adversely affect our business, financial condition, results of operations, cash flows, and/or ordinary share price.

Although we report our financial results in U.S. Dollars, a significant portion of our revenues, indebtedness and other liabilities and our costs are denominated in non-U.S. currencies, including among others the Euro, Swedish Krona, Indian Rupee, Japanese Yen, Australian Dollar, Canadian Dollar, British Pound Sterling and Brazilian Real. Our results of operations and, in some cases, cash flows, have in the past been and may in the future be adversely affected by certain movements in currency exchange rates. Defaults or restructurings in other countries could have a similar adverse impact. From time to time, we may implement currency hedges intended to reduce our exposure to changes in foreign currency exchange rates. However, our hedging strategies may not be successful, and any of our unhedged foreign exchange exposures will continue to be subject to market fluctuations. The occurrence of any of the above risks could cause a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price

We have significant indebtedness, which could lead to adverse consequences or adversely affect our financial position and prevent us from fulfilling our obligations under such indebtedness, and any refinancing of this debt could be at significantly higher interest rates.

Our level of indebtedness could have important consequences, including but not limited to:

- increasing our vulnerability to general adverse economic and industry conditions;
- requiring us to dedicate a substantial portion of our cash flow from operations to make debt service payments, thereby reducing the availability of cash flow to fund working capital, capital expenditures, acquisitions and investments and other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, challenges and opportunities, and changes in our businesses and the markets in which we operate;
- limiting our ability to obtain additional financing to fund our working capital, capital expenditures, acquisitions and debt service requirements and other financing needs;
- increasing our vulnerability to increases in interest rates in general because a substantial portion of our indebtedness bears interest at floating rates; and
- placing us at a competitive disadvantage to our competitors that have less debt.

Our ability to service our indebtedness will depend on our future operating performance and financial results, which will be subject, in part, to factors beyond our control, including interest rates and general economic, financial and business conditions. If we do not have sufficient cash flow to service our indebtedness, we may need to refinance all or part of our existing indebtedness, borrow more money or sell securities or assets, some or all of which may not be available to us at acceptable terms or at all. In addition, we may need to incur additional indebtedness in the future in the ordinary course of business. Although the terms of our credit agreements and our bond indentures allow us to incur additional debt, this is subject to certain limitations which may preclude us from incurring the amount of indebtedness we otherwise desire.

Although Mylan expects to maintain an investment grade credit rating, a downgrade in the credit rating of Mylan or any indebtedness of Mylan or its subsidiaries could increase the cost of further borrowings or refinancings of such indebtedness, limit access to sources of financing in the future or lead to other adverse consequences.

If we incur additional debt, the risks described above could intensify. If global credit markets contract, future debt financing may not be available to us when required or may not be available on acceptable terms or at all, and as a result we may be unable

to grow our business, take advantage of business opportunities, respond to competitive pressures or satisfy our obligations under our indebtedness. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

From time to time, we issue variable rate debt based on the London Interbank Offered Rate ("LIBOR") or undertake interest rate swaps that contain a variable element based on LIBOR. The Financial Conduct Authority in the U.K. has announced that it will phase out LIBOR as a benchmark by the end of 2021. As of December 31, 2019, less than 10% of our outstanding debt is linked to LIBOR. However, if LIBOR ceases to exist, we may need to renegotiate or amend certain of our agreements and we may not be able to do so on terms that are favorable to us. As a result, our interest expense could increase. In addition, the overall financial market may be disrupted and there could be significant increases in benchmark rates or borrowing costs to borrowers as a result of the phase-out or replacement of LIBOR. Disruption in the financial market, significant increases in benchmark rates or borrowing costs or our inability to renegotiate agreements on favorable terms could have a material adverse effect on our business, financing activities, financial condition and operations.

Our credit facilities, senior unsecured notes, commercial paper program, other outstanding indebtedness and any additional indebtedness we incur in the future impose, or may impose, significant operating and financial restrictions on us. These restrictions limit our ability to, among other things, incur additional indebtedness, make investments, pay certain dividends, prepay other indebtedness, sell assets, incur certain liens, enter into agreements with our affiliates or restricting our subsidiaries' ability to pay dividends, merge or consolidate. In addition, our credit facilities require us to maintain specified financial ratios. A breach of any of these covenants or our inability to maintain the required financial ratios could result in a default under the related indebtedness. If a default occurs, the relevant lenders could elect to declare our indebtedness, together with accrued interest and other fees, to be immediately due and payable. These factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

There are inherent uncertainties involved in estimates, judgments and assumptions used in the preparation of financial statements in accordance with U.S. GAAP. Any future changes in estimates, judgments and assumptions used or necessary revisions to prior estimates, judgments or assumptions or changes in accounting standards could lead to a restatement or revision to previously issued financial statements.

The consolidated and condensed consolidated financial statements included in the periodic reports we file with the SEC are prepared in accordance with U.S. GAAP. The preparation of financial statements in accordance with U.S. GAAP involves making estimates, judgments and assumptions that affect reported amounts of assets, liabilities, revenues, expenses and income. Estimates, judgments and assumptions are inherently subject to change in the future and any necessary revisions to prior estimates, judgments or assumptions could lead to a restatement. Furthermore, although we have recorded reserves for litigation related contingencies based on estimates of probable future costs, such litigation related contingencies could result in substantial further costs. Also, any new or revised accounting standards may require adjustments to previously issued financial statements. Any such changes could result in corresponding changes to the amounts of liabilities, revenues, expenses and income and could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

We must maintain adequate internal controls and be able to provide an assertion as to the effectiveness of such controls on an annual basis.

Effective internal controls are necessary for us to provide reasonable assurance with respect to our financial reports. We spend a substantial amount of management and other employee time and resources to comply with laws, regulations and standards relating to corporate governance and public disclosure. In the U.S., such regulations include the Sarbanes-Oxley Act of 2002, SEC regulations and the NASDAQ listing standards. In particular, Section 404 of the Sarbanes-Oxley Act of 2002 requires management's annual review and evaluation of our internal control over financial reporting and attestation as to the effectiveness of these controls by our independent registered public accounting firm. If we fail to maintain the adequacy of our internal controls, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal control over financial reporting. Additionally, internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of effectiveness of internal control over financial reporting to future periods are subject to the risk that the control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls, this could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

For information regarding properties, refer to Item 1 “Business” in Part I of this Annual Report on Form 10-K.

ITEM 3. Legal Proceedings

For information regarding legal proceedings, refer to Note 20 *Litigation* included in Item 8 in Part II of this Annual Report on Form 10-K.

PART II

ITEM 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our ordinary shares are traded on the NASDAQ Stock Market under the symbol "MYL".

As of February 18, 2020, there were approximately 101,250 holders of Mylan N.V. ordinary shares, including those held in street or nominee name.

The Company did not pay dividends in 2019 or 2018 and does not intend to pay dividends on its ordinary shares in the near future.

UNREGISTERED SALES OF DEBT SECURITIES

In the past three years, we have issued unregistered securities in connection with the following transactions:

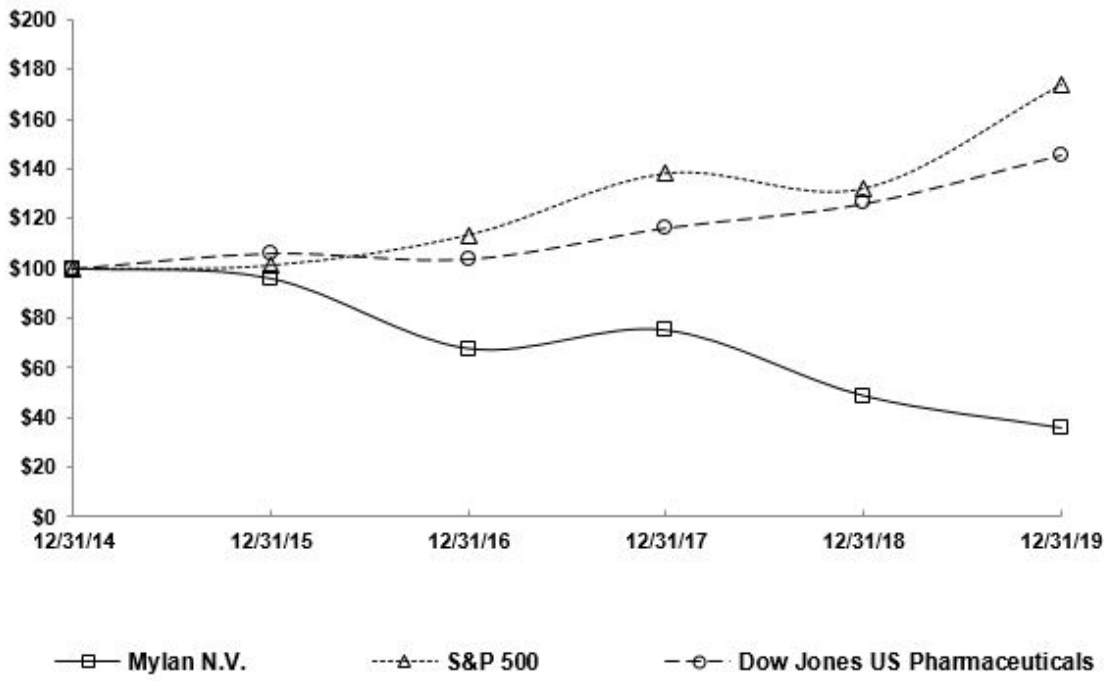
In May 2018, Mylan Inc. issued €500 million aggregate principal amount of senior unsecured debt securities, comprised of 2.125% Euro Senior Notes due 2025. These notes were issued in a private offering exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), to persons outside of the U.S. pursuant to Regulation S under the Securities Act.

In April 2018, Mylan Inc. issued $1.5 billion aggregate principal amount of senior unsecured debt securities, comprised of 4.550% Senior Notes due 2028 and 5.200% Senior Notes due 2048. These notes were issued in a private offering exempt from the registration requirements of the Securities Act, to qualified institutional buyers in accordance with Rule 144A under the Securities Act and to persons outside of the U.S. pursuant to Regulation S under the Securities Act. In November 2018, Mylan N.V. and Mylan Inc. filed a registration statement with the SEC with respect to an offer to exchange these notes for registered notes with the same aggregate principal amount and terms substantially identical in all material respects, which was declared effective on December 11, 2018. The exchange offer expired on January 9, 2019 and settled on January 10, 2019. 100% of each of the 4.550% Senior Notes due 2028 and the 5.200% Senior Notes due 2048 were exchanged.

In May 2017, Mylan N.V. issued €500 million aggregate principal amount of senior unsecured debt securities, comprised of floating rate Senior Notes due 2020. These notes were issued in a private offering exempt from the registration requirements of the Securities Act, to persons outside of the U.S. pursuant to Regulation S under the Securities Act.

STOCK PERFORMANCE GRAPH

Set forth below is a performance graph comparing the cumulative total return (assuming reinvestment of dividends), in U.S. Dollars, for the calendar years ended December 31, 2015, 2016, 2017, 2018 and 2019 of $100 invested on December 31, 2014 in the Company's ordinary shares, the Standard & Poor's 500 Index and the Dow Jones U.S. Pharmaceuticals Index.



	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019
Mylan N.V. [1]	100.00	95.92	67.68	75.06	48.61	35.66
S&P 500	100.00	101.38	113.51	138.29	132.23	173.86
Dow Jones U.S. Pharmaceuticals	100.00	106.21	103.90	116.41	126.16	145.72

(1) Mylan Inc. prior to February 27, 2015.

ITEM 6. Selected Financial Data

The selected consolidated financial data set forth below should be read in conjunction with "Management's Discussion and Analysis of Results of Operations and Financial Condition" included in Item 7 in this Annual Report on Form 10-K and the consolidated financial statements and related notes to consolidated financial statements included in Item 8 in this Annual Report on Form 10-K. The functional currency of the primary economic environment in which the operations of Mylan and its subsidiaries in the U.S. are conducted is the U.S. Dollar. The functional currency of non-U.S. subsidiaries is generally the local currency in the country in which each subsidiary operates.

Mylan N.V. is the successor to Mylan Inc., the information set forth below refers to Mylan Inc. for periods prior to February 27, 2015, and to Mylan N.V. on and after February 27, 2015.

	Year Ended December 31,				
(In millions, except per share amounts)	**2019**	**2018**	**2017**	**2016**	**2015**
Statements of Operations:					
Total revenues	$ 11,500.5	$ 11,433.9	$ 11,907.7	$ 11,076.9	$ 9,429.3
Cost of sales [1]	7,602.9	7,432.3	7,124.6	6,379.9	5,213.2
Gross profit	3,897.6	4,001.6	4,783.1	4,697.0	4,216.1
Operating expenses:					
Research and development	639.9	704.5	783.3	826.8	671.9
Selling, general and administrative	2,563.6	2,441.0	2,575.7	2,498.5	2,180.7
Litigation settlements and other contingencies, net	(21.4)	(49.5)	(13.1)	672.5	(97.4)
Total operating expenses	3,182.1	3,096.0	3,345.9	3,997.8	2,755.2
Earnings from operations	715.5	905.6	1,437.2	699.2	1,460.9
Interest expense	517.3	542.3	534.6	454.8	339.4
Other expense (income), net	43.8	64.9	(0.4)	122.7	206.1
Earnings before income taxes	154.4	298.4	903.0	121.7	915.4
Income tax provision (benefit)	137.6	(54.1)	207.0	(358.3)	67.7
Net loss attributable to the noncontrolling interest	—	—	—	—	(0.1)
Net earnings attributable to Mylan N.V. ordinary shareholders	$ 16.8	$ 352.5	$ 696.0	$ 480.0	$ 847.6
Earnings per ordinary share attributable to Mylan N.V. ordinary shareholders					
Basic	$ 0.03	$ 0.69	$ 1.30	$ 0.94	$ 1.80
Diluted	$ 0.03	$ 0.68	$ 1.30	$ 0.92	$ 1.70
Weighted average ordinary shares outstanding:					
Basic	515.7	514.5	534.5	513.0	472.2
Diluted	516.5	516.5	536.7	520.5	497.4
Selected Balance Sheet data:					
Total assets	$ 31,255.5	$ 32,734.9	$ 35,806.3	$ 34,726.2	$ 22,267.7
Working capital [2]	1,188.2	1,779.9	828.0	2,481.8	2,350.5
Short-term borrowings	—	1.9	46.5	46.4	1.3
Long-term debt, including current portion of long-term debt	12,671.9	13,816.4	14,614.5	15,426.2	7,294.3
Total equity	11,883.8	12,167.1	13,307.6	11,117.6	9,765.8

[1] Cost of sales includes the following amounts primarily related to the amortization of purchased intangibles from acquisitions: $1.58 billion, $1.61 billion, $1.44 billion, $1.32 billion and $854.2 million for the years ended December 31, 2019, 2018, 2017, 2016 and 2015, respectively. In addition, cost of sales included the following amounts related to

impairment charges to intangible assets: $180.6 million, $224.0 million, $80.8 million, $68.3 million and $31.3 million for the years ended December 31, 2019, 2018, 2017, 2016 and 2015, respectively.

(2) Working capital is calculated as current assets minus current liabilities.

ITEM 7. Management's Discussion and Analysis of Financial Condition And Results of Operations

The following discussion and analysis addresses material changes in the financial condition and results of operations of Mylan N.V. and subsidiaries for the periods presented. Unless context requires otherwise, the "Company," "Mylan," "our" or "we" refer to Mylan N.V. and its subsidiaries.

This discussion and analysis should be read in conjunction with the consolidated financial statements and the related notes to consolidated financial statements included in Item 8 in this Annual Report on Form 10-K, and our other SEC filings and public disclosures.

This Annual Report on Form 10-K contains "forward-looking statements." Such forward-looking statements may include, without limitation, statements about the Combination, the expected timetable for completing the Combination, the benefits and synergies of the Combination, future opportunities for the combined company and products and any other statements regarding Mylan's, the Upjohn Business's or the combined company's future operations, financial or operating results, capital allocation, dividend policy, debt ratio, anticipated business levels, future earnings, planned activities, anticipated growth, market opportunities, strategies, competitions, and other expectations and targets for future periods. These may often be identified by the use of words such as "will," "may," "could," "should," "would," "project," "believe," "anticipate," "expect," "plan," "estimate," "forecast," "potential," "pipeline," "intend," "continue," "target," "seek" and variations of these words or comparable words.

Because forward-looking statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to:

- with respect to the Combination, the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the Combination, changes in relevant tax and other laws, the parties' ability to consummate the Combination, the conditions to the completion of the Combination, including receipt of approval of Mylan's shareholders, not being satisfied or waived on the anticipated timeframe or at all, the regulatory approvals required for the Combination not being obtained on the terms expected or on the anticipated schedule or at all, the integration of Mylan and the Upjohn Business being more difficult, time consuming or costly than expected, Mylan's and the Upjohn Business's failure to achieve expected or targeted future financial and operating performance and results, the possibility that the combined company may be unable to achieve expected benefits, synergies and operating efficiencies in connection with the Combination within the expected timeframes or at all or to successfully integrate Mylan and the Upjohn Business, customer loss and business disruption being greater than expected following the Combination, the retention of key employees being more difficult following the Combination, changes in third-party relationships and changes in the economic and financial conditions of the business of Mylan or the Upjohn Business;
- actions and decisions of healthcare and pharmaceutical regulators;
- failure to achieve expected or targeted future financial and operating performance and results;
- uncertainties regarding future demand, pricing and reimbursement for our or the Upjohn Business's products;
- any regulatory, legal or other impediments to Mylan's or the Upjohn Business's ability to bring new products to market, including, but not limited to, where Mylan or the Upjohn Business uses its business judgment and decides to manufacture, market and/or sell products, directly or through third parties, notwithstanding the fact that allegations of patent infringement(s) have not been finally resolved by the courts (i.e., an "at-risk launch");
- success of clinical trials and Mylan's or the Upjohn Business's ability to execute on new product opportunities;
- any changes in or difficulties with our or the Upjohn Business's manufacturing facilities, including with respect to remediation and restructuring activities, supply chain or inventory or the ability to meet anticipated demand;
- the scope, timing and outcome of any ongoing legal proceedings, including government investigations, and the impact of any such proceedings on our or the Upjohn Business's financial condition, results of operations and/or cash flows;
- the ability to meet expectations regarding the accounting and tax treatments of acquisitions;
- changes in relevant tax and other laws, including but not limited to changes in the U.S. tax code and healthcare and pharmaceutical laws and regulations in the U.S. and abroad;
- any significant breach of data security or data privacy or disruptions to our or the Upjohn Business's IT systems;
- the ability to protect intellectual property and preserve intellectual property rights;
- the effect of any changes in customer and supplier relationships and customer purchasing patterns;
- the ability to attract and retain key personnel;

- the impact of competition;
- identifying, acquiring and integrating complementary or strategic acquisitions of other companies, products or assets being more difficult, time-consuming or costly than anticipated;
- the possibility that Mylan may be unable to achieve expected synergies and operating efficiencies in connection with business transformation initiatives, strategic acquisitions, strategic initiatives or restructuring programs within the expected timeframes or at all;
- uncertainties and matters beyond the control of management, including but not limited to general political and economic conditions and global exchange rates; and
- inherent uncertainties involved in the estimates and judgments used in the preparation of financial statements, and the providing of estimates of financial measures, in accordance with U.S. GAAP and related standards or on an adjusted basis.

For more detailed information on the risks and uncertainties associated with Mylan's business activities, see the risks described in Item 1A in this Annual Report on Form 10-K for the year ended December 31, 2019, and our other filings with the SEC. These risks, as well as other risks associated with Mylan, the Upjohn Business, the combined company and the Combination are also more fully discussed in the registration statement on Form S-4, which has been filed by Upjohn with the SEC and subsequently amended , and declared effective on February 13, 2020, Form 10, which has been filed by Upjohn with the SEC and subsequently amended and has not yet been declared effective, and a definitive proxy statement of Mylan, which has been filed by Mylan on February 13, 2020.

You can access Mylan's filings with the SEC through the SEC website at www.sec.gov or through our website, and Mylan strongly encourages you to do so. Mylan routinely posts information that may be important to investors on our website at investor.mylan.com, and we use this website address as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure (Reg FD).

The contents of our website are not incorporated by reference in this Annual Report on Form 10-K and shall not be deemed "filed" under the Exchange Act.

Mylan undertakes no obligation to update any statements herein for revisions or changes after the filing date of this Annual Report on Form 10-K other than as required by law.

Company Overview

Mylan is a global pharmaceutical company committed to setting new standards in healthcare and providing 7 billion people access to high quality medicine. We offer a portfolio of more than 7,500 products, including prescription generic, branded generic, brand-name drugs and OTC remedies. We market our products in more than 165 countries and territories. Every member of our approximately 35,000-strong global workforce is dedicated to delivering better health for a better world.

Over the last several years, Mylan has transformed itself through a clear, consistent and differentiated strategy into a company that is built to last. Fueling that durability is a business model anchored in providing access, Mylan's core purpose.

Providing access requires that we satisfy the needs of an incredibly diverse global marketplace whose economic and political systems, approaches to delivering and paying for healthcare, languages and traditions, and customer and patient requirements vary by location and over time.

With these considerations in mind, we built and scaled our commercial, operational and scientific platforms to meet customers' evolving needs in ways that are globally consistent and locally sensitive. As a result, not only are we succeeding in expanding people's access to medicine, we are continually diversifying our business.

That diversification is what drives our durability. Durability allows us to withstand and overcome competitive pressures while continuing to innovate. It also allows us to generate consistent financial results, including reliable cash flows capable of supporting ongoing investments in long-term growth.

Certain Market and Industry Factors

The global pharmaceutical industry is a highly competitive and highly regulated industry. As a result, we face a number of industry-specific factors and challenges, which can significantly impact our results. The following discussion highlights some of these key factors and market conditions.

Generic products, particularly in the U.S., generally contribute most significantly to revenues and gross margins at the time of their launch, and even more so in periods of market exclusivity, or in periods of limited generic competition. As such, the timing of new product introductions can have a significant impact on the Company's financial results. The entrance into the market of additional competition generally has a negative impact on the volume and pricing of the affected products. Additionally, pricing is often affected by factors outside of the Company's control.

For branded products, the majority of the product's commercial value is usually realized during the period in which the product has market exclusivity. In the U.S. and some other countries, when market exclusivity expires and generic versions of a product are approved and marketed, there can often be very substantial and rapid declines in the branded product's sales. OTC products also participate in a competitive environment that includes both branded and private label products. In the OTC space, value is realized through innovation, access and consumer activation.

Certain markets in which we do business outside of the U.S. have undergone government-imposed price reductions, and further government-imposed price reductions are expected in the future. Such measures, along with the tender systems discussed below, are likely to have a negative impact on sales and gross profit in these markets. However, government initiatives in certain markets that appear to favor generic products could help to mitigate this unfavorable effect by increasing rates of generic substitution and penetration.

Additionally, a number of markets in which we operate outside of the U.S. have implemented, or may implement, tender systems for generic pharmaceuticals in an effort to lower prices. Generally speaking, tender systems can have an unfavorable impact on sales and profitability. Under such tender systems, manufacturers submit bids that establish prices for generic pharmaceutical products. Upon winning the tender, the winning company will receive priority placement for a period of time. The tender system often results in companies underbidding one another by proposing low pricing in order to win the tender. The loss of a tender by a third party to whom we supply API can also have a negative impact on our sales and profitability. Sales continue to be negatively affected by the impact of tender systems in certain countries.

Recent Developments

2020 Restructuring Program

On February 27, 2020, the Company announced that it has formalized the next steps in its efforts to sustain long-term value creation through the proactive transformation of its business. This transformation initiative includes a new global restructuring program. The program is intended to support the Company's effort to improve operating performance and meet anticipated market demands, by ensuring that the Company is appropriately structured and resourced to deliver sustainable value to customers, patients, other stakeholders and shareholders. Key activities under the program include supply chain network optimization intended to maximize the efficiency of the Company's global manufacturing and distribution network capacity and further optimizing functional capabilities that support business growth.

The Company is currently developing the details of the initiatives, including workforce actions and other restructuring activities. Further details will be disclosed as plans are finalized, including the estimated amount or range of amounts to be incurred by major cost type and future cash expenditures associated with those initiatives.

Upjohn Business Combination Agreement

On July 29, 2019, the Company, Pfizer, Upjohn, and certain other affiliated entities entered into the Business Combination Agreement pursuant to which the Company will combine with Pfizer's Upjohn Business in a Reverse Morris Trust transaction (the "Combination"). Newco, which will be the parent entity of the combined Upjohn Business and Mylan business, will be renamed "Viatris" effective as of the closing of the Combination. The Upjohn Business is a global, primarily off-patent branded and generic established medicines business, which includes 20 primarily off-patent solid oral dose legacy brands, such as Lyrica, Lipitor, Celebrex and Viagra.

Prior to the Combination and pursuant to a Separation and Distribution Agreement (the "Separation Agreement"), dated as of July 29, 2019, between Pfizer and Newco, Pfizer will, among other things, transfer to Newco substantially all of the assets and liabilities comprising the Upjohn Business (the "Separation") and, thereafter, Pfizer will distribute to Pfizer stockholders all of the issued and outstanding shares of Newco (the "Distribution"). When the Distribution and Combination are completed, Pfizer stockholders as of the record date of the Distribution will own 57% of the outstanding shares of Newco common stock, and Mylan shareholders as of immediately before the Combination will own 43% of the outstanding shares of Newco common stock, in each case on a fully diluted basis. Newco will make a cash payment to Pfizer equal to $12 billion, to

be funded with the proceeds of debt to be incurred by Newco in connection with the foregoing transactions, as partial consideration for the contribution of the Upjohn Business from Pfizer to Newco.

Newco has obtained commitments for the initial financing of the transaction in the form of a bridge loan from certain financial institutions. If Newco obtains additional funding by issuing securities or obtaining other loans, the amount of the bridge facility will be correspondingly reduced. The bridge loan is subject to customary terms and conditions including a financial covenant.

The consummation of the Combination is subject to the satisfaction (or, if applicable, valid waiver) of various conditions, including (a) the expiration or termination of any applicable waiting period under the HSR Act and the receipt of regulatory approvals in certain other jurisdictions, (b) the consummation of the Separation and the Distribution in accordance with the terms of the Separation Agreement, (c) the approval of the Combination by Mylan shareholders, (d) the absence of any legal restraint (including legal actions or proceedings pursued by U.S. state authorities in the relevant states) preventing the consummation of the transactions, (e) in the case of Pfizer's and Newco's obligations to consummate the transactions, (i) the distribution of $12 billion in cash from Upjohn to Pfizer in accordance with the terms of the Separation Agreement and (ii) the receipt by Pfizer of an IRS ruling and tax opinion of its tax counsel with respect to the Combination, and (f) other customary closing conditions.

2016 Restructuring Program

The Company previously announced a restructuring program representing a series of actions in certain locations that are anticipated to further streamline our operations globally. The restructuring program, other than the additional restructuring and remediation activities at the Morgantown, West Virginia plant described below, was substantially complete as of December 31, 2018. We have incurred total restructuring related costs of approximately $682.5 million through December 31, 2019. During 2019, we have incurred approximately $88.9 million in restructuring expenses for non-cash asset write-offs at the Morgantown plant.

In April 2018, the FDA completed an inspection at Mylan's plant in Morgantown, West Virginia and made observations through a Form 483. The Company submitted a comprehensive response to the FDA and committed to a robust improvement plan. In addition, based upon the Company's recognition of the continued evolution of industry dynamics and regulatory expectations, during the second quarter of 2018, the Company commenced comprehensive restructuring and remediation activities, which are aimed at reducing complexity at the Morgantown plant and include the discontinuation and transfer to other manufacturing sites of a number of products, a reduction of the workforce and extensive process and plant remediation. In the fourth quarter of 2018, the Company received a warning letter related to the previously disclosed observations at the plant. The issues raised in the warning letter are being addressed within the context of the Company's comprehensive restructuring and remediation activities.

The Morgantown plant continues to supply products for the U.S. market while we execute on and assess the restructuring and remediation activities. However, these activities have led to an inconsistent supply of certain products. Importantly, the profitability of the transferred and discontinued products is not proportionate to the reduced volumes of those products as the Company expects that manufacturing costs related to transferred products will be reduced and many of the discontinued products have lower than average gross margins. In addition, as it relates to North America, no significant new product revenue is forecasted from the Morgantown plant in 2020, and only three of our top 50 and only one out of the top 10 gross margin generating products were manufactured in Morgantown in 2019.

For the year ended December 31, 2019, the Company incurred expenses amounting to approximately $299.5 million for incremental manufacturing variances, site remediation, and restructuring charges related to the Morgantown plant, as well as continued product rationalization. At this time, the total expenses related to the additional restructuring and remediation activities at the Morgantown plant cannot be reasonably estimated.

Mylan remains committed to maintaining the highest quality manufacturing standards at its facilities around the world and to continuous assessment and improvement in a time of evolving industry dynamics and regulatory expectations.

Other Developments

On January 30, 2019, the Company received FDA approval of the Wixela™ Inhub™ (fluticasone propionate and salmeterol inhalation powder, USP), the first generic of GlaxoSmithKline's Advair Diskus®. The commercial launch of the Wixela™ Inhub™ occurred in February 2019.

In addition, on December 2, 2019, the Company launched Ogivri™ (trastuzumab-dkst), a biosimilar to Herceptin® (trastuzumab). Ogivri was the first biosimilar trastuzumab approved by the FDA and unanimously recommended by the FDA Oncologic Drugs Advisory Committee.

Financial Summary

The table below is a summary of the Company's financial results for the year ended December 31, 2019 compared to the prior year period:

	Year Ended December 31,			
(In millions, except per share amounts)	2019	2018	Change	% Change
Total revenues	$ 11,500.5	$ 11,433.9	$ 66.6	1 %
Gross profit	3,897.6	4,001.6	(104.0)	(3)%
Earnings from operations	715.5	905.6	(190.1)	(21)%
Net earnings	16.8	352.5	(335.7)	(95)%
Diluted earnings per ordinary share	$ 0.03	$ 0.68	$ (0.65)	(96)%

A detailed discussion of the Company's financial results can be found below in the section titled "Results of Operations." As part of this discussion, we also report sales performance using the non-GAAP financial measures of "constant currency" net sales and total revenues. These measures provide information on the change in net sales and total revenues assuming that foreign currency exchange rates had not changed between the prior and current period. The comparisons presented at constant currency rates reflect comparative local currency sales at the prior year's foreign exchange rates. We routinely evaluate our net sales and total revenues performance at constant currency so that sales results can be viewed without the impact of foreign currency exchange rates, thereby facilitating a period-to-period comparison of our operational activities, and believe that this presentation also provides useful information to investors for the same reason.

More information about non-GAAP measures used by the Company as part of this discussion, including adjusted cost of sales, adjusted gross margins, adjusted net earnings, and adjusted EPS (all of which are defined below) are discussed further in this Item 7 under *Results of Operations* and *Results of Operations — Use of Non-GAAP Financial Measures*.

Results of Operations

2019 Compared to 2018

	Year Ended December 31,					
(In millions)	2019	2018	% Change	2019 Currency Impact [1]	2019 Constant Currency Revenues	Constant Currency % Change [2]
Net sales						
North America	$ 4,164.1	$ 4,095.6	2 %	$ 5.4	$ 4,169.5	2 %
Europe	4,037.1	4,157.3	(3)%	223.7	4,260.8	2 %
Rest of World	3,169.1	3,015.8	5 %	93.3	3,262.4	8 %
Total net sales	11,370.3	11,268.7	1 %	322.4	11,692.7	4 %
Other revenues [3]	130.2	165.2	(21)%	2.1	132.3	(20)%
Consolidated total revenues [4]	$ 11,500.5	$ 11,433.9	1 %	$ 324.5	$ 11,825.0	3 %

(1) Currency impact is shown as unfavorable (favorable).

(2) The constant currency percentage change is derived by translating net sales or revenues for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2019 constant currency net sales or revenues to the corresponding amount in the prior year.

(3) For the year ended December 31, 2019, other revenues in North America, Europe, and Rest of World were approximately $74.2 million, $16.0 million, and $40.0 million, respectively.

(4) Amounts exclude intersegment revenue that eliminates on a consolidated basis.

Total Revenues

For the year ended December 31, 2019, Mylan reported total revenues of $11.50 billion, compared to $11.43 billion for the comparable prior year period, representing an increase of $66.6 million, or 1%. Total revenues include both net sales and other revenues from third parties. Net sales for the year ended December 31, 2019 were $11.37 billion, compared to $11.27 billion for the comparable prior year period, representing an increase of $101.6 million, or 1%. Other revenues for the year ended December 31, 2019 were $130.2 million, compared to $165.2 million for the comparable prior year period, a decrease of $35.0 million.

The increase in net sales was primarily the result of an increase in net sales in the Rest of World segment of 5% and the North America segment of 2%, partially offset by a decrease in the Europe segment of 3%. Mylan's net sales were unfavorably impacted by the effect of foreign currency translation, primarily reflecting changes in the U.S. Dollar as compared to the currencies of Mylan's subsidiaries in the European Union, Australia and India. The unfavorable impact of foreign currency translation on current year net sales was approximately $322.4 million, or 3%. On a constant currency basis, the increase in net sales was approximately $424.0 million, or 4% for the year ended December 31, 2019. This increase was driven by new product sales, partially offset by a decrease in net sales from existing products as a result of lower pricing and volumes.

From time to time, a limited number of our products may represent a significant portion of our net sales, gross profit and net earnings. Generally, this is due to the timing of new product introductions and the amount, if any, of additional competition in the market. Our top ten products in terms of net sales, in the aggregate, represented approximately 23% and 20% for the years ended December 31, 2019 and 2018, respectively.

Net sales are derived from our three geographic reporting segments: North America, Europe and Rest of World. The graph below shows net sales by segment for the years ended December 31, 2019 and 2018 and the net change period over period:

North America Segment

Net sales from North America increased by $68.5 million or 2% during the year ended December 31, 2019 when compared to the prior year. This increase was due primarily to new product sales, including the Wixela™ Inhub™, Fulphila® (biosimilar to Neulasta®) and YUPELRI™. This increase was partially offset by lower volumes, and to a lesser extent, pricing of existing products, driven by changes in the competitive environment and continued portfolio rationalization. The impact of foreign currency translation on current period net sales was insignificant within North America.

Europe Segment

Net sales from Europe decreased by $120.2 million or 3% for the year ended December 31, 2019 when compared to the prior year. This decrease was the result of the unfavorable impact of foreign currency translation of approximately $223.7 million, or 5%. Partially offsetting this decrease were new product sales and higher net sales of existing products which were driven by higher volumes partially offset by lower pricing. Constant currency net sales increased by approximately $103.5 million, or 2% when compared to the prior year.

Rest of World Segment

Net sales from Rest of World increased by $153.3 million or 5% for the year ended December 31, 2019 when compared to the prior year. This increase was the result of higher net sales of existing products and new product sales. The increase to net sales of existing products was driven by higher volumes primarily in China, Japan, certain emerging markets and from the Company's ARV franchise. The increase in net sales as a result of new products was primarily due to new product sales in Australia, certain emerging markets and from the Company's ARV franchise. The increase in net sales was partially offset by the unfavorable impact of foreign currency translation of $93.3 million, or 3%, and to a lesser extent by lower pricing on existing products. Constant currency net sales increased by approximately $246.6 million, or 8%.

Cost of Sales and Gross Profit

Cost of sales increased from $7.43 billion for the year ended December 31, 2018 to $7.60 billion for the year ended December 31, 2019. Cost of sales was primarily impacted by purchase accounting related amortization of acquired intangible assets and other special items, which are described further in the section titled *Use of Non-GAAP Financial Measures*. Gross profit for the year ended December 31, 2019 was $3.90 billion and gross margins were 34%. For the year ended December 31, 2018, gross profit was $4.00 billion and gross margins were 35%. Gross margins were negatively impacted by the decline in sales of existing products by approximately 550 basis points. The decline in sales of existing products was primarily in North America and includes the impacts of product rationalization. Partially offsetting this impact, gross margins were positively impacted by approximately 500 basis points due to new product introductions primarily in North America. Adjusted gross margins were approximately 53% and 54% for the years ended December 31, 2019 and 2018, respectively. Adjusted gross margins were negatively impacted by lower gross profit from sales of existing products partially offset by gross margins on new product introductions primarily in North America.

A reconciliation between cost of sales, as reported under U.S. GAAP, and adjusted cost of sales and adjusted gross margin for the year ended December 31, 2019 compared to the year ended December 31, 2018 is as follows:

	Year Ended December 31,	
(In millions)	**2019**	**2018**
U.S. GAAP cost of sales	$ 7,602.9	$ 7,432.3
Deduct:		
Purchase accounting amortization and other related items	(1,767.1)	(1,833.3)
Acquisition related items	(6.8)	(2.9)
Restructuring and related costs	(100.9)	(118.4)
Shared-based compensation expense	(1.1)	—
Other special items	(366.0)	(225.1)
Adjusted cost of sales	$ 5,361.0	$ 5,252.6
Adjusted gross profit [(a)]	$ 6,139.5	$ 6,181.3
Adjusted gross margin [(a)]	53%	54%

[(a)] Adjusted gross profit is calculated as total revenues less adjusted cost of sales. Adjusted gross margin is calculated as adjusted gross profit divided by total revenues.

Operating Expenses

Research & Development Expense

R&D expense for the year ended December 31, 2019 was $639.9 million, compared to $704.5 million for the prior year, a decrease of $64.6 million. This decrease was primarily due to lower expenditures related to the reprioritization of global programs and lower restructuring related costs.

Selling, General & Administrative Expense

Selling, general and administrative ("SG&A") expense for the year ended December 31, 2019 was $2.56 billion, compared to $2.44 billion for the prior year, an increase of $122.6 million. The increase was primarily due to an increase of approximately $82.5 million for consulting fees and other expenses primarily related to the pending Combination in addition to increased investment in selling and marketing activities. Also contributing to the increase was higher share-based compensation expense of approximately $60.7 million as a result of the reversal of all of the cumulative expense related to certain performance-based awards totaling $70.6 million in the prior year. Partially offsetting these increases was bad debt expense of approximately $26.5 million incurred in the prior year related to a special business interruption event for one customer and $20.0 million of compensation expense for an additional discretionary bonus for a certain group of employees in the prior year. None of the employees who received the 2018 discretionary bonus were named executive officers.

Litigation Settlements and Other Contingencies, Net

During the year ended December 31, 2019, the Company recorded a net gain of $21.4 million for litigation settlements and other contingencies, net, compared to $49.5 million in the prior year.

The following table includes the (gains) / losses recognized in litigation settlements and other contingencies, net during the year ended December 31, 2019 and 2018, respectively:

	Year Ended December 31,	
(In millions)	**2019**	**2018**
Respiratory delivery platform contingent consideration adjustment	$ (20.4)	$ (44.0)
Jai Pharma Limited and other contingent consideration adjustments	—	2.5
Litigation settlements, net	(1.0)	(8.0)
Total litigation settlements and other contingencies, net	$ (21.4)	$ (49.5)

During the year ended December 31, 2019, the Company recognized a net gain in litigation settlements of approximately $1.0 million. This net gain was primarily due to a favorable litigation settlement related to the Celgene Corporation matter of $62.0 million, which was partially offset by litigation related charges for settlements reached during the year. Charges for litigation related matters included $18.0 million for the modafinil antitrust matter and $30.0 million for the settlement with the SEC. In addition, a $20.4 million gain was recognized for the reduction of contingent consideration related to the acquisition of the exclusive worldwide rights to develop, manufacture and commercialize a generic equivalent to GlaxoSmithKline's Advair® Diskus incorporating Pfizer's respiratory delivery platform.

Litigation settlements for the year ended December 31, 2018 consisted primarily of a gain of approximately $22.9 million related to a favorable litigation settlement, which was partially offset by litigation related charges of approximately $14.9 million related to an antitrust and a patent infringement matter. In addition, a $44.0 million gain was recognized for the change in value of contingent consideration related to the respiratory delivery platform, which was partially offset by losses incurred on other contingent consideration.

Interest Expense

Interest expense for the year ended December 31, 2019 totaled $517.3 million, compared to $542.3 million for the year ended December 31, 2018, a decrease of $25.0 million. The decrease is primarily due to lower average long-term debt balances during the current year.

Other Expense, Net

Other expense, net, was $43.8 million for the year ended December 31, 2019, compared to other expense, net of $64.9 million for the prior year. Other expense (income), net includes losses from equity affiliates, foreign exchange gains and losses, and interest and dividend income. Other expense (income), net was comprised of the following for the year ended December 31, 2019 and 2018, respectively:

	Year Ended December 31,	
(In millions)	**2019**	**2018**
Losses from equity affiliates, primarily clean energy investments	$ 62.1	$ 78.7
Foreign exchange gains, net	(9.4)	(20.0)
Other (gains)/losses, net	(8.9)	6.2
Other expense, net	$ 43.8	64.9

Income Tax Provision (Benefit)

For the year ended December 31, 2019, the Company recognized an income tax provision of $137.6 million, compared to an income tax benefit of $54.1 million for the comparable prior year, an increase of $191.7 million. During the year ended December 31, 2019, we reached an agreement in principle with the IRS to resolve all issues relating to our positions on the EPD Business acquisition. As a result, the Company recorded a reserve of approximately $155.0 million as part of its liability for uncertain tax positions, with a net impact to the income tax provision of approximately $144.9 million. The tax provision for the year ended December 31, 2018 included a net benefit to the income tax provision of approximately $53.0 million as a result of the federal and state audits and settlements and expirations of certain state, federal, and foreign statutes of limitations. Partially offsetting this benefit was an increase in the reserve for uncertain tax benefits of approximately $18.0 million for certain other matters. Also impacting the current and prior year income tax provision and benefit, respectively, was the changing mix of income earned in jurisdictions with differing tax rates.

2018 Compared to 2017

	Year Ended December 31,					
(In millions)	**2018**	**2017**	**% Change**	**2018 Currency Impact [1]**	**2018 Constant Currency Revenues**	**Constant Currency % Change [2]**
Net sales						
North America	$ 4,095.6	$ 4,969.6	(18)%	$ (0.8)	$ 4,094.8	(18)%
Europe	4,157.3	3,958.3	5 %	(144.5)	4,012.8	1 %
Rest of World	3,015.8	2,832.1	7 %	88.6	3,104.4	10 %
Total net sales	11,268.7	11,760.0	(4)%	(56.7)	11,212.0	(5)%
Other revenues [3]	165.2	147.7	12 %	(2.0)	163.2	10 %
Consolidated total revenues [4]	$ 11,433.9	$ 11,907.7	(4)%	$ (58.7)	$ 11,375.2	(4)%

(1) Currency impact is shown as unfavorable (favorable).

(2) The constant currency percentage change is derived by translating net sales or revenues for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2018 constant currency net sales or revenues to the corresponding amount in the prior year.

(3) For the year ended December 31, 2018, other revenues in North America, Europe, and Rest of World were approximately $112.4 million, $27.1 million, and $25.7 million, respectively.

(4) Amounts exclude intersegment revenue that eliminates on a consolidated basis.

Total Revenues

For the year ended December 31, 2018, Mylan reported total revenues of $11.43 billion compared to $11.91 billion for the comparable prior year period, representing a decrease of $473.8 million, or 4%. Total revenues include both net sales and other revenues from third parties. Net sales for the year ended December 31, 2018 were $11.27 billion, compared to $11.76 billion for the comparable prior year period, representing a decrease of $491.3 million, or 4%. Other revenues for the year ended December 31, 2018 were $165.2 million, compared to $147.7 million for the comparable prior year period, an increase of $17.5 million. The increase in other revenues was primarily the result of consideration received from the licensing of intellectual property during the current year.

The decrease in net sales included a decrease in the North America segment of 18%. This decrease was partially offset by increases in the Europe segment of 5% and in the Rest of World segment of 7%. The overall decrease in net sales was primarily driven by a decrease in net sales from existing products. Net sales from existing products, partially offset by new product sales, decreased on a constant currency basis by approximately $443.6 million primarily as a result of lower volumes, and to a lesser extent, pricing. Net sales were also negatively impacted by approximately $104.5 million due to the adoption of new accounting standards. Mylan's net sales were favorably impacted by the effect of foreign currency translation, primarily reflecting changes in the U.S. Dollar as compared to the currencies of Mylan's subsidiaries in the EU, which was partially offset by the unfavorable impact from changes in the Indian Rupee and the Australian Dollar. The favorable impact of foreign currency translation on current year net sales was approximately $56.7 million resulting in a decrease in constant currency net sales of approximately $548.0 million, or 5%.

From time to time, a limited number of our products may represent a significant portion of our net sales, gross profit and net earnings. Generally, this is due to the timing of new product introductions and the amount, if any, of additional competition in the market. Our top ten products in terms of net sales, in the aggregate, represented approximately 20% and 21% for the years ended December 31, 2018 and 2017, respectively.

Net sales are derived from our three geographic reporting segments: North America, Europe and Rest of World. The graph below shows net sales by segment for the years ended December 31, 2018 and 2017 and the net change period over period.

North America Segment

Net sales from North America decreased by $874.0 million or 18% during the year ended December 31, 2018 when compared to the prior year. This decrease was due primarily to lower volumes on existing products, including the EpiPen® Auto-Injector, partially offset by new product sales. The decline in volumes was primarily driven by the divestiture of certain contract manufacturing assets, the loss of exclusivity of certain products, actions associated with the restructuring and remediation activities at the Morgantown manufacturing plant and the timing of purchases of our products by customers. In addition, net sales were negatively impacted by $149.7 million related to the implementation of new accounting standards. Pricing also declined when compared to the prior year. The impact of foreign currency translation on current period net sales was insignificant within North America.

Europe Segment

Net sales from Europe increased by $199.0 million or 5% for the year ended December 31, 2018 when compared to the prior year. This increase was primarily the result of the favorable impact of foreign currency translation, new product sales, and to a lesser extent, higher volumes of existing products. The favorable impact of foreign currency translation was

approximately $144.5 million, or 4%. Partially offsetting these items was lower pricing on existing products. Constant currency net sales increased by approximately $54.5 million, or 1% when compared to the prior year.

Rest of World Segment

Net sales from Rest of World increased by $183.7 million or 7% for the year ended December 31, 2018 when compared to the prior year. This increase was primarily the result of new product sales, and to a lesser extent, higher volumes of existing products including higher sales of key brands in China. The increase in net sales as a result of new products was primarily due to new product sales from the Company's ARV franchise combined with new product sales in Australia, Japan, and China. The increase in net sales was partially offset by lower pricing on existing products and the unfavorable impact of foreign currency translation. Overall, net sales from Rest of World were unfavorably impacted by the effect of foreign currency translation of approximately $88.6 million, or 3%. Constant currency net sales increased by approximately $272.3 million, or 10%.

Cost of Sales and Gross Profit

Cost of sales increased from $7.12 billion for the year ended December 31, 2017 to $7.43 billion for the year ended December 31, 2018. Cost of sales was primarily impacted by purchase accounting related amortization of acquired intangible assets, and other special items, which are described further in the section titled *Use of Non-GAAP Financial Measures*. Gross profit for the year ended December 31, 2018 was $4.00 billion and gross margins were 35%. For the year ended December 31, 2017, gross profit was $4.78 billion and gross margins were 40%. Gross margins were negatively impacted by approximately 270 basis points related to the incremental amortization from product acquisitions and intangible asset impairment charges. Gross margins were also negatively affected by approximately 220 basis points as a result of incremental manufacturing expenses, site remediation expenses and incremental restructuring charges incurred during the year principally as a result of the activities at the Company's Morgantown plant. In addition, gross margins were negatively impacted as a result of lower gross profit from the sales of existing products partially offset by gross margins on new product introductions primarily in North America. Adjusted gross margins were approximately 54% for the years ended December 31, 2018 and 2017. Adjusted gross margins were negatively impacted by lower gross profit from sales of existing products partially offset by gross margins on new product introductions primarily in North America.

A reconciliation between cost of sales, as reported under U.S. GAAP, and adjusted cost of sales and adjusted gross margin for the year ended December 31, 2018 compared to the year ended December 31, 2017 is as follows:

	Year Ended December 31,	
(In millions)	**2018**	**2017**
U.S. GAAP cost of sales	$ 7,432.3	$ 7,124.6
Deduct:		
Purchase accounting amortization and other related items	(1,833.3)	(1,523.8)
Acquisition related items	(2.9)	(2.8)
Restructuring and related costs	(118.4)	(46.0)
Other special items	(225.1)	(63.5)
Adjusted cost of sales	$ 5,252.6	$ 5,488.5
Adjusted gross profit [(a)]	$ 6,181.3	$ 6,419.2
Adjusted gross margin [(a)]	54%	54%

[(a)] Adjusted gross profit is calculated as total revenues less adjusted cost of sales. Adjusted gross margin is calculated as adjusted gross profit divided by total revenues.

Operating Expenses

Research & Development Expense

R&D expense for the year ended December 31, 2018 was $704.5 million, compared to $783.3 million for the prior year, a decrease of $78.8 million. This decrease was primarily due to lower expenditures related to the Company's respiratory programs and lower expenses due to the reprioritization of global programs.

Selling, General & Administrative Expense

SG&A expense for the year ended December 31, 2018 was $2.44 billion, compared to $2.58 billion for the prior year, a decrease of $134.7 million. The decrease is primarily due to the benefits of integration activities, lower restructuring charges, lower acquisition-related costs of approximately $48.0 million, and reduced share-based compensation expense primarily due to the reversal of all of the cumulative expense totaling $70.6 million related to the Company's One-Time Special Performance-Based Five-Year Realizable Value Incentive Program during the year ended December 31, 2018. These decreases were partially offset by an increase in bad debt expense of approximately $26.5 million related to a special business interruption event for one customer, and $20.0 million of compensation expense as an additional discretionary bonus for a certain group of employees. None of the employees eligible for this bonus are named executive officers.

Litigation Settlements and Other Contingencies, Net

During the year ended December 31, 2018, the Company recorded a net gain of $49.5 million for litigation settlements and other contingencies, net, compared to $13.1 million in the prior year.

The following table includes the losses/(gains) recognized in litigation settlements and other contingencies, net during the year ended December 31, 2018:

(In millions)	Loss/(gain)
Respiratory delivery platform contingent consideration adjustment	$ (44.0)
Jai Pharma Limited and other contingent consideration adjustments	2.5
Litigation settlements	(8.0)
Total litigation settlements and other contingencies, net	$ (49.5)

The following table includes the losses/(gains) recognized in litigation settlements and other contingencies, net during the year ended December 31, 2017:

(In millions)	Loss/(gain)
Respiratory delivery platform contingent consideration adjustment	$ (93.5)
Litigation settlements	51.1
Topicals Business contingent consideration adjustment	23.5
Jai Pharma Limited contingent consideration adjustment	9.8
Apicore contingent consideration adjustment	(4.0)
Total litigation settlements and other contingencies, net	$ (13.1)

Interest Expense

Interest expense for the year ended December 31, 2018 totaled $542.3 million, compared to $534.6 million for the year ended December 31, 2017, an increase of $7.7 million. The increase is due to slightly higher average interest rates on debt issued in 2018 when compared to the debt instruments redeemed during 2018, which was partially offset by the impact of lower average long-term balances during the year ended December 31, 2018 compared to the prior year.

Other Expense (Income), Net

Other expense, net was $64.9 million for the year ended December 31, 2018, compared to net other income of $0.4 million for the prior year. Other expense (income), net includes losses from equity affiliates, foreign exchange gains and losses, and interest and dividend income. Other expense (income), net was comprised of the following for the year ended December 31, 2018 and 2017, respectively:

	Year Ended December 31,	
(In millions)	2018	2017
Losses from equity affiliates, primarily clean energy investments	$ 78.7	$ 58.0
Foreign exchange gains, net	(20.0)	(48.1)
Other losses/(gains), net	6.2	(10.3)
Other expense (income), net	$ 64.9	$ (0.4)

Income Tax (Benefit) Provision

For the year ended December 31, 2018, the Company recognized an income tax benefit of $54.1 million, compared to an income tax provision of $207.0 million for the comparable prior year. During the year ended December 31, 2018, a tax benefit of $65.7 million was recorded as a result of the Company's settlement of certain federal and state audits. The tax provision for the year ended December 31, 2017 included a provisional net tax charge of $128.6 million related to the December 2017 U.S. Tax Cuts and Jobs Act (the "Tax Act"). Also impacting the income tax benefit for the year ended December 31, 2018 versus the prior year was the changing mix of income earned in jurisdictions with differing tax rates,

increases in valuation allowances on certain carryforward tax attributes, and the revaluation of deferred tax assets and liabilities in countries that changed their statutory corporate tax rate.

Use of Non-GAAP Financial Measures

Whenever the Company uses non-GAAP financial measures, we provide a reconciliation of the non-GAAP financial measures to their most directly comparable U.S. GAAP financial measure. Investors and other readers are encouraged to review the related U.S. GAAP financial measures and the reconciliation of non-GAAP measures to their most directly comparable U.S. GAAP measure and should consider non-GAAP measures only as a supplement to, not as a substitute for or as a superior measure to, measures of financial performance prepared in accordance with U.S. GAAP. Additionally, since these are not measures determined in accordance with U.S. GAAP, non-GAAP financial measures have no standardized meaning across companies, or as prescribed by U.S. GAAP and, therefore, may not be comparable to the calculation of similar measures or measures with the same title used by other companies.

Management uses these measures internally for forecasting, budgeting, measuring its operating performance, and incentive-based awards. Primarily due to acquisitions and other significant events which may impact comparability of our periodic operating results, we believe that an evaluation of our ongoing operations (and comparisons of our current operations with historical and future operations) would be difficult if the disclosure of our financial results was limited to financial measures prepared only in accordance with U.S. GAAP. We believe that non-GAAP financial measures are useful supplemental information for our investors and when considered together with our U.S. GAAP financial measures and the reconciliation to the most directly comparable U.S. GAAP financial measure, provide a more complete understanding of the factors and trends affecting our operations. The financial performance of the Company is measured by senior management, in part, using adjusted metrics as described below, along with other performance metrics. Management's annual incentive compensation is derived, in part, based on the adjusted EPS (as defined below) metric.

Adjusted Cost of Sales and Adjusted Gross Margin

We use the non-GAAP financial measure "adjusted cost of sales" and the corresponding non-GAAP financial measure "adjusted gross margin." The principal items excluded from adjusted cost of sales include restructuring, acquisition related and other special items and purchase accounting amortization and other related items, which are described in greater detail below.

Adjusted Net Earnings and Adjusted EPS

Adjusted net earnings is a non-GAAP financial measure and provides an alternative view of performance used by management. Management believes that, primarily due to acquisition activity and other significant events, an evaluation of the Company's ongoing operations (and comparisons of its current operations with historical and future operations) would be difficult if the disclosure of its financial results were limited to financial measures prepared only in accordance with U.S. GAAP. Management believes that adjusted net earnings and adjusted net earnings per diluted share ("adjusted EPS") are two of the most important internal financial metrics related to the ongoing operating performance of the Company, and are therefore useful to investors and that their understanding of our performance is enhanced by these adjusted measures. Actual internal and forecasted operating results and annual budgets used by management include adjusted net earnings and adjusted EPS.

The significant items excluded from adjusted cost of sales, adjusted net earnings and adjusted EPS include:

Purchase Accounting Amortization and Other Related Items

The ongoing impact of certain amounts recorded in connection with acquisitions of both businesses and assets is excluded from adjusted cost of sales, adjusted net earnings and adjusted EPS. These amounts include the amortization of intangible assets, inventory step-up and intangible asset impairment charges, including IPR&D. For the acquisition of businesses accounted for under the provisions of the Financial Accounting Standards Board Accounting Standards Codification ("ASC") 805, these purchase accounting impacts are excluded regardless of the financing method used for the acquisitions, including the use of cash, long-term debt, the issuance of ordinary shares, contingent consideration or any combination thereof.

Upfront and Milestone-Related R&D Expenses

These expenses and payments are excluded from adjusted net earnings and adjusted EPS because they generally occur at irregular intervals and are not indicative of the Company's ongoing operations.

Accretion of Contingent Consideration Liability and Other Fair Value Adjustments

The impact of changes to the fair value of contingent consideration and accretion expense are excluded from adjusted net earnings and adjusted EPS because they are not indicative of the Company's ongoing operations due to the variability of the amounts and the lack of predictability as to the occurrence and/or timing and management believes their exclusion is helpful to understanding the underlying, ongoing operational performance of the business.

Share-based Compensation

Beginning in 2019, share-based compensation expense is excluded from adjusted net earnings and adjusted EPS. Our share-based compensation programs have become increasingly weighted toward performance-based compensation, which leads to variability and to a lack of predictability as to the occurrence and/or timing of amounts incurred. As such, management believes the exclusion of such amounts on an ongoing basis is helpful to understanding the underlying operational performance of the business. The impact of share-based compensation was insignificant to the financial results for the year ended December 31, 2018 due primarily to this variability.

Restructuring, Acquisition Related and Other Special Items

Costs related to restructuring, acquisition and integration activities and other actions are excluded from adjusted cost of sales, adjusted net earnings and adjusted EPS, as applicable. These amounts include items such as:

- Costs related to formal restructuring programs and actions, including costs associated with facilities to be closed or divested, employee separation costs, impairment charges, accelerated depreciation, incremental manufacturing variances, equipment relocation costs and other restructuring related costs;
- Certain acquisition related remediation and integration and planning costs, as well as other costs associated with acquisitions such as advisory and legal fees and certain financing related costs, and other business transformation and/or optimization initiatives, which are not part of a formal restructuring program, including employee separation and post-employment costs;
- The pre-tax loss of the Company's clean energy investments, whose activities qualify for income tax credits under the U.S. Internal Revenue Code of 1986, as amended; only included in adjusted net earnings and adjusted EPS is the net tax effect of the entity's activities;
- The pre-tax mark-to-market gains and losses of the Company's investments in marketable equity securities historically accounted for as available for sale securities; only included in adjusted net earnings and adjusted EPS are cumulative realized gains and losses;
- Other costs, incurred from time to time, related to certain special events or activities that lead to gains or losses, including, but not limited to, incremental manufacturing variances, asset write-downs, or liability adjustments;
- Certain costs to further develop and optimize our global enterprise resource planning systems, operations and supply chain; and
- The impact of changes related to uncertain tax positions is excluded from adjusted net earnings. In addition, tax adjustments to adjusted earnings are recorded to present items on an after-tax basis consistent with the presentation of adjusted net earnings and adjusted EPS.

The Company has undertaken restructurings and other optimization initiatives of differing types, scope and amount during the covered periods and, therefore, these charges should not be considered non-recurring; however, management excludes these amounts from adjusted net earnings and adjusted EPS because it believes it is helpful to understanding the underlying, ongoing operational performance of the business.

Litigation Settlements, Net

Charges and gains related to legal matters, such as those discussed in Note 20 *Litigation* included in Item 8 in this Annual Report on Form 10-K are generally excluded from adjusted net earnings and adjusted EPS. Normal, ongoing defense costs of the Company made in the normal course of our business are not excluded.

Reconciliation of U.S. GAAP Net Earnings to Adjusted Net Earnings and U.S. GAAP EPS to Adjusted EPS

A reconciliation between net earnings and diluted earnings per share, as reported under U.S. GAAP, and adjusted net earnings and adjusted EPS for the periods shown follows:

	Year Ended December 31,					
(In millions, except per share amounts)	**2019**		**2018**		**2017**	
U.S. GAAP net earnings and U.S. GAAP diluted earnings per share	$ 16.8	$ 0.03	$ 352.5	$ 0.68	$ 696.0	$ 1.30
Purchase accounting related amortization (primarily included in cost of sales)	1,767.0		1,833.9		1,529.7	
Litigation settlements and other contingencies, net	(21.4)		(49.5)		(13.1)	
Interest expense (primarily clean energy investment financing and accretion of contingent consideration)	27.2		39.7		47.3	
Clean energy investments pre-tax loss	62.1		78.7		47.1	
Acquisition related costs (primarily included in SG&A) [(a)]	89.5		21.4		72.8	
Restructuring related costs [(b)]	104.6		240.2		188.0	
Share-based compensation expense [(c)]	56.8		—		—	
Other special items included in:						
Cost of sales [(d)]	366.0		225.1		63.5	
Research and development expense [(e)]	121.1		118.2		117.7	
Selling, general and administrative expense	60.2		43.7		11.7	
Other expense, net	10.7		25.4		13.8	
Tax effect of the above items and other income tax related items	(380.1)		(564.5)		(329.7)	
Adjusted net earnings and adjusted EPS	$ 2,280.5	$ 4.42	$ 2,364.8	$ 4.58	$ 2,444.8	$ 4.56
Weighted average diluted ordinary shares outstanding	516.5		516.5		536.7	

Significant items for the year ended December 31, 2019 include the following:

[(a)] Acquisition related costs consist primarily of transaction costs including legal and consulting fees and integration activities. The increase for the year ended December 31, 2019 relates to transaction costs for the pending Combination.

[(b)] For the year ended December 31, 2019, approximately $100.9 million is included in cost of sales and approximately $3.8 million is included in SG&A. Refer to Note 18 *Restructuring* included in Item 8 in this Annual Report on Form 10-K for additional information.

[(c)] Beginning in 2019, share-based compensation expense is excluded from adjusted net earnings and adjusted EPS. The full year impact for the year ended December 31, 2018 was insignificant. As such, the 2018 amount was not added back to U.S. GAAP net earnings.

[(d)] The year ended December 31, 2019 increased $140.9 million primarily due to $210.6 million for certain incremental manufacturing variances and site remediation activities as a result of the activities at the Company's Morgantown plant, approximately $40.9 million for product recall costs including inventory write-offs, and charges related to the cancellation of a contract, each of which were higher during the year ended December 31, 2019 compared to the prior year.

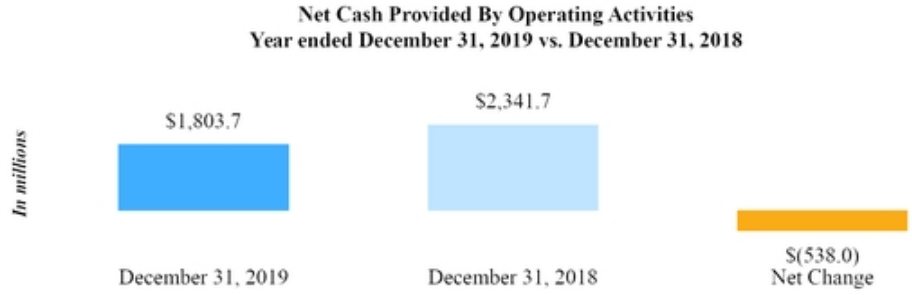
[(e)] Adjustments primarily relate to non-refundable payments related to development collaboration agreements.

Liquidity and Capital Resources

Our primary source of liquidity is net cash provided by operating activities, which was $1.80 billion for the year ended December 31, 2019. We believe that net cash provided by operating activities and available liquidity will continue to allow us to meet our needs for working capital, capital expenditures and interest and principal payments on debt obligations. Nevertheless, our ability to satisfy our working capital requirements and debt service obligations, or fund planned capital expenditures, will substantially depend upon our future operating performance (which will be affected by prevailing economic conditions), and financial, business and other factors, some of which are beyond our control.

Operating Activities

Net cash provided by operating activities decreased by $538.0 million to $1.80 billion for the year ended December 31, 2019, as compared to net cash provided by operating activities of $2.34 billion for the year ended December 31, 2018. Net cash provided by operating activities is derived from net earnings adjusted for non-cash operating items, gains and losses attributed to investing and financing activities and changes in operating assets and liabilities resulting from timing differences between the receipts and payments of cash, including changes in cash primarily reflecting the timing of cash collections from customers, payments to vendors and employees and tax payments in the ordinary course of business.



The net decrease in net cash provided by operating activities was principally due to the following:

- a decrease in net earnings for the year ended December 31, 2019 of $335.7 million, principally as a result of a decrease in earnings from operations;
- a net decrease in the amount of cash provided by changes in accounts receivable of $360.1 million, reflecting the timing of sales and cash collections including the impact of factoring arrangements; and
- a net increase in the amount of cash used through changes in trade accounts payable of $316.6 million as a result of the timing of cash payments.

These items were partially offset by the following:

- a net increase in non-cash expenses of $116.5 million;
- a net decrease of $34.7 million in the amount of cash used through changes in inventory balances;
- a net increase in the amount of cash provided by changes in income taxes of $81.8 million as a result of the level and timing of estimated tax payments made during the current period; and
- a net increase in the amount of cash provided by changes in other assets and liabilities of $241.4 million.

Investing Activities

Net cash used in investing activities was $525.4 million for the year ended December 31, 2019, as compared to net cash used in investing activities of $1.21 billion for the year ended December 31, 2018, a decrease of $685.0 million.

In 2019, significant items in investing activities included the following:

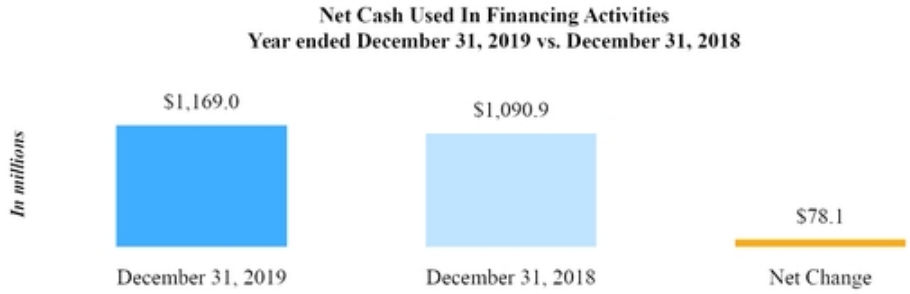
- cash paid for acquisitions, net totaling approximately $148.7 million primarily related to payments to Novartis AG for the purchase of the worldwide rights to the TOBI Podhaler® and TOBI® solution global cystic fibrosis products;
- payments for product rights and other, net totaling approximately $192.8 million, primarily related to the acquisitions of intellectual property rights and marketing authorizations;
- proceeds from the sale of assets of $28.0 million; and
- capital expenditures, primarily for equipment and facilities, totaling approximately $213.2 million. While there can be no assurance that current expectations will be realized, capital expenditures for the 2020 calendar year are expected to be approximately $300 million to $400 million.

In 2018, significant items in investing activities included the following:

- cash paid for acquisitions, net totaling approximately $65.9 million related to the deferred non-contingent purchase price for the acquisition of Apicore, Inc.;
- payments for product rights and other, net totaling approximately $943.5 million, which included payments of approximately $839.0 million related to commercialized product rights, primarily related to the worldwide rights to the TOBI Podhaler® and TOBI® solution, Betadine in certain European markets and other products in certain rest of world markets;
- proceeds from the sale of certain assets during the year totaling approximately $29.3 million; and
- capital expenditures, primarily for equipment and facilities, totaling approximately $252.1 million.

Financing Activities

Net cash used in financing activities was $1.17 billion for the year ended December 31, 2019, as compared to net cash used in financing activities of $1.09 billion for the year ended December 31, 2018, an increase of $78.1 million.



In 2019, significant items in financing activities included the following:

- long-term debt payments of approximately $1.11 billion consisting primarily of the repayment at maturity of $550.0 million principal amount of the 2.500% Senior Notes due 2019, the partial redemption of $450.0 million principal amount of the 3.750% Senior Notes due 2020 and the repayment of the remaining approximately $100.0 million balance of the 2016 Term Facility (as defined in Note 10 *Debt* in Item 8 in this Annual Report on Form 10-K); and
- payments totaling approximately $60.3 million (of the total $99.0 million) in milestone payments related to Pfizer's proprietary dry powder inhaler delivery platform (the "respiratory delivery platform") contingent consideration. The remaining payments related to the respiratory delivery platform contingent consideration are included as a component of other operating assets and liabilities, net within net cash from operating activities

In 2018, significant items in financing activities included the following:

- long-term debt proceeds of approximately $2.58 billion primarily related to borrowings of approximately $496.5 million under the 2018 Revolving Credit Facility, proceeds from the April 2018 Senior Notes offering of approximately $1.50 billion and proceeds from the May 2018 Euro Senior Notes offering of approximately €500 million (each as defined in Note 10 *Debt* included in Item 8 in this Annual Report on Form 10-K);

- long-term debt payments of approximately $3.17 billion consisting primarily of repayments of borrowings of approximately $496.5 million under the 2018 Revolving Credit Facility, redemptions of $1.50 billion principal amount of senior notes in connection with the April 2018 Senior Notes offering, redemptions of $600.0 million principal amount of senior notes in connection with the May 2018 Euro Senior Notes offering and repayment at maturity of €500.0 million principal amount of the Floating Rate Euro Notes due 2018;
- net repayments of short-term borrowings of approximately $44.4 million; and
- the Company repurchased 9.8 million ordinary shares at a cost of approximately $432.0 million and completed the $1 billion share repurchase program that was previously approved by the Company's Board of Directors and announced on November 16, 2015.

Capital Resources

Our cash and cash equivalents totaled $475.6 million at December 31, 2019, and the majority of these funds are held by our non-U.S. subsidiaries. The Company anticipates having sufficient liquidity, including existing borrowing capacity under the 2018 Revolving Facility (which replaced the 2016 Revolving Facility on substantially identical terms) and the Commercial Paper Program (which are defined in Note 10 *Debt* in Item 8 of this Form 10-K), and the Receivables Facility and the Note Securitization Facility (each as defined below) combined with cash to be generated from operations, to fund foreseeable cash needs without requiring the repatriation of non-U.S. cash.

The Company has access to $2.0 billion under the 2018 Revolving Facility which matures in July 2023. Up to $1.65 billion of the 2018 Revolving Facility may be used to support borrowings under our Commercial Paper Program.

In addition to the 2018 Revolving Facility, Mylan Pharmaceuticals Inc., a wholly owned subsidiary of the Company, has a $400 million accounts receivable securitization facility (the "Receivables Facility"), which expires on April 22, 2022. As of December 31, 2019, the Company had no amounts outstanding under the Receivables Facility.

On April 25, 2019, we entered into an additional facility for borrowings up to $200 million (the "Note Securitization Facility"). Under the terms of each of the Receivables Facility and Note Securitization Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. The amount that we may borrow at a given point in time is determined based on the amount of qualifying accounts receivable that are present at such point in time. Borrowings outstanding under the Receivables Facility bear interest at a commercial paper rate plus 0.775% and under the Note Securitization Facility at London Interbank Offered Rate or LIBOR plus 0.75% and are included as a component of short-term borrowings, while the accounts receivable securing these obligations remain as a component of accounts receivable, net, in our consolidated balance sheets. In addition, the agreements governing the Receivables Facility and Note Securitization Facility contain various customary affirmative and negative covenants, and customary default and termination provisions.

We have entered into accounts receivable factoring agreements with financial institutions to sell certain of our non-U.S. accounts receivable. These transactions are accounted for as sales and result in a reduction in accounts receivable because the agreements transfer effective control over and risk related to the receivables to the buyers. Our factoring agreements do not allow for recourse in the event of uncollectibility, and we do not retain any interest in the underlying accounts receivable once sold. We derecognized $90.1 million of accounts receivable as of December 31, 2019 under these factoring arrangements.

At December 31, 2019, our long-term debt, including the current portion, totaled $12.67 billion, as compared to $13.82 billion at December 31, 2018. Total long-term debt is calculated net of deferred financing fees which were $60.5 million and $74.6 million at December 31, 2019 and December 31, 2018, respectively.

For additional information regarding our debt and debt agreements refer to Note 10 *Debt* in Item 8 of this Annual Report on Form 10-K.

Long-term Debt Maturity

Mandatory minimum repayments remaining on the outstanding notional amount of long-term debt at December 31, 2019 was as follows for each of the periods ending December 31:

The Company's 2018 Revolving Facility contains customary affirmative covenants for facilities of this type, including among others, covenants pertaining to the delivery of financial statements, notices of default and certain material events, maintenance of corporate existence and rights, property, and insurance and compliance with laws, as well as customary negative covenants for facilities of this type, including limitations on the incurrence of subsidiary indebtedness, liens, mergers and certain other fundamental changes, investments and loans, acquisitions, transactions with affiliates, payments of dividends and other restricted payments and changes in our lines of business.

The 2018 Revolving Facility contains a maximum consolidated leverage ratio financial covenant requiring maintenance of a maximum ratio of 3.75 to 1.00 for consolidated total indebtedness as of the end of any quarter to consolidated EBITDA for the trailing four quarters as defined in the related credit agreements ("leverage ratio").

On February 22, 2019, the Company, as a guarantor, and Mylan Inc., as borrower, entered into an amendment (the "Revolving Loan Amendment") to the 2018 Revolving Facility. The Revolving Loan Amendment extended the leverage ratio covenant of 4.25 to 1.00 through the December 31, 2019 reporting period. The Company is in compliance at December 31, 2019 and expects to remain in compliance for the next twelve months.

Other Commitments

The Company is involved in various disputes, governmental and/or regulatory inquiries, investigations and proceedings, tax proceedings and litigation matters, both in the U.S. and abroad, that arise from time to time, some of which could result in losses, including damages, fines and/or civil penalties, and/or criminal charges against the Company. These matters are often complex and have outcomes that are difficult to predict. The Company is also party to certain proceedings and litigation matters for which it may be entitled to indemnification under the respective sale and purchase agreements relating to the acquisitions of the former Merck Generics business, Agila Specialties Private Limited, the EPD Business, and certain other acquisitions. We have approximately $59 million accrued for legal contingencies at December 31, 2019.

While the Company believes that it has meritorious defenses with respect to the claims asserted against it and intends to vigorously defend its position, the process of resolving these matters is inherently uncertain and may develop over a long period of time, and so it is not possible to predict the ultimate resolution of any such matter. It is possible that an unfavorable resolution of any of the ongoing matters or the inability or denial of Merck KGaA, Strides Arcolab, Abbott, or another indemnitor or insurer to pay an indemnified claim, could have a material effect on the Company's business, financial condition, results of operations, cash flows and/or ordinary share price.

On July 29, 2019, Newco and certain financial institutions executed a 364-day bridge commitment letter pursuant to which such financial institutions have committed to provide bridge financing (the "Bridge Facility") to Newco to fund the $12 billion cash payment from Newco to Pfizer and to pay fees and expenses related to the transactions contemplated by the Business Combination Agreement. Mylan N.V. and Mylan Inc. will be guarantors of the Bridge Facility from and after the consummation of the Combination.

We are continuously evaluating the potential acquisition of products, as well as companies, as a strategic part of our future growth. Consequently, we may utilize current cash reserves or incur additional indebtedness to finance any such acquisitions, which could impact future liquidity. In addition, on an ongoing basis, we review our operations including the

evaluation of potential divestitures of products and businesses as part of our future strategy. Any divestitures could impact future liquidity.

Contractual Obligations

The following table summarizes our contractual obligations at December 31, 2019 and the effect that such obligations are expected to have on our liquidity and cash flows in future periods:

(In millions)	Total	Less than One Year	One-Three Years	Three-Five Years	Thereafter
Long-term debt	$ 12,725.0	$ 1,452.0	$ 2,250.0	$ 2,371.0	$ 6,652.0
Scheduled interest payments [1]	4,761.5	453.5	737.4	642.6	2,928.0
Leases	286.0	72.6	98.6	49.4	65.4
Other Commitments [2]	1,414.2	844.1	223.6	123.4	223.1
	$ 19,186.7	$ 2,822.2	$ 3,309.6	$ 3,186.4	$ 9,868.5

(1) Scheduled interest payments represent the estimated interest payments related to our outstanding borrowings under senior notes and other long-term debt. Variable debt interest payments are estimated using current interest rates.

(2) Other commitments include funding commitments related to the Company's clean energy investments, agreements to purchase third-party manufactured products, open purchase orders, transition tax and estimated post-employment payments at December 31, 2019.

Due to the uncertainty with respect to the timing of future payments, if any, the following contingent payments have not been included in the table above.

We are contractually obligated to make potential future development, regulatory and commercial milestone, royalty and/or profit sharing payments in conjunction with acquisitions we have entered into with third parties. The most significant of these relate to the potential future consideration related to the acquisition of the exclusive worldwide rights to develop, manufacture and commercialize a generic equivalent to GlaxoSmithKline's Advair® Diskus incorporating Pfizer's respiratory delivery platform. These payments are contingent upon the occurrence of certain future events and, given the nature of these events, it is unclear when we may be required to pay such amounts. The amount of the contingent consideration liabilities was $250.7 million at December 31, 2019. In addition, the Company expects to incur approximately $10 million to $15 million of non-cash accretion expense related to the increase in the net present value of the contingent consideration liabilities in 2020.

With respect to the timing of future cash flows associated with our unrecognized tax benefits at December 31, 2019, we are unable to make reasonably reliable estimates of the period of cash settlement with the respective taxing authority. As such, $92.1 million of unrecognized tax benefits have been excluded from the contractual obligations table above.

In the normal course of business, Mylan periodically enters into employment, legal settlement and other agreements which incorporate indemnification provisions. While the maximum amount to which Mylan may be exposed under such agreements cannot be reasonably estimated, the Company maintains insurance coverage, which management believes will effectively mitigate the Company's obligations under these indemnification provisions. No amounts have been recorded in the consolidated financial statements with respect to the Company's obligations under such agreements.

We have entered into employment and other agreements with certain executives and other employees that provide for compensation and certain other benefits. These agreements provide for severance payments under certain circumstances.

Collaboration and Licensing Agreements

We periodically enter into collaboration and licensing agreements with other pharmaceutical companies for the development, manufacture, marketing and/or sale of pharmaceutical products. Our significant collaboration agreements are primarily focused on the development, manufacturing, supply and commercialization of multiple, high-value generic biologic compounds, insulin analog products and respiratory products, among other complex products. Under these agreements, we have future potential milestone payments and co-development expenses payable to third parties as part of our licensing, development and co-development programs. Payments under these agreements generally become due and are payable upon the satisfaction or achievement of certain developmental, regulatory or commercial milestones or as development expenses are incurred on defined projects. Milestone payment obligations are uncertain, including the prediction of timing and the

occurrence of events triggering a future obligation and are not reflected as liabilities in the consolidated balance sheets, except obligations reflected as acquisition related contingent consideration. Refer to Note 9 *Financial Instruments and Risk Management* included in Item 8 in this Annual Report on Form 10-K for further discussion of contingent consideration. Our potential maximum development milestones not accrued for at December 31, 2019 totaled approximately $372 million. We estimate that the amounts that may be paid in the next twelve months to be approximately $62 million. These agreements may also include potential sales-based milestones and call for us to pay a percentage of amounts earned from the sale of the product as a royalty or a profit share. The amounts disclosed do not include sales-based milestones, royalty or profit share obligations on future sales of product as the timing and amount of future sales levels and costs to produce products subject to these obligations is not reasonably estimable. These sales-based milestones, royalty or profit share obligations may be significant depending upon the level of commercial sales for each product.

The Company's significant collaboration and licensing agreements include those with Pfizer, Momenta, Theravance Biopharma, Biocon and FKB. Refer to Note 19 *Collaboration and Licensing Agreements* included in Item 8 in this Annual Report on Form 10-K for additional information related to our collaborations.

Impact of Currency Fluctuations and Inflation

Because our results are reported in U.S. Dollars, changes in the rate of exchange between the U.S. Dollar and the local currencies in the markets in which we operate, mainly the Euro, Swedish Krona, Indian Rupee, Japanese Yen, Australian Dollar, Canadian Dollar, Pound Sterling and Brazilian Real affect our results as previously noted. We do not believe that inflation has had a material impact on our revenues or operations in any of the past three years.

Application of Critical Accounting Policies

Our significant accounting policies are described in Note 2 *Summary of Significant Accounting Policies* included in Item 8 in this Annual Report on Form 10-K and are in accordance with U.S. GAAP.

Included within these policies are certain policies which contain critical accounting estimates and, therefore, have been deemed to be "critical accounting policies." Critical accounting estimates are those which require management to make assumptions about matters that were uncertain at the time the estimate was made and for which the use of different estimates, which reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur from period to period could have a material impact on our financial condition or results of operations. We have identified the following to be our critical accounting policies: the determination of net revenue provisions, acquisitions, intangible assets, goodwill and contingent consideration, income taxes and the impact of existing legal matters.

Revenue Recognition

On January 1, 2018, the Company adopted ASC Topic 606 *Revenue from Contracts with Customers* ("ASC 606") using the modified retrospective method applied to those contracts which were not completed as of the date of adoption. Results for reporting periods beginning on January 1, 2018 are presented under ASC 606, while prior period amounts are not adjusted and continue to be reported in accordance with ASC Topic 605 *Revenue Recognition* ("ASC 605"). Under ASC 605, the Company recognized net sales when title and risk of loss passed to its customers and when provisions for estimates, as described below, were reasonably determinable.

Under ASC 606, the Company recognizes net revenue for product sales when control of the promised goods or services is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and other current liabilities (if paid in cash). The following briefly describes the nature of our provisions for variable consideration and how such provisions are estimated:

- *Chargebacks*: the Company has agreements with certain indirect customers, such as independent pharmacies, retail pharmacy chains, managed care organizations, hospitals, nursing homes, governmental agencies and pharmacy benefit managers, which establish contract prices for certain products. The indirect customers then independently select a wholesaler from which to purchase the products at these contracted prices. Alternatively, certain wholesalers may enter into agreements with indirect customers that establish contract pricing for certain products, which the wholesalers provide. Under either arrangement, Mylan will provide credit to the wholesaler for any difference between the contracted price with the indirect party and the wholesaler's invoice price. Such credits are called

chargebacks. The provision for chargebacks is based on expected sell-through levels by our wholesaler customers to indirect customers, as well as estimated wholesaler inventory levels. We continually monitor our provision for chargebacks and evaluate our reserve and estimates as additional information becomes available. A change of 5% would have an effect on our reserve balance of approximately $25.9 million.

- *Rebates, promotional programs and other sales allowances*: this category includes rebate and other programs to assist in product sales. These programs generally provide that the customer receives credit directly related to the amount of purchases or credits upon the attainment of pre-established volumes. Also included in this category are prompt pay discounts, administrative fees and price adjustments to reflect decreases in the selling prices of products. A change of 5% would have an effect on our reserve balance of approximately $54.2 million.
- *Returns*: consistent with industry practice, Mylan maintains a return policy that allows customers to return a product, which varies country by country in accordance with local practices, generally within a specified period prior (six months) and subsequent (twelve months) to the expiration date. The Company's estimate of the provision for returns is generally based upon historical experience with actual returns. A change of 5% would have an effect on our reserve balance of approximately $19.7 million.
- *Governmental rebate programs*: government reimbursement programs include Medicare, Medicaid, and State Pharmacy Assistance Programs established according to statute, regulations and policy. Manufacturers of pharmaceutical products that are covered by the Medicaid program are required to pay rebates to each state based on a statutory formula set forth in the Social Security Act. Medicare beneficiaries are eligible to obtain discounted prescription drug coverage from private sector providers. In addition, certain states have also implemented supplemental rebate programs that obligate manufacturers to pay rebates in excess of those required under federal law. Our estimate of these rebates is based on the historical trends of rebates paid as well as on changes in wholesaler inventory levels and increases or decreases in the level of sales. Also, this provision includes price reductions that are mandated by law outside of the U.S. A change of 5% would have an effect on our reserve balance of approximately $15.6 million.

The following is a rollforward of the categories of variable consideration during 2019:

(In millions)	Balance at December 31, 2018	Current Provision Related to Sales Made in the Current Period	Checks/ Credits Issued to Third Parties	Effects of Foreign Exchange	Balance at December 31, 2019
Chargebacks	$ 478.2	$ 3,309.6	$ (3,268.6)	$ (0.6)	$ 518.6
Rebates, promotional programs and other sales allowances	1,202.4	3,629.3	(3,747.2)	(0.4)	1,084.1
Returns	439.5	237.9	(284.3)	(0.1)	393.0
Governmental rebate programs	222.2	465.1	(373.8)	(0.7)	312.8
Total	$ 2,342.3	$ 7,641.9	$ (7,673.9)	$ (1.8)	$ 2,308.5

Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net revenues and in accounts receivable and other current liabilities. Accounts receivable are presented net of allowances relating to these provisions, which were comprised of the following at December 31, 2019 and 2018, respectively:

(In millions)	December 31, 2019	December 31, 2018
Accounts receivable	$ 1,512.0	$ 1,715.6
Other current liabilities	796.5	626.7
Total	$ 2,308.5	$ 2,342.3

We have not made and do not anticipate making any significant changes to the methodologies that we use to measure provisions for variable consideration; however, the balances within these reserves can fluctuate significantly through the consistent application of our methodologies. Historically, we have not recorded in any current period any material amounts related to adjustments made to prior period reserves.

Acquisitions, Intangible Assets, Goodwill and Contingent Consideration

The Company accounts for acquired businesses using the acquisition method of accounting in accordance with the provisions of ASC 805, which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective estimated fair values. The cost to acquire businesses is allocated to the underlying net assets of the acquired business based on estimates of their respective fair values. Amounts allocated to acquired IPR&D are capitalized at the date of acquisition and, at that time, such IPR&D assets have indefinite lives. As products in development are approved for sale, amounts are allocated to product rights and licenses and will be amortized over their estimated useful lives. Finite-lived intangible assets are amortized over the expected life of the asset. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill.

Purchases of developed products and licenses that are accounted for as asset acquisitions are capitalized as intangible assets and amortized over an estimated useful life. IPR&D assets acquired as part of an asset acquisition are expensed immediately if they have no alternative future uses.

The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact our results of operations. Fair values and useful lives are determined based on, among other factors, the expected future period of benefit of the asset, the various characteristics of the asset and projected cash flows. Because this process involves management making estimates with respect to future sales volumes, pricing, new product launches, government reform actions, anticipated cost environment and overall market conditions, and because these estimates form the basis for the determination of whether or not an impairment charge should be recorded, these estimates are considered to be critical accounting estimates.

The Company records contingent consideration resulting from business acquisitions at its estimated fair value on the acquisition date. Each reporting period thereafter, the Company revalues these obligations and records increases or decreases in their fair value as adjustments to litigation settlements and other contingencies, net within the consolidated statements of operations. Changes in the fair value of the contingent consideration obligations can result from adjustments to the discount rates, payment periods and adjustments in the probability of achieving future development steps, regulatory approvals, market launches, sales targets and profitability. These fair value measurements represent Level 3 measurements as they are based on significant inputs not observable in the market.

Significant judgment is employed in determining the assumptions utilized as of the acquisition date and for each subsequent measurement period. Accordingly, changes in the assumptions described above, could have a material impact on the Company’s consolidated financial condition and results of operations.

The Company reviews goodwill for impairment at least annually or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable based on management’s assessment of the fair value of the Company’s reporting units as compared to their related carrying value. Under the authoritative guidance issued by the FASB, we have the option to first assess the qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform a quantitative goodwill impairment test. If we choose to use qualitative factors and determine that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then the goodwill impairment test would be required. The goodwill impairment test requires the Company to estimate the fair value of the reporting unit and to compare the fair value of the reporting unit with its carrying amount. If the carrying amount is less than its fair value, then no impairment is recognized. If the carrying amount exceeds the fair value calculated, an impairment charge is recorded for the difference. The judgments made in determining the projected cash flows used to estimate the fair value can materially impact the Company’s financial condition and results of operations.

Goodwill is allocated and evaluated for impairment at the reporting unit level, which is defined as an operating segment or one level below an operating segment. The Company has four reporting units, North America Generics, North America Brands, Europe and Rest of World and completes its annual goodwill impairment test as of April 1st. As of April 1, 2019, the date of our most recent annual impairment test, the allocation of the Company’s total goodwill was as follows: North America Generics $2.67 billion, North America Brands $0.65 billion, Europe $4.56 billion and Rest of World $1.72 billion.

The Company has performed its annual goodwill impairment test as of April 1, 2019 on a quantitative basis for its four reporting units, North America Generics, North America Brands, Europe and Rest of World. In estimating each reporting unit’s fair value, the Company performed an extensive valuation analysis, utilizing both income and market-based approaches, except for the North America Brands reporting unit where the fair value was estimated utilizing the income approach. The determination of the fair value of the reporting units requires the Company to make significant estimates and assumptions that

affect the reporting unit's expected future cash flows. These estimates and assumptions, utilizing Level 3 inputs, primarily include, but are not limited to, market multiples, control premiums, the discount rate, terminal growth rates, operating income before depreciation and amortization, and capital expenditures forecasts. The following describes the valuation methodologies used to derive the estimated fair value of the reporting units.

Income Approach: Under this approach, to determine fair value, we discounted the expected future cash flows of each reporting unit. We used a discount rate, which reflected the overall level of inherent risk and the rate of return an outside investor would have expected to earn. To estimate cash flows beyond the final year of our model, we used a terminal value approach. Under this approach, we used EBITDA in the final year of our model, adjusted to estimate a normalized cash flow, applied a perpetuity growth assumption, and discounted by a perpetuity discount factor to determine the terminal value. We incorporated the present value of the resulting terminal value into our estimate of fair value.

Market-Based Approach: The Company also utilizes a market-based approach to estimate fair value, principally utilizing the guideline company method which focuses on comparing our risk profile and growth prospects to a select group of publicly traded companies with reasonably similar guidelines.

As of April 1, 2019, the Company determined that the fair value of the North America Generics, North America Brands and Rest of World reporting units was substantially in excess of the respective unit's carrying value. However, when compared to the prior year, the fair value of our overall business declined because of our recent operating results, future forecasts and the decline in our share price, including activity subsequent to April 1, 2019.

For the Europe reporting unit, the estimated fair value exceeded its carrying value by approximately $900.0 million or 7.0%. The excess fair value for the Europe reporting unit is consistent with the result of the Company's 2018 annual impairment test. As it relates to the income approach for the Europe reporting unit at April 1, 2019, the Company forecasted cash flows for the next 5 years. During the forecast period, the revenue compound annual growth rate was approximately 6.5%. A terminal year value was calculated with a 2.0% revenue growth rate applied. The discount rate utilized was 10.5% and the estimated tax rate was 24.0%. Under the market-based approach, we utilized an estimated range of market multiples of 8.0 to 9.5 times EBITDA plus a control premium of 15.0%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 2.0% or an increase in discount rate by 1.5% would result in an impairment charge for the Europe reporting unit.

Due to the inherent uncertainty involved in making these estimates, actual results could differ from those estimates. In addition, changes in underlying assumptions, especially as it relates to the key assumptions detailed, could have a significant impact on the fair value of the reporting units.

The carrying values of long-lived assets, which include property, plant and equipment and intangible assets with finite lives, are evaluated periodically in relation to the expected future undiscounted cash flows of the underlying assets and monitored for other potential triggering events. We have assessed the recoverability of certain long-lived assets, principally finite-lived intangible assets, contained within the reporting units whenever certain impairment indicators are present. Any impairment of these assets must be considered prior to our impairment review of goodwill. The assessment for impairment is based on our ability to recover the carrying value of the long-lived assets or asset grouping by analyzing the expected future undiscounted pre-tax cash flows specific to the asset or asset grouping. If the carrying amount is greater than the undiscounted cash flows, the Company recognizes an impairment loss for the excess of the carrying amount over the estimated fair value based on discounted cash flows.

Significant management judgment is involved in estimating the recoverability of these assets and is dependent upon the accuracy of the assumptions used in making these estimates, as well as how the estimates compare to the eventual future operating performance of the specific asset or asset grouping. For the years ended December 31, 2019, 2018 and 2017, the Company recorded $42.3 million, $106.3 million, and $6.2 million, respectively, of impairment charges for finite-lived intangible assets, which were recorded as a component of amortization expense. At December 31, 2019 and 2018, the Company's finite-lived intangible assets totaled $11.53 billion and $13.04 billion, respectively. Changes to any of the Company's assumptions related to the estimated fair value based on the discounted cash flows, including discount rates or the competitive environment related to the assets, could lead to future material impairment charges. Any future long-lived assets impairment charges could have a material impact on the Company's consolidated financial condition and results of operations.

The Company's indefinite-lived intangible assets, principally IPR&D, are tested at least annually for impairment or upon the occurrence of a triggering event. The impairment test for IPR&D consists of a comparison of the asset's fair value with its carrying value. Impairment is determined to exist when the fair value of IPR&D assets, which is based upon updated forecasts and commercial development plans, is less than the carrying value of the assets being tested. For the years ended

December 31, 2019, 2018 and 2017, the Company recorded $138.3 million, $117.7 million, and $74.6 million, respectively, of impairment charges, which were recorded as a component of amortization expense. At December 31, 2019 and 2018, the Company's IPR&D assets totaled $120.3 million and $625.6 million, respectively.

The fair value of both IPR&D and finite-lived intangible assets was determined based upon detailed valuations employing the income approach which utilized Level 3 inputs, as defined in Note 9 *Financial Instruments and Risk Management* included in Item 8 in this Annual Report on Form 10-K. Changes to any of the Company's assumptions including changes to or abandonment of development programs, regulatory timelines, discount rates or the competitive environment related to the assets could lead to future material impairment charges.

Income Taxes

We compute our income taxes based on the statutory tax rates and tax reliefs available to Mylan in the various jurisdictions in which we generate income. Significant judgment is required in determining our income taxes and in evaluating our tax positions. We establish reserves in accordance with Mylan's policy regarding accounting for uncertainty in income taxes. Our policy provides that the tax effects from an uncertain tax position be recognized in Mylan's financial statements, only if the position is more likely than not of being sustained upon audit, based on the technical merits of the position. We adjust these reserves in light of changing facts and circumstances, such as the settlement of a tax audit. Our provision for income taxes includes the impact of reserve provisions and changes to reserves. Favorable resolution would be recognized as a reduction to our provision for income taxes in the period of resolution or expiration of the underlying statutes of limitation. Based on this evaluation, as of December 31, 2019, our reserve for unrecognized tax benefits totaled $92.1 million.

Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. A significant piece of objective negative evidence evaluated was the cumulative loss incurred in certain taxing jurisdictions over the three-year period ended December 31, 2019. Such objective evidence limits the ability to consider other subjective evidence such as our projections for future growth.

Based on this evaluation and other factors, as of December 31, 2019, a valuation allowance of $603.5 million has been recorded in order to measure only the portion of the deferred tax asset that more likely than not will be realized. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or if objective negative evidence in the form of cumulative losses is no longer present and additional weight may be given to subjective evidence such as projections for growth. When assessing the realizability of deferred tax assets, management considers all available evidence, including historical information, long-term forecasts of future taxable income and possible tax planning strategies. Amounts recorded for valuation allowances can result from a complex series of estimates, assumptions and judgments about future events. Due to the inherent uncertainty involved in making these estimates, assumptions and judgments, actual results could differ materially. Any future increases to the Company's valuation allowances could materially impact the Company's consolidated financial condition and results of operations. At December 31, 2019 and 2018, the Company's net deferred tax assets totaled $703.1 million and $572.2 million, respectively.

A variance of 5% between estimated reserves and valuation allowances and actual resolution and realization of these tax items would have an effect on our reserve balance and valuation allowance of approximately $34.8 million.

On December 22, 2017, the Tax Act was signed into law making significant changes to the Code. Changes include, but are not limited to, a U.S. federal corporate income tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017, the partial transition of U.S. international taxation from a worldwide tax system to a territorial system, and a one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings of non-U.S. corporate subsidiaries of large U.S. shareholders as of December 31, 2017.

Legal Matters

Mylan is involved in various legal proceedings, some of which involve claims for substantial amounts. An estimate is made to accrue for a loss contingency relating to any of these legal proceedings if it is probable that a liability was incurred as of the date of the financial statements and the amount of loss can be reasonably estimated. Because of the subjective nature inherent in assessing the outcome of litigation and because of the potential that an adverse outcome in a legal proceeding could have a material adverse effect on our business, financial condition, results of operations, cash flows, and/or ordinary share price, such estimates are considered to be critical accounting estimates.

A variance of 5% between estimated and recorded litigation reserves and actual resolution of certain legal matters would have an effect on our litigation reserve balance of approximately $2.9 million. Refer to Note 20 *Litigation* included in Item 8 in this Annual Report on Form 10-K for further discussion of litigation matters.

Recent Accounting Pronouncements

Refer to Note 2 *Summary of Significant Accounting Policies* in Item 8 in this Annual Report on Form 10-K for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted.

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

Foreign Currency Exchange Risk

A significant portion of our revenues and earnings are exposed to changes in foreign currency exchange rates. We seek to manage this foreign exchange risk in part through operational means, including managing same currency revenues in relation to same currency costs and same currency assets in relation to same currency liabilities.

From time to time, foreign exchange risk is managed through the use of foreign currency forward-exchange contracts. These contracts are used to offset the potential earnings effects from mostly intercompany foreign currency assets and liabilities that arise from operations and from intercompany loans. Mylan's primary areas of foreign exchange risk relative to the U.S. Dollar are the Euro, Swedish Krona, Indian Rupee, Japanese Yen, Australian Dollar, Canadian Dollar, Pound Sterling and Brazilian Real. Any unhedged foreign exchange exposures continue to be subject to market fluctuations.

Our financial instrument holdings at year end were analyzed to determine their sensitivity to foreign exchange rate changes. The fair values of these instruments were determined as follows:

- foreign currency forward-exchange contracts — net present values
- foreign currency denominated receivables, payables, debt and loans — changes in exchange rates

In this sensitivity analysis, we assumed that the change in one currency's rate relative to the U.S. Dollar would not have an effect on other currencies' rates relative to the U.S. Dollar. All other factors were held constant.

If there were an adverse change in foreign currency exchange rates of 10%, the expected net effect on net income related to Mylan's foreign currency denominated financial instruments would not be material.

The Company is also exposed to translation risk on non-U.S. dollar-denominated net assets. Non-U.S. dollar borrowings, principally our Euro denominated long-term debt, are used to hedge the foreign currency exposures of our net investment in certain foreign affiliates and are designated as hedges of net investments. The foreign exchange gains or losses on these hedges is included in the foreign currency translation component of accumulated other comprehensive income (loss). If our net investment decreases below the equivalent value of the non-U.S. debt borrowings, the change in the remeasurement basis of the debt would be subject to recognition in net income as changes occur.

Interest Rate and Long-Term Debt Risk

Mylan's exposure to interest rate risk arises primarily from our U.S. Dollar and Euro borrowings and U.S. Dollar investments. We invest primarily on a variable-rate basis and we borrow on both a fixed and variable basis. In order to maintain a certain ratio of fixed to variable rate debt, from time to time, depending on market conditions, Mylan will use derivative financial instruments such as interest rate swaps to fix interest rates on variable-rate borrowings or to convert fixed-rate borrowings to variable interest rates.

As of December 31, 2019, Mylan's outstanding fixed rate borrowings consist principally of $12.2 billion notional amount of senior notes and Euro notes. Generally, the fair value of fixed interest rate debt will decrease as interest rates rise and increase as interest rates fall. As of December 31, 2019, the fair value of our outstanding fixed rate senior notes and Euro notes was approximately $13.4 billion. A 100 basis point change in interest rates on Mylan's variable rate debt, net of interest rate swaps, would result in a change in interest expense of approximately $13.1 million per year.

ITEM 8. Financial Statements And Supplementary Data

Index to Consolidated Financial Statements and Supplementary Financial Information

	Page
Management's Report on Internal Control over Financial Reporting	72
Reports of Independent Registered Public Accounting Firm	73
Consolidated Balance Sheets as of December 31, 2019 and 2018	77
Consolidated Statements of Operations for the Years Ended December 31, 2019, 2018 and 2017	78
Consolidated Statements of Comprehensive (Loss) Earnings for the Years Ended December 31, 2019, 2018 and 2017	79
Consolidated Statements of Equity for the Years Ended December 31, 2019, 2018 and 2017	80
Consolidated Statements of Cash Flows for the Years Ended December 31, 2019, 2018 and 2017	81
Notes to Consolidated Financial Statements	82
Supplementary Financial Information	158

Management's Report on Internal Control over Financial Reporting

Management of Mylan N.V. (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. 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 accounting principles generally accepted in the United States of America. In order to evaluate the effectiveness of internal control over financial reporting, management has conducted an assessment, including testing, using the criteria in *Internal Control - Integrated Framework* (*2013)*, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). 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.

As a result of this assessment, management has concluded that the Company maintained effective internal control over financial reporting as of December 31, 2019 based on the criteria in *Internal Control - Integrated Framework (2013)* issued by COSO.

Our independent registered public accounting firm, Deloitte & Touche LLP, has audited the effectiveness of the Company's internal control over financial reporting. Deloitte & Touche LLP's opinion on the Company's internal control over financial reporting appears on page 76 of this Annual Report on Form 10-K.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Mylan N.V.:

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Mylan N.V. and subsidiaries (the "Company") as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive (loss) earnings, equity, and cash flows for each of the three years in the period ended December 31, 2019, and the related notes and the consolidated financial statement schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the 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.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), 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 and our report dated February 27, 2020, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the 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 - Europe Reporting Unit - Refer to Note 8 to the Company’s financial statements for the year ended December 31, 2019.

Critical Audit Matter Description

The Company has performed its annual goodwill impairment test as of April 1, 2019. The Company’s evaluation of goodwill for impairment involves the comparison of the estimated fair value of each reporting unit to its carrying value. The Company performed its valuation analysis, using both income and market-based approaches, to determine the fair value of its Europe reporting unit. The determination of the fair value requires management to make significant estimates and assumptions that affect the reporting unit’s expected future cash flows. These estimates and assumptions, utilizing Level 3 inputs, primarily include, but are not limited to, market multiples, control premiums, the discount rate, terminal growth rates, operating income before depreciation and amortization, and capital expenditures forecasts. The goodwill balance was $9.59 billion as of December 31, 2019, of which $4.55 billion was allocated to the Europe reporting unit. The fair value of the Europe reporting unit exceeded its carrying value by approximately $900.0 million, or 7%, as of the measurement date and, therefore, no impairment was recognized.

Given that the Europe reporting unit's revenues are sensitive to changes in consumer demand, the approval of new product launches, the expansion of existing products into new jurisdictions (which have differentiated distribution and commercialization models throughout the region), and the impact of business development activity, auditing management's judgments regarding forecasts of future revenues, and the selection of the discount rate and terminal growth rate required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the forecasts of future revenues ("forecasts"), and the selection of the discount rate and terminal growth rate for the Europe reporting unit included the following, among others:

- We tested the effectiveness of controls over the review of the goodwill impairment test, including those over the development of the business forecasts of future revenues and the selection of the discount rate and terminal growth rate.
- We evaluated management's ability to accurately forecast future revenues of the Europe reporting unit by comparing actual results to management's historical forecasts.
- We evaluated the reasonableness of management's revenue forecasts by comparing the projections to (1) historical results, (2) internal communications to management and the Board of Directors and (3) forecasted information included in Company press releases. We also considered third party reports related to macroeconomic and industry trends, and met with various regional commercial and operations leaders to assess key inputs in the forecast assumptions.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the valuation methodology, discount rate, and terminal growth rate, including (1) testing the source information underlying the determination of the discount rate and terminal growth rate and the mathematical accuracy of the calculations, (2) developing a range of independent estimates and comparing those to the discount rate selected by management, and (3) considering third party macroeconomic reports.
- We evaluated the impact of changes in management's forecasts from the April 1, 2019 annual measurement date to December 31, 2019.

Net Revenue Provisions - Chargebacks Accrual at Mylan Pharmaceuticals Inc. ("MPI") - Refer to Note 3 in the Company's Form 10-K for the year ended December 31, 2019.

Critical Audit Matter Description

The Company has agreements with certain indirect customers, such as independent pharmacies, retail pharmacy chains, managed care organizations, hospitals, nursing homes, governmental agencies and pharmacy benefit managers, which establish contract prices for certain products. The indirect customers then independently select a wholesaler from which to purchase the products at these contracted prices. Alternatively, certain wholesalers may enter into agreements with indirect customers that establish contract pricing for certain products, which the wholesalers provide. Under either arrangement, Mylan will provide credit to the wholesaler for any difference between the contracted price with the indirect party and the wholesaler's invoice price. Such credits are called chargebacks. The provision for chargebacks is the most significant and complex provision in the context of the Company's gross-to-net adjustments in the determination of net revenue. The chargeback accrual recorded at MPI represents the majority of the global chargeback reserve as of December 31, 2019. The Company's recorded estimate is based on expected sell-through levels by the Company's wholesaler customers to indirect customers, as well as estimated wholesaler inventory levels.

Estimating the amounts to be accrued for chargebacks requires significant estimation as management's model utilizes historical buying patterns, estimated end-user demand, estimated inventory levels in the distribution channel, contracted sales terms with customers, as well as other competitive factors. Given the volume of chargebacks and the level of estimation uncertainty involved, auditing management's judgments involved required a high degree of auditor judgment and an increased extent of effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Net Revenue Provisions - Chargebacks accrual included the following, among others:

- We evaluated the Company's methodology and assumptions in developing their chargeback accruals, including assessing the completeness and accuracy of the underlying data used by management in their estimates.
- We tested the effectiveness of controls over the calculation of the chargebacks reserves.
- We compared prior period chargebacks accruals to chargeback credits subsequently issued to evaluate management's

ability to accurately forecast chargeback activity.
- We developed independent expectations of product-level chargeback accruals and chargeback accruals in the aggregate using the following; 1) customer contracts, 2) historical sales and chargeback activity, 3) third-party channel inventory for select wholesalers, and 4) credits subsequently issued to period end and compared those to the recorded amounts.

Net Revenue Provisions - Sales Returns Accrual at Mylan Pharmaceuticals Inc. ("MPI") - Refer to Note 3 to the Company's financial statements for the year ended December 31, 2019.

Critical Audit Matter Description

The Company provides customers with the ability to return product, which varies country by country in accordance with local practices, generally within a specified period prior (six months) and subsequent (twelve months) to the expiration date. The Company's estimate of the provision for returns is generally based upon historical experience with actual returns. The returns reserve at MPI represents the majority of the global sales returns reserve as of December 31, 2019.

Estimating the amounts to be accrued for returns requires significant estimation as management's model utilizes historical experience with actual returns and considers levels of inventory in the distribution channel, product dating and expiration period, size and maturity of the market prior to a product launch, entrance into the market of additional competitors, and changes in the regulatory environment. Given the volume of sales returns and the level of estimation uncertainty involved, auditing management's judgments required a high degree of auditor judgment and an increased extent of effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Net Revenue Provisions - Sales Returns accrual included the following, among others:

- We evaluated the Company's methodology and assumptions in developing their sales returns accrual model, including assessing the completeness and accuracy of the underlying data used by management in their estimates.
- We tested the effectiveness of controls over the calculation of the sales returns reserve at MPI.
- We compared prior period sales returns accruals to returns credits subsequently issued to evaluate management's ability to accurately forecast sales returns activity.
- We developed independent expectations of product-level sales returns accruals and sales returns accruals in the aggregate using the following: 1) historical sales and returns activity, 2) remaining shelf life information, 3) finished goods inventory on-hand at the end of the period, and 4) adjustments for known or anticipated sales return activity based on market dynamics (market prior to Mylan launch, impact of competition, and overall regulatory environment) and compared those to the recorded amounts.

/s/ DELOITTE & TOUCHE LLP

Pittsburgh, Pennsylvania

February 27, 2020

We have served as the Company's auditor since 1976.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Mylan N.V.:

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Mylan N.V. and subsidiaries (the "Company") 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 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 COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2019, of the Company and our report dated February 27, 2020, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) 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.

/s/ DELOITTE & TOUCHE LLP

Pittsburgh, Pennsylvania

February 27, 2020

MYLAN N.V. AND SUBSIDIARIES
Consolidated Balance Sheets
(In millions, except share and per share amounts)

	December 31, 2019	December 31, 2018
ASSETS		
Assets		
Current assets:		
Cash and cash equivalents	$ 475.6	$ 388.1
Accounts receivable, net	3,058.8	2,881.0
Inventories	2,670.9	2,580.2
Prepaid expenses and other current assets	552.0	518.4
Total current assets	6,757.3	6,367.7
Property, plant and equipment, net	2,149.6	2,170.2
Intangible assets, net	11,649.9	13,664.6
Goodwill	9,590.6	9,747.8
Deferred income tax benefit	703.1	572.2
Other assets	405.0	212.4
Total assets	$ 31,255.5	$ 32,734.9
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Accounts payable	$ 1,528.1	$ 1,617.0
Short-term borrowings	—	1.9
Income taxes payable	213.0	121.5
Current portion of long-term debt and other long-term obligations	1,508.1	699.8
Other current liabilities	2,319.9	2,147.6
Total current liabilities	5,569.1	4,587.8
Long-term debt	11,214.3	13,161.2
Deferred income tax liability	1,627.5	1,722.0
Other long-term obligations	960.8	1,096.8
Total liabilities	19,371.7	20,567.8
Equity		
Mylan N.V. shareholders' equity		
Ordinary shares — nominal value €0.01 per share as of December 31, 2019 and December 31, 2018		
Shares authorized: 1,200,000,000		
Shares issued: 540,746,871 and 539,289,665 as of December 31, 2019 and December 31, 2018	6.1	6.0
Additional paid-in capital	8,643.5	8,591.4
Retained earnings	6,031.1	6,010.7
Accumulated other comprehensive loss	(1,797.2)	(1,441.3)
	12,883.5	13,166.8
Less: Treasury stock — at cost		
Ordinary shares: 24,598,074 and 23,490,867 as of December 31, 2019 and December 31, 2018	999.7	999.7
Total equity	11,883.8	12,167.1
Total liabilities and equity	$ 31,255.5	$ 32,734.9

See Notes to Consolidated Financial Statements

MYLAN N.V. AND SUBSIDIARIES
Consolidated Statements of Operations
(In millions, except per share amounts)

	Year Ended December 31,		
	2019	**2018**	**2017**
Revenues:			
Net sales	$ 11,370.3	$ 11,268.7	$ 11,760.0
Other revenues	130.2	165.2	147.7
Total revenues	11,500.5	11,433.9	11,907.7
Cost of sales	7,602.9	7,432.3	7,124.6
Gross profit	3,897.6	4,001.6	4,783.1
Operating expenses:			
Research and development	639.9	704.5	783.3
Selling, general and administrative	2,563.6	2,441.0	2,575.7
Litigation settlements and other contingencies, net	(21.4)	(49.5)	(13.1)
Total operating expenses	3,182.1	3,096.0	3,345.9
Earnings from operations	715.5	905.6	1,437.2
Interest expense	517.3	542.3	534.6
Other expense (income), net	43.8	64.9	(0.4)
Earnings before income taxes	154.4	298.4	903.0
Income tax provision (benefit)	137.6	(54.1)	207.0
Net earnings	16.8	352.5	696.0
Earnings per ordinary share attributable to Mylan N.V. ordinary shareholders			
Basic	$ 0.03	$ 0.69	$ 1.30
Diluted	$ 0.03	$ 0.68	$ 1.30
Weighted average ordinary shares outstanding:			
Basic	515.7	514.5	534.5
Diluted	516.5	516.5	536.7

See Notes to Consolidated Financial Statements

MYLAN N.V. AND SUBSIDIARIES
Consolidated Statements of Comprehensive (Loss) Earnings
(In millions)

	Year Ended December 31,		
	2019	2018	2017
Net earnings	$ 16.8	$ 352.5	$ 696.0
Other comprehensive (loss) earnings, before tax:			
Foreign currency translation adjustment	(415.5)	(1,125.2)	2,103.9
Change in unrecognized (loss) gain and prior service cost related to defined benefit plans	(24.8)	(3.8)	3.8
Net unrecognized gain (loss) on derivatives in cash flow hedging relationships	37.1	(79.2)	52.7
Net unrecognized gain (loss) on derivatives in net investment hedging relationships	59.6	111.6	(238.4)
Net unrealized gain (loss) on marketable securities	0.5	(0.1)	(6.7)
Other comprehensive (loss) earnings, before tax	(343.1)	(1,096.7)	1,915.3
Income tax provision (benefit)	9.2	(24.1)	12.8
Other comprehensive (loss) earnings, net of tax	(352.3)	(1,072.6)	1,902.5
Comprehensive (loss) earnings	$ (335.5)	$ (720.1)	$ 2,598.5

See Notes to Consolidated Financial Statements

MYLAN N.V. AND SUBSIDIARIES
Consolidated Statements of Equity
(In millions, except share amounts)

	Ordinary Shares		Additional Paid-In Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Equity
	Shares	Cost			Shares	Cost			
Balance at December 31, 2016	536,639,291	$ 6.0	$ 8,499.3	$ 4,942.1	1,311,193	$ (67.5)	$ (2,263.7)	$ 1.4	$11,117.6
Net earnings	—	—	—	696.0	—	—	—	—	696.0
Other comprehensive earnings, net of tax	—	—	—	—	—	—	1,902.5	—	1,902.5
Issuance of restricted stock and stock options exercised, net	1,263,135	—	17.8	—	—	—	—	—	17.8
Share-based compensation expense	—	—	74.7	—	—	—	—	—	74.7
Ordinary share repurchase	—	—	—	—	12,384,058	(500.2)	—	—	(500.2)
Taxes related to the net share settlement of equity awards	—	—	(5.8)	—	—	—	—	—	(5.8)
Other	—	—	—	6.4	—	—	—	(1.4)	5.0
Balance at December 31, 2017	537,902,426	$ 6.0	$ 8,586.0	$ 5,644.5	13,695,251	$ (567.7)	$ (361.2)	$ —	$13,307.6
Net earnings	—	$ —	$ —	$ 352.5	—	$ —	$ —	$ —	$ 352.5
Other comprehensive loss, net of tax	—	—	—	—	—	—	(1,072.6)	—	(1,072.6)
Ordinary share repurchase	—	—	—	—	9,795,616	(432.0)	—	—	(432.0)
Share-based compensation income	—	—	(3.3)	—	—	—	—	—	(3.3)
Issuance of restricted stock and stock options exercised, net	1,387,239	—	17.7	—	—	—	—	—	17.7
Taxes related to the net share settlement of equity awards	—	—	(9.0)	—	—	—	—	—	(9.0)
Cumulative effect of the adoption of new accounting standards	—	—	—	13.7	—	—	(7.5)	—	6.2
Balance at December 31, 2018	539,289,665	$ 6.0	$ 8,591.4	$ 6,010.7	23,490,867	$ (999.7)	$ (1,441.3)	$ —	$12,167.1
Net earnings	—	$ —	$ —	$ 16.8	—	$ —	$ —	$ —	$ 16.8
Other comprehensive loss, net of tax	—	—	—	—	—	—	(352.3)	—	(352.3)
Share-based compensation expense	—	—	56.8	—	—	—	—	—	56.8
Issuance of restricted stock and stock options exercised, net	1,457,206	0.1	8.1	—	—	—	—	—	8.2
Taxes related to the net share settlement of equity awards	—	—	(12.8)	—	—	—	—	—	(12.8)
Cancellation of restricted stock	—	—	—	—	1,107,207	—	—	—	—
Cumulative effect of the adoption of new accounting standards	—	—	—	3.6	—	—	(3.6)	—	—
Balance at December 31, 2019	540,746,871	$ 6.1	$ 8,643.5	$ 6,031.1	24,598,074	$ (999.7)	$ (1,797.2)	$ —	$11,883.8

See Notes to Consolidated Financial Statements

MYLAN N.V. AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(In millions)

	Year Ended December 31,		
	2019	**2018**	**2017**
Cash flows from operating activities:			
Net earnings	$ 16.8	$ 352.5	$ 696.0
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	2,019.3	2,109.9	1,805.8
Deferred income tax benefit	(192.6)	(264.3)	(111.4)
Litigation settlements and other contingencies, net	(11.5)	(31.6)	(40.1)
Loss from equity method investments	62.1	78.7	58.0
Share-based compensation expense	56.8	(3.3)	74.7
Write off of financing fees	—	2.7	3.2
Other non-cash items	360.6	286.1	261.0
Changes in operating assets and liabilities:			
Accounts receivable	(20.0)	340.1	(162.2)
Inventories	(512.9)	(547.6)	(129.5)
Trade accounts payable	(96.3)	220.3	14.4
Income taxes	57.9	(23.9)	15.2
Other operating assets and liabilities, net	63.5	(177.9)	(420.3)
Net cash provided by operating activities	1,803.7	2,341.7	2,064.8
Cash flows from investing activities:			
Cash paid for acquisitions, net of cash acquired	(148.7)	(65.9)	(167.0)
Capital expenditures	(213.2)	(252.1)	(275.9)
Payments for product rights and other, net	(192.8)	(943.5)	(620.3)
Proceeds from sale of assets and subsidiaries	28.0	29.3	86.7
Purchase of marketable securities	(25.8)	(63.4)	(96.5)
Proceeds from the sale of marketable securities	27.1	85.2	96.6
Net cash used in investing activities	(525.4)	(1,210.4)	(976.4)
Cash flows from financing activities:			
Proceeds from issuance of long-term debt	7.4	2,577.9	876.1
Payments of long-term debt	(1,108.5)	(3,165.2)	(2,232.7)
Payments of financing fees	(3.0)	(21.4)	(10.1)
Change in short-term borrowings, net	(1.8)	(44.4)	(2.9)
Purchase of ordinary shares	—	(432.0)	(500.2)
Proceeds from exercise of stock options	8.1	17.8	17.8
Taxes paid related to net share settlement of equity awards	(8.4)	(10.1)	(7.4)
Contingent consideration payments	(60.3)	(11.9)	(26.1)
Acquisition of noncontrolling interest	—	(0.6)	(7.5)
Other items, net	(2.5)	(1.0)	(0.1)
Net cash (used in) provided by financing activities	(1,169.0)	(1,090.9)	(1,893.1)
Effect on cash of changes in exchange rates	(7.5)	(21.0)	27.6
Net increase (decrease) in cash, cash equivalents and restricted cash	101.8	19.4	(777.1)
Cash, cash equivalents and restricted cash — beginning of period	389.3	369.9	1,147.0
Cash, cash equivalents and restricted cash — end of period	$ 491.1	$ 389.3	$ 369.9
Supplemental disclosures of cash flow information —			
Non-cash transactions:			
Contingent consideration	$ —	$ —	$ 4.0
Cash paid during the period for:			
Income taxes	$ 278.6	$ 228.6	$ 285.7
Interest	$ 470.6	$ 460.8	$ 474.0

See Notes to Consolidated Financial Statements

Mylan N.V. and Subsidiaries

Notes to Consolidated Financial Statements

1. Nature of Operations

Mylan N.V. and its subsidiaries (collectively, the "Company," "Mylan," "our" or "we") are engaged in the global development, licensing, manufacture, marketing and distribution of generic, branded generic, brand-name and over-the-counter ("OTC") pharmaceutical products for resale by others and active pharmaceutical ingredients ("API") through three reportable segments on a geographic basis, North America, Europe and Rest of World. Our North America segment comprises our operations in the United States ("U.S.") and Canada. Our Europe segment encompasses our operations across 35 countries, including France, Italy, Germany, the United Kingdom (the "U.K.") and Spain. Our Rest of World segment reflects our operations in more than 120 countries, including our operations in Japan, Australia, China, Brazil, Russia, India, South Africa, and certain markets in the Middle East and Southeast Asia. Our API business is conducted through Mylan Laboratories Limited ("Mylan India"), which is included within our Rest of World segment.

2. Summary of Significant Accounting Policies

Principles of Consolidation. The consolidated financial statements include the accounts of Mylan and those of its wholly owned and majority-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. Investments in equity method affiliates are recorded at cost and adjusted for the Company's share of the affiliates' cumulative results of operations, capital contributions and distributions. Noncontrolling interests in the Company's subsidiaries are generally recorded net of tax as net earnings attributable to noncontrolling interests.

Use of Estimates in the Preparation of Financial Statements. The preparation of financial statements, in conformity with accounting principles generally accepted in the U.S. ("U.S. GAAP"), requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Because of the uncertainty inherent in such estimates, actual results could differ from those estimates.

Foreign Currencies. The consolidated financial statements are presented in U.S. Dollars, the reporting currency of Mylan. Statements of Operations and Cash Flows of all of the Company's subsidiaries that have functional currencies other than U.S. Dollars are translated at a weighted average exchange rate for the period for inclusion in the consolidated statements of operations and cash flows, whereas assets and liabilities are translated at the end of the period exchange rates for inclusion in the consolidated balance sheets. Translation differences are recorded directly in shareholders' equity as foreign currency translation adjustments. Gains or losses on transactions denominated in a currency other than the subsidiaries' functional currency, which arise as a result of changes in foreign currency exchange rates, are recorded in the consolidated statements of operations.

Cash and Cash Equivalents. Cash and cash equivalents are comprised of highly liquid investments with an original maturity of three months or less at the date of purchase.

Debt and Equity Securities. Debt securities classified as available-for-sale on the date of purchase are recorded at fair value, with net unrealized gains and losses, net of income taxes, reflected in accumulated other comprehensive loss as a component of shareholders' equity. Net realized gains and losses on sales of available-for-sale debt securities are computed on a specific security basis and are included in other expense, net, in the consolidated statements of operations. Debt securities classified as trading securities are valued using the quoted market price from broker or dealer quotations or transparent pricing sources at the reporting date. Fair value is determined based on observable market quotes or valuation models using assessments of counterparty credit worthiness, credit risk or underlying security and overall capital market liquidity. Debt securities are reviewed for impairment by assessing if the decline in market value of the investment below the carrying value is other than temporary.

Investments in equity securities with readily determinable fair values are recorded at fair value with changes in fair value recorded in other expense, net in the consolidated statements of operations. Investments in equity securities without readily determinable fair values are recorded at cost minus any impairment, plus or minus changes in their estimated fair value resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. Investments in entities are accounted for using the equity method of accounting when the ability to exercise significant influence over the operating and financial decisions of the investee is maintained. The share of net income or losses of equity method investments are included in other expense, net in the consolidated statements of operations. Investments in equity

securities without readily determinable fair values and investments in equity accounted for using the equity method are assessed for potential impairment on a quarterly basis based on qualitative factors.

Concentrations of Credit Risk. Financial instruments that potentially subject the Company to credit risk consist principally of interest-bearing investments, derivatives and accounts receivable.

Mylan invests its excess cash in high-quality, liquid money market instruments, principally overnight deposits and highly rated money market funds. The Company maintains deposit balances at certain financial institutions in excess of federally insured amounts. Periodically, the Company reviews the creditworthiness of its counterparties to derivative transactions, and it does not expect to incur a loss from failure of any counterparties to perform under agreements it has with such counterparties.

Inventories. Inventories are stated at the lower of cost or market, with cost principally determined by the first-in, first-out method. Provisions for potentially obsolete or slow-moving inventory, including pre-launch inventory, are made based on our analysis of product dating, inventory levels, historical obsolescence and future sales forecasts. Included as a component of cost of sales is expense related to the net realizable value of inventories.

Property, Plant and Equipment. Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is computed and recorded on a straight-line basis over the assets' estimated service lives (3 to 18 years for machinery and equipment and other fixed assets and 15 to 39 years for buildings and improvements). Capitalized software is included in property, plant and equipment and is amortized over estimated useful lives ranging from 3 to 7 years.

Intangible Assets and Goodwill. Intangible assets are stated at cost less accumulated amortization. Amortization is generally recorded on a straight-line basis over estimated useful lives ranging from 3 to 20 years. The Company periodically reviews the estimated useful lives of intangible assets and makes adjustments when events indicate that a shorter life is appropriate.

The Company accounts for acquired businesses using the acquisition method of accounting in accordance with the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 805, which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective estimated fair values. The cost to acquire businesses is allocated to the underlying net assets of the acquired business based on estimates of their respective fair values. Amounts allocated to acquired in-process research and development ("IPR&D") are capitalized at the date of acquisition and, at that time, such IPR&D assets have indefinite lives. As products in development are approved for sale, amounts are allocated to product rights and licenses and will be amortized over their estimated useful lives. Finite-lived intangible assets are amortized over the expected life of the asset. Any excess of the purchase price over the estimated fair values of the net assets acquired is recorded as goodwill.

Purchases of developed products and licenses that are accounted for as asset acquisitions are capitalized as intangible assets and amortized over an estimated useful life. IPR&D assets acquired as part of an asset acquisition are expensed immediately if they have no alternative future uses.

The Company reviews goodwill for impairment at least annually or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable based on management's assessment of the fair value of the Company's reporting units as compared to their related carrying value. Under the authoritative guidance issued by the FASB, we have the option to first assess the qualitative factors to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform a quantitative goodwill impairment test. If we choose to use qualitative factors and determine that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then the goodwill impairment test would be required. The goodwill impairment test requires the Company to estimate the fair value of the reporting unit and to compare the fair value of the reporting unit with its carrying amount. If the carrying amount is less than its fair value, then no impairment is recognized. If the carrying amount recorded exceeds the fair value calculated, an impairment charge is recorded for the difference. The judgments made in determining the projected cash flows used to estimate the fair value can materially impact the Company's financial condition and results of operations.

Indefinite-lived intangibles, principally IPR&D, are tested at least annually for impairment or upon the occurrence of a triggering event. The impairment test for IPR&D consists of a comparison of the asset's fair value with its carrying value. Impairment is determined to exist when the fair value of IPR&D assets, which is based upon updated forecasts and commercial development plans, is less than the carrying value of the assets being tested.

Contingent Consideration. Mylan records contingent consideration resulting from business acquisitions at its estimated fair value on the acquisition date. Each reporting period thereafter, the Company revalues these obligations and records increases or decreases in their fair value as adjustments to litigation settlements and other contingencies, net within the consolidated statements of operations. Changes in the fair value of the contingent consideration obligations can result from adjustments to the discount rates, payment periods and adjustments in the probability of achieving future development steps, regulatory approvals, market launches, sales targets and profitability. These fair value measurements represent Level 3 measurements as they are based on significant inputs not observable in the market.

Significant judgment is employed in determining the assumptions utilized as of the acquisition date and for each subsequent measurement period. Accordingly, changes in the assumptions described above could have a material impact on the Company's consolidated financial condition and results of operations.

Impairment of Long-Lived Assets. The carrying values of long-lived assets, which include property, plant and equipment and intangible assets with finite lives, are evaluated periodically in relation to the expected future undiscounted cash flows of the underlying assets and monitored for other potential triggering events. The assessment for impairment is based on our ability to recover the carrying value of the long-lived assets or asset grouping by analyzing the expected future undiscounted pre-tax cash flows specific to the asset or asset grouping. If the carrying amount is greater than the undiscounted cash flows, the Company recognizes an impairment loss for the excess of the carrying amount over the estimated fair value based on discounted cash flows.

Significant management judgment is involved in estimating the recoverability of these assets and is dependent upon the accuracy of the assumptions used in making these estimates, as well as how the estimates compare to the eventual future operating performance of the specific asset or asset grouping. Any future long-lived assets impairment charges could have a material impact on the Company's consolidated financial condition and results of operations.

Short-Term Borrowings. The Company's subsidiaries in India have working capital facilities with several banks which are secured by its current assets. Mylan Pharmaceuticals Inc. ("MPI"), a wholly owned subsidiary of the Company, also has a $400 million accounts receivable facility ("Receivables Facility"), which will expire in April 2022 and a note securitization facility ("Note Securitization Facility") for borrowings up to $200 million. Under the terms of each of the Receivables Facility and Note Securitization Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. As the accounts receivable do not transfer to the banks, any amounts outstanding under the facilities are recorded as borrowings and the underlying receivables continue to be included in accounts receivable, net, in the consolidated balance sheets.

Revenue Recognition. On January 1, 2018, the Company adopted ASC Topic 606 *Revenue from Contracts with Customers* ("ASC 606") using the modified retrospective method applied to those contracts which were not completed as of the date of adoption. Results for reporting periods beginning on January 1, 2018 are presented under ASC 606, while prior period amounts are not adjusted and continue to be reported in accordance with ASC Topic 605 *Revenue Recognition* ("ASC 605"). Under ASC 605, the Company recognized net sales when title and risk of loss passed to its customers and when provisions for estimates, as described below, were reasonably determinable.

Under ASC 606, the Company recognizes net revenue for product sales when control of the promised goods or services is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and other current liabilities (if paid in cash). The following briefly describes the nature of our provisions for variable consideration and how such provisions are estimated:

- *Chargebacks*: the Company has agreements with certain indirect customers, such as independent pharmacies, retail pharmacy chains, managed care organizations, hospitals, nursing homes, governmental agencies and pharmacy benefit managers, which establish contract prices for certain products. The indirect customers then independently select a wholesaler from which to purchase the products at these contracted prices. Alternatively, certain wholesalers may enter into agreements with indirect customers that establish contract pricing for certain products, which the wholesalers provide. Under either arrangement, Mylan will provide credit to the wholesaler for any difference between the contracted price with the indirect party and the wholesaler's invoice price. Such credits are called chargebacks. The provision for chargebacks is based on expected sell-through levels by our wholesaler customers to indirect customers, as well as estimated wholesaler inventory levels.

- *Rebates, promotional programs and other sales allowances*: this category includes rebate and other programs to assist in product sales. These programs generally provide that the customer receives credit directly related to the amount of purchases or credits upon the attainment of pre-established volumes. Also included in this category are prompt pay discounts, administrative fees and price adjustments to reflect decreases in the selling prices of products.
- *Returns*: consistent with industry practice, Mylan maintains a return policy that allows customers to return a product, which varies country by country in accordance with local practices, generally within a specified period prior (six months) and subsequent (twelve months) to the expiration date. The Company's estimate of the provision for returns is generally based upon historical experience with actual returns.
- *Governmental rebate programs*: government reimbursement programs include Medicare, Medicaid, and State Pharmacy Assistance Programs established according to statute, regulations and policy. Manufacturers of pharmaceutical products that are covered by the Medicaid program are required to pay rebates to each state based on a statutory formula set forth in the Social Security Act. Medicare beneficiaries are eligible to obtain discounted prescription drug coverage from private sector providers. In addition, certain states have also implemented supplemental rebate programs that obligate manufacturers to pay rebates in excess of those required under federal law. Our estimate of these rebates is based on the historical trends of rebates paid as well as on changes in wholesaler inventory levels and increases or decreases in the level of sales. Also, this provision includes price reductions that are mandated by law outside of the U.S.

Our net sales may be impacted by wholesaler and distributor inventory levels of our products, which can fluctuate throughout the year due to the seasonality of certain products, pricing, the timing of product demand, purchasing decisions and other factors. Such fluctuations may impact the comparability of our net sales between periods.

Consideration received from licenses of intellectual property is recorded as other revenues. Royalty or profit share amounts, which are based on sales of licensed products or technology, are recorded when the customer's subsequent sales or usages occur. Such consideration is included in other revenue in the consolidated statements of operations.

Research and Development. Research and development ("R&D") expenses are charged to operations as incurred.

Income Taxes. Income taxes have been provided for using an asset and liability approach in which deferred income taxes reflect the tax consequences on future years of events that the Company has already recognized in the financial statements or tax returns. Changes in enacted tax rates or laws may result in adjustments to the recorded tax assets or liabilities in the period that the new tax law is enacted.

Earnings per Ordinary Share. Basic earnings per ordinary share is computed by dividing net earnings attributable to Mylan N.V. ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per ordinary share is computed by dividing net earnings attributable to Mylan N.V. ordinary shareholders by the weighted average number of ordinary shares outstanding during the period increased by the number of additional shares that would have been outstanding related to potentially dilutive securities or instruments, if the impact is dilutive.

The Company was authorized to repurchase up to $1 billion of the Company's ordinary shares under its repurchase program that was previously approved by the Company's Board of Directors and announced on November 16, 2015, but was not obligated to acquire any particular amount of ordinary shares. In 2018 and 2017, the Company repurchased approximately 9.8 million and 12.4 million of ordinary shares at a cost of approximately $432.0 million and $500.2 million, respectively.

Basic and diluted earnings per ordinary share attributable to Mylan N.V. are calculated as follows:

	Year Ended December 31,		
(In millions, except per share amounts)	2019	2018	2017
Basic earnings attributable to Mylan N.V. ordinary shareholders (numerator):			
Net earnings attributable to Mylan N.V. ordinary shareholders	$ 16.8	$ 352.5	$ 696.0
Shares (denominator):			
Weighted average ordinary shares outstanding	515.7	514.5	534.5
Basic earnings per ordinary share attributable to Mylan N.V. ordinary shareholders	$ 0.03	$ 0.69	$ 1.30
Diluted earnings attributable to Mylan N.V. ordinary shareholders (numerator):			
Net earnings attributable to Mylan N.V. ordinary shareholders	$ 16.8	$ 352.5	$ 696.0
Shares (denominator):			
Weighted average ordinary shares outstanding	515.7	514.5	534.5
Share-based awards and warrants	0.8	2.0	2.2
Total dilutive shares outstanding	516.5	516.5	536.7
Diluted earnings per ordinary share attributable to Mylan N.V. ordinary shareholders	$ 0.03	$ 0.68	$ 1.30

Additional stock awards and restricted ordinary shares were outstanding during the years ended December 31, 2019, 2018 and 2017 but were not included in the computation of diluted earnings per ordinary share for each respective period because the effect would be anti-dilutive. Excluded shares also include certain share-based compensation awards and restricted ordinary shares whose performance conditions had not been fully met. Such excluded shares and anti-dilutive awards represented 9.1 million, 8.9 million and 8.5 million shares for the years ended December 31, 2019, 2018 and 2017, respectively.

Share-Based Compensation. The fair value of share-based compensation is recognized as expense in the consolidated statements of operations over the vesting period.

Derivatives. From time to time the Company may enter into derivative financial instruments (mainly foreign currency exchange forward contracts, interest rate swaps and purchased equity call options) designed to: 1) hedge the cash flows resulting from existing assets and liabilities and transactions expected to be entered into over the next 24 months in currencies other than the functional currency, 2) hedge the variability in interest expense on floating rate debt, 3) hedge the fair value of fixed-rate notes, 4) hedge against changes in interest rates that could impact future debt issuances, 5) hedge cash or share payments required on conversion of issued convertible notes, 6) hedge a net investment in a foreign operation, or 7) economically hedge the foreign currency exposure associated with the purchase price of non-U.S. acquisitions. Derivatives are recognized as assets or liabilities in the consolidated balance sheets at their fair value. When the derivative instrument qualifies as a cash flow hedge, changes in the fair value are deferred through other comprehensive earnings. If a derivative instrument qualifies as a fair value hedge, the changes in the fair value, as well as the offsetting changes in the fair value of the hedged items, are generally included in interest expense. When such instruments do not qualify for hedge accounting the changes in fair value are recorded in the consolidated statements of operations within other expense, net.

Financial Instruments. The Company's financial instruments consist primarily of short-term and long-term debt, interest rate swaps, forward contracts and option contracts. The Company's financial instruments also include cash and cash equivalents as well as accounts and other receivables and accounts payable, the fair values of which approximate their carrying values. As a policy, the Company does not engage in speculative or leveraged transactions.

The Company uses derivative financial instruments for the purpose of hedging foreign currency and interest rate exposures, which exist as part of ongoing business operations, or to hedge cash, and have been used to hedge share payments required on conversion of issued convertible notes. The Company carries derivative instruments in the consolidated balance sheets at fair value, determined by reference to market data such as forward rates for currencies, implied volatilities, and interest rate swap yield curves. The accounting for changes in the fair value of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, if so, the reason for holding it. In addition, the Company has designated certain long-term debt instruments as net investment hedges.

Recent Accounting Pronouncements.

Adoption of New Accounting Standards

In February 2016, the FASB issued Accounting Standards Update 2016-02, *Leases (Topic 842)* which supersedes FASB Topic 840, *Leases (Topic 840)* and provides principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The new standard requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use ("ROU") asset and a lease liability for all leases with a term of greater than twelve months regardless of classification. Leases with a term of twelve months or less will be accounted for similar to existing guidance for operating leases. The Company adopted the provisions of Topic 842 as of January 1, 2019 on a modified retrospective basis applying the guidance to leases existing as of this effective date. We elected to apply the available package of transitional practical expedients which permitted us not to reassess under the new standard our prior conclusions regarding lease identification, lease classification and initial direct costs. We have also elected to apply the short-term lease recognition exemption which means we will not recognize ROU assets or lease liabilities for leases that qualify both at transition and on a go-forward basis. In addition, we have elected to apply the practical expedient to not separate lease and non-lease components for our leases except for those related to certain limited supply arrangements. We will continue to report periods prior to January 1, 2019 in our financial statements under prior guidance as outlined in Topic 840. Upon adoption of Topic 842, the Company determined that there was no cumulative-effect adjustment to beginning retained earnings in the consolidated balance sheets. Adoption of the standard did not have a material impact on our consolidated statements of operations or cash flows. Refer to Note 6 *Leases* for additional information.

In February 2018, the FASB issued Accounting Standards Update 2018-02, *Income Statement - Reporting Comprehensive Income, (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income* ("ASU 2018-02"), which allows a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the newly enacted federal corporate income tax rate under the comprehensive tax legislation enacted by the U.S. government on December 22, 2017 commonly referred to as the Tax Cuts and Jobs Act. The amount of the reclassification would be the difference between the historical corporate income tax rate and the newly enacted 21% corporate income tax rate. The Company applied the provisions of ASU 2018-02 as of January 1, 2019. Upon adoption, the Company recorded a cumulative effect adjustment of $3.6 million to retained earnings and accumulated other comprehensive loss.

In June 2018, the FASB issued Accounting Standards Update 2018-07, *Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*, which expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. The changes took effect for the Company as of January 1, 2019. The impact of the adoption of this guidance did not have a material impact on the Company's consolidated financial statements and disclosures.

In October 2018, the FASB issued Accounting Standards Update 2018-16, *Derivatives and Hedging (Topic 815): Inclusion of the Secured Overnight Financing Rate ("SOFR") Overnight Index Swap ("OIS") Rate as a Benchmark Interest Rate for Hedge Accounting Purposes* ("ASU 2018-16"). ASU 2018-16 permits the OIS rate based on SOFR as a U.S. benchmark interest rate for hedge accounting purposes under Topic 815. ASU 2018-16 will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018 and is required to be adopted in conjunction with ASU 2017-12 (as defined below) on a prospective basis. The Company applied the provisions of ASU 2018-16 as of January 1, 2018. The impact of the adoption of this guidance did not have a material impact on the Company's consolidated financial statements and disclosures.

In August 2017, the FASB issued Accounting Standards Update 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities* ("ASU 2017-12"). The objective of this update is to improve the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements. The amendments in this update also make certain targeted improvements to simplify the application of the hedge accounting guidance in current U.S. GAAP based on feedback received from preparers, auditors, users, and other stakeholders. This guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years, with early adoption permitted, including adoption in any interim period. The Company elected to early adopt this guidance as of January 1, 2018 and applied it on a prospective basis. Upon adoption, the Company recorded a cumulative effect adjustment.

In May 2017, the FASB issued Accounting Standards Update 2017-09, *Compensation - Stock Compensation (Topic 718): Scope of Modification Accounting* ("ASU 2017-09"), which amends the scope of modification accounting for share-based

payment arrangements. ASU 2017-09 provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under Topic 718. Specifically, an entity would not apply modification accounting if the fair value, vesting conditions and classification of the awards are the same immediately before and after the modification. As required, the Company applied the provisions of ASU 2017-09 on a prospective basis as of January 1, 2018 and the adoption did not have a material impact on its consolidated financial statements and disclosures.

In March 2017, the FASB issued Accounting Standards Update 2017-07, *Compensation - Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost* ("ASU 2017-07"), which requires companies to disaggregate the service cost component from the other components of net benefit cost and disclose the amount of net benefit cost that is included in the income statement or capitalized in assets, by line item. This guidance requires companies to report the service cost component in the same line item(s) as other compensation costs and to report other pension-related costs (which include interest costs, amortization of pension-related costs from prior periods and gains or losses on plan assets) separately and exclude them from the subtotal of operating income. This guidance also allows only the service cost component to be eligible for capitalization when applicable. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. This guidance should be applied retrospectively for the presentation of the service cost component and the other components of net periodic pension cost and net periodic postretirement benefit cost in the income statement and prospectively, on and after the effective date, for the capitalization of the service cost component of net periodic pension cost and net periodic postretirement benefit in assets. The update allows a practical expedient that permits a company to use the amounts disclosed in its pension and other postretirement plan note for the prior comparative periods as the estimation basis for applying the retrospective presentation requirements. As required, the Company applied the provisions of ASU 2017-07 as of January 1, 2018 and the adoption did not have a material impact on its consolidated financial statements and disclosures.

In November 2016, the FASB issued Accounting Standards Update 2016-18, *Statement of Cash Flows (Topic 230) Restricted Cash* ("ASU 2016-18"), which requires that the reconciliation of the beginning of period and end of period amounts shown in the statement of cash flows include restricted cash and restricted cash equivalents. If restricted cash is presented separately from cash and cash equivalents on the balance sheet, companies will be required to reconcile the amounts presented on the statement of cash flows to the amounts on the balance sheet. This guidance is effective for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. As required, the Company applied the provisions of ASU 2016-18 as of January 1, 2018. As a result, the change in restricted cash has been excluded from investing activities and included in the change in cash, cash equivalents and restricted cash and the prior year period has been recast to reflect the new presentation.

In January 2016, the FASB issued Accounting Standards Update 2016-01, which supersedes the current guidance to classify equity securities with readily determinable fair values into different categories and requires equity securities to be measured at fair value with changes in the fair value recognized through net income (loss). In February 2018, the FASB issued Accounting Standards Update 2018-03, *Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, which clarifies the guidance in ASU 2016-01. The standards are effective for annual and interim periods beginning after December 15, 2017. As required, the Company applied the provisions of ASU 2016-01 as of January 1, 2018. Upon adoption, the Company recorded a cumulative effect adjustment.

In May 2014, the FASB issued Accounting Standards Update 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09") (updated with Accounting Standards Update 2015-14, 2016-08, 2016-10, 2016-12 and 2016-20), which revises accounting guidance on revenue recognition that will supersede nearly all existing revenue recognition guidance under U.S. GAAP (codified as Topic 606). The core principle of this guidance is that an entity should recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. This guidance also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. This guidance is effective for fiscal years beginning after December 15, 2017, and for interim periods within those fiscal years, and can be applied using a full retrospective or modified retrospective approach. The Company adopted this standard and its updates as of January 1, 2018 and elected to apply the modified retrospective transition approach. As a result, the Company is recognizing revenue on certain arrangements upon the transfer of control of product shipments rather than upon sell-through by the customer, and is recording certain costs historically in cost of sales as contra revenue.

The Company elected to apply the following practical expedients and elections in connection with the adoption of ASU 2014-09: i) taxes collected from customers and remitted to government authorities and that are related to the sales of the

Company's products, primarily in Europe, are excluded from revenues, and ii) shipping and handling activities are accounted for as fulfillment costs and are recorded in cost of sales. Payment terms related to product sales vary by jurisdiction and customer, but revenue for product sales has not been adjusted for the effects of a financing component as we expect that the period between when we transfer control of the product and when we receive payment to be one year or less.

The cumulative effect of the changes made to our consolidated January 1, 2018 balance sheet for the adoption of ASU 2014-09, ASU 2016-01 and ASU 2017-12 were as follows:

(In millions)	Balance as of December 31, 2017	Adjustments Due to ASU 2014-09	Adjustments Due to ASU 2016-01	Adjustments Due to ASU 2017-12	Balance as of January 1, 2018
Consolidated Balance Sheet					
Assets					
Prepaid expenses and other current assets	$ 766.1	$ 9.2	$ —	$ —	$ 775.3
Liabilities					
Deferred income tax liability	2,012.4	3.0	—	—	2,015.4
Equity					
Retained earnings	5,644.5	6.2	10.0	(2.5)	5,658.2
Accumulated other comprehensive loss	(361.2)	—	(10.0)	2.5	(368.7)

	For the Year Ended December 31, 2018		
(In millions)	As Reported	Balances Without Adoption of ASC 606	Effect of Change Increase (Decrease)
Consolidated Statement of Operations			
Revenues	$ 11,433.9	$ 11,588.4	$ (154.5)
Cost of sales	7,432.3	7,593.9	(161.6)
Income tax benefit	(54.1)	(56.4)	2.3
Net earnings	352.5	347.7	4.8

	December 31, 2018		
(In millions)	As Reported	Balances Without Adoption of ASC 606	Effect of Change Increase (Decrease)
Consolidated Balance Sheet			
Prepaid expenses and other current assets	$ 518.4	$ 511.3	$ 7.1
Income taxes payable	121.5	119.2	2.3
Retained earnings	6,010.7	6,005.9	4.8

Accounting Standards Issued Not Yet Adopted

In November 2018, the FASB issued Accounting Standards Update 2018-18, *Collaborative Arrangements (Topic 808)—Clarifying the Interaction between Topic 808 and Topic 606* ("ASU 2018-18"). The amendments in ASU 2018-18 make targeted improvements to U.S. GAAP for collaborative arrangements by clarifying that certain transactions between collaborative arrangement participants should be accounted for as revenue under Topic 606 when the collaborative arrangement participant is a customer in the context of a unit of account. In those situations, all the guidance in Topic 606 should be applied, including recognition, measurement, presentation, and disclosure requirements. In addition, unit-of-account guidance in Topic 808 was aligned with the guidance in Topic 606 (that is, a distinct good or service) when an entity is assessing whether the collaborative arrangement or a part of the arrangement is within the scope of Topic 606. ASU 2018-18 is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

In August 2018, the FASB issued Accounting Standards Update 2018-15, *Intangibles - Goodwill and Other - Internal-Use Software: Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract* ("ASU 2018-15"). The objective of this update is to clarify and align the accounting and capitalization of implementation costs for hosting arrangements, regardless of whether they convey a license to the hosted software. The updated guidance will require an entity in a hosting arrangement that is a service contract, to follow guidance in ASC 350 to determine which implementation costs to capitalize as an asset and which costs to expense. ASU 2018-15 will be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. We do not expect adoption to have a material effect on our consolidated financial statements.

In August 2018, the FASB issued Accounting Standards Update 2018-14, *Compensation-Retirement Benefits-Defined Benefit Plans-General (Subtopic 715-20): Disclosure Framework-Changes to the Disclosure Requirements for Defined Benefit Plans* ("ASU 2018-14"). ASU 2018-14 removes certain disclosures that are not considered cost beneficial, clarifies certain required disclosures and added additional disclosures. The new standard is effective for fiscal years, including interim periods within those fiscal years, beginning after December 15, 2020 with early adoption in any interim period permitted. The amendments in ASU 2018-14 would need to be applied on a retrospective basis. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

In August 2018, the FASB issued Accounting Standards Update 2018-13, *Fair Value Measurement (Topic 820) Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements on fair value measurements. The updated guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted for any removed or modified disclosures. The Company is currently assessing the impact of the adoption of this guidance on its consolidated financial statements and disclosures.

In June 2016, the FASB issued Accounting Standards Update 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses* ("ASU 2016-13"), which requires an organization to measure all expected credit losses for financial assets 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. In May 2019, the FASB issued ASU 2019-05, *Financial Instruments - Credit Losses (Topic 326): Targeted Transition Relief* ("ASU 2019-05"). ASU 2019-05 provides transition relief for ASU 2016-13 by providing entities with an alternative to irrevocably elect the fair value option for eligible financial assets measured at amortized cost upon adoption of ASU 2016-13. ASU 2016-13 and its subsequent amendments are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. We do not expect adoption to have a material effect on our consolidated financial statements.

3. Revenue from Contracts with Customers

Revenue Disaggregation

The following table presents the Company's net sales by therapeutic franchise for each of our reportable segments for the years ended December 31, 2019, 2018, and 2017, respectively:

(In millions)	North America	Europe	Rest of World	Total
Year Ended December 31, 2019				
Central Nervous System & Anesthesia	$ 599.2	$ 863.6	$ 354.1	$ 1,816.9
Infectious Disease	115.9	435.7	1,100.9	1,652.5
Respiratory & Allergy	1,108.2	456.0	240.3	1,804.5
Cardiovascular	222.2	506.8	158.5	887.5
Gastroenterology	125.4	608.0	405.5	1,138.9
Diabetes & Metabolism	390.7	297.5	143.7	831.9
Dermatology	127.6	304.7	108.7	541.0
Women's Health	371.3	241.0	102.4	714.7
Oncology	795.7	85.7	167.2	1,048.6
Immunology	45.1	67.3	38.2	150.6
Other [(1)]	262.8	170.8	349.6	783.2
Total	$ 4,164.1	$ 4,037.1	$ 3,169.1	$ 11,370.3

(In millions)	North America	Europe	Rest of World	Total
Year Ended December 31, 2018				
Central Nervous System & Anesthesia	$ 718.5	$ 877.5	$ 340.7	$ 1,936.7
Infectious Disease	260.8	441.8	826.4	1,529.0
Respiratory & Allergy	643.2	399.9	208.9	1,252.0
Cardiovascular	342.4	567.9	170.6	1,080.9
Gastroenterology	136.4	614.0	364.7	1,115.1
Diabetes & Metabolism	416.5	252.3	121.3	790.1
Dermatology	352.2	330.6	95.8	778.6
Women's Health	350.7	253.2	104.4	708.3
Oncology	543.4	78.4	137.1	758.9
Immunology	49.5	18.7	38.6	106.8
Other [1]	282.0	323.0	607.3	1,212.3
Total	$ 4,095.6	$ 4,157.3	$ 3,015.8	$ 11,268.7

(In millions)	North America	Europe	Rest of World	Total
Year Ended December 31, 2017				
Central Nervous System & Anesthesia	$ 1,057.1	$ 862.7	$ 317.0	$ 2,236.8
Infectious Disease	200.0	343.2	921.7	1,464.9
Respiratory & Allergy	709.8	446.3	206.2	1,362.3
Cardiovascular	454.5	579.8	170.3	1,204.6
Gastroenterology	183.5	581.0	357.9	1,122.4
Diabetes & Metabolism	577.7	266.2	103.6	947.5
Dermatology	529.4	295.3	106.0	930.7
Women's Health	331.2	282.7	94.4	708.3
Oncology	487.4	71.2	148.6	707.2
Immunology	83.5	10.3	37.6	131.4
Other [1]	355.5	219.6	368.8	943.9
Total	$ 4,969.6	$ 3,958.3	$ 2,832.1	$ 11,760.0

[1] Other consists of numerous therapeutic franchises, none of which individually exceeds 5% of consolidated net sales.

Variable Consideration

The following table presents a reconciliation of gross sales to net sales by each significant category of variable consideration during the years ended December 31, 2019, 2018 and 2017, respectively:

	Year Ended December 31,		
(In millions)	2019	2018	2017
Gross sales	$ 19,012.2	$ 19,588.1	$ 22,206.1
Gross to net adjustments:			
Chargebacks	(3,309.6)	(3,352.2)	(4,239.5)
Rebates, promotional programs and other sales allowances	(3,629.3)	(4,235.6)	(5,281.1)
Returns	(237.9)	(261.6)	(390.7)
Governmental rebate programs	(465.1)	(470.0)	(534.8)
Total gross to net adjustments	$ (7,641.9)	$ (8,319.4)	$ (10,446.1)
Net sales	$ 11,370.3	$ 11,268.7	$ 11,760.0

The following is a rollforward of the categories of variable consideration during 2019:

(In millions)	Balance at December 31, 2018	Current Provision Related to Sales Made in the Current Period	Checks/ Credits Issued to Third Parties	Effects of Foreign Exchange	Balance at December 31, 2019
Chargebacks	$ 478.2	$ 3,309.6	$ (3,268.6)	$ (0.6)	$ 518.6
Rebates, promotional programs and other sales allowances	1,202.4	3,629.3	(3,747.2)	(0.4)	1,084.1
Returns	439.5	237.9	(284.3)	(0.1)	393.0
Governmental rebate programs	222.2	465.1	(373.8)	(0.7)	312.8
Total	$ 2,342.3	$ 7,641.9	$ (7,673.9)	$ (1.8)	$ 2,308.5

Accruals for these provisions are presented in the consolidated financial statements as reductions in determining net revenues and in accounts receivable and other current liabilities. Accounts receivable are presented net of allowances relating to these provisions, which were comprised of the following at December 31, 2019 and 2018, respectively:

(In millions)	December 31, 2019	December 31, 2018
Accounts receivable	$ 1,512.0	$ 1,715.6
Other current liabilities	796.5	626.7
Total	$ 2,308.5	$ 2,342.3

We have not made and do not anticipate making any significant changes to the methodologies that we use to measure provisions for variable consideration; however, the balances within these reserves can fluctuate significantly through the consistent application of our methodologies. Historically, we have not recorded in any current period any material amounts related to adjustments made to prior period reserves.

4. Acquisitions and Other Transactions

Upjohn Business Combination Agreement

On July 29, 2019, the Company, Pfizer Inc. (“Pfizer”), Upjohn Inc., a wholly-owned subsidiary of Pfizer (“Upjohn” or “Newco”), and certain other affiliated entities entered into a Business Combination Agreement (the “Business Combination Agreement”) pursuant to which the Company will combine with Pfizer’s Upjohn Business (the “Upjohn Business”) in a Reverse Morris Trust transaction (the “Combination”). Newco, which will be the parent entity of the combined Upjohn Business and Mylan business, will be renamed “Viatris” effective as of the closing of the Combination. The Upjohn Business is a global, primarily off-patent branded and generic established medicines business, which includes 20 primarily off-patent solid oral dose legacy brands, such as Lyrica, Lipitor, Celebrex and Viagra.

Prior to the Combination and pursuant to a Separation and Distribution Agreement (the “Separation Agreement”), dated as of July 29, 2019, between Pfizer and Newco, Pfizer will, among other things, transfer to Newco substantially all of the assets and liabilities comprising the Upjohn Business (the “Separation”) and, thereafter, Pfizer will distribute to Pfizer stockholders all of the issued and outstanding shares of Newco (the “Distribution”). When the Distribution and Combination are completed, Pfizer stockholders as of the record date of the Distribution will own 57% of the outstanding shares of Newco common stock, and Mylan shareholders as of immediately before the Combination will own 43% of the outstanding shares of Newco common stock, in each case on a fully diluted basis. Newco will make a cash payment to Pfizer equal to $12 billion, to be funded with the proceeds of debt to be incurred by Newco in connection with the foregoing transactions, as partial consideration for the contribution of the Upjohn Business from Pfizer to Newco.

Newco has obtained commitments for the initial financing of the transaction in the form of a bridge loan from certain financial institutions. If Newco obtains additional funding by issuing securities or obtaining other loans, the amount of the bridge facility will be correspondingly reduced. The bridge loan is subject to customary terms and conditions including a financial covenant.

The consummation of the Combination is subject to the satisfaction (or, if applicable, valid waiver) of various conditions, including (a) the expiration or termination of any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder and the receipt of regulatory approvals in certain other jurisdictions, (b) the consummation of the Separation and the Distribution in accordance with the terms of the Separation Agreement, (c) the approval of the Combination by Mylan shareholders, (d) the absence of any legal restraint (including legal actions or proceedings pursued by U.S. state authorities in the relevant states) preventing the consummation of the transactions, (e) in the case of Pfizer's and Newco's obligations to consummate the transactions, (i) the distribution of $12 billion in cash from Upjohn to Pfizer in accordance with the terms of the Separation Agreement and (ii) the receipt by Pfizer of a U.S. Internal Revenue Service ("IRS") ruling and tax opinion of its tax counsel with respect to the Combination, and (f) other customary closing conditions.

TOBI Purchase Agreement

On August 31, 2018, the Company completed an agreement (the "purchase agreement") with certain subsidiaries of Novartis AG ("Novartis") to purchase the worldwide rights to their global cystic fibrosis products consisting of the TOBI Podhaler® and TOBI® solution. Under the terms of the purchase agreement, Novartis will receive fixed consideration of $463.0 million, which consists of $240.0 million which was paid at closing, $130.0 million which was paid in August 2019 and a deferred payment of $93.0 million due in August 2020. The Company also entered into a supply agreement with Novartis to purchase the products for up to three years from the date of closing and initially recorded a liability of approximately $91.8 million related to supply obligations. Additionally, Novartis was also eligible to receive a contingent payment of up to $20.0 million if the Company did not acquire the Facility (as defined below), which the Company accrued for at closing. The Company originally accounted for this transaction as an asset acquisition since the exercise of the option agreement (described below) was not deemed probable at the time of the closing of the purchase agreement and accordingly recognized an intangible asset for the product rights of $574.8 million on the closing date of the purchase agreement.

In conjunction with the purchase agreement, Mylan and Novartis entered into an option agreement pursuant to which Novartis granted Mylan an exclusive option to acquire certain equipment and employees relating to the Novartis TOBI Podhaler® production facility in San Carlos, California (the "Facility"). The option also included the transfer of certain agreements to Mylan. On May 28, 2019, Mylan notified Novartis of its election to exercise the purchase option. As a result of the option exercise, Novartis is no longer eligible to receive the contingent payment and during the second quarter of 2019 the Company reversed the accrual for the $20.0 million contingent payment with the offset being a reduction in the value of the intangible asset.

This transaction closed in the third quarter of 2019, and the Company paid Novartis $10.0 million for the Facility. In addition, the Company will receive reimbursement from Novartis for certain restructuring and other costs at the Facility and has purchased the remaining inventory at closing. As a result of the option exercise and the acquisition of the Facility, the Company has accounted for these transactions as a single transaction and revised its accounting to an acquisition of a business under ASC Topic 805 *Business Combinations*.

The preliminary allocation of the $481.9 million purchase price to the assets acquired and liabilities assumed for this business is as follows:

(In millions)		
Current assets	$	29.2
Property, plant and equipment		30.0
Intangible and other noncurrent assets		496.7
Total assets acquired		555.9
Current liabilities		(54.0)
Long-term debt and other noncurrent obligations		(20.0)
Net assets acquired	$	481.9

The identified intangible assets are comprised of product rights with a weighted average useful life of ten years. The impact of the revised accounting included a reduction of approximately $100.0 million in value of the intangible assets and liabilities related to an unfavorable supply contract and the contingent payment. Significant assumptions utilized in the valuation of identified intangible assets were based on company specific information and projections which are not observable

in the market and are thus considered Level 3 measurements as defined by U.S. GAAP. The preliminary fair value estimates for assets acquired and liabilities assumed were based upon preliminary calculations, valuations and assumptions that are subject to change as the Company obtains additional information during the measurement period (up to one year from the acquisition date). The primary area of those preliminary estimates that is not yet finalized relates to the estimated fair value of intangible assets. The acquisition did not have a material impact on the Company's results of operations since the acquisition date or on a pro forma basis for the years ended December 31, 2019 and 2018.

Other Transactions

On February 28, 2018, the Company and Revance Therapeutics, Inc. ("Revance") entered into a collaboration agreement (the "Revance Collaboration Agreement") pursuant to which the Company and Revance will collaborate exclusively, on a world-wide basis (excluding Japan), to develop, manufacture and commercialize a biosimilar to the branded biologic product (onabotulinumtoxinA) marketed as BOTOX®.

Under the Revance Collaboration Agreement, the Company is primarily responsible for (a) clinical development activities outside of North America (excluding Japan) (the "ex-U.S. Mylan territories"), (b) regulatory activities, and (c) commercialization for any approved product. Revance is primarily responsible for (a) non-clinical development activities, (b) clinical development activities in North America, and (c) manufacturing and supply of clinical drug substance and drug product; Revance is solely responsible for an initial portion of non-clinical development costs. The remaining portion of any non-clinical development costs and clinical development costs for obtaining approval in the U.S. and Europe is shared equally between the parties, and the Company is responsible for all other clinical development costs and commercialization expenses. Upon closing, Revance received a non-refundable upfront payment of $25.0 million. In addition, under the Revance Collaboration Agreement, Revance can receive potential development milestone payments of up to $100.0 million, in the aggregate, upon the achievement of specified clinical and regulatory milestones and potential tiered sales milestones of up to $225.0 million. In addition, Mylan will pay Revance royalties on sales of the biosimilar in the ex-U.S. Mylan territories. The Company accounted for this transaction as an asset acquisition of IPR&D and the total upfront payment was expensed as a component of R&D expense during the year ended December 31, 2018.

On August 22, 2019, the Company and Revance entered into an amendment (the "Amendment") to the Revance Collaboration Agreement, pursuant to which Revance has agreed to extend the period of time for the Company to decide whether to continue the development and commercialization of a biosimilar to the branded biologic product (onabotulinumtoxinA) marketed as BOTOX® beyond the initial development plan to prepare for and conduct the Biosimilar Initial Advisory Meeting (BIAM) with the U.S. Food and Drug Administration ("FDA"). In accordance with the Amendment, the Company is required to notify Revance of its decision on or before the later of (i) April 30, 2020 or (ii) thirty calendar days from the date that Revance provides Mylan with certain deliverables, and the Company made a payment to Revance in the amount of $5.0 million for the Amendment, which was expensed as a component of R&D expense during the year ended December 31, 2019. All other terms of the Revance Collaboration Agreement remain unchanged.

During the year ended December 31, 2018, the Company completed four agreements to acquire certain intellectual property rights and marketing authorizations for products that were in the development stage, including agreements with Fujifilm Kyowa Kirin Biologics Co., Ltd. ("FKB"), Mapi Pharma Ltd., and Lupin Limited. The Company also completed the acquisition of intellectual property rights and marketing authorizations related to a commercialized product in certain rest of world markets for $220.0 million, of which $160.0 million was paid at closing, $20.0 million was paid in the fourth quarter of 2018 and the remaining amount was paid in the second quarter of 2019. The Company is accounting for these transactions as asset acquisitions and a useful life of five years is being used to amortize the asset related to the commercialized product. The Company recorded expense of approximately $53.7 million as a component of R&D expense related to non-refundable upfront payments for agreements for products in development during the year ended December 31, 2018. Certain of the agreements include additional development and commercial milestones.

On February 22, 2018, the Company in-licensed European rights to Hulio™, a biosimilar to AbbVie Inc.'s ("AbbVie") Humira® (adalimumab), including a sub-license to certain of AbbVie's European patents, from FKB. On February 27, 2019, the Company updated its arrangements with FKB for the commercialization of Hulio™. Under the updated arrangements, Mylan has in-licensed exclusive global commercialization rights for Hulio™. The Company accounted for this transaction as an asset acquisition of IPR&D and a net non-contingent amount due to FKB of approximately $23.3 million was expensed as a component of R&D expense during the year ended December 31, 2019.

On December 1, 2018, the Company and certain subsidiaries of Aspen Pharmacare Holdings Limited entered into an agreement for Mylan to distribute a portfolio of prescription and OTC products in Australia and New Zealand. The agreement included an option for Mylan to purchase the rights to the portfolio. In March 2019, the Company exercised the option, and

acquired the product rights in the second quarter of 2019 for approximately $130.9 million. The purchase consideration of approximately $130.9 million includes a payment made at closing of approximately $64.3 million and amounts payable in 2020 totaling approximately $66.6 million.

The Company accounted for this transaction as an asset acquisition and recognized an intangible asset for the product rights of approximately $130.9 million. The intangible asset is being amortized over a useful life of five years.

The Company has entered into certain agreements to acquire intellectual property rights for products that are in the development stage. These agreements include additional development and commercial milestones. During the year ended December 31, 2019, the Company recorded expense of approximately $56.1 million as a component of R&D expense related to non-refundable upfront and milestone payments during the year.

5. Balance Sheet Components

Selected balance sheet components consist of the following:

Cash and restricted cash

(In millions)	December 31, 2019	December 31, 2018
Cash and cash equivalents	$ 475.6	$ 388.1
Restricted cash, included in prepaid expenses and other current assets	15.5	1.2
Cash, cash equivalents and restricted cash	$ 491.1	$ 389.3

Accounts receivable, net

(In millions)	December 31, 2019	December 31, 2018
Trade receivables, net	$ 2,640.1	$ 2,416.5
Other receivables	418.7	464.5
Accounts receivable, net	$ 3,058.8	$ 2,881.0

Total allowances for doubtful accounts were $72.8 million and $98.2 million at December 31, 2019 and 2018, respectively. Mylan performs ongoing credit evaluations of its customers and generally does not require collateral. Approximately 21% of the accounts receivable balances represent amounts due from three customers at December 31, 2019 and 2018.

Accounts Receivable Factoring Arrangements

We have entered into accounts receivable factoring agreements with financial institutions to sell certain of our non-U.S. accounts receivable. These transactions are accounted for as sales and result in a reduction in accounts receivable because the agreements transfer effective control over and risk related to the receivables to the buyers. Our factoring agreements do not allow for recourse in the event of uncollectibility, and we do not retain any interest in the underlying accounts receivable once sold. We derecognized $90.1 million of accounts receivable as of December 31, 2019 under these factoring arrangements.

Inventories

(In millions)	December 31, 2019	December 31, 2018
Raw materials	$ 886.8	$ 955.7
Work in process	417.2	369.9
Finished goods	1,366.9	1,254.6
Inventories	$ 2,670.9	$ 2,580.2

Inventory reserves totaled $268.9 million and $228.2 million at December 31, 2019 and 2018, respectively. Included as a component of cost of sales is expense related to the net realizable value of inventories of $399.2 million, $343.1 million and $212.8 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Prepaid expenses and other current assets

(In millions)	December 31, 2019	December 31, 2018
Prepaid expenses	$ 156.7	$ 130.6
Restricted cash	15.5	1.2
Available-for-sale fixed income securities	26.8	25.0
Fair value of financial instruments	43.3	33.8
Equity securities	39.0	32.5
Other current assets	270.7	295.3
Prepaid expenses and other current assets	$ 552.0	$ 518.4

Prepaid expenses consists primarily of prepaid rent, insurance and other individually insignificant items.

Property, plant and equipment, net

(In millions)	December 31, 2019	December 31, 2018
Machinery and equipment	$ 2,523.7	$ 2,421.2
Buildings and improvements	1,197.3	1,182.3
Construction in progress	277.3	239.7
Land and improvements	124.6	131.3
Gross property, plant and equipment	4,122.9	3,974.5
Accumulated depreciation	1,973.3	1,804.3
Property, plant and equipment, net	$ 2,149.6	$ 2,170.2

Capitalized software costs included in our consolidated balance sheets were $85.8 million and $112.0 million, net of accumulated depreciation, at December 31, 2019 and 2018, respectively. The Company periodically reviews the estimated useful lives of assets and makes adjustments when appropriate. Depreciation expense was approximately $256.1 million, $279.5 million and $287.6 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Other assets

(In millions)	December 31, 2019	December 31, 2018
Equity method investments, clean energy investments	$ 92.2	$ 138.7
Operating lease right-of-use asset	254.6	—
Other long-term assets	58.2	73.7
Other assets	$ 405.0	$ 212.4

Accounts payable

(In millions)	December 31, 2019	December 31, 2018
Trade accounts payable	$ 1,061.9	$ 1,123.2
Other payables	466.2	493.8
Accounts payable	$ 1,528.1	$ 1,617.0

Other current liabilities

(In millions)	December 31, 2019	December 31, 2018
Accrued sales allowances	$ 796.5	$ 626.7
Payroll and employee benefit liabilities	467.1	399.7
Legal and professional accruals, including litigation accruals	138.2	128.1
Contingent consideration	120.4	158.3
Restructuring	26.0	62.3
Equity method investments, clean energy investments	47.7	45.1
Accrued interest	59.1	62.4
Fair value of financial instruments	12.9	29.4
Operating lease liability	76.7	—
Other	575.3	635.6
Other current liabilities	$ 2,319.9	$ 2,147.6

In the fourth quarter of 2018, the Company announced the voluntary recall of valsartan and certain combination valsartan medicines in various countries due to the detection of trace amounts of an impurity, N-nitrosodiethylamine ("NDEA") contained in the API valsartan, USP, manufactured by Mylan India. The impact of this recall on the Company's consolidated financial statements for the year ended December 31, 2019 and 2018 was approximately $22.2 million and $22.6 million of expense, respectively, primarily related to recall costs and inventory reserves. Depending on the scope of regulatory actions, and severity of the impurity, the Company may face additional loss of revenues and profits and incur contractual or other litigation costs. There can be no assurance that future costs related to the recall will not exceed amounts recorded.

Other long-term obligations

(In millions)	December 31, 2019	December 31, 2018
Employee benefit liabilities	$ 408.9	$ 397.7
Equity method investments, clean energy investments	57.2	100.3
Contingent consideration	130.3	197.0
Tax related items, including contingencies	109.6	162.1
Operating lease liability	175.7	—
Other	79.1	239.7
Other long-term obligations	$ 960.8	$ 1,096.8

6. Leases

The Company adopted the provisions of Topic 842 as of January 1, 2019 on a modified retrospective basis applying the guidance to leases existing as of this effective date. We have operating leases of real estate, consisting primarily of administrative offices, manufacturing and distribution facilities, and R&D facilities. We also have operating leases of certain equipment, primarily automobiles, and certain limited supply arrangements.

As of December 31, 2019, the Company recognized a ROU asset of $254.6 million and a total lease liability of $252.4 million. The Company's ROU assets are recorded in other assets. The related lease liability balances are recorded in other current liabilities and other long-term obligations in the consolidated balance sheets. Refer to Note 5 *Balance Sheet Components* for additional information.

ROU assets and liabilities are recognized at the present value of the future minimum lease payments over the lease term at commencement date. As most of our leases do not provide an implicit rate, we use an applicable incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. Options to extend or terminate the ROU assets are reviewed at lease inception and these options are accounted for when they are reasonably certain of being exercised.

Other information related to leases was as follows:

	As of December 31, 2019
Remaining lease terms	1 year to 25 years
Weighted-average remaining lease term	6 years
Weighted-average discount rate	4.0%

As of December 31, 2019, maturities of lease liabilities were as follows:

(In millions)	
Year ending December 31,	
2020	72.6
2021	59.6
2022	39.0
2023	27.0
2024	22.4
Thereafter	65.4
	$ 286.0

As of December 31, 2019, we have additional operating leases, primarily for production and distribution facilities, that have not yet commenced totaling approximately $27.5 million. These leases are expected to commence in 2020 through 2021 and have lease terms of 5 years to 12 years. For the years ended December 31, 2019, 2018 and 2017, the Company had operating lease expense of approximately $87.6 million, $78.9 million and $83.8 million, respectively. Operating lease costs are classified primarily as selling, general and administrative expenses and cost of sales.

As of December 31, 2018, future minimum lease payments under operating lease commitments were as follows:

(In millions)	
Year ending December 31,	
2019	$ 73.7
2020	54.7
2021	40.2
2022	28.5
2023	18.3
Thereafter	54.2
	$ 269.6

7. Equity Method Investments

The Company currently has three equity method investments in limited liability companies that own refined coal production plants (the “clean energy investments”) whose activities qualify for income tax credits under Section 45 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”). The Company does not consolidate these entities as we have determined that we are not the primary beneficiary of these entities and do not have the power to individually direct the activities of these entities. Accordingly, these investments are accounted for under the equity method of accounting. For each of the clean energy investments, the Company has entered into notes payable with the respective project sponsor, which in part will be paid to the sponsor as certain production levels are met.

During the year ended December 31, 2019, the Company reduced its long-term obligations for its three remaining investments as a result of lower than anticipated production levels and lower expected future variable debt payments to the respective project sponsor. The Company recognized a net gain of approximately $7.0 million, which was recognized as a component of the net loss of the equity method investments in the consolidated statements of operations.

During the year ended December 31, 2018, the Company and a project sponsor agreed to terminate two previous investments. Under the termination agreements, the Company returned its ownership interest in the projects to the sponsor and in exchange the Company had no further obligations with respect to the notes payable for these projects.

Also, during the year ended December 31, 2018, the Company entered into amended agreements related to the three remaining investments. These amendments effectively reduce the amount of expected future variable debt payments to the respective project sponsor.

During the year ended December 31, 2017 as a result of a decline in the current and expected future production levels at certain of the facilities, the Company impaired its investment balance and other assets by approximately $47.0 million and reduced the related long-term obligations for these investments by approximately $89.0 million resulting in a net gain of $42.0 million which was recognized as a component of other expense, net in the consolidated statements of operations.

The carrying values and respective balance sheet locations of the Company's clean energy investments were as follows at December 31, 2019 and 2018, respectively:

(In millions)	December 31, 2019	December 31, 2018
Other assets	$ 92.2	$ 138.7
Total liabilities	104.9	145.4
Included in other current liabilities	47.7	45.1
Included in other long-term obligations	57.2	100.3

Summarized financial information, in the aggregate, for the Company's significant equity method investments on a 100% basis as of December 31, 2019 and 2018 and for the years ended December 31, 2019, 2018 and 2017 are as follows:

(In millions)	December 31, 2019	December 31, 2018
Current assets	$ 39.3	$ 36.6
Noncurrent assets	1.7	2.3
Total assets	41.0	38.9
Current liabilities	36.1	32.8
Noncurrent liabilities	1.7	1.7
Total liabilities	37.8	34.5
Net assets	$ 3.2	$ 4.4

	Year Ended December 31,		
(In millions)	2019	2018	2017
Total revenues	$ 385.0	$ 483.3	$ 473.0
Gross loss	(4.4)	(21.1)	(12.8)
Operating and non-operating expense	20.0	21.9	22.3
Net loss	$ (24.4)	$ (43.0)	$ (35.1)

The Company's net losses from its equity method investments include amortization expense related to the excess of the cost basis of the Company's investment over the underlying assets of each individual investee. For the years ended December 31, 2019, 2018 and 2017, the Company recognized net losses from equity method investments of $62.1 million, $78.7 million, and $58.0 million, respectively, which were recognized as a component of other expense, net in the consolidated statements of operations. The Company recognizes the income tax credits and benefits from the clean energy investments as part of its provision for income taxes.

8. Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill for the years ended December 31, 2019 and 2018 are as follows:

(In millions)	North America Segment	Europe Segment	Rest of World Segment	Total
Balance at December 31, 2017:				
Goodwill	$ 3,934.6	$ 4,967.1	$ 1,689.0	$ 10,590.7
Accumulated impairment losses	(385.0)	—	—	(385.0)
	3,549.6	4,967.1	1,689.0	10,205.7
Foreign currency translation	(41.7)	(309.7)	(106.5)	(457.9)
	3,507.9	4,657.4	1,582.5	9,747.8
Balance at December 31, 2018:				
Goodwill	3,892.9	4,657.4	1,582.5	10,132.8
Accumulated impairment losses	(385.0)	—	—	(385.0)
	3,507.9	4,657.4	1,582.5	9,747.8
Reclassifications [1]	(165.7)	25.2	140.5	—
Foreign currency translation	(18.8)	(134.0)	(4.4)	(157.2)
	3,323.4	4,548.6	1,718.6	9,590.6
Balance at December 31, 2019				
Goodwill	3,708.4	4,548.6	1,718.6	9,975.6
Accumulated impairment losses	(385.0)	—	—	(385.0)
	$ 3,323.4	$ 4,548.6	$ 1,718.6	$ 9,590.6

[1] The reclassifications between segments realign certain prior period foreign currency translation amounts to conform to current year presentation.

Intangible assets consist of the following components at December 31, 2019 and 2018:

(In millions)	Weighted Average Life (Years)	Cost	Accumulated Amortization	Net Book Value
December 31, 2019				
Product rights, licenses and other [1]	15	$ 20,109.1	$ 8,579.5	$ 11,529.6
In-process research and development		120.3	—	120.3
		$ 20,229.4	$ 8,579.5	$ 11,649.9
December 31, 2018				
Product rights, licenses and other [1]	15	$ 20,264.1	$ 7,225.1	$ 13,039.0
In-process research and development		625.6	—	625.6
		$ 20,889.7	$ 7,225.1	$ 13,664.6

[1] Represents amortizable intangible assets. Other intangibles consist principally of customer lists and contractual rights.

Product rights and licenses are primarily comprised of the products marketed at the time of acquisition. These product rights and licenses relate to numerous individual products, the net book value of which, by therapeutic franchise, is as follows:

(In millions)	December 31, 2019	December 31, 2018
Central Nervous System and Anesthesia	$ 1,947.3	$ 2,148.9
Dermatology	1,832.9	2,125.7
Gastroenterology	1,572.0	1,790.9
Diabetes and Metabolism	1,090.5	1,232.4
Cardiovascular	1,350.5	1,541.9
Respiratory and Allergy	1,997.0	2,084.1
Infectious Disease	491.8	596.0
Oncology	165.1	206.0
Women's Healthcare	167.3	315.1
Immunology	225.8	258.8
Other [(1)]	677.9	694.9
	$ 11,518.1	$ 12,994.7

[(1)] Other consists of numerous therapeutic classes, none of which individually exceeds 5% of total product rights and licenses.

Amortization expense and intangible asset impairment charges, which are included as a component of amortization expense, which is classified primarily within cost of sales in the consolidated statements of operations, for the years ended December 31, 2019, 2018 and 2017 was as follows:

	Year ended December 31,		
(In millions)	2019	2018	2017
Intangible asset amortization expense	$ 1,582.7	$ 1,606.4	$ 1,437.4
IPR&D intangible asset impairment charges	138.3	117.7	74.6
Finite-lived intangible asset impairment charges	42.3	106.3	6.2
Total intangible asset amortization expense (including impairment charges)	$ 1,763.3	$ 1,830.4	$ 1,518.2

The assessment for impairment of finite-lived intangibles is based on our ability to recover the carrying value of the long-lived assets or asset grouping by analyzing the expected future undiscounted pre-tax cash flows specific to the asset or asset grouping. If the carrying amount is greater than the undiscounted cash flows, the Company recognizes an impairment loss for the excess of the carrying amount over the estimated fair value based on discounted cash flows.

Significant management judgment is involved in estimating the recoverability of these assets and is dependent upon the accuracy of the assumptions used in making these estimates, as well as how the estimates compare to the eventual future operating performance of the specific asset or asset grouping. The fair value of finite-lived intangible assets was calculated as the present value of the estimated future net cash flows using a market rate of return. The assumptions inherent in the estimated future cash flows include, among other things, the impact of the current competitive environment and future market expectations. Discount rates ranging between 9.0% and 10.0% were utilized in the valuations performed during the years ended December 31, 2019, 2018 and 2017. At December 31, 2019 and 2018, the Company’s finite-lived intangible assets totaled $11.53 billion and $13.04 billion, respectively. Any future long-lived assets impairment charges could have a material impact in the Company’s consolidated financial condition and results of operations.

The Company’s IPR&D assets are tested at least annually for impairment or upon the occurrence of a triggering event. Impairment is determined to exist when the fair value of IPR&D assets, which is based upon updated forecasts and commercial development plans, is less than the carrying value of the assets being tested. The fair value of IPR&D was calculated as the present value of the estimated future net cash flows using a market rate of return. The assumptions inherent in the estimated future cash flows include, among other things, the impact of changes to the development programs, the projected development and regulatory time frames and the current competitive environment. Discount rates ranging between 9.0% and 11.0%, 9.5%

and 13.0%, and 8.4% and 10.5% were utilized in the valuations performed during the years ended December 31, 2019, 2018 and 2017 respectively.

The fair value of both IPR&D and finite-lived intangible assets was determined based upon detailed valuations employing the income approach which utilized Level 3 inputs, as defined in Note 9 *Financial Instruments and Risk Management*. Changes to any of the Company's assumptions including changes to or abandonment of development programs, regulatory timelines, discount rates or the competitive environment related to the assets could lead to future material impairment charges.

In December 2011, the Company completed the acquisition of the exclusive worldwide rights to develop, manufacture and commercialize a generic equivalent to GlaxoSmithKline's Advair® Diskus incorporating Pfizer Inc.'s ("Pfizer") proprietary dry powder inhaler delivery platform (the "respiratory delivery platform"). The Company accounted for this transaction as a purchase of a business and utilized the acquisition method of accounting. On January 30, 2019, the Company received FDA approval of Wixela™ Inhub™ (fluticasone propionate and salmeterol inhalation powder, USP), the first generic of GlaxoSmithKline's Advair Diskus®. The commercial launch of the Wixela™ Inhub™ occurred in February 2019. The Company reclassified the IPR&D asset of $347.2 million to product rights and licenses during the year ended December 31, 2019 and is amortizing the asset over its estimated useful life.

As of December 31, 2019, the Company has a related contingent consideration liability of $232.0 million. During the year ended December 31, 2019, the Company made $99.0 million in payments. The Company performed an analysis and valuation of the contingent consideration liability using a discounted cash flow model. The model contains certain key assumptions including: market share, the number of competitors, the timing of competition and a discount factor based on an industry specific weighted average cost of capital. Based on the analysis performed, the Company recorded fair value adjustments of $20.4 million during the year ended December 31, 2019 to reduce the contingent consideration liability. The fair value of the contingent consideration liability was determined based upon detailed valuations employing the income approach which utilized Level 3 inputs, as defined in Note 9 *Financial Instruments and Risk Management.* Market conditions and other factors may result in significant future changes in the projections and assumptions utilized in the discounted cash flow model, which could lead to material adjustments to the amounts recorded for intangible assets and contingent consideration.

The Company has performed its annual goodwill impairment test as of April 1, 2019 on a quantitative basis for its four reporting units, North America Generics, North America Brands, Europe and Rest of World. In estimating each reporting unit's fair value, the Company performed an extensive valuation analysis, utilizing both income and market-based approaches, except for the North America Brands reporting unit where the fair value was estimated utilizing the income approach. The determination of the fair value of the reporting units requires the Company to make significant estimates and assumptions that affect the reporting unit's expected future cash flows. These estimates and assumptions, utilizing Level 3 inputs, primarily include, but are not limited to, market multiples, control premiums, the discount rate, terminal growth rates, operating income before depreciation and amortization, and capital expenditures forecasts.

As of April 1, 2019, the date of our most recent annual impairment test, the allocation of the Company's total goodwill was as follows: North America Generics $2.67 billion, North America Brands $0.65 billion, Europe $4.56 billion and Rest of World $1.72 billion.

As of April 1, 2019, the Company determined that the fair value of the North America Generics, North America Brands and Rest of World reporting units was substantially in excess of the respective unit's carrying value. However, when compared to the prior year, the fair value of our overall business declined because of our recent operating results, future forecasts and the decline in our share price, including activity subsequent to April 1, 2019.

For the Europe reporting unit, the estimated fair value exceeded its carrying value by approximately $900.0 million or 7.0%. The excess fair value for the Europe reporting unit is consistent with the result of the Company's 2018 annual impairment test. As it relates to the income approach for the Europe reporting unit at April 1, 2019, the Company forecasted cash flows for the next 5 years. During the forecast period, the revenue compound annual growth rate was approximately 6.5%. A terminal year value was calculated with a 2.0% revenue growth rate applied. The discount rate utilized was 10.5% and the estimated tax rate was 24.0%. Under the market-based approach, we utilized an estimated range of market multiples of 8.0 to 9.5 times EBITDA plus a control premium of 15.0%. If all other assumptions are held constant, a reduction in the terminal value growth rate by 2.0% or an increase in discount rate by 1.5% would result in an impairment charge for the Europe reporting unit.

Due to the inherent uncertainty involved in making these estimates, actual results could differ from those estimates. In addition, changes in underlying assumptions, especially as it relates to the key assumptions detailed, could have a significant impact on the fair value of the reporting units.

Intangible asset amortization expense for the years ended December 31, 2020 through 2024 is estimated to be as follows (excludes the potential impact of the Upjohn transaction):

(In millions)		
2020	$	1,440
2021		1,361
2022		1,292
2023		1,129
2024		1,016

9. Financial Instruments and Risk Management

The Company is exposed to certain financial risks relating to its ongoing business operations. The primary financial risks that are managed by using derivative instruments are foreign currency risk and interest rate risk.

Foreign Currency Risk Management

In order to manage certain foreign currency risks, the Company enters into foreign exchange forward contracts to mitigate risk associated with changes in spot exchange rates of mainly non-functional currency denominated assets or liabilities. The foreign exchange forward contracts are measured at fair value and reported as current assets or current liabilities in the consolidated balance sheets. Any gains or losses on the foreign exchange forward contracts are recognized in earnings in the period incurred in the consolidated statements of operations.

The Company has also entered into forward contracts to hedge forecasted foreign currency denominated sales from certain international subsidiaries. These contracts are designated as cash flow hedges to manage foreign currency transaction risk and are measured at fair value and reported as current assets or current liabilities in the consolidated balance sheets. Any changes in the fair value of designated cash flow hedges are deferred in accumulated other comprehensive earnings (“AOCE”) and are reclassified into earnings when the hedged item impacts earnings.

Net Investment Hedges

The Company may hedge the foreign currency risk associated with certain net investment positions in foreign subsidiaries by either borrowing directly in foreign currencies and designating all or a portion of the foreign currency debt as a hedge of the applicable net investment position or entering into foreign currency swaps that are designated as hedges of net investments.

The Company has designated certain Euro borrowings as a hedge of its investment in certain Euro-functional currency subsidiaries in order to manage foreign currency translation risk. Borrowings designated as net investment hedges are marked-to-market using the current spot exchange rate as of the end of the period, with gains and losses included in the foreign currency translation component of AOCE until the sale or substantial liquidation of the underlying net investments. In addition, the Company manages the related foreign exchange risk of the Euro borrowings not designated as net investment hedges through certain Euro denominated financial assets and forward currency swaps.

The following table summarizes the principal amounts of the Company’s outstanding Euro borrowings and the notional amounts of the Euro borrowings designated as net investment hedges:

(in millions)	Principal Amount	Notional Amount Designated as a Net Investment Hedge	
		December 31, 2019	December 31, 2018
2.250% Euro Senior Notes due 2024	€ 1,000.0	€ 1,000.0	€ 1,000.0
3.125% Euro Senior Notes due 2028	750.0	750.0	750.0
1.250% Euro Senior Notes due 2020	750.0	104.0	104.0
2.125% Euro Senior Notes due 2025	500.0	500.0	500.0
Floating Rate Euro Notes due 2020	500.0	—	—
Total	€ 3,500.0	€ 2,354.0	€ 2,354.0

Interest Rate Risk Management

The Company enters into interest rate swaps in order to manage interest rate risk associated with the Company's fixed-rate and floating-rate debt. Interest rate swaps that meet specific accounting criteria are accounted for as fair value or cash flow hedges. All derivative instruments used to manage interest rate risk are measured at fair value and reported as current assets or current liabilities in the consolidated balance sheets. For fair value hedges, the changes in the fair value of both the hedging instrument and the underlying debt obligations are included in interest expense. For cash flow hedges, the change in fair value of the hedging instrument is deferred through AOCE and is reclassified into earnings when the hedged item impacts earnings.

Cash Flow Hedging Relationships

The Company's interest rate swaps designated as cash flow hedges fix the interest rate on a portion of the Company's variable-rate debt or hedge part of the Company's interest rate exposure associated with the variability in the future cash flows attributable to changes in interest rates. Any changes in fair value are included in earnings or deferred through AOCE, depending on the nature and effectiveness of the offset. Any ineffectiveness in a cash flow hedging relationship is recognized immediately in earnings in the consolidated statements of operations.

Fair Value Hedging Relationships

The Company's interest rate swaps designated as fair value hedges convert the fixed rate on a portion of the Company's fixed-rate senior notes to a variable rate. Any changes in the fair value of these derivative instruments, as well as the offsetting change in fair value of the portion of the fixed-rate debt being hedged, is included in interest expense. The total notional amount of the Company's fair value hedge was $750 million as of December 31, 2019 and 2018.

Credit Risk Management

The Company regularly reviews the creditworthiness of its financial counterparties and does not expect to incur a significant loss from the failure of any counterparties to perform under any agreements. The Company is not subject to any obligations to post collateral under derivative instrument contracts. Certain derivative instrument contracts entered into by the Company are governed by master agreements, which contain credit-risk-related contingent features that would allow the counterparties to terminate the contracts early and request immediate payment should the Company trigger an event of default on other specified borrowings. The Company records all derivative instruments on a gross basis in the consolidated balance sheets. Accordingly, there are no offsetting amounts that net assets against liabilities.

The Effect of Derivative Instruments in the Consolidated Balance Sheets
Fair Values of Derivative Instruments
Derivatives Designated as Hedging Instruments

	Asset Derivatives			
	December 31, 2019		December 31, 2018	
(In millions)	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Interest rate swaps	Prepaid expenses and other current assets	$ 22.3	Prepaid expenses and other current assets	$ 3.6
Foreign currency forward contracts	Prepaid expenses and other current assets	12.5	Prepaid expenses and other current assets	—
Total		$ 34.8		$ 3.6

	Liability Derivatives			
	December 31, 2019		December 31, 2018	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Foreign currency forward contracts	Other current liabilities	$ —	Other current liabilities	$ 12.1
		$ —		$ 12.1

The Effect of Derivative Instruments in the Consolidated Balance Sheets
Fair Values of Derivative Instruments
Derivatives Not Designated as Hedging Instruments

	Asset Derivatives			
	December 31, 2019		December 31, 2018	
(In millions)	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Foreign currency forward contracts	Prepaid expenses and other current assets	$ 8.5	Prepaid expenses and other current assets	$ 30.2
Total		$ 8.5		$ 30.2

	Liability Derivatives			
	December 31, 2019		December 31, 2018	
(In millions)	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Foreign currency forward contracts	Other current liabilities	$ 12.9	Other current liabilities	$ 17.3
Total		$ 12.9		$ 17.3

The Effect of Derivative Instruments in the Consolidated Statements of Operations
Derivatives in Fair Value Hedging Relationships

(In millions)	Location of Gain or (Loss) Recognized in Earnings on Derivatives	Amount of Gain or (Loss) Recognized in Earnings on Derivatives Year Ended December 31,		
		2019	2018	2017
Interest rate swaps	Interest expense	$ 18.7	$ (12.6)	$ (10.0)
Total		$ 18.7	$ (12.6)	$ (10.0)

(In millions)	Location of Gain or (Loss) Recognized in Earnings on Hedged Items	Amount of Gain or (Loss) Recognized in Earnings on Hedging Items Year Ended December 31,		
		2019	2018	2017
2023 Senior Notes (3.125% coupon)	Interest expense	$ (18.7)	$ 12.6	$ 10.0
Total		$ (18.7)	$ 12.6	$ 10.0

The Effect of Derivative Instruments in the Consolidated Statements of Comprehensive (Loss) Earnings
Derivatives in Net Investment Hedging Relationships

(In millions)	Amount of Gain or (Loss) Recognized in AOCE (Net of Tax) on Derivatives (Effective Portion) Year Ended December 31,		
	2019	2018	2017
Foreign currency borrowings and forward contracts	$ 56.7	$ 108.9	$ (238.4)
Total	$ 56.7	$ 108.9	$ (238.4)

The Effect of Derivative Instruments in the Consolidated Statements of Comprehensive (Loss) Earnings
Derivatives in Cash Flow Hedging Relationships

(In millions)	Amount of Gain or (Loss) Recognized in AOCE (Net of Tax) on Derivatives (Effective Portion) Year Ended December 31,		
	2019	2018	2017
Foreign currency forward contracts	$ 16.6	$ (46.6)	$ 28.1
Interest rate swaps	3.0	—	—
Total	$ 19.6	$ (46.6)	$ 28.1

The Effect of Derivative Instruments in the Consolidated Statements of Operations
Derivatives in Cash Flow Hedging Relationships

(In millions)	Location of Gain or (Loss) Reclassified from AOCE into Earnings (Effective Portion)	Amount of Gain or (Loss) Reclassified from AOCE into Earnings (Effective Portion) Year Ended December 31,		
		2019	2018	2017
Foreign currency forward contracts	Net sales	$ (0.7)	$ 6.2	$ 1.1
Interest rate swaps	Interest expense	(7.1)	(7.7)	(7.3)
Total		$ (7.8)	$ (1.5)	$ (6.2)

(In millions)	Location of Loss Excluded from the Assessment of Hedge Effectiveness	Amount of Loss Excluded from the Assessment of Hedge Effectiveness, Year Ended December 31, 2019	2018	2017
Foreign currency forward contracts	Other expense, net	$ —	$ —	$ (3.3)
Total		$ —	$ —	$ (3.3)

At December 31, 2019, the Company expects that approximately $12.0 million of pre-tax net losses on cash flow hedges will be reclassified from AOCE into earnings during the next twelve months.

The Effect of Derivative Instruments in the Consolidated Statements of Operations Derivatives Not Designated as Hedging Instruments

(In millions)	Location of Gain or (Loss) Recognized in Earnings on Derivatives	Amount of Gain or (Loss) Recognized in Earnings on Derivatives, Year Ended December 31, 2019	2018	2017
Foreign currency option and forward contracts	Other expense, net	$ (17.3)	$ 34.8	$ 47.7
Total		$ (17.3)	$ 34.8	$ 47.7

Fair Value Measurement

Fair value is based on the price that would be received from the sale of an identical asset or paid to transfer an identical liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy has been established that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Observable market-based inputs other than quoted prices in active markets for identical assets or liabilities.

Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers counterparty credit risk in its assessment of fair value.

Financial assets and liabilities carried at fair value are classified in the tables below in one of the three categories described above:

	December 31, 2019			
(In millions)	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial Assets				
Cash equivalents:				
Money market funds	$ 0.7	$ —	$ —	$ 0.7
Total cash equivalents	0.7	—	—	0.7
Equity securities:				
Exchange traded funds	38.3	—	—	38.3
Marketable securities	0.7	—	—	0.7
Total equity securities	39.0	—	—	39.0
Available-for-sale fixed income investments:				
Corporate bonds	—	10.8	—	10.8
U.S. Treasuries	—	9.5	—	9.5
Agency mortgage-backed securities	—	2.3	—	2.3
Asset backed securities	—	3.6	—	3.6
Other	—	0.6	—	0.6
Total available-for-sale fixed income investments	—	26.8	—	26.8
Foreign exchange derivative assets	—	21.0	—	21.0
Interest rate swap derivative assets	—	22.3	—	22.3
Total assets at recurring fair value measurement	$ 39.7	$ 70.1	$ —	$ 109.8
Financial Liabilities				
Foreign exchange derivative liabilities	$ —	$ 12.9	$ —	$ 12.9
Contingent consideration	—	—	250.7	250.7
Total liabilities at recurring fair value measurement	$ —	$ 12.9	$ 250.7	$ 263.6

(In millions)	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Recurring fair value measurements				
Financial Assets				
Cash equivalents:				
Money market funds	$ 71.0	$ —	$ —	$ 71.0
Total cash equivalents	71.0	—	—	71.0
Equity securities:				
Exchange traded funds	31.7	—	—	31.7
Marketable securities	0.8	—	—	0.8
Total equity securities	32.5	—	—	32.5
Available-for-sale fixed income investments:				
Corporate bonds	—	9.9	—	9.9
U.S. Treasuries	—	9.4	—	9.4
Agency mortgage-backed securities	—	1.6	—	1.6
Asset backed securities	—	3.2	—	3.2
Other	—	0.9	—	0.9
Total available-for-sale fixed income investments	—	25.0	—	25.0
Foreign exchange derivative assets	—	30.2	—	30.2
Interest rate swap derivative assets	—	3.6	—	3.6
Total assets at recurring fair value measurement	$ 103.5	$ 58.8	$ —	$ 162.3
Financial Liabilities				
Foreign exchange derivative liabilities	$ —	$ 29.4	$ —	$ 29.4
Contingent consideration	—	—	355.3	355.3
Total liabilities at recurring fair value measurement	$ —	$ 29.4	$ 355.3	$ 384.7

For financial assets and liabilities that utilize Level 2 inputs, the Company utilizes both direct and indirect observable price quotes, including the London Interbank Offered Rate ("LIBOR") yield curve, foreign exchange forward prices, and bank price quotes. For the years ended December 31, 2019 and 2018, there were no transfers between Level 1 and 2 of the fair value hierarchy. Below is a summary of valuation techniques for Level 1 and Level 2 financial assets and liabilities:

- *Cash equivalents* — valued at observable net asset value prices.
- *Equity securities, exchange traded funds* — valued at the active quoted market prices from broker or dealer quotations or transparent pricing sources at the reporting date. Unrealized gains and losses attributable to changes in fair value are included in other expense, net, in the consolidated statements of operations.
- *Equity securities, marketable securities* — valued using quoted stock prices from public exchanges at the reporting date. Unrealized gains and losses attributable to changes in fair value are included in other expense, net, in the consolidated statements of operations.
- *Available-for-sale fixed income investments* — valued at the quoted market prices from broker or dealer quotations or transparent pricing sources at the reporting date. Unrealized gains and losses attributable to changes in fair value, net of income taxes, are included in accumulated other comprehensive loss as a component of shareholders' equity.
- *Interest rate swap derivative assets and liabilities* — valued using the LIBOR/EURIBOR yield curves at the reporting date. Counterparties to these contracts are highly rated financial institutions.
- *Foreign exchange derivative assets and liabilities* — valued using quoted forward foreign exchange prices and spot rates at the reporting date. Counterparties to these contracts are highly rated financial institutions.

Contingent Consideration

The fair value measurement of contingent consideration is determined using Level 3 inputs. The Company's contingent consideration represents a component of the total purchase consideration for the respiratory delivery platform and certain other acquisitions. The measurement is calculated using unobservable inputs based on the Company's own assumptions primarily related to the probability and timing of future development and commercial milestones and future profit sharing payments which are discounted using a market rate of return. At December 31, 2019 and 2018, discount rates ranging from 2.1% to 11.5% were utilized in the valuations. Significant changes in unobservable inputs could result in material changes to the contingent consideration liability.

A rollforward of the activity in the Company's fair value of contingent consideration from December 31, 2017 to December 31, 2019 is as follows:

(In millions)	Current Portion [1]	Long-Term Portion [2]	Total Contingent Consideration
Balance at December 31, 2017	$ 167.8	$ 285.9	$ 453.7
Payments	(82.9)	—	(82.9)
Reclassifications	62.1	(62.1)	—
Accretion	—	19.8	19.8
Fair value loss (gain) [3]	11.3	(46.6)	(35.3)
Balance at December 31, 2018	$ 158.3	$ 197.0	$ 355.3
Payments	(99.0)	—	(99.0)
Reclassifications	57.6	(57.6)	—
Accretion	—	14.8	14.8
Fair value loss (gain) [3]	3.5	(23.9)	(20.4)
Balance at December 31, 2019	$ 120.4	$ 130.3	$ 250.7

(1) Included in other current liabilities in the consolidated balance sheets.

(2) Included in other long-term obligations in the consolidated balance sheets.

(3) Included in litigation settlements and other contingencies, net in the consolidated statements of operations.

2018 Changes to Contingent Consideration: During the year ended December 31, 2018, the Company recorded a fair value gain of $44.0 million related to the respiratory delivery platform contingent consideration partially offset by fair value losses of $8.6 million related to certain other acquisitions. In addition, the Company made payments of approximately $51.0 million to resolve the Agila Specialties Private Limited contingent consideration and a net payment of $30.0 million to resolve the contingent consideration related to the acquisition of certain female healthcare businesses from Famy Care Limited (such businesses, "Jai Pharma Limited").

2019 Changes to Contingent Consideration: During the year ended December 31, 2019, the Company recorded a fair value gain of $20.4 million related to the respiratory delivery platform contingent consideration which was partially offset by the net accretion of approximately $14.8 million. In addition, the Company made payments of approximately $99.0 million towards the respiratory delivery platform.

The Company expects to incur approximately $10 million to $15 million of non-cash accretion expense related to the increase in the net present value of the contingent consideration liabilities in 2020.

Although the Company has not elected the fair value option for financial assets and liabilities, any future transacted financial asset or liability will be evaluated for the fair value election.

Available-for-Sale Securities

The amortized cost and estimated fair value of available-for-sale fixed income securities, included in prepaid expenses and other current assets, were as follows:

(In millions)	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2019				
Debt securities	$ 26.0	$ 0.8	$ —	$ 26.8
	$ 26.0	$ 0.8	$ —	$ 26.8
December 31, 2018				
Debt securities	$ 24.8	$ 0.2	$ —	$ 25.0
	$ 24.8	$ 0.2	$ —	$ 25.0

Maturities of available-for-sale debt securities at fair value as of December 31, 2019, were as follows:

(In millions)	
Mature within one year	$ 0.8
Mature in one to five years	14.2
Mature in five years and later	11.8
	$ 26.8

10. Debt

Short-Term Borrowings

The Company had no short-term borrowings as of December 31, 2019, and $1.9 million was outstanding as of December 31, 2018. The following provides an overview of the Company's short-term credit facilities.

Receivables Facility and Note Securitization Facility

The Company has a $400 million Receivables Facility which expires in April 2022.

Under the terms of the Receivables Facility, our subsidiary, MPI, sells certain accounts receivable to Mylan Securitization LLC ("Mylan Securitization"), a wholly-owned special purpose entity which in turn sells a percentage ownership interest in the receivables to financial institutions and commercial paper conduits sponsored by financial institutions. Mylan Securitization's assets have been pledged to MUFG Bank, Ltd., as agent, in support of its obligations under the Receivables Facility. Any amounts outstanding under the facility are recorded as borrowings and the underlying receivables are included in accounts receivable, net, in the consolidated balance sheets.

On April 25, 2019, the Company entered into the Note Securitization Facility for borrowings up to $200 million. Under the terms of each of the Receivables Facility and Note Securitization Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. The amount that we may borrow at a given point in time is determined based on the amount of qualifying accounts receivable that are present at such point in time. Borrowings outstanding under the Receivables Facility bear interest at a commercial paper rate plus 0.775% and under the Note Securitization Facility at LIBOR plus 0.75% and are included as a component of short-term borrowings, while the accounts receivable securing these obligations remain as a component of accounts receivable, net, in our consolidated balance sheets. In addition, the agreements governing the Receivables Facility and Note Securitization Facility contain various customary affirmative and negative covenants, and customary default and termination provisions.

The Receivables Facility and the Note Securitization Facility contain requirements relating to the accounts receivable and covenants related to the Company with which the Company was compliant as of December 31, 2019. As of December 31, 2019 and 2018, the Company had $407.0 million and $322.0 million, respectively, of accounts receivable balances sold to Mylan Securitization.

Commercial Paper Program

On July 27, 2018, the Company established an unsecured commercial paper program (the "Commercial Paper Program"). As of December 31, 2019 and 2018 there was no commercial paper notes (the "CP Notes") outstanding under this program. Amounts available under the Commercial Paper Program may be borrowed, repaid and re-borrowed from time to time, with the aggregate principal amount of the CP Notes outstanding under the Commercial Paper Program at any time not to exceed $1.65 billion. The Company's 2018 Revolving Facility (as defined below) will be available to pay the CP Notes, if necessary. The maturities of the CP Notes will vary but will not exceed 364 days from the date of issue.

The Company uses net proceeds from its Commercial Paper Program, Receivables Facility and Note Securitization Facility as a source of liquidity for general corporate purposes, including for business development transactions, working capital and share repurchases. Borrowings under the Commercial Paper Program, Receivables Facility and the Note Securitization Facility may vary during a particular period, as a result of fluctuations in working capital requirements and timing of cash receipts.

Long-Term Debt

A summary of long-term debt is as follows:

(In millions)	Coupon	December 31, 2019	December 31, 2018
Current portion of long-term debt:			
2016 Term Facility [a] **	3.897%	$ —	$ 100.0
2019 Senior Notes [b] **	2.500%	—	549.9
2020 Floating Rate Euro Notes [c] **		560.6	—
2020 Euro Senior Notes **	1.250%	840.1	—
2020 Senior Notes [d] **	3.750%	50.0	—
Other		8.3	6.2
Deferred financing fees		(1.4)	(0.9)
Current portion of long-term debt		$ 1,457.6	$ 655.2
Non-current portion of long-term debt:			
2020 Floating Rate Euro Notes [c] **		—	573.3
2020 Euro Senior Notes **	1.250%	—	858.1
2020 Senior Notes [d] **	3.750%	—	499.9
2021 Senior Notes **	3.150%	2,249.2	2,248.7
2023 Senior Notes [e] *	3.125%	771.8	752.9
2023 Senior Notes *	4.200%	499.1	498.9
2024 Euro Senior Notes **	2.250%	1,119.3	1,144.2
2025 Euro Senior Notes *	2.125%	559.6	572.0
2026 Senior Notes **	3.950%	2,238.1	2,236.5
2028 Euro Senior Notes **	3.125%	834.3	852.5
2028 Senior Notes *	4.550%	748.4	748.2
2043 Senior Notes *	5.400%	497.2	497.2
2046 Senior Notes **	5.250%	999.8	999.8
2048 Senior Notes *	5.200%	747.7	747.6
Other		8.9	5.1
Deferred financing fees		(59.1)	(73.7)
Long-term debt		$ 11,214.3	$ 13,161.2

[a] The 2016 Term Facility bore interest at LIBOR plus a base rate, which margins could fluctuate based on the Company's credit ratings.

(b) The 2019 Senior Notes were repaid at maturity in the second quarter of 2019.

(c) Instrument bears interest at a rate of three-month EURIBOR plus 0.50% per annum, reset quarterly.

(d) The 2020 Senior Notes were partially redeemed in the fourth quarter of 2019.

(e) The Company has entered into interest rate swaps designated as a fair value hedge. The variable interest rate was 2.42% at December 31, 2019.

* Instrument was issued by Mylan Inc.

** Instrument was issued by Mylan N.V.

Revolving Credit Facility

On November 22, 2016, the Company entered into a revolving credit facility among the Company, as borrower, Mylan Inc., as a guarantor, certain lenders and issuing banks and Bank of America, N.A., as the administrative agent, pursuant to which the Company may obtain extensions of credit in an aggregate principal amount not to exceed $2.0 billion (the “2016 Revolving Facility”). On the same day, the Company entered into a term credit facility among the Company, as borrower, Mylan Inc., as a guarantor, certain lenders and Goldman Sachs Bank USA, as administrative agent (the “2016 Term Facility”). The Company repaid the remaining $100.0 million outstanding under the 2016 Term Facility during the year ended December 31, 2019.

On July 27, 2018, the Company entered into a revolving credit facility among Mylan Inc., as borrower, the Company, as a guarantor, certain lenders and issuing banks and Bank of America, N.A., as the administrative agent, which replaced the 2016 Revolving Facility on substantially identical terms to the 2016 Revolving Facility and pursuant to which Mylan Inc. may obtain extensions of credit in an aggregate principal amount not to exceed $2.0 billion (the “2018 Revolving Facility”).

The Company’s 2018 Revolving Facility contains customary affirmative covenants for facilities of this type, including among others, covenants pertaining to the delivery of financial statements, notices of default and certain material events, maintenance of corporate existence and rights, property, and insurance and compliance with laws, as well as customary negative covenants for facilities of this type, including limitations on the incurrence of subsidiary indebtedness, liens, mergers and certain other fundamental changes, investments and loans, acquisitions, transactions with affiliates, payments of dividends and other restricted payments and changes in our lines of business.

The 2018 Revolving Facility contains a maximum consolidated leverage ratio financial covenant requiring maintenance of a maximum ratio of 3.75 to 1.00 for consolidated total indebtedness as of the end of any quarter to consolidated EBITDA for the trailing four quarters as defined in the related credit agreements (“leverage ratio”).

On February 22, 2019, the Company, as a guarantor, and Mylan Inc., as borrower, entered into an amendment (the "Revolving Loan Amendment") to the 2018 Revolving Facility. The Revolving Loan Amendment extended the leverage ratio covenant of 4.25 to 1.00 through the December 31, 2019 reporting period. The Company is in compliance at December 31, 2019 and expects to remain in compliance for the next twelve months.

Senior Notes

2018 Senior Notes

The following table provides the amounts of senior unsecured debt issued by Mylan Inc. and guaranteed by Mylan N.V., on April 9, 2018 (the “April 2018 Senior Notes”). The April 2018 Senior Notes were issued pursuant to an indenture dated April 9, 2018. The April 2018 Senior Notes were issued in a private offering exempt from the registration requirements of the Securities Act to qualified institutional buyers in accordance with Rule 144A under the Securities Act and to persons outside of the U.S. pursuant to Regulation S under the Securities Act. The Company has entered into a registration rights agreement, dated as of April 9, 2018 pursuant to which Mylan Inc. and Mylan N.V. are required to use commercially reasonable efforts to file a registration statement with respect to an offer to exchange each series of the April 2018 Senior Notes for new notes with the same aggregate principal amount and terms substantially identical in all material respects.

(In millions)	**Interest Rate**	**Principal Amount**
2028 Senior Notes (1)	4.550%	$ 750.0
2048 Senior Notes (1)	5.200%	750.0
Total April 2018 Senior Notes		$ 1,500.0

(1) Redeemable, in whole or in part, at our option at any time prior to three months (in the case of the 2028 Senior Notes) or six months (in the case of the 2048 Senior Notes) of the maturity date at the greater of 100% of the principal amount or the sum of the present values of the remaining scheduled payments of principal and interest discounted at the U.S. Treasury rate plus an incremental spread of 0.30% (in the case of the 2028 Senior Notes) or 0.35% (in the case of the 2048 Senior Notes), plus, in each case, accrued and unpaid interest.

On April 28, 2018, the Company redeemed all of the outstanding $650 million principal amount of Mylan Inc.'s 2.600% senior notes due 2018, all of the outstanding $500 million principal amount of Mylan N.V.'s 3.000% senior notes due 2018 and $350 million of the outstanding $500 million principal amount of Mylan Inc.'s 2.550% senior notes due 2019. The redemption of these notes was funded with the net proceeds from the April 2018 Senior Notes offering.

In November 2018, Mylan N.V. and Mylan Inc. filed a registration statement with the Securities and Exchange Commission ("SEC") with respect to an offer to exchange these notes for registered notes with the same aggregate principal amount and terms substantially identical in all material respects, which was declared effective on December 11, 2018. The exchange offer expired on January 9, 2019 and settled on January 10, 2019. 100% of each of the 4.550% Senior Notes due 2028 and the 5.200% Senior Notes due 2048 were exchanged.

Euro Senior Notes

On May 23, 2018, Mylan Inc. completed the offering of €500 million aggregate principal amount of its 2.125% Euro Senior Notes due 2025 (the "May 2018 Euro Senior Notes"). The May 2018 Euro Senior Notes were issued pursuant to an indenture dated May 23, 2018. The May 2018 Euro Senior Notes are guaranteed by Mylan N.V. and were issued in a private offering exempt from the registration requirements of the Securities Act, to persons outside of the U.S. pursuant to Regulation S under the Securities Act. The May 2018 Euro Senior Notes are redeemable, in whole or in part, at our option at any time prior to three months of the maturity date at the greater of 100% of the principal amount or the sum of the present values of the remaining scheduled payments of principal and interest discounted at the applicable Bund Rate plus an incremental spread of 0.30%, plus, in each case, accrued and unpaid interest.

On June 15, 2018, the Company redeemed the remaining $150 million outstanding principal amount of Mylan Inc.'s 2.550% Senior Notes due 2019 and $450 million of the outstanding $1.0 billion principal amount of Mylan N.V.'s 2.500% Senior Notes due 2019. The redemption of these notes was funded with the net proceeds from the May 2018 Euro Senior Notes offering.

Fair Value

At December 31, 2019 and 2018, the aggregate fair value of the Company's outstanding notes was approximately $13.4 billion and $13.1 billion, respectively. The fair values of the outstanding notes were valued at quoted market prices from broker or dealer quotations and were classified as Level 2 in the fair value hierarchy.

Mandatory minimum repayments remaining on the notional amount of outstanding long-term debt at December 31, 2019, were as follows for each of the periods ending December 31:

(In millions)	**Total**
2020	$ 1,452
2021	2,250
2022	—
2023	1,250
2024	1,121
Thereafter	6,652
Total	$ 12,725

11. Comprehensive (Loss) Earnings

Accumulated other comprehensive loss, as reflected in the consolidated balance sheets, is comprised of the following:

(In millions)	December 31, 2019	December 31, 2018
Accumulated other comprehensive loss:		
Net unrealized gain on marketable securities, net of tax	$ 0.6	$ —
Net unrecognized (loss) gain and prior service cost related to defined benefit plans, net of tax	(17.4)	1.7
Net unrecognized loss on derivatives in cash flow hedging relationships, net of tax	(31.6)	(53.1)
Net unrecognized loss on derivatives in net investment hedging relationships, net of tax	(74.3)	(130.9)
Foreign currency translation adjustment	(1,674.5)	(1,259.0)
	$ (1,797.2)	$ (1,441.3)

Components of accumulated other comprehensive (loss) earnings, before tax, consist of the following:

	Year Ended December 31, 2019							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Marketable Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at December 31, 2018, net of tax			$ (53.1)	$ (130.9)	$ —	$ 1.7	$ (1,259.0)	$ (1,441.3)
Other comprehensive earnings (loss) before reclassifications, before tax			29.3	59.6	0.5	(21.0)	(415.5)	(347.1)
Amounts reclassified from accumulated other comprehensive (loss) earnings, before tax:								
Loss on foreign exchange forward contracts classified as cash flow hedges, included in net sales	0.7		0.7					0.7
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		7.1	7.1					7.1
Amortization of prior service costs included in SG&A						(0.9)		(0.9)
Amortization of actuarial loss included in SG&A						(2.9)		(2.9)
Net other comprehensive earnings (loss), before tax			37.1	59.6	0.5	(24.8)	(415.5)	(343.1)
Income tax provision (benefit)			12.2	3.0	(0.1)	(5.9)	—	9.2
Cumulative effect of the adoption of new accounting standards			$ (3.4)	$ —	$ —	$ (0.2)	$ —	$ (3.6)
Balance at December 31, 2019, net of tax			$ (31.6)	$ (74.3)	$ 0.6	$ (17.4)	$ (1,674.5)	$ (1,797.2)

	Year Ended December 31, 2018							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Marketable Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at December 31, 2017, net of tax			$ (3.7)	$ (239.8)	$ 10.1	$ 6.0	$ (133.8)	$ (361.2)
Other comprehensive (loss) earnings before reclassifications, before tax			(80.7)	111.6	(0.1)	(3.0)	(1,125.2)	(1,097.4)
Amounts reclassified from accumulated other comprehensive (loss) earnings, before tax:								
Gain on foreign exchange forward contracts classified as cash flow hedges, included in net sales	(6.2)		(6.2)					(6.2)
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		7.7	7.7					7.7
Amortization of prior service costs included in SG&A						(0.4)		(0.4)
Amortization of actuarial loss included in SG&A						(0.4)		(0.4)
Net other comprehensive (loss) earnings, before tax			(79.2)	111.6	(0.1)	(3.8)	(1,125.2)	(1,096.7)
Income tax (benefit) provision			(27.3)	2.7	—	0.5	—	(24.1)
Cumulative effect of the adoption of new accounting standards			$ 2.5	$ —	$ (10.0)	$ —	$ —	$ (7.5)
Balance at December 31, 2018, net of tax			$ (53.1)	$ (130.9)	$ —	$ 1.7	$ (1,259.0)	$ (1,441.3)

	Year Ended December 31, 2017							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Marketable Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at December 31, 2016, net of tax			$ (38.6)	$ (1.4)	$ 14.5	$ (0.5)	$ (2,237.7)	$ (2,263.7)
Other comprehensive earnings (loss) before reclassifications, before tax			46.5	(238.4)	(6.7)	2.9	2,103.9	1,908.2
Amounts reclassified from accumulated other comprehensive loss, before tax:								
Gain on foreign exchange forward contracts classified as cash flow hedges, included in net sales	(1.1)		(1.1)					(1.1)
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		7.3	7.3					7.3
Amortization of prior service costs included in SG&A						0.2		0.2
Amortization of actuarial gain included in SG&A						0.7		0.7
Net other comprehensive earnings (loss), before tax			52.7	(238.4)	(6.7)	3.8	2,103.9	1,915.3
Income tax provision (benefit)			17.8	—	(2.3)	(2.7)	—	12.8
Balance at December 31, 2017, net of tax			$ (3.7)	$ (239.8)	$ 10.1	$ 6.0	$ (133.8)	$ (361.2)

12. Income Taxes

On December 22, 2017, the U.S. government enacted the Tax Act. The Tax Act makes broad and complex changes to the Code including, but not limited to, reducing the U.S. federal corporate income tax rate and requiring a one-time transition tax on certain unrepatriated earnings of non-U.S. corporate subsidiaries of large U.S. shareholders that may electively be paid over eight years.

The Tax Act also puts in place new tax laws that impact our taxable income beginning in 2018, which include, but are not limited to (1) creating a Base Erosion Anti-Abuse Tax (“BEAT”), which is a new minimum tax, (2) generally eliminating U.S. federal income taxes on dividends from foreign subsidiaries, (3) a new provision designed to tax currently global intangible low-taxed income (“GILTI”) earned by non-U.S. corporate subsidiaries of large U.S. shareholders and a deduction generally equal to 50 percent of GILTI (37.5 percent for tax years beginning after December 31, 2025) to offset the income tax liability, (4) a provision limiting the amount of deductible interest expense in the U.S., (5) limitations on the deductibility of certain executive compensation, and (6) limitations on the utilization of foreign tax credits to reduce the U.S. income tax liability.

As of December 31, 2019, the Company’s practice and intention was to reinvest the earnings in our non-U.S. subsidiaries outside of the U.S., and no U.S. deferred income taxes or foreign withholding taxes were recorded. The transition tax noted above resulted in the previously untaxed foreign earnings of U.S. subsidiaries being included in the federal and state taxable income. We analyze on an ongoing basis our global working capital requirements and the potential tax liabilities that would be incurred if the non-U.S. subsidiaries repatriate cash, which include potential local country withholding taxes and U.S. state taxation. The Company has elected to not record deferred taxes associated with the GILTI provision of the Tax Act.

The Company's accounting for the impact of the 2017 Tax Act was completed during the year ended December 31, 2018.

The income tax provision (benefit) consisted of the following components:

	Year Ended December 31,		
(In millions)	**2019**	**2018**	**2017**
U.S. Federal:			
Current	$ 118.1	$ (68.2)	$ 39.5
Deferred	(165.5)	(112.9)	28.2
	(47.4)	(181.1)	67.7
U.S. State:			
Current	21.1	6.8	3.9
Deferred	(13.6)	(12.3)	(0.6)
	7.5	(5.5)	3.3
Non-U.S.:			
Current	191.0	271.6	275.0
Deferred	(13.5)	(139.1)	(139.0)
	177.5	132.5	136.0
Income tax provision (benefit)	$ 137.6	$ (54.1)	$ 207.0
Earnings before income taxes:			
United Kingdom	$ (73.3)	$ 39.1	$ 89.7
United States	(1,031.4)	(1,000.5)	(414.5)
Foreign - Other	1,259.1	1,259.8	1,227.8
Total earnings before income taxes	$ 154.4	$ 298.4	$ 903.0

For all periods presented, the allocation of earnings before income taxes between U.S. and non-U.S. operations includes intercompany interest allocations between certain domestic and foreign subsidiaries. These amounts are eliminated on a consolidated basis.

Temporary differences and carry-forwards that result in deferred tax assets and liabilities were as follows:

(In millions)	December 31, 2019	December 31, 2018
Deferred tax assets:		
Employee benefits	$ 182.5	$ 184.8
Litigation reserves	14.7	15.7
Accounts receivable allowances	201.9	217.7
Tax credit and loss carry-forwards	726.2	891.4
Operating lease assets [1]	62.8	—
Interest expense	162.7	373.5
Intangible assets	184.7	104.1
Other	201.7	182.4
	1,737.2	1,969.6
Less: Valuation allowance	(603.5)	(806.0)
Total deferred tax assets	1,133.7	1,163.6
Deferred tax liabilities:		
Plant and equipment	87.4	105.6
Operating lease liabilities [1]	62.8	—
Intangible assets and goodwill	1,890.8	2,189.2
Other	17.1	18.7
Total deferred tax liabilities	2,058.1	2,313.5
Deferred tax liabilities, net	$ (924.4)	$ (1,149.9)

[1] As discussed in Note 6 *Leases* of the notes to consolidated financial statements, in 2019 we adopted an ASU that resulted in the recognition of operating lease right-of-use assets and lease liabilities. We adopted this standard using a modified retrospective basis that does not require application to periods prior to adoption.

For those foreign subsidiaries whose investments are permanent in duration, income and foreign withholding taxes have not been provided on the amount by which the investment in those subsidiaries, as recorded for U.S. GAAP purposes, exceeds the tax basis. This amount may become taxable upon a repatriation of assets from the subsidiary or a sale or liquidation of the subsidiary. The amount of such temporary differences is approximately $2.1 billion at December 31, 2019. Determination of the amount of any unrecognized deferred income tax liability on this temporary difference is not practicable as such determination involves material uncertainties about the potential extent and timing of any distributions, the availability and complexity of calculating foreign tax credits, and the potential indirect tax consequences of such distributions, including withholding taxes. No deferred taxes have been recorded on the instances whereby the Company’s investment in foreign subsidiaries is currently greater for tax purposes than for U.S. GAAP purposes, as management has no current plans that would cause that temporary difference to reverse in the foreseeable future.

A reconciliation of the U.K. statutory tax rate of 19% to the effective tax rate is as follows:

	Year Ended December 31,		
	2019	2018	2017
Statutory tax rate	19.0 %	19.0 %	19.0 %
United States Operations			
Clean energy and research credits	(43.4)%	(33.1)%	(10.1)%
U.S. rate differential	(3.1)%	(5.4)%	7.4 %
Tax Act - transition tax & deferred tax rate change	— %	(4.9)%	8.4 %
State income taxes and credits	(4.1)%	(9.2)%	(0.6)%
Valuation allowance	(118.5)%	60.2 %	10.3 %
Tax settlements and resolution of certain tax positions	199.6 %	(22.5)%	1.0 %
Global intangible low-taxed income	(8.6)%	8.6 %	— %
Waived deductions under IRC § 59A	64.5 %	— %	— %
Nondeductible transaction costs	7.7 %	— %	— %
Other U.S. items	6.9 %	7.5 %	0.2 %
Other Foreign Operations			
Luxembourg	(14.8)%	(28.3)%	(10.1)%
Gibraltar	(38.8)%	(19.2)%	(6.5)%
Ireland	(13.7)%	(3.5)%	(1.4)%
France	15.2 %	6.2 %	2.1 %
Other	12.8 %	2.3 %	0.1 %
Deferred tax impact of tax law changes	36.7 %	(5.2)%	(2.6)%
Valuation allowance	(9.9)%	(4.3)%	3.9 %
Withholding taxes	7.1 %	4.1 %	1.3 %
Tax settlements and resolution of certain tax positions	(27.6)%	0.7 %	(0.9)%
Other foreign items	2.1 %	8.9 %	1.4 %
Effective tax rate	89.1 %	(18.1)%	22.9 %

Valuation Allowance

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. At December 31, 2019, a valuation allowance has been applied to certain deferred tax assets in the amount of $603.5 million.

When assessing the realizability of deferred tax assets, management considers all available evidence, including historical information, long-term forecasts of future taxable income and possible tax planning strategies. Amounts recorded for valuation allowances can result from a complex series of estimates, assumptions and judgments about future events. Due to the inherent uncertainty involved in making these estimates, assumptions and judgments, actual results could differ materially. Any future increases to the Company’s valuation allowances could materially impact the Company’s consolidated financial condition and results of operations.

Net Operating Losses

As of December 31, 2019, the Company has U.S. federal net operating loss carry-forwards of $8.5 million, and U.S. state income tax loss carry-forwards of approximately $2.8 billion. The Company also has non-U.S. net operating loss carryforwards of approximately $1.4 billion, of which $1.1 billion can be carried forward indefinitely, with the remaining $225.3 million expiring in years 2020 through 2039. The Company also has $37.6 million of foreign deductible attributes that can be carried forward indefinitely. Most of the net operating losses and the foreign deductible attributes have a valuation allowance recorded against them. The Company also has $208.2 million of U.S. and foreign credit carryovers, expiring in various amounts through 2039.

Tax Examinations

The Company is subject to income taxes and tax audits in many jurisdictions. A certain degree of estimation is thus required in recording the assets and liabilities related to income taxes. Tax audits and examinations can involve complex issues, interpretations, and judgments and the resolution of matters that may span multiple years, particularly if subject to litigation or negotiation.

Although the Company believes that adequate provisions have been made for these uncertain tax positions, the Company's assessment of uncertain tax positions is based on estimates and assumptions that the Company believes are reasonable but the estimates for unrecognized tax benefits and potential tax benefits may not be representative of actual outcomes, and variations from such estimates could materially affect the Company's financial condition, results of operations or cash flows in the period of resolution, settlement or when the statutes of limitations expire.

Mylan is subject to ongoing IRS examinations. The years 2015 through 2018 are open years under examination. The years 2012, 2013 and 2014 have one matter open, and a Tax Court petition has been filed regarding the matter and a trial was held in December 2018 and is discussed further below. On February 27, 2015, Mylan N.V. acquired Mylan Inc. and Abbott Laboratories' ("Abbott") non-U.S. developed markets specialty and branded generics business (collectively, the "EPD Business Acquisition"). In connection with the EPD Business Acquisition, we entered into intercompany transactions with our affiliates that affect our U.S. tax liability. Mylan N.V. is not incorporated in the U.S. and expects to be treated as a non-U.S. corporation for U.S. federal income tax purposes. We have received and responded to various IRS requests for information about, among other matters, the EPD Business Acquisition, including the interest rates used for intercompany loans and our status as a non-U.S. corporation for U.S. federal income tax purposes.

During the second quarter of 2019, we reached an agreement in principle with the IRS to resolve all issues relating to our positions on the EPD Business Acquisition. Under the agreement in principle, which was finalized as part of a closing agreement with the IRS on October 11, 2019, our status as a non-U.S. corporation for U.S. Federal income tax purposes has been confirmed, and we have adjusted the interest rates used for intercompany loans. As a result, during the year ended December 31, 2019, the Company recorded a reserve of approximately $155.0 million as part of its liability for uncertain tax positions, with a net impact to the income tax provision of approximately $144.9 million.

The Company's major state taxing jurisdictions remain open from fiscal year 2013 through 2018, with several state audits currently in progress. The Company's major international taxing jurisdictions remain open from 2011 through 2018, some of which are indemnified by Strides Arcolab Limited ("Strides Arcolab") for tax assessments.

Tax Court Proceeding

The Company's U.S. federal income tax returns for 2012 through 2014 had been subject to proceedings in U.S. Tax Court involving a dispute with the IRS regarding whether certain costs related to abbreviated new drug applications ("ANDAs") were eligible to be expensed and deducted immediately or required to be amortized over longer periods. A trial was held in U.S. Tax Court in December 2018. Both parties delivered their final post-trial briefs on June 27, 2019 and are awaiting the court's final decision.

Accounting for Uncertainty in Income Taxes

The impact of an uncertain tax position that is more likely than not of being sustained upon audit by the relevant taxing authority must be recognized at the largest amount that is more likely than not to be sustained. No portion of an uncertain tax position will be recognized if the position has less than a 50% likelihood of being sustained.

As of December 31, 2019 and 2018, the Company's consolidated balance sheets reflect net liabilities for unrecognized tax benefits of $92.1 million and $96.3 million, all of which would affect the Company's effective tax rate if recognized. Related accrued interest and penalties included in the consolidated balance sheets were $17.2 million and $72.6 million as of December 31, 2019 and 2018, respectively. For the year ended December 31, 2019, 2018 and 2017, Mylan recognized $35.2 million and $18.3 million of tax benefit and $11.1 million of tax expense, respectively, related to interest and penalties on uncertain tax positions. Interest and penalties related to income taxes are included in the tax provision.

Several international audits are currently in progress. In some cases, the tax auditors have proposed adjustments to our tax positions including with respect to certain intercompany transactions, and we are in ongoing discussions with the auditors regarding the validity of their positions. The Company has recorded a reserve for uncertain tax positions of $89.2 million, including interest and penalties, in connection with its international audits at December 31, 2019. In certain cases, these audits

can also result in non-tax consequences. For example, under French law, certain tax matters are automatically referred for criminal investigation.

A reconciliation of the unrecognized tax benefits is as follows:

	Year Ended December 31,		
(In millions)	**2019**	**2018**	**2017**
Unrecognized tax benefit — beginning of year	$ 96.3	$ 185.7	$ 190.9
Additions for current year tax positions	—	—	4.4
Additions for prior year tax positions	154.9	20.0	5.5
Reductions for prior year tax positions	(11.7)	(5.8)	(0.8)
Settlements	(112.5)	(32.9)	(0.4)
Reductions due to expirations of statute of limitations	(34.9)	(70.7)	(13.9)
Unrecognized tax benefit — end of year	$ 92.1	$ 96.3	$ 185.7

The Company believes that it is reasonably possible that the amount of unrecognized tax benefits will decrease in the next twelve months by approximately $60.0 million, involving international and state audits and settlements. The Company does not anticipate significant increases to the reserve within the next twelve months.

13. Share-Based Incentive Plan

The Company's shareholders have approved the *2003 Long-Term Incentive Plan* (as amended, the "2003 Plan"). Under the 2003 Plan, 55,300,000 ordinary shares are reserved for issuance to key employees, consultants, independent contractors and non-employee directors of the Company through a variety of incentive awards, including: stock options, stock appreciation rights ("SAR"), restricted ordinary shares and units, performance awards ("PSU"), other stock-based awards and short-term cash awards. Stock option awards are granted with an exercise price equal to the fair market value of the ordinary shares underlying the stock options at the date of the grant, generally become exercisable over periods ranging from three to four years, and generally expire in ten years.

The following table summarizes stock option and SAR (together, "stock awards") activity:

	Number of Shares Under Stock Awards	Weighted Average Exercise Price per Share
Outstanding at December 31, 2016	7,699,441	$ 33.38
Granted	964,475	42.48
Exercised	(902,041)	20.06
Forfeited	(563,191)	47.36
Outstanding at December 31, 2017	7,198,684	$ 35.17
Granted	905,265	40.38
Exercised	(820,603)	21.75
Forfeited	(468,068)	47.86
Outstanding at December 31, 2018	6,815,278	$ 36.61
Granted	829,322	26.18
Exercised	(580,950)	14.40
Forfeited	(715,941)	39.40
Outstanding at December 31, 2019	6,347,709	$ 36.97
Vested and expected to vest at December 31, 2019	6,144,668	$ 37.05
Exercisable at December 31, 2019	4,766,040	$ 38.11

As of December 31, 2019, stock awards outstanding, stock awards vested and expected to vest and stock awards exercisable had average remaining contractual terms of 5.3 years, 5.1 years and 4.2 years, respectively. Also, at December 31,

2019, stock awards outstanding, stock awards vested and expected to vest and stock awards exercisable had aggregate intrinsic values of $0.3 million, $0.2 million and $0.1 million, respectively.

A summary of the status of the Company's nonvested restricted ordinary shares and restricted stock unit awards, including PSUs (collectively, "restricted stock awards"), as of December 31, 2018 and the changes during the year ended December 31, 2019 are presented below:

	Number of Restricted Stock Awards	Weighted Average Grant-Date Fair Value Per Share
Nonvested at December 31, 2018	6,393,081	$ 40.75
Granted	2,292,063	27.41
Released	(1,436,282)	43.58
Forfeited	(3,143,173)	38.02
Nonvested at December 31, 2019	4,105,689	$ 34.42

Of the 2,292,063 restricted stock awards granted during the year ended December 31, 2019, 1,314,723 vest ratably in three years or less and are not subject to market or performance conditions. Of the remaining restricted stock awards granted, 913,927 are subject to market conditions and will cliff vest in three years or less and 63,413 are not subject to market or performance conditions and will cliff vest in one year or less.

As of December 31, 2019, the Company had $74.2 million of total unrecognized compensation expense, net of estimated forfeitures, related to all of its stock-based awards, which we expect to recognize over the remaining weighted average vesting period of 1.4 years. The total intrinsic value of stock awards exercised and restricted stock units released during the years ended December 31, 2019 and 2018 was $38.0 million and $46.3 million, respectively.

With respect to options granted under the Company's 2003 Plan, the fair value of each option grant was estimated at the date of grant using the Black-Scholes option pricing model. Black-Scholes utilizes assumptions related to volatility, the risk-free interest rate, the dividend yield and employee exercise behavior. Expected volatilities utilized in the model are based mainly on the implied volatility of the Company's stock price and other factors. The risk-free interest rate is derived from the U.S. Treasury yield curve in effect at the time of grant. The model incorporates exercise and post-vesting forfeiture assumptions based on an analysis of historical data. The expected lives of the grants are derived from historical and other factors.

The assumptions used for options granted under the 2003 Plan are as follows:

	Year Ended December 31,		
	2019	2018	2017
Volatility	38.1%	35.8%	33.2%
Risk-free interest rate	2.5%	2.8%	2.2%
Expected term (years)	6.5	6.5	6.4
Forfeiture rate	5.5%	5.5%	5.5%
Weighted average grant date fair value per option	$11.03	$16.51	$15.88

In February 2014, Mylan's Compensation Committee and the independent members of the Board of Directors adopted the One-Time Special Performance-Based Five-Year Realizable Value Incentive Program (the "2014 Program") under the 2003 Plan. Under the 2014 Program, certain key employees received a one-time, performance-based incentive award (the "Awards") either in the form of a grant of SARs or PSUs. The initial Awards were granted in February 2014 and contained a five-year cliff-vesting feature based on the achievement of various performance targets, external market conditions and the employee's continued services. Additional Awards were granted in 2016 and 2017, subject to the same performance condition. The performance condition was not achieved by December 31, 2018 and approximately 2.6 million Awards outstanding under the 2014 Program were canceled during 2019, and approximately 1.1 million ordinary shares of restricted stock were canceled and returned to treasury stock during 2019. There was no impact to share-based compensation expense during the year ended December 31, 2019 as all of the cumulative expense of approximately $70.6 million related to the Awards was reversed during the year ended December 31, 2018.

14. Employee Benefit Plans

Defined Benefit Plans

The Company sponsors various defined benefit pension plans in several countries. Benefits provided generally depend on length of service, pay grade and remuneration levels. The Company maintains two fully frozen defined benefit pension plans in the U.S., and employees in the U.S. and Puerto Rico are generally provided retirement benefits through defined contribution plans.

The Company also sponsors other postretirement benefit plans including plans that provide for postretirement supplemental medical coverage. Benefits from these plans are provided to employees and their spouses and dependents who meet various minimum age and service requirements. In addition, the Company sponsors other plans that provide for life insurance benefits and postretirement medical coverage for certain officers and management employees.

Accounting for Defined Benefit Pension and Other Postretirement Plans

The Company recognizes on its balance sheet an asset or liability equal to the over- or under-funded benefit obligation of each defined benefit pension and other postretirement plan. Actuarial gains or losses and prior service costs or credits that arise during the period are not recognized as components of net periodic benefit cost, but are recognized, net of tax, as a component of other comprehensive (loss) earnings.

Included in accumulated other comprehensive loss as of December 31, 2019 and 2018 are:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
(In millions)	**2019**	**2018**	**2019**	**2018**
Unrecognized actuarial loss (gain)	$ 20.6	$ (10.3)	$ 4.8	$ 1.1
Unrecognized prior service (credit) cost	(1.3)	12.1	0.7	0.7
Total	$ 19.3	$ 1.8	$ 5.5	$ 1.8

Of the December 31, 2019 amount, the Company expects to recognize approximately $0.3 million of unrecognized actuarial losses and an immaterial amount of unrecognized prior service costs in net periodic benefit cost during 2020. The unrecognized net actuarial losses exceeded 10% of the higher of the market value of plan assets or the projected benefit obligation at the beginning of the year for certain of the plans, therefore, amortization of such excess has been included in net periodic benefit costs for pension and other postretirement benefits in each of the last three years. The amortization period is the average remaining service period that active employees are expected to receive benefits, unless a plan is mostly inactive in which case the amortization period is the average remaining life expectancy of the plan participants. Unrecognized prior service cost is amortized over the future service periods of those employees who are active at the dates of the plan amendments and who are expected to receive benefits. If all or almost all of a plan's participants are inactive, unrecognized prior service cost is amortized over the remaining life expectancy of those participants. The increase in accumulated other comprehensive loss in 2019 relating to pension benefits and other postretirement benefits consists of:

(In millions)	**Pension Benefits**	**Other Postretirement Benefits**
Unrecognized actuarial loss	$ 30.2	$ 7.1
Amortization of actuarial gain/(loss)	0.5	(3.4)
Unrecognized prior service costs	(12.4)	—
Amortization of prior service costs	(0.9)	—
Impact of foreign currency translation	0.6	—
Net change	$ 18.0	$ 3.7

Components of net periodic benefit cost, change in projected benefit obligation, change in plan assets, funded status, fair value of plan assets, assumptions used to determine net periodic benefit cost, funding policy and estimated future benefit payments are summarized below for the Company’s pension plans and other postretirement plans.

Net Periodic Benefit Cost

Components of net periodic benefit cost for the years ended December 31, 2019, 2018 and 2017 were as follows:

	Pension Benefits			Other Postretirement Benefits		
	December 31,			December 31,		
(In millions)	**2019**	**2018**	**2017**	**2019**	**2018**	**2017**
Service cost	$ 20.7	$ 19.2	$ 20.1	$ 0.6	$ 0.6	$ 0.7
Interest cost	13.6	13.0	13.6	1.5	1.5	1.6
Expected return on plan assets	(12.1)	(14.4)	(14.3)	—	—	—
Plan curtailment, settlement and termination	(0.3)	(0.1)	(1.7)	3.2	—	—
Amortization of prior service costs	0.9	0.3	0.2	—	—	—
Recognized net actuarial (gains) losses	(0.8)	(0.1)	0.3	0.2	0.2	0.4
Net periodic benefit cost	$ 22.0	$ 17.9	$ 18.2	$ 5.5	$ 2.3	$ 2.7

Change in Projected Benefit Obligation, Change in Plan Assets and Funded Status

The table below presents components of the change in projected benefit obligation, change in plan assets and funded status at December 31, 2019 and 2018.

	Pension Benefits		Other Postretirement Benefits	
(In millions)	**2019**	**2018**	**2019**	**2018**
Change in Projected Benefit Obligation				
Projected benefit obligation, beginning of year	$ 635.4	$ 665.2	$ 34.0	$ 35.1
Service cost	20.7	19.2	0.6	0.7
Interest cost	13.6	13.0	1.5	1.3
Participant contributions	1.0	1.0	0.2	0.2
Transferred liabilities	0.8	16.1	—	—
Plan settlements and terminations	(23.8)	(7.6)	(7.1)	—
Actuarial losses (gains)	57.3	(27.4)	7.1	(0.6)
Benefits paid	(23.9)	(24.9)	(2.5)	(2.7)
Impact of foreign currency translation	(6.4)	(19.2)	—	—
Projected benefit obligation, end of year	$ 674.7	$ 635.4	$ 33.8	$ 34.0
Change in Plan Assets				
Fair value of plan assets, beginning of year	$ 283.5	$ 296.1	$ —	$ —
Actual return on plan assets	39.2	(11.0)	—	—
Company contributions	26.4	28.9	9.4	2.5
Participant contributions	1.0	1.0	0.2	0.2
Transferred assets	—	16.1	—	—
Plan settlements	(8.9)	(16.5)	(7.1)	—
Benefits paid	(23.9)	(24.9)	(2.5)	(2.7)
Other	(1.9)	(1.6)	—	—
Impact of foreign currency translation	0.3	(4.6)	—	—
Fair value of plan assets, end of year	315.7	283.5	—	—
Funded status of plans	$ (359.0)	$ (351.9)	$ (33.8)	$ (34.0)

Net accrued benefit costs for pension plans and other postretirement benefits are reported in the following components of the Company's consolidated balance sheets at December 31, 2019 and 2018:

	Pension Benefits		Other Postretirement Benefits	
	December 31,		December 31,	
(In millions)	2019	2018	2019	2018
Noncurrent assets	$ 24.8	$ 5.9	$ —	$ —
Current liabilities	(11.9)	(11.9)	(2.0)	(1.7)
Noncurrent liabilities	(371.9)	(345.9)	(31.8)	(32.3)
Net accrued benefit costs	$ (359.0)	$ (351.9)	$ (33.8)	$ (34.0)

The projected benefit obligation is the actuarial present value of benefits attributable to employee service rendered to date, including the effects of estimated future pay increases. The accumulated benefit obligation is the actuarial present value of benefits attributable to employee service rendered to date, but does not include the effects of estimated future pay increases. The accumulated benefit obligation for the Company's pension plans was $636.3 million and $592.5 million at December 31, 2019 and 2018, respectively.

The projected benefit obligation, accumulated benefit obligation and fair value of plan assets for pension plans with an accumulated benefit obligation in excess of the fair value of plan assets at December 31, 2019 and 2018 were as follows:

	December 31,	
(In millions)	2019	2018
Plans with accumulated benefit obligation in excess of plan assets:		
Projected benefit obligation	$ 476.3	$ 502.9
Accumulated benefit obligation	454.4	483.1
Fair value of plan assets	94.4	154.8

Fair Value of Plan Assets

The Company measures the fair value of plan assets based on the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are based on a three-tier hierarchy described in Note 9 *Financial Instruments and Risk Management*. The table below presents total plan assets by investment category as of December 31, 2019 and 2018 and the classification of each investment category within the fair value hierarchy with respect to the inputs used to measure fair value:

	December 31, 2019			
(In millions)	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 3.4	$ 0.5	$ —	$ 3.9
Equity securities	33.8	55.5	—	89.3
Fixed income securities	138.0	41.9	—	179.9
Assets held by insurance companies and other	1.3	13.8	27.5	42.6
Total	$ 176.5	$ 111.7	$ 27.5	$ 315.7

	December 31, 2018			
(In millions)	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 3.5	$ 0.4	$ —	$ 3.9
Equity securities	58.5	66.0	—	124.5
Fixed income securities	65.4	58.4	—	123.8
Assets held by insurance companies and other	0.1	7.2	24.0	31.3
Total	$ 127.5	$ 132.0	$ 24.0	$ 283.5

Risk tolerance on invested pension plan assets is established through careful consideration of plan liabilities, plan funded status and corporate financial condition. Investment risk is measured and monitored on an ongoing basis through annual liability measures, periodic asset/liability studies and investment portfolio reviews. The Company's investment strategy is to

maintain, where possible, a diversified investment portfolio across several asset classes that, when combined with the Company's contributions to the plans, will ensure that required benefit obligations are met.

Assumptions

The following weighted average assumptions were used to determine the benefit obligations for the Company's defined benefit pension and other postretirement plans as of December 31, 2019 and 2018:

	Pension Benefits		Other Postretirement Benefits	
	2019	2018	2019	2018
Discount rate	1.6%	2.3%	3.3%	4.3%
Expected return on plan assets	4.3%	4.9%	—%	—%
Rate of compensation increase	2.9%	2.9%	—%	—%

The following weighted average assumptions were used to determine the net periodic benefit cost for the Company's defined benefit pension and other postretirement benefit plans for the three years in the period ended December 31, 2019:

	Pension Benefits			Other Postretirement Benefits		
	2019	2018	2017	2019	2018	2017
Discount rate	2.3%	2.0%	2.2%	4.3%	3.7%	4.2%
Expected return on plan assets	4.3%	4.9%	5.0%	—%	—%	—%
Rate of compensation increase	2.9%	2.9%	2.8%	—%	—%	—%

The assumptions for each plan are reviewed on an annual basis. The discount rate reflects the current rate at which the pension and other benefit liabilities could be effectively settled at the measurement date. In setting the discount rates, we utilize comparable corporate bond indices as an indication of interest rate movements and levels. Corporate bond indices were selected based on individual plan census data and duration. The expected return on plan assets was determined using historical market returns and long-term historical relationships between equities and fixed income securities. The Company compares the expected return on plan assets assumption to actual historic returns to ensure reasonableness. Current market factors such as inflation and interest rates are also evaluated.

The weighted-average healthcare cost trend rate used for 2019 was 5.5% declining to a projected 4.5% in the year 2021. For 2020, the assumed weighted-average healthcare cost trend rate used will be 6.7% declining to a projected 4.5% in the year 2034. In selecting rates for current and long-term healthcare cost assumptions, the Company takes into consideration a number of factors including the Company's actual healthcare cost increases, the design of the Company's benefit programs, the demographics of the Company's active and retiree populations and external expectations of future medical cost inflation rates. If these 2020 healthcare cost trend rates were increased or decreased by one percentage point per year, such increase or decrease would have the following effects:

(In millions)	Increase	Decrease
Increase (decrease) in the aggregate of service and interest cost components of annual expense	$ 0.1	$ —
Increase (decrease) in the projected benefit obligation	1.3	(1.1)

Estimated Future Benefit Payments

The Company's funding policy for its funded pension plans is based upon local statutory requirements. The Company's funding policy is subject to certain statutory regulations with respect to annual minimum and maximum company contributions. Plan benefits for the non-qualified plans are paid as they come due.

Estimated benefit payments over the next ten years for the Company's pension plans and retiree health plan are as follows:

(In millions)	Pension Benefits	Other Postretirement Benefits
2020	$ 33.2	$ 2.0
2021	34.0	1.8
2022	34.7	1.9
2023	35.2	1.9
2024	38.9	2.0
Thereafter	193.1	10.2
Total	$ 369.1	$ 19.8

Defined Contribution Plans

The Company sponsors defined contribution plans covering its employees in the U.S. and Puerto Rico, as well as certain employees in a number of countries outside the U.S. The Company's domestic defined contribution plans consist primarily of a 401(k) retirement plan with a profit sharing component for non-union represented employees (the "Profit Sharing 401(k) Plan") and a 401(k) retirement plan for union-represented employees. Profit sharing contributions are made at the discretion of the Board of Directors. The Company's non-domestic plans vary in form depending on local legal requirements. The Company's contributions are based upon employee contributions, service hours, or pre-determined amounts depending upon the plan. Obligations for contributions to defined contribution plans are recognized as expense in the consolidated statements of operations when they are earned.

The Company adopted a 401(k) Restoration Plan (the "Restoration Plan"), which permits employees who earn compensation in excess of the limits imposed by Section 401(a)(17) of the Code to (i) defer a portion of base salary and bonus compensation, (ii) be credited with a Company matching contribution in respect of deferrals under the Restoration Plan, and (iii) be credited with Company non-elective contributions (to the extent so made by the Company), in each case, to the extent that participants otherwise would be able to defer or be credited with such amounts, as applicable, under the Profit Sharing 401(k) Plan if not for the limits on contributions and deferrals imposed by the Code.

The Company adopted an Income Deferral Plan, which permits certain management or highly compensated employees who are designated by the plan administrator to participate in the Income Deferral Plan to elect to defer up to 50% of base salary and up to 100% of bonus compensation, in each case, in addition to any amounts that may be deferred by such participants under the Profit Sharing 401(k) Plan and the Restoration Plan. In addition, under the Income Deferral Plan, eligible participants may be granted employee deferral awards, which awards will be subject to the terms and conditions (including vesting) as determined by the plan administrator at the time such awards are granted.

Total employer contributions to defined contribution plans were approximately $95.6 million, $85.2 million and $95.9 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Other Benefit Arrangements

The Company participated in a multi-employer pension plan under previous collective bargaining agreements. The PACE Industry Union-Management Pension Fund (the "Plan") provides defined benefits to certain retirees and certain production and maintenance employees at the Company's manufacturing plant in Morgantown, West Virginia who were covered by the previous collective bargaining agreements. Pursuant to a collective bargaining agreement entered into on April 16, 2012, the Company withdrew from the Plan effective May 10, 2012. In 2013, the Plan trustee notified the Company that its withdrawal liability was approximately $27.3 million, which was accrued by the Company in 2013. The withdrawal liability is being paid over a period of approximately nine years; payments began in March 2014. The withdrawal liability was approximately $12.1 million and $15.1 million at December 31, 2019 and 2018, respectively. The Employee Identification Number for the Plan is 11-6166763.

15. Segment Information

Mylan reports segment information on a geographic basis. This approach reflects the company's focus on bringing its broad and diversified portfolio of generic, branded generic, brand-name and OTC products to people in markets everywhere. Our *North America* segment comprises our operations in the U.S. and Canada. Our *Europe* segment encompasses our operations in 35 countries, including France, Italy, Germany, the U.K. and Spain. Our *Rest of World* segment reflects our operations in more than 120 countries, including Japan, Australia, China, Brazil, Russia, India, South Africa and certain markets in the Middle East and Southeast Asia.

The Company's chief operating decision maker is the Chief Executive Officer, who evaluates the performance of its segments based on total revenues and segment profitability. Segment profitability represents segment gross profit less direct R&D and direct SG&A. Certain general and administrative and R&D expenses not allocated to the segments, including certain special items, net charges for litigation settlements and other contingencies, amortization of intangible assets, impairment charges and other expenses not directly attributable to the segments are reported separately or outside of segment profitability. Items below the earnings from operations line in the Company's consolidated statements of operations are not presented by segment, since they are excluded from the measure of segment profitability. The Company does not report depreciation expense, total assets and capital expenditures by segment, as such information is not used by the chief operating decision maker.

The accounting policies of the segments are the same as those described in Note 2 *Summary of Significant Accounting Policies*. Intersegment revenues are accounted for at current market values and are eliminated at the consolidated level.

Presented in the table below is segment information for the periods identified and a reconciliation of segment information to total consolidated information.

(In millions)	North America	Europe	Rest of World	Eliminations	Consolidated
Year Ended December 31, 2019					
Net sales	$ 4,164.1	$ 4,037.1	$ 3,169.1	$ —	$ 11,370.3
Other revenue	74.2	16.0	40.0	—	130.2
Intersegment revenue	75.7	100.2	514.1	(690.0)	—
Total	$ 4,314.0	$ 4,153.3	$ 3,723.2	$ (690.0)	$ 11,500.5
Segment profitability	$ 1,861.9	$ 1,019.1	$ 660.7	$ —	$ 3,541.7
Intangible asset amortization expense					(1,582.7)
Intangible asset impairment charges					(180.6)
Globally managed research and development costs					(205.8)
Corporate costs and special items					(878.5)
Litigation settlements & other contingencies					21.4
Earnings from operations					$ 715.5

(In millions)	North America	Europe	Rest of World	Eliminations	Consolidated
Year Ended December 31, 2018					
Net sales	$ 4,095.6	$ 4,157.3	$ 3,015.8	$ —	$ 11,268.7
Other revenue	112.4	27.1	25.7	—	165.2
Intersegment revenue	85.2	107.8	343.9	(536.9)	—
Total	$ 4,293.2	$ 4,292.2	$ 3,385.4	$ (536.9)	$ 11,433.9
Segment profitability	$ 1,838.4	$ 1,089.5	$ 692.0	$ —	$ 3,619.9
Intangible asset amortization expense					(1,606.4)
Intangible asset impairment charges					(224.0)
Globally managed research and development costs					(250.3)
Corporate costs and special items					(683.1)
Litigation settlements & other contingencies					49.5
Earnings from operations					$ 905.6

(In millions)	North America	Europe	Rest of World	Eliminations	Consolidated
Year Ended December 31, 2017					
Net sales	$ 4,969.6	$ 3,958.3	$ 2,832.1	$ —	$ 11,760.0
Other revenue	86.5	36.5	24.7	—	147.7
Intersegment revenue	74.6	112.4	379.2	(566.2)	—
Total	$ 5,130.7	$ 4,107.2	$ 3,236.0	$ (566.2)	$ 11,907.7
Segment profitability	$ 2,497.1	$ 1,082.8	$ 572.7	$ —	$ 4,152.6
Intangible asset amortization expense					(1,437.4)
Intangible asset impairment charges					(80.8)
Globally managed research and development costs					(356.4)
Corporate costs and special items					(853.9)
Litigation settlements & other contingencies					13.1
Earnings from operations					$ 1,437.2

The following table represents the percentage of consolidated net sales to Mylan's major customers during the years ended December 31, 2019, 2018, and 2017:

	Percentage of Consolidated Net Sales		
	2019	2018	2017
McKesson Corporation	15%	12%	13%
AmerisourceBergen Corporation	9%	8%	8%
Cardinal Health, Inc.	8%	8%	10%

Sales by Country Information

Net sales by country are presented on the basis of geographic location of our subsidiaries:

	Year Ended December 31,		
(In millions)	**2019**	**2018**	**2017**
United States	$ 3,965.9	$ 3,865.2	$ 4,683.7
India	1,171.1	1,164.8	1,082.6
The Netherlands [1]	139.4	132.2	117.5
Other countries [2]	6,093.9	6,106.5	5,876.2
	$ 11,370.3	$ 11,268.7	$ 11,760.0

(1) Mylan N.V. has its corporate seat in the Netherlands.

(2) No other country's net sales represent more than 10% of consolidated net sales for the years ended December 31, 2019, 2018 and 2017, respectively.

16. Commitments

On July 29, 2019, Newco and certain financial institutions executed a 364-day bridge commitment letter pursuant to which such financial institutions have committed to provide bridge financing (the "Bridge Facility") to Newco to fund the amount of the cash payment from Newco to Pfizer and to pay fees and expenses related to the transactions contemplated by the Business Combination Agreement. Mylan N.V. and Mylan Inc. will be guarantors of the Bridge Facility from and after the consummation of the Combination. See Note 4 *Acquisitions and Other Transactions* for additional information.

Other Commitments

The Company has also entered into employment and other agreements with certain executives and other employees that provide for compensation, retirement and certain other benefits. These agreements provide for severance payments under certain circumstances. Additionally, the Company has split-dollar life insurance agreements with certain retired executives.

In the normal course of business, Mylan periodically enters into employment, legal settlement and other agreements which incorporate indemnification provisions. While the maximum amount to which Mylan may be exposed under such agreements cannot be reasonably estimated, the Company maintains insurance coverage, which management believes will effectively mitigate the Company's obligations under these indemnification provisions. No amounts have been recorded in the consolidated financial statements with respect to the Company's obligations under such agreements.

17. Subsidiary Guarantors

The following tables present condensed consolidating financial information for (a) Mylan N.V., the issuer of the 3.750% Senior Notes due 2020, 3.150% Senior Notes due 2021, 3.950% Senior Notes due 2026 and 5.250% Senior Notes due 2046 (collectively, the "Mylan N.V. Senior Notes"), which are guaranteed on a senior unsecured basis by Mylan Inc.; (b) Mylan Inc., the issuer of the 3.125% Senior Notes due 2023, 4.200% Senior Notes due 2023, 4.550% Senior Notes due 2028, 5.400% Senior Notes due 2043 and 5.200% Senior Notes due 2048 (collectively, the "Mylan Inc. Senior Notes"), which are guaranteed on a senior unsecured basis by Mylan N.V.; and (c) all other subsidiaries of the Company on a combined basis, none of which guarantee the Mylan N.V. Senior Notes or guarantee the Mylan Inc. Senior Notes ("Non-Guarantor Subsidiaries"). The consolidating adjustments primarily relate to eliminations of investments in subsidiaries and intercompany balances and transactions. The condensed consolidating financial statements present investments in subsidiaries using the equity method of accounting.

The following financial information presents the related condensed consolidating balance sheets as of December 31, 2019 and 2018 and the related condensed consolidating statements of operations, condensed consolidating statements of comprehensive (loss) earnings and condensed consolidating statements of cash flows for each of the three years in the period ended December 31, 2019. This condensed consolidating financial information has been prepared and presented in accordance with SEC Regulation S-X Rule 3-10 "Financial Statements of Guarantors and Issuers of Guaranteed Securities Registered or Being Registered."

CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2019

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS						
Assets						
Current assets:						
Cash and cash equivalents	$ —	$ —	$ —	$ 475.6	$ —	$ 475.6
Accounts receivable, net	—	19.6	—	3,039.2	—	3,058.8
Inventories	—	—	—	2,670.9	—	2,670.9
Intercompany receivables	375.1	573.1	—	13,524.5	(14,472.7)	—
Prepaid expenses and other current assets	7.7	120.7	—	423.6	—	552.0
Total current assets	382.8	713.4	—	20,133.8	(14,472.7)	6,757.3
Property, plant and equipment, net	—	240.2	—	1,909.4	—	2,149.6
Investments in subsidiaries	18,726.9	12,988.9	—	—	(31,715.8)	—
Intercompany notes and interest receivable	5,263.3	11,202.7	—	3,191.7	(19,657.7)	—
Intangible assets, net	—	—	—	11,649.9	—	11,649.9
Goodwill	—	17.1	—	9,573.5	—	9,590.6
Other assets	0.2	124.7	—	983.2	—	1,108.1
Total assets	$ 24,373.2	$ 25,287.0	$ —	$ 47,441.5	$ (65,846.2)	$ 31,255.5
LIABILITIES AND EQUITY						
Liabilities						
Current liabilities:						
Accounts payable	$ —	$ 121.6	$ —	$ 1,406.5	$ —	$ 1,528.1
Income taxes payable	—	8.5	—	204.5	—	213.0
Current portion of long-term debt and other long-term obligations	1,449.3	0.2	—	58.6	—	1,508.1
Intercompany payables	2,093.3	12,375.0	—	4.4	(14,472.7)	—
Other current liabilities	19.8	291.2	—	2,008.9	—	2,319.9
Total current liabilities	3,562.4	12,796.5	—	3,682.9	(14,472.7)	5,569.1
Long-term debt	7,408.9	3,796.5	—	8.9	—	11,214.3
Intercompany notes payable	1,518.1	3,494.7	—	14,644.9	(19,657.7)	—
Other long-term obligations	—	58.8	—	2,529.5	—	2,588.3
Total liabilities	12,489.4	20,146.5	—	20,866.2	(34,130.4)	19,371.7
Total equity	11,883.8	5,140.5	—	26,575.3	(31,715.8)	11,883.8
Total liabilities and equity	$ 24,373.2	$ 25,287.0	$ —	$ 47,441.5	$ (65,846.2)	$ 31,255.5

CONDENSED CONSOLIDATING BALANCE SHEET
As of December 31, 2018

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
ASSETS						
Assets						
Current assets:						
Cash and cash equivalents	$ —	$ 18.2	$ —	$ 369.9	$ —	$ 388.1
Accounts receivable, net	—	24.3	—	2,856.7	—	2,881.0
Inventories	—	—	—	2,580.2	—	2,580.2
Intercompany receivables	342.9	518.7	—	13,107.1	(13,968.7)	—
Prepaid expenses and other current assets	5.6	71.3	—	441.5	—	518.4
Total current assets	348.5	632.5	—	19,355.4	(13,968.7)	6,367.7
Property, plant and equipment, net	—	259.7	—	1,910.5	—	2,170.2
Investments in subsidiaries	18,995.9	13,129.5	—	—	(32,125.4)	—
Intercompany notes and interest receivable	6,287.4	10,732.6	—	2,519.8	(19,539.8)	—
Intangible assets, net	—	—	—	13,664.6	—	13,664.6
Goodwill	—	17.1	—	9,730.7	—	9,747.8
Other assets	0.3	68.9	—	715.4	—	784.6
Total assets	$ 25,632.1	$ 24,840.3	$ —	$ 47,896.4	$ (65,633.9)	$ 32,734.9
LIABILITIES AND EQUITY						
Liabilities						
Current liabilities:						
Accounts payable	$ —	$ 70.6	$ —	$ 1,546.4	$ —	$ 1,617.0
Short-term borrowings	—	—	—	1.9	—	1.9
Income taxes payable	—	—	—	121.5	—	121.5
Current portion of long-term debt and other long-term obligations	649.0	0.2	—	50.6	—	699.8
Intercompany payables	1,618.8	12,326.4	—	23.5	(13,968.7)	—
Other current liabilities	21.0	216.0	—	1,910.6	—	2,147.6
Total current liabilities	2,288.8	12,613.2	—	3,654.5	(13,968.7)	4,587.8
Long-term debt	9,370.1	3,786.2	—	4.9	—	13,161.2
Intercompany notes payable	1,806.1	3,094.2	—	14,639.5	(19,539.8)	—
Other long-term obligations	—	48.6	—	2,770.2	—	2,818.8
Total liabilities	13,465.0	19,542.2	—	21,069.1	(33,508.5)	20,567.8
Total equity	12,167.1	5,298.1	—	26,827.3	(32,125.4)	12,167.1
Total liabilities and equity	$ 25,632.1	$ 24,840.3	$ —	$ 47,896.4	$ (65,633.9)	$ 32,734.9

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
Year Ended December 31, 2019

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenues:						
Net sales	$ —	$ —	$ —	$ 11,370.3	$ —	$ 11,370.3
Other revenues	—	—	—	130.2	—	130.2
Total revenues	—	—	—	11,500.5	—	11,500.5
Cost of sales	—	—	—	7,602.9	—	7,602.9
Gross profit	—	—	—	3,897.6	—	3,897.6
Operating expenses:						
Research and development	—	—	—	639.9	—	639.9
Selling, general and administrative	56.6	703.7	—	1,803.3	—	2,563.6
Litigation settlements and other contingencies, net	30.0	—	—	(51.4)	—	(21.4)
Total operating expenses	86.6	703.7	—	2,391.8	—	3,182.1
(Loss) earnings from operations	(86.6)	(703.7)	—	1,505.8	—	715.5
Interest expense	316.7	174.2	—	26.4	—	517.3
Other (income) expense, net	(289.8)	(230.0)	—	563.6	—	43.8
(Loss) earnings before income taxes	(113.5)	(647.9)	—	915.8	—	154.4
Income tax (benefit) provision	(26.9)	(35.8)	—	200.3	—	137.6
Earnings of equity interest subsidiaries	103.4	475.6	—	—	(579.0)	—
Net earnings (loss)	$ 16.8	$ (136.5)	$ —	$ 715.5	$ (579.0)	$ 16.8

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
Year Ended December 31, 2018

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenues:						
Net sales	$ —	$ —	$ —	$ 11,268.7	$ —	$ 11,268.7
Other revenues	—	—	—	165.2	—	165.2
Total revenues	—	—	—	11,433.9	—	11,433.9
Cost of sales	—	—	—	7,432.3	—	7,432.3
Gross profit	—	—	—	4,001.6	—	4,001.6
Operating expenses:						
Research and development	—	—	—	704.5	—	704.5
Selling, general and administrative	40.7	517.3	—	1,883.0	—	2,441.0
Litigation settlements and other contingencies, net	—	7.1	—	(56.6)	—	(49.5)
Total operating expenses	40.7	524.4	—	2,530.9	—	3,096.0
(Loss) earnings from operations	(40.7)	(524.4)	—	1,470.7	—	905.6
Interest expense	349.0	154.6	—	38.7	—	542.3
Other (income) expense, net	(316.4)	(273.3)	—	654.6	—	64.9
(Loss) earnings before income taxes	(73.3)	(405.7)	—	777.4	—	298.4
Income tax (benefit) provision	(28.7)	(27.4)	—	2.0	—	(54.1)
Earnings of equity interest subsidiaries	397.1	328.8	—	—	(725.9)	—
Net earnings (loss)	$ 352.5	$ (49.5)	$ —	$ 775.4	$ (725.9)	$ 352.5

CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS
Year Ended December 31, 2017

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Revenues:						
Net sales	$ —	$ —	$ —	$ 11,760.0	$ —	$ 11,760.0
Other revenues	—	—	—	147.7	—	147.7
Total revenues	—	—	—	11,907.7	—	11,907.7
Cost of sales	—	—	—	7,124.6	—	7,124.6
Gross profit	—	—	—	4,783.1	—	4,783.1
Operating expenses:						
Research and development	—	—	—	783.3	—	783.3
Selling, general and administrative	45.5	650.9	—	1,879.3	—	2,575.7
Litigation settlements and other contingencies, net	—	17.0	—	(30.1)	—	(13.1)
Total operating expenses	45.5	667.9	—	2,632.5	—	3,345.9
(Loss) earnings from operations	(45.5)	(667.9)	—	2,150.6	—	1,437.2
Interest expense	378.0	104.1	—	52.5	—	534.6
Other (income) expense, net	(484.9)	(264.6)	—	749.1	—	(0.4)
Earnings (loss) before income taxes and noncontrolling interest	61.4	(507.4)	—	1,349.0	—	903.0
Income tax (benefit) provision	(21.1)	(14.0)	—	242.1	—	207.0
Earnings of equity interest subsidiaries	613.5	886.4	—	—	(1,499.9)	—
Net earnings	$ 696.0	$ 393.0	$ —	$ 1,106.9	$ (1,499.9)	$ 696.0

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE (LOSS) EARNINGS
Year Ended December 31, 2019

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net earnings (loss)	$ 16.8	$ (136.5)	$ —	$ 715.5	$ (579.0)	$ 16.8
Other comprehensive (loss) earnings, before tax:						
Foreign currency translation adjustment	(415.5)	—	—	(415.5)	415.5	(415.5)
Change in unrecognized loss and prior service cost related to defined benefit plans	(24.8)	—	—	(24.8)	24.8	(24.8)
Net unrecognized gain on derivatives in cash flow hedging relationships	37.1	10.1	—	27.0	(37.1)	37.1
Net unrecognized gain on derivatives in net investment hedging relationships	59.6	12.6	—	—	(12.6)	59.6
Net unrealized gain on marketable securities	0.5	—	—	0.5	(0.5)	0.5
Other comprehensive (loss) earnings, before tax	(343.1)	22.7	—	(412.8)	390.1	(343.1)
Income tax provision (benefit)	9.2	(5.4)	—	14.6	(9.2)	9.2
Other comprehensive (loss) earnings, net of tax	(352.3)	28.1	—	(427.4)	399.3	(352.3)
Comprehensive (loss) earnings	$ (335.5)	$ (108.4)	$ —	$ 288.1	$ (179.7)	$ (335.5)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE (LOSS) EARNINGS
Year Ended December 31, 2018

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net earnings (loss)	$ 352.5	$ (49.5)	$ —	$ 775.4	$ (725.9)	$ 352.5
Other comprehensive (loss) earnings, before tax:						
Foreign currency translation adjustment	(1,125.2)	—	—	(1,125.2)	1,125.2	(1,125.2)
Change in unrecognized (loss) gain and prior service cost related to defined benefit plans	(3.8)	0.6	—	(4.4)	3.8	(3.8)
Net unrecognized (loss) gain on derivatives in cash flow hedging relationships	(79.2)	7.7	—	(86.9)	79.2	(79.2)
Net unrecognized gain on derivatives in net investment hedging relationships	111.6	11.6	—	—	(11.6)	111.6
Net unrealized loss on marketable securities	(0.1)	—	—	(0.1)	0.1	(0.1)
Other comprehensive (loss) earnings, before tax	(1,096.7)	19.9	—	(1,216.6)	1,196.7	(1,096.7)
Income tax benefit	(24.1)	(4.7)	—	(19.4)	24.1	(24.1)
Other comprehensive (loss) earnings, net of tax	(1,072.6)	24.6	—	(1,197.2)	1,172.6	(1,072.6)
Comprehensive loss	$ (720.1)	$ (24.9)	$ —	$ (421.8)	$ 446.7	$ (720.1)

CONDENSED CONSOLIDATING STATEMENT OF COMPREHENSIVE (LOSS) EARNINGS
Year Ended December 31, 2017

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net earnings	$ 696.0	$ 393.0	$ —	$ 1,106.9	$ (1,499.9)	$ 696.0
Other comprehensive earnings, before tax:						
Foreign currency translation adjustment	2,103.9	—	—	2,103.9	(2,103.9)	2,103.9
Change in unrecognized gain and prior service cost related to defined benefit plans	3.8	3.0	—	0.8	(3.8)	3.8
Net unrecognized gain on derivatives	52.7	7.3	—	45.4	(52.7)	52.7
Net unrecognized loss on derivatives in net investment hedging relationships	(238.4)	—	—	—	—	(238.4)
Net unrealized loss on marketable securities	(6.7)	(6.4)	—	(0.3)	6.7	(6.7)
Other comprehensive earnings, before tax	1,915.3	3.9	—	2,149.8	(2,153.7)	1,915.3
Income tax provision (benefit)	12.8	(1.6)	—	14.4	(12.8)	12.8
Other comprehensive earnings, net of tax	1,902.5	5.5	—	2,135.4	(2,140.9)	1,902.5
Comprehensive earnings	$ 2,598.5	$ 398.5	$ —	$ 3,242.3	$ (3,640.8)	$ 2,598.5

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
Year Ended December 31, 2019

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash flows from operating activities:						
Net cash (used in) provided by operating activities	$ 178.2	$ (886.2)	$ —	$ 2,511.7	$ —	$ 1,803.7
Cash flows from investing activities:						
Capital expenditures	—	(39.0)	—	(174.2)	—	(213.2)
Cash paid for acquisitions, net of cash acquired	—	—	—	(148.7)	—	(148.7)
Proceeds from sale of assets and subsidiaries	—	—	—	28.0	—	28.0
Purchase of marketable securities	—	—	—	(25.8)	—	(25.8)
Proceeds from the sale of marketable securities	—	—	—	27.1	—	27.1
Investments in affiliates	—	(22.8)	—	—	22.8	—
Dividends from affiliates	114.6	—	—	—	(114.6)	—
Loans to affiliates	(250.8)	—	—	(5,342.7)	5,593.5	—
Repayments of loans from affiliates	1,469.1	—	—	4,144.7	(5,613.8)	—
Payments for product rights and other, net	—	(0.9)	—	(191.9)	—	(192.8)
Net cash provided by (used in) investing activities	1,332.9	(62.7)	—	(1,683.5)	(112.1)	(525.4)
Cash flows from financing activities:						
Payments of financing fees	(0.5)	(2.5)	—	—	—	(3.0)
Purchase of ordinary shares	—	—	—	—	—	—
Change in short-term borrowings, net	—	—	—	(1.8)	—	(1.8)
Proceeds from issuance of long-term debt	—	—	—	7.4	—	7.4
Payments of long-term debt	(1,100.0)	—	—	(8.5)	—	(1,108.5)
Proceeds from exercise of stock options	8.1	—	—	—	—	8.1
Taxes paid related to net share settlement of equity awards	(8.4)	—	—	—	—	(8.4)
Contingent consideration payments	—	—	—	(60.3)	—	(60.3)
Capital contribution from affiliates	—	—	—	22.8	(22.8)	—
Capital payments to affiliates	—	—	—	(114.6)	114.6	—
Payments on borrowings from affiliates	(1,718.9)	(3,216.6)	—	(678.3)	5,613.8	—
Proceeds from borrowings from affiliates	1,308.6	4,149.8	—	135.1	(5,593.5)	—
Other items, net	—	—	—	(2.5)	—	(2.5)
Net cash (used in) provided by financing activities	(1,511.1)	930.7	—	(700.7)	112.1	(1,169.0)
Effect on cash of changes in exchange rates	—	—	—	(7.5)	—	(7.5)
Net (decrease) increase in cash, cash equivalents and restricted cash	—	(18.2)	—	120.0	—	101.8
Cash, cash equivalents and restricted cash — beginning of period	—	18.2	—	371.1	—	389.3
Cash, cash equivalents and restricted cash — end of period	$ —	$ —	$ —	$ 491.1	$ —	$ 491.1

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
Year Ended December 31, 2018

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash flows from operating activities:						
Net cash (used in) provided by operating activities	$ (230.4)	$ (1,551.7)	$ —	$ 4,123.8	$ —	$ 2,341.7
Cash flows from investing activities:						
Capital expenditures	—	(28.6)	—	(223.5)	—	(252.1)
Cash paid for acquisitions, net of cash acquired	—	—	—	(65.9)	—	(65.9)
Proceeds from sale of assets and subsidiaries	—	—	—	29.3	—	29.3
Purchase of marketable securities	—	—	—	(63.4)	—	(63.4)
Proceeds from the sale of marketable securities	—	36.3	—	48.9	—	85.2
Investments in affiliates	—	(28.8)	—	—	28.8	—
Dividends from affiliates	118.6	—	—	—	(118.6)	—
Loans to affiliates	(492.2)	—	—	(5,687.8)	6,180.0	—
Repayments of loans from affiliates	2,615.4	—	—	4,066.8	(6,682.2)	—
Payments for product rights and other, net	—	(0.5)	—	(943.0)	—	(943.5)
Net cash provided by (used in) investing activities	2,241.8	(21.6)	—	(2,838.6)	(592.0)	(1,210.4)
Cash flows from financing activities:						
Payments of financing fees	(0.6)	(20.8)	—	—	—	(21.4)
Purchase of ordinary shares	(432.0)	—	—	—	—	(432.0)
Change in short-term borrowings, net	—	—	—	(44.4)	—	(44.4)
Proceeds from issuance of long-term debt	496.5	2,079.2	—	2.2	—	2,577.9
Payments of long-term debt	(2,012.5)	(1,150.0)	—	(2.7)	—	(3,165.2)
Proceeds from exercise of stock options	17.8	—	—	—	—	17.8
Taxes paid related to net share settlement of equity awards	(10.1)	—	—	—	—	(10.1)
Contingent consideration payments	—	—	—	(11.9)	—	(11.9)
Capital contribution from affiliates	—	—	—	28.8	(28.8)	—
Capital payments to affiliates	—	—	—	(118.6)	118.6	—
Payments on borrowings from affiliates	(1,454.2)	(3,691.6)	—	(1,536.4)	6,682.2	—
Proceeds from borrowings from affiliates	1,383.7	4,350.9	—	445.4	(6,180.0)	—
Acquisition of noncontrolling interest	—	—	—	(0.6)	—	(0.6)
Other items, net	—	—	—	(1.0)	—	(1.0)
Net cash (used in) provided by financing activities	(2,011.4)	1,567.7	—	(1,239.2)	592.0	(1,090.9)
Effect on cash of changes in exchange rates	—	—	—	(21.0)	—	(21.0)
Net (decrease) increase in cash, cash equivalents and restricted cash	—	(5.6)	—	25.0	—	19.4
Cash, cash equivalents and restricted cash — beginning of period	—	23.8	—	346.1	—	369.9
Cash, cash equivalents and restricted cash — end of period	$ —	$ 18.2	$ —	$ 371.1	$ —	$ 389.3

CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
Year Ended December 31, 2017

(In millions)	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash flows from operating activities:						
Net cash (used in) provided by operating activities	$ (326.6)	$ (381.1)	$ —	$ 2,772.5	$ —	$ 2,064.8
Cash flows from investing activities:						
Capital expenditures	—	(54.8)	—	(221.1)	—	(275.9)
Cash paid for acquisitions, net of cash acquired	(71.6)	—	—	(95.4)	—	(167.0)
Proceeds from sale of assets and subsidiaries	—	—	—	86.7	—	86.7
Purchase of marketable securities	—	—	—	(96.5)	—	(96.5)
Proceeds from the sale of marketable securities	—	—	—	96.6	—	96.6
Investments in affiliates	—	(30.2)	—	—	30.2	—
Dividends from affiliates	261.3	—	—	—	(261.3)	—
Loans to affiliates	(322.7)	(98.0)	—	(3,493.7)	3,914.4	—
Repayments of loans from affiliates	1,258.8	0.3	—	1,630.9	(2,890.0)	—
Payments for product rights and other, net	—	(0.9)	—	(619.4)	—	(620.3)
Net cash provided by (used in) investing activities	1,125.8	(183.6)	—	(2,711.9)	793.3	(976.4)
Cash flows from financing activities:						
Payments of financing fees	(9.7)	(0.4)	—	—	—	(10.1)
Purchase of ordinary shares	(500.2)	—	—	—	—	(500.2)
Change in short-term borrowings, net	—	—	—	(2.9)	—	(2.9)
Proceeds from issuance of long-term debt	874.5	—	—	1.6	—	876.1
Payments of long-term debt	(1,820.0)	—	—	(412.7)	—	(2,232.7)
Proceeds from exercise of stock options	17.8	—	—	—	—	17.8
Taxes paid related to net share settlement of equity awards	(7.4)	—	—	—	—	(7.4)
Contingent consideration payments	—	—	—	(26.1)	—	(26.1)
Capital contribution from affiliates	—	—	—	30.2	(30.2)	—
Capital payments to affiliates	—	—	—	(261.3)	261.3	—
Payments on borrowings from affiliates	—	(2,447.2)	—	(442.8)	2,890.0	—
Proceeds from borrowings from affiliates	645.5	2,966.7	—	302.2	(3,914.4)	—
Acquisition of noncontrolling interest	—		—	(7.5)	—	(7.5)
Other items, net	—	(16.0)	—	15.9	—	(0.1)
Net cash (used in) provided by financing activities	(799.5)	503.1	—	(803.4)	(793.3)	(1,893.1)
Effect on cash of changes in exchange rates	—	—	—	27.6	—	27.6
Net decrease in cash, cash equivalents and restricted cash	(0.3)	(61.6)	—	(715.2)	—	(777.1)
Cash, cash equivalents and restricted cash — beginning of period	0.3	85.4	—	1,061.3	—	1,147.0
Cash, cash equivalents and restricted cash — end of period	$ —	$ 23.8	$ —	$ 346.1	$ —	$ 369.9
Supplemental disclosures of cash flow information —						
Non-cash transactions:						
Contingent consideration	$ —	$ —	$ —	$ 4.0	$ —	$ 4.0

The following tables provide a reconciliation of cash and cash equivalents, as reported on our condensed consolidating balance sheets, to cash, cash equivalents and restricted cash, as reported on our condensed consolidating statements of cash flows (in millions):

	December 31, 2019					
	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	$ —	$ —	$ —	$ 475.6	$ —	$ 475.6
Restricted cash, included in prepaid expenses and other current assets	—	—	—	15.5	—	15.5
Cash, cash equivalents and restricted cash	$ —	$ —	$ —	$ 491.1	$ —	$ 491.1

	December 31, 2018					
	Mylan N.V.	Mylan Inc.	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	$ —	$ 18.2	$ —	$ 369.9	$ —	$ 388.1
Restricted cash, included in prepaid expenses and other current assets	—	—	—	1.2	—	1.2
Cash, cash equivalents and restricted cash	$ —	$ 18.2	$ —	$ 371.1	$ —	$ 389.3

18. Restructuring

2020 Restructuring Program

On February 27, 2020, the Company announced that it has formalized the next steps in its efforts to sustain long-term value creation through the proactive transformation of its business. This transformation initiative includes a new global restructuring program. The program is intended to support the Company's effort to improve operating performance and meet anticipated market demands, by ensuring that the Company is appropriately structured and resourced to deliver sustainable value to customers, patients, other stakeholders and shareholders. Key activities under the program include supply chain network optimization intended to maximize the efficiency of the Company's global manufacturing and distribution network capacity and further optimizing functional capabilities that support business growth.

The Company is currently developing the details of the initiatives, including workforce actions and other restructuring activities. Further details will be disclosed as plans are finalized, including the estimated amount or range of amounts to be incurred by major cost type and future cash expenditures associated with those initiatives.

2016 Restructuring Program

On December 5, 2016, the Company announced a restructuring program representing a series of actions in certain locations that are anticipated to further streamline its operations globally. Since 2015, the Company has made a number of significant acquisitions, and as part of the holistic, global integration of these acquisitions, the Company is focused on how to best optimize and maximize all of its assets across the organization and across all geographies.

Charges for restructuring and ongoing cost reduction initiatives are recorded in the period the Company commits to a restructuring or cost reduction plan, or executes specific actions contemplated by the plan and all criteria for liability recognition have been met.

During the second quarter of 2018, the Company commenced comprehensive restructuring and remediation activities, which are aimed at reducing the complexity at the Morgantown, West Virginia plant and include the discontinuation and transfer to other manufacturing sites of a number of products, a reduction of the workforce and extensive process and facility remediation. The restructuring actions other than for this plant were substantially complete as of December 31, 2018. We have incurred total restructuring related costs of approximately $682.5 million through December 31, 2019. During 2019, we have incurred approximately $88.9 million in restructuring expenses for non-cash asset write-offs at the Morgantown plant. At this time, the expenses related to the additional restructuring activities at the Morgantown, West Virginia plant cannot be reasonably estimated.

The following table summarizes the restructuring charges and the reserve activity from December 31, 2017 to December 31, 2019:

(In millions)	Employee Related Costs	Other Exit Costs	Total
Balance at December 31, 2017:	$ 92.9	$ 14.1	$ 107.0
Charges	71.6	168.6	240.2
Cash payment	(100.8)	(26.1)	(126.9)
Utilization	—	(144.5)	(144.5)
Foreign currency translation	$ (2.9)	$ (0.3)	$ (3.2)
Balance at December 31, 2018:	$ 60.8	$ 11.8	$ 72.6
Charges [1]	16.6	88.0	104.6
Cash payment	(48.9)	(10.5)	(59.4)
Reclassifications	—	(8.1)	(8.1)
Utilization	—	(78.3)	(78.3)
Foreign currency translation	(2.1)	(0.1)	(2.2)
Balance at December 31, 2019	$ 26.4	$ 2.8	$ 29.2

[1] For the year ended December 31, 2019, total restructuring charges in North America, Europe and Rest of World were approximately $92.1 million, $8.3 million and $4.2 million, respectively. For the year ended December 31, 2018, total restructuring charges in North America, Europe, Rest of World and corporate were approximately $129.1 million, $73.4 million, $16.2 million and $21.5 million respectively.

At December 31, 2019 and 2018, accrued liabilities for restructuring and other cost reduction programs were primarily included in other current liabilities in the consolidated balance sheets.

19. Collaboration and Licensing Agreements

We periodically enter into collaboration and licensing agreements with other pharmaceutical companies for the development, manufacture, marketing and/or sale of pharmaceutical products. Our significant collaboration agreements are primarily focused on the development, manufacturing, supply and commercialization of multiple, high-value generic biologic compounds, insulin analog products and respiratory products, among other complex products. Under these agreements, we have future potential milestone payments and co-development expenses payable to third parties as part of our licensing, development and co-development programs. Payments under these agreements generally become due and are payable upon the satisfaction or achievement of certain developmental, regulatory or commercial milestones or as development expenses are incurred on defined projects. Milestone payment obligations are uncertain, including the prediction of timing and the occurrence of events triggering a future obligation and are not reflected as liabilities in the consolidated balance sheets, except obligations reflected as acquisition related contingent consideration. Refer to Note 9 *Financial Instruments and Risk Management* for further discussion of contingent consideration. Our potential maximum development milestones not accrued for at December 31, 2019 totaled approximately $372 million. We estimate that the amounts that may be paid in the next twelve months to be approximately $62 million. These agreements may also include potential sales-based milestones and call for us to pay a percentage of amounts earned from the sale of the product as a royalty or a profit share. The amounts disclosed do not include sales-based milestones, royalty or profit share obligations on future sales of product as the timing and amount of future sales levels and costs to produce products subject to these obligations is not reasonably estimable. These sales-based milestones, royalty or profit share obligations may be significant depending upon the level of commercial sales for each product.

Respiratory Delivery Platform

On December 23, 2011, the Company completed the acquisition of the respiratory delivery platform. Under the agreement, the development program for the respiratory delivery platform was transferred to the Company along with exclusive licenses and assignments of the intellectual property and certain commercialization rights effective from the closing date. Pfizer is eligible to receive milestone payments, which are contingent upon the future product development achievements including regulatory approvals, market launches, sales targets and profitability. On January 30, 2019, the Company received FDA approval of Wixela™ Inhub™ (fluticasone propionate and salmeterol inhalation powder, USP), the first generic of GlaxoSmithKline's Advair Diskus®. The commercial launch of the Wixela™ Inhub™ occurred in February 2019.

In accordance with U.S. GAAP guidance regarding business combinations, the Company accounted for this transaction as a purchase of a business and utilized the acquisition method of accounting. Under the acquisition method of accounting, the assets acquired and liabilities assumed in the transaction were recorded at the date of acquisition at the estimate of their respective fair values. The fair value of the contingent consideration liability related to the estimate of future profit sharing and milestone payments was $232.0 million at December 31, 2019. These payments are contingent upon the occurrence of certain future events and the ultimate success of the respective projects. Given the inherent uncertainty of these events, it is unclear when we may be required to pay such amounts or pay amounts in excess of those accrued.

Momenta

On January 8, 2016, the Company entered into an agreement with Momenta Pharmaceuticals, Inc. ("Momenta") to develop, manufacture and commercialize up to six of Momenta's current biosimilar candidates, including Momenta's biosimilar candidate, ORENCIA® (abatacept) ("ORENCIA®"). Mylan paid an up-front cash payment of $45 million to Momenta. Under the terms of the agreement, the Company and Momenta are jointly responsible for product development and equally share in the costs and profits of the products with Mylan leading the worldwide commercialization efforts. Under the terms of the agreement, Momenta was eligible to receive additional contingent milestone payments for the development of biosimilar candidates.

In January 2019, the parties agreed to the termination of all collaboration activities, except for the continued development of M710, a proposed biosimilar to EYLEA®. The Company remains committed to invest strategically in biosimilar programs through the evaluation of regulatory data and market dynamics. The Company does not anticipate making any additional continuation payments to Momenta.

In accordance with ASC 730, *Research and Development* and based upon the cost sharing provisions of the agreement, the Company accounted for the contingent milestone payments related to the Momenta collaboration as non-refundable advance payments for services to be used in future R&D activities, which were required to be capitalized until the related services have been performed. More specifically, as costs were incurred within the scope of the collaboration, the Company recorded its share of the costs as R&D expense. In addition to the upfront cash payment, during the years ended December 31, 2019, 2018, and 2017, the Company incurred R&D expense related to this collaboration of approximately $14.1 million, $13.4 million, and $31.9 million, respectively. To the extent the contingent milestone payments made by the Company exceeded the liability incurred, a prepaid asset was reflected in the Company's consolidated balance sheets. To the extent the contingent milestone payments made by the Company were less than the expense incurred, the difference between the payment and the expense was recorded as a liability in the Company's consolidated balance sheets. At December 31, 2019, there was no significant recorded prepaid asset or accrued liability in the consolidated balance sheets.

Theravance

On January 30, 2015, the Company entered into a development and commercialization collaboration with Theravance Biopharma, Inc. ("Theravance Biopharma") for the development and, subject to FDA approval, commercialization of Revefenacin ("TD-4208"). Under the terms of the agreement, Mylan and Theravance Biopharma are co-developing nebulized TD-4208 for chronic obstructive pulmonary disease ("COPD") and other respiratory diseases. Theravance Biopharma led the U.S. registrational development program and Mylan was responsible for the reimbursement of Theravance Biopharma's development costs for that program up until the approval of the first new drug application ("NDA"). On November 9, 2018, Mylan announced that the FDA approved the NDA for YUPELRI™ (revefenacin) inhalation solution for the maintenance treatment of patients with COPD. YUPELRI, a long-acting muscarinic antagonist (LAMA), is the first and only once-daily, nebulized bronchodilator approved for the treatment of COPD in the U.S. The commercial launch of YUPELRI occurred in the fourth quarter of 2018. Mylan is responsible for commercial manufacturing and commercialization. Theravance Biopharma is co-promoting the product in the hospital channel under a profit-sharing arrangement.

On June 14, 2019, the Company and Theravance Biopharma entered into an amended development and commercialization agreement. Under terms of the amended agreement, Theravance Biopharma has granted Mylan exclusive development and commercialization rights to nebulized revefenacin in China and adjacent territories, which include Hong Kong SAR, the Macau SAR and Taiwan. Theravance Biopharma received an upfront payment of $18.5 million and will be eligible to receive additional potential development and sales milestones together with tiered royalties on net sales of nebulized revefenacin, if approved. Mylan will be responsible for all aspects of development and commercialization in the partnered regions, including pre- and post-launch activities and product registration and all associated costs. The upfront payment was expensed during the year ended December 31, 2019.

Under the terms of the agreements, Theravance Biopharma is eligible to receive potential development and sales milestone payments totaling approximately $293 million in the aggregate. As of December 31, 2019, Mylan has paid a total of $48.5 million in milestone payments to Theravance Biopharma.

Biocon

The Company has entered into exclusive collaborations with Biocon Limited (“Biocon”) on the development, manufacturing, supply and commercialization of multiple, high value biosimilar compounds and three insulin analog products for the global marketplace. Under the agreements with Biocon, Mylan has exclusive commercialization rights for the products under the collaborations in the U.S., Canada, Japan, Australia, New Zealand and in the EU and European Free Trade Association countries.

In December 2017, the FDA approved Mylan's Ogivri™ (trastuzumab-dkst), a biosimilar to Herceptin® (trastuzumab). Ogivri has been approved for all indications included in the label of the reference product, Herceptin, including for the treatment of HER2-overexpressing breast cancer and metastatic stomach cancer (gastric or gastroesophageal junction adenocarcinoma). Ogivri was the first FDA-approved biosimilar to Herceptin and was the first biosimilar from Mylan and Biocon's joint portfolio approved in the U.S. In December 2018, the Company received final approval from the European Commission to market Ogivri in all 28 EU member states and the European Economic Area. On December 2, 2019, Mylan and Biocon announced the U.S. launch of Ogivri™ (trastuzumab-dkst), a biosimilar to Herceptin® (trastuzumab).

On June 4, 2018, Mylan and Biocon announced that the FDA approved Mylan's Fulphila™ (pegfilgrastim-jmdb), a biosimilar to Neulasta® (pegfilgrastim). Fulphila has been approved to reduce the duration of febrile neutropenia (fever or other signs of infection with a low count of neutrophils, a type of white blood cells) in patients treated with chemotherapy in certain types of cancer. The commercial launch of Fulphila occurred in 2018.

In addition to profit sharing payments to Biocon for the commercialized products, the Company continues to provide development funding related to this collaboration. As the timing of cash expenditures is dependent upon a number of factors, many of which are out of the Company’s control, it is difficult to forecast the amount of payments to be made over the next few years, which could be significant.

FKB

On February 22, 2018, the Company entered into a collaboration license and distribution agreement with FKB for the distribution of Hulio™, a biosimilar to AbbVie's Humira® (adalimumab). Under the agreement, Mylan has exclusive commercialization rights for the product in the EU and the European Economic Area countries and FKB is responsible for development, manufacturing and supply of the product.

On September 20, 2018, the Company received final approval from the European Commission (the “Commission”) to market Hulio for all adalimumab indications in all 28 EU member states and the European Economic Area. Under the agreement, FKB received an upfront payment of $25.0 million, an approval milestone of $10.0 million and is eligible for a royalty based upon net sales.

On February 27, 2019, the Company amended its agreements with FKB for the commercialization of Hulio™. Under the amended agreements, Mylan received the exclusive global commercialization rights for Hulio™ and FKB received an additional upfront payment of $33.0 million, of which $23.3 million was recorded as a component of R&D expense during the year ended December 31, 2019. In addition, FKB is eligible to receive additional commercial milestones and royalty payments under the amended agreements.

Other Development Agreements

On December 20, 2019, the Company entered into a Master Development Agreement with a privately owned research company to grant the Company rights with respect to acquiring certain pharmaceutical products. The Company expects to provide funding for select programs through upfront payments and development milestones and the Company will have the right and obligation to acquire the products at fair market value upon regulatory approval or other regulatory trigger dates.

The Company is obligated to make an initial upfront payment of $10.0 million which has been accounted for as a R&D expense during the year ended December 31, 2019. Additionally, under the terms of the agreement, the Company agreed to acquire $25.0 million worth of equity shares in the privately owned research company in 2020. The investment will be accounted for in accordance with ASC 321, *Investments - Equity Securities*.

We are actively pursuing, and are currently involved in, joint projects related to the development, distribution and marketing of both generic and branded products. Many of these arrangements provide for payments by us upon the attainment of specified milestones. While these arrangements help to reduce the financial risk for unsuccessful projects, fulfillment of specified milestones or the occurrence of other obligations may result in fluctuations in cash flows and R&D expense.

20. Litigation

The Company is involved in various disputes, governmental and/or regulatory inquiries, investigations and proceedings, tax proceedings and litigation matters, both in the U.S. and abroad, that arise from time to time, some of which could result in losses, including damages, fines and/or civil penalties, and/or criminal charges against the Company. These matters are often complex and have outcomes that are difficult to predict. The Company is also party to certain proceedings and litigation matters for which it may be entitled to indemnification under the respective sale and purchase agreements relating to the acquisitions of the former Merck Generics business, Agila Specialties Private Limited, Abbott's non-U.S. developed markets specialty and branded generics business, and certain other acquisitions.

While the Company believes that it has meritorious defenses with respect to the claims asserted against it and intends to vigorously defend its position, the process of resolving these matters is inherently uncertain and may develop over a long period of time, and so it is not possible to predict the ultimate resolution of any such matter. It is possible that an unfavorable resolution of any of the ongoing matters or the inability or denial of Merck KGaA, Strides Arcolab, Abbott, or another indemnitor or insurer to pay an indemnified claim, could have a material effect on the Company's business, financial condition, results of operations, cash flows and/or ordinary share price.

Some of these governmental inquiries, investigations, proceedings and litigation matters with which the Company is involved are described below, and unless otherwise disclosed, the Company is unable to predict the outcome of the matter or to provide an estimate of the range of reasonably possible material losses. The Company records accruals for loss contingencies to the extent we conclude it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company is also involved in other pending proceedings for which, in the opinion of the Company based upon facts and circumstances known at the time, either the likelihood of loss is remote or any reasonably possible loss associated with the resolution of such proceedings is not expected to be material to the Company's business, financial position, results of operations, cash flows and/or ordinary share price. If and when any reasonably possible losses associated with the resolution of such other pending proceedings, in the opinion of the Company, become material, the Company will disclose such matters.

Legal costs are recorded as incurred and are classified in SG&A in the Company's consolidated statements of operations.

Modafinil Antitrust Litigation

Beginning in April 2006, Mylan and four other drug manufacturers were named as defendants in civil lawsuits filed in or transferred to the U.S. District Court for the Eastern District of Pennsylvania ("EDPA") by a variety of plaintiffs purportedly representing direct and indirect purchasers of the drug modafinil and in a lawsuit filed by Apotex, Inc., a manufacturer of generic drugs. These actions alleged violations of federal antitrust and state laws in connection with the generic defendants' settlement of patent litigation with Cephalon relating to modafinil. Mylan has settled the lawsuits filed by the putative direct purchaser class and retailer opt-out plaintiffs and Apotex and has entered into a settlement agreement with the putative indirect purchasers for approximately $14.4 million, which is subject to final court approval. The Court held a hearing for final approval of the settlement on February 26, 2020.

On July 10, 2015, the Louisiana Attorney General filed a lawsuit in the 19th Judicial District Court in Louisiana against Mylan and three other drug manufacturers asserting state law claims based on the same underlying allegations as those made in the litigation then pending in the EDPA. On December 8, 2016, the District Court dismissed the lawsuit with prejudice,

which the State of Louisiana appealed. The appeals court subsequently remanded the lawsuit to the District Court to include certain language in order to make the District Court's dismissal decision final and appealable.

On July 28, 2016, United Healthcare filed a complaint against Mylan Inc. and four other drug manufacturers in the United States District Court for the District of Minnesota, asserting state law claims based on the same underlying allegations as those made in the litigation then pending in the EDPA. On January 6, 2017, the case was transferred to the EDPA. MPI was also included as an additional party. In July 2019, the parties reached a settlement resolving the litigation.

The Company believes that it has strong defenses to the remaining case. Although it is reasonably possible that the Company may incur additional losses from these matters, any amount cannot be reasonably estimated at this time.

The Company recorded and paid approximately $18.0 million of expense during the year ended December 31, 2019. At December 31, 2019, the Company has a total accrual of approximately $14.4 million related to this matter, which is included in other current liabilities in the consolidated balance sheets.

Pioglitazone

Beginning in December 2013, Mylan, Takeda, and several other drug manufacturers were named as defendants in civil lawsuits consolidated in the U.S. District Court for the Southern District of New York by plaintiffs which purport to represent direct and indirect purchasers of branded or generic Actos® and Actoplus Met®. These actions allege violations of state and federal competition laws in connection with the defendants' settlements of patent litigation in 2010 related to Actos® and Actoplus Met®. Mylan's motion to dismiss the indirect purchasers' complaint was granted and no appeal was filed as to Mylan. Following the appellate decision relating to other defendants, the direct purchasers filed an amended complaint against Mylan and the other manufacturers. Mylan's motion to dismiss was granted with prejudice on October 8, 2019.

SEC Investigation

On September 10, 2015, Mylan N.V. received a subpoena from the SEC's Division of Enforcement seeking documents with regard to certain related party matters. Mylan subsequently received additional requests for information. The SEC's Division of Enforcement informed the Company in February 2019 that it had completed its investigation with no recommended further action.

Trade Agreements Act ("TAA")

On April 9, 2018, a subsidiary of Mylan N.V. received a civil investigative demand from the Commercial Litigation Branch of the U.S. Department of Justice ("DOJ") concerning its TAA compliance for certain products. The company fully cooperated with DOJ. On September 14, 2018, the United States District Court for the Southern District of Ohio unsealed a qui tam lawsuit filed against the Mylan N.V. subsidiary concerning its TAA compliance for the same products identified in DOJ's civil investigative demand. DOJ has declined to intervene in the lawsuit and has closed its investigation. The lawsuit has been stayed and we believe that its claims are without merit and intend to defend against them vigorously.

EpiPen® Auto-Injector and Certain Congressional Matters

Department of Veterans Affairs Request for Information

On June 30, 2017, the Company responded to a request for information from the Department of Veterans Affairs ("VA") (acting on behalf of itself and other government agencies) requesting certain historical pricing data related to the EpiPen® Auto-Injector. The Company and the VA have been engaged in a continuing dialogue regarding the classification of the EpiPen® Auto-Injector as a covered drug under Section 603 of the Veterans Health Care Act of 1992, Public Law 102-585. The Company historically classified EpiPen® Auto-Injector as a non-covered drug with the VA based upon long standing written guidance from the federal government. The Company has voluntarily reclassified the EpiPen® Auto-Injector as a covered drug, effective from April 1, 2017. The Company is fully cooperating with the VA.

SEC Request for Information/Subpoenas

On October 7, 2016, Mylan received a document request from the SEC's Division of Enforcement seeking communications with the Centers for Medicare and Medicaid Services and documents concerning Mylan products sold and related to the Medicaid Drug Rebate Program ("MDRP"), and any related complaints. On November 15, 2016, Mylan received a follow-up letter, modifying the initial document request, seeking information on and public disclosures regarding the

Company's previously disclosed settlement with the DOJ ("the MDRP Settlement") and the classification of the EpiPen® Auto-Injector under the MDRP. Mylan subsequently received subpoenas and additional requests for information. The Company reached an agreement-in-principle in July 2019 with the staff of the Division of Enforcement that included allegations that the Company violated Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933 and the reporting, books and records, and internal controls provisions of the Securities Exchange Act of 1934, as amended, and the rules thereunder, and a civil penalty of $30.0 million. Under the settlement, Mylan neither admitted nor denied these allegations. During the third quarter of 2019, the settlement was finalized and the $30.0 million was paid in October 2019. The settlement fully resolves the Division of Enforcement's investigation.

On April 25, 2017, Mylan received a comment letter from the staff of the SEC's Division of Corporation Finance ("Corporation Finance") with respect to Mylan's Annual Report on Form 10-K for the year ended December 31, 2016, requesting information regarding Mylan's accounting treatment of the MDRP Settlement. Given the settlement described above, we have been advised by the staff in Corporation Finance that the comment letter is now closed without further action.

FTC Request for Information

On November 18, 2016, Mylan received a request from the U.S. Federal Trade Commission ("FTC") Bureau of Competition seeking documents and information relating to its preliminary investigation into potential anticompetitive practices relating to epinephrine auto-injectors. Mylan is fully cooperating with the FTC.

Federal Securities Litigation

Purported class action complaints were filed in October 2016 against Mylan N.V., Mylan Inc. and certain of their current and former directors and officers (collectively, for purposes of this paragraph, the "defendants") in the United States District Court for the Southern District of New York ("SDNY") on behalf of certain purchasers of securities of Mylan N.V. and/or Mylan Inc. on the NASDAQ. The complaints alleged that defendants made false or misleading statements and omissions of purportedly material fact, in violation of federal securities laws, in connection with disclosures relating to Mylan N.V. and Mylan Inc.'s classification of their EpiPen® Auto-Injector as a non-innovator drug for purposes of the MDRP. The complaints sought damages, as well as the plaintiffs' fees and costs. On March 20, 2017, a consolidated amended complaint was filed, alleging substantially similar claims and seeking substantially similar relief, but adding allegations that defendants made false or misleading statements and omissions of purportedly material fact in connection with allegedly anticompetitive conduct with respect to EpiPen® Auto-Injector and certain generic drugs, and alleging violations of both federal securities laws (on behalf of a purported class of certain purchasers of securities of Mylan N.V. and/or Mylan Inc. on the NASDAQ) and Israeli securities laws (on behalf of a purported class of certain purchasers of securities of Mylan N.V. on the Tel Aviv Stock Exchange). On March 28, 2018, defendants' motion to dismiss the consolidated amended complaint was granted in part (including the dismissal of claims arising under Israeli securities laws) and denied in part. On July 6, 2018, the plaintiffs filed a second amended complaint, including certain current and former directors and officers and additional allegations in connection with purportedly anticompetitive conduct with respect to EpiPen® Auto-Injector and certain generic drugs. On August 6, 2018, defendants filed a motion to dismiss the second amended complaint, which was granted in part and denied in part on March 29, 2019. On June 17, 2019, plaintiffs filed a third amended complaint, including certain current and former directors and employees/officers and additional allegations in connection with purportedly anticompetitive conduct with respect to certain generic drugs. On July 31, 2019, defendants filed a motion to dismiss certain of the claims in the third amended complaint, which remains pending. On August 30, 2019, plaintiffs filed a motion for class certification, which remains pending. On December 9, 2019, defendants filed a non-opposition to plaintiffs' motion for class certification, which noted that the parties continue to dispute the end date of the class period, an issue that will be resolved by the pending motion to dismiss certain of the claims in the third amended complaint.

On February 26, 2019, MYL Litigation Recovery I LLC (an assignee of entities that purportedly purchased stock of Mylan N.V.) filed an additional complaint against Mylan N.V., Mylan Inc., and certain of their current and former directors and officers in the SDNY asserting allegations pertaining to EpiPen® Auto-Injector under the federal securities laws that overlap in part with those asserted in the third amended complaint identified above. MYL Litigation Recovery I LLC's complaint seeks damages as well as the plaintiff's costs. On June 5, 2019, defendants filed a motion to dismiss certain of MYL Litigation Recovery I LLC's claims, which remains pending.

On February 14, 2020, the Abu Dhabi Investment Authority filed a complaint against Mylan N.V. and Mylan Inc. in the SDNY asserting allegations pertaining to EpiPen® Auto-Injector and certain generic drugs under the federal securities laws that overlap with those asserted in the third amended complaint identified above. The Abu Dhabi Investment Authority's complaint seeks damages as well as the plaintiff's fees and costs.

We believe that the claims in these lawsuits are without merit and intend to defend against them vigorously.

Israeli Securities Litigation

On October 13, 2016, a purported shareholder of Mylan N.V. filed a lawsuit, together with a motion to certify the lawsuit as a class action on behalf of certain Mylan N.V. shareholders on the Tel Aviv Stock Exchange, against Mylan N.V. and four of its directors and officers (collectively, for purposes of this paragraph, the "defendants") in the Tel Aviv District Court (Economic Division) (the "Friedman Action"). The plaintiff alleges that the defendants made false or misleading statements and omissions of purportedly material fact in Mylan N.V.'s reports to the Tel Aviv Stock Exchange regarding Mylan N.V.'s classification of its EpiPen® Auto-Injector for purposes of the MDRP, in violation of both U.S. and Israeli securities laws, the Israeli Companies Law and the Israeli Torts Ordinance. The plaintiff seeks damages, among other remedies. On April 30, 2017, another purported shareholder of Mylan N.V. filed a separate lawsuit, together with a motion to certify the lawsuit as a class action on behalf of certain Mylan N.V. shareholders on the Tel Aviv Stock Exchange, in the Tel Aviv District Court (Economic Division), alleging substantially similar claims and seeking substantially similar relief against the defendants and other directors and officers of Mylan N.V., but alleging also that this group of defendants made false or misleading statements and omissions of purportedly material fact in connection with allegedly anticompetitive conduct with respect to EpiPen® Auto-Injector and certain generic drugs, and alleging violations of both U.S. federal securities laws and Israeli law (the "IEC Fund Action"). On April 10, 2018, the Tel Aviv District Court granted the motion filed by plaintiffs in both the Friedman Action and the IEC Fund Action, voluntarily dismissing the Friedman Action and staying the IEC Fund Action until a judgment is issued in the purported class action securities litigation pending in the U.S. We believe that the claims in these lawsuits are without merit and intend to defend against them vigorously.

EpiPen® Auto-Injector Civil Litigation

Mylan Specialty and other Mylan-affiliated entities have been named as defendants in putative indirect purchaser class actions relating to the pricing and/or marketing of the EpiPen® Auto-Injector. The plaintiffs in these cases assert violations of various federal and state antitrust and consumer protection laws, the Racketeer Influenced and Corrupt Organizations Act, as well as common law claims. Plaintiffs' claims include purported challenges to the prices charged for the EpiPen® Auto-Injector and/or the marketing of the product in packages containing two auto-injectors, as well as allegedly anti-competitive conduct. A Mylan officer and other non-Mylan affiliated companies were also named as defendants in some of the class actions. These lawsuits were filed in the various federal and state courts and have either been dismissed or transferred into a multidistrict litigation ("MDL") in the U.S. District Court for the District of Kansas and have been consolidated. Mylan filed a motion to dismiss the consolidated amended complaint, which was granted in part and denied in part. On December 7, 2018, the Plaintiffs filed a motion for class certification. On February 27, 2020, the District Court issued an order denying in part and granting in part Plaintiffs' motion for class certification. The Court declined to certify consumer protection and unjust enrichment damages classes, as well as an injunctive relief class. The Court certified an antitrust class that applies to 17 states and a RICO class. We are evaluating our options for a potential appeal. A trial date has been scheduled for April 2021. We believe that the remaining claims in these lawsuits are without merit and intend to defend against them vigorously.

On February 14, 2020, Mylan Specialty and other Mylan-affiliated entities, together with other non-Mylan affiliated companies, were named as defendants in a putative direct purchaser class action filed in the U.S. District Court for the District of Kansas relating to the pricing and/or marketing of the EpiPen® Auto-Injector. The plaintiff in this case asserts federal antitrust claims which are based on allegations that are similar to those in the putative indirect purchaser class actions discussed above. We believe that the claims in this lawsuit are without merit and intend to defend against them vigorously.

On April 24, 2017, Sanofi-Aventis U.S., LLC ("Sanofi") filed a lawsuit against Mylan Inc. and Mylan Specialty in the U.S. District Court for the District of New Jersey. This lawsuit has been transferred into the aforementioned MDL. In this lawsuit, Sanofi alleges exclusive dealings and anti-competitive marketing practices in violation of the antitrust laws in connection with the sale and marketing of the EpiPen® Auto-Injector. On November 1, 2018, Sanofi filed a Motion for a Suggestion of Remand of the case to the U.S. District Court for the District of New Jersey. On January 23, 2019, the Court denied Sanofi's motion without prejudice. On June 28, 2019, Mylan filed a motion for summary judgment as to the claims asserted by Sanofi and Sanofi filed both a motion for partial summary judgment with respect to its claims against Mylan and for summary judgment with respect to Mylan's counterclaims. These motions remain pending. We believe that Sanofi's claims in this lawsuit are without merit and intend to defend against them vigorously.

EpiPen® Auto-Injector State AG Investigations

The Company and certain of its affiliated entities received subpoenas and informal requests from various state attorneys general seeking information and documents relating to the pricing and/or marketing of the EpiPen® Auto-Injector. The Company has cooperated and is fully cooperating with the various state attorneys general.

U.S. Congress/State Requests for Information and Documents

Mylan received several requests for information and documents from various Committees of the U.S. Congress and federal and state lawmakers concerning the marketing, distribution and sales of Mylan products. Mylan cooperated with federal and state lawmakers as appropriate in response to their requests.

The Company has a total accrual of approximately $10.0 million related to this matter at December 31, 2019, which is included in other current liabilities in the consolidated balance sheet. The Company believes that it has strong defenses to current and future potential civil litigation, as well as governmental investigations and enforcement proceedings, discussed in this “EpiPen® Auto-Injector and Certain Congressional Matters” section of this Note 20 *Litigation*. Although it is reasonably possible that the Company may incur additional losses from these matters, any amount cannot be reasonably estimated at this time. In addition, the Company expects to incur additional legal and other professional service expenses associated with such matters in future periods and will recognize these expenses as services are received. The Company believes that the ultimate amount paid for these services and claims could have a material effect on the Company's business, financial condition, results of operations, cash flows and/or ordinary share price in future periods.

Opioids

On July 27, 2017, Mylan N.V. received a subpoena from the DOJ seeking information relating to opioids manufactured, marketed or sold by Mylan during the period from January 1, 2013 to December 31, 2016. On August 29, 2017, Mylan N.V. received a civil investigative demand from the Attorney General of the State of Missouri seeking information relating to opioids manufactured, marketed or sold by Mylan during the period from January 1, 2010 to the present and related subject matter. In November 2019, a subsidiary of Mylan N.V. received a subpoena from the New York Department of Financial Services as part of an industry-wide inquiry into the effect of opioid prescriptions on New York health insurance premiums. Mylan is fully cooperating with these subpoena requests.

Mylan along with other manufacturers, distributors, pharmacies, pharmacy benefit managers, and individual healthcare providers is a defendant in more than 1,000 cases in the United States and Canada filed by various plaintiffs, including counties, cities, and other local governmental entities, asserting civil claims related to sales, marketing and/or distribution practices with respect to prescription opioid products. In addition, lawsuits have been filed as putative class actions including on behalf of children with Neonatal Abstinence Syndrome due to alleged exposure to opioids. The lawsuits generally seek equitable relief and monetary damages (including punitive and/or exemplary damages) based on a variety of legal theories, including various statutory and/or common law claims, such as negligence, public nuisance and unjust enrichment. The vast majority of these lawsuits have been consolidated in an MDL in the U.S. District Court for the Northern District Court of Ohio. Mylan believes that the claims in these lawsuits are without merit and intends to defend against them vigorously.

Drug Pricing Matters

Department of Justice

On December 3, 2015, a subsidiary of Mylan N.V. received a subpoena from the Antitrust Division of the DOJ seeking information relating to the marketing, pricing, and sale of our generic Doxycycline products and any communications with competitors about such products.

On September 8, 2016, a subsidiary of Mylan N.V., as well as certain employees and a member of senior management, received subpoenas from the DOJ seeking additional information relating to the marketing, pricing and sale of our generic Cidofovir, Glipizide-metformin, Propranolol and Verapamil products and any communications with competitors about such products. Related search warrants also were executed.

On May 10, 2018, a subsidiary of Mylan N.V. received a civil investigative demand from the Civil Division of the DOJ seeking information relating to the pricing and sale of its generic drug products.

The Company is fully cooperating with the DOJ.

Civil Litigation

Beginning in 2016, the Company, along with other manufacturers, has been named as a defendant in lawsuits generally alleging anticompetitive conduct with respect to generic drugs. The lawsuits have been filed by plaintiffs, including putative classes of direct purchasers, indirect purchasers, and indirect resellers, as well as individual direct and indirect purchasers and certain counties. They allege harm under federal and state laws, including federal and state antitrust laws, state consumer protection laws and unjust enrichment claims. Some of the lawsuits also name as defendants Mylan's President, including allegations against him with respect to doxycycline hyclate delayed release, and one of Mylan's sales employees, including allegations against him with respect to certain generic drugs. The lawsuits have been consolidated in an MDL proceeding in the EDPA. Defendants filed motions to dismiss certain complaints that each allege anticompetitive conduct with respect to single drug products. On October 16, 2018, the Court denied the motions with respect to the federal law claims. On February 15, 2019, the Court granted in part and denied in part the motions with respect to the state law claims. On February 21, 2019, Defendants filed a motion to dismiss certain complaints that allege anticompetitive conduct with respect to multiple drug products, which was denied on August 15, 2019. The Company believes that the claims in these lawsuits are without merit and intends to defend against them vigorously.

Attorneys General Litigation

On December 21, 2015, the Company received a subpoena and interrogatories from the Connecticut Office of the Attorney General seeking information relating to the marketing, pricing and sale of certain of the Company's generic products (including generic doxycycline) and communications with competitors about such products. On December 14, 2016, attorneys general of certain states originally filed a complaint in the United States District Court for the District of Connecticut against several generic pharmaceutical drug manufacturers, including Mylan, alleging anticompetitive conduct with respect to, among other things, doxycycline hyclate delayed release. The complaint has subsequently been amended, including on June 18, 2018, to add attorneys general alleging violations of federal and state antitrust laws, as well as violations of various states' consumer protection laws. This lawsuit has been transferred to the aforementioned MDL proceeding in the EDPA. The operative complaint includes attorneys general of forty-seven states, the District of Columbia and the Commonwealth of Puerto Rico. Mylan is alleged to have engaged in anticompetitive conduct with respect to doxycycline hyclate delayed release, doxycycline monohydrate, glipizide-metformin, and verapamil. The amended complaint also includes claims asserted by attorneys general of thirty-seven states and the Commonwealth of Puerto Rico against certain individuals, including Mylan's President, with respect to doxycycline hyclate delayed release. On February 21, 2019, Defendants filed motions to dismiss the amended complaint's allegations of anticompetitive conduct with respect to multiple drug products, which was denied on August 15, 2019, and the ability of the state attorneys general to seek certain forms of relief under federal antitrust law, which remains pending. On May 31, 2019, Defendants filed a motion to dismiss certain state law claims, which remains pending.

On May 10, 2019, certain attorneys general filed a new complaint against various drug manufacturers and individuals, including Mylan and one of its sales employees, alleging anticompetitive conduct with respect to additional generic drugs. On November 4, 2019, the May 10, 2019 complaint was amended, adding additional states as plaintiffs. The operative complaint was brought by attorneys general of forty-eight states, the District of Columbia, the Commonwealths of Puerto Rico and the Northern Mariana Islands and the Territories of American Samoa and Guam. The amended complaint also includes claims asserted by attorneys general of forty-three states, the Commonwealths of Puerto Rico and the Northern Mariana Islands and the Territories of American Samoa and Guam against several individuals, including a Mylan sales employee.

We believe that the claims in these lawsuits are without merit and intend to defend against them vigorously.

Valsartan

Mylan N.V., and certain of its subsidiaries, along with numerous other manufacturers, retailers and others, have been named (or plaintiffs are seeking to name certain Mylan entities) as defendants in lawsuits in the United States, Canada and other countries stemming from recalls of valsartan-containing medications. The United States litigation, which is taking place in an MDL in the District of New Jersey, includes class action and individual allegations seeking the refund of the purchase price and other economic damages allegedly sustained by consumers who purchased valsartan-containing products as well as claims for personal injuries allegedly caused by ingestion of the medication. Moreover, Mylan has received requests to indemnify purchasers of Mylan's active pharmaceutical ingredient and/or finished dose forms of the product. We believe that the claims in these lawsuits are without merit and intend to defend against them vigorously.

European Commission Proceedings

Perindopril

On July 9, 2014, the European Commission (the "Commission") issued a decision finding that Mylan Laboratories Limited and Mylan, as well as several other companies, had violated European Union ("EU") competition rules relating to the product Perindopril and fined Mylan Laboratories Limited approximately €17.2 million, including approximately €8.0 million jointly and severally with Mylan Inc. The Company paid approximately $21.7 million related to this matter during the fourth quarter of 2014. In September 2014, the Company filed an appeal of the Commission's decision to the General Court of the EU. A hearing on the appeal before the General Court of the EU was held in June 2017 and the Commission's decision was affirmed. Mylan appealed the decision to the European Court of Justice ("CJEU"). Mylan has received a notice from an organization representing health insurers in the Netherlands stating an intention to commence follow-on litigation and asserting damages.

Citalopram

On June 19, 2013, the Commission issued a decision finding that Generics [U.K.] Limited, ("GUK") as well as several other companies, had violated EU competition rules relating to the product Citalopram and fined GUK approximately €7.8 million, jointly and severally with Merck KGaA. GUK appealed the Commission's decision to the General Court of the EU. The case is currently on appeal to the CJEU. The U.K. applied and was granted permission to intervene in this proceeding. GUK has received notices from European national health services and health insurers stating an intention to commence follow-on litigation and asserting damages. The national health service in England and Wales have instituted litigation against all parties to the Commission's decision, including GUK. This litigation has been stayed pending the CJEU's decision.

GUK has also sought indemnification from Merck KGaA with respect to the €7.8 million portion of the fine for which Merck KGaA and GUK were held jointly and severally liable. Merck KGaA has counterclaimed against GUK seeking the same indemnification. In June 2018, the Frankfurt Regional Court issued a judgment dismissing GUK claims against Merck KGaA and ordered GUK to indemnify Merck KGaA with respect to the amount for which the parties were held jointly and severally liable. GUK has appealed this decision. The proceedings have been stayed pending the CJEU appeal decision.

The Company has accrued approximately €7.4 million as of each of December 31, 2019 and December 31, 2018 related to this matter. It is reasonably possible that we will incur additional losses above the amount accrued but we cannot estimate a range of such reasonably possible losses at this time. There are no assurances, however, that settlements reached and/or adverse judgments received, if any, will not exceed amounts accrued.

U.K. Competition and Markets Authority

Paroxetine

On August 12, 2011, GUK received notice that the Office of Fair Trading (subsequently changed to the Competition and Markets Authority (the "CMA")) opened an investigation to explore the possible infringement of the Competition Act 1998 and Articles 101 and 102 of the Treaty on the Functioning of the EU, with respect to alleged agreements related to Paroxetine. The CMA issued a decision on February 12, 2016, finding that, GUK, Merck KGaA and other companies were liable for infringing EU and U.K. competition rules. With respect to Merck KGaA and GUK, the CMA issued a penalty of approximately £5.8 million, for which Merck KGaA is liable for the entire amount; and of that amount GUK is jointly and severally liable for approximately £2.7 million, which has been accrued for as of December 31, 2019. The matter is currently on appeal to the Competition Appeals Tribunal ("CAT"), which on March 8, 2018, referred certain questions of law to the CJEU. The CJEU sought written observations from GUK, which were filed in September 2018. A hearing on the questions and the parties' observations was held before the CJEU on September 19, 2019. On January 30, 2020, the CJEU ruled on the questions of law referred to it and the proceedings before the CAT will now resume.

Italy Investigation

The Public Prosecutor's Office in Milan, Italy is conducting an investigation of Mylan S.p.A. and other pharmaceutical companies concerning interactions with an Italian hospital and sales of certain reimbursable drugs. Certain employees of Mylan S.p.A. have been served with search warrants in connection with the investigation. The Company is fully cooperating and assisting its employees in their cooperation with the investigation.

Product Liability

The Company is involved in a number of product liability lawsuits and claims related to alleged personal injuries arising out of certain products manufactured and/or distributed by the Company. The Company believes that it has meritorious defenses to these lawsuits and claims and intends to defend against them vigorously. From time to time, the Company has agreed to settle or otherwise resolve certain lawsuits and claims on terms and conditions that are in the best interests of the Company. The Company has accrued approximately $14.5 million and $10.9 million at December 31, 2019 and December 31, 2018, respectively. It is reasonably possible that we will incur additional losses and fees above the amount accrued but we cannot estimate a range of such reasonably possible losses or legal fees related to these claims at this time. There are no assurances, however, that settlements reached and/or adverse judgments received, if any, will not exceed amounts accrued.

Intellectual Property

On October 19, 2017, Teva Pharmaceutical Industries Ltd. (“Teva”) commenced an action with the Irish High Court against Mylan Teoranta alleging that Mylan’s glatiramer acetate 40mg/mL product, which is manufactured in Ireland, approved by the FDA and is currently being sold in the U.S., infringes two European patents, EP (IE) 2 949 335 and EP (IE) 3 050 556. Teva subsequently dropped its infringement allegation related to the EP (IE) 3 050 556 patent. The matter has now been resolved and Mylan will continue its production activities with respect to the U.S. 40mg/mL product in Ireland.

On September 22, 2017, Amgen Inc. and Amgen Manufacturing Limited (“Amgen”) sued Mylan Inc., Mylan N.V., Mylan GmbH, and MPI in the Western District of Pennsylvania asserting that Mylan’s Fulphila® infringes U.S. patent numbers 8,273,707 (“‘707”) and 9,643,997 (“‘997”) and seeking monetary damages, injunctive relief, attorneys’ fees, costs and other relief. On June 4, 2018, the FDA approved Mylan’s Fulphila® (pegfilgrastim-jmdb), a biosimilar to Neulasta® (pegfilgrastim), co-developed with Biocon. In July 2018, Mylan began selling Fulphila®. On August 21, 2019 (with respect to the ‘707 patent) and September 17, 2019 (with respect to the ‘997 patent), the District Court entered stipulations of non-infringement. Amgen did not appeal and the deadline to file an appeal has passed.

On July 31, 2015, BTG International Ltd., Janssen Biotech, Inc., Janssen Oncology, Inc., and Janssen Research & Development, LLC (“Janssen”) sued Mylan Inc. and MPI, along with numerous other ANDA applicants, in the District of New Jersey and asserted that Mylan’s and the other ANDA applicants’ abiraterone acetate ANDA products infringe U.S. Patent number 8,822,438 (“’438”).

Mylan and others filed *Inter Partes* Review (“IPR”) petitions challenging the validity of the ’438 patents’ claims. On January 17, 2018, the U.S. Patent and Trademark Appeal Board (“PTAB”) issued Final Written Decisions in the IPR proceedings finding all claims of the ’438 patent unpatentable as obvious. On October 26, 2018, the district court issued an opinion similarly finding the ’438 patents’ claims invalid as obvious. On October 31, 2018, the FDA approved Mylan’s abiraterone acetate ANDA. Mylan, along with certain other ANDA applicants, began selling their abiraterone acetate ANDA products in November 2018.

Janssen appealed both the district court and IPR decisions to the Federal Circuit. On May 14, 2019, the Federal Circuit affirmed the PTAB’s decision that all claims of the ‘438 patent were unpatentable as obvious. As a result of this finding, the Federal Circuit did not need to consider Janssen’s appeal of the district court decision. Janssen did not seek a further appeal of the decision and the case is now closed.

The Company has used its business judgment in connection with the decision to launch the 40mg/mL glatiramer acetate, Fulphila® and abiraterone acetate products and has also used its business judgment in certain other situations to decide to market and sell products, in each case based on its belief that the applicable patents are invalid and/or that its products do not infringe, notwithstanding the fact that allegations of patent infringement(s) or other potential third party rights have not been finally resolved by the courts. The risk involved in doing so can be substantial because the remedies available to the owner of a patent for infringement may include, a reasonable royalty on sales or damages measured by the profits lost by the patent owner. If there is a finding of willful infringement, damages may be increased up to three times. Moreover, because of the discount pricing typically involved with bioequivalent products, patented branded products generally realize a substantially higher profit margin than generic and biosimilar products. Mylan intends to defend against any such patent infringement claims vigorously. However, an adverse decision could have an adverse effect that is material to our business, financial condition, results of operations, cash flows and/or ordinary share price.

Celgene

Mylan filed suit in 2014 against Celgene Corporation alleging monopolization and restraint of trade in the markets for thalidomide and lenalidomide. Following discovery and summary judgment, the District Court scheduled a trial on Mylan's claims that had survived pre-trial motion practice for October 2019. In July 2019, the parties resolved the litigation, whereby Mylan received $62.0 million and the case was dismissed.

Other Litigation

The Company is involved in various other legal proceedings that are considered normal to its business. The Company has approximately $7.7 million accrued related to these various other legal proceedings at December 31, 2019.

Mylan N.V.
Supplementary Financial Information

Quarterly Financial Data
(Unaudited, in millions, except per share data)

Year Ended December 31, 2019

	Three-Month Period Ended			
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019
Total revenues	$ 2,495.5	$ 2,851.5	$ 2,961.7	$ 3,191.8
Gross profit	805.2	932.6	1,072.4	1,087.4
Net (loss) earnings	(25.0)	(168.5)	189.8	20.5
Earnings per share [1]:				
Basic	$ (0.05)	$ (0.33)	$ 0.37	$ 0.04
Diluted	$ (0.05)	$ (0.33)	$ 0.37	$ 0.04
Share prices [2]:				
High	$ 32.10	$ 28.47	$ 22.53	$ 20.10
Low	$ 26.01	$ 16.80	$ 17.61	$ 17.01

Year Ended December 31, 2018

	Three-Month Period Ended			
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018
Total revenues	$ 2,684.5	$ 2,808.3	$ 2,862.4	$ 3,078.7
Gross profit	984.3	962.5	1,039.2	1,015.6
Net earnings	87.1	37.5	176.7	51.2
Earnings per share [1]:				
Basic	$ 0.17	$ 0.07	$ 0.34	$ 0.10
Diluted	$ 0.17	$ 0.07	$ 0.34	$ 0.10
Share prices [2]:				
High	$ 47.64	$ 41.86	$ 39.48	$ 37.15
Low	$ 38.87	$ 35.37	$ 35.53	$ 26.21

(1) The sum of earnings per share for the quarters may not equal earnings per share for the total year due to changes in the average number of ordinary shares outstanding.

(2) Closing prices are as reported on NASDAQ.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosures

None.

ITEM 9A. Controls and Procedures

An evaluation was performed under the supervision and with the participation of the Company's management, including the Principal Executive Officer and the Principal Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of December 31, 2019. Based upon that evaluation, the Principal Executive Officer and the Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective.

Management has not identified any changes in the Company's internal control over financial reporting that occurred during the fourth quarter of 2019 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting is on page 72, which is incorporated herein by reference. The effectiveness of the Company's internal control over financial reporting as of December 31, 2019 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report on page 76, which is incorporated herein by reference.

ITEM 9B. Other Information

None.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

Certain information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

Code of Ethics

The Mylan board of directors has adopted a Code of Ethics for the Company's Chief Executive Officer, Chief Financial Officer and Controller. The Mylan board of directors also has adopted a Code of Business Conduct and Ethics applicable to all directors, officers, and employees. The Code of Ethics for our Chief Executive Officer, Chief Financial Officer and Controller and the Code of Business Conduct and Ethics are posted on Mylan's website at http://www.mylan.com/company/corporate-governance, and Mylan intends to post any amendments to and waivers from each of the Code of Ethics for the Company's Chief Executive Officer, Chief Financial Officer and Controller and the Code of Business Conduct and Ethics that are required to be disclosed on that website.

ITEM 11. Executive Compensation

The information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The additional information required by this Item will be provided in an amendment to this Form 10-K in accordance with General Instruction G(3) to Form 10-K.

Equity Compensation Plan Information

The following table shows information about the securities authorized for issuance under Mylan's equity compensation plans as of December 31, 2019:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	10,453,398	$ 35.97	8,698,999
Equity compensation plans not approved by security holders	—	—	—
Total	10,453,398	$ 35.97	8,698,999

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

ITEM 14. Principal Accounting Fees and Services

The information required by this Item will be provided in an amendment to this Annual Report on Form 10-K in accordance with General Instruction G(3) to Form 10-K.

PART IV

ITEM 15. Exhibits, Consolidated Financial Statement Schedules

1. *Consolidated Financial Statements*

The Consolidated Financial Statements listed in the Index to Consolidated Financial Statements are filed as part of this Form.

2. *Consolidated Financial Statement Schedules*

MYLAN N.V. AND SUBSIDIARIES
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
(In millions)

Description	Beginning Balance	Additions Charged to Costs and Expenses	Additions Charged to Other Accounts (1)	Deductions	Ending Balance
Allowance for doubtful accounts:					
Year ended December 31, 2019	$ 98.2	14.2	—	(39.6)	$ 72.8
Year ended December 31, 2018	$ 75.3	32.3	0.2	(9.6)	$ 98.2
Year ended December 31, 2017	$ 59.0	16.8	6.0	(6.5)	$ 75.3
Valuation allowance for deferred tax assets:					
Year ended December 31, 2019	$ 806.0	36.8	—	(239.3)	$ 603.5
Year ended December 31, 2018	$ 662.8	203.8	—	(60.6)	$ 806.0
Year ended December 31, 2017	$ 460.7	194.1	18.9	(10.9)	$ 662.8

3. *Exhibits*

2.1	Amended and Restated Business Transfer Agreement and Plan of Merger, dated November 4, 2014, between and among Abbott Laboratories, Mylan Inc., New Moon B.V. and Moon of PA Inc., filed as Annex A to the Registration Statement on Form S-4 filed with the SEC on November 5, 2014, as amended on December 9 and December 23, 2014, and incorporated herein by reference.^
2.2(a)	Irrevocable Undertaking, dated February 10, 2016, between Mylan N.V. and Stena Sessan Rederi AB, filed as Exhibit 2.1 to the Report on Form 8-K filed with the SEC on February 17, 2016, and incorporated herein by reference.
2.2(b)	Irrevocable Undertaking, dated February 10, 2016, between Mylan N.V. and Fidim S.r.l., filed as Exhibit 2.2 to the Report on Form 8-K filed with the SEC on February 17, 2016, and incorporated herein by reference.
2.2(c)	Shareholder Agreement, dated February 10, 2016, between Mylan N.V. and Stena Sessan Rederi AB, filed as Exhibit 2.3 to the Report on Form 8-K filed with the SEC on February 17, 2016, and incorporated herein by reference.^
2.2(d)	Shareholder Agreement, dated February 10, 2016, between Mylan N.V. and Fidim S.r.l., filed as Exhibit 2.4 to the Report on Form 8-K filed with the SEC on February 17, 2016, and incorporated herein by reference.^
2.3	Business Combination Agreement, dated as of July 29, 2019, by and among Pfizer Inc., Upjohn Inc., Utah Acquisition Sub Inc., Mylan N.V., Mylan I B.V. and Mylan II B.V., filed as Exhibit 2.1 to the Report on Form 8-K filed with the SEC on July 29, 2019, and incorporated herein by reference.^
2.4	Separation and Distribution Agreement, dated as of July 29, 2019, by and among Pfizer Inc. and Upjohn Inc., filed as Exhibit 2.2 to the Report on Form 8-K filed with the SEC on July 29, 2019, and incorporated herein by reference.^
3.1	Amended and Restated Articles of Association of Mylan N.V., filed as Exhibit 3.1 to the Report on Form 8-K filed with the SEC on February 27, 2015, and incorporated herein by reference.
4.1(a)	Indenture, dated December 21, 2012, between and among Mylan Inc., as issuer, the guarantors named therein, and The Bank of New York Mellon, as trustee, filed by Mylan Inc. as Exhibit 4.1 to the Report on Form 8-K filed with the SEC on December 24, 2012, and incorporated herein by reference.
4.1(b)	First Supplemental Indenture, dated February 27, 2015, between and among Mylan Inc., as issuer, Mylan N.V., as guarantor, and The Bank of New York Mellon, as trustee, to the Indenture, dated December 21, 2012, filed as Exhibit 4.4 to the Report on Form 8-K filed with the SEC on February 27, 2015, and incorporated herein by reference.
4.1(c)	Second Supplemental Indenture, dated March 12, 2015, between and among Mylan Inc., as issuer, Mylan N.V., as parent, and The Bank of New York Mellon, as trustee, to the Indenture, dated December 21, 2012, filed as Exhibit 4.3(b) to Form 10-Q for the quarter ended March 31, 2015, and incorporated herein by reference.
4.2(a)	Indenture, dated November 29, 2013, between Mylan Inc. and The Bank of New York Mellon, as trustee, filed by Mylan Inc. as Exhibit 4.1 to the Report on Form 8-K filed with the SEC on November 29, 2013, and incorporated herein by reference.
4.2(b)	First Supplemental Indenture, dated November 29, 2013, between Mylan Inc. and The Bank of New York Mellon, as trustee, filed by Mylan Inc. as Exhibit 4.2 to the Report on Form 8-K filed with the SEC on November 29, 2013, and incorporated herein by reference.
4.2(c)	Second Supplemental Indenture, dated February 27, 2015, among Mylan Inc., as issuer, Mylan N.V., as guarantor, and The Bank of New York Mellon, as trustee, to the Indenture, dated November 29, 2013, filed as Exhibit 4.6 to the Report on Form 8-K filed with the SEC on February 27, 2015, and incorporated herein by reference.
4.2(d)	Third Supplemental Indenture, dated March 12, 2015, between and among Mylan Inc., as issuer, Mylan N.V., as parent, and The Bank

	of New York Mellon, as trustee, to the Indenture, dated November 29, 2013, filed as Exhibit 4.5(b) to Form 10-Q for the quarter ended March 31, 2015, and incorporated herein by reference.
4.3	Indenture, dated as of December 9, 2015, among Mylan N.V., as issuer, Mylan Inc., as guarantor, and The Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed with the SEC on December 15, 2015, and incorporated herein by reference.
4.4	Indenture, dated as of June 9, 2016, among Mylan N.V., as issuer, Mylan Inc., as guarantor, and The Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed with the SEC on June 15, 2016, and incorporated herein by reference.
4.5	Indenture, dated November 22, 2016, among Mylan N.V., as issuer, Mylan, Inc., as guarantor and Citibank, N.A., London Branch, as trustee, filed as Exhibit 4.9 to Form 10-K for the fiscal year ended December 31, 2016, and incorporated herein by reference.
4.6	Indenture, dated as of May 24, 2017, among Mylan N.V., as issuer, Mylan Inc., as guarantor, and Citibank, N.A., London Branch, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed with the SEC on May 31, 2017, and incorporated herein by reference.
4.7	Indenture, dated as of April 9, 2018, among Mylan Inc., as issuer, Mylan N.V., as guarantor, and the Bank of New York Mellon, as trustee, filed as Exhibit 4.1 to the Report on Form 8-K filed with the SEC on April 9, 2018, and incorporated herein by reference.
4.8	Indenture, dated as of May 23, 2018, among Mylan Inc., as issuer, Mylan N.V., as guarantor, and Citibank, N.A., London Branch, as trustee, paying agent, transfer agent and registrar, filed as Exhibit 4.1 to the Report on Form 8-K filed with the SEC on May 23, 2018, and incorporated herein by reference.
4.9	Description of Mylan N.V. Securities Registered Under Section 12 of the Exchange Act.
10.1(a)	Amended and Restated 2003 Long-Term Incentive Plan, filed as Appendix B to the Definitive Proxy Statement on Schedule 14A filed on May 25, 2016, and incorporated herein by reference.*
10.1(b)	Amendment to Amended and Restated 2003 Long-Term Incentive Plan, filed as Appendix B to the Definitive Proxy Statement on Schedule 14A filed on May 25, 2016, and incorporated herein by reference.*
10.1(c)	Amended and Restated Form of Stock Option Agreement under the 2003 Long-Term Incentive Plan for Robert J. Coury, Heather Bresch, and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.2 to Form 10-Q for the quarter ended September 30, 2013, and incorporated herein by reference.*
10.1(d)	Amended and Restated Form of Stock Option Agreement under the 2003 Long-Term Incentive Plan for awards granted following fiscal year 2012, filed by Mylan Inc. as Exhibit 10.4(i) to Form 10-K for the fiscal year ended December 31, 2013, and incorporated herein by reference.*
10.1(e)	Form of Stock Option Agreement under the 2003 Long-Term Incentive Plan for Robert J. Coury, Heather Bresch, and Rajiv Malik for awards granted after February 27, 2015, filed as Exhibit 10.1(i) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.1(f)	Form of Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted after February 27, 2015, filed as Exhibit 10.1(j) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.1(g)	Form of Performance-Based Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted after February 27, 2015, filed as Exhibit 10.1(k) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.1(h)	Form of Stock Option Agreement under the 2003 Long-Term Incentive Plan for awards granted after February 27, 2015, filed as Exhibit 10.1(l) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.1(i)	Form of Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for awards granted after February 27, 2015, filed as Exhibit 10.1(m) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.1(j)	Form of Performance-Based Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for awards granted after February 27, 2015, filed as Exhibit 10.1(n) to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.1(k)	Amendment to Amended and Restated 2003 Long-Term Incentive Plan, adopted as of February 23, 2017, filed as Exhibit 10.1 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference.*
10.1(l)	Form of Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted on or after February 23, 2017, filed as Exhibit 10.2 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference.*
10.1(m)	Form of Performance-Based Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted on or after February 23, 2017, filed as Exhibit 10.3 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference.*
10.1(n)	Form of Performance-Based Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted on or after February 21, 2018, filed as Exhibit 10.2 to Form 10-Q for the quarter ended March 31, 2018, and incorporated herein by reference.*
10.1(o)	Form of Performance-Based Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for awards granted on or after February 21, 2018, filed as Exhibit 10.3 to Form 10-Q for the quarter ended March 31, 2018, and incorporated herein by reference.*
10.1(p)	Form of Stock Option Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted on or after February 19, 2019, filed as Exhibit 10.7 to Form 10-Q for the quarter ended March 31, 2019, and incorporated herein by reference.*
10.1(q)	Form of Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted on or after February 19, 2019, filed as Exhibit 10.8 to Form 10-Q for the quarter ended March 31, 2019, and incorporated herein by reference.*
10.1(r)	Form of Performance-Based Restricted Stock Unit Award Agreement under the 2003 Long-Term Incentive Plan for Heather Bresch and Rajiv Malik for awards granted on or after February 19, 2019, filed as Exhibit 10.6 to Form 10-Q for the quarter ended March 31, 2019, and incorporated herein by reference.*

10.2(a)	Mylan Inc. Severance Plan, as amended August 2009, filed by Mylan Inc. as Exhibit 10.6 to Form 10-Q for the quarter ended September 30, 2009, and incorporated herein by reference.*
10.2(b)	Amendment to Mylan Inc. Severance Plan, dated July 13, 2014, filed by Mylan Inc. as Exhibit 10.1 to Form 10-Q for the quarter ended September 30, 2014, and incorporated herein by reference.*
10.2(c)	Mylan N.V. Severance Plan and Global Guidelines, filed as Exhibit 10.1 to Form 10-Q for the quarter ended September 30, 2019, and incorporated herein by reference.*
10.3(a)	Retirement Benefit Agreement, dated December 31, 2004, between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.7 to Form 10-Q for the quarter ended December 31, 2004, and incorporated herein by reference.*
10.3(b)	Amendment to Retirement Benefit Agreement, dated April 3, 2006, between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.11(b) to Form 10-K for the fiscal year ended March 31, 2006, and incorporated herein by reference.*
10.3(c)	Amendment to Retirement Benefit Agreement, dated December 22, 2008, between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.20(c) to Form 10-K for the fiscal year ended December 31, 2008, and incorporated herein by reference.*
10.3(d)	Amendment to Retirement Benefit Agreement, dated March 3, 2010, by and between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.1 to the Report on Form 8-K filed with the SEC on March 5, 2010, and incorporated herein by reference.*
10.3(e)	Amendment to Retirement Benefit Agreement, effective as of January 1, 2012, by and between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.6 to the Report on Form 8-K filed with the SEC on October 28, 2011, and incorporated herein by reference.*
10.3(f)	Amendment to Retirement Benefit Agreement, effective as of January 1, 2014, by and between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.2 to the Report on Form 8-K filed with the SEC on February 28, 2014, and incorporated herein by reference.*
10.4	Retirement Benefit Agreement, dated August 31, 2009, by and between Mylan Inc. and Heather Bresch filed by Mylan Inc. as Exhibit 10.3 to Form 10-Q for the quarter ended September 30, 2009, and incorporated herein by reference.*
10.5	Retirement Benefit Agreement, dated August 31, 2009, by and between Mylan Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.4 to Form 10-Q for the quarter ended September 30, 2009, and incorporated herein by reference.*
10.6	Form of Retirement Benefit Agreement Waiver Letter by and between Mylan Inc. and certain executive officers of Mylan Inc., filed by Mylan Inc. as Exhibit 10.58 to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.7(a)	Transition and Succession Agreement, dated December 15, 2003, between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.19 to Form 10-Q for the quarter ended December 31, 2003, and incorporated herein by reference.*
10.7(b)	Amendment No. 1 to Transition and Succession Agreement, dated December 2, 2004, between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.1 to Form 10-Q for the quarter ended December 31, 2004, and incorporated herein by reference.*
10.7(c)	Amendment No. 2 to Transition and Succession Agreement, dated April 3, 2006, between Mylan Inc. and Robert J. Coury filed by Mylan Inc. as Exhibit 10.19(c) to Form 10-K for the fiscal year ended March 31, 2006, and incorporated herein by reference.*
10.7(d)	Amendment No. 3 to Transition and Succession Agreement, dated December 22, 2008, between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.25(d) to Form 10-K for the fiscal year ended December 31, 2008, and incorporated herein by reference.*
10.8(a)	Amended and Restated Transition and Succession Agreement, dated December 31, 2007, between Mylan Inc. and Heather Bresch, filed by Mylan Inc. as Exhibit 10.2 to Form 10-Q for the quarter ended March 31, 2008, and incorporated herein by reference.*
10.8(b)	Amendment No. 1 to Transition and Succession Agreement, dated December 22, 2008, between Mylan Inc. and Heather Bresch, filed by Mylan Inc. as Exhibit 10.27(b) to Form 10-K for the fiscal year ended December 31, 2008, and incorporated herein by reference.*
10.9(a)	Transition and Succession Agreement, dated January 31, 2007, between Mylan Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.5 to Form 10-Q for the quarter ended March 31, 2008, and incorporated herein by reference.*
10.9(b)	Amendment No. 1 to Transition and Succession Agreement, dated December 22, 2008, between Mylan Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.28(b) to Form 10-K for the fiscal year ended December 31, 2008, and incorporated herein by reference.*
10.10(a)	Transition and Succession Agreement, dated February 25, 2008, by and between Mylan Inc. and Anthony Mauro, filed by Mylan Inc. as Exhibit 10.5(a) to Form 10-Q for the quarter ended March 31, 2012, and incorporated herein by reference.*
10.10(b)	Amendment No. 1 to Transition and Succession Agreement, dated December 15, 2008, by and between Mylan Inc. and Anthony Mauro, filed by Mylan Inc. as Exhibit 10.5(b) to Form 10-Q for the quarter ended March 31, 2012, and incorporated herein by reference.*
10.10(c)	Amendment No. 2 to Transition and Succession Agreement, dated October 15, 2009, by and between Mylan Inc. and Anthony Mauro, filed by Mylan Inc. as Exhibit 10.5(c) to Form 10-Q for the quarter ended March 31, 2012, and incorporated herein by reference.*
10.11	Form of Transition and Succession Agreement Waiver Letter by and between Mylan Inc. and certain executive officers of Mylan Inc., filed by Mylan Inc. as Exhibit 10.57 to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.12	Transition and Succession Agreement, dated April 27, 2016 and effective June 6, 2016, between Mylan Inc. and Kenneth S. Parks, filed as Exhibit 10.3 to Form 10-Q for the quarter ended June 30, 2016, and incorporated herein by reference.*
10.13	Transition and Succession Agreement, dated March 24, 2017, between Mylan Inc. and Daniel M. Gallagher, filed as Exhibit 10.6 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference. *
10.14(a)	Mylan 401(k) Restoration Plan, dated January 1, 2010, filed by Mylan Inc. as Exhibit 10.1 to the Report on Form 8-K filed by Mylan Inc. with the SEC on December 14, 2009, and incorporated herein by reference.*
10.14(b)	Amendment to Mylan 401(k) Restoration Plan, dated November 4, 2014, filed by Mylan Inc. as Exhibit 10.41(b) to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.15(a)	Mylan Executive Income Deferral Plan, filed by Mylan Inc. as Exhibit 10.2 to the Report on Form 8-K filed with the SEC on December 14, 2009, and incorporated herein by reference.*
10.15(b)	Amendment to Mylan Executive Income Deferral Plan, dated November 4, 2014, filed by Mylan Inc. as Exhibit 10.42(b) to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.16	The Executive Nonqualified Excess Plan Adoption Agreement, effective as of December 28, 2007, between Mylan International Holdings, Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.27(b) to Form 10-K for the fiscal year ended December 31, 2013, and

	incorporated herein by reference.*
10.17	The Executive Nonqualified Excess Plan, effective as of December 28, 2007, between Mylan International Holdings, Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.57 to Form 10-K for the fiscal year ended December 31, 2013, and incorporated herein by reference.*
10.18	Third Amended and Restated Executive Employment Agreement, entered into on February 25, 2014, by and between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.1 to the Report on Form 8-K filed with the SEC on February 28, 2014, and incorporated herein by reference.*
10.19(a)	Second Amended and Restated Executive Employment Agreement, entered into on February 25, 2014, by and between Mylan Inc. and Heather Bresch, filed by Mylan Inc. as Exhibit 10.3 to the Report on Form 8-K filed with the SEC on February 28, 2014, and incorporated herein by reference.*
10.19(b)	Extension No. 1, dated November 3, 2018 to the Second Amended and Restated Executive Employment Agreement, entered into on February 25, 2014, by and between Mylan Inc. and Heather Bresch, filed as Exhibit 10.19(b) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.19(c)	Third Amended and Restated Executive Employment Agreement, entered into on February 25, 2019, and effective as of April 1, 2019, by and between Mylan Inc. and Heather Bresch, filed as Exhibit 10.19(c) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.20(a)	Second Amended and Restated Executive Employment Agreement, entered into on February 25, 2014, by and between Mylan Inc. and Rajiv Malik, filed by Mylan Inc. as Exhibit 10.4 to the Report on Form 8-K filed with the SEC on February 28, 2014, and incorporated herein by reference.*
10.20(b)	Extension No. 1, dated November 3, 2018 to the Second Amended and Restated Executive Employment Agreement, entered into on February 25, 2014, by and between Mylan Inc. and Rajiv Malik, filed as Exhibit 10.20(b) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.20(c)	Third Amended and Restated Executive Employment Agreement, entered into on February 25, 2019, and effective as of April 1, 2019, by and between Mylan Inc. and Rajiv Malik, filed as Exhibit 10.20(c) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.21(a)	Amended and Restated Executive Employment Agreement, dated January 8, 2016 and effective January 1, 2016, by and between Mylan Inc. and Anthony Mauro, filed as Exhibit 10.16 to Form 10-K for the fiscal year ended December 31, 2015, and incorporated herein by reference.*
10.21(b)	Executive Employment Agreement, dated as of February 25, 2019, and effective as of April 1, 2019, by and between Mylan Inc. and Anthony Mauro, filed as Exhibit 10.21(b) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.22(a)	Executive Employment Agreement, dated April 27, 2016 and effective June 6, 2016, between Mylan Inc. and Kenneth S. Parks, filed as Exhibit 10.2 to Form 10-Q for the quarter ended June 30, 2016, and incorporated herein by reference.*
10.22(b)	Executive Employment Agreement, dated as of February 25, 2019, and effective as of April 1, 2019, by and between Mylan Inc. and Kenneth S. Parks, filed as Exhibit 10.22(b) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.23(a)	Executive Employment Agreement, dated March 24, 2017 and effective April 1, 2017, between Mylan Inc. and Daniel M. Gallagher, filed as Exhibit 10.5 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference.*
10.23(b)	Consulting Agreement, entered into on February 25, 2019, by and between Mylan Inc. and Daniel M. Gallagher, filed as Exhibit 10.23(b) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.*
10.24	Letter Agreement, entered into on November 4, 2014, by and between Mylan Inc. and Robert J. Coury, filed by Mylan Inc. as Exhibit 10.59 to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.25	Letter Agreement, dated June 3, 2016, among Mylan N.V., Mylan Inc., and Robert J. Coury, filed as Exhibit 10.5 to Form 10-Q for the quarter ended June 30, 2016, and incorporated herein by reference.*
10.26(a)	Form of Performance-Based Stock Appreciation Rights Award Agreement under the Mylan Inc. One-Time Special Five-Year Performance-Based Realizable Value Incentive Program, filed by Mylan Inc. as Exhibit 10.5 to the Report on Form 8-K filed with the SEC on February 28, 2014, and incorporated herein by reference.*
10.26(b)	Form of Performance-Based Restricted Stock Unit Award Agreement under the Mylan Inc. One-Time Special Five-Year Performance-Based Realizable Value Incentive Program, filed by Mylan Inc. as Exhibit 10.6 to the Report on Form 8-K filed with the SEC on February 28, 2014, and incorporated herein by reference.*
10.27(a)	Form of One-Time Special Five-Year Performance-Based Realizable Value Incentive Program Waiver Letter with respect to Stock Appreciation Rights, by and between Mylan Inc. and certain executive officers of Mylan Inc., filed by Mylan Inc. as Exhibit 10.56(a) to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.27(b)	Form of One-Time Special Five-Year Performance-Based Realizable Value Incentive Program Waiver Letter with respect to Performance Based Restricted Stock Units, by and between Mylan Inc. and certain employees of Mylan Inc., filed by Mylan Inc. as Exhibit 10.56(b) to Form 10-K for the fiscal year ended December 31, 2014, and incorporated herein by reference.*
10.27(c)	Form of Performance-Based Restricted Stock Unit Award Agreement under the One-Time Special Five-Year Performance-Based Realizable Value Incentive Program for Kenneth S. Parks, filed as Exhibit 10.66 to Form 10-K for the fiscal year ended December 31, 2016, and incorporated herein by reference.*
10.27(d)	Form of Performance-Based Restricted Stock Unit Award Agreement under the One-Time Special Five-Year Performance-Based Realizable Value Incentive Program for Daniel M. Gallagher, filed as Exhibit 10.7 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference. *
10.28	Form of Waiver Letter with respect to Specified Award Agreements by and between Mylan N.V. and Heather Bresch and Rajiv Malik, February 23, 2017, filed as Exhibit 10.4 to Form 10-Q for the quarter ended March 31, 2017, and incorporated herein by reference. *
10.29	2007 Supplemental Health Insurance Plan for Certain Key Employees of Mylan Laboratories Inc., adopted as of January 29, 2007.*
10.30	Amended and Restated Form of Indemnification Agreement between Mylan Inc. and each Director, filed by Mylan Inc. as Exhibit

	10.38 to Form 10-K for the fiscal year ended December 31, 2013, and incorporated herein by reference.*
10.31	Form of Indemnification Agreement between Mylan N.V. and each Director, filed as Exhibit 10.1 to the Report on Form 8-K filed with the SEC on February 27, 2015, and incorporated herein by reference.*
10.32	Call Option Agreement between Mylan N.V. and Stichting Preferred Shares Mylan, dated April 3, 2015, filed as Exhibit 10.1 to the Report on Form 8-K filed with the SEC on April 3, 2015, and incorporated herein by reference.
10.33(a)	Revolving Credit Agreement, dated as of July 27, 2018, among Mylan Inc., as borrower, Mylan N.V., as a guarantor, the other guarantors party thereto, certain lenders and issuing banks and Bank of America, N.A., as administrative agent, filed as Exhibit 10.1 to the Report on Form 8-K filed with the SEC on July 30, 2018, and incorporated herein by reference.
10.33(b)	Amendment No. 1, dated February 22, 2019, to the Revolving Credit Agreement dated as of July 27, 2018, among Mylan Inc., as borrower, Mylan N.V., as a guarantor, the other guarantors party thereto, certain lenders and issuing banks from time to time party thereto and Bank of America, N.A., as administrative agent, filed as Exhibit 10.34(b) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.
10.34(a)	Term Credit Agreement, dated November 22, 2016, among Mylan N.V., Mylan Inc., as a guarantor, the lenders party thereto and Goldman Sachs Bank USA, as administrative agent, filed as Exhibit 10.63 to Form 10-K for the fiscal year ended December 31, 2016, and incorporated herein by reference.
10.34(b)	Amendment, dated as of November 3, 2017, to the Term Credit Agreement dated as of November 22, 2016, among Mylan N.V., certain affiliates and subsidiaries of Mylan N.V. from time to time party thereto as guarantors, each lender from time to time party thereto and Goldman Sachs Bank USA, as administrative agent, filed as Exhibit 10.4 to Form 10-Q for the quarter ended September 30, 2017, and incorporated herein by reference.
10.34(c)	Amendment No. 2, dated as of February 22, 2019, to the Term Credit Agreement dated as of November 22, 2016, among the Company, certain affiliates and subsidiaries of the Company from time to time party thereto as guarantors, each lender from time to time party thereto and Goldman Sachs Bank USA, as administrative agent, filed as Exhibit 10.35(c) to Form 10-K for the fiscal year ended December 31, 2018, and incorporated herein by reference.
10.35	Form of Dealer Agreement among Mylan N.V., Mylan Inc. and the Dealer thereto, filed as Exhibit 10.2 to the Report on Form 8-K filed with the SEC on July 30, 2018, and incorporated herein by reference.
10.36	Settlement Agreement with the U.S. Department of Justice and two relators finalizing the Medicaid drug rebate settlement, dated August 16, 2017, filed as Exhibit 10.1 to the Report on Form 8-K filed with the SEC on August 21, 2017, and incorporated herein by reference.
10.37	Corporate Integrity Agreement between the Office of Inspector General of the Department of Health and Human Services and Mylan Inc. and Mylan Specialty L.P., dated August 16, 2017, filed as Exhibit 10.2 to the Report on Form 8-K filed with the SEC on August 21, 2017, and incorporated herein by reference.
10.38	Registration Rights Agreement, dated as of April 9, 2018, among Mylan Inc., Mylan N.V., as guarantor, and Deutsche Bank Securities Inc., J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC, as representatives of the initial purchasers of the Notes, filed as Exhibit 10.1 to the Report on Form 8-K filed with the SEC on April 9, 2018, and incorporated herein by reference.
21.1	Subsidiaries of the registrant.
23	Consent of Independent Registered Public Accounting Firm.
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101).

* Denotes management contract or compensatory plan or arrangement.

^ Annexes, schedules and/or exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Mylan agrees to furnish supplementally a copy of any omitted attachment to the SEC on a confidential basis upon request.

SIGNATURES

Pursuant to the requirements of section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Form to be signed on its behalf by the undersigned, thereunto duly authorized on February 27, 2020.

Mylan N.V.

by /s/ HEATHER BRESCH
Heather Bresch
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Form has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of February 27, 2020.

Signature	**Title**
/s/ HEATHER BRESCH Heather Bresch	Chief Executive Officer and Director *(Principal Executive Officer)*
/s/ KENNETH S. PARKS Kenneth S. Parks	Chief Financial Officer *(Principal Financial Officer)*
/s/ PAUL B. CAMPBELL Paul B. Campbell	Senior Vice President and Chief Accounting Officer *(Principal Accounting Officer)*
/s/ ROBERT J. COURY Robert J. Coury	Chairman and Director
/s/ ROBERT J. CINDRICH Robert J. Cindrich	Director
/s/ JOELLEN LYONS DILLON JoEllen Lyons Dillon	Director
/s/ NEIL DIMICK Neil Dimick	Director
/s/ MELINA HIGGINS Melina Higgins	Director
/s/ HARRY A. KORMAN Harry A. Korman	Director
/s/ RAJIV MALIK Rajiv Malik	President and Director
/s/ RICHARD MARK Richard Mark	Director
/s/ MARK W. PARRISH Mark W. Parrish	Director
/s/ RANDALL L. VANDERVEEN, PH.D. Randall L. Vanderveen, Ph.D.	Director
/s/ PAULINE VAN DER MEER MOHR Pauline van der Meer Mohr	Director
/s/ SJOERD S. VOLLEBREGT Sjoerd S. Vollebregt	Director

EXHIBIT 4.9

DESCRIPTION OF MYLAN N.V. SECURITIES REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

As of December 31, 2019, our ordinary shares, nominal value €0.01, are the only securities of Mylan N.V. (which we refer to as "Mylan," "we," "our," or "us") registered under Section 12 of the Securities Exchange Act of 1934, as amended ("Exchange Act"). The following description of our ordinary shares does not purport to be complete and is subject to and qualified in its entirety by reference to applicable Dutch law, the applicable Dutch Corporate Governance Code and our articles of association ("Articles"). A copy of our Articles is included as an exhibit to the Annual Report on Form 10-K to which this description has been filed.

Description of our Ordinary Shares

Share Capital

Authorized Share Capital

Our Articles authorize two classes of shares, ordinary shares and preferred shares, each with a nominal value of €0.01 per share. Our authorized share capital amounts to €24,000,000 and is divided into 1,200,000,000 ordinary shares, each with a nominal value of €0.01, and 1,200,000,000 preferred shares, each with a nominal value of €0.01.

Issued Share Capital

We have issued 540,775,263 ordinary shares with a nominal value of €0.01 per share as of February 24, 2020. All our ordinary shares are fully paid up and non-assessable.

There were no issued and outstanding preferred shares as of February 24, 2020. Pursuant to a call option agreement we have entered into with Stichting Preferred Shares Mylan (a Dutch foundation (*stichting*)) (the "Foundation"), the Foundation has the right to exercise its call option to acquire from time to time, at an exercise price of €0.01 per share, Mylan preferred shares up to a maximum number at any time equal to the total number of Mylan ordinary shares issued at such time consistent with its governing documents and applicable Dutch law.

Issuance of Shares

Under Dutch law, the general meeting has the authority to issue shares of a company and to exclude or restrict pre-emptive rights. The general meeting, however, typically delegates to the Board of that company its authority to issue shares and to exclude or restrict pre-emptive rights, consistent with market practice. Our general meeting of our shareholders ("General Meeting") granted an 18-month authorization to our board of directors ("Board") as of June 21, 2019, which will expire on December 21, 2020, such that until December 21, 2020 our Board has the authority to resolve upon the issuance of ordinary shares or to grant rights to subscribe for ordinary shares in Mylan's share capital, up to a maximum of 20% of Mylan's issued share capital, as per the end of the trading day on the date of our annual meeting of shareholders held on June 21, 2019 (the "2019 AGM"), which was 540,117,694 ordinary shares, with no more than 10% of such issued share capital, as per the end of such trading day, to be applied for general purposes, and to exclude or restrict pre-emptive rights in connection therewith (see "—Pre-emptive Rights" below). From and after December 21, 2020, the General Meeting will have the power and authority upon a proposal duly made by our Board to so decide to issue shares up to our maximum authorized share capital at the time of such issuance, provided that the General Meeting may delegate to and vest our Board with the power and authority to decide, from time to time, to issue shares (including subscription rights thereto) up to such maximum amount (but in any event not to exceed our authorized share capital at the time of such issuance) and for such period (but in any event not to exceed a period of five years) as the General Meeting may determine. Each such delegation by the General Meeting may be extended from time to time thereby, provided that no extension will result in such delegation exceeding five years, the maximum period permitted by the applicable provision of Dutch law. Unless

otherwise expressly provided therein, any such delegation by the General Meeting to our Board of the power and authority to decide to issue shares will be irrevocable.

The consideration for which any shares will be issued (including any subscriptions rights related thereto), as decided on by the General Meeting or our Board, as applicable, and the terms and conditions of such issuance of shares will be as set forth in the resolution of the General Meeting or our Board, as applicable, authorizing the issuance thereof.

Pre-emptive Rights

Holders of our ordinary shares have a pre-emptive right with respect to the issuances of our ordinary shares in proportion to the aggregate nominal amount of the ordinary shares held by each shareholder. Holders of our ordinary shares have no pre-emptive right with respect to the issuances of our preferred shares. Also, our shareholders do not have pre-emptive rights upon the issuance of ordinary shares (i) against payment other than in cash, (ii) to employees of us or our group companies, or (iii) to a party exercising a previously acquired right to subscribe for ordinary shares.

Until December 21, 2020, our Board may restrict or exclude any pre-emptive rights with respect to any share issuance (including subscription rights thereto) that our Board is authorized to resolve upon (see "—Issuance of Shares" above). From and after December 21, 2020, pre-emptive rights may be restricted or excluded with respect to any share issuance (including subscriptions rights thereto) pursuant to a resolution of the General Meeting upon a proposal duly made by our Board, or pursuant to a resolution of our Board if the power and authority to restrict or exclude pre-emptive rights has been delegated to our Board by the General Meeting for such period (but in any event not to exceed five years) as the General Meeting may determine. Each such delegation by the General Meeting may be extended from time to time thereby, provided that no extension will result in such delegation exceeding five years, the maximum period permitted by the applicable provision of Dutch law.

Unless otherwise expressly provided therein, any such delegation by the General Meeting will be irrevocable.

A resolution of the General Meeting to restrict or exclude pre-emptive rights or to delegate to our Board the power and authority to restrict or exclude pre-emptive rights generally requires the approval of a majority of the votes cast at the General Meeting. If less than half of the issued share capital is represented at the meeting, the approval of at least two-thirds of the votes cast at the General Meeting is required.

Composition of Our Board

As of February 24, 2020, our Board had 13 members. Our Articles require that our Board has at least one executive director and two non-executive directors. Our directors serve one-year terms and our entire Board is up for reelection at each annual General Meeting.

Election and Removal of Directors

Binding Nominations

Our directors are appointed by the General Meeting from a binding nomination proposed by our Board. The General Meeting may only overrule the binding nomination by a resolution adopted by at least a two-thirds majority of the votes cast, provided such majority represents more than half of the issued share capital. If the General Meeting overrules a binding nomination for a director, our Board will promptly make a new binding nomination to be submitted to a subsequent General Meeting. If the Board fails to exercise its right to submit a binding nomination for a director or fails to do so in a timely manner, the General Meeting may nominate and appoint a director (with a majority of at least two-thirds of the votes cast representing more than half of Mylan's issued share capital), provided that the relevant nominee(s) is/are named in the agenda of the meeting or the explanatory notes thereto.

Removal

Directors may be suspended or removed by the General Meeting, with or without cause, at any time. Our Articles provide that a resolution of the General Meeting to suspend or remove a director pursuant to and in accordance with

a proposal by our Board will be passed with an absolute majority of the votes cast. A resolution of the General Meeting to suspend or remove a director other than pursuant to and in accordance with a proposal by our Board will require a two-thirds majority of the votes cast, representing more than half of the issued share capital.

Vacancies

Our Articles provide that in the event of a vacancy, our Board continues to be validly constituted by the remaining directors, and our Board may elect a new director to temporarily fill such vacancy until the next General Meeting and the appointment by the General Meeting of a new director.

In the event all non-executive directors are absent or unable to act, then the executive directors will be authorized to temporarily entrust the tasks and duties of the non-executive directors to one or more other persons. In the event all directors are absent or unable to act, the most recent chairman of our Board and/or such person(s) that he or she appoints will be temporarily entrusted with the tasks and duties of the non-executive directors until the next General Meeting at which new non-executive directors are appointed, and such person(s) will be authorized to temporarily entrust the tasks and duties of the executive directors to one or more other persons until the next General Meeting at which a new executive director or directors are appointed.

Transfer of Shares

For as long as our ordinary shares are listed on the Nasdaq Global Select Market ("Nasdaq") or the New York Stock Exchange, the property law aspects of our ordinary shares which have been included in a register administered by our transfer agent shall be governed by the laws of the State of New York.

Any transfer of our preferred shares is restricted under our Articles and will require the approval of our Board.

Form of Shares

Our ordinary shares have been issued in registered form only. No share certificates will be issued for our ordinary shares, unless our Board in its discretion otherwise determines. A share register will be kept by us or on our behalf.

Repurchase of Our Shares

Under Dutch law, a company may not subscribe for newly issued shares in its own capital. Subject to certain provisions of Dutch law and our Articles, we are permitted to acquire fully paid up shares of our share capital for such consideration as our Board may determine (but within the boundaries set by the General Meeting), to the extent that (i) the shareholders' equity less the acquisition price is not less than the sum of the paid-up and called-up part of our capital and the reserves that we are required to maintain pursuant to Dutch law, (ii) the nominal value of the shares to be acquired in our capital, which we hold or hold in pledge or which are held by a subsidiary, does not exceed 50% of the issued capital, and (iii) the acquisition of such shares has been authorized by the General Meeting. Such authorization to repurchase our ordinary or preferred shares will be valid for a maximum of 18 months (subject to further authorizations). The General Meeting granted an 18-month authorization as of June 21, 2019, which will expire on December 21, 2020, authorizing our Board to repurchase (i) up to 10% of the ordinary shares issued and outstanding at the end of the trading day on the date of the 2019 AGM, which was 515,519,620 ordinary shares, for a period of 18 months, at prices as to be determined by the Board, one or more of its members or the Chief Financial Officer (the "CFO") in their discretion, by any means, including, without limitation, on the open market (including block trades that satisfy the safe-harbor provisions of Rule 10b-18 pursuant to the Exchange Act), through privately negotiated transactions or in one or more self-tender offers at prices per share between an amount equal to €0.01 and an amount equal to 110% of the market price of the ordinary shares on Nasdaq (the market price being deemed to be the average of the closing price on each of the consecutive days of trading during a period no shorter than one trading day and no longer than 10 trading days immediately preceding the date of repurchase, as reasonably determined by Mylan's Board or one or more its members or the CFO) and (ii) the maximum number of preferred shares allowed under Dutch law from the Foundation for a period of 18 months against the nominal value of the preferred shares. Authorization is not required for the acquisition of our ordinary shares listed on Nasdaq for the purpose of transferring the shares to employees under our equity incentive plans. Subject to applicable limits

under Dutch law and applicable securities regulation and proper authorization permitting share repurchases, we may engage in repurchases of our shares from time to time.

Capital Reduction

Pursuant to and in accordance with a proposal of our Board, the General Meeting will be permitted to resolve to reduce our issued share capital by (i) cancellation of shares held by us, (ii) reduction of the nominal value of a specific class of shares to be effected by an amendment of our Articles, or (iii) cancellation of all preferred shares. A reduction of the nominal value of shares of a specific class without repayment will be required to be effected proportionally among all shares of that specific class. A resolution that would result in the reduction of capital requires prior or simultaneous approval of the meeting of each group of holders of shares of the same class whose rights are prejudiced by the reduction. A resolution to reduce capital generally requires a public filing and notice of such filing in a Dutch daily newspaper, allowing our creditors to object to the reduction in capital under specified circumstances and in a manner specified by Dutch law.

Dividends and Other Distributions

Under Dutch law, distributions may be distributed only to the extent the shareholders' equity exceeds the amount of the paid-up and called-up part of our issued share capital and the reserves that must be maintained under Dutch law or our Articles. Dividends may be declared after adoption of the annual accounts by the General Meeting and only upon the recommendation and proposal of our Board.

The profits as they appear from the annual accounts will be distributed as follows:

- First, if our preferred shares are outstanding, a dividend is distributed to our preferred shares in accordance with our Articles;
- Second, our Board will determine which part of our profits remaining after such distribution on our preferred shares, if applicable, will be reserved; and
- Third, to the extent not distributed as a dividend in respect of our preferred shares and/or reserved as described above, the profits will be available for distribution to holders of our ordinary shares, provided that any such distribution must be authorized by our Board.

Interim dividends may be declared as provided in our Articles and may be distributed to the extent that the shareholders' equity exceeds the amount of the paid-up and called-up part of our issued share capital and the required legal reserves as described above as apparent from interim financial statements prepared in accordance with Dutch law.

Annual Meeting of Our Shareholders

Our Articles provide that the annual General Meeting will be held within six months of the end of our financial year in Amsterdam, Rotterdam, The Hague, Bunschoten-Spakenburg, Haarlemmermeer (*Schiphol*), Schiermonnikoog, Groningen or Leeuwarden. Annual General Meetings will be convened by our Board or the chairman of our Board (the "Chairman") in the manner and with reference to the applicable provisions of Dutch law. Under our Articles, the notice convening an annual General Meeting must state the subjects to be discussed at the General Meeting, the venue and time of the General Meeting, the procedures for participating and exercising voting rights in the General Meeting and any other information required pursuant to applicable law or stock exchange requirements.

Dutch law provides that the record date for an annual General Meeting, if any, will be 28 days prior to the date of such General Meeting.

Extraordinary Meetings of Our Shareholders

Dutch law provides that one or more shareholders representing at least one-tenth of our issued share capital may request a Dutch court order that a General Meeting be held and may, on such application, be authorized by the court

to convene a General Meeting. The court will disallow the application if the applicants have not previously requested our Board convene a General Meeting and the Board has taken the necessary steps to hold the General Meeting within six weeks after the request.

In addition, our Articles provide that extraordinary General Meetings will be held as often as the Chairman or our Board deems necessary.

Our Articles provide that extraordinary General Meetings will be held in the manner and with reference to the applicable provisions of Dutch law. Under our Articles, the notice convening an extraordinary General Meeting must state the subjects to be discussed at the General Meeting, the venue and time of the General Meeting, the procedures for participating and exercising voting rights in the General Meeting and any other information required pursuant to the applicable law or stock exchange requirements.

Dutch law provides that the record date for an extraordinary General Meeting, if any, will be 28 days prior to the date of such General Meeting.

Advance Notice Procedures for a Shareholder Proposal

Our Articles provide that agenda items or resolutions may only be proposed by one or more of our shareholders representing at least 3% of our issued share capital, must be submitted in writing 60 calendar days before the date of an annual or extraordinary General Meeting and must otherwise comply with applicable law.

Voting Rights

Each of our ordinary shares and each of our preferred shares confers the right to cast one vote at the General Meeting. As a result, the number of votes that a shareholder may cast equals the number of shares such shareholder holds. Under Dutch law and our Articles, shareholders do not have cumulative voting rights.

Resolutions of the General Meeting are passed by an absolute majority of the votes cast, provided that at least one-third of the issued share capital is present or represented, unless Dutch law or our Articles prescribe a larger majority. Under Dutch law or our Articles, the following matters require at least two-thirds of the votes cast at a meeting if less than half of the issued share capital is present or represented:

- a resolution to reduce the issued share capital;
- a resolution to restrict or exclude rights of pre-emption;
- a resolution to designate our Board as authorized to restrict or exclude rights of pre-emption; or
- a resolution to enter into a legal merger or a legal demerger (subject to certain limited exceptions).

In addition, certain amendments to our Articles and certain transactions between us and an “interested person” must be approved by a resolution of the General Meeting by a majority of at least 75% of the votes cast, representing more than half of the issued share capital. An “interested person” is defined by our Articles to mean any person who beneficially owns 10% or more of our outstanding shares. See “—Amendment of Our Articles” and “—Approval of Certain Transactions” below.

Quorum

Our Articles provide that insofar as Dutch law or our Articles do not prescribe otherwise, resolutions of the General Meeting must be passed by an absolute majority of votes cast at a General Meeting at which at least one-third of the issued share capital is present or represented. Under Dutch law and our Articles, there are special majority and quorum requirements that apply in relation to certain specific resolutions.

Action by Written Consent

Under Dutch law, resolutions of shareholders outside a General Meeting are possible provided the articles of association expressly allow it and subject to certain other conditions. Our Articles permit our shareholders to adopt resolutions outside a General Meeting provided that all shareholders entitled to vote have cast their vote in favor of such proposal. Our Articles also permit the holders of our Preferred Shares to take action by written consent.

Amendment of Our Articles

Upon a proposal of our Board, the General Meeting generally will be authorized to resolve to amend our Articles by an absolute majority of votes cast at a General Meeting at which at least one-third of the issued share capital is present or represented. However, resolutions of the General Meeting to amend certain enumerated provisions may only be adopted by the General Meeting with a majority of at least 75% of the votes cast, representing more than half of the issued share capital.

This special shareholder vote requirement applies to amendments to the provisions of our Articles that require resolutions of the General Meeting be adopted only pursuant to and in accordance with a proposal by our Board in order to (i) reduce issued share capital; (ii) issue ordinary shares or preferred shares; grant rights to subscribe for ordinary and preferred shares; restrict or waive pre-emptive rights with respect to any issuance of, or grant rights to subscribe for, ordinary and preferred shares; or delegate the power and authority to take the foregoing actions; (iii) approve or enter into any legal merger or demerger; liquidate or dissolve us; make a distribution on our ordinary shares from our profits or reserves; or request that our Board file a petition in bankruptcy with respect to us; (iv) provide that the directors are elected upon the binding nomination of our Board; (v) provide for the suspension or removal of directors; (vi) govern amendments to our Articles; (vii) establish the competent courts of Amsterdam, the Netherlands as the sole and exclusive forum for certain legal proceedings; and (viii) require certain transactions between us and an “interested person” be approved by a majority of at least 75% of the votes cast, representing more than half of the issued share capital, at the General Meeting. Our Board may resolve to amend the rules of our Board (the “Board Rules”) by the affirmative vote of a majority of our Board.

Duties of Directors

Under Dutch law, our Board is collectively responsible for our general affairs and executive directors are responsible for our daily management and operation. Non-executive directors are responsible for providing advice to our Board, for supervision of the performance of duties by our directors and general supervision of our business. Directors must act for the benefit of Mylan and its business, strategy and mission, taking into account the interests of all stakeholders, such as shareholders, creditors, employees, customers, suppliers, relevant patient populations and communities in which Mylan operates and the importance of the sustainable success of the company’s business. Directors may not engage in self-dealing, take actions that are devoid of any business rationale or violate our governing documents.

Limitations on Liability of Directors

Under Dutch law, our directors may not be held jointly and severally liable to Mylan for damages unless the director breaches his or her fiduciary duties and a serious reproach can be made against him or her. Directors may be held liable to third parties for any actions that may give rise to a tort.

The tasks of our directors may be allocated under or pursuant to our Articles or the Board Rules, provided that the General Meeting has stipulated whether a director is appointed as an executive or as a non-executive director and furthermore provided that the supervision of the performance by the directors of their duties can only be performed by the non-executive directors. In addition, an executive director may not be appointed as the Chairman or delegated the task of establishing the remuneration of executive directors or nominating directors for appointment. Tasks that have not been allocated fall within the power of the Board as a whole. Regardless of an allocation of tasks, all directors remain collectively responsible for Mylan’s general affairs. Therefore, certain important decisions of the Board should be adopted by the Board in its entirety. All directors are jointly and severally liable for failure of one or more co-directors. However, an individual director may be exempted from liability if he or she proves that he or she cannot be held seriously culpable for the mismanagement or the improper supervision and that he or she has not been negligent in seeking to prevent the consequences of the mismanagement or the improper supervision. In this

regard, a director may refer to the allocation of tasks between the directors. In certain circumstances, directors may incur additional specific civil, administrative and criminal liabilities.

Indemnification of Directors and Officers

Without prejudice to any indemnity to which any person may be contractually or otherwise entitled, the Articles provide that each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), whether brought by or in the name of the Company or otherwise, by reason of the fact that he is or was a director or an officer of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another company or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Company to the fullest extent authorized by law, including, but not limited to Dutch law, as may be amended from time to time (but, in the case of such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than such law permitted the Company to provide prior to such amendment),against all expense, liability and loss (including attorneys' fees, judgments, fines, excise taxes pursuant to the Employee Retirement Income Security Act of 1974, as amended, or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith; provided, however, that the Company shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board. As a Dutch company, our indemnification obligations to our directors and officers will be subject to and interpreted in accordance with Dutch law.

Under Dutch law, indemnification generally will not be available to any person in respect of any claim, issue or matter as to which such person will have been adjudged in a final and non-appealable judgment by a Dutch or other court of competent jurisdiction to be liable for intentional recklessness or willful misconduct in the performance of his or her duty to us unless such court determines that such person is fairly and reasonably entitled to such indemnification despite the adjudication of such liability, or to the extent any related costs and losses have been insured and reimbursed to such person under any applicable insurance policy. Also, no indemnification will be made in respect of any claim brought by us and for which the person is adjudged in a final and non-appealable judgment to be liable to us unless the court or we have determined that indemnification of some or all expenses incurred by the person is appropriate and permitted under applicable law.

We also have entered into indemnification agreements with each of our directors and certain of its officers that provide them with substantially similar indemnification rights to those provided under the Articles.

The Articles also provide that we may maintain an insurance policy which insures directors and officers against certain liabilities which might be incurred in connection with the performance of their duties. We currently maintain such a policy. The description of indemnity herein is merely a summary of the provisions in the Articles and other indemnification agreements, and such description shall not limit or alter the provisions in the Articles or other indemnification agreements.

Forum Selection

Unless we consent in writing to the selection of an alternative forum, the competent courts of Amsterdam, the Netherlands will be the sole and exclusive forum for any action asserting a claim for breach of a duty owed by any of our directors, officers or other employees (including any of our former directors, former officers or other former employees to the extent such claim arises from such director, officer or other employee's breach of duty while serving as our director, officer or employee) to us or our shareholders; any action asserting a claim arising pursuant to or otherwise based on any provision of Dutch law or our Articles; any action asserting a claim that is mandatorily subject to Dutch law; or to the extent permitted under Dutch law, any derivative action or proceeding brought on behalf of us, in each such case subject to such court having personal jurisdiction over the indispensable parties named as defendants therein.

Dutch law does not provide for derivative suits. However, Dutch law does provide for class actions, in which a foundation or an association can act as a class representative and has standing to commence proceedings and claim damages if certain criteria are met. The court will first determine if those criteria are met. If so, the case will go forward as a class action on the merits after a period allowing class members to opt out from the case has lapsed. All members of the class who are residents of the Netherlands and who did not opt-out will be bound to the outcome of the case. Residents of other countries must actively opt in in order to be able to benefit from the class action. The defendant is not required to file defenses on the merits prior to the merits phase having commenced. It is possible for the parties to reach a settlement during the merits phase. Such a settlement can be approved by the court, which approval will then bind the members of the class, subject to a second opt-out. This new regime applies to claims brought after January 1, 2020 and which relate to certain events that occurred prior to that date. For other matters, the old Dutch class actions regime will apply. Under the old regime, no monetary damages can be sought. Also, a judgment rendered under the old regime will not bind individual class members. Even though Dutch law does not provide for derivative suits, directors and officers can still be subject to liability under U.S. securities law.

Compensation of Directors

Dutch law requires that we have a policy governing the remuneration of directors adopted by the General Meeting upon the recommendation and proposal of our Board. The remuneration of each individual executive director and non-executive director will be determined by our Board with due observance of the remuneration policy. The executive directors may not participate in the deliberation and the decision-making process of our Board if it concerns the remuneration of an executive director.

Proposals concerning plans or arrangements in the form of shares or rights to subscribe for shares for directors will be submitted by our Board to the General Meeting. The proposal must include the maximum number of shares and/or options that may be granted to directors under the plan and which criteria apply to the granting of such shares or options or to the modification of these arrangements.

Protective Measures

Under Dutch law, various protective measures are permissible. Our governance arrangements include several provisions that may have the effect of delaying a potential takeover or making a takeover more difficult or less attractive, including:

- we have issued a call option to subscribe for our preferred shares to the Foundation that, if exercised, could discourage, prevent or delay a potential takeover or allow us to further discuss with a potential acquiror its future plans for us as well as to search for strategic alternatives;
- requirements that certain matters, including the amendment of our Articles (see "—Approval of Certain Transactions" below), may only be brought to the General Meeting for a vote upon a proposal by our Board; and
- the appointment of our directors is subject to a binding nomination by our Board.

Approval of Certain Transactions

Under Dutch law, resolutions of our Board regarding a significant change in the identity or nature of Mylan or its business must be approved at a General Meeting. Such resolutions include in any event the transfer of the business or a substantial part thereof, entering into or terminating a long-lasting cooperation agreement with a third party and the sale or purchase of a company or a stake in a company with a value of one-third of our assets (according to the most recently adopted annual accounts plus the explanatory notes to that balance sheet).

Our Articles require that certain transactions between us and an "interested person" be approved by a majority of at least 75% of the votes cast, representing more than half of the issued share capital, of the General Meeting. An "interested person" is defined by our Articles to mean any person who beneficially owns 10% or more of our outstanding shares. The transactions subject to this special vote requirement include (i) any legal merger to which we and an interested person are parties, (ii) any legal demerger to which we and an interested person are parties,

(iii) any sale, lease, exchange or other disposition of all or substantially all of our properties or assets to an interested person, (iv) the adoption of any plan or proposal for our liquidation or dissolution under which the rights of an interested person differ from those accorded to other holders of our ordinary shares, or (v) any transaction of a character described in (i), (ii), (iii) or (iv) involving an "affiliate" or "associate" of an interested person or an associate of any such affiliate. For purposes of this provision, (i) an "affiliate" of a person is another person that directly or indirectly controls, is controlled by, or is under common control with such person and (ii) an "associate" of a person is (a) any corporation or organization of which such person is an officer, partner, or beneficial owner of 10% or more of any class of equity securities, (b) any trust or estate in which such person has a 10% or greater beneficial interest or for which such person serves as a trustee or in a similar capacity, or (c) any relative or spouse of such person, or relative of such spouse, who has the same residence as such person. This special shareholder vote requirement does not apply to any transaction which is (i) approved by the vote of a majority of our Board prior to the time the interested person connected with the transaction became an interested person or (ii) approved by our Board prior to the consummation by the vote of an absolute majority of the votes cast, whereby the majority of all executive and non-executive directors of our Board who were not interested persons, an affiliate, associate or agent of such interested persons or an associate or agent of any such affiliate voted in favor of the resolution. Our Articles provide that the General Meeting may only adopt certain resolutions upon the recommendation and proposal of our Board. These resolutions concern, amongst other items, (i) any amendment to our Articles; (ii) any legal merger of us; (iii) any demerger; or (iv) any dissolution of us.

Limitations on Non-Residents

There are no limits under the laws of the Netherlands or in our Articles on non-residents of the Netherlands holding or voting our ordinary shares.

Squeeze-Out

Under Dutch law, a shareholder who—alone or together with one or more group companies—for their own account contribute(s) at least 95% of a company's issued share capital may initiate proceedings against the company's minority shareholders jointly for the transfer of their shares to the claimant. The proceedings are held before the Enterprise Chamber of the Amsterdam Court of Appeal (*Ondernemingskamer van het Gerechtshof Amsterdam*) (the "Enterprise Chamber"). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary, after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares must give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to the acquiring person, such person is required to publish the same in a Dutch daily newspaper with a national circulation.

Dissolution/Liquidation

A resolution to dissolve our company may be proposed by our Board and adopted by an absolute majority of the votes cast, in a meeting in which at least one-third of our issued share capital is present or represented.

If we are dissolved, our assets would be used for payment of debts. After payment of debts and the costs of liquidation, payments are first made to the holders of any outstanding preferred shares in accordance with the procedures set forth in our Articles and below, and the balance of our assets would be paid to the holders of our ordinary shares in proportion to the number of our ordinary shares they held. If our preferred shares are outstanding at the time of a dissolution, prior to the distribution to the holders of our ordinary shares, an amount will be paid to the holders of our preferred shares equal to the redemption amount referred to in our Articles, increased by: (i) any deficit in the payment of dividends referred to in our Articles and (ii) an amount equal to the percentage referred to in our Articles on the compulsory amount paid on the preferred shares, calculated over the period starting on the first day after the last full financial year for which the company has adopted annual accounts prior to the liquidation and ending on and including the day of the payment on preferred shares referred to above, plus any accrued and unpaid dividends for prior periods, with due observance of the fact that any and all dividends and/or other distributions paid on the preferred shares relating to such periods will be deducted from the payment.

Listing

Our ordinary shares are listed on Nasdaq under the ticker symbol “MYL”.

Exhibit 10.29

2007 Supplemental Health Insurance Plan
for Certain Key Employees of
Mylan Laboratories Inc.

Introduction

Mylan Laboratories Inc. ("Company") hereby adopts this "2007 Supplemental Health Insurance Plan for Certain Key Employees of Mylan Laboratories Inc. ("Plan") as of January 29, 2007 to provide post-retirement health benefits for certain key employees of the Company aged 55 or older who have been employed by the Company or its affiliates at least 15 years (Attachment A), their spouses and their eligible dependents, and for certain executives ("Certain Executives") of the Company (Attachment B) who had been eligible for participation under the Company's Supplemental Health Insurance Plan for Certain Executives ("SHIP") (plan inception date of January 24, 2002), their spouses and their eligible dependents such that said Certain Executives are entitled to the same benefits and privileges under this Plan as if they had always been participants under this Plan. The key employees of the Company who are eligible to participate in this Plan (including the Certain Executives) are those key employees of the Company designated as participates in the Plan from time to time by the Board of Directors of the Company (the "Board") (each person so designated, a "Key Employee").

For purposes of this Plan, a Key Employee's spouse shall be (1) the person to whom the Key Employee was legally married on the date of the Key Employee's termination of employment regardless of whether the Key Employee's employment was terminated by death, disability, retirement or other termination of employment, (2) a former Spouse of a Key Employee who under a decree of legal divorce or separation is entitled under such decree to receive health care benefits at the Key Employee's expense, and (3) the person to whom the Key Employee is subsequently legally married to after the date of the Key Employee's termination of employment regardless of whether the Key Employee's employment was terminated by disability, retirement or other termination of employment (any and all of whom shall be a "Spouse" under this Plan).

This Plan is intended to provide health coverage for the Key Employee and is intended to be an "employee welfare benefit plan" as described in the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The benefits offered under this Plan will be provided through insurance contracts.

Key Employee's Coverage after Termination of Active Employment

The Plan coverage for the Key Employee after the Key Employee terminates active employment shall be dependent upon such Key Employee's eligibility for Medicare coverage. Subject to the payment of Premiums (as hereafter defined), this coverage shall be for the duration of the Key Employee's life.

If the Key Employee is not entitled to receive Medicare coverage at the time of his or her retirement, then, subject to the payment of premiums in an amount equal to the Company's rate under the Consolidated Omnibus Budget Reconciliation Act, as amended ("Premiums"), but no greater than 105% of the previous year's premium under the Plan, the Key Employee shall participate in the Plan (as such Plan may be amended from time to time) until the Key Employee is eligible for Medicare coverage; and the Company shall pay all deductibles and co-payments that would otherwise be payable by the Key Employee with respect to benefits provided to the Key Employee pursuant to the terms of the Plan.

Once the Key Employee is eligible for Medicare coverage (either at the time of his or her retirement or on a later date), such Key Employee shall elect a Medicare plan that includes prescription drug coverage (the "Medicare Plan"). The Company shall be responsible solely for the difference, if any, between the portion of any medical claim covered by the Medicare Plan and the portion of any medical claim which would have been covered by the Plan's schedule of benefits.

Spousal and Dependents' Coverage after Termination of the Key Employee's Active Employment

Spouses and eligible dependents shall receive the same coverage as provided to the Key Employee until (i) in the instance of the Spouse, his or her eligibility for Medicare, the non-payment of Premiums, or upon death, whichever occurs first, and (ii) in the instance of a dependent, ineligibility because of age or change in dependent status, upon eligibility for Medicare, the non-payment of Premiums, or upon death, whichever occurs first.

In the Event that the coverage of a Spouse or eligible dependent under the prior paragraph ceases by reason of becoming eligible for Medicare coverage, the Spouse or eligible dependent, as the case may be, shall elect a Medicare plan that includes prescription drug coverage (the "Medicare Plan"). The Company shall be responsible solely for the difference, if any, between the portion of any medical claim coverage by the Medicare Plan and the portion of any medical claim which would have been covered by the Plan's schedule of benefits.

Enforcement

Any and all actions regarding the interpretation or application of any term or provision set forth herein shall be governed by and interpreted in accordance with the substantive laws, and not the law of conflicts, of the Commonwealth of Pennsylvania to the extent not preempted by federal law, which shall otherwise control. The Company and each Key Employee each do hereby respectively consent and agree that the courts of the Commonwealth of Pennsylvania shall have jurisdiction with respect to any and all actions brought hereunder that are not preempted by federal law, and venue shall properly lie within the Commonwealth of Pennsylvania.

Amendment: Termination

The Plan may be amended or terminated by the Board at any time; provided, however, that, if such amendment or termination would in any manner be adverse to the interests of a Key Employee or the Spouse or eligible dependents thereof, the Plan may not be amended or terminated without

consent of such Key Employee (or, in the event the Key Employee is no longer living, without consent of the Spouse and eligible dependents of such Key Employee). For the avoidance of doubt, following a Change in Control of the Company (as defined in the Mylan Laboratories Inc. Severance Plan), the provisions of his section may not be amended in any manner adverse to any Key Employee or the Spouse or eligible dependents thereof.

Plan Administrator

The Plan shall be administrated by the Board (the "Plan Administrator"). The Plan Administrator shall administer the Plan and may interpret the Plan, prescribe, amend and rescind rules and regulations under the Plan and make all other determinations necessary or advisable for the administration of the Plan, subject to all of the provisions of the Plan. The Plan Administrator may delegate any of its duties hereunder to such person or persons from time to time as it may designate. The Plan Administrator is empowered, on behalf of the Plan, to engage accountants, legal counsel and such other personnel as it deems necessary or advisable to assist it in the performance of its duties under the Plan. The functions of any such persons engaged by the Plan Administrator shall be limited to the specified services and duties for which they are engaged, and such persons shall have no other duties, obligations or responsibilities under the Plan. Such persons shall exercise no discretionary authority or discretionary control respecting the management of the Plan. All reasonable expenses thereof shall be borne by the Company.

Successors

In addition to any obligations imposed by law upon any successor to the Company, the Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Plan in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

Claims, Inquiries and Appeals

Applications for Benefits and Inquiries. Any application for benefits, inquiries about the Plan or inquiries about present or future rights under the Plan must be submitted to the Plan Administrator in writing, as follows:

Plan Administrator
c/o Mylan Laboratories, Inc.
1000 Mylan Boulevard
Canonsburg, PA 15317

Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Plan Administrator must notify the applicant, in writing, of the denial of the application, and of the applicant's right to review the denial. The written notice of denial will be set forth in a manner designed to be understood by the Key Employee, Spouse or eligible dependent and will include specific reasons for the denial, specific references to the Plan provision upon which the denial is

based, a description of any information or material that the Plan Administrator needs to complete the review, and an explanation of the Plan's review procedure.

This written notice will be given to the employee within 90 days after the Plan Administrator receives the application, unless special circumstances require an extension of time, in which case, the Plan Administrator has up to an additional 90 days for processing the application. If an extension of time for processing is required, written notice of the extension will be furnished to the applicant before the end of the initial 90-day period.

This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render his or her decision on the application. If written notice of denial of the application for benefits is not furnished within the specified time, the application shall be deemed to be denied. The applicant will then be permitted to appeal the denial in accordance with the Review Procedure described below.

Request for a Review. Any person (or that person's authorized representative) for whom an application for benefits is denied (or deemed denied), in whole or in part, may appeal the denial by submitting a request for a review to the Plan Administrator within 60 days after the application is denied (or deemed denied). The Plan Administrator will give the applicant (or his or her representative) an opportunity to review pertinent documents in preparing a request for a review and submit written comments, documents, records and other information relating to the claim. A request for a review shall be in writing and shall be addressed to:

Plan Administrator
c/o Mylan Laboratories Inc.
1000 Mylan Boulevard
Canonsburg, PA 15317

With a copy to:

Chief Legal Officer
Mylan Laboratories Inc.
1000 Mylan Boulevard
Canonsburg, PA 15317

A request for review must set forth all of the grounds on which it is based, all facts in support of the request and other matters that the applicant feels are pertinent. The Plan Administrator may require the applicant to submit additional facts, documents or other material as he or she may find necessary or appropriate in making his or her review.

Decision on Review. The Plan Administrator will act on each request for review within 60 days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional 60 days), for processing the request for a review. If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial 60-day period. The Plan Administrator will give prompt, written notice of his or her decision to the applicant. In the event that the Plan Administrator confirms the denial of the application for benefits

in whole or in part, the notice will outline, in a manner calculated to be understood by the applicant, the specific provisions upon which the decision is based. If written notice of the Administrator's decision is not given to the applicant within the time prescribed, the application will be deemed denied on review.

Rules and Procedures. The Plan Administrator may establish rules and procedures, consistent with the Plan and with ERISA, as necessary and appropriate in carrying out his or her responsibilities in reviewing benefit claims. The Plan Administrator may require an applicant who wishes to submit additional information in connection with an appeal from the denial (or deemed denial) of benefits to do so at the applicant's own expense.

Exhaustion of Remedies. No legal action for benefits under the Plan may be brought until the claimant (i) has submitted a written application for benefits in accordance with the procedures described by the section "Applications for Benefits Inquiries" above, (ii) has been notified by the Plan Administrator that the application is denied (or the application is deemed denied due to the Plan Administrator's failure to act on it within the established time period), (iii) has filed a written request for a review of the application in accordance with the appeal procedure described in the section "Applications for Benefits Inquires" above and (iv) has been notified in writing that the Plan Administrator has denied the appeal (or the appeal is deemed to be denied due to the Plan Administrator's failure to take any action on the claim within the time prescribed by the section "Decision on Review" above).

Exhibit 21.1

Subsidiaries as of December 31, 2019

Name	State or Country of Organization
Agila Australasia Pty Ltd	Australia
Alphapharm Pty. Ltd.	Australia
Mylan Australia Holding Pty Ltd	Australia
Mylan Australia Pty Limited	Australia
Mylan Health Pty. Ltd.	Australia
Arcana Arzneimittel GmbH	Australia
MEDA Pharma GmbH	Austria
Mylan Österreich GmbH	Austria
Meda Pharma S.A.	Belgium
Mylan BVBA	Belgium
Mylan EPD BVBA	Belgium
Mylan Bermuda Ltd.	Bermuda
Mylan d.o.o.	Bosnia and Herzegovina
Mylan Brasil Distribuidora de Medicamentos Ltda	Brazil
Mylan Laboratórios Ltda	Brazil
Mylan EOOD	Bulgaria
BGP Pharma ULC	Canada
Meda Pharmaceuticals Ltd	Canada
Mylan Pharmaceuticals ULC	Canada
Medicine Meda Pharmaceutical Information Consultancy (Beijing) Co., Ltd.	China
Mylan Pharmaceutical Science and Technology (Shanghai) Co., Ltd.	China
Mylan Hrvatska d.o.o.	Croatia
Onco Laboratories Limited	Cyprus
Meda Pharma s.r.o.	Czech Republic
Mylan Healthcare CZ s.r.o.	Czech Republic
Mylan Pharmaceuticals s.r.o.	Czech Republic

Acton Pharmaceuticals Inc.	Delaware
Alaven Pharmaceutical LLC	Delaware
ALVP Holdings, LLC	Delaware
Delcor Asset Corporation	Delaware
Denco Asset, LLC	Delaware
Deogun Manufacturing, LLC	Delaware
Dey Limited Partner LLC	Delaware
Dey, Inc.	Delaware
EMD, Inc.	Delaware
Ezio Pharma, Inc.	Delaware
Franklin Pharmaceutical LLC	Delaware
Madaus Inc.	Delaware
Marquis Industrial Company, LLC	Delaware
Meda Pharmaceuticals Inc.	Delaware
Mylan API Inc.	Delaware
Mylan API US LLC	Delaware
Mylan Consumer Healthcare, Inc.	Delaware
Mylan D.T. (U.S.) Holdings, Inc.	Delaware
Mylan D.T. DPT Partner Sub, LLC	Delaware
Mylan D.T., Inc.	Delaware
Mylan Holdings Inc.	Delaware
Mylan Institutional LLC	Delaware
Mylan Investment Holdings 4 LLC	Delaware
Mylan Investment Holdings 5 LLC	Delaware
Mylan Investment Holdings 6 LLC	Delaware
Mylan LLC	Delaware
Mylan Securitization LLC	Delaware
Mylan Special Investments LLC	Delaware
Mylan Special Investments II, LLC	Delaware

Mylan Special Investments III, LLC	Delaware
Mylan Special Investments IV, LLC	Delaware
Mylan Special Investments V, LLC	Delaware
Mylan Special Investments VI, LLC	Delaware
Mylan Specialty L.P.	Delaware
Nimes Inc.	Delaware
Powder Street, LLC	Delaware
Prestium Pharma, Inc.	Delaware
Somerset Pharmaceuticals, Inc.	Delaware
Wallace Pharmaceuticals Inc.	Delaware
Meda A/S	Denmark
Mylan ApS	Denmark
Mylan Denmark ApS	Denmark
Agila Specialties Investments Limited	England & Wales
Generics [U.K.] Limited	England & Wales
Mylan Holdings Acquisition Limited	England & Wales
Mylan Holdings Acquisition 2 Limited	England & Wales
Mylan Holdings Ltd.	England & Wales
Mylan Pharma UK Limited	England & Wales
Mylan Products Limited	England & Wales
Mylan UK Healthcare Limited	England & Wales
Meda Oy	Finland
Mylan Finland Oy	Finland
Mylan Oy	Finland
Laboratoires Madaus S.A.S.	France
Meda Holding S.A.S.	France
Meda Manufacturing S.A.S.	France
Meda Pharma S.A.S.	France
Mylan EMEA S.A.S.	France

Mylan Generics France Holding S.A.S.	France
Mylan Laboratories S.A.S.	France
Mylan Medical S.A.S.	France
Mylan S.A.S.	France
Rottapharm S.A.S.	France
Erste Madaus Beteiligungs GmbH	Germany
Madaus GmbH	Germany
Meda Germany Beteiligungs GmbH	Germany
Meda Germany Holding GmbH	Germany
Meda Manufacturing GmbH	Germany
Meda Pharma GmbH & Co. KG	Germany
MWB Pharma GmbH	Germany
Mylan Germany GmbH	Germany
Mylan dura GmbH	Germany
Mylan Healthcare GmbH	Germany
Pharmazeutische Union GmbH	Germany
PharmLog Pharma Logistik GmbH	Germany
Rottapharm Madaus GmbH	Germany
Viatris GmbH	Germany
Zweite Madaus Beteiligungs GmbH	Germany
Mylan (Gibraltar) 4 Limited	Gibraltar
Mylan (Gibraltar) 5 Limited	Gibraltar
Mylan (Gibraltar) 6 Limited	Gibraltar
Mylan (Gibraltar) 7 Limited	Gibraltar
Mylan (Gibraltar) 8 Limited	Gibraltar
Mylan (Gibraltar) 9 Limited	Gibraltar
BGP Pharmaceutical Products Ltd.	Greece
Generics Pharma Hellas Ltd.	Greece
Meda Pharmaceuticals S.A.	Greece

Mylan Pharmaceutical Hong Kong Limited	Hong Kong
Meda Pharma Hungary Kereskedelmi Kft.	Hungary
Mylan EPD Kft.	Hungary
Mylan Hungary Kft.	Hungary
Mylan Kft.	Hungary
Mylan Institutional Inc.	Illinois
Mylan Laboratories India Private Limited	India
Mylan Laboratories Limited	India
Mylan Pharmaceuticals Private Limited	India
BGP Products Limited	Ireland
McDermott Laboratories Limited	Ireland
Meda Health Sales Ireland Limited	Ireland
Mylan Investments Limited	Ireland
Mylan IRE Healthcare Limited	Ireland
Mylan Ireland Holdings Limited	Ireland
Mylan Ireland Investment Designated Activity Company	Ireland
Mylan Ireland Limited	Ireland
Mylan Pharma Acquisition Limited	Ireland
Mylan Pharma Group Limited	Ireland
Mylan Pharma Holdings Limited	Ireland
Mylan Teoranta	Ireland
Rottapharm Limited	Ireland
Dermogroup S.r.l.	Italy
Mylan Italia S.r.l.	Italy
Meda Pharma S.p.A.	Italy
Mylan S.p.A.	Italy
Rottapharm S.p.A.	Italy
Mylan EPD G.K.	Japan
Mylan Seiyaku Ltd.	Japan

SIA “Meda Pharma”	Latvia
SIA “Mylan Healthcare”	Latvia
BGP Products UAB	Lithuania
BGP Products S.à.r.l.	Luxembourg
Integral S.A.	Luxembourg
Meda Pharma S.à r.l.	Luxembourg
Mylan Luxembourg 1 S.à r.l.	Luxembourg
Mylan Luxembourg 2 S.à r.l.	Luxembourg
Mylan Luxembourg 3 S.à r.l.	Luxembourg
Mylan Luxembourg 6 S.à r.l.	Luxembourg
Mylan Luxembourg 7 S.à r.l.	Luxembourg
Mylan Luxembourg 9 S.à r.l.	Luxembourg
Mylan Luxembourg S.à r.l.	Luxembourg
SIM S.A.	Luxembourg
Mylan Healthcare Sdn. Bhd.	Malaysia
Mylan Malaysia SDN. BHD.	Malaysia
MP Laboratories (Mauritius) Ltd.	Mauritius
Meda Phama, S. de R.L. de C.V.	Mexico
Meda Pharma Servicios, S. de R.L. de C.V.	Mexico
Mylan Pharmaceuticals S.A.S.	Morocco
Meda Pharma B.V.	Netherlands
Mylan B.V.	Netherlands
Mylan Group B.V.	Netherlands
Mylan Healthcare B.V.	Netherlands
Mylan I B.V.	Netherlands
Mylan II B.V.	Netherlands
Agila Specialties Inc.	New Jersey
BGP Products	New Zealand
Mylan New Zealand Limited	New Zealand

Mylan Health Management LLC	North Carolina
Meda AS	Norway
Mylan Healthcare Norge AS	Norway
Mylan Hospital AS	Norway
ZpearPoint AS	Norway
MLRE LLC	Pennsylvania
Mylan Holdings Sub Inc.	Pennsylvania
Mylan Inc.	Pennsylvania
Synerx Pharma, LLC	Pennsylvania
Mylan Philippines Inc.	Philippines
Mylan EPD Sp. Z o.o.	Poland
Mylan Healthcare S.p. Z o.o.	Poland
Mylan Pharmaceuticals Sp. Z o.o.	Poland
BGP Products, Unipessoal, LDA	Portugal
Laboratorios Anova - Produtos Farmaceuticos, LDA	Portugal
Laboratorios Delta, S.A.	Portugal
Meda Pharma - Produtos Farmaceuticos, S.A.	Portugal
Mylan EPD Lda.	Portugal
Mylan, Lda	Portugal
BGP Products S.r.l.	Romania
Mylan Pharma LLC	Russian Federation
Mylan Pharmaceuticals Pte. Ltd.	Singapore
BGP Products s.r.o.	Slovakia
Meda Pharma spol. s.r.o.	Slovakia
Mylan s.r.o.	Slovakia
Mylan Healthcare, farmacevtsko podjetje, d.o.o.	Slovenia
MYLAN, farmacevtska druzba, d.o.o.	Slovenia
Meda Pharma South Africa (Pty) Limited	South Africa
Mylan (Proprietary) Limited	South Africa

Mylan Pharmaceuticals (Pty) Ltd.	South Africa
SCP Pharmaceuticals (Proprietary) Limited	South Africa
Xixia Pharmaceuticals (Proprietary) Limited	South Africa
Fundacion Mylan para la Salud	Spain
Meda Pharma, S.L.	Spain
Mylan Pharmaceuticals S.L.U.	Spain
Abbex AB	Sweden
Antula Holding AB	Sweden
BGP Products AB	Sweden
Ellem Lakemedel AB	Sweden
Ipex AB	Sweden
Ipex Medical AB	Sweden
Meda AB	Sweden
Meda OTC AB	Sweden
Mylan AB	Sweden
Mylan Sweden Holdings AB	Sweden
Recip AB	Sweden
Recip Lakemedel AB	Sweden
Safe Breath International AB	Sweden
Scandinavian Pharmaceuticals-Generics AB	Sweden
Scand Pharm Marketing AB	Sweden
Mylan Pharma GmbH	Switzerland
BGP Products Operations GmbH	Switzerland
BGP Products Switzerland GmbH	Switzerland
Meda Pharma GmbH	Switzerland
Meda Pharmaceuticals Switzerland GmbH	Switzerland
Mylan GmbH	Switzerland
Mylan Holdings GmbH	Switzerland
Mylan (Taiwan) Limited	Taiwan Province of China

DPT Laboratories, Ltd.	Texas
Mylan Bertek Pharmaceuticals Inc.	Texas
Meda Pharma (Thailand) Co., Ltd.	Thailand
Meda Pharma Ilaç Sanayi ve Ticaret Limited Sirketi	Turkey
Meda Pharmaceuticals MEA FZ-LLC	United Arab Emirates
Mylan FZ-LLC	United Arab Emirates
American Triumvirate Insurance Company	Vermont
Mylan International Holdings, Inc.	Vermont
MP AIR, Inc.	West Virginia
Mylan Pharmaceuticals Inc.	West Virginia
Mylan Technologies, Inc.	West Virginia
Mylan ASI LLC	Wyoming

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-206912 on Form S-8, and Registration Statement No. 333-206913 on Form S-3, of our reports dated February 27, 2020, relating to the consolidated financial statements of Mylan N.V. and subsidiaries (the "Company") and the effectiveness of the Company's internal control over financial reporting, appearing in this Annual Report on Form 10-K of Mylan N.V. for the year ended December 31, 2019.

/s/ DELOITTE & TOUCHE LLP
Pittsburgh, Pennsylvania
February 27, 2020

EXHIBIT 31.1

Certification of Principal Executive Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Heather Bresch, certify that:

1. I have reviewed this Form 10-K of Mylan N.V.;

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(s) 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(s) 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 functions):

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.

/s/ HEATHER BRESCH

Heather Bresch
Chief Executive Officer
(Principal Executive Officer)

Date: February 27, 2020

EXHIBIT 31.2

Certification of Principal Financial Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Kenneth S. Parks, certify that:

1. I have reviewed this Form 10-K of Mylan N.V.;

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(s) 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(s) 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 functions):

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.

/s/ KENNETH S. PARKS

Kenneth S. Parks
Chief Financial Officer
(Principal Financial Officer)

Date: February 27, 2020

EXHIBIT 32

CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Form 10-K of Mylan N.V. (the "Company") for the year ended December 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 27, 2020

/s/ HEATHER BRESCH

Heather Bresch
Chief Executive Officer
(Principal Executive Officer)

/s/ KENNETH S. PARKS

Kenneth S. Parks
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished in accordance with Securities and Exchange Commission Release No. 34-47551 and shall not be considered filed as part of the Form 10-K.