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

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2018

or

o **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: 001-36326

ENDO INTERNATIONAL PLC
(Exact name of registrant as specified in its charter)

Ireland	**68-0683755**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
First Floor, Minerva House, Simmonscourt Road, Ballsbridge, Dublin 4, Ireland	**Not Applicable**
(Address of Principal Executive Offices)	(Zip Code)

011-353-1-268-2000
(Registrant's telephone number, including area code)

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

Title of each class	**Name of each exchange on which registered**
Ordinary shares, nominal value $0.0001 per share	**The NASDAQ Global Market**

Securities registered pursuant to Section 12(g) of the Act:
None

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 o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes ☑ No o

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

Large accelerated filer	☑	Accelerated filer	o
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	o
Emerging Growth Company	o		

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. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No ☑

Indicate the number of shares outstanding of each of the issuer's classes of ordinary shares, as of the latest practicable date.

Ordinary shares, $0.0001 par value	Number of ordinary shares outstanding as of July 31, 2018: 223,931,072

ENDO INTERNATIONAL PLC

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FORWARD-LOOKING STATEMENTS

Statements contained or incorporated by reference in this document contain information that includes or is based on "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act). These statements, including estimates of future revenues, future expenses, future net income and future net income per share, contained in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," which is included in this document, are subject to risks and uncertainties. Forward-looking statements include the information concerning our possible or assumed results of operations. We have tried, whenever possible, to identify such statements by words such as "believes," "expects," "anticipates," "intends," "estimates," "plan," "projected," "forecast," "will," "may" or similar expressions. We have based these forward-looking statements on our current expectations and projections about the growth of our business, our financial performance and the development of our industry. Because these statements reflect our current views concerning future events, these forward-looking statements involve risks and uncertainties. Investors should note that many factors, as more fully described under the caption "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2017, as supplemented and amended by the risk factors previously disclosed by us in Part II, Item 1A under the caption "Risk Factors" of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018, could affect our future financial results and could cause our actual results to differ materially from those expressed in forward-looking statements contained or incorporated by reference in this document.

We do not undertake any obligation to update our forward-looking statements after the date of this document for any reason, even if new information becomes available or other events occur in the future, except as may be required under applicable securities law. You are advised to consult any further disclosures we make on related subjects in our reports filed with the Securities and Exchange Commission (SEC) and with securities regulators in Canada on the System for Electronic Document Analysis and Retrieval (SEDAR). Also note that, in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2017, as supplemented and amended by the risk factors previously disclosed by us in Part II, Item 1A under the caption "Risk Factors" of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2018, we provide a cautionary discussion of the risks, uncertainties and possibly inaccurate assumptions relevant to our business. These are factors that, individually or in the aggregate, we think could cause our actual results to differ materially from expected and historical results. We note these factors for investors as permitted by Section 27A of the Securities Act and Section 21E of the Exchange Act. You should understand that it is not possible to predict or identify all such factors. Consequently, you should not consider this to be a complete discussion of all potential risks or uncertainties.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
(In thousands, except share and per share data)

	June 30, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 1,098,788	$ 986,605
Restricted cash and cash equivalents	358,211	320,453
Accounts receivable	451,240	517,436
Inventories, net	343,318	391,437
Prepaid expenses and other current assets	45,305	43,098
Income taxes receivable	12,036	12,048
Total current assets	$ 2,308,898	$ 2,271,077
MARKETABLE SECURITIES	2,404	1,456
PROPERTY, PLANT AND EQUIPMENT, NET	499,142	523,971
GOODWILL	4,055,193	4,450,082
OTHER INTANGIBLES, NET	3,923,866	4,317,684
DEFERRED INCOME TAXES	7	11,582
OTHER ASSETS	68,525	59,728
TOTAL ASSETS	$ 10,858,035	$ 11,635,580
LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 1,027,357	$ 1,096,825
Current portion of legal settlement accrual	1,089,722	1,087,793
Current portion of long-term debt	34,205	34,205
Income taxes payable	1,782	2,086
Total current liabilities	$ 2,153,066	$ 2,220,909
DEFERRED INCOME TAXES	42,914	43,131
LONG-TERM DEBT, LESS CURRENT PORTION, NET	8,233,005	8,242,032
LONG-TERM LEGAL SETTLEMENT ACCRUAL, LESS CURRENT PORTION	70,732	210,450
OTHER LIABILITIES	420,395	434,178
COMMITMENTS AND CONTINGENCIES (NOTE 14)		
SHAREHOLDERS' (DEFICIT) EQUITY:		
Euro deferred shares, $0.01 par value; 4,000,000 shares authorized and issued at both June 30, 2018 and December 31, 2017	47	48
Ordinary shares, $0.0001 par value; 1,000,000,000 shares authorized; 223,929,771 and 223,331,706 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	22	22
Additional paid-in capital	8,819,262	8,791,170
Accumulated deficit	(8,659,819)	(8,096,539)
Accumulated other comprehensive loss	(221,589)	(209,821)
Total shareholders' (deficit) equity	$ (62,077)	$ 484,880
TOTAL LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY	$ 10,858,035	$ 11,635,580

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
TOTAL REVENUES	$ 714,696	$ 875,731	$ 1,415,223	$ 1,913,331
COSTS AND EXPENSES:				
Cost of revenues	381,905	539,401	785,503	1,208,363
Selling, general and administrative	148,157	155,555	314,824	332,795
Research and development	82,102	40,869	120,748	83,878
Litigation-related and other contingencies, net	19,620	(2,600)	17,120	(1,664)
Asset impairment charges	22,767	725,044	471,183	929,006
Acquisition-related and integration items	5,161	4,190	11,996	15,070
OPERATING INCOME (LOSS) FROM CONTINUING OPERATIONS	$ 54,984	$ (586,728)	$ (306,151)	$ (654,117)
INTEREST EXPENSE, NET	130,059	121,747	254,049	233,746
LOSS ON EXTINGUISHMENT OF DEBT	—	51,734	—	51,734
OTHER INCOME, NET	(28,831)	(6,709)	(31,709)	(8,746)
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX	$ (46,244)	$ (753,500)	$ (528,491)	$ (930,851)
INCOME TAX EXPENSE (BENEFIT)	6,235	(57,480)	21,726	(69,408)
LOSS FROM CONTINUING OPERATIONS	$ (52,479)	$ (696,020)	$ (550,217)	$ (861,443)
DISCONTINUED OPERATIONS, NET OF TAX (NOTE 3)	(8,388)	(700,498)	(16,139)	(708,903)
NET LOSS	$ (60,867)	$ (1,396,518)	$ (566,356)	$ (1,570,346)
NET LOSS PER SHARE—BASIC:				
Continuing operations	$ (0.23)	$ (3.12)	$ (2.46)	$ (3.86)
Discontinued operations	(0.04)	(3.14)	(0.07)	(3.18)
Basic	$ (0.27)	$ (6.26)	$ (2.53)	$ (7.04)
NET LOSS PER SHARE—DILUTED:				
Continuing operations	$ (0.23)	$ (3.12)	$ (2.46)	$ (3.86)
Discontinued operations	(0.04)	(3.14)	(0.07)	(3.18)
Diluted	$ (0.27)	$ (6.26)	$ (2.53)	$ (7.04)
WEIGHTED AVERAGE SHARES:				
Basic	223,834	223,158	223,677	223,086
Diluted	223,834	223,158	223,677	223,086

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)
(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
NET LOSS	$ (60,867)	$ (1,396,518)	$ (566,356)	$ (1,570,346)
OTHER COMPREHENSIVE (LOSS) INCOME:				
Net unrealized gain on securities, net of tax:				
Unrealized gain arising during the period	$ —	$ 491	$ —	$ 145
Less: reclassification adjustments for (gain) loss realized in net loss	—	—	—	—
	—	491	—	145
Net unrealized (loss) gain on foreign currency:				
Foreign currency translation (loss) gain arising during the period	$ (5,971)	$ 10,340	$ (11,768)	$ 25,474
Less: reclassification adjustments for (gain) loss realized in net loss	—	—	—	—
	(5,971)	10,340	(11,768)	25,474
OTHER COMPREHENSIVE (LOSS) INCOME	$ (5,971)	$ 10,831	$ (11,768)	$ 25,619
COMPREHENSIVE LOSS	$ (66,838)	$ (1,385,687)	$ (578,124)	$ (1,544,727)

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(In thousands)

	Six Months Ended June 30,	
	2018	2017
OPERATING ACTIVITIES:		
Net loss	$ (566,356)	$ (1,570,346)
Adjustments to reconcile Net loss to Net cash provided by operating activities:		
Depreciation and amortization	379,646	499,656
Inventory step-up	190	215
Share-based compensation	29,986	27,005
Amortization of debt issuance costs and discount	10,112	12,757
Deferred income taxes	12,147	(179,775)
Change in fair value of contingent consideration	10,962	8,134
Loss on extinguishment of debt	—	51,734
Asset impairment charges	471,183	929,006
Gain on sale of business and other assets	(26,993)	(2,311)
Changes in assets and liabilities which provided (used) cash:		
Accounts receivable	48,744	409,292
Inventories	43,648	38,293
Prepaid and other assets	5,230	14,422
Accounts payable, accrued expenses and other liabilities	(199,065)	85,350
Income taxes payable/receivable	(302)	15,654
Net cash provided by operating activities	$ 219,132	$ 339,086
INVESTING ACTIVITIES:		
Purchases of property, plant and equipment, excluding capitalized interest	(41,960)	(59,729)
Capitalized interest payments	(1,677)	—
Proceeds from sale of business and other assets, net	37,971	18,531
Other investing activities	(3,322)	—
Net cash used in investing activities	$ (8,988)	$ (41,198)

	Six Months Ended June 30,	
	2018	2017
FINANCING ACTIVITIES:		
Proceeds from issuance of notes	—	300,000
Proceeds from issuance of term loans	—	3,415,000
Principal payments on term loans	(17,076)	(3,713,875)
Principal payments on other indebtedness	(2,574)	(3,675)
Deferred financing fees	—	(53,954)
Payments for contingent consideration	(19,267)	(41,240)
Payments of tax withholding for restricted shares	(1,876)	(1,839)
Net cash used in financing activities	$ (40,793)	$ (99,583)
Effect of foreign exchange rate	(1,010)	2,926
Movement in cash held for sale	—	(21,125)
NET INCREASE IN CASH, CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED CASH EQUIVALENTS	$ 168,341	$ 180,106
CASH, CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED CASH EQUIVALENTS, BEGINNING OF PERIOD	1,311,014	805,180
CASH, CASH EQUIVALENTS, RESTRICTED CASH AND RESTRICTED CASH EQUIVALENTS, END OF PERIOD	$ 1,479,355	$ 985,286
SUPPLEMENTAL INFORMATION:		
Cash paid into Qualified Settlement Funds for mesh legal settlements	$ 126,400	$ 522,770
Cash paid out of Qualified Settlement Funds for mesh legal settlements	$ 148,824	$ 440,190
Other cash distributions for mesh legal settlements	$ 12,761	$ 3,794
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Accrual for purchases of property, plant and equipment	$ 3,118	$ 1,325

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2018

NOTE 1. BASIS OF PRESENTATION

Endo International plc is an Ireland-domiciled, global specialty pharmaceutical company focused on generic and branded pharmaceuticals. We aim to be the premier partner to healthcare professionals and payment providers, delivering an innovative suite of generic and branded drugs to meet patients' needs.

Unless otherwise indicated or required by the context, references throughout to "Endo," the "Company," "we," "our," or "us" refer to financial information and transactions of Endo International plc and its subsidiaries.

The accompanying unaudited Condensed Consolidated Financial Statements of Endo International plc and its subsidiaries have been prepared in accordance with United States (U.S.) generally accepted accounting principles (GAAP) for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X of the Securities and Exchange Commission for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, the accompanying Condensed Consolidated Financial Statements of Endo International plc and its subsidiaries, which are unaudited, include all normal and recurring adjustments necessary for a fair statement of the Company's financial position as of June 30, 2018 and the results of our operations and our cash flows for the periods presented. Operating results for the three and six months ended June 30, 2018 are not necessarily indicative of the results that may be expected for the year ending December 31, 2018. The year-end Condensed Consolidated Balance Sheet data as of December 31, 2017 was derived from audited financial statements.

The information included in this Quarterly Report on Form 10-Q should be read in conjunction with our Consolidated Financial Statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2017.

Certain prior period amounts have been reclassified to conform to the current period presentation as a result of our fourth-quarter 2017 adoption of Accounting Standards Update (ASU) No. 2016-18 *"Statement of Cash Flows (Topic 230) - Restricted Cash"* (ASU 2016-18). The table below presents the effects of ASU 2016-18 on the Company's Condensed Consolidated Statement of Cash Flows for the six months ended June 30, 2017 (in thousands):

	Prior to Adoption	Impact of Adoption	Subsequent to Adoption
Net cash provided by operating activities	$ 340,986	$ (1,900)	$ 339,086
Net cash used in investing activities	(123,780)	82,582	(41,198)
Net cash used in financing activities	(99,583)	—	(99,583)
Effect of foreign exchange rate	2,786	140	2,926
Movement in cash held for sale	(21,125)	—	(21,125)
Net change (1)	$ 99,284	$ 80,822	$ 180,106
Beginning-of-period balance (2)	517,250	287,930	805,180
End-of-period balance (2)	$ 616,534	$ 368,752	$ 985,286

(1) This line refers to the "Net increase in cash and cash equivalents" prior to the adoption of ASU 2016-18 and the "Net increase in cash, cash equivalents, restricted cash and restricted cash equivalents" after the adoption.
(2) These lines refer to the beginning or end of period amounts of "Cash and cash equivalents" prior to the adoption of ASU 2016-18 and the beginning or end of period amounts of "Cash, cash equivalents, restricted cash and restricted cash equivalents" after the adoption.

Additionally, the information in this Quarterly Report on Form 10-Q has been retrospectively recast to reflect the change in reportable segments referenced in Note 6. Segment Results.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies Updated since December 31, 2017

Significant changes to our significant accounting policies since December 31, 2017 are detailed below. For additional discussion of the Company's significant accounting policies, see Note 2. Summary of Significant Accounting Policies in the Consolidated Financial Statements, included in Part IV, Item 15 of our Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on February 27, 2018.

Revenue Recognition. The Company adopted *Accounting Standards Codification Topic 606, Revenue from Contracts with Customers* (ASC 606) on January 1, 2018 using the modified retrospective method for all revenue-generating contracts, including modifications thereto, that were not completed contracts at the date of adoption. For further discussion of the impact of adoption, refer to the "Recent Accounting Pronouncements Adopted or Otherwise Effective as of June 30, 2018" section below. ASC 606 applies to contracts with commercial substance that establish the payment terms and each party's rights regarding the goods or services to be transferred, to the extent collection of substantially all of the related consideration is probable. Under ASC 606, we recognize revenue for contracts meeting these criteria when (or as) we satisfy our performance obligations for such contracts by transferring control of the underlying promised goods or services to our customers. The amount of revenue we recognize reflects our estimate of the consideration we expect to be entitled to receive, subject to certain constraints, in exchange for such goods or services. This amount is referred to as the transaction price.

Our revenue consists almost entirely of sales of our pharmaceutical products to customers, whereby we ship product to a customer pursuant to a purchase order and invoice the customer upon shipment. For contracts such as these, revenue is recognized when our contractual performance obligations have been fulfilled and control has been transferred to the customer pursuant to the contract's terms, which is generally upon delivery to the customer. The amount of revenue we recognize is equal to the fixed amount of the transaction price, adjusted for our estimates of a number of significant variable components including, but not limited to, estimates for chargebacks, rebates, sales incentives and allowances, distribution service agreement (DSA) and other fees for services, returns and allowances. The Company utilizes the expected value method when estimating the amount of variable consideration to include in the transaction price with respect to each of the foregoing variable components and the most likely amount method when estimating the amount of variable consideration to include in the transaction price with respect to future potential milestone payments that do not qualify for the sales- and usage-based royalty exception. Variable consideration is included in the transaction price only to the extent that it is probable that a significant revenue reversal will not occur when the uncertainty associated with the variable consideration is resolved. Payment terms for these types of contracts generally fall within 30 to 90 days of invoicing. Our most significant components of variable consideration are further described below. Our estimates for these components are based on factors such as historical experience, estimated future trends, estimated customer inventory levels, current contract sales terms with our direct and indirect customers and other competitive factors.

Returns and Allowances. Consistent with industry practice, we maintain a return policy that allows our customers to return product within a specified period of time both subsequent to and, in certain cases, prior to the product's expiration date. Our return policy generally allows customers to receive credit for expired products within six months prior to expiration and within one year after expiration. Our provision for returns and allowances consists of our estimates for future product returns, pricing adjustments and delivery errors.

Rebates. Our provision for rebates, sales incentives and other allowances can generally be categorized into the following four types:

- direct rebates;
- indirect rebates;
- governmental rebates, including those for Medicaid, Medicare and TRICARE, among others; and
- managed-care rebates.

We establish contracts with wholesalers, chain stores and indirect customers that provide for rebates, sales incentives, DSA fees and other allowances. Some customers receive rebates upon attaining established sales volumes. Direct rebates are generally rebates paid to direct purchasing customers based on a percentage applied to a direct customer's purchases from us, including fees paid to wholesalers under our DSAs, as described above. Indirect rebates are rebates paid to indirect customers which have purchased our products from a wholesaler under a contract with us.

We are subject to rebates on sales made under governmental and managed-care pricing programs based on relevant statutes with respect to governmental pricing programs and contractual sales terms with respect to managed-care providers and group purchasing organizations. For example, we are required to provide a 50% discount on our brand-name drugs to patients who fall within the Medicare Part D coverage gap, also referred to as the donut hole.

We participate in various federal and state government-managed programs whereby discounts and rebates are provided to participating government entities. For example, Medicaid rebates are amounts owed based upon contractual agreements or legal requirements with public sector (Medicaid) benefit providers after the final dispensing of the product by a pharmacy to a benefit plan participant.

Chargebacks. We market and sell products to both: (i) direct customers including wholesalers, distributors, warehousing pharmacy chains and other direct purchasing groups and (ii) indirect customers including independent pharmacies, non-warehousing chains, managed-care organizations, group purchasing organizations and government entities. We enter into agreements with certain of our indirect customers to establish contract pricing for certain products. These indirect customers then independently select a wholesaler from which to purchase the products at these contracted prices. Alternatively, we may pre-authorize wholesalers to offer specified contract pricing to other indirect customers. Under either arrangement, we provide credit to the wholesaler for any difference between the contracted price with the indirect customer and the wholesaler's invoice price. Such credit is called a chargeback.

New Significant Accounting Policies Added since December 31, 2017

Contract Assets and Contract Liabilities. Contract assets represent the Company's right to consideration in exchange for goods or services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time including, for example, the entity's future performance. The Company records revenue and a corresponding contract asset when it fulfills a contractual performance obligation, but must also fulfill one or more additional performance obligations before being entitled to payment. Once the Company's right to consideration becomes unconditional, the contract asset amount is reclassified as Accounts receivable.

Contract liabilities represent the Company's obligation to transfer goods or services to a customer. The Company records a contract liability generally upon receipt of consideration in advance of fulfilling one or more of its contractual performance obligations. Upon completing the corresponding performance obligation, the contract liability amount is reversed and revenue is recognized.

Contract assets and liabilities related to rights and obligations arising from a single contract, or a series of contracts combined and accounted for as a single contract, are generally presented on a net basis. Contract assets and liabilities are further described in Note 11. Contract Assets and Liabilities.

Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements Not Yet Adopted as of June 30, 2018

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, *"Leases (Topic 842)"* (ASU 2016-02) to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. Under the new guidance, lessees are required to recognize a lease liability, which represents the discounted obligation to make future minimum lease payments, and a corresponding right-of-use asset on the balance sheet for most leases. In July 2018, the FASB issued ASU No. 2018-10, *"Codification Improvements to Topic 842, Leases"* (ASU 2018-10), which provides narrow amendments to clarify how to apply certain aspects of the new lease standard, and ASU No. 2018-11, *"Leases (Topic 842) - Targeted Improvements"* (ASU 2018-11), which addresses implementation issues related to the new lease standard. This guidance will be effective for the Company beginning in the first quarter of 2019, with early application permitted, and the Company plans to adopt this guidance in the first quarter of 2019. The Company is continuing to evaluate the impact that this new guidance will have on its consolidated financial statements, including its disclosures and the method of adoption. It is expected that the primary impact upon adoption will be the recognition, on a discounted basis, of the Company's minimum commitments under noncancelable operating leases as right of use assets and obligations on the consolidated balance sheets. This will result in a significant increase in assets and liabilities on the Company's consolidated balance sheets. In preparation for the adoption of this guidance, the Company is continuing the process of identifying and validating the Company's lease information and evaluating the impact that this new guidance will have on its processes and controls.

In February 2018, the FASB issued ASU No. 2018-02, *"Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*" (ASU 2018-02). ASU 2018-02 allows for a reclassification from accumulated other comprehensive income or loss to retained earnings or accumulated deficit for stranded tax effects resulting from the Tax Cuts and Jobs Act of 2017 (TCJA). ASU 2018-02 also requires certain related disclosures. ASU 2018-02 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2018 and should be applied either in the period of adoption or retrospectively to each period in which the effect of the change in the U.S. federal corporate income tax rate in the TCJA is recognized. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2018-02 on the Company's consolidated results of operations and financial position.

In July 2018, the FASB issued ASU No. 2018-09, *"Codification Improvements"* (ASU 2018-09). ASU 2018-09 makes changes to a variety of topics to clarify, correct errors in or make minor improvements to the Accounting Standards Codification. Certain of these provisions are effective immediately; however, these provisions did not have a material impact on the Company's financial statements or disclosures. The remaining provisions are generally effective for public business entities for annual periods, and interim periods within those annual periods, beginning after December 15, 2018. The Company is currently evaluating the impact of these remaining provisions of ASU 2018-09 on the Company's consolidated results of operations and financial position.

Recent Accounting Pronouncements Adopted or Otherwise Effective as of June 30, 2018

In May 2014, the FASB issued ASU No. 2014-09, *"Revenue from Contracts with Customers"* (ASU 2014-09), which was subsequently amended and supplemented by several additional ASUs including:

- ASU No. 2015-14, *"Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date,"* (issued in August 2015), which deferred the effective date of ASU 2014-09 by one year, such that ASU 2014-09 became effective for Endo for annual and interim reporting periods beginning after December 15, 2017;
- ASU No. 2016-08, *"Revenue from Contracts with Customers (Topic 606): Principal versus Agent Consideration (Reporting Revenue Gross versus Net)"* (issued in March 2016), which clarified the guidance on reporting revenue as a principal versus agent;

- ASU No. 2016-10, *"Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing"* (issued in April 2016), which clarified the guidance on identifying performance obligations and accounting for intellectual property licenses; and
- ASU No. 2016-12, *"Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients"* and ASU No. 2016-20, *"Technical Corrections and Improvements to Topic 606, Revenue from Contracts with Customers,"* (issued in May 2016 and December 2016, respectively), which amended certain narrow aspects of Topic 606.

These ASUs have generally been codified in Accounting Standards Codification Topic 606 "*Revenue from Contracts with Customers*", and are collectively referred to herein as ASC 606. ASC 606 supersedes the revenue recognition requirements in Topic 605 *"Revenue Recognition"* (ASC 605), and requires entities to recognize revenue when control of promised goods or services is transferred to customers at an amount that reflects the consideration to which entities expect to be entitled in exchange for those goods or services.

The Company adopted ASC 606 on January 1, 2018 using the modified retrospective method for all revenue-generating contracts, including modifications thereto, that were not completed contracts at the date of adoption. Under the modified retrospective method, results beginning on January 1, 2018 are presented under ASC 606, while the comparative prior period results continue to be presented under ASC 605 based on the accounting standards originally in effect for such periods. As a result of adopting ASC 606, the Company recorded a net decrease of $3.1 million to its accumulated deficit at January 1, 2018, representing the cumulative impact of adopting ASC 606.

The current period impact of adoption on our Condensed Consolidated Statements of Operations and Condensed Consolidated Balance Sheets is as follows (in thousands):

	Three Months Ended June 30, 2018			Six Months Ended June 30, 2018		
Statement of Operations:	**Amounts reported under ASC 606**	**Amounts assuming continued application of ASC 605**	**Effect of adoption of ASC 606 (1)**	**Amounts reported under ASC 606**	**Amounts assuming continued application of ASC 605**	**Effect of adoption of ASC 606 (1)**
Total revenues	$ 714,696	$ 709,887	$ 4,809	$ 1,415,223	$ 1,412,561	$ 2,662
Cost of revenues	$ 381,905	$ 379,286	$ 2,619	$ 785,503	$ 784,612	$ 891
Other income, net	$ (28,831)	$ (27,831)	$ (1,000)	$ (31,709)	$ (30,709)	$ (1,000)
(Loss) income from continuing operations	$ (52,479)	$ (55,669)	$ 3,190	$ (550,217)	$ (552,988)	$ 2,771
Net (loss) income	$ (60,867)	$ (64,057)	$ 3,190	$ (566,356)	$ (569,127)	$ 2,771
Net (loss) income per share—Basic:						
Continuing operations	$ (0.23)	$ (0.25)	$ 0.02	$ (2.46)	$ (2.47)	$ 0.01
Total basic	$ (0.27)	$ (0.29)	$ 0.02	$ (2.53)	$ (2.54)	$ 0.01
Net (loss) income per share—Diluted:						
Continuing operations	$ (0.23)	$ (0.25)	$ 0.02	$ (2.46)	$ (2.47)	$ 0.01
Total diluted	$ (0.27)	$ (0.29)	$ 0.02	$ (2.53)	$ (2.54)	$ 0.01

(1) Amounts may not add due to rounding.

Balance Sheet:	At June 30, 2018		
	Amounts reported under ASC 606	Amounts assuming continued application of ASC 605	Effect of adoption of ASC 606
Assets:			
Inventories, net	$ 343,318	$ 353,012	$ (9,694)
Prepaid expenses and other current assets	$ 45,305	$ 34,994	$ 10,311
Other assets	$ 68,525	$ 63,579	$ 4,946
Liabilities:			
Accounts payable and accrued expenses	$ 1,027,357	$ 1,027,641	$ (284)
Shareholders' (deficit) equity:			
Accumulated deficit	$ (8,659,819)	$ (8,665,666)	$ 5,847

In May 2017, the FASB issued ASU No. 2017-09 *"Compensation - Stock Compensation"* (ASU 2017-09). ASU 2017-09 provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting. It is intended to reduce both (1) diversity in practice and (2) cost and complexity when accounting for changes to the terms or conditions of share-based payment awards. ASU 2017-09 is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2017. The Company adopted the new standard on January 1, 2018 and the amendments in this update will be applied prospectively to any award modified on or after the adoption date.

NOTE 3. DISCONTINUED OPERATIONS AND DIVESTITURES

Astora

The Company's Astora business ceased business operations on March 31, 2016. The operating results of Astora are reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented. The following table provides the operating results of Astora Discontinued operations, net of tax for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Litigation-related and other contingencies, net	$ —	$ 775,474	$ —	$ 775,684
Loss from discontinued operations before income taxes	$ (8,388)	$ (791,588)	$ (16,139)	$ (804,485)
Income tax benefit	$ —	$ (91,090)	$ —	$ (95,582)
Discontinued operations, net of tax	$ (8,388)	$ (700,498)	$ (16,139)	$ (708,903)

Amounts reported in the table above as Litigation-related and other contingencies, net primarily relate to charges for vaginal-mesh-related matters, which are further described in Note 14. Commitments and Contingencies. Loss from discontinued operations before income taxes also includes mesh-related legal defense costs and certain other items.

The cash flows from discontinued operating activities related to Astora included the impact of net losses of $16.1 million and $708.9 million for the six months ended June 30, 2018 and 2017, respectively, and the impact of cash activity related to vaginal mesh cases, which is further described in Note 14. Commitments and Contingencies. There was no net cash used in discontinued investing activities related to Astora during the six months ended June 30, 2018 or 2017. There was no depreciation or amortization during the six months ended June 30, 2018 or 2017 related to Astora.

Litha

During the fourth quarter of 2016, the Company initiated a process to sell its Litha Healthcare Group Limited and related Sub-Sahara African business assets (Litha) and, on February 27, 2017, the Company entered into a definitive agreement to sell Litha to Acino Pharma AG (Acino). The sale closed on July 3, 2017 and the Company received net cash proceeds of approximately $94.2 million, after giving effect to cash and net working capital purchase price adjustments, as well as a short-term receivable of $4.4 million, which was subsequently collected in October 2017. No additional gain or loss was recognized upon sale. However, in December 2017, Acino became obligated to pay $10.1 million of additional consideration to the Company related to the settlement of certain contingencies set forth in the purchase agreement, which was subsequently paid to the Company in January 2018. In December 2017, the Company recorded a short-term receivable and a gain on the sale of Litha for this amount. The gain was recorded in Other income, net in the Condensed Consolidated Statements of Operations. Litha was part of the Company's International Pharmaceuticals segment. Litha does not meet the requirements for treatment as a discontinued operation.

Somar

On June 30, 2017, the Company entered into a definitive agreement to sell Grupo Farmacéutico Somar, S.A.P.I. de C.V. (Somar) and all of the securities thereof, to AI Global Investments (Netherlands) PCC Limited acting for and on behalf of the Soar Cell (the Purchaser). The sale closed on October 25, 2017 and the Purchaser paid an aggregate purchase price of approximately $124 million in cash, after giving effect to estimated cash, debt and net working capital purchase price adjustments. The Company recognized a $1.3 million loss upon sale. Somar was part of the Company's International Pharmaceuticals segment. Somar does not meet the requirements for treatment as a discontinued operation.

NOTE 4. RESTRUCTURING

January 2017 Restructuring Initiative

On January 26, 2017, the Company announced a restructuring initiative implemented as part of its ongoing organizational review (the January 2017 Restructuring Initiative). This restructuring was intended to further integrate, streamline and optimize the Company's operations by aligning certain corporate and research and development (R&D) functions with its recently restructured U.S. generics and U.S. branded business units in order to create efficiencies and cost savings. As part of this restructuring, the Company undertook certain cost reduction initiatives, including a reduction of approximately 90 positions of its workforce, primarily related to corporate and branded R&D functions in Malvern, Pennsylvania and Chestnut Ridge, New York, a streamlining of general and administrative expenses, an optimization of commercial spend and a refocusing of research and development efforts.

The Company did not incur any pre-tax charges during the three and six months ended June 30, 2018 as a result of the January 2017 Restructuring Initiative. During the six months ended June 30, 2017, the Company incurred total pre-tax charges of approximately $15.1 million related to employee separation and other benefit-related costs. Of the total charges incurred, $6.9 million was included in the U.S. Branded - Specialty & Established Pharmaceuticals segment, $4.9 million was included in Corporate unallocated costs and $3.3 million was included in the U.S. Generic Pharmaceuticals segment. These charges were included in Selling, general and administrative expenses in the Condensed Consolidated Statements of Operations. There were no charges related to this restructuring initiative for the three months ended June 30, 2017. The Company does not expect to incur additional material pre-tax restructuring-related expenses related to this initiative. Substantially all cash payments were made by the end of 2017 and substantially all of the actions associated with this restructuring were completed by the end of April 2017.

2017 U.S. Generic Pharmaceuticals Restructuring Initiative

On July 21, 2017, the Company announced that after completing a comprehensive review of its manufacturing network, the Company would be ceasing operations and closing its manufacturing and distribution facilities in Huntsville, Alabama (the 2017 U.S. Generic Pharmaceuticals Restructuring Initiative). The closure of the facilities was completed in June 2018. Employee separation, retention and certain other employee benefit-related costs are expensed ratably over the requisite service period. Other costs including, but not limited to, contract termination fees and product technology transfer costs, are expensed as incurred.

As a result of the 2017 U.S. Generic Pharmaceuticals Restructuring Initiative, the Company incurred pre-tax charges of $27.1 million and $54.8 million during the three and six months ended June 30, 2018, respectively. During the three months ended June 30, 2018, the expenses consisted of charges relating to accelerated depreciation of $18.0 million, employee separation, retention and other benefit-related costs of $3.9 million and certain other charges of $5.2 million. During the six months ended June 30, 2018, the expenses consisted of charges relating to accelerated depreciation of $35.2 million, employee separation, retention and other benefit-related costs of $7.7 million, asset impairment charges of $2.6 million and certain other charges of $9.3 million. During both the three and six months ended June 30, 2017, the Company incurred pre-tax charges of $109.3 million, consisting of certain intangible asset and property, plant and equipment impairment charges of $89.5 million, charges to increase excess inventory reserves of $7.9 million and certain other charges of $11.9 million.

These charges are included in the U.S. Generic Pharmaceuticals segment. Accelerated depreciation and employee separation, retention and other benefit-related costs are included in Cost of revenues. Certain other charges are included in both Cost of revenues and Selling, general and administrative expenses in the Condensed Consolidated Statements of Operations. The Company expects to incur approximately $3.6 million of other miscellaneous additional pre-tax restructuring-related expenses related to this initiative. Substantially all cash payments are expected to be made by the end of the third quarter in 2019.

The liability related to the 2017 U.S. Generic Pharmaceuticals Restructuring Initiative is primarily included in Accounts payable and accrued expenses in the Condensed Consolidated Balance Sheets. Changes to this liability during the six months ended June 30, 2018 were as follows (in thousands):

	Employee Separation and Other Benefit-Related Costs	Other Restructuring Costs	Total
Liability balance as of January 1, 2018	$ 22,975	$ 1,610	$ 24,585
Expenses	7,709	6,603	14,312
Cash distributions	(12,733)	(7,863)	(20,596)
Liability balance as of June 30, 2018	$ 17,951	$ 350	$ 18,301

January 2018 Restructuring Initiative

In January 2018, the Company initiated a restructuring initiative that included a reorganization of its U.S. Generic Pharmaceuticals segment's research and development network, a further simplification of the Company's manufacturing networks and a company-wide unification of certain corporate functions (the January 2018 Restructuring Initiative).

As a result of the January 2018 Restructuring Initiative, the Company expects total related pre-tax charges of approximately $25 million, substantially all of which will result in cash outlays. The estimated restructuring charges consist of employee separation, retention and other benefit-related costs of approximately $23 million and certain other charges of approximately $2 million. Employee separation, retention and certain other employee benefit-related costs are expensed ratably over the requisite service period. Other costs are expensed as incurred.

As a result of the January 2018 Restructuring Initiative, the Company incurred pre-tax charges of $0.9 million and $23.8 million during the three and six months ended June 30, 2018, respectively. During the three months ended June 30, 2018, the expenses primarily consisted of employee separation, retention and other benefit-related costs of $0.7 million and certain other charges of $0.2 million. Of the total charges incurred, $0.6 million are included in the U.S. Generic Pharmaceuticals segment, $0.1 million are included in the International Pharmaceuticals segment and $0.2 million are included in the U.S. Branded - Sterile Injectables segment. During the six months ended June 30, 2018, the expenses primarily consisted of employee separation, retention and other benefit-related costs of $22.6 million and certain other charges of $1.2 million. Of the total charges incurred, $10.8 million are included in the U.S. Generic Pharmaceuticals segment, $5.2 million are included in Corporate unallocated costs, $4.0 million are included in the U.S. Branded - Sterile Injectables segment, $3.1 million are included in the International Pharmaceuticals segment and $0.7 million are included in the U.S. Branded - Specialty & Established Pharmaceuticals segment.

Employee separation, retention and other benefit-related costs are included in Cost of revenues, Selling, general and administrative and Research and development expenses in the Condensed Consolidated Statements of Operations. Certain other charges are primarily included in Selling, general and administrative expenses in the Condensed Consolidated Statements of Operations. The Company does not expect to incur additional material pre-tax restructuring-related expenses related to this initiative. Substantially all cash payments are expected to be made by the end of the first quarter in 2019.

The liability related to the January 2018 Restructuring Initiative is primarily included in Accounts payable and accrued expenses in the Condensed Consolidated Balance Sheets. Changes to this liability during the six months ended June 30, 2018 were as follows (in thousands):

	Employee Separation and Other Benefit-Related Costs	Other Restructuring Costs	Total
Liability balance as of January 1, 2018	$ —	$ 650	$ 650
Expenses	22,567	1,572	24,139
Cash distributions	(12,896)	(1,783)	(14,679)
Liability balance as of June 30, 2018	$ 9,671	$ 439	$ 10,110

NOTE 5. ACQUISITIONS

On April 26, 2018, the Company entered into a Membership Interest and Asset Purchase Agreement (the Somerset Purchase Agreement) with Mendham Holdings, LLC (the Seller) and certain other Seller related parties in connection with the acquisition of all of the limited liability company membership interests (the LLC Interests) of Somerset Therapeutics, LLC (Somerset) and certain of Somerset's assets, including intellectual property, product Abbreviated New Drug Applications (ANDAs) and inventory (the Somerset Assets). Somerset is a specialty pharmaceutical company that develops and markets sterile injectable and ophthalmic drugs for the U.S. market. The Somerset acquisition is contingent upon the closing of the acquisition of the Indian-based Wintac business (as defined below).

Pursuant to the terms of the Somerset Purchase Agreement, the Company will acquire 100% of the LLC Interests of Somerset and the Somerset Assets for an aggregate cash purchase price of approximately $160 million, subject to customary adjustments for cash, net working capital and indebtedness as described in the Somerset Purchase Agreement. The Somerset Purchase Agreement contains certain customary representations, warranties and covenants and provides for indemnification rights of the parties in respect of inaccuracies or breaches of certain representations, warranties and covenants, subject to the limitations set forth in the Somerset Purchase Agreement.

The Somerset acquisition is expected to close in the second half of 2018, subject to satisfaction of customary closing conditions, including required regulatory approvals and the closing of the acquisition of the Wintac business. In connection with the Somerset acquisition, the Company's Indian subsidiary has entered into separate agreements to acquire the entire business of Somerset's Indian-based contract development and manufacturing affiliate, Wintac Limited (Wintac), including certain real property in Bangalore, India and the manufacturing plants thereon and to assume certain debt of Wintac for the expected aggregate amount of the rupee equivalent of approximately $30 million, subject to customary adjustments for net working capital.

NOTE 6. SEGMENT RESULTS

As of January 1, 2018, we made changes to our reportable segments. Following these changes, the four reportable business segments in which we operate are: (1) U.S. Branded - Specialty & Established Pharmaceuticals, (2) U.S. Branded - Sterile Injectables, (3) U.S. Generic Pharmaceuticals and (4) International Pharmaceuticals. Previously, we had three reportable segments: (1) U.S. Generic Pharmaceuticals, (2) U.S. Branded Pharmaceuticals and (3) International Pharmaceuticals. The updates to our reportable segments were made based on first quarter 2018 changes to the way we manage and evaluate our business.

Our new U.S. Branded - Sterile Injectables segment consists of our sterile injectables product portfolio, which was previously part of our former U.S. Generic Pharmaceuticals segment. Our new U.S. Generic Pharmaceuticals segment represents the remainder of our former U.S. Generic Pharmaceuticals segment. Additionally, our former U.S. Branded Pharmaceuticals segment has been renamed "U.S. Branded - Specialty & Established Pharmaceuticals."

Our segments reflect the level at which the chief operating decision maker regularly reviews financial information to assess performance and to make decisions about resources to be allocated. Each segment derives revenue from the sales or licensing of its respective products and is discussed in more detail below.

We evaluate segment performance based on each segment's adjusted income from continuing operations before income tax, which we define as Loss from continuing operations before income tax and before certain upfront and milestone payments to partners; acquisition-related and integration items, including transaction costs, earn-out payments or adjustments, changes in the fair value of contingent consideration and bridge financing costs; cost reduction and integration-related initiatives such as separation benefits, retention payments, other exit costs and certain costs associated with integrating an acquired company's operations; asset impairment charges; amortization of intangible assets; inventory step-up recorded as part of our acquisitions; litigation-related and other contingent matters; gains or losses from early termination of debt; gains or losses from the sales of businesses and other assets; foreign currency gains or losses on intercompany financing arrangements; and certain other items.

Certain of the corporate expenses incurred by the Company are not attributable to any specific segment. Accordingly, these costs are not allocated to any of the Company's segments and are included in the results below as "Corporate unallocated costs." Interest income and expense are also considered corporate items and not allocated to any of the Company's segments. The Company's consolidated adjusted income from continuing operations before income tax is equal to the combined results of each of its segments less these unallocated corporate items.

U.S. Branded - Specialty & Established Pharmaceuticals

Our U.S. Branded - Specialty & Established Pharmaceuticals segment includes a variety of branded prescription products to treat and manage conditions in urology, urologic oncology, endocrinology, pain and orthopedics. The products in this segment include XIAFLEX®, SUPPRELIN® LA, TESTOPEL®, NASCOBAL® Nasal Spray, AVEED®, PERCOCET®, VOLTAREN® Gel, LIDODERM®, EDEX®, TESTIM® and FORTESTA® Gel, among others.

U.S. Branded - Sterile Injectables

Our U.S. Branded - Sterile Injectables segment consists primarily of branded sterile injectable products such as VASOSTRICT®, ADRENALIN® and APLISOL®, among others, and certain generic sterile injectable products, including ephedrine sulfate injection and neostigmine methylsulfate injection, among others.

U.S. Generic Pharmaceuticals

Our U.S. Generic Pharmaceuticals segment consists of a differentiated product portfolio including solid oral extended-release, solid oral immediate-release, abuse-deterrent products, liquids, semi-solids, patches, powders, ophthalmics and sprays and includes products in the pain management, urology, central nervous system disorders, immunosuppression, oncology, women's health and cardiovascular disease markets, among others.

International Pharmaceuticals

Our International Pharmaceuticals segment includes a variety of specialty pharmaceutical products sold outside the U.S., primarily in Canada through our operating company Paladin Labs Inc. (Paladin). This segment's key products serve growing therapeutic areas, including attention deficit hyperactivity disorder (ADHD), pain, women's health and oncology. This segment also included: (i) our South African Litha business, which was sold in July 2017, and (ii) our Latin American Somar business, which was sold in October 2017.

The following represents selected information for the Company's reportable segments for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Net revenues from external customers:				
U.S. Branded - Specialty & Established Pharmaceuticals	$ 212,637	$ 245,188	$ 412,872	$ 495,347
U.S. Branded - Sterile Injectables	217,843	180,292	433,697	352,460
U.S. Generic Pharmaceuticals	241,236	383,020	490,476	932,835
International Pharmaceuticals (1)	42,980	67,231	78,178	132,689
Total net revenues from external customers	$ 714,696	$ 875,731	$ 1,415,223	$ 1,913,331
Adjusted income from continuing operations before income tax:				
U.S. Branded - Specialty & Established Pharmaceuticals	$ 83,749	$ 127,595	$ 177,563	$ 257,087
U.S. Branded - Sterile Injectables	173,308	140,062	342,753	266,529
U.S. Generic Pharmaceuticals	90,302	113,804	164,582	328,936
International Pharmaceuticals	18,499	14,812	32,217	29,694
Total segment adjusted income from continuing operations before income tax	$ 365,858	$ 396,273	$ 717,115	$ 882,246

(1) Revenues generated by our International Pharmaceuticals segment are primarily attributable to external customers located in Canada and, prior to the sale of Litha on July 3, 2017 and Somar on October 25, 2017, South Africa and Latin America.

There were no material revenues from external customers attributed to an individual country outside of the United States during any of the periods presented. There were no material tangible long-lived assets in an individual country other than the United States as of June 30, 2018 or December 31, 2017.

The table below provides reconciliations of our consolidated Loss from continuing operations before income tax, which is determined in accordance with U.S. generally accepted accounting principles (U.S. GAAP), to our total segment adjusted income from continuing operations before income tax for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Total consolidated loss from continuing operations before income tax	$ (46,244)	$ (753,500)	$ (528,491)	$ (930,851)
Interest expense, net	130,059	121,747	254,049	233,746
Corporate unallocated costs (1)	43,046	34,152	95,506	81,620
Amortization of intangible assets	153,215	190,943	310,387	454,077
Inventory step-up	124	100	190	215
Upfront and milestone payments to partners	36,964	3,082	38,296	6,177
Separation benefits and other cost reduction initiatives (2)	29,153	24,614	78,140	47,284
Certain litigation-related and other contingencies, net (3)	19,620	(2,600)	17,120	(1,664)
Asset impairment charges (4)	22,767	725,044	471,183	929,006
Acquisition-related and integration items (5)	5,161	4,190	11,996	15,070
Loss on extinguishment of debt	—	51,734	—	51,734
Foreign currency impact related to the remeasurement of intercompany debt instruments	(574)	(3,233)	(3,088)	(5,927)
Other, net (6)	(27,433)	—	(28,173)	1,759
Total segment adjusted income from continuing operations before income tax	$ 365,858	$ 396,273	$ 717,115	$ 882,246

(1) Amounts include certain corporate overhead costs, such as headcount and facility expenses and certain other income and expenses.
(2) Amounts primarily relate to employee separation costs of $5.4 million and $30.6 million for the three and six months ended June 30, 2018, respectively. Other amounts for the three and six months ended June 30, 2018 include accelerated depreciation of $18.1 million and $35.2 million, respectively, charges to increase excess inventory reserves of $0.2 million and $2.6 million, respectively, and other charges of $5.4 million and $9.7 million, respectively, each of which related primarily to our restructuring initiatives. During the three and six months ended June 30, 2017, amounts primarily relate to employee separation costs of $0.7 million and $21.5 million, respectively, charges to increase excess inventory reserves of $7.9 million during both periods and other charges of $16.0 million and $17.5 million, respectively, related primarily to the 2017 U.S. Generics Pharmaceuticals restructuring initiative. See Note 4. Restructuring for discussion of our material restructuring initiatives.
(3) Amounts include adjustments for Litigation-related and other contingencies, net as further described in Note 14. Commitments and Contingencies.
(4) Amounts primarily relate to charges to impair goodwill and intangible assets as further described in Note 9. Goodwill and Other Intangibles as well as charges to write down certain property, plant and equipment as further described in Note 7. Fair Value Measurements.
(5) Amounts during the three and six months ended June 30, 2018 are primarily related to charges due to changes in the fair value of contingent consideration of $4.1 million and $11.0 million, respectively. Amounts during the three and six months ended June 30, 2017 include charges due to changes in the fair value of contingent consideration of $2.0 million and $8.1 million, respectively. All other amounts are directly related to costs associated with acquisition and integration efforts.
(6) Amounts during the three and six months ended June 30, 2018 primarily relate to gains on sales of businesses and other assets, as further described in Note 17. Other income, net.

Asset information is not reviewed or included within our internal management reporting. Therefore, the Company has not disclosed asset information for each reportable segment.

The Company disaggregates its revenue from contracts with customers into the categories included in the table below (in thousands). The Company believes these categories depict how the nature, timing and uncertainty of revenue and cash flows are affected by economic factors.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
U.S. Branded - Specialty & Established Pharmaceuticals:				
Specialty Products:				
XIAFLEX®	$ 63,500	$ 50,077	$ 120,641	$ 99,602
SUPPRELIN® LA	19,963	23,649	40,540	42,830
Other Specialty (1)	36,429	36,745	70,626	72,773
Total Specialty Products	$ 119,892	$ 110,471	$ 231,807	$ 215,205
Established Products:				
PERCOCET®	$ 30,833	$ 30,889	$ 62,809	$ 61,834
VOLTAREN® Gel	17,811	20,270	29,128	34,544
OPANA® ER	—	31,582	—	67,300
Other Established (2)	44,101	51,976	89,128	116,464
Total Established Products	$ 92,745	$ 134,717	$ 181,065	$ 280,142
Total U.S. Branded - Specialty & Established Pharmaceuticals (3)	$ 212,637	$ 245,188	$ 412,872	$ 495,347
U.S. Branded - Sterile Injectables:				
VASOSTRICT®	$ 106,329	$ 95,750	$ 220,054	$ 194,908
ADRENALIN®	36,658	19,032	66,398	25,129
Other Sterile Injectables (4)	74,856	65,510	147,245	132,423
Total U.S. Branded - Sterile Injectables (3)	$ 217,843	$ 180,292	$ 433,697	$ 352,460
Total U.S. Generic Pharmaceuticals (5)	$ 241,236	$ 383,020	$ 490,476	$ 932,835
Total International Pharmaceuticals (6)	$ 42,980	$ 67,231	$ 78,178	$ 132,689
Total Revenues	$ 714,696	$ 875,731	$ 1,415,223	$ 1,913,331

(1) Products included within Other Specialty include TESTOPEL®, NASCOBAL® Nasal Spray and AVEED®.
(2) Products included within Other Established include, but are not limited to, LIDODERM®, EDEX®, TESTIM® and FORTESTA® Gel, including the authorized generics.
(3) Individual products presented above represent the top two performing products in each product category and/or any product having revenues in excess of $25 million during any quarterly period in 2018 or 2017.
(4) Products included within Other Sterile Injectables include, but are not limited to, APLISOL®, ephedrine sulfate injection and neostigmine methylsulfate injection.
(5) The U.S. Generic Pharmaceuticals segment is comprised of a portfolio of products that are generic versions of branded products, are distributed primarily through the same wholesalers, generally have no intellectual property protection and are sold within the U.S. During the three and six months ended June 30, 2017, combined sales of ezetimibe tablets and quetiapine ER tablets, for which we lost temporary marketing exclusivity during the second quarter of 2017, made up 6% and 13% of consolidated total revenue, respectively. No other individual product within this segment has exceeded 5% of consolidated total revenues for the periods presented.
(6) The International Pharmaceuticals segment, which accounted for 6% of consolidated total revenues during both the three and six months ended June 30, 2018 and 8% and 7% of consolidated total revenues during the three and six months ended June 30, 2017, respectively, includes a variety of specialty pharmaceutical products sold outside the U.S., primarily in Canada through our operating company Paladin Labs, Inc. (Paladin). This segment also included: (i) our South African business, which was sold in July 2017 and consisted of Litha and certain assets acquired from Aspen Holdings in October 2015 and (ii) our Latin American business consisting of Somar, which was sold in October 2017.

NOTE 7. FAIR VALUE MEASUREMENTS

Financial Instruments

The financial instruments recorded in our Condensed Consolidated Balance Sheets include cash and cash equivalents (including money market funds and time deposits), restricted cash and cash equivalents, accounts receivable, marketable securities, equity and cost method investments, accounts payable and accrued expenses, acquisition-related contingent consideration and debt obligations. Included in cash and cash equivalents and restricted cash and cash equivalents are money market funds representing a type of mutual fund required by law to invest in low-risk securities (for example, U.S. government bonds, U.S. Treasury Bills and commercial paper). Money market funds pay dividends that generally reflect short-term interest rates. Due to their short-term maturity, the carrying amounts of non-restricted and restricted cash and cash equivalents (including money market funds and time deposits), accounts receivable, accounts payable and accrued expenses approximate their fair values.

At June 30, 2018 and December 31, 2017, the Company had combined restricted cash and cash equivalents of $380.6 million and $324.4 million, respectively, of which $358.2 million and $320.5 million, respectively, are classified as current assets and reported in our Condensed Consolidated Balance Sheets as Restricted cash and cash equivalents. The remaining amounts, which are classified as non-current assets, are reported in our Condensed Consolidated Balance Sheets as Other assets. Approximately $292.5 million and $313.8 million of our restricted cash and cash equivalents are held in qualified settlement funds (QSFs) for mesh-related matters at June 30, 2018 and December 31, 2017, respectively. The remaining amount of restricted cash and cash equivalents at June 30, 2018 primarily relates to other litigation-related matters. See Note 14. Commitments and Contingencies for further information.

Fair value guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Marketable Securities

Equity securities consist of investments in the stock of publicly traded companies, the values of which are based on quoted market prices and thus represent Level 1 measurements within the above-defined fair value hierarchy. These securities are not held to support current operations and are therefore classified as non-current assets. Equity securities are included in Marketable securities in our Condensed Consolidated Balance Sheets at June 30, 2018 and December 31, 2017.

Acquisition-Related Contingent Consideration

The fair value of contingent consideration liabilities is determined using unobservable inputs; hence these instruments represent Level 3 measurements within the above-defined fair value hierarchy. These inputs include the estimated amount and timing of projected cash flows, the probability of success (achievement of the contingent event) and the risk-adjusted discount rate used to present value the probability-weighted cash flows. Subsequent to the acquisition date, at each reporting period, the contingent consideration liability is remeasured at current fair value with changes recorded in earnings. Changes in any of the inputs may result in a significant adjustment to fair value. See Recurring Fair Value Measurements below for additional information on acquisition-related contingent consideration.

Recurring Fair Value Measurements

The Company's financial assets and liabilities measured at fair value on a recurring basis at June 30, 2018 and December 31, 2017 were as follows (in thousands):

	Fair Value Measurements at Reporting Date using:			
June 30, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 406,412	$ —	$ —	$ 406,412
Time deposits	—	109,919	—	109,919
Equity securities	2,404	—	—	2,404
Total	$ 408,816	$ 109,919	$ —	$ 518,735
Liabilities:				
Acquisition-related contingent consideration—short-term	$ —	$ —	$ 52,922	$ 52,922
Acquisition-related contingent consideration—long-term	—	—	99,176	99,176
Total	$ —	$ —	$ 152,098	$ 152,098

	Fair Value Measurements at Reporting Date using:			
December 31, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 439,831	$ —	$ —	$ 439,831
Time deposits	—	303,410	—	303,410
Equity securities	1,456	—	—	1,456
Total	$ 441,287	$ 303,410	$ —	$ 744,697
Liabilities:				
Acquisition-related contingent consideration—short-term	$ —	$ —	$ 70,543	$ 70,543
Acquisition-related contingent consideration—long-term	—	—	119,899	119,899
Total	$ —	$ —	$ 190,442	$ 190,442

At June 30, 2018 and December 31, 2017, money market funds include $93.8 million and $35.6 million, respectively, in QSFs to be disbursed to mesh-related or other product liability claimants. Amounts in QSFs are considered restricted cash equivalents. See Note 14. Commitments and Contingencies for further discussion of our product liability cases. The differences between the amortized cost and fair value of our money market funds and equity securities were not material, individually or in the aggregate, at June 30, 2018 or December 31, 2017, nor were any of the related gross unrealized gains or losses.

Fair Value Measurements Using Significant Unobservable Inputs

The following table presents changes to the Company's liability for acquisition-related contingent consideration, which was measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Beginning of period	$ 169,287	$ 234,391	$ 190,442	$ 262,113
Amounts settled	(20,967)	(26,219)	(48,734)	(60,310)
Changes in fair value recorded in earnings	4,127	1,950	10,962	8,134
Effect of currency translation	(349)	338	(572)	523
End of period	$ 152,098	$ 210,460	$ 152,098	$ 210,460

At June 30, 2018, the fair value measurements of the contingent consideration obligations were determined using risk-adjusted discount rates ranging from 10% to 22% (weighted average rate of approximately 15%). Changes in fair value recorded in earnings related to acquisition-related contingent consideration are included in our Condensed Consolidated Statements of Operations as Acquisition-related and integration items, and amounts recorded for the short-term and long-term portions of acquisition-related contingent consideration are included in Accounts payable and accrued expenses and Other liabilities, respectively, in our Condensed Consolidated Balance Sheets.

The following table presents changes to the Company's liability for acquisition-related contingent consideration during the six months ended June 30, 2018 by acquisition (in thousands):

	Balance as of December 31, 2017	Fair Value Adjustments and Accretion	Payments and Other	Balance as of June 30, 2018
Auxilium acquisition	$ 13,061	$ (223)	$ (1,844)	$ 10,994
Lehigh Valley Technologies, Inc. acquisitions	63,001	6,674	(26,975)	42,700
VOLTAREN® Gel acquisition	98,124	7,938	(19,227)	86,835
Other	16,256	(3,427)	(1,260)	11,569
Total	$ 190,442	$ 10,962	$ (49,306)	$ 152,098

Nonrecurring Fair Value Measurements

The Company's financial assets and liabilities measured at fair value on a nonrecurring basis during the six months ended June 30, 2018 were as follows (in thousands):

	Fair Value Measurements at Reporting Date using:			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Expense for the Six Months Ended June 30, 2018
Assets:				
Intangible assets, excluding goodwill (Note 9)	$ —	$ —	$ 173,270	$ (76,967)
Certain property, plant and equipment (1)	—	—	—	(3,216)
Total	$ —	$ —	$ 173,270	$ (80,183)

(1) Amount includes $2.6 million related to the 2017 U.S. Generic Pharmaceuticals Restructuring Initiative, which is described further in Note 4. Restructuring.

Additionally, the Company recorded aggregate goodwill impairment charges during the six months ended June 30, 2018 of $391.0 million. Refer to Note 9. Goodwill and Other Intangibles for further description, including the valuation methodologies utilized.

NOTE 8. INVENTORIES

Inventories consist of the following at June 30, 2018 and December 31, 2017 (in thousands):

	June 30, 2018	December 31, 2017
Raw materials (1)	$ 117,199	$ 124,685
Work-in-process (1)	91,857	109,897
Finished goods (1)	134,262	156,855
Total	$ 343,318	$ 391,437

(1) The components of inventory shown in the table above are net of allowance for obsolescence.

Inventory that is in excess of the amount expected to be sold within one year, which relates primarily to XIAFLEX® inventory, is classified as long-term inventory and is not included in the table above. At June 30, 2018 and December 31, 2017, $11.3 million and $17.1 million, respectively, of long-term inventory was included in Other assets in the Condensed Consolidated Balance Sheets. As of June 30, 2018 and December 31, 2017, the Company's Condensed Consolidated Balance Sheets included approximately $8.6 million and $5.9 million, respectively, of capitalized pre-launch inventories related to generic products that were not yet available to be sold.

NOTE 9. GOODWILL AND OTHER INTANGIBLES

Goodwill

Changes in the carrying amount of our goodwill for the six months ended June 30, 2018 were as follows (in thousands):

	U.S. Branded - Specialty & Established Pharmaceuticals	U.S. Branded - Sterile Injectables	U.S. Generic Pharmaceuticals	International Pharmaceuticals	Total
Goodwill as of December 31, 2017	$ 828,818	$ —	$ 3,531,301	$ 89,963	$ 4,450,082
Allocation to current segments (1)	—	2,731,193	(2,731,193)	—	—
Effect of currency translation	—	—	—	(3,889)	(3,889)
Goodwill impairment charges	—	—	(391,000)	—	(391,000)
Goodwill as of June 30, 2018	$ 828,818	$ 2,731,193	$ 409,108	$ 86,074	$ 4,055,193

(1) This allocation relates to the change in segments described in Note 6. Segment Results. The amount of goodwill initially attributed to the new U.S. Branded - Sterile Injectables and U.S. Generic Pharmaceuticals segments was determined using a relative fair value methodology in accordance with U.S. GAAP.

The carrying amounts of goodwill at June 30, 2018 and December 31, 2017 are net of the following accumulated impairments (in thousands):

	U.S. Branded - Specialty & Established Pharmaceuticals	U.S. Branded - Sterile Injectables	U.S. Generic Pharmaceuticals	International Pharmaceuticals	Total
Accumulated impairment losses as of December 31, 2017	$ 855,810	$ —	$ 2,342,549	$ 463,545	$ 3,661,904
Accumulated impairment losses as of June 30, 2018	$ 855,810	$ —	$ 2,733,549	$ 443,708	$ 4,033,067

Other Intangible Assets

Changes in the amount of other intangible assets for the six months ended June 30, 2018 are set forth in the table below (in thousands).

Cost basis:	**Balance as of December 31, 2017**	**Acquisitions**	**Impairments**	**Other (1)**	**Effect of Currency Translation**	**Balance as of June 30, 2018**
Indefinite-lived intangibles:						
In-process research and development	$ 347,200	$ —	$ (50,500)	$ —	$ —	$ 296,700
Total indefinite-lived intangibles	$ 347,200	$ —	$ (50,500)	$ —	$ —	$ 296,700
Finite-lived intangibles:						
Licenses (weighted average life of 12 years)	$ 457,402	$ —	$ —	$ —	$ —	$ 457,402
Tradenames	6,409	—	—	—	—	6,409
Developed technology (weighted average life of 11 years)	6,187,764	—	(26,467)	(10,647)	(11,892)	6,138,758
Total finite-lived intangibles (weighted average life of 11 years)	$ 6,651,575	$ —	$ (26,467)	$ (10,647)	$ (11,892)	$ 6,602,569
Total other intangibles	$ 6,998,775	$ —	$ (76,967)	$ (10,647)	$ (11,892)	$ 6,899,269

Accumulated amortization:	**Balance as of December 31, 2017**	**Amortization**	**Impairments**	**Other (1)**	**Effect of Currency Translation**	**Balance as of June 30, 2018**
Finite-lived intangibles:						
Licenses	$ (370,221)	$ (14,174)	$ —	$ —	$ —	$ (384,395)
Tradenames	(6,409)	—	—	—	—	(6,409)
Developed technology	(2,304,461)	(296,213)	—	10,647	5,428	(2,584,599)
Total other intangibles	$ (2,681,091)	$ (310,387)	$ —	$ 10,647	$ 5,428	$ (2,975,403)
Net other intangibles	$ 4,317,684					$ 3,923,866

(1) Other adjustments relate to the removal of certain fully amortized intangible assets.

Amortization expense for the three and six months ended June 30, 2018 totaled $153.2 million and $310.4 million, respectively. Amortization expense for the three and six months ended June 30, 2017 totaled $190.9 million and $454.1 million, respectively. Amortization expense is included in Cost of revenues in the Condensed Consolidated Statements of Operations. Estimated amortization of intangibles for the five fiscal years subsequent to December 31, 2017 is as follows (in thousands):

2018	$ 623,324
2019	$ 551,471
2020	$ 491,046
2021	$ 458,821
2022	$ 438,071

Impairments

Endo tests goodwill and indefinite-lived intangible assets for impairment annually, or more frequently whenever events or changes in circumstances indicate that the asset might be impaired. Our annual assessment is performed as of October 1st.

As part of our goodwill and intangible asset impairment assessments, we estimate the fair values of our reporting units and our intangible assets using an income approach that utilizes a discounted cash flow model or, where appropriate, a market approach. The discounted cash flow models are dependent upon our estimates of future cash flows and other factors. These estimates of future cash flows involve assumptions concerning (i) future operating performance, including future sales, long-term growth rates, operating margins, tax rates, variations in the amount and timing of cash flows and the probability of achieving the estimated cash flows and (ii) future economic conditions. These assumptions are based on significant inputs not observable in the market and thus represent Level 3 measurements within the fair value hierarchy. The discount rates applied to the estimated cash flows are based on the overall risk associated with the particular assets and other market factors. We believe the discount rates and other inputs and assumptions are consistent with those that a market participant would use. Any impairment charges resulting from annual or interim goodwill and intangible asset impairment assessments are recorded to Asset impairment charges in our Condensed Consolidated Statements of Operations.

During the three and six months ended June 30, 2018 and 2017, the Company incurred the following goodwill and other intangible asset impairment charges:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Goodwill impairment charges	$ —	$ 206,143	$ 391,000	$ 288,745
Other intangible asset impairment charges	$ 22,767	$ 476,971	$ 76,967	$ 595,877

A summary of significant goodwill and other intangible asset impairment tests and related charges is included below. Other intangible asset impairment charges that are not included in the below narrative totaled $22.8 million and $309.4 million during the three months ended June 30, 2018 and 2017, respectively, and $77.0 million and $382.8 million during the six months ended June 30, 2018 and 2017, respectively. These charges relate primarily to certain in-process research and development and/or developed technology intangible assets that were tested for impairment following changes in market conditions and certain other factors impacting recoverability.

Our first quarter 2018 change in segments described in Note 6. Segment Results resulted in changes to our reporting units for goodwill impairment testing purposes, including the creation of a new U.S. Branded - Sterile Injectables reporting unit, which was previously part of our Generics reporting unit. As a result of these changes, under U.S. GAAP, we tested the goodwill of the former Generics reporting unit immediately before the segment realignment and the goodwill of both the new U.S. Branded - Sterile Injectables and U.S. Generic Pharmaceuticals reporting units immediately after the segment realignment. These goodwill tests were performed using an income approach that utilizes a discounted cash flow model. The results of these goodwill impairment tests were as follows:

- The former Generics reporting unit's estimated fair value (determined using a discount rate of 9.5%) exceeded its carrying amount, resulting in no related goodwill impairment charge.
- The new U.S. Branded - Sterile Injectables reporting unit's estimated fair value (determined using a discount rate of 9.5%) exceeded its carrying amount, resulting in no related goodwill impairment charge.
- The new U.S. Generic Pharmaceuticals reporting unit's carrying amount exceeded its estimated fair value (determined using a discount rate of 9.5%), resulting in a pre-tax non-cash goodwill impairment charge of $391.0 million.

In March 2017, we announced that the Food and Drug Administration's (FDA) Drug Safety and Risk Management and Anesthetic and Analgesic Drug Products Advisory Committees voted that the benefits of reformulated OPANA® ER (oxymorphone hydrochloride extended release) no longer outweigh its risks. In June 2017, we became aware of the FDA's request that we voluntarily withdraw OPANA® ER from the market, and in July 2017, after careful consideration and consultation with the FDA, we decided to voluntarily remove OPANA® ER from the market. As a result of our decision, the Company determined that the carrying amount of its OPANA® ER intangible asset was no longer recoverable, resulting in a pre-tax, non-cash impairment charge of $20.6 million in the second quarter of 2017, representing the remaining carrying amount.

As a result of the withdrawal of OPANA® ER from the market and the continued erosion of our U.S. Branded Pharmaceuticals segment's Established Products portfolio, we initiated an interim goodwill impairment analysis of our Branded reporting unit during the second quarter of 2017. We recorded a pre-tax, non-cash goodwill impairment charge of $180.4 million during the three months ended June 30, 2017 for the amount by which the carrying amount exceeded the reporting unit's fair value. We estimated the fair value of the Branded reporting unit using an income approach that utilized a discounted cash flow model. The discount rate applied to the estimated cash flows for our Branded goodwill impairment test was 9.5%.

As further described in Note 4. Restructuring, the Company announced the 2017 U.S. Generic Pharmaceuticals restructuring initiative in July 2017, which includes the discontinuation of certain commercial products. As a result, the Company assessed the recoverability of the impacted products, resulting in pre-tax, non-cash intangible asset impairment charges of approximately $57.5 million during the second quarter of 2017. The Company also initiated an interim goodwill impairment analysis of its Generics reporting unit during the second quarter of 2017 as a result of the 2017 U.S. Generic Pharmaceuticals restructuring initiative and determined that the estimated fair value of the Generics reporting unit exceeded its carrying amount. Accordingly, no related goodwill impairment was recorded. The Company estimated the fair value of the Generics reporting unit using an income approach that utilized a discounted cash flow model. The discount rate applied to the estimated cash flows for our Generics goodwill impairment test was 9.0%.

Pursuant to an existing agreement with a wholly owned subsidiary of Novartis AG (Novartis), Paladin licensed the Canadian rights to commercialize serelaxin, an investigational drug for the treatment of acute heart failure (AHF). In March 2017, Novartis announced that a Phase 3 study of serelaxin in patients with AHF failed to meet its primary endpoints. As a result, we concluded that the full carrying amount of our serelaxin in-process research and development intangible asset was impaired, resulting in a $45.5 million pre-tax non-cash impairment charge for the three months ended March 31, 2017. In addition and as a result of the serelaxin impairment, we assessed the recoverability of our Paladin goodwill balance and determined that the estimated fair value of the Paladin reporting unit was below its carrying amount. We recorded a pre-tax, non-cash goodwill impairment charge of $82.6 million during the three months ended March 31, 2017 for the amount by which the carrying amount exceeded the reporting unit's fair value. We estimated the fair value of the Paladin reporting unit using an income approach that utilized a discounted cash flow model. The discount rate applied to the estimated cash flows for our Paladin goodwill impairment test was 10.0%.

As further discussed in Note 3. Discontinued Operations and Divestitures, we entered into a definitive agreement to sell Somar on June 30, 2017, which resulted in Somar's assets and liabilities being classified as held for sale. The initiation of held-for-sale accounting, together with the agreed upon sale price, triggered an impairment review. Accordingly, we performed an impairment analysis using a market approach and determined that impairment charges were required. We recorded pre-tax, non-cash impairment charges of $25.7 million and $89.5 million related to Somar's goodwill and other intangible assets, respectively, during the second quarter of 2017, each of which represented the remaining carrying amounts of the corresponding assets.

NOTE 10. LICENSE AND COLLABORATION AGREEMENTS

Our subsidiaries have entered into certain license, collaboration and discovery agreements with third parties for product development. These agreements require our subsidiaries to share in the development costs of such products and the third parties grant marketing rights to our subsidiaries for such products.

Generally, under these agreements: (i) we are required to make upfront payments and other payments upon successful completion of regulatory or sales milestones, (ii) we are required to pay royalties on sales of the products arising from these agreements and (iii) termination is permitted with no significant continuing obligation.

During the three months ended June 30, 2018, we entered into a development, license and commercialization agreement with a third party pharmaceutical company related to five sterile injectable product candidates. Pursuant to this agreement, the third party will generally be responsible, at its expense, to develop and seek regulatory approval for these product candidates, and the Company will generally be responsible, at its expense, to launch and distribute any products that are approved. The Company will have exclusive license rights to all of these products launched in the U.S. and a first right of refusal for the Canadian territory. Upon entering into this agreement, the Company became obligated to make an upfront payment, which was recorded as Research and development expense in the Condensed Consolidated Statements of Operations during the three months ended June 30, 2018. The Company could become obligated to make additional payments based on certain potential future milestones being achieved.

There have been no other significant changes to our license, collaboration and discovery agreements since our Annual Report on Form 10-K for the year ended December 31, 2017.

NOTE 11. CONTRACT ASSETS AND LIABILITIES

Our revenue consists almost entirely of sales of our pharmaceutical products to customers, whereby we ship product to a customer pursuant to a purchase order. Revenue contracts such as these do not generally give rise to contract assets or contract liabilities because: (i) the underlying contracts generally have only a single performance obligation and (ii) we do not generally receive consideration until the performance obligation is fully satisfied. At June 30, 2018, the unfulfilled performance obligations for these types of contracts relate to ordered but undelivered product. We generally expect to fulfill the performance obligations and recognize revenue within one week of entering into the underlying contract. Based on the short-term initial contract duration, additional disclosure about the remaining performance obligations is not required.

Certain of our other revenue-generating contracts, including license and collaboration agreements, may result in contract assets and/or contract liabilities. For example, we may recognize contract liabilities upon receipt of certain upfront and milestone payments from customers when there are remaining performance obligations.

The following table shows the opening and closing balances of contract assets and contract liabilities from contracts with customers (dollars in thousands):

	June 30, 2018	January 1, 2018	$ Change	% Change
Contract assets, net (1)	$ 15,257	$ 11,287	$ 3,970	35 %
Contract liabilities, net (2)	$ 20,054	$ 20,954	$ (900)	(4)%

(1) At June 30, 2018 and January 1, 2018, approximately $10.3 million and $8.2 million, respectively, of these contract asset amounts are classified as current assets and are included in Prepaid expenses and other current assets in the Company's Condensed Consolidated Balance Sheets. The remaining amounts are classified as non-current and are included in Other assets. The net increase in contract assets during the six months ended June 30, 2018 was primarily due to certain sales activity during the period, partially offset by reclassifications to accounts receivable following the resolution of certain conditions other than the passage of time affecting the Company's rights to consideration for the sale of certain goods.

(2) At June 30, 2018 and January 1, 2018, approximately $1.7 million and $1.9 million, respectively, of these contract liability amounts are classified as current liabilities and are included in Accounts payable and accrued expenses in the Company's Condensed Consolidated Balance Sheets. The remaining amounts are classified as non-current and are included in Other liabilities. During the six months ended June 30, 2018, the Company recognized revenue of $0.9 million that was included in the contract liability balance at January 1, 2018, resulting in a corresponding decrease in contract liabilities.

During the six months ended June 30, 2018, we recognized revenue of $0.5 million relating to performance obligations satisfied, or partially satisfied, in prior periods. Such revenue generally relates to changes in estimates with respect to our variable consideration.

NOTE 12. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses include the following at June 30, 2018 and December 31, 2017 (in thousands):

	June 30, 2018	December 31, 2017
Trade accounts payable	$ 95,195	$ 85,348
Returns and allowances	276,677	291,034
Rebates	142,813	168,333
Chargebacks	5,513	14,604
Accrued interest	130,242	130,257
Accrued payroll and related benefits	84,317	113,908
Accrued royalties and other distribution partner payables	52,515	63,114
Acquisition-related contingent consideration—short-term	52,922	70,543
Other	187,163	159,684
Total	$ 1,027,357	$ 1,096,825

NOTE 13. DEBT

The following table presents information about the Company's total indebtedness at June 30, 2018 and December 31, 2017 (in thousands):

	June 30, 2018			December 31, 2017		
	Effective Interest Rate	Principal Amount	Carrying Amount	Effective Interest Rate	Principal Amount	Carrying Amount
7.25% Senior Notes due 2022	7.91%	$ 400,000	$ 391,941	7.91%	$ 400,000	$ 390,974
5.75% Senior Notes due 2022	6.04%	700,000	693,646	6.04%	700,000	692,855
5.375% Senior Notes due 2023	5.62%	750,000	742,732	5.62%	750,000	742,048
6.00% Senior Notes due 2023	6.28%	1,635,000	1,615,104	6.28%	1,635,000	1,613,446
5.875% Senior Secured Notes due 2024	6.14%	300,000	295,784	6.14%	300,000	295,513
6.00% Senior Notes due 2025	6.27%	1,200,000	1,182,311	6.27%	1,200,000	1,181,243
Term Loan B Facility Due 2024	5.46%	3,380,850	3,345,637	5.46%	3,397,925	3,360,103
Other debt	1.50%	55	55	1.50%	55	55
Total long-term debt, net		$ 8,365,905	$ 8,267,210		$ 8,382,980	$ 8,276,237
Less current portion, net		34,205	34,205		34,205	34,205
Total long-term debt, less current portion, net		$ 8,331,700	$ 8,233,005		$ 8,348,775	$ 8,242,032

The senior unsecured notes are unsecured and effectively subordinated in right of priority to our credit agreement (the 2017 Credit Agreement) and our senior secured notes, in each case to the extent of the value of the collateral securing such instruments, which collateral represents substantially all of the assets of the issuers or borrowers and the guarantors party thereto.

The aggregate estimated fair value of the Company's long-term debt, which was estimated using inputs based on quoted market prices for the same or similar debt issuances, was $7.5 billion at both June 30, 2018 and December 31, 2017. Based on this valuation methodology, we determined these debt instruments represent Level 2 measurements within the fair value hierarchy.

Credit Facility

We have $996.8 million of remaining credit available through our Revolving Credit Facility as of June 30, 2018. As of June 30, 2018, we were in compliance with all covenants contained in our credit agreement.

NOTE 14. COMMITMENTS AND CONTINGENCIES

Legal Proceedings and Investigations

We and certain of our subsidiaries are involved in various claims, legal proceedings, internal and governmental investigations (collectively, proceedings) that arise from time to time in the ordinary course of our business, including, among others, those relating to product liability, intellectual property, regulatory compliance, consumer protection and commercial matters. While we cannot predict the outcome of these proceedings and we intend to vigorously prosecute or defend our position as appropriate, there can be no assurance that we will be successful or obtain any requested relief, and an adverse outcome in any of these proceedings could have a material adverse effect on our current and future financial position, results of operations and cash flows. Matters that are not being disclosed herein are, in the opinion of our management, immaterial both individually and in the aggregate with respect to our financial position, results of operations and cash flows. If and when such matters, in the opinion of our management, become material either individually or in the aggregate, we will disclose such matters.

We believe that certain settlements and judgments, as well as legal defense costs, relating to certain product liability or other matters are or may be covered in whole or in part under our insurance policies with a number of insurance carriers. In certain circumstances, insurance carriers reserve their rights to contest or deny coverage. We intend to contest vigorously any and all such disputes with our insurance carriers and to enforce our rights under the terms of our insurance policies. Accordingly, we will record receivables with respect to amounts due under these policies only when the resolution of any dispute has been reached and realization of the potential claim for recovery is considered probable. Amounts recovered under our insurance policies could be less than the stated coverage limits and may not be adequate to cover damages and/or costs relating to claims. In addition, there is no guarantee that insurers will pay claims or that coverage will otherwise be available.

As of June 30, 2018, our accrual for loss contingencies totaled $1,160.5 million, of which $930.0 million relates to our liability accrual for vaginal mesh cases and other mesh-related matters. During the fourth quarter of 2017, the Company recorded a total increase to its legal accruals of approximately $200 million related to testosterone-related product liability matters and LIDODERM®-related antitrust matters, which reflects the Company's conclusion that a loss is probable with respect to these matters. The accrual for LIDODERM®-related matters includes an estimated loss for, among other matters, settlement of all remaining claims filed against EPI in multidistrict litigation (MDL) No. 2521, which is further discussed below under the heading "Other Antitrust Matters." The testosterone-related accrual includes an estimated loss for, among other matters, all testosterone-related product liability cases filed in MDL No. 2545 and in other courts. These cases are further discussed below under the heading "Product Liability and Related Matters." Although we believe there is a reasonable possibility that a loss in excess of the amount recognized exists, we are unable to estimate the possible loss or range of loss in excess of the amount recognized at this time.

Product Liability and Related Matters

We and certain of our subsidiaries have been named as defendants in numerous lawsuits in various U.S. federal and state courts, as well as in Canada and other countries, alleging personal injury resulting from the use of certain products of our subsidiaries. These and other related matters are described below in more detail.

Vaginal Mesh. Since 2008, we and certain of our subsidiaries, including American Medical Systems Holdings, Inc. (subsequently converted to Astora Women's Health Holding LLC and merged into Astora Women's Health LLC and referred to herein as AMS) and/or Astora, have been named as defendants in multiple lawsuits in various state and federal courts in the U.S. (including a federal MDL pending in the U.S. District Court for the Southern District of West Virginia (MDL No. 2325)), and in Canada and other countries, alleging personal injury resulting from the use of transvaginal surgical mesh products designed to treat pelvic organ prolapse (POP) and stress urinary incontinence (SUI). In January 2018, a representative proceeding (class action) was filed in the Federal Court of Australia against American Medical Systems, LLC. In the various class action and individual complaints, plaintiffs claim a variety of personal injuries, including chronic pain, incontinence, inability to control bowel function and permanent deformities, and seek compensatory and punitive damages, where available.

We and certain plaintiffs' counsel representing mesh-related product liability claimants have entered into various Master Settlement Agreements (MSAs) and other agreements to resolve up to approximately 71,000 filed and unfiled mesh claims handled or controlled by the participating counsel. These MSAs and other agreements were entered into at various times between June 2013 and the present, were solely by way of compromise and settlement and were not in any way an admission of liability or fault by us or any of our subsidiaries.

All MSAs are subject to a process that includes guidelines and procedures for administering the settlements and the release of funds. In certain cases, the MSAs provide for the creation of QSFs into which funds may be deposited pursuant to certain schedules set forth in those agreements. All MSAs have participation requirements regarding the claims represented by each law firm party to the MSA. In addition, one agreement gives us a unilateral right of approval regarding which claims may be eligible to participate under that settlement. To the extent fewer claims than are authorized under an agreement participate, the total settlement payment under that agreement will be reduced by an agreed-upon amount for each such non-participating claim. Funds deposited in QSFs are included in restricted cash and cash equivalents in the Condensed Consolidated Balance Sheets.

Distribution of funds to any individual claimant is conditioned upon the receipt of documentation substantiating the validity of the claim, a full release and dismissal of the entire action or claim as to all AMS parties and affiliates. Prior to receiving funds, an individual claimant is required to represent and warrant that liens, assignment rights or other claims identified in the claims administration process have been or will be satisfied by the individual claimant. Confidentiality provisions apply to the amount of settlement awards to participating claimants, the claims evaluation process and procedures used in conjunction with award distributions, and the negotiations leading to the settlements.

In June 2017, the MDL court entered a case management order which, among other things, requires plaintiffs in newly-filed MDL cases to provide expert disclosures on specific causation within one hundred twenty (120) days of filing a claim (the Order). Under the Order, a plaintiff's failure to meet the foregoing deadline may be grounds for the entry of judgment against such plaintiff. In July 2017, a similar order was entered in Minnesota state court.

Although the Company believes it has appropriately estimated the probable total amount of loss associated with all matters as of the date of this report, it is reasonably possible that further claims may be filed or asserted and adjustments to our liability accrual may be required. This could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The following table presents the changes in the QSFs and mesh liability accrual balance during the six months ended June 30, 2018 (in thousands):

	Qualified Settlement Funds	Mesh Liability Accrual
Balance as of January 1, 2018	$ 313,814	$ 1,087,172
Additional charges	—	—
Cash contributions to Qualified Settlement Funds	126,400	—
Cash distributions to settle disputes from Qualified Settlement Funds	(148,824)	(148,824)
Cash distributions to settle disputes	—	(12,761)
Other (1)	1,156	4,388
Balance as of June 30, 2018	$ 292,546	$ 929,975

(1) Amounts deposited in the QSFs may earn interest, which is generally used to pay administrative costs of the fund and is reflected in the table above as an increase to the QSF balance. Any interest remaining after all claims have been paid will generally be distributed to the claimants. The $4.4 million in the table above represents a reclassification adjustment for amounts previously recorded in Accounts payable and accrued expenses in the Condensed Consolidated Balance Sheets.

As of June 30, 2018, $869.2 million of the mesh liability accrual amount shown above is classified in the Current portion of the legal settlement accrual in the Condensed Consolidated Balance Sheets, with the remainder classified as Long-term legal settlement accrual, less current portion. Charges related to vaginal mesh liability and associated legal fees and other expenses for all periods presented are reported in Discontinued operations, net of tax in our Condensed Consolidated Statements of Operations.

To date, the Company has made total mesh liability payments of approximately $3.0 billion, $292.5 million of which remains in the QSFs as of June 30, 2018. We expect to fund into the QSFs the remaining payments under all settlement agreements during the remainder of 2018 and 2019. As the funds are disbursed out of the QSFs from time to time, the liability accrual will be reduced accordingly with a corresponding reduction to restricted cash and cash equivalents. In addition, we may pay cash distributions to settle disputes separate from the QSFs, which will also decrease the liability accrual and decrease cash and cash equivalents.

We were contacted in October 2012 regarding a civil investigation initiated by a number of state attorneys general into mesh products, including transvaginal surgical mesh products designed to treat POP and SUI. In November 2013, we received a subpoena relating to this investigation from the state of California, and we have subsequently received additional subpoenas from California and other states. We are cooperating with these investigations.

We will continue to vigorously defend any unresolved claims and to explore other options as appropriate in our best interests. Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any additional losses that could be incurred.

Testosterone. Various manufacturers of prescription medications containing testosterone, including our subsidiaries Endo Pharmaceuticals Inc. (EPI) and Auxilium Pharmaceuticals, Inc. (subsequently converted to Auxilium Pharmaceuticals, LLC and hereinafter referred to as Auxilium), have been named as defendants in multiple lawsuits alleging personal injury resulting from the use of such medications, including FORTESTA® Gel, DELATESTRYL®, TESTIM®, TESTOPEL®, AVEED® and STRIANT®. Plaintiffs in these suits generally allege various personal injuries, including pulmonary embolism, stroke or other vascular and/or cardiac injuries, and seek compensatory and/or punitive damages, where available.

As of July 31, 2018, we were aware of approximately 1,254 testosterone cases (some of which may have been filed on behalf of multiple plaintiffs) pending against one or more of our subsidiaries in federal or state court. Many of these cases have been coordinated in a federal MDL pending in the U.S. District Court for the Northern District of Illinois (MDL No. 2545). In November 2015, the MDL court entered an order granting defendants' motion to dismiss claims involving certain testosterone products that were approved pursuant to ANDAs, including TESTOPEL®. Plaintiffs filed a motion for reconsideration and clarification of this order. In March 2016, the MDL court granted plaintiffs' motion in part and entered an order permitting certain claims to go forward to the extent they are based on allegations of fraudulent off-label marketing. An MDL trial against Auxilium involving TESTIM® took place in November 2017 and resulted in a defense verdict. A trial against Auxilium involving TESTIM® was scheduled for January 2018 in the Philadelphia Court of Common Pleas (PCCP) but resolved prior to trial.

In June 2018, counsel for plaintiffs, on the one hand, and Auxilium and EPI, on the other, executed an MSA allowing for the resolution of all known testosterone replacement therapy product liability claims against our subsidiaries. The MSA was solely by way of compromise and settlement and was not in any way an admission of fault by us or any of our subsidiaries.

The MSA is subject to a process that includes guidelines and procedures for administering the settlement and the release of funds. Among other things, the MSA provides for the creation of a QSF into which the settlement funds will be deposited, establishes participation requirements, and allows for a reduction of the total settlement payment in the event the participation threshold is not met. Distribution of funds to any individual claimant is conditioned upon the receipt of documentation substantiating product use and injury as determined by a third-party special master, the dismissal of any lawsuit and the release of the claim as to us and all affiliates. Prior to receiving funds, an individual claimant must represent and warrant that liens, assignment rights or other claims identified in the claims administration process have been or will be satisfied by the individual claimant. Confidentiality provisions apply to the settlement funds, amounts allocated to individual claimants and other terms of the agreement.

Although the Company believes it has appropriately estimated the probable total amount of loss associated with testosterone-related product liability matters as of the date of this report, it is reasonably possible that further claims may be filed or asserted and adjustments to our liability accrual may be required. This could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The MDL also includes a lawsuit filed in November 2014 in the U.S. District for the Northern District of Illinois against EPI, Auxilium and various other manufacturers of testosterone products on behalf of a proposed class of health insurance companies and other third party payers that claim to have paid for certain testosterone products. After a series of motions to dismiss, plaintiff filed a third amended complaint in April 2016, asserting civil claims for alleged violations of the Racketeer Influenced and Corrupt Organizations Act (RICO) and negligent misrepresentation based on defendants' marketing of certain testosterone products. The court denied a motion to dismiss this complaint in August 2016. In July 2018, the court denied plaintiff's motion for class certification. This lawsuit is not part of the settlement described above.

We will continue to vigorously defend any unresolved claims and to explore other options as appropriate in our best interests. Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any additional losses that could be incurred.

Unapproved Drug Litigation

In September 2013, the State of Louisiana filed a petition for damages against certain of our subsidiaries, including EPI, and more than 50 other pharmaceutical companies in Louisiana state court (19th Judicial District) alleging that the defendants or their subsidiaries marketed products that were not approved by the FDA and seeking damages, fines, penalties, attorneys' fees and costs under various causes of action. In October 2015, the district court entered judgment for defendants on their exception for no right of action. The State appealed, and in October 2016 the Louisiana First Circuit Court of Appeals reversed the dismissal as to the State's Medicaid Assistance Program Integrity Law (MAPIL) and Louisiana Unfair Trade Practices Act (LUTPA) claims but affirmed the dismissal as to the State's other claims. The State's petition for rehearing was denied in December 2016. Both sides applied to the Louisiana Supreme Court for a writ of certiorari to review the First Circuit's decision. Those writs were denied in March 2017. In May 2017, defendants filed exceptions for no cause of action in the district court. In August 2017, the court sustained defendants' exception as to the MAPIL claim but overruled defendants' exception as to the LUTPA claim. The State then filed a motion seeking reconsideration with respect to the MAPIL claim, and defendants filed a motion for clarification with respect to the court's ruling on the LUTPA claim. In October 2017, the court denied the State's motion and entered final judgment against the State with respect to the MAPIL claim. The court also granted defendants' motion for clarification and dismissed the State's LUTPA claim insofar as it sought civil penalties for alleged violations occurring before June 2, 2006. In October 2017, defendants applied for a supervisory writ to the Louisiana First Circuit Court of Appeals on the district court's August 2017 order overruling defendants' exception on the State's LUTPA claim. The First Circuit Court of Appeals denied defendants' writ application in July 2018.

In March 2017, the State of Mississippi filed a complaint against our subsidiary EPI in Mississippi state court (Hinds County Chancery Court) alleging that EPI marketed products that were not approved by the FDA and seeking damages, penalties, attorneys' fees, costs and other relief under various causes of action. In April 2017, EPI removed the case to the U.S. District Court for the Southern District of Mississippi. In May 2017, the State moved to remand the case to state court, and that motion was granted in October 2017. In November 2017, EPI filed a motion to dismiss the State's complaint on various grounds. In January 2018, the State filed a motion for leave to amend its complaint. In February 2018, following an unopposed motion by the State, the court consolidated the State's case against EPI with five substantially similar cases brought by the State against other defendants. The consolidation is solely for purposes of coordinated pretrial proceedings and discovery, not for trial. In March 2018, the court signed an Agreed Order dismissing EPI and granting the State leave to file a first amended complaint. The first amended complaint names our subsidiary Generics International (US), Inc. (Generics) as the defendant. In April 2018, Generics moved to dismiss on various grounds.

We will continue to vigorously defend the foregoing matters and to explore other options as appropriate in our best interests. Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any losses that could be incurred.

Opioid-Related Matters

Since 2014, multiple U.S. states, counties, other governmental persons or entities and private plaintiffs have filed suit against certain of our subsidiaries, including Endo Health Solutions Inc. (EHSI), EPI, Par Pharmaceutical, Inc. (PPI), Par Pharmaceutical Companies, Inc. (Par), Vintage Pharmaceuticals, LLC and/or Generics Bidco I, LLC and, in some instances, the Company, as well as various other manufacturers, distributors and/or others, asserting claims relating to defendants' alleged sales, marketing and/or distribution practices with respect to prescription opioid medications, including certain of our products. As of July 31, 2018, the cases of which we were aware include, but are not limited to, approximately 11 cases filed by states; approximately 1,221 cases filed by counties, cities, Native American tribes and/or other government-related persons or entities; approximately 78 cases filed by hospitals, health systems, unions, health and welfare funds or other third-party payers; and approximately 26 cases filed by individuals. Certain of the cases have been filed as putative class actions.

Many of these cases have been coordinated in a federal MDL pending in the U.S. District Court for the Northern District of Ohio (MDL No. 2804). In March 2018, the U.S. Department of Justice (DOJ) filed a statement of interest in the case, and in April 2018 it filed a motion to participate in settlement discussions and as a friend of the court, which the MDL court has granted. The MDL court has issued a series of case management orders permitting motions to dismiss addressing threshold legal issues in certain cases, setting a trial date in 2019 for three cases originally filed in the Northern District of Ohio, allowing certain discovery and establishing certain other deadlines and procedures, among other things.

Other cases remain pending in various state courts. In some jurisdictions, such as Connecticut, Illinois, New York, Pennsylvania and Texas, certain state court cases have been transferred to a single court within their respective state court systems for coordinated pretrial proceedings. The state cases are generally at the pleading and/or discovery stage.

The complaints in the cases assert a variety of claims including, but not limited to, claims for alleged violations of public nuisance, consumer protection, unfair trade practices, racketeering, Medicaid fraud and/or drug dealer liability statutes and/or common law claims for public nuisance, fraud/misrepresentation, strict liability, negligence and/or unjust enrichment. The claims are generally based on alleged misrepresentations and/or omissions in connection with the sale and marketing of prescription opioid medications and/or an alleged failure to take adequate steps to prevent abuse and diversion. Plaintiffs generally seek declaratory and/or injunctive relief; compensatory, punitive and/or treble damages; restitution, disgorgement, civil penalties, abatement, attorneys' fees, costs and/or other relief.

We will continue to vigorously defend the foregoing matters and to explore other options as appropriate in our best interests. Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any losses that could be incurred.

In addition to the lawsuits described above, the Company and/or its subsidiaries have received certain subpoenas, civil investigative demands (CIDs) and informal requests for information concerning the sale, marketing and/or distribution of prescription opioid medications, including the following:

In September 2017, the Department of Justice for the State of Oregon and the Office of the Attorney General for the Commonwealth of Massachusetts issued CIDs to EHSI and EPI on behalf of a multistate group which we understand currently includes the District of Columbia and the following additional states: Arizona, California, Colorado, Connecticut, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Maine, Maryland, Michigan, Minnesota, Nebraska, Nevada, New York, North Carolina, North Dakota, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin and Wyoming. Our subsidiaries are cooperating with this investigation. We understand that these CIDs superseded prior subpoenas and/or CIDs issued by certain of the foregoing states.

Other states are conducting their own investigations outside of the multistate group. These states include New Hampshire (subpoenas received by EPI in August 2015 and December 2017); New Jersey (subpoena received by EPI in March 2017); Washington (CID received by the Company, EHSI and EPI in August 2017); Indiana (CID received by EHSI and EPI in November 2017); Montana (CID received by EHSI and EPI in January 2018); Alaska (CID received by EPI in February 2018); and South Carolina (CID received by EHSI and EPI in February 2018). We are cooperating with these investigations.

In January 2018, our subsidiary EPI received a federal grand jury subpoena from the U.S. District Court for the Southern District of Florida in connection with an investigation being conducted by the U.S. Attorney's Office for the Southern District of Florida in conjunction with the U.S. Food and Drug Administration. The subpoena seeks information related to OPANA® ER and other oxymorphone products. EPI is cooperating with the investigation.

Similar investigations may be brought by others or the foregoing matters may be expanded or result in litigation. We are unable to predict the outcome of these matters or to estimate the possible range of any losses that could be incurred.

Generic Drug Pricing Matters

In December 2014, we received a grand jury subpoena from the Antitrust Division of the DOJ issued by the U.S. District Court for the Eastern District of Pennsylvania to Par Pharmaceuticals. The subpoena requested documents and information focused primarily on product and pricing information relating to Par's authorized generic version of Lanoxin (digoxin) oral tablets and Par's generic doxycycline products, and on communications with competitors and others regarding those products. We are cooperating with the investigation.

In December 2015, EPI received interrogatories and a subpoena from the Connecticut Attorney General's Office requesting documents and information regarding pricing of certain of generic products, including doxycycline hyclate, amitriptyline hydrochloride, doxazosin mesylate, methotrexate sodium and oxybutynin chloride. EPI is cooperating with this investigation.

In May 2018, we and our subsidiary Par each received a CID from the U.S. Department of Justice in relation to a False Claims Act investigation concerning whether generic pharmaceutical manufacturers engaged in price fixing and market allocation agreements, paid illegal remuneration and caused the submission of false claims. We are cooperating with the investigation.

Similar investigations may be brought by others or the foregoing matters may be expanded or result in litigation. We are unable to predict the outcome of these matters or to estimate the possible range of any losses that could be incurred.

Certain cases alleging price-fixing and other anticompetitive conduct with respect to various generic pharmaceutical products have been consolidated and/or coordinated for pretrial proceedings in a federal MDL pending in the U.S. District Court for the Eastern District of Pennsylvania under the caption *In re Generic Pharmaceuticals Pricing Antitrust Litigation* (MDL No. 2724). Among the lawsuits consolidated and/or coordinated in the MDL, the earliest lawsuits naming the Company and/or its subsidiaries were filed in November 2016 and related to digoxin and doxycycline.

The private plaintiffs in the MDL include alleged direct purchasers, end-payers, and indirect purchaser resellers, and they purport to represent not only themselves but also all others similarly situated. At the MDL court's direction, in August 2017, each group of private plaintiffs (direct purchasers, end-payers and indirect purchaser resellers) filed separate consolidated amended class action complaints as to each of 18 products, except with respect to one product (propranolol) direct purchaser plaintiffs stated their intention to proceed on a consolidated amended complaint filed in the U.S. District Court for the Southern District of New York prior to MDL transfer (the Southern District of New York had denied a motion to dismiss this complaint). Each of these consolidated amended complaints relates to one product, and our subsidiary PPI was named as a defendant in complaints relating to six products: digoxin, doxycycline hyclate, divalproex ER, propranolol, baclofen and amitriptyline hydrochloride. The MDL court divided the various cases into three separate product-based tranches for certain administrative and scheduling purposes, including briefing on motions to dismiss. As to the six products in the first tranche (including digoxin, doxycycline hyclate and divalproex ER), defendants filed motions to dismiss in October 2017, and these motions remain pending. Defendants also asserted that they are entitled to move the MDL court to dismiss the propranolol direct purchaser consolidated amended complaint. The MDL court has allowed certain targeted discovery.

In December 2016, the Attorney General for the State of Connecticut, leading a coalition of 20 state attorneys general, filed a complaint in the U.S. District Court for the District of Connecticut alleging price-fixing and other anticompetitive conduct with respect to doxycycline hyclate delayed release and glyburide against certain manufacturers of those products. The Company and its subsidiaries were not named in that complaint, or in an amended complaint filed on behalf of 40 states in March 2017, or in a separate lawsuit filed by four more states and the District of Columbia in the same court in July 2017. In August 2017, the state cases were transferred to MDL No. 2724. In October 2017, the state plaintiffs filed a motion for leave to (1) consolidate their two cases, (2) add Alaska and the Commonwealth of Puerto Rico as plaintiffs and (3) assert additional claims against existing and new defendants. In June 2018, the MDL court granted this motion, and the state plaintiffs filed their amended complaint. The amended complaint adds new allegations and claims against 14 new defendants, including our subsidiary Par, relating to 13 additional products. The amended complaint alleges anticompetitive conduct by our subsidiary with respect to doxycycline monohydrate. It also alleges that all defendants engaged in an overarching conspiracy to restrain trade across the generic pharmaceutical industry and seeks to hold all defendants, including our subsidiary, jointly and severally liable for harm caused by alleged anticompetitive activity concerning each of the 15 drugs at issue. The amended complaint seeks declaratory and injunctive relief, disgorgement and other equitable relief, compensatory and treble damages, civil penalties, costs and attorneys' fees.

In January 2018, The Kroger Co., Albertsons Companies, LLC, and H.E. Butt Grocery Company LP filed a complaint in the U.S. District Court for the Eastern District of Pennsylvania against PPI, as well as numerous other manufacturers of generic pharmaceuticals, alleging anticompetitive conduct relating to 30 separate generic pharmaceutical products, including seven products allegedly manufactured by PPI: digoxin, doxycycline hyclate, doxycycline monohydrate, divalproex ER, propranolol, baclofen and amitriptyline hydrochloride. This lawsuit has been assigned to the MDL court. The complaint alleges an overarching conspiracy among all named defendants to engage in price-fixing for all 30 products, as well as product-specific conspiracies relating to each individual product, in violation of federal antitrust law. The complaint seeks monetary damages, including treble damages, attorneys' fees and injunctive relief.

In June 2018, direct purchaser, end-payer and indirect purchaser reseller plaintiffs filed additional class action complaints in the U.S. District Court for the Eastern District of Pennsylvania, alleging anticompetitive conduct relating to approximately 15 generic pharmaceuticals (generally those that were the subject of the state plaintiffs' amended complaint). These lawsuits have also been assigned to the MDL court. The end payer and indirect purchaser reseller complaints name our subsidiaries PPI, Generics Bidco I, LLC and DAVA Pharmaceuticals, LLC, and other companies, as defendants. The direct purchaser complaint names our subsidiary Par and other companies as defendants. As to our subsidiaries, the complaints allege anticompetitive conduct with respect to doxycycline hyclate, doxycycline monohydrate, nystatin cream and/or zoledronic acid. These complaints also seek to hold all defendants jointly and severally liable for alleged anticompetitive conduct relating to all products identified in the complaints on the basis of an "overarching conspiracy" theory similar to that asserted by the state plaintiffs.

In August 2018, Humana Inc. filed a complaint in the U.S. District Court for the Eastern District of Pennsylvania against the Company, PPI and Par, as well as numerous other manufacturers of generic pharmaceuticals, alleging anticompetitive conduct relating to approximately 16 generic pharmaceutical products, including amitriptyline, baclofen, digoxin, divalproex, doxycycline (both doxycycline hyclate and doxycycline monohydrate) and propranolol. The complaint alleges an overarching conspiracy among all named defendants to engage in price-fixing for all 16 products, as well as product-specific conspiracies relating to each individual product. The complaint asserts claims under state and federal law and seeks monetary damages, including treble damages, attorneys' fees and equitable relief. The lawsuit has been assigned to the MDL court.

We will continue to vigorously defend the foregoing matters and to explore other options as appropriate in our best interests. Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any losses that could be incurred.

Other Antitrust Matters

Beginning in November 2013, multiple direct and indirect purchasers of LIDODERM® filed a number of cases against our subsidiary EPI and co-defendants Teikoku Seiyaku Co., Ltd. and Teikoku Pharma USA, Inc. (collectively, Teikoku), and Actavis plc and certain of its subsidiaries (collectively, Actavis, which was subsequently acquired by Teva Pharmaceuticals Industries Ltd and its subsidiaries from Allergan plc). Plaintiffs generally alleged that EPI, Teikoku and Actavis entered into an anticompetitive conspiracy to restrain trade through the settlement of patent infringement litigation concerning U.S. Patent No. 5,827,529 (the '529 patent) and other patents. Some complaints also alleged that Teikoku wrongfully listed the '529 patent in FDA's Approved Drug Products with Therapeutic Equivalence Evaluations (Orange Book) as related to LIDODERM®, that EPI and Teikoku commenced sham patent litigation against Actavis and that EPI abused the FDA citizen petition process by filing a citizen petition and amendments solely to interfere with generic companies' efforts to obtain FDA approval of their versions of LIDODERM®. The complaints asserted claims under Sections 1 and 2 of the Sherman Act (15 U.S.C. §§ 1, 2), and/or various state antitrust and consumer protection statutes, as well as common law claims, and generally sought damages, treble damages, disgorgement of profits, restitution, injunctive relief and attorneys' fees. The cases were consolidated and/or coordinated in April 2014 in a federal MDL in the U.S. District Court for the Northern District of California (MDL No. 2521). The MDL court certified classes of direct and indirect purchasers in February 2017. In June 2017, defendants moved for summary judgment on all claims, and plaintiffs also moved for partial summary judgment on certain elements of their claims. In November 2017, the court granted defendants' motion in part, ruling in defendants' favor on the issues of infringement and derivation and also limiting the time period at issue. Defendants' motions for summary judgment were denied in all other respects. The court also granted plaintiffs' motions for summary judgment on the issues of agreement and relevant market. EPI settled with certain opt-out plaintiffs in October 2017. EPI reached agreements in principle with the class plaintiffs in February 2018. In connection with the settlements, several indirect purchasers which previously had opted out were permitted to rejoin the class. The class settlement agreements provide that, subject to certain conditions, EPI will make aggregate payments of approximately $100 million, approximately $90 million of which are classified in the Current portion of the legal settlement accrual in the Condensed Consolidated Balance Sheets at June 30, 2018, with the remainder classified as Long-term legal settlement accrual, less current portion. The class settlement agreements have received preliminary approval but remain subject to final approval by the court.

Beginning in June 2014, multiple direct and indirect purchasers of OPANA® ER filed cases against our subsidiaries EHSI and EPI and other pharmaceutical companies, including Impax Laboratories Inc. (Impax) and Penwest Pharmaceuticals Co., which our subsidiary EPI had acquired. Some cases were filed on behalf of putative classes of direct and indirect purchasers, while others were filed on behalf of individual retailers or health care benefit plans. All cases have been consolidated and/or coordinated for pretrial proceedings in a federal MDL pending in the U.S. District Court for the Northern District of Illinois (MDL No. 2580). Plaintiffs generally allege that an agreement reached by EPI and Impax to settle patent infringement litigation concerning multiple patents pertaining to OPANA® ER and EPI's introduction of reformulated OPANA® ER violated antitrust laws. The complaints assert claims under Sections 1 and 2 of the Sherman Act, various state antitrust and consumer protection statutes and/or state common law. Plaintiffs generally seek damages, treble damages, disgorgement of profits, restitution, injunctive relief and attorneys' fees. In February 2016, the MDL court issued orders (i) denying defendants' motion to dismiss the claims of the direct purchasers, (ii) denying in part and granting in part defendants' motion to dismiss the claims of the indirect purchasers, but giving them permission to file amended complaints and (iii) granting defendants' motion to dismiss the complaints filed by certain retailers, but giving them permission to file amended complaints. In response to the MDL court's orders, the indirect purchasers filed an amended complaint to which the defendants filed a renewed motion to dismiss certain claims, and certain retailers also filed amended complaints. The court has dismissed the indirect purchaser unjust enrichment claims arising under the laws of the states of California, Rhode Island and Illinois. The cases are currently in discovery. We will continue to vigorously defend these matters and to explore other options as appropriate in our best interests.

Beginning in February 2009, the FTC and certain private plaintiffs, including distributors and retailers, filed suit against our subsidiary Par Pharmaceutical Companies, Inc. (since June 2016, Endo Generics Holdings, Inc., and referred to in this Commitments and Contingencies note as EGHI) and others alleging violations of antitrust law arising out of EGHI's settlement of certain patent litigation concerning the generic version of AndroGel®. Generally, the complaints seek damages, treble damages, equitable relief, and attorneys' fees and costs. The cases have been consolidated and/or coordinated for pretrial proceedings in a federal MDL pending in the U.S. District Court for the Northern District of Georgia (MDL No. 2084). In September 2012, the district court granted summary judgment to defendants on plaintiffs' claims of sham litigation. In May 2016, plaintiffs representing a putative class of indirect purchasers voluntarily dismissed their claims with prejudice. In February 2017, the FTC voluntarily dismissed its claims against EGHI with prejudice. Claims by certain alleged direct purchasers or their assignees are still pending. In June 2018, the district court granted in part and denied in part various summary judgment and evidentiary motions filed by defendants. In particular, the district court's order rejected two of direct purchasers' three causation theories, rejected damages claims related to AndroGel® 1.62% and granted in part a motion seeking to exclude part of plaintiffs' proposed manufacturing expert's opinions. The motions were denied in all other respects. In July 2018, EGHI filed a motion for reconsideration of the order insofar as it denied summary judgment to EGHI, or in the alternative leave to file an interlocutory appeal; this motion remains pending. In July 2018, the district court denied certain plaintiffs' motion for certification of a direct purchaser class. We will continue to vigorously defend these matters and to explore other options as appropriate in our best interests.

Beginning in February 2018, several alleged indirect purchasers filed proposed class actions against our subsidiary PPI and others alleging a conspiracy to delay generic competition and monopolize the market for Zetia® (ezetimibe) and its generic equivalents. The complaints generally assert claims under Sections 1 and 2 of the Sherman Act, various state antitrust and consumer protection statutes and state common law and seek injunctive relief, damages, treble damages, attorneys' fees and costs. In June 2018, the cases were consolidated and/or coordinated for pretrial proceedings in a federal MDL pending in the U.S. District Court for the Eastern District of Virginia (MDL No. 2836). We intend to vigorously defend these matters and to explore other options as appropriate in our best interests.

Beginning in May 2018, multiple alleged direct and indirect purchasers filed proposed class actions in the U.S. District Court for the Southern District of New York against PPI, EPI and/or us, as well as others, alleging a conspiracy to delay generic competition and monopolize the market for Exforge® (amlodipine/valsartan) and its generic equivalents. The complaints generally assert claims under Sections 1 and 2 of the Sherman Act, various state antitrust and consumer protection statutes and state common law and seek damages, treble damages, equitable relief and attorneys' fees and costs. We intend to vigorously defend these matters and to explore other options as appropriate in our best interests.

In November 2014, EPI received a CID from Florida's Office of the Attorney General seeking documents and other information concerning EPI's agreement with Actavis settling the LIDODERM® patent litigation, as well as information concerning marketing and sales of LIDODERM®. EPI received similar CIDs from South Carolina's Office of the Attorney General in February 2016 and from Alaska's Office of the Attorney General in February 2015. The Alaska CID was also directed to EHSI and included requests for documents and information concerning agreements with Actavis and Impax settling the OPANA® ER patent litigation. We are cooperating with this investigation.

In February 2015, EGHI and affiliates received a CID from the Office of the Attorney General for the State of Alaska seeking production of certain documents and information regarding EGHI's settlement of the AndroGel® patent litigation as well as documents produced in the aforementioned litigation filed by the FTC. We are cooperating with this investigation.

Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any additional losses that could be incurred.

Securities Litigation

In May 2016, a putative class action entitled *Craig Friedman v. Endo International plc, Rajiv Kanishka Liyanaarchchie de Silva and Suketu P. Upadhyay* was filed in the U.S. District Court for the Southern District of New York by an individual shareholder on behalf of himself and all similarly situated shareholders. In August 2016, the court appointed Steamfitters' Industry Pension Fund and Steamfitters' Industry Security Benefit Fund as lead plaintiffs in the action. In October 2016, plaintiffs filed a second amended complaint that, among other things, added Paul Campanelli as a defendant, and we filed a motion to dismiss. In response, and without resolving the motion, the court permitted lead plaintiffs to file a third amended complaint. The amended complaint alleged violations of Sections 10(b) and 20(a) of the Exchange Act based on the Company's revision of its 2016 earnings guidance and certain disclosures about its generics business, the integration of Par Pharmaceutical Holdings, Inc. and its subsidiaries, certain other alleged business issues and the receipt of a CID from the U.S. Attorney's Office for the Southern District of New York regarding contracts with pharmacy benefit managers concerning FROVA®. Lead plaintiffs sought class certification, damages in an unspecified amount and attorneys' fees and costs. We filed a motion to dismiss the third amended complaint in December 2016. In January 2018, the court granted our motion and dismissed the case with prejudice. In February 2018, lead plaintiffs filed a motion for relief from the judgment and leave to file a fourth amended complaint; the court denied this motion in April 2018. Lead plaintiffs appealed to the U.S. Court of Appeals for the Second Circuit; that appeal is still pending.

In February 2017, a putative class action entitled *Public Employees' Retirement System of Mississippi v. Endo International plc* was filed in the Court of Common Pleas of Chester County, Pennsylvania by an institutional purchaser of shares in our June 2, 2015 public offering, on behalf of itself and all similarly situated purchasers. The lawsuit alleges violations of Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 against Endo, certain of its current and former directors and officers, and the underwriters who participated in the offering, based on certain disclosures about Endo's generics business. In March 2017, defendants removed the case to the U.S. District Court for the Eastern District of Pennsylvania. In August 2017, the court remanded the case back to the Chester County Court of Common Pleas. In October 2017, plaintiff filed an amended complaint. In December 2017, defendants filed preliminary objections to the amended complaint. The court denied those preliminary objections in April 2018. The case is currently in discovery. Plaintiff filed its motion for class certification in July 2018.

In April 2017, a putative class action entitled *Phaedra A. Makris v. Endo International plc, Rajiv Kanishka Liyanaarchchie de Silva and Suketu P. Upadhyay* was filed in the Superior Court of Justice in Ontario, Canada by an individual shareholder on behalf of herself and similarly-situated Canadian-based investors who purchased Endo's securities between January 11 and May 5, 2016. The statement of claim generally seeks class certification, declaratory relief, damages, interest and costs based on alleged violations of the Ontario Securities Act. The statement of claim alleges negligent misrepresentations concerning the Company's revenues, profit margins and earnings per share; its receipt of a subpoena from the State of Connecticut regarding doxycycline hyclate, amitriptyline hydrochloride, doxazosin mesylate, methotrexate sodium and oxybutynin chloride; and the erosion of the Company's U.S. generic pharmaceuticals business.

In August 2017, a putative class action entitled *Bier v. Endo International plc, et al.* was filed in the U.S. District Court for the Eastern District of Pennsylvania by an individual shareholder on behalf of himself and all similarly situated shareholders. The original complaint alleged violations of Section 10(b) and 20(a) of the Exchange Act against Endo and four current and former directors and officers, based on the Company's decision to remove reformulated OPANA® ER from the market. In December 2017, SEB Investment Management AB was appointed lead plaintiff in the action. In February 2018, the lead plaintiff filed an amended complaint, which added claims alleging violations of Sections 11 and 15 of the Securities Act in connection with the June 2015 offering. The amended complaint named the Company, EHSI and twenty current and former directors, officers and employees of Endo as defendants. In April 2018, the defendants moved to dismiss the amended complaint; that motion remains pending.

In November 2017, a putative class action entitled *Pelletier v. Endo International plc, Rajiv Kanishka Liyanaarchchie De Silva, Suketu P. Upadhyay, and Paul V. Campanelli* was filed in the U.S. District Court for the Eastern District of Pennsylvania by an individual shareholder on behalf of himself and all similarly situated shareholders. The lawsuit alleges violations of Section 10(b) and 20(a) of the Exchange Act relating to the pricing of various generic pharmaceutical products. In January 2018, the Chief Judge of the Eastern District of Pennsylvania designated *Pelletier* as related to *Bier* and reassigned *Pelletier* to the judge overseeing *Bier*. In June 2018, the Park Employees' Annuity and Benefit Fund of Chicago was appointed lead plaintiff in the action. In August 2018, the lead plaintiff filed an amended complaint.

We will continue to vigorously defend the foregoing matters and to explore other options as appropriate in our best interests. Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any losses that could be incurred.

VASOSTRICT® Related Matters

In July 2016, Fresenius Kabi USA, LLC (Fresenius) filed a complaint against Par and its affiliate Par Sterile Products, LLC (PSP) in the U.S. District Court for the District of New Jersey alleging that Par and its affiliate engaged in an anticompetitive scheme to exclude competition from the market for vasopressin solution for intravenous injection in view of Par's VASOSTRICT® (vasopressin) product. The complaint alleges violations of Sections 1 and 2 of the Sherman Antitrust Act, as well as state antitrust and common law, based on assertions that Par and its affiliate entered into exclusive supply agreements with one or more active pharmaceutical ingredient (API) manufacturers and that, as a result, Fresenius has been unable to obtain vasopressin API in order to file an ANDA to obtain FDA approval for its own vasopressin product. Fresenius seeks actual, treble and punitive damages, attorneys' fees and costs, and injunctive relief. In September 2016, Par and its affiliate filed a motion to dismiss, which the district court denied in February 2017. The case is currently in discovery.

In August 2017, our subsidiaries PPI and PSP filed a complaint for actual, exemplary and punitive damages, injunctive relief and other relief against QuVa Pharma, Inc. (QuVa), Stuart Hinchen, Peter Jenkins, and Mike Rutkowski in the U.S. District Court for the District of New Jersey. The complaint alleges misappropriation in violation of the federal Defend Trade Secrets Act, New Jersey's Trade Secrets Act and New Jersey common law, as well as unfair competition, breach of contract, breach of fiduciary duty, breach of the duty of loyalty, tortious interference with contractual relations and breach of the duty of confidence in connection with VASOSTRICT®, a vasopressin-based cardiopulmonary drug. In October 2017, defendants answered the complaint and QuVa asserted counterclaims against PPI and PSP alleging unfair competition under New Jersey common law and seeking declaratory judgment of non-infringement as to five U.S. Patents assigned to PPI that are listed in FDA's Orange Book for VASOSTRICT®. The counterclaims seek actual, exemplary, and punitive damages, injunctive relief and other relief. We filed a motion to dismiss the unfair competition counterclaim in November 2017. Also in November 2017, we filed a motion for preliminary injunction seeking various forms of relief. These motions are still pending. In January 2018, we filed a first amended complaint adding five former employees of PSP as defendants and numerous causes of action against some or all of those former employees, including misappropriation under the federal Defend Trade Secrets Act, New Jersey's Trade Secrets Act and New Jersey common law, as well as breach of contract, breach of the duty of loyalty and breach of the duty of confidence. In March 2018, the court granted in part our motion for preliminary injunction and enjoined QuVa from marketing and releasing its planned vasopressin product through the conclusion of trial. Also in March 2018, QuVa and seven of the individual defendants filed a motion to dismiss the New Jersey common law claims, four of the individual defendants filed a motion to dismiss for lack of personal jurisdiction and one of the individuals filed a motion to dismiss the breach of contract claim. In April 2018, another individual defendant filed a motion to dismiss asserting numerous arguments, including lack of personal jurisdiction, improper venue and choice of law. These motions are still pending. Full discovery began in May 2018, but the court has not yet set a trial date. Also in May 2018, defendants filed a notice of appeal to the Third Circuit Court of Appeal indicating intent to appeal the court's preliminary injunction.

In October 2017, Endo Par Innovation Company, LLC (EPIC) and PSP filed a complaint in the United States District Court for the District of Columbia challenging the legality of the FDA's *Interim Policy on Compounding Using Bulk Drug Substances Under Section 503B of the Federal Food, Drug, and Cosmetic Act* (January 2017) with respect to the listing of vasopressin in Category 1 of the *Interim Policy*. The complaint contends that the *Interim Policy* is unlawful because it is inconsistent with the Federal, Food, Drug, and Cosmetic Act, including, but not limited to, Section 503B of that Act. The complaint seeks (i) a declaration that FDA's *Interim Policy* and its listing of vasopressin in Category 1 of the *Interim Policy* are unlawful, and (ii) an order enjoining and vacating the *Interim Policy* and FDA's listing of vasopressin in Category 1 of the *Interim Policy*. In January 2018, EPIC and PSP agreed to a temporary 60-day stay of the litigation in light of the FDA's announcement that forthcoming guidance will address the concerns set forth in the Company's complaint. In March 2018, the FDA released new draft guidance for industry entitled "Evaluation of Bulk Drug Substances Nominated for Use in Compounding Under Section 503B of the Federal Food, Drug, and Cosmetic Act." Shortly thereafter, the parties agreed to extend the temporary stay for an additional 180 days.

In April 2018, PSP and PPI received a notice letter from Eagle Pharmaceuticals, Inc. (Eagle) advising of the filing by such company of an ANDA for a generic version of VASOSTRICT® (vasopressin IV solution (infusion)). In May 2018, PSP and PPI received a second notice letter from Eagle advising of the same filing, but adding an additional patent. The Paragraph IV Notices refer to U.S. Patent Nos. 9,375,478; 9,687,526; 9,744,209; 9744, 239; 9,750,785; and 9,937,223, which variously cover either vasopressin-containing pharmaceutical compositions or methods of using a vasopressin-containing usage dosage form to increase blood pressure in humans. In May 2018, PPI, PSP and EPIC filed a lawsuit against Eagle in the United States District Court for the District of Delaware within the 45-day deadline to invoke a 30-month stay of FDA approval pursuant to the Hatch-Waxman legislative scheme. In August 2018, Eagle filed an answer and a counterclaim for non-infringement and invalidity of asserted patents.

The Company's legal reserves include, among other things, an estimated accrual for certain VASOSTRICT®-related matters. We will continue to vigorously defend or prosecute the foregoing matters as appropriate, to protect our intellectual property rights, to pursue all available legal and regulatory avenues and to explore other options as appropriate in our best interests. Similar matters may be brought by others or the foregoing matters may be expanded. We are unable to predict the outcome of these matters or to estimate the possible range of any additional accruals that could be required.

Paragraph IV Certifications on OPANA® ER

In late 2012, two patents (U.S. Patent Nos. 8,309,122 and 8,329,216) were issued to EPI covering OPANA® ER (oxymorphone hydrochloride extended-release tablets CII). In December 2012, EPI filed a complaint against Actavis in U.S. District Court for the Southern District of New York for patent infringement based on its ANDA for a non-INTAC® technology version of OPANA® ER. In May 2013 and June 2013, EPI filed similar suits in the U.S. District Court for the Southern District of New York against the following applicants for non-INTAC® technology OPANA® ER: Roxane Laboratories, Inc. (Roxane) and Ranbaxy Laboratories Limited, which was acquired by Sun Pharmaceutical Industries Ltd. (Ranbaxy). Those suits allege infringement of U.S. Patent Nos. 7,851,482, 8,309,122 and 8,329,216. In July 2013, Actavis and Roxane were granted FDA approval to market all strengths of their respective non-INTAC® technology formulations of OPANA® ER. In September 2013, Actavis launched its generic version of non-crush-resistant OPANA® ER 5, 10, 20, 30 and 40 mg tablets. A trial in this case was held from March 2015 through April 2015 in the U.S. District Court for the Southern District of New York. In August 2015, the District Court ruled that all defendants infringed the claims of U.S. Patent Nos. 8,309,122 and 8,329,216. The District Court also ruled that the defendants failed to show that U.S. Patent Nos. 8,309,122 and 8,329,216 were invalid, enjoined the defendants from launching their generic products until the expiration of those patents and directed Actavis to withdraw its generic product within 60 days. In October 2015, the District Court tolled the 60-day period until it decided two pending post-trial motions. In April 2016, the District Court issued an order upholding its August 2015 ruling in EPI's favor and confirming the prior injunction against the manufacture or sale of the generic version of the non-INTAC® technology OPANA® ER currently offered by Actavis and the additional approved but not yet marketed generic version of the product developed by Roxane. The defendants filed appeals to the Court of Appeals for the Federal Circuit. EPI continued its suit for damages for Actavis's sales of its infringing generic version of OPANA® ER. In August 2017, EPI settled the damages portion of this suit with Actavis. As a result of that settlement, EPI received $25 million from Actavis in August 2017. We intend to continue vigorously asserting our intellectual property rights and to oppose any such appeal. On May 16, 2018, the Court of Appeals for the Federal Circuit issued an opinion in EPI's favor on all issues. This case is now closed.

From September 21, 2012 through October 30, 2013, EPI and its partner Grünenthal received Paragraph IV Notices from each of Teva Pharmaceuticals USA, Inc., Amneal Pharmaceuticals, LLC (Amneal), ThoRx Laboratories, Inc. (ThoRx), Actavis, Impax and Ranbaxy (now Sun Pharmaceutical Industries Ltd.), advising of the filing by each such company of an ANDA for a generic version of the formulation of OPANA® ER with INTAC® technology. These Paragraph IV Notices refer to U.S. Patent Nos. 7,851,482, 8,075,872, 8,114,383, 8,192,722, 8,309,060, 8,309,122 and 8,329,216, which variously cover the formulation of OPANA® ER, a highly pure version of the active pharmaceutical ingredient and the release profile of OPANA® ER. EPI filed lawsuits against each of these filers in the U.S. District Court for the Southern District of New York. Each lawsuit was filed within the 45-day deadline to invoke a 30-month stay of FDA approval pursuant to the Hatch-Waxman legislative scheme. A trial in this case was held from March 2015 through April 2015 in the U.S. District Court for the Southern District of New York against the remaining filers. In August 2015, the District Court issued an Opinion holding that all defendants infringed the claims of U.S. Patent Nos. 8,309,060, 8,309,122 and 8,329,216. The Opinion also held that the defendants had shown that U.S. Patent No. 8,309,060 was invalid, but that the defendants had failed to show that U.S. Patent Nos. 8,309,122 and 8,329,216 were invalid. The District Court also issued an Order enjoining the defendants from launching their generic products until the expiration of U.S. Patent Nos. 8,309,122 and 8,329,216. The defendants filed appeals to the Court of Appeals for the Federal Circuit. An argument was held at the Federal Circuit on this appeal in December 2017. On May 16, 2018, the Court of Appeals for the Federal Circuit issued an opinion in EPI's favor on all issues. This case is now closed.

In August 2014 and October 2014, the U.S. Patent Office issued U.S. Patent Nos. 8,808,737 and 8,871,779 respectively, which cover a method of using OPANA® ER and a highly pure version of the active pharmaceutical ingredient of OPANA® ER. In November 2014, EPI filed lawsuits against Teva, ThoRx, Actavis, Impax, Ranbaxy, Roxane, Amneal and Sandoz Inc. based on their ANDAs filed against both the INTAC® technology and non-INTAC® technology versions of OPANA® ER. Those lawsuits were filed in the U.S. District Court for the District of Delaware alleging infringement of these new patents, which expire in 2027 and 2029, respectively. On November 17, 2015, the District Court held the '737 patent invalid for claiming unpatentable subject matter. That patent has been dismissed from all suits and the suits administratively closed as to that patent, subject to appeal at the end of the case on the '779 patent. In July 2016, a three-day trial was held in the U.S. District Court for the District of Delaware against Teva and Amneal for infringement of the '779 patent. In October 2016, the District Court issued an Opinion holding that the defendants infringed the claims of U.S. Patent No. 8,871,779. The Opinion also held that the defendants had failed to show that U.S. Patent No. 8,871,779 was invalid. The District Court issued an Order enjoining the defendants from launching their generic products until the expiration of U.S. Patent No. 8,871,779 in November 2029. A trial for infringement of the '799 patent by Actavis was held in February 2017 in the same court (U.S. District Court for the District of Delaware) in front of the same judge. In August 2017, the District Court issued an Opinion holding that Actavis infringed the claims of U.S. Patent No. 8,871,779, and that Actavis had failed to show that U.S. Patent No. 8,871,779 was invalid. Teva, Amneal and Actavis have appealed these holdings. We have appealed the holding that the '737 patent is invalid. We are awaiting a hearing date for that appeal.

We will continue to vigorously defend or prosecute the foregoing matter as appropriate, to protect our intellectual property rights, to pursue all available legal and regulatory avenues and to explore other options as appropriate in our best interests in defense of our intellectual property, including enforcement of the product's intellectual property rights and approved labeling. We are unable to predict the outcome of these matters or to estimate the possible range of any losses that could be incurred.

Other Proceedings and Investigations

Proceedings similar to those described above may also be brought in the future. Additionally, we are involved in, or have been involved in, arbitrations or various other proceedings that arise from the normal course of our business. We cannot predict the timing or outcome of these other proceedings. Currently, neither we nor our subsidiaries are involved in any other proceedings that we expect to have a material effect on our business, financial condition, results of operations and cash flows.

NOTE 15. OTHER COMPREHENSIVE (LOSS) INCOME

Set forth below are the tax effects allocated to each component of Other comprehensive (loss) income for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,					
	2018			2017		
	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Net unrealized gain on securities:						
Unrealized gain arising during the period	$ —	$ —	$ —	$ 771	$ (280)	$ 491
Less: reclassification adjustments for (gain) loss realized in net loss	—	—	—	—	—	—
Net unrealized gains	$ —	$ —	$ —	$ 771	$ (280)	$ 491
Net unrealized (loss) gain on foreign currency:						
Foreign currency translation (loss) gain arising during the period	(5,971)	—	(5,971)	10,340	—	10,340
Less: reclassification adjustments for (gain) loss realized in net loss	—	—	—	—	—	—
Foreign currency translation (loss) gain	$ (5,971)	$ —	$ (5,971)	$ 10,340	$ —	$ 10,340
Other comprehensive (loss) income	$ (5,971)	$ —	$ (5,971)	$ 11,111	$ (280)	$ 10,831

	Six Months Ended June 30,					
	2018			2017		
	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Net unrealized gain on securities:						
Unrealized gain arising during the period	$ —	$ —	$ —	$ 227	$ (82)	$ 145
Less: reclassification adjustments for (gain) loss realized in net loss	—	—	—	—	—	—
Net unrealized gains	$ —	$ —	$ —	$ 227	$ (82)	$ 145
Net unrealized (loss) gain on foreign currency:						
Foreign currency translation (loss) gain arising during the period	(11,768)	—	(11,768)	25,474	—	25,474
Less: reclassification adjustments for (gain) loss realized in net loss	—	—	—	—	—	—
Foreign currency translation (loss) gain	$ (11,768)	$ —	$ (11,768)	$ 25,474	$ —	$ 25,474
Other comprehensive (loss) income	$ (11,768)	$ —	$ (11,768)	$ 25,701	$ (82)	$ 25,619

Substantially all of the Company’s Accumulated other comprehensive loss at June 30, 2018 and December 31, 2017 consists of Foreign currency translation loss.

NOTE 16. SHAREHOLDERS' (DEFICIT) EQUITY

Changes in Shareholders' (Deficit) Equity

The following table displays a reconciliation of our beginning and ending balances in shareholders' (deficit) equity for the six months ended June 30, 2018 (in thousands):

	Total Shareholders' Equity (Deficit)
Shareholders' equity at January 1, 2018, prior to the adoption of ASC 606	$ 484,880
Effect of adopting ASC 606 (1)	3,076
Shareholders' equity at January 1, 2018	$ 487,956
Net loss	(566,356)
Other comprehensive loss	(11,768)
Compensation related to share-based awards	29,986
Tax withholding for restricted shares	(1,876)
Other	(19)
Shareholders' deficit at June 30, 2018	$ (62,077)

(1) Refer to Note 2. Summary of Significant Accounting Policies for further description of ASC 606.

Share-Based Compensation

During the second quarter of 2018, the Company's shareholders approved an amendment to the Endo International plc Amended and Restated 2015 Stock Incentive Plan (the Plan). The Plan was amended and restated to increase the number of the Company's ordinary shares that may be issued with respect to awards under the Plan by 5.0 million ordinary shares and to make certain other changes to the Plan's terms. None of the additional ordinary shares were issued during the six months ended June 30, 2018.

The Company recognized share-based compensation expense of $12.1 million and $7.5 million during the three months ended June 30, 2018 and 2017, respectively, and $30.0 million and $27.0 million during the six months ended June 30, 2018 and 2017, respectively. As of June 30, 2018, the total remaining unrecognized compensation cost related to non-vested share-based compensation awards amounted to $54.8 million.

During the third quarter of 2017, the Company issued approximately 1.0 million stock options and 0.1 million restricted stock units that were initially subject to shareholder approval and were subsequently approved by shareholders on June 7, 2018 at the Company's Annual General Meeting of Shareholders. The options have an exercise price equal to the closing share price on their issuance date in August 2017.

There are 0.5 million performance share units outstanding as of June 30, 2018, representing target amounts, for which a grant date has not been established. No fair value has been ascribed to these awards as no grant date has been established. Accordingly, they are not reflected in the remaining unrecognized compensation cost above or the weighted average remaining requisite service period below.

As of June 30, 2018, the weighted average remaining requisite service period for non-vested stock options was 2.1 years and for non-vested restricted stock units was 2.2 years.

NOTE 17. OTHER INCOME, NET

The components of Other income, net for the three and six months ended June 30, 2018 and 2017 are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
(Gain) loss on sale of business and other assets	$ (24,577)	$ 26	$ (26,993)	$ (2,311)
Foreign currency gain, net	(3)	(3,870)	(2,088)	(6,854)
Equity (earnings) loss from investments accounted for under the equity method, net	(305)	(1,090)	2,321	(88)
Other miscellaneous, net	(3,946)	(1,775)	(4,949)	507
Other income, net	$ (28,831)	$ (6,709)	$ (31,709)	$ (8,746)

(Gain) loss on sale of business and other assets primarily relates to proceeds received from the sale of various ANDAs during the three and six months ended June 30, 2018. Foreign currency gain, net results from the remeasurement of the Company's foreign currency denominated assets and liabilities.

NOTE 18. INCOME TAXES

The following table displays our Loss from continuing operations before income tax, Income tax expense (benefit) and Effective tax rate for the three and six months ended June 30, 2018 and 2017 (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Loss from continuing operations before income tax	$ (46,244)	$ (753,500)	$ (528,491)	$ (930,851)
Income tax expense (benefit)	$ 6,235	$ (57,480)	$ 21,726	$ (69,408)
Effective tax rate	*(13.5)%*	*7.6%*	*(4.1)%*	*7.5%*

The income tax expense for the three months ended June 30, 2018 primarily related to the geographic mix of pre-tax earnings. As of June 30, 2018, we had valuation allowances established against our deferred tax assets in most jurisdictions in which we operate, with the exception of Canada and India. The income tax benefit for the comparable 2017 period primarily related to the geographic mix of pre-tax earnings and the net discrete tax benefits associated with goodwill and intangible asset impairments.

The income tax expense for the six months ended June 30, 2018 is primarily related to the geographic mix of pre-tax earnings and discrete tax expense incurred in connection with an intercompany asset restructuring. The income tax benefit for the comparable 2017 period related primarily to the geographic mix of pre-tax earnings and the discrete tax benefits associated with goodwill and intangible asset impairments.

During the year ended December 31, 2017, we recorded a benefit of $36.2 million as our estimate of the impact of the TCJA. This benefit, which is primarily related to the remeasurement of deferred tax liabilities related to tax deductible goodwill, was recorded in our Consolidated Statements of Operations as Income tax benefit during the three months ended December 31, 2017.

We recorded the aforementioned net benefit based on currently available information and interpretations of the TCJA. In accordance with authoritative guidance issued by the SEC, the income tax effect for certain aspects of the TCJA may represent provisional amounts for which our accounting is incomplete but a reasonable estimate could be determined. We consider amounts related to the various transition rules and interpretations of the TCJA to be provisional. Accordingly, we will continue to evaluate the impacts of the TCJA, including administrative and regulatory guidance as it becomes available. The measurement and existence of current and non-current income tax payables and/or the remeasurement of deferred tax assets and liabilities may change upon finalization of our analysis, which is expected to occur no later than one year from December 22, 2017, the date of the TCJA's enactment. Any adjustment to a provisional amount identified during the one-year measurement period will be recorded as an income tax expense or benefit in the period the adjustment is determined.

During the six months ended June 30, 2018, we did not record any adjustments to the provisional amounts recognized in 2017. We will continue to monitor for any significant impact on the Company's consolidated financial statements with respect to the TCJA as more refined information and further guidance become available.

NOTE 19. NET LOSS PER SHARE

The following is a reconciliation of the numerator and denominator of basic and diluted net loss per share for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Numerator:				
Loss from continuing operations	$ (52,479)	$ (696,020)	$ (550,217)	$ (861,443)
Loss from discontinued operations, net of tax	(8,388)	(700,498)	(16,139)	(708,903)
Net loss	$ (60,867)	$ (1,396,518)	$ (566,356)	$ (1,570,346)
Denominator:				
For basic per share data—weighted average shares	223,834	223,158	223,677	223,086
Dilutive effect of ordinary share equivalents	—	—	—	—
Dilutive effect of various convertible notes and warrants	—	—	—	—
For diluted per share data—weighted average shares	223,834	223,158	223,677	223,086

Basic net loss per share data is computed based on the weighted average number of ordinary shares outstanding during the period. Diluted loss per share data is computed based on the weighted average number of ordinary shares outstanding and, if there is net income from continuing operations attributable to Endo ordinary shareholders during the period, the dilutive impact of ordinary share equivalents outstanding during the period.

Stock options and awards that have been issued but for which a grant date has not yet been established, such as the performance share units discussed in Note 16. Shareholders' (Deficit) Equity, are not considered in the calculation of basic of diluted weighted average shares.

All potentially dilutive items were excluded from the diluted share calculation for the three and six months ended June 30, 2018 and 2017 because their effect would have been anti-dilutive, as the Company was in a loss position.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following Management's Discussion and Analysis of Financial Condition and Results of Operations describes the principal factors affecting the results of operations, liquidity and capital resources and critical accounting estimates of Endo International plc. This discussion should be read in conjunction with the accompanying quarterly unaudited Condensed Consolidated Financial Statements and our Annual Report on Form 10-K for the year ended December 31, 2017 (Annual Report). Our Annual Report includes additional information about our significant accounting policies, practices and the transactions that underlie our financial results, as well as a detailed discussion of the most significant risks and uncertainties associated with our financial and operating results. Except for the historical information contained in this report, including the following discussion, this report contains forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements" beginning on page i of this report.

Unless otherwise indicated or required by the context, references throughout to "Endo," the "Company," "we," "our" or "us" refer to financial information and transactions of Endo International plc and its subsidiaries.

RESULTS OF OPERATIONS

Our quarterly results have fluctuated in the past, and may continue to fluctuate. These fluctuations are primarily due to (1) the timing of new product launches, (2) purchasing patterns of our customers, (3) market acceptance of our products, (4) the impact of competitive products and products we recently acquired, (5) pricing of our products, (6) the timing of mergers, acquisitions, divestitures and other related activity and (7) other actions taken by the Company which may impact the availability of our products. These fluctuations are also attributable to charges incurred for compensation related to share-based payments, amortization of intangible assets, asset impairment charges, litigation-related charges, restructuring charges and certain upfront, milestone and other payments made or accrued pursuant to acquisition or licensing agreements. Additionally, the Company adopted ASC 606 on January 1, 2018 using the modified retrospective method for all revenue-generating contracts, including modifications thereto, that were not completed contracts at the date of adoption. Under the modified retrospective method, results beginning on January 1, 2018 are presented under ASC 606, while the comparative prior period results continue to be presented under ASC 605 based on the accounting standards originally in effect for such periods. Refer to Note 2. Summary of Significant Accounting Policies of the Condensed Consolidated Financial Statements included in Part I, Item 1 for additional information, including the impact of adoption on 2018 results.

Consolidated Results Review

The following table displays our revenue, gross margin, gross margin percentage and other pre-tax expense or income for the three and six months ended June 30, 2018 and 2017 (dollars in thousands):

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2018	2017	2018 vs. 2017	2018	2017	2018 vs. 2017
Total revenues	$ 714,696	$ 875,731	(18)%	$ 1,415,223	$ 1,913,331	(26)%
Cost of revenues	381,905	539,401	(29)%	785,503	1,208,363	(35)%
Gross margin	$ 332,791	$ 336,330	(1)%	$ 629,720	$ 704,968	(11)%
Gross margin percentage	*46.6%*	*38.4%*		*44.5%*	*36.8%*	
Selling, general and administrative	$ 148,157	155,555	(5)%	$ 314,824	332,795	(5)%
Research and development	82,102	40,869	NM	120,748	83,878	44 %
Litigation-related and other contingencies, net	19,620	(2,600)	NM	17,120	(1,664)	NM
Asset impairment charges	22,767	725,044	(97)%	471,183	929,006	(49)%
Acquisition-related and integration items	5,161	4,190	23 %	11,996	15,070	(20)%
Interest expense, net	130,059	121,747	7 %	254,049	233,746	9 %
Loss on extinguishment of debt	—	51,734	(100)%	—	51,734	(100)%
Other income, net	(28,831)	(6,709)	NM	$ (31,709)	(8,746)	NM
Loss from continuing operations before income tax	$ (46,244)	$ (753,500)	(94)%	$ (528,491)	$ (930,851)	(43)%

NM indicates that the percentage change is not meaningful or is greater than 100%.

Total Revenues. The decreases for both the three and six months ended June 30, 2018 primarily relate to the impact of the second quarter 2017 loss of marketing exclusivity for both ezetimibe tablets and quetiapine ER tablets, competitive pressure on commoditized generic products, generic product rationalization initiatives, recent actions taken with respect to OPANA® ER that are further described below, generic competition on our U.S. Branded - Specialty & Established Pharmaceuticals segment's Established Products portfolio, our July 3, 2017 divestiture of Litha and our October 25, 2017 divestiture of Somar. These declines were partially offset by continued strong performance from our U.S. Branded - Sterile Injectables segment, including VASOSTRICT®, ADRENALIN® and other products, and our U.S. Branded - Specialty & Established Pharmaceuticals segment's Specialty Products portfolio, which includes XIAFLEX®.

In March 2017, we announced that the Food and Drug Administration's (FDA) Drug Safety and Risk Management and Anesthetic and Analgesic Drug Products Advisory Committees voted that the benefits of reformulated OPANA® ER (oxymorphone hydrochloride extended release) no longer outweigh its risks. In June 2017, we became aware of the FDA's request that we voluntarily withdraw OPANA® ER from the market, and in July 2017, after careful consideration and consultation with the FDA, we decided to voluntarily remove OPANA® ER from the market. During the second quarter of 2017, we began to work with the FDA to coordinate an orderly withdrawal of the product from the market. By September 1, 2017, we ceased shipments of OPANA® ER to customers and we expect the New Drug Application will be withdrawn in the coming months. These actions had an adverse effect on the revenues and results of operations of our U.S. Branded - Specialty & Established Pharmaceuticals segment during the three and six months ended June 30, 2018 compared to the prior year periods.

Cost of revenues and gross margin percentage. During the three and six months ended June 30, 2018 and 2017, we incurred certain charges that impact the comparability of total Cost of revenues, including those related to amortization expense and separation benefits and other cost reduction initiatives, including restructurings. The following table summarizes such amounts (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Amortization of intangible assets (1)	$ 153,215	$ 190,943	$ 310,387	$ 454,077
Separation benefits and other cost reduction initiatives (2)	$ 26,815	$ 12,925	$ 56,421	$ 14,586

(1) Amortization expense fluctuates based on changes in the total amount of amortizable intangible assets and the rate of amortization in effect for each intangible asset, both of which can vary based on factors such as the amount and timing of acquisitions, dispositions, asset impairment charges, transfers between indefinite- and finite-lived intangibles assets, changes in foreign currency rates and changes in the composition of our intangible assets impacting the weighted average useful lives and amortization methodologies being utilized. The decreases during both the three and six months ended June 30, 2018 were primarily driven by the impact of 2017 amortization expense for both ezetimibe tablets and quetiapine ER tablets, which were fully amortized prior to January 1, 2018, and asset impairment charges. These decreases were partially offset by the impact of certain in-process research and development assets put into service.

(2) Amounts primarily relate to certain accelerated depreciation charges, employee separation costs and charges to increase excess inventory reserves related to restructurings and other cost reduction and restructuring charges. See Note 4. Restructuring of the Condensed Consolidated Financial Statements included in Part I, Item 1 for discussion of our material restructuring initiatives.

The previously described decreases in total revenues, together with the decreases to amortization expense, were the primary factors leading to the overall period-over-period decreases in Cost of revenues for the three and six months ended June 30, 2018. These savings were partially offset by increased restructuring charges for the three and six months ended June 30, 2018. Costs incurred during the periods presented primarily relate to the 2017 U.S. Generic Pharmaceuticals Restructuring Initiative and the January 2018 Restructuring Initiative. Our material restructuring initiatives are described more fully in Note 4. Restructuring of the Condensed Consolidated Financial Statements included in Part I, Item 1.

The increases in gross margin percentage for both the three and six months ended June 30, 2018 were primarily attributable to the gross margin effects of the net Cost of revenues decreases included in the table above and the favorable margin impact of product rationalization efforts. Additionally, changes in the mix of total revenues, including a shift from generic to branded products, contributed to the overall increases in gross margin percentage.

Selling, general and administrative expenses. The decreases for both the three and six months ended June 30, 2018 were primarily a result of cost reductions that were implemented throughout 2017 and 2018, including the impact of those related to various restructuring initiatives. Our material restructuring initiatives are described more fully in Note 4. Restructuring of the Condensed Consolidated Financial Statements included in Part I, Item 1.

Research and development expenses. During the first quarter of 2018, we initiated two Phase 3 trials for our cellulite treatment development program, as well as the January 2018 Restructuring Initiative, which included a reorganization of our U.S. Generic Pharmaceuticals segment's research and development network. The January 2018 Restructuring Initiative is described more fully in Note 4. Restructuring of the Condensed Consolidated Financial Statements included in Part I, Item 1. During the second quarter of 2018, we entered into a development, license and commercialization agreement related to five sterile injectable product candidates, at which time we became obligated to make an upfront payment, which was recorded as Research and development expense in the Condensed Consolidated Statements of Operations. This agreement is described more fully in Note 10. License and Collaboration Agreements of the Condensed Consolidated Financial Statements included in Part I, Item 1.

The increases for both the three and six months ended June 30, 2018 were primarily a result of the upfront payment discussed above and increased costs related to our cellulite treatment development program. These increases were partially offset by cost savings related to the January 2018 Restructuring Initiative and other cost reduction initiatives.

We expect to continue to incur expenses in 2018 related to the cellulite treatment development program. We also expect our U.S. Generic Pharmaceuticals R&D costs to continue to decline compared to 2017 as a result of decreases in costs associated with offshoring certain of our R&D activities to India and prioritizing assets within our portfolio. There can be no assurance that we will achieve these results.

Litigation-related and other contingencies, net. Included within this Litigation-related and other contingencies, net line are litigation-related settlement charges, reimbursements and certain settlements proceeds related to suits filed by our subsidiaries. Our material legal proceedings and other contingent matters are described in more detail in Note 14. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1.

Asset impairment charges. The following table presents the components of our total Asset impairment charges for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Goodwill impairment charges	$ —	$ 206,143	$ 391,000	$ 288,745
Other intangible asset impairment charges	22,767	476,971	76,967	595,877
Property, plant and equipment impairment charges	—	41,930	3,216	44,384
Total asset impairment charges	$ 22,767	$ 725,044	$ 471,183	$ 929,006

The factors leading to our material goodwill and intangible asset impairment tests, as well as the results of these tests, are further described in Note 9. Goodwill and Other Intangibles of the Condensed Consolidated Financial Statements included in Part I, Item 1. A discussion of critical accounting estimates made in connection with certain of our impairment tests is included below under the caption "CRITICAL ACCOUNTING ESTIMATES."

Acquisition-related and integration items. The following table presents the components of our total Acquisition-related and integration items for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Net expense from changes in the fair value of acquisition-related contingent consideration	$ 4,127	$ 1,950	$ 10,962	$ 8,134
Other	1,034	2,240	1,034	6,936
Acquisition-related and integration items	$ 5,161	$ 4,190	$ 11,996	$ 15,070

Net expense from changes in the fair value of acquisition-related contingent consideration resulted from changes in market conditions impacting the commercial potential of the underlying products. See Note 7. Fair Value Measurements of the Condensed Consolidated Financial Statements included in Part I, Item 1 for further discussion of our acquisition-related contingent consideration.

The decreases in other Acquisition-related and integration items during both the three and six months ended June 30, 2018 were primarily attributable to costs incurred in 2017 associated with our 2015 Par acquisition compared to lower costs in 2018, which related primarily to the acquisitions of Somerset and Wintac, which are further discussed in Note 5. Acquisitions of the Condensed Consolidated Financial Statements included in Part I, Item 1.

Interest expense, net. The components of Interest expense, net for the three and six months ended June 30, 2018 and 2017 are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Interest expense	$ 133,339	$ 123,354	$ 260,852	$ 236,807
Interest income	(3,280)	(1,607)	(6,803)	(3,061)
Interest expense, net	$ 130,059	$ 121,747	$ 254,049	$ 233,746

The increases in interest expense for both the three and six months ended June 30, 2018 were primarily attributable to increased interest rates following the refinancing that occurred on April 27, 2017.

Loss on extinguishment of debt. Loss on extinguishment of debt totaled $51.7 million for both the three and six months ended June 30, 2017, with no such amounts recorded in the comparable 2018 periods. The 2017 amounts related to certain previously unamortized debt issuance costs that were charged to expense in connection with the refinancing that occurred on April 27, 2017.

Other income, net. The components of Other income, net for the three and six months ended June 30, 2018 and 2017 are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
(Gain) loss on sale of business and other assets	$ (24,577)	$ 26	$ (26,993)	$ (2,311)
Foreign currency gain, net	(3)	(3,870)	(2,088)	(6,854)
Equity (earnings) loss from investments accounted for under the equity method, net	(305)	(1,090)	2,321	(88)
Other miscellaneous, net	(3,946)	(1,775)	(4,949)	507
Other income, net	$ (28,831)	$ (6,709)	$ (31,709)	$ (8,746)

(Gain) loss on sale of business and other assets primarily relates to proceeds received from the sale of various ANDAs during the three and six months ended June 30, 2018. Foreign currency gain, net results from the remeasurement of the Company's foreign currency denominated assets and liabilities.

Income tax expense (benefit). The following table displays our Loss from continuing operations before income tax, Income tax expense (benefit) and Effective tax rate for the three and six months ended June 30, 2018 and 2017 (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Loss from continuing operations before income tax	$ (46,244)	$ (753,500)	$ (528,491)	$ (930,851)
Income tax expense (benefit)	$ 6,235	$ (57,480)	$ 21,726	$ (69,408)
Effective tax rate	*(13.5)%*	*7.6%*	*(4.1)%*	*7.5%*

Our tax rate is affected by recurring items, such as tax rates in non-U.S. jurisdictions as compared to the notional U.S. federal statutory tax rate, and the relative amount of income or loss in those various jurisdictions. It is also impacted by certain items that may occur in any given period, but are not consistent from period to period.

The income tax expense for the three months ended June 30, 2018 primarily related to the geographic mix of pre-tax earnings. The income tax benefit for the comparable 2017 period primarily related to the geographic mix of pre-tax earnings and the net discrete tax benefits associated with goodwill and intangible asset impairments.

The income tax expense for the six months ended June 30, 2018 is primarily related to the geographic mix of pre-tax earnings and discrete tax expense incurred in connection with an intercompany asset restructuring. The income tax benefit for the comparable 2017 period related primarily to the geographic mix of pre-tax earnings and the discrete tax benefits associated with goodwill and intangible asset impairments.

Although the TCJA will reduce the notional U.S. federal statutory tax rate, because the Company has valuation allowances established against its U.S. federal deferred tax assets, as of June 30, 2018, we do not expect a significant reduction in our future tax expense. Moreover, we have valuation allowances established against our deferred tax assets in most other jurisdictions in which we operate, with the exception of Canada and India. Accordingly, it would be unlikely for future pre-tax losses to create a tax benefit that would be more likely than not to be realized. For additional information on our income taxes, see Note 18. Income Taxes of the Condensed Consolidated Financial Statements included in Part I, Item 1.

Discontinued operations, net of tax. The operating results of our Astora business are reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented. The results of our discontinued operations, net of tax, totaled $8.4 million and $16.1 million of loss during the three and six months ended June 30, 2018, respectively, compared to $700.5 million and $708.9 million of loss in the comparable 2017 periods.

The primary driver of the period-over-period change for both the three and six months ended June 30, 2018 was the result of the after-tax impact of a second quarter 2017 charge of $775.5 million related to mesh litigation. Additionally, there were decreases in mesh-related legal defense costs following the settlement strategy we pursued in 2017. For additional discussion, refer to Note 14. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1.

2018 Outlook

We estimate that our 2018 total revenues will be between $2.75 billion and $2.85 billion. This estimate reflects an anticipated decline in our U.S. Generic Pharmaceuticals segment driven by the expiration of the marketing exclusivity periods for both ezetimibe tablets and quetiapine ER tablets in the second quarter of 2017, the impact of product rationalization initiatives resulting from the 2016 and 2017 U.S. Generic Pharmaceuticals segment restructuring initiatives and continued competitive pressure on commoditized generic products; a decline in our U.S. Branded - Specialty & Established Pharmaceuticals segment resulting from the continued decline in the Established Products portfolio partly driven by the ceasing of shipments of OPANA® ER by September 1, 2017, partially offset by growth in the Specialty Products portfolio primarily driven by XIAFLEX®; a decline in the International Pharmaceuticals segment primarily due to the divestitures of Litha and Somar; partially offset by growth in the U.S. Branded - Sterile Injectables segment. The Company anticipates continued margin improvement in 2018 driven by cost efficiencies associated with our U.S. Generic Pharmaceuticals segment restructuring initiatives, a continued shift in product mix to higher margin products and targeted cost reductions in selling, general and administrative expenses. We will continue to invest in XIAFLEX® and other core products to position the Company for long-term success. There can be no assurance that we will achieve these results.

Business Segment Results Review

The four reportable business segments in which we operate are: (1) U.S. Branded - Specialty & Established Pharmaceuticals (2) U.S. Branded - Sterile Injectables, (3) U.S. Generic Pharmaceuticals and (4) International Pharmaceuticals. Our segments reflect the level at which the chief operating decision maker regularly reviews financial information to assess performance and to make decisions about resources to be allocated. Each segment derives revenue from the sales or licensing of its respective products and is discussed in more detail below.

We evaluate segment performance based on each segment’s adjusted income from continuing operations before income tax, a financial measure not determined in accordance with U.S. GAAP, which we define as Loss from continuing operations before income tax and before certain upfront and milestone payments to partners; acquisition-related and integration items, including transaction costs, earn-out payments or adjustments, changes in the fair value of contingent consideration and bridge financing costs; cost reduction and integration-related initiatives such as separation benefits, retention payments, other exit costs and certain costs associated with integrating an acquired company’s operations; asset impairment charges; amortization of intangible assets; inventory step-up recorded as part of our acquisitions; litigation-related and other contingent matters; gains or losses from early termination of debt; gains or losses from the sales of businesses and other assets; foreign currency gains or losses on intercompany financing arrangements; and certain other items.

Certain of the corporate expenses incurred by us are not attributable to any specific segment. Accordingly, these costs are not allocated to any of our segments and are included in the results below as “Corporate unallocated costs.” Interest income and expense are also considered corporate items and not allocated to any of our segments. Our consolidated adjusted income from continuing operations before income tax is equal to the combined results of each of our segments less these unallocated corporate items.

We refer to adjusted income from continuing operations before income tax in making operating decisions because we believe it provides meaningful supplemental information regarding our operational performance. For instance, we believe that this measure facilitates internal comparisons to our historical operating results and comparisons to competitors' results. We believe this measure is useful to investors in allowing for greater transparency related to supplemental information used in our financial and operational decision-making. In addition, we have historically reported similar financial measures to our investors and believe that the inclusion of comparative numbers provides consistency in our current financial reporting. Further, we believe that adjusted income from continuing operations before income tax may be useful to investors as we are aware that certain of our significant shareholders utilize adjusted income from continuing operations before income tax to evaluate our financial performance. Finally, adjusted income from continuing operations before income tax is utilized in the calculation of adjusted diluted income per share, which is used by the Compensation Committee of Endo's Board of Directors in assessing the performance and compensation of substantially all of our employees, including our executive officers.

There are limitations to using financial measures such as adjusted income from continuing operations before income tax. Other companies in our industry may define adjusted income from continuing operations before income tax differently than we do. As a result, it may be difficult to use adjusted income from continuing operations before income tax or similarly named adjusted financial measures that other companies may use to compare the performance of those companies to our performance. Because of these limitations, adjusted income from continuing operations before income tax is not intended to represent cash flow from operations as defined by U.S. GAAP and should not be used as alternatives to net income as indicators of operating performance or to cash flows as measures of liquidity. We compensate for these limitations by providing reconciliations of our total segment adjusted income from continuing operations before income tax to our consolidated Loss from continuing operations before income tax, which is determined in accordance with U.S. GAAP and included in our Condensed Consolidated Statements of Operations.

Revenues. The following table displays our revenue by reportable segment for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2018	2017	2018 vs. 2017	2018	2017	2018 vs. 2017
U.S. Branded - Specialty & Established Pharmaceuticals	$ 212,637	$ 245,188	(13)%	$ 412,872	$ 495,347	(17)%
U.S. Branded - Sterile Injectables	217,843	180,292	21 %	433,697	352,460	23 %
U.S. Generic Pharmaceuticals	241,236	383,020	(37)%	490,476	932,835	(47)%
International Pharmaceuticals (1)	42,980	67,231	(36)%	78,178	132,689	(41)%
Total net revenues from external customers	$ 714,696	$ 875,731	(18)%	$ 1,415,223	$ 1,913,331	(26)%

(1) Revenues generated by our International Pharmaceuticals segment are primarily attributable to external customers located in Canada and, prior to the sale of Litha on July 3, 2017 and Somar on October 25, 2017, South Africa and Latin America.

U.S. Branded - Specialty & Established Pharmaceuticals. The following table displays the significant components of our U.S. Branded - Specialty & Established Pharmaceuticals revenues from external customers for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2018	2017	2018 vs. 2017	2018	2017	2018 vs. 2017
Specialty Products:						
XIAFLEX®	$ 63,500	$ 50,077	27 %	$ 120,641	$ 99,602	21 %
SUPPRELIN® LA	19,963	23,649	(16)%	40,540	42,830	(5)%
Other Specialty (1)	36,429	36,745	(1)%	70,626	72,773	(3)%
Total Specialty Products	$ 119,892	$ 110,471	9 %	$ 231,807	$ 215,205	8 %
Established Products:						
PERCOCET®	$ 30,833	$ 30,889	— %	$ 62,809	$ 61,834	2 %
VOLTAREN® Gel	17,811	20,270	(12)%	29,128	34,544	(16)%
OPANA® ER	—	31,582	(100)%	—	67,300	(100)%
Other Established (2)	44,101	51,976	(15)%	89,128	116,464	(23)%
Total Established Products	$ 92,745	$ 134,717	(31)%	$ 181,065	$ 280,142	(35)%
Total U.S. Branded - Specialty & Established Pharmaceuticals (3)	$ 212,637	$ 245,188	(13)%	$ 412,872	$ 495,347	(17)%

(1) Products included within Other Specialty include TESTOPEL®, NASCOBAL® Nasal Spray and AVEED®.
(2) Products included within Other Established include, but are not limited to, LIDODERM®, EDEX®, TESTIM® and FORTESTA® Gel, including the authorized generics.
(3) Individual products presented above represent the top two performing products in each product category and/or any product having revenues in excess of $25 million during any quarterly period in 2018 or 2017.

Specialty Products

The increases in net sales of XIAFLEX® for both the three and six months ended June 30, 2018 were primarily attributable to demand growth driven by the continued investment and promotional efforts behind XIAFLEX®, as well as price.

The decreases in net sales of SUPPRELIN® LA for both the three and six months ended June 30, 2018 were primarily attributable to decreases in volume.

The decreases in net sales of Other Specialty Products for both the three and six months ended June 30, 2018 were primarily attributable to lower sales of TESTOPEL® due to decreased volume and price, partially offset by increased sales of NASCOBAL® Nasal Spray due to increased volume and price.

Established Products

The increase in net sales of PERCOCET® for the six months ended June 30, 2018 was primarily attributable to price increases, partially offset by volume decreases.

The decreases in net sales of VOLTAREN® Gel for both the three and six months ended June 30, 2018 were primarily attributable to volume and price decreases as a result of ongoing competitive pressure from generic competition. To the extent additional competitors are able to launch generic versions of VOLTAREN® Gel, our revenues could decline further.

The decreases in net sales of OPANA® ER for both the three and six months ended June 30, 2018 relate to our cessation of shipments of OPANA® ER to customers by September 1, 2017, as further described above.

Net sales of Other Established Products for both the three and six months ended June 30, 2018 were negatively impacted by volume decreases resulting from generic competition and certain other factors.

U.S. Branded - Sterile Injectables. The following table displays the significant components of our U.S. Branded - Sterile Injectables revenues from external customers for the three and six months ended June 30, 2018 and 2017 (dollars in thousands):

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2018	2017	2018 vs. 2017	2018	2017	2018 vs. 2017
VASOSTRICT®	$ 106,329	$ 95,750	11%	$ 220,054	$ 194,908	13%
ADRENALIN®	36,658	19,032	93%	66,398	25,129	NM
Other Sterile Injectables (1)	74,856	65,510	14%	147,245	132,423	11%
Total U.S. Branded - Sterile Injectables (2)	$ 217,843	$ 180,292	21%	$ 433,697	$ 352,460	23%

NM indicates that the percentage change is not meaningful or is greater than 100%.
(1) Products included within Other Sterile Injectables include, but are not limited to, APLISOL®, ephedrine sulfate injection and neostigmine methylsulfate injection.
(2) Individual products presented above represent the top two performing products within the U.S. Branded - Sterile Injectables segment and/or any product having revenues in excess of $25 million during any quarterly period in 2018 or 2017.

Net sales of VASOSTRICT® and ADRENALIN® increased during both the three and six months ended June 30, 2018 due to increases in both volume and price. Sales of ADRENALIN® also benefited from the market withdrawal of competing unapproved sources beginning in May of 2017. VASOSTRICT® is currently the first and only vasopressin injection with an NDA approved by the FDA. We have been issued six patents relating to VASOSTRICT® by the U.S. Patent and Trademark Office (PTO). These patents are listed in the Orange Book. The FDA requires any applicant seeking FDA approval for vasopressin prior to patent expiry and relying on VASOSTRICT® as the Reference Listed Drug to notify us of filing before the FDA will issue an approval.

Under section 503A of the Federal Food, Drug, and Cosmetic Act (FFDCA), licensed pharmacies may sell compounded versions of prescription drugs that have been prepared for individual patients based on the receipt of a valid prescription order or notation. Similarly, under section 503B of the FFDCA, outsourcing facilities may sell compounded versions of prescription drugs to healthcare providers. Interim guidance issued by the FDA in January 2018 states that the FDA does not intend to take action against registered outsourcing facilities for compounding certain drug products, including vasopressin, if certain conditions are met. This interim guidance is the subject of a pending legal complaint filed by certain of our subsidiaries. The FDA has since issued additional guidance in March 2018 that may address the concerns set forth in this complaint. However, there can be no assurance that the FDA will take action to limit the sale of competing compounded versions of VASOSTRICT®.

During the second quarter of 2018, we received notice letters from Eagle Pharmaceuticals, Inc. (Eagle) advising us that Eagle had filed an ANDA for a generic version of VASOSTRICT®. The notice letters also contain "Paragraph IV" certifications alleging invalidity and non-infringement with respect to six patents listed in the Orange Book. The Company filed a lawsuit against Eagle in the United States District Court for the District of Delaware within the 45-day deadline to invoke a 30-month stay of FDA approval pursuant to the Hatch-Waxman legislative scheme. In August 2018, Eagle filed an answer and a counterclaim for non-infringement and invalidity of asserted patents.

The matters in the preceding paragraphs are further discussed in Note 14. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1 under the heading "VASOSTRICT® Related Matters." The introduction of any compounded or generic of versions of VASOSTRICT® could result in reductions to our market share, profitability and cash flows.

Net sales of Other Sterile Injectables increased during both the three and six months ended June 30, 2018 primarily due to the launch of ephedrine sulfate injection in 2017. Other products within this category benefited from price increases.

U.S. Generic Pharmaceuticals. Continued competitive pressure on commoditized generic products and the impact of product rationalization initiatives resulting from prior restructurings resulted in revenue decreases for both the three and six months ended June 30, 2018. Additionally, included within this segment's revenues for both the three and six months ended June 30, 2017 are ezetimibe tablets and quetiapine ER tablets, both of which are first-to-file products launched in the fourth quarter of 2016. Combined net sales for these two products for the three and six months ended June 30, 2017 were $52.3 million and $253.7 million, respectively. The marketing exclusivity periods for both ezetimibe tablets and quetiapine ER tablets expired in the second quarter of 2017. As a result, combined revenues for these products declined significantly during the second quarter of 2017 and beyond.

International Pharmaceuticals. The decreases in revenue for the International Pharmaceuticals segment for both the three and six months ended June 30, 2018 were primarily attributable to the divestiture of Litha in July 2017 and Somar in October 2017. These decreases were partially offset by increases across certain products within the segment. For additional detail regarding the divestitures of Litha and Somar refer to Note 3. Discontinued Operations and Divestitures of the Condensed Consolidated Financial Statements included in Part I, Item 1.

Adjusted income from continuing operations before income tax. The following table displays our Adjusted income from continuing operations before income tax by reportable segment for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		% Change	Six Months Ended June 30,		% Change
	2018	2017	2018 vs. 2017	2018	2017	2018 vs. 2017
U.S. Branded - Specialty & Established Pharmaceuticals	$ 83,749	$ 127,595	(34)%	$ 177,563	$ 257,087	(31)%
U.S. Branded - Sterile Injectables	173,308	140,062	24 %	342,753	266,529	29 %
U.S. Generic Pharmaceuticals	90,302	113,804	(21)%	164,582	328,936	(50)%
International Pharmaceuticals	18,499	14,812	25 %	32,217	29,694	8 %
Total segment adjusted income from continuing operations before income tax	$ 365,858	$ 396,273	(8)%	$ 717,115	$ 882,246	(19)%

U.S. Branded - Specialty & Established Pharmaceuticals. Amounts were negatively impacted during both the three and six months ended June 30, 2018 as a result of decreased revenues and gross margins related to generic competition and the cessation of shipments of OPANA® ER by September 1, 2017 and as a result of increases in R&D expenses related to our cellulite treatment development program.

U.S. Branded - Sterile Injectables. The increases for both the three and six months ended June 30, 2018 were primarily driven by increased revenues and gross margins resulting from strong performance of a variety of products in this segment as described above.

U.S. Generic Pharmaceuticals. The decreases for both the three and six months ended June 30, 2018 were primarily attributable to decreased revenues as described above and the resulting reduction to gross margin. Partially offsetting the decrease were cost reductions, including the impact of the 2017 U.S. Generic Pharmaceuticals Restructuring Initiative and the January 2018 Restructuring Initiative, which are described more fully in Note 4. Restructuring of the Condensed Consolidated Financial Statements included in Part I, Item 1.

International Pharmaceuticals. The impact of the revenue declines related to our July 3, 2017 divestiture of Litha and October 25, 2017 divestiture of Somar were more than offset by the combined impact of revenue increases across certain products within the segment, changes in the mix of revenues to higher margin products and lower operating expenses following our divestitures of Litha and Somar.

The table below provides reconciliations of our consolidated Loss from continuing operations before income tax, which is determined in accordance with U.S. GAAP, to our total segment adjusted income from continuing operations before income tax for the three and six months ended June 30, 2018 and 2017 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Total consolidated loss from continuing operations before income tax	$ (46,244)	$ (753,500)	$ (528,491)	$ (930,851)
Interest expense, net	130,059	121,747	254,049	233,746
Corporate unallocated costs (1)	43,046	34,152	95,506	81,620
Amortization of intangible assets	153,215	190,943	310,387	454,077
Inventory step-up	124	100	190	215
Upfront and milestone payments to partners	36,964	3,082	38,296	6,177
Separation benefits and other cost reduction initiatives (2)	29,153	24,614	78,140	47,284
Certain litigation-related and other contingencies, net (3)	19,620	(2,600)	17,120	(1,664)
Asset impairment charges (4)	22,767	725,044	471,183	929,006
Acquisition-related and integration items (5)	5,161	4,190	11,996	15,070
Loss on extinguishment of debt	—	51,734	—	51,734
Foreign currency impact related to the remeasurement of intercompany debt instruments	(574)	(3,233)	(3,088)	(5,927)
Other, net (6)	(27,433)	—	(28,173)	1,759
Total segment adjusted income from continuing operations before income tax	$ 365,858	$ 396,273	$ 717,115	$ 882,246

(1) Amounts include certain corporate overhead costs, such as headcount and facility expenses and certain other income and expenses.
(2) Amounts primarily relate to employee separation costs of $5.4 million and $30.6 million for the three and six months ended June 30, 2018, respectively. Other amounts for the three and six months ended June 30, 2018 include accelerated depreciation of $18.1 million and $35.2 million, respectively, charges to increase excess inventory reserves of $0.2 million and $2.6 million, respectively, and other charges of $5.4 million and $9.7 million, respectively, each of which related primarily to our restructuring initiatives. During the three and six months ended June 30, 2017, amounts primarily relate to employee separation costs of $0.7 million and $21.5 million, respectively, charges to increase excess inventory reserves of $7.9 million during both periods and other charges of $16.0 million and $17.5 million, respectively, related primarily to the 2017 U.S. Generics Pharmaceuticals restructuring initiative. See Note 4. Restructuring of the Condensed Consolidated Financial Statements included in Part I, Item 1 for discussion of our material restructuring initiatives.
(3) Amounts include adjustments for Litigation-related and other contingencies, net as further described in Note 14. Commitments and Contingencies.
(4) Amounts primarily relate to charges to impair goodwill and intangible assets as further described in Note 9. Goodwill and Other Intangibles as well as charges to write down certain property, plant and equipment as further described in Note 7. Fair Value Measurements.
(5) Amounts during the three and six months ended June 30, 2018 are primarily related to charges due to changes in the fair value of contingent consideration of $4.1 million and $11.0 million, respectively. Amounts during the three and six months ended June 30, 2017 include charges due to changes in the fair value of contingent consideration of $2.0 million and $8.1 million, respectively. All other amounts are directly related to costs associated with acquisition and integration efforts.
(6) Amounts during the three and six months ended June 30, 2018 primarily relate to gains on sales of businesses and other assets, as further described in Note 17. Other income, net.

LIQUIDITY AND CAPITAL RESOURCES

Our principal source of liquidity is cash generated from operations. Our principal liquidity requirements are primarily for working capital for operations, licenses, milestone payments, capital expenditures, acquisitions, contingent liabilities, vaginal mesh liability payments and debt service payments. The Company's working capital was $155.8 million at June 30, 2018 compared to working capital of $50.2 million at December 31, 2017. The amounts at June 30, 2018 and December 31, 2017 include restricted cash and cash equivalents of $292.5 million and $313.8 million, respectively, held in Qualified Settlement Funds (QSFs) for mesh-related matters. Although these amounts in QSFs are included in working capital, they are required to be used for mesh product liability settlement agreements that are expected to be paid to qualified claimants within the next twelve months.

Cash and cash equivalents, which primarily consisted of bank deposits, time deposits and money market accounts, totaled $1,098.8 million at June 30, 2018 compared to $986.6 million at December 31, 2017. We expect cash generated from operations together with our cash, cash equivalents, restricted cash and the revolving credit facilities to be sufficient to cover our principal liquidity requirements over the next year. However, on a longer term basis, we may not be able to accurately predict the effect of certain developments on our sales and gross margins, such as the degree of market acceptance, patent protection and exclusivity of our products, pricing pressures (including those due to the impact of competition), the effectiveness of our sales and marketing efforts and the outcome of our current efforts to develop, receive approval for and successfully launch our product candidates. We may also face unexpected expenses in connection with our business operations, including expenses related to our ongoing and future legal proceedings and governmental investigations and other contingent liabilities. Furthermore, we may not be successful in implementing, or may face unexpected changes or expenses in connection with our strategic direction, including the potential for opportunistic corporate development transactions. Any of the above could adversely affect our future cash flows.

We may need to obtain additional funding to repay our outstanding indebtedness, for our future operational needs or for future transactions. We have historically had broad access to financial markets that provide liquidity; however, we cannot be certain that funding will be available on terms acceptable to us, or at all. Any issuances of equity securities or convertible securities could have a dilutive effect on the ownership interest of our current shareholders and may adversely impact net income per share in future periods. An acquisition may be accretive or dilutive and, by its nature, involves numerous risks and uncertainties. As a result of acquisition efforts, if any, we are likely to experience significant charges to earnings for merger and related expenses (whether or not the acquisitions are consummated) that may include transaction costs, closure costs or costs of restructuring activities.

Borrowings. At June 30, 2018, under the 2017 Credit Agreement, the Company had outstanding borrowings with an aggregate principal amount of $3,380.9 million and additional availability of approximately $996.8 million under the 2017 Revolving Credit Facility.

The 2017 Credit Agreement contains affirmative and negative covenants that the Company believes to be usual and customary for a senior secured credit facility. The negative covenants include, among other things, limitations on asset sales, mergers and acquisitions, indebtedness, liens, dividends and other restrictive payments, investments and transactions with the Company's affiliates. As of June 30, 2018, we were in compliance with all such covenants.

At June 30, 2018, the Company's indebtedness also includes senior notes with aggregate principal amounts totaling $5.0 billion. These notes mature between 2022 and 2025, subject to earlier repurchase or redemption in accordance with the terms of the respective indentures. Interest rates on these notes range from 5.375% to 7.25%. Other than the 5.875% Senior Secured Notes due 2024, these notes are senior unsecured obligations of the Company's subsidiaries party to the applicable indenture governing such notes. These notes are issued by certain of our subsidiaries and are guaranteed on a senior unsecured basis by the subsidiaries of Endo International plc that also guarantee our 2017 Credit Agreement, except for a de minimis amount of the 7.25% Senior Notes due 2022, which are issued by Endo Health Solutions Inc. and guaranteed on a senior unsecured basis by the guarantors named in the Fifth Supplemental Indenture relating to such notes. The 5.875% Senior Secured Notes due 2024 are senior secured obligations of Endo International plc and its subsidiaries that are party to the indenture governing such notes. These notes are issued by certain of our subsidiaries and are guaranteed on a senior secured basis by Endo International plc and its subsidiaries that also guarantee our 2017 Credit Agreement.

The indentures governing our various senior notes contain affirmative and negative covenants that the Company believes to be usual and customary for similar indentures. The negative covenants, among other things, restrict the Company's ability, and the ability of its restricted subsidiaries, to incur certain additional indebtedness and issue preferred stock, make certain investments and restricted payments, sell certain assets, enter into sale and leaseback transactions, agree to payment restrictions on the ability of restricted subsidiaries to make certain payments to Endo International plc or any of its restricted subsidiaries, create certain liens, merge, consolidate or sell all or substantially all of the Company's assets or enter into certain transactions with affiliates. As of June 30, 2018, we were in compliance with all covenants.

The obligations of the borrowers under the 2017 Credit Agreement are guaranteed by the Company and the subsidiaries of the Company (with certain customary exceptions) (the "Guarantors" and, together with the Borrowers, the "Loan Parties"). The obligations (i) under the 2017 Credit Agreement and related loan documents and (ii) the indenture governing the 5.875% Senior Secured Notes due 2024 and related documents are secured on a *pari passu* basis by a perfected first priority (subject to permitted liens) lien on substantially all of the assets of the Loan Parties (subject to customary exceptions).

Credit ratings. The Company's corporate credit ratings assigned by Moody's Investors Service and Standard & Poor's are B2 with a negative outlook and B with a stable outlook, respectively.

Working capital. The components of our working capital and our liquidity at June 30, 2018 and December 31, 2017 are below (dollars in thousands):

	June 30, 2018	December 31, 2017
Total current assets	$ 2,308,898	$ 2,271,077
Less: total current liabilities	(2,153,066)	(2,220,909)
Working capital	$ 155,832	$ 50,168
Current ratio	1.1:1	1.0:1

Net working capital increased by $105.7 million from December 31, 2017 to June 30, 2018. This increase reflects the favorable impact to net current assets resulting from operations during the six months ended June 30, 2018, partially offset by net reclassification adjustments for litigation-related liabilities from non-current to current liabilities of $139.7 million, purchases of property, plant and equipment, excluding capitalized interest, of $42.0 million and reclassification adjustments for debt from non-current to current liabilities of $17.1 million.

The following table summarizes our Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2018 and 2017 (in thousands):

	2018	2017
Net cash flow provided by (used in):		
Operating activities	$ 219,132	$ 339,086
Investing activities	(8,988)	(41,198)
Financing activities	(40,793)	(99,583)
Effect of foreign exchange rate	(1,010)	2,926
Movement in cash held for sale	—	(21,125)
Net increase in cash, cash equivalents, restricted cash and restricted cash equivalents	$ 168,341	$ 180,106

Operating activities. Net cash provided by operating activities represents the cash receipts and cash disbursements from all of our activities other than investing activities and financing activities. Changes in cash from operating activities reflect, among other things, the timing of cash collections from customers, payments to suppliers, managed care organizations, government agencies, collaborative partners and employees, as well as tax payments and refunds in the ordinary course of business.

The $120.0 million decrease in Net cash provided by operating activities for the six months ended June 30, 2018 compared to the prior year period was primarily the result of the timing of cash collections and cash payments related to our operations. In particular, net sales of ezetimibe tablets and quetiapine ER tablets, which were launched in the fourth quarter of 2016 and for which the marketing exclusivity periods expired in the second quarter of 2017, generated significant cash receipts during the six months ended June 30, 2017 that did not reoccur during the same period in 2018. Additionally, cash paid for interest for the six months ended June 30, 2018 increased from the prior year period as a result of the April 2017 refinancing and changes in interest rates. These decreases were offset by a decline in cash outlays for mesh settlements, which decreased $282.4 million during the six months June 30, 2018 from the prior year period.

Investing activities. The $32.2 million decrease in Net cash used in investing activities for the six months ended June 30, 2018 compared to the prior year period reflects an increase in net proceeds from the sales of businesses and other assets of $19.4 million and a decrease in purchases of property, plant and equipment, excluding capitalized interest of $17.8 million, partially offset by certain other items.

Financing activities. The $58.8 million decrease in Net cash used in financing activities for the six months ended June 30, 2018 compared to the prior year period reflects a decrease in principal payments on term loans of $3,696.8 million, a decrease in deferred financing fees of $54.0 million and a decrease in payments for contingent consideration of $22.0 million, partially offset by a decrease in proceeds from issuance of term loans of $3,415.0 million and a decrease in proceeds from issuance of notes of $300.0 million.

Contractual Obligations. As of June 30, 2018, there were no material changes in our contractual obligations from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission on February 27, 2018.

Fluctuations. Our quarterly results have fluctuated in the past and may continue to fluctuate. These fluctuations may be due to the timing of new product launches, purchasing patterns of our customers, market acceptance of our products, the impact of competitive products and pricing, certain actions taken by us which may impact the availability of our products, asset impairment charges, litigation-related charges, restructuring costs, including separation benefits, business combination transaction costs, upfront, milestone and certain other payments made or accrued pursuant to licensing agreements and changes in the fair value of financial instruments and contingent assets and liabilities recorded as part of business combinations. Further, a substantial portion of our total revenues are through three wholesale drug distributors who in turn supply our products to pharmacies, hospitals and physicians. Accordingly, we are potentially subject to a concentration of credit risk with respect to our trade receivables.

Inflation. We do not believe that inflation had a material adverse effect on our financial statements for the periods presented.

Off-balance sheet arrangements. We have no off-balance sheet arrangements as defined in Item 303(a)(4) of Regulation S-K.

CRITICAL ACCOUNTING ESTIMATES

Significant changes to our critical accounting estimates since December 31, 2017 are detailed below. For additional discussion of the Company's critical accounting estimates, see "Critical Accounting Estimates" in Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the Securities and Exchange Commission on February 27, 2018.

Revenue recognition

The Company adopted ASC 606 on January 1, 2018 using the modified retrospective method for all revenue-generating contracts, including modifications thereto, that were not completed contracts at the date of adoption. For further discussion of the impact of adoption, refer to Note 2. Summary of Significant Accounting Policies of the Condensed Consolidated Financial Statements included in Part I, Item 1. ASC 606 applies to contracts with commercial substance that establish the payment terms and each party's rights regarding the goods or services to be transferred, to the extent collection of substantially all of the related consideration is probable. Under ASC 606, we recognize revenue for contracts meeting these criteria when (or as) we satisfy our performance obligations for such contracts by transferring control of the underlying promised goods or services to our customers. The amount of revenue we recognize reflects our estimate of the consideration we expect to be entitled to receive, subject to certain constraints, in exchange for such goods or services. This amount is referred to as the transaction price.

Our revenue consists almost entirely of sales of our pharmaceutical products to customers, whereby we ship product to a customer pursuant to a purchase order. For contracts such as these, revenue is recognized when our contractual performance obligations have been fulfilled and control has been transferred to the customer pursuant to the contract's terms, which is generally upon delivery to the customer. The amount of revenue we recognize is equal to the fixed amount of the transaction price, adjusted for our estimates of a number of significant variable components including, but not limited to, estimates for chargebacks, rebates, sales incentives and allowances, distribution service agreement and other fees for services, returns and allowances. The Company utilizes the expected value method when estimating the amount of variable consideration to include in the transaction price with respect to each of the foregoing variable components and the most likely amount method when estimating the amount of variable consideration to include in the transaction price with respect to future potential milestone payments that do not qualify for the sales- and usage-based royalty exception. The variable component of the transaction price is estimated based on historical experience, estimated future trends, estimated customer inventory levels, current contract sales terms with our direct and indirect customers and other competitive factors. Variable consideration is included in the transaction price only to the extent that it is probable that a significant revenue reversal will not occur when the uncertainty associated with the variable consideration is resolved.

We believe that speculative buying of product, particularly in anticipation of possible price increases, has been the historical practice of certain of our customers. The timing of purchasing decisions made by wholesaler and large retail chain customers can materially affect the level of our sales in any particular period. Accordingly, our sales may not correlate to the number of prescriptions written for our products based on external third-party data.

We have entered into distribution service agreements with certain of our significant wholesaler customers that obligate the wholesalers, in exchange for fees paid by us, to: (i) manage the variability of their purchases and inventory levels within specified limits based on product demand and (ii) provide us with specific services, including the provision of periodic retail demand information and current inventory levels for our pharmaceutical products held at their warehouse locations.

Goodwill and indefinite-lived intangible assets

As further described in Note 9. Goodwill and Other Intangibles of the Condensed Consolidated Financial Statements included in Part I, Item 1, as a result of the first quarter 2018 change in reportable segments and resulting goodwill impairment tests performed during the three months ended March 31, 2018, we recorded a pre-tax, non-cash goodwill impairment charge relating to our new U.S. Generic Pharmaceuticals reporting unit of $391.0 million. A 50 basis point increase in the assumed discount rate used in the impairment test would have increased this goodwill impairment charge by approximately $60 million. Additionally, with respect to the first quarter 2018 goodwill impairment tests performed related to our former Generics and new U.S. Branded - Sterile Injectables reporting units, which did not result in impairment charges, a 50 basis point increase in the assumed discount rates would not have changed the results of these tests.

We have not made any substantial changes to our methodology used in our impairment tests since our previous assessment. Determination of the fair value of a reporting unit is a matter of judgment and involves the use of estimates and assumptions, which are based on management's best estimates at the time. The use of different assumptions would increase or decrease our estimated discounted future cash flows and the resulting estimated fair value of our reporting units, and could result in the fair value of a reporting unit being less than its carrying amount in the impairment test. Any resulting non-cash impairment charges could be material.

RECENT ACCOUNTING PRONOUNCEMENTS

For a discussion of recent accounting pronouncements, refer to Note 2. Summary of Significant Accounting Policies in the Condensed Consolidated Financial Statements in Part I, Item 1.

Item 3. ***Quantitative and Qualitative Disclosures About Market Risk***

Market risk is the potential loss arising from adverse changes in the financial markets, including interest rates and foreign currency exchange rates.

Interest Rate Risk

Our exposure to interest rate risk relates primarily to our variable rate indebtedness associated with our term loan and revolving credit facilities. At June 30, 2018, our variable-rate debt borrowings related to our term loan facilities and had an aggregate principal amount of $3.4 billion. Borrowings under our credit facilities bear interest at a LIBOR-based variable rate. A hypothetical 1% increase in the applicable rate over the floor would result in $33.8 million in incremental annual interest expense related to our variable-rate debt borrowings.

To the extent that we utilize amounts under our revolving credit facilities or take on additional variable rate indebtedness, we will be exposed to additional interest rate risk.

As of June 30, 2018 and December 31, 2017, we had no other assets or liabilities with significant interest rate sensitivity.

Foreign Currency Exchange Risk

We operate and transact business in various foreign countries and are therefore subject to risks associated with foreign currency exchange rate fluctuations. The Company manages this foreign currency risk, in part, through operational means including managing foreign currency revenues in relation to same currency costs as well as managing foreign currency assets in relation to same currency liabilities. The Company is also exposed to the potential earnings effects from intercompany foreign currency assets and liabilities that arise from normal trade receivables and payables and other intercompany loans. Additionally, certain of the Company's subsidiaries maintain their books of record in currencies other than their respective functional currencies. These subsidiaries' financial statements are remeasured into their respective functional currencies using current or historic exchange rates. Such remeasurement adjustments could have an adverse effect on the Company's results of operations.

All assets and liabilities of our international subsidiaries, which maintain their financial statements in local currency, are translated to U.S. dollars at period-end exchange rates. Translation adjustments arising from the use of differing exchange rates are included in Accumulated other comprehensive loss in shareholders' (deficit) equity. Gains and losses on foreign currency transactions and short-term intercompany receivables from foreign subsidiaries are included in Other income, net in the Condensed Consolidated Statements of Operations. Refer to Note 17. Other income, net in Part I, Item 1 for the amount of Foreign currency gain, net.

Based on the Company's significant foreign currency denominated intercompany loans existing at June 30, 2018, we estimate that a 10% change in the underlying currencies of our foreign currency denominated intercompany loans, relative to the U.S. Dollar, could result in approximately $9.3 million in incremental foreign currency losses.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Principal Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as of June 30, 2018. Based on that evaluation, the Company's Chief Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective as of June 30, 2018.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the fiscal quarter ended June 30, 2018 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The disclosures under Note 14. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1 are incorporated into this Part II, Item 1 by reference.

Item 1A. Risk Factors

For a discussion of our risk factors, see the information in Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2017, and the information in Part II, Item 1A under the caption “Risk Factors” of our Quarterly Report on Form 10-Q for the three months ended March 31, 2018. There have been no material changes in our risk factors from those described therein.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no purchases or sales of equity securities by the Company during the three months ended June 30, 2018.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Number	Description	Incorporated by Reference from: File Number	Filing Type	Filing Date
10.1	Endo International plc Amended and Restated 2015 Stock Incentive Plan	001-36326	Current Report on Form 8-K	June 7, 2018
10.2	Form of Stock Option Agreement under the Endo International plc Amended and Restated 2015 Stock Incentive Plan	Not applicable; filed herewith		
10.3	Form of Stock Award Agreement under the Endo International plc Amended and Restated 2015 Stock Incentive Plan	Not applicable; filed herewith		
10.4	Form of Performance Award Agreement under the Endo International plc Amended and Restated 2015 Stock Incentive Plan	Not applicable; filed herewith		
10.5	Form of Long-Term Cash Incentive Award Agreement under the Amended and Restated 2015 Stock Incentive Plan	Not applicable; filed herewith		
10.6	Amended and Restated Executive Deferred Compensation Plan	Not applicable; filed herewith		
31.1	Certification of the President and Chief Executive Officer of Endo pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Not applicable; filed herewith		
31.2	Certification of the Chief Financial Officer of Endo pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Not applicable; filed herewith		
32.1	Certification of the President and Chief Executive Officer of Endo pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Not applicable; furnished herewith		
32.2	Certification of the Chief Financial Officer of Endo pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	Not applicable; furnished herewith		
101	The following materials from Endo International plc's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018, formatted in XBRL (eXtensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations, (iii) the Condensed Consolidated Statements of Comprehensive Loss, (iv) the Condensed Consolidated Statements of Cash Flows and (v) the Notes to Condensed Consolidated Financial Statements	Not applicable; submitted herewith		

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ENDO INTERNATIONAL PLC
(Registrant)

/s/ PAUL V. CAMPANELLI
Name: **Paul V. Campanelli**
Title: **President and Chief Executive Officer**
(Principal Executive Officer)

/s/ BLAISE COLEMAN
Name: **Blaise Coleman**
Title: **Executive Vice President, Chief Financial Officer**
(Principal Financial Officer)

Date: August 8, 2018

Grant No.

ENDO INTERNATIONAL PLC
STOCK OPTION AGREEMENT
UNDER THE AMENDED AND RESTATED 2015 STOCK INCENTIVE PLAN

This Stock Option Agreement (this "Option Agreement") is made and entered into as of the date of grant set forth below (the "Date of Grant") by and between Endo International plc, an Irish public limited company (the "Company"), and the optionee named below (the "Participant"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Company's Amended and Restated 2015 Stock Incentive Plan (the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

Name of Participant:	
Number of Shares Subject to Option:	
Exercise Price Per Share:	
Date of Grant:	
Expiration Date:	The 10th anniversary of the Date of Grant
Vesting Dates:	Option vests ratably over the first, second, third [and fourth] anniversaries of the Date of Grant
Classification of Option:	Non-Qualified Stock Option

1. Number of Shares. The Company hereby grants to the Participant an option (the "Option") to purchase the total number of shares of Company Stock set forth above as Shares Subject to Option (the "Option Shares") at the Exercise Price Per Share set forth above (the "Exercise Price"), subject to all of the terms and conditions of this Option Agreement and the Plan.

2. Incorporation of Plan. The Plan is hereby incorporated by reference and made a part hereof, and the Option and this Option Agreement shall be subject to all terms and conditions of the Plan. In the event of any conflict between the provisions of this Option Agreement and the provisions of the Plan, the provisions of the Plan shall govern, except as expressly provided by Paragraph 7 of this Option Agreement.

3. Option Term. The term of the Option and of this Option Agreement (the "Option Term") shall commence on the Date of Grant set forth above and, unless previously terminated

pursuant to Paragraph 4 of this Option Agreement, shall terminate upon the Expiration Date set forth above. As of the Expiration Date, all rights of the Participant hereunder shall terminate.

4. Termination of Service.

(a) Termination of Service for Cause. Upon the Participant's termination of service with the Company and its Subsidiaries by the Company or its Subsidiary for Cause, the portion of outstanding Options that are exercisable as of the date of such termination of service shall remain exercisable for thirty (30) days from and including the date of termination of service (and shall thereafter terminate). Any portion of outstanding Options that are not exercisable as of the date of such termination of service shall terminate upon the date of termination of service.

(b) Termination of Service on Account of Death. Upon the Participant's termination of service with the Company and its Subsidiaries on account of death, all of the Participant's unvested Options shall immediately vest and become exercisable. The Options shall remain exercisable for one (1) year from and including the date of the Participant's death (and shall thereafter terminate).

(c) Termination of Service on Account of Disability or Voluntary Retirement with Consent of Company. If the Participant voluntarily Retires with the consent of the Company or if the Participant's service with the Company and its Subsidiaries terminates due to Disability, the Participant's unvested Options as of the date of such termination shall continue to vest in accordance with the original vesting schedule set forth above. The Options shall remain exercisable for a period of one (1) year from and including the later to occur of (i) the date such entire Option becomes exercisable in accordance with the vesting schedule and (ii) the date of termination of service (and shall thereafter terminate).

(d) Termination of Service by the Company without Cause or by the Participant for Good Reason. Upon termination of the Participant's service with the Company and its Subsidiaries by the Company or its Subsidiaries without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified below, the portion of outstanding Options that are exercisable as of the date of such termination of service shall remain exercisable for one (1) year from and including the date of termination of service (and shall thereafter terminate). Any portion of outstanding Options that are not exercisable as of the date of such termination of service shall terminate upon the date of termination of service. For any Participant who is a

party to an employment agreement with the Company or a Subsidiary, "good reason" shall also include the Participant's termination of his or her employment within ninety (90) days following the expiration of the employment term of the Participant's employment agreement under circumstances that would have constituted good reason had such termination occurred during the employment term.

(e) Termination of Service for any Other Reason. Upon the Participant's termination of service with the Company and its Subsidiaries for any reason other than the reasons enumerated in Subparagraphs (a) through (d) above, the portion of outstanding Options that are exercisable as of the date of such termination of service shall remain exercisable for ninety (90) days from and including the date of termination of service (and shall thereafter terminate). Any portion of outstanding Options that are not exercisable as of the date of such termination of service shall terminate upon the date of termination of services.

5. Vesting. Except as provided in Paragraph 4 above, the Option shall become exercisable with respect to the number of Option Shares specified on the Exercisability Dates set forth above. Once exercisable, the Option shall continue to be exercisable at any time or times prior to the Expiration Date, subject to the provisions hereof and of the Plan. No Option may be exercised after the Expiration Date.

6. Change in Control. In the event of a Change in Control:

(a) if the Option is assumed or substituted (within the meaning of the Plan) in connection with such Change in Control, and the Participant incurs a termination of service with the Company and its Subsidiaries by the Company or its Subsidiary without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified by Section 4(d), during the 24-month period following such Change in Control, then the Option shall vest and become fully exercisable on the date of such termination of services and shall remain exercisable for one (1) year from and including the date of such termination of services (and shall thereafter terminate).

(b) if the Option is not assumed or substituted in connection with such Change in Control, then the Option shall immediately vest and become fully exercisable on the occurrence of the Change in Control.

7. Change in Control Definition. Notwithstanding anything to the contrary in the Plan, for purposes of this Option Agreement, "Change in Control" means and shall be deemed to have occurred upon the first of the following events to occur:

(a) Any "Person" (as defined below) is or becomes the "beneficial owner" ("Beneficial Owner") within the meaning set forth in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its "Affiliates" (as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act)) representing 30% or more of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of Subparagraph (c) below; or

(b) The following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board of Directors or nomination for election by the Company's shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(c) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or other entity, other than (A) a merger or consolidation which results in (i) the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, at least 60% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (ii) the individuals who comprise the Board of Directors immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Company, the entity surviving such merger or

consolidation or, if the Company or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 30% or more of the combined voting power of the Company's then outstanding securities; or

(d) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Company of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Company's shareholders unless the Board of Directors expressly determines in writing that such approval is required solely by reason of any relationship between the Company and any other Person or an Affiliate of the Company and any other Person), other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity (A) at least 60% of the combined voting power of the voting securities of which are owned by shareholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board of Directors immediately prior thereto.

For purposes hereof, "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 15(d) thereof, except that such term shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

Notwithstanding the foregoing, (i) a "Change in Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of Company Stock immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity

which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions and (ii) to the extent required to avoid the imposition of taxes or penalties under Section 409A of the Code with respect to any Award that constitutes a deferral of compensation subject to Section 409A of the Code, no such Award shall become payable as a result of the occurrence of a Change in Control unless such Change in Control also constitutes a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company under Section 409A of the Code.

For the avoidance of doubt, any one or more of the events described in subparagraphs (a) through (d) may be effected pursuant to (A) a takeover under Irish takeover rules; (B) a compromise or arrangement under Chapter 1 of Part 9 of the Companies Act 2014 of the Republic of Ireland or (C) Chapter 2 of Part 9 of the Companies Act 2014 of the Republic of Ireland.

8. Authority of the Committee. The Committee shall have full authority to interpret and construe the terms of the Plan and this Option Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive.

9. Governing Law. This Option Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws, and not the laws pertaining to conflicts or choices of laws, of the State of Delaware applicable to agreements made and to be performed wholly within the State of Delaware.

10. Binding on Successors. The terms of this Option Agreement shall be binding upon the Participant and upon the Participant's heirs, executors, administrators, personal representatives, transferees, assignees and successors in interest, and upon the Company and its successors and assignees, subject to the terms of the Plan.

11. No Assignment. Notwithstanding anything to the contrary in this Option Agreement, neither this Option Agreement nor any rights granted herein shall be assignable by the Participant.

12. Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Option Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Irish law.

13. Entire Option Agreement. This Option Agreement and the Plan contain the entire agreement and understanding among the parties as to the subject matter hereof.

14. Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Paragraph.

15. Counterparts. This Option Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

16. Notices. All notices and other communications under this Option Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to Company:

Endo International plc
c/o Endo Health Solutions Inc.
1400 Atwater Drive
Malvern, PA 19355
Attention: Treasurer

If to the Participant:

At the address on file with the Company.

Either party hereto may change such party's address for notices by notice duly given pursuant hereto.

17. Amendment. No amendment or modification hereof shall be valid unless it shall be in writing and signed by all the parties hereto.

18. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Option Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Option subject to all the terms and conditions of the Plan and this Option Agreement.

19. No Compensation for Loss of Rights. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of the Company and its Subsidiaries, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise have enjoyed whether such

compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

20. Severability. All the terms and provisions of this Option Agreement are distinct and severable, and if any term or provision is held unenforceable, illegal or void in whole or in part by any court, regulatory authority or other competent authority it shall to that extent be deemed not to form part of this Option Agreement, and the enforceability, legality and validity of the remainder of this Option Agreement will not be affected; if any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to make it valid, enforceable and legal.

21. Data Protection. The Participant hereby acknowledges and consents to the Company and any Subsidiary sharing and exchanging his/her information held in order to administer and operate the Plan (including personal details, data relating to participation, salary, taxation and employment and sensitive personal data, e.g. data relating to physical or mental health, criminal conviction or the alleged commission of offences) (the "Information") and providing the Company and/or the Subsidiary's agents and/or third parties with the Information for the administration and operation of the Plan and the Participant further accepts that this may involve the Information being sent to a country outside the country in which the Participant provides services including to a country which may not have the same level of data protection laws as his/her home country. The Participant acknowledges that s/he has the right to request a list of the names and addresses of any potential recipients of the Information and to review and correct the Information by contacting his/her local human resources representative. The Participant acknowledges that the collection, processing and transfer of the Information is important to Plan administration and that failure to consent to same may prohibit participation in the Plan.

22. Additional Matters. This Option Agreement is intended to comply with the applicable laws of any country or jurisdiction where Options are granted under the Plan, and all provisions hereof shall be construed in a manner to so comply. The following provisions apply to Participants providing services in the country noted:

Canada:

Section 4 above shall be amended to add the following language at the end thereof as a new sub-section (f):

(f) The Participant's date of termination of employment shall be the Participant's last day of active employment with the Company and its Subsidiaries and shall not include any

period of statutory, contractual or common law reasonable notice or any period of deemed employment or salary continuance.

A new Section 23 shall be added as follows:

23. Tax Withholding. Section 12(b) of the Plan shall not apply. The Company shall be entitled to receive either a cash payment by or on behalf of the Participant or a sufficient amount of the proceeds from the sale of Company Stock to be acquired pursuant to this Option Agreement by the Participant's delivery to the Company of an assignment of such proceeds and an authorization to the broker or selling agent to pay that amount to the Company and to effect such sale at the time of exercise or other delivery of shares of Company Stock for any sums required by federal, state or local law to be withheld or to satisfy any applicable payroll deductions with respect to the vesting of, lapse of restrictions on, or payment of any Option.

India:

As used herein, "Participant" shall have the meaning set forth in the Plan, except the term shall not include consultants of any Subsidiary in India.

Section 4(b) above shall be modified to read as follows:

Termination of Service on Account of Death. Upon the Participant's termination of service on account of death, all of the Participant's unvested Options shall immediately vest and become exercisable by his legal heirs or nominees. The Options shall remain exercisable for one (1) year from and including the date of the Participant's death (and shall thereafter terminate).

Section 4(c) above shall be deleted in its entirety and replaced with the following language:

Termination of Service on Account of Disability or Voluntary Retirement with Consent of Company. If the Participant voluntarily Retires with the consent of the Company or if the Participant's service terminates due to Disability, the Participant's unvested Options as of the date of such termination shall vest on the date of Disability or the date of termination of service due to voluntary retirement, as the case may be. The Options so vested shall remain exercisable for a period of one (1) year from and including the date such Option becomes vested, and shall thereafter terminate.

Section 10 above shall be amended to delete the term "transferee".

Section 11 above shall be deleted in its entirety and replaced with the following language:

No Assignment. Notwithstanding anything to the contrary in this Option Agreement, but subject to the assignment of the Option upon death of the Participant, neither this Option Agreement nor any rights granted herein shall be assignable by the Participant.

Section 12 above shall be deleted in its entirety and replaced with the following language:

Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Option Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Indian law. The rights and interests of the Participant under the Option Agreement shall be subject to compliance under the Foreign Exchange Management Act, 1999 and the related rules thereto.

Ireland:

Section 4(c) above shall be deleted in its entirety and replaced with the following language:

Termination of Service on Account of Disability. If the Participant's service terminates due to Disability, the Participant's unvested Options as of the date of such termination shall continue to vest in accordance with the original vesting schedule set forth above. The Options shall remain exercisable for a period of one (1) year from and including the later of (i) the date such entire Option becomes exercisable in accordance with the vesting schedule and (ii) the date of termination of service (and shall thereafter terminate).

Section 10 above shall be amended to delete the words "transferees, assignees" therefrom.

Section 11 above shall be deleted in its entirety and replaced with the following language:

No Assignment or Transfer. Notwithstanding anything to the contrary in this Option Agreement, neither this Option Agreement nor any rights granted herein shall be assignable by the Participant. Neither this Option Agreement nor any rights granted herein shall be transferable by the Participant in any circumstances, except on the death of the Participant.

Luxembourg:

Section 4(c) above shall be amended to add the following language at the end thereof:

As used herein, "Disability" shall mean either (i) the Participant's inability to, solely because of injury or physical or mental illness, perform the material duties of his or her regular occupation in a situation where the Participant receives paid sickness, incapacity or invalidity benefits from any of the Luxembourg competent authorities for a period that

lasts or can reasonably be expected to last for a continuous period of 6 months, or (ii) the Participant's *reclassement* by the competent commission following an irrevocable decision from said commission.

Section 4(d) above shall be amended to delete the following sentence therefrom:

For any Participant who is a party to an employment agreement with the Company or a Subsidiary, "good reason" shall also include the Participant's termination of his or her employment within ninety (90) days following the expiration of the employment term of the Participant's employment agreement under circumstances that would have constituted good reason had such termination occurred during the employment term.

Section 4 above shall be amended to add the following language at the end thereof as a new sub-section (f):

It is understood that the Participant's termination of service for any reason shall take place in accordance with applicable Luxembourg employment law rules.

Section 10 above shall be amended to delete the word "transferees" therefrom.

Section 11 above shall be deleted in its entirety and replaced with the following language:

No Assignment or Transfer. Notwithstanding anything to the contrary in this Option Agreement, neither this Option Agreement nor any rights granted herein shall be assignable by the Participant. Neither this Option Agreement nor any rights granted herein shall be transferable by the Participant in any circumstances, except on the death of the Participant.

Section 21 above shall be amended to add the following language at the end thereof:

, it being understood that for the purposes hereunder any Information on the Participant shall be processed in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as well as any applicable local laws.

United Kingdom:

As used herein, "Cause" shall have the meaning set forth in the Plan and, with respect to any Participant who is a party to an employment agreement with the Company, the definition of "Cause" shall include any circumstances in which the Company may terminate the Participant's employment agreement without notice in accordance with its terms.

As used herein, "Disability" shall mean the Participant's inability to, solely because of injury or physical or mental illness: (i) perform the material duties of his or her regular occupation and (ii)

earn 80% or more of his or her base salary or wages in respect of his or her regular occupation, for a period that lasts or can reasonably be expected to last for a continuous period of 12 months.

Section 4(c) above shall be deleted in its entirety and replaced with the following language:

Termination of Service on Account of Disability. If the Participant's service terminates due to Disability, the Participant's unvested Options as of the date of such termination shall continue to vest in accordance with the original vesting schedule set forth above. The Options shall remain exercisable for a period of one (1) year from and including the later of (i) the date such entire Option becomes exercisable in accordance with the vesting schedule and (ii) the date of termination of service (and shall thereafter terminate).

The following additional section shall be inserted:

Tax Liabilities. The Participant irrevocably agrees (A) to pay, or enter into arrangements to the satisfaction of the Company to pay, to the Company, the Participant's employer or former employer (as appropriate) the amount of any Tax Liability, (B) that the Company, the Participant's employer or former employer (as appropriate) may, if it so elects by written notice to the Participant, recover the whole or any part of any Employer NICs from the Participant, (C) that the Participant shall, promptly upon being requested to do so by the Company, the Participant's employer or former employer (as appropriate), elect (using a form approved by HM Revenue & Customs) that the whole or any part of the liability for Employer NICs shall be transferred to the Participant; (D) to enter into a joint election, under section 431(1) or 431(2) of the Income Tax (Earnings & Pensions) Act 2003 ("ITEPA"), in respect of the Company Stock to be acquired on exercise of the Participant's Option, if required to do so by the Company, the Participant's employer or former employer, before, on or within 14 days after any date of exercise of the Option. For the purposes of this section the following capitalized terms shall have the meanings set out below:

"Employer NICs": any secondary class 1 (employer) national insurance contributions that the Company or any employer (or former employer) of the Participant is liable to pay as a result of any Taxable Event (or which that person would be liable to pay in the absence of an election of the type referred to in (C) above) and that may be lawfully recovered from the Participant.

"Taxable Event": any event or circumstance that gives rise to a liability for the Participant to pay income tax and national insurance contributions or either of them in respect of: (a) the Option, including its exercise, its assignment or surrender for consideration, or the receipt of any benefit in connection with it; (b) any shares (or other securities or assets): (i) earmarked or held to satisfy the Option; (ii) acquired on exercise of the Option; (iii)

acquired as a result of holding the Option; or (iv) acquired in consideration of the Option's assignment or surrender; (c) any securities (or other assets) acquired or earmarked as a result of holding shares (or other securities or assets) mentioned in (b); or (d) any amount due in respect of assets within (a) to (c) above and not made good by the Participant within the time limit specified in section 222 ITEPA.

"Tax Liability": the total of (a) any income tax and primary class 1 (employee) national insurance contributions that any employer (or former employer) of the Participant is liable to account for (or reasonably believes it is liable to account for) as a result of any Taxable Event; and (b) any Employer NICs that any employer (or former employer) of the Participant is liable to pay (or reasonably believes it is liable to pay) as a result of any Taxable Event and that can be recovered lawfully from the Participant.

Section 19 above shall be deleted in its entirety and replaced with the following language:

Nothing contained in the Plan or this Option Agreement shall form part of the Participant's contract of employment. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of or otherwise engaged by the Company or any of its Subsidiaries for any reason (including as a result of a repudiatory breach of contract by the Company or any of its Subsidiaries), be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever. By signing this Option Agreement the Participant shall be deemed irrevocably to have waived any such entitlement.

IN WITNESS WHEREOF, the parties hereto have executed this Option Agreement as of the date set forth above.

ENDO INTERNATIONAL PLC

By: _____

Name: Paul V. Campanelli

Title: President & Chief Executive Officer

PARTICIPANT

Signature: _____

Print Name: _____

Grant No.

ENDO INTERNATIONAL PLC
STOCK AWARD AGREEMENT
UNDER THE AMENDED AND RESTATED 2015 STOCK INCENTIVE PLAN

This Stock Award Agreement (this "Award Agreement"), is made and entered into as of the date of grant set forth below (the "Date of Grant") by and between Endo International plc, an Irish public limited company (the "Company"), and the participant named below (the "Participant"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Company's Amended and Restated 2015 Stock Incentive Plan (the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

Name of Participant:

Number of Stock Awards:

Date of Grant:

Vesting Dates: Stock Awards vest ratably over the first, second, third [and fourth] anniversaries of the Date of Grant

1. Grant of Stock Awards. The Company hereby grants to the Participant the total number of restricted stock units set forth above (the "Stock Awards"), subject to all of the terms and conditions of this Award Agreement and the Plan.

2. Form of Payment and Vesting. The Stock Award granted hereunder shall vest on the vesting dates set forth above, provided that the Participant is employed by the Company or one of its Subsidiaries on the applicable vesting date (except as set forth in Paragraph 4 of this Agreement). The Participant shall be entitled to receive one share of Company Stock in respect of each vested Stock Award as soon as practicable following the applicable vesting date, but no later than the later to occur of (a) the end of the calendar year in which the applicable vesting date occurs and (b) the fifteenth day of the third calendar month following the applicable vesting date.

3. Restrictions. The Stock Awards granted hereunder may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of or encumbered, and shall be subject to a risk of forfeiture until any requirements or restrictions contained in this Award Agreement or in the Plan have been otherwise satisfied, terminated or expressly waived by the Company in writing.

4. Termination of Service; Disability.

(a) Termination of Service for Cause. Upon the Participant's termination of service with the Company and its Subsidiaries for Cause all of the Participant's unvested Stock Awards shall be forfeited as of such date.

(b) Termination of Service on Account of Death. Upon termination of the Participant's service with the Company and its Subsidiaries on account of death, all of the Participant's unvested Stock Awards shall immediately vest.

(c) Termination of Service on Account of Voluntary Retirement with Consent of Company. If the Participant voluntarily Retires with the consent of the Company, all of the Participant's unvested Stock Awards as of the date of termination shall continue to vest in accordance with the original vesting schedule set forth in Paragraph 2 of this Award Agreement.

(d) Disability. If the Participant incurs a Disability that also constitutes a "disability" within the meaning of Section 409A, all of the Participant's unvested Stock Awards as of the date of such Disability shall continue to vest in accordance with the original vesting schedule set forth in Paragraph 2 of this Award Agreement regardless of any subsequent termination of service.

(e) Termination of Service by the Company without Cause or by the Participant for Good Reason. Upon termination of the Participant's service with the Company and its Subsidiaries by the Company or its Subsidiaries without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified below, Stock Awards that are unvested as of date of termination shall be forfeited. For any Participant who is a party to an employment agreement with the Company or a Subsidiary, "good reason" shall also include the Participant's termination of his or her employment within ninety (90) days following the expiration of the employment term of the Participant's employment agreement under circumstances that would have constituted good reason had such termination occurred during the employment term.

(f) Termination of Service for any Other Reason. Unless otherwise provided in an individual agreement with the Participant, if the Participant has a termination of service for any reason other than the reasons enumerated in Subparagraphs (a) through (e) above, Stock Awards that are unvested as of date of termination of services shall be forfeited.

5. Change in Control. In the event of a Change in Control:

(a) if the Stock Awards are assumed or substituted (within the meaning of the Plan) in connection with such Change in Control, and the Participant incurs a termination of service with the Company and its Subsidiaries by the Company or its Subsidiary without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified by Section 4(e), during the 24-month period following such Change in Control, then the Stock Awards shall vest on the date of such termination of services.

(b) if the Stock Awards are not assumed or substituted in connection with such Change in Control, then the Stock Awards shall immediately vest upon the occurrence of the Change in Control.

6. Change in Control Definition. Notwithstanding anything to the contrary in the Plan, for purposes of this Award Agreement, "Change in Control" means and shall be deemed to have occurred upon the first of the following events to occur:

(a) Any "Person" (as defined below) is or becomes the "beneficial owner" ("Beneficial Owner") within the meaning set forth in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its "Affiliates" (as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act)) representing 30% or more of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of Subparagraph (c) below; or

(b) The following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board of Directors or nomination for election by the Company's shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(c) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or other entity, other than (A) a merger or consolidation which results in (i) the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, at least 60% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (ii) the individuals who comprise the Board of Directors immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 30% or more of the combined voting power of the Company's then outstanding securities; or

(d) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Company of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Company's shareholders unless the Board of Directors expressly determines in writing that such approval is required solely by reason of any relationship between the Company and any other Person or an Affiliate of the Company and any other Person), other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity (A) at least 60% of the combined voting power of the voting securities of which are owned by shareholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board of Directors immediately prior thereto.

For purposes hereof, "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 15(d) thereof, except that such term shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

Notwithstanding the foregoing, (i) a "Change in Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of Company Stock immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions and (ii) to the extent required to avoid the imposition of taxes or penalties under Section 409A of the Code with respect to any Award that constitutes a deferral of compensation subject to Section 409A of the Code, no such Award shall become payable as a result of the occurrence of a Change in Control unless such Change in Control also constitutes a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company under Section 409A of the Code.

For the avoidance of doubt, any one or more of the events described in subparagraphs (a) through (d) may be effected pursuant to (A) a takeover under Irish takeover rules; (B) a compromise or arrangement under Chapter 1 of Part 9 of the Companies Act 2014 of the Republic of Ireland or (C) Chapter 2 of Part 9 of the Companies Act 2014 of the Republic of Ireland.

7. No Shareholder Rights Prior to Vesting. The Participant shall not have any rights of a shareholder (including the right to distributions or dividends) with respect to the Stock Award until shares of Company Stock are issued pursuant to the terms of this Award Agreement.

8. Stock Award (RSU) Agreement Subject to Plan. This Award Agreement is made pursuant to all of the provisions of the Plan, which is incorporated herein by reference, and is intended, and shall be interpreted in a manner, to comply therewith. In the event of any conflict between the provisions of this Award Agreement and the provisions of the Plan, the provisions of the Plan shall govern, except as expressly provided by Paragraph 6 of this Award Agreement.

9. No Rights to Continuation of Service. Nothing in the Plan or this Award Agreement shall confer upon the Participant any right to continue in the employ of the Company or any Subsidiary thereof or shall interfere with or restrict the right of the Company or its

shareholders (or of a Subsidiary or its shareholders, as the case may be) to terminate the Participant's service any time for any reason whatsoever, with or without Cause.

10. Tax Withholding. The Company shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from any Stock Awards granted hereunder of compensation payable to the Participant any sums required by federal, state or local tax law to be withheld or to satisfy any applicable payroll deductions with respect to the vesting of, lapse of restrictions on, or payment of any Stock Award, up to the maximum statutory tax rates. A Participant who is an officer or director subject to the provisions of Section 16 of the Exchange Act as of the date of the withholding requirement may satisfy the foregoing requirement by electing to have the Company withhold from delivery shares of Company Stock in accordance with Section 12(b) of the Plan.

11. Section 409A Compliance. The Stock Award is intended to comply with Code Section 409A to the extent subject thereto and shall be interpreted in accordance with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Date of Grant. Notwithstanding any provision in the Plan or Award Agreement to the contrary, no payment or distribution under this Award Agreement that constitutes an item of deferred compensation under Code Section 409A and becomes payable by reason of the Participant's termination of service with the Company and its Subsidiaries will be made to the Participant until the Participant's termination of service constitutes a "separation from service" (as defined in Code Section 409A). For purposes of this Award Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Code Section 409A. If a participant is a "specified employee" (as defined in Code Section 409A), then to the extent necessary to avoid the imposition of taxes under Code Section 409A, such Participant shall not be entitled to any payments upon a termination of his or her service until the earlier of: (i) the expiration of the six (6)-month period measured from the date of such Participant's "separation from service" and (ii) the date of such Participant's death. Upon the expiration of the applicable waiting period set forth in the preceding sentence, all payments and benefits deferred pursuant to this Paragraph 11 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid to such Participant in a lump sum as soon as practicable, but in no event later than sixty (60) calendar days, following such expired period, and any remaining payments due under this Award Agreement will be paid in accordance with the normal payment dates specified for them herein.

12. Governing Law. This Award Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws, and not the laws pertaining to conflicts or choices of laws, of the State of Delaware applicable to agreements made and to be performed wholly within the State of Delaware.

13. Binding on Successors. The terms of this Award Agreement shall be binding upon the Participant and upon the Participant's heirs, executors, administrators, personal representatives, transferees, assignees and successors in interest, and upon the Company and its successors and assignees, subject to the terms of the Plan.

14. No Assignment. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant.

15. Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Award Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Irish law.

16. Entire Stock Award (RSU) Agreement. This Award Agreement and the Plan contain the entire agreement and understanding among the parties as to the subject matter hereof.

17. Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Paragraph.

18. Counterparts. This Award Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

19. Notices. All notices and other communications under this Award Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to Company:

Endo International plc
c/o Endo Health Solutions Inc.
1400 Atwater Drive
Malvern, PA 19355
Attention: Treasurer

If to the Participant:

At the address on file with the Company.

Either party hereto may change such party's address for notices by notice duly given pursuant hereto.

20. Amendment. No amendment or modification hereof shall be valid unless it shall be in writing and signed by all parties hereto.

21. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Award Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Stock Awards subject to all the terms and conditions of the Plan and this Award Agreement.

22. No Compensation for Loss of Rights. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of the Company and its Subsidiaries, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

23. Severability. All the terms and provisions of this Award Agreement are distinct and severable, and if any term or provision is held unenforceable, illegal or void in whole or in part by any court, regulatory authority or other competent authority it shall to that extent be deemed not to form part of this Award Agreement, and the enforceability, legality and validity of the remainder of this Award Agreement will not be affected; if any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to make it valid, enforceable and legal.

24. Data Protection. The Participant hereby acknowledges and consents to the Company and any Subsidiary sharing and exchanging his/her information held in order to administer and operate the Plan (including personal details, data relating to participation, salary, taxation and employment and sensitive personal data, e.g. data relating to physical or mental health, criminal conviction or the alleged commission of offences) (the "Information") and providing the Company and/or the Subsidiary's agents and/or third parties with the Information for the administration and operation of the Plan and the Participant further accepts that this may involve the Information being sent to a country outside the country in which the Participant provides services including to a country which may not have the same level of data protection laws as his/her home country. The Participant acknowledges that s/he has the right to request a list of the names and addresses of any potential recipients of the Information and to review and correct the Information by contacting his/her local human resources representative. The Participant acknowledges that the collection, processing and transfer of the Information is

important to Plan administration and that failure to consent to same may prohibit participation in the Plan.

25. Additional Matters. This Award Agreement is intended to comply with the applicable laws of any country or jurisdiction where the Stock Awards are granted under the Plan, and all provisions hereof shall be construed in a manner to so comply. The following provisions apply to Participants providing services in the country noted:

Canada:

Section 4 above shall be amended to add the following language at the end thereof as a new subsection (g):

(g) The Participant's date of termination of service shall be the Participant's last day of active service with the Company and its Subsidiaries and shall not include any period of statutory, contractual or common law reasonable notice or any period of deemed employment or salary continuance.

Section 10 above shall be deleted in its entirety and replaced with the following language:

10. Tax Withholding. The Company shall be entitled to receive either a cash payment by or on behalf of the Participant or a sufficient amount of the proceeds from the sale of Company Stock to be acquired pursuant to this Award Agreement by the Participant's delivery to the Company of an assignment of such proceeds and an authorization to the broker or selling agent to pay that amount to the Company and to effect such sale at the time of exercise or other delivery of shares of Company Stock for any sums required by federal, state or local tax law to be withheld or to satisfy any applicable payroll deductions with respect to the vesting of, lapse of restrictions on, or payment of any Stock Award.

India:

As used herein, "Participant" shall have the meaning set forth in the Plan, except the term shall not include consultants of any Subsidiary in India.

Section 4(b) shall deleted in its entirety and replaced with the following language:

Termination of Service on Account of Death. Upon termination of the Participant's service on account of death, all of the Participant's unvested Stock Awards shall immediately vest in his legal heirs or nominees.

Section 4(c) shall be deleted in its entirety and replaced with the following language:

Termination of Service on Account of Voluntary Retirement with Consent of Company. If the Participant voluntarily Retires with the consent of the Company, all of the Participant's unvested Stock Awards shall vest on the date of termination of service.

Section 4(d) shall be deleted in its entirety and replaced with the following language:

Disability. If the Participant incurs a Disability that also constitutes a "disability" within the meaning of Section 409A, all of the Participant's unvested Stock Awards as of the date of such Disability shall continue to vest in accordance with the original vesting schedule set forth in Paragraph 2 of this Award Agreement regardless of any subsequent termination of service, provided such Disability does not result in termination of service. In the event of termination of service, the unvested Stock Award shall vest in him on the date of termination.

Section 10 shall be deleted in its entirety and replaced with the following language:

Tax Withholding. The Subsidiary under whose payroll the Participant is registered shall have the right to deduct or withhold from the Stock Award or payroll of the Participant an amount sufficient to satisfy income taxes required by law to be withheld with respect to the vesting of, lapse of restrictions on, or payment of any Stock Award or to satisfy any applicable payroll deductions. The obligations of the Company under this Award Agreement will be conditioned on such arrangement and the Company or such Subsidiary will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Participant. A Participant who is an officer or director subject to the provisions of Section 16 of the Exchange Act as of the date of the withholding requirement may satisfy the foregoing requirement by electing to have the Subsidiary under whose payroll the Participant is registered withhold from delivery shares of Company Stock in accordance with Section 12(b) of the Plan.

Section 13 shall be amended to delete the term "transferees".

Section 14 shall be deleted in its entirety and replaced with the following language:

No Assignment. Notwithstanding anything to the contrary in this Award Agreement, but subject to the assignment of the Stock Award upon death of the Participant, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant.

Section 15 shall be deleted in its entirety and replaced with the following language:

Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of

this Award Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Indian law. The rights and interests of the Participant under the Award Agreement shall be subject to compliance under the Foreign Exchange Management Act, 1999 and the related rules thereto.

Ireland:

Section 4(c) above shall be deleted and be of no force and effect.

Section 13 above shall be amended to delete the words "transferees, assignees" therefrom.

Section 14 above shall be deleted in its entirety and replaced with the following language:

No Assignment or Transfer. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant. Neither this Award Agreement nor any rights granted herein shall be transferable by the Participant in any circumstances, except on the death of the Participant.

Luxembourg:

Section 4(c) above shall be deleted in its entirety and replaced with the following language:

Termination of Service on Account of Retirement. If the Participant voluntarily retires according to Luxembourg employment law, all of the Participant's then unvested Stock Awards shall vest on the Participant's termination date.

Section 4(d) above shall be amended to (i) delete the phrase "that also constitutes a 'disability' within the meaning of Section 409A of the Code" therefrom and (ii) add the following language at the end thereof:

As used herein, "Disability" shall mean either (i) the Participant's inability to, solely because of injury or physical or mental illness, perform the material duties of his or her regular occupation in a situation where the Participant receives paid sickness, incapacity or invalidity benefits from any of the Luxembourg competent authorities for a period that lasts or can reasonably be expected to last for a continuous period of 6 months, or (ii) the Participant's *reclassement* by the competent commission following an irrevocable decision from said commission.

Section 4 above shall be amended to add the following language at the end thereof as a new sub-section (g):

It is understood that the Participant's termination of service for any reason shall take place in accordance with applicable Luxembourg employment law rules.

Section 10 above shall be amended to add the following language at the end thereof:

For Participants subject to Luxembourg employment law, the Company shall comply with Circular L.I.R. n°104/2 dated 29 November 2017 and issued by the Luxembourg Tax Administration to the extent subject thereto and shall be interpreted in accordance with its provisions and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Date of Grant.

Section 13 above shall be amended to delete the word “transferees” therefrom.

Section 14 above shall be deleted in its entirety and replaced with the following language:

No Assignment or Transfer. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant. Neither this Award Agreement nor any rights granted herein shall be transferable by the Participant in any circumstances, except on the death of the Participant.

Section 24 above shall be amended to add the following language at the end thereof:

, it being understood that for the purposes hereunder any Information on the Participant shall be processed in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as well as any applicable local laws.

United Kingdom:

As used herein, “Cause” shall have the meaning set forth in the Plan and, with respect to any Participant who is a party to an employment agreement with the Company, the definition of “Cause” shall include any circumstances in which the Company may terminate the Participant’s employment agreement without notice in accordance with its terms.

As used herein, “Disability” shall mean the Participant’s inability to, solely because of injury or physical or mental illness: (i) perform the material duties of his or her regular occupation and (ii) earn 80% or more of his or her base salary or wages in respect of his or her regular occupation, for a period that lasts or can reasonably be expected to last for a continuous period of 12 months.

Section 4(c) above shall be deleted and be of no force and effect.

Section 10 above shall be deleted in its entirety and replaced with the following:

Tax Liabilities. The Participant irrevocably agrees (A) to pay, or enter into arrangements to the satisfaction of the Company to pay, to the Company, the Participant's employer or former employer (as appropriate) the amount of any Tax Liability, (B) that the Company, the Participant's employer or former employer (as appropriate) may, if it so elects by written notice to the Participant, recover the whole or any part of any Employer NICs from the Participant, (C) that the Participant shall, promptly upon being requested to do so by the Company, the Participant's employer or former employer (as appropriate), elect (using a form approved by HM Revenue & Customs) that the whole or any part of the liability for Employer NICs shall be transferred to the Participant; (D) to enter into a joint election, under section 431(1) or 431(2) of the Income Tax (Earnings & Pensions) Act 2003 ("ITEPA"), in respect of the Company Stock delivered pursuant to a Stock Award, if required to do so by the Company, the Participant's employer or former employer, before, on or within 14 days after any date of delivery of such Company Stock. For the purposes of this section the following capitalized terms shall have the meanings set out below:

"Employer NICs**"**: any secondary class 1 (employer) national insurance contributions that the Company or any employer (or former employer) of the Participant is liable to pay as a result of any Taxable Event (or which that person would be liable to pay in the absence of an election of the type referred to in (C) above) and that may be lawfully recovered from the Participant.

"Taxable Event**"**: any event or circumstance that gives rise to a liability for the Participant to pay income tax and national insurance contributions or either of them in respect of: (a) the Stock Award, including its assignment or surrender for consideration, or the receipt of any benefit in connection with it; (b) any shares (or other securities or assets): (i) earmarked or held to satisfy the Stock Award; (ii) acquired pursuant to the Stock Award; or (iv) acquired in consideration of the assignment or surrender of the Stock Award; (c) any securities (or other assets) acquired or earmarked as a result of holding shares (or other securities or assets) mentioned in (b); or (d) any amount due in respect of assets within (a) to (c) above and not made good by the Participant within the time limit specified in section 222 ITEPA.

"Tax Liability**"**: the total of (a) any income tax and primary class 1 (employee) national insurance contributions that any employer (or former employer) of the Participant is liable to account for (or reasonably believes it is liable to account for) as a result of any Taxable Event; and (b) any Employer NICs that any employer (or former employer) of the Participant is liable to pay (or reasonably believes it is liable to pay) as a result of any Taxable Event and that can be recovered lawfully from the Participant.

Section 22 shall be replaced by the following provision:

Nothing contained in the Plan or this Stock Award shall form part of the Participant's contract of employment. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of or otherwise engaged by the Company or any of its Subsidiaries for any reason (including as a result of a repudiatory breach of contract by the Company or any of its Subsidiaries), be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever. By signing this Stock Award the Participant shall be deemed irrevocably to have waived any such entitlement.

IN WITNESS WHEREOF, the parties hereto have executed this Award Agreement as of the date set forth above.

ENDO INTERNATIONAL PLC

By: _____

Name: Paul V. Campanelli

Title: President & Chief Executive Officer

PARTICIPANT

Signature: _____

Print Name: _____

Grant No.

ENDO INTERNATIONAL PLC
PERFORMANCE AWARD AGREEMENT
UNDER THE AMENDED AND RESTATED 2015 STOCK INCENTIVE PLAN

This Performance Award Agreement (this "Award Agreement") is made and entered into as of the date of grant set forth below (the "Date of Grant") by and between Endo International plc, an Irish public limited company (the "Company"), and the participant named below (the "Participant"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Company's Amended and Restated 2015 Stock Incentive Plan (the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

Name of Participant:	
Total Target Performance Award (Total Number of Restricted Stock Units Underlying the Target Performance Award):	
Date of Grant:	
Performance Period for the TSR Performance Award:	The period beginning on the Date of Grant and ending on the third anniversary of the Date of Grant.
Performance Period for the FCF Performance Award:	Each of three successive annual periods, the first of which begins on the first day of the Company's fiscal year that includes the Date of Grant.

1. Grant of Performance Awards. The Company hereby grants to the Participant the total number of restricted stock units set forth above, fifty percent (50%) of which shall be subject to Total Shareholder Return performance targets (the "TSR Performance Award") and the other fifty percent (50%) of which shall be subject to Free Cash Flow performance targets (the "FCF Performance Award," and together with the TSR Performance Award, the "Performance Award"). The Performance Award shall be subject to all of the terms and conditions of this Award Agreement and the Plan.

2. Form of Payment and Vesting.

(a) The TSR Performance Award shall vest on the last day of the TSR Performance Period (the "TSR Vesting Date") in a number of shares of Company Stock equal to the multiple of the TSR Performance Award achieved, as determined by the Committee (or its designee) in accordance with the performance conditions set forth in Exhibit A hereto ("Exhibit A"), provided that the Participant is providing service to the Company or one of its Subsidiaries

on the TSR Vesting Date (other than as is provided by Paragraph 4 of this Award Agreement). Any shares of Company Stock earned in accordance with the prior sentence shall be delivered to the Participant as soon as practicable following the TSR Vesting Date, but no later than the later to occur of (i) the end of the calendar year in which the TSR Vesting Date occurs and (ii) the fifteenth day of the third calendar month following the TSR Vesting Date. Any portion of the TSR Performance Award that could have been earned in accordance with the provisions of Exhibit A that is not earned as of the TSR Vesting Date, as determined by the Committee (or its designee), shall be immediately forfeited.

(b) During each FCF Performance Period, one third (1/3rd) of the number of restricted stock units underlying the target FCF Performance Award shall be eligible to be earned based on achievement of the performance conditions set forth in Exhibit B hereto (as may be supplemented from time to time) ("Exhibit B"). The FCF Performance Award shall vest on the third anniversary of the Date of Grant of the FCF Performance Award (the "FCF Vesting Date") in a number of shares of Company Stock equal to the sum of the number of shares of Company Stock so earned for each of the three FCF Performance Periods, as determined by the Committee (or its designee), provided that the Participant is providing service to the Company or one of its Subsidiaries on the FCF Vesting Date (other than as is provided by Paragraph 4 of this Award Agreement). Any shares of Company Stock earned and vested in accordance with the foregoing shall be delivered to the Participant as soon as practicable following the FCF Vesting Date, but no later than the fifteenth day of the third calendar month following the calendar year in which the FCF Vesting Date occurs. For each FCF Performance Period, any portion of the FCF Performance Award that could have been earned in accordance with the provisions of Exhibit B that is not earned as of the last day of the applicable FCF Performance Period, as determined by the Committee (or its designee), shall be immediately forfeited.

3. Restrictions. The Performance Award granted hereunder may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of or encumbered, and shall be subject to a risk of forfeiture until any requirements or restrictions contained in this Award Agreement or in the Plan have been otherwise satisfied, terminated or expressly waived by the Company in writing.

4. Termination of Service; Disability.

(a) Termination of Service for Cause. Upon the Participant's termination of service with the Company and its Subsidiaries for Cause prior to the TSR Vesting Date or the FCF Vesting Date, the unvested portion, if any, of the Participant's Performance Award shall be forfeited as of the date of such termination of service.

(b) Termination of Service on Account of Death. Upon termination of the Participant's service with the Company and its Subsidiaries on account of death prior to the TSR Vesting Date or the FCF Vesting Date, the unvested portion, if any, of the Participant's Performance Award shall vest as of the date of such termination of service at target levels (as set forth on Exhibit A and Exhibit B, as applicable). The vested Performance Award (determined in accordance with the foregoing and including any portion of the FCF Performance Award that was earned prior to the Participant's death in accordance with Exhibit B for any completed FCF

Performance Period) shall be settled in shares of Company Stock for the benefit of the Participant's estate no later than the later to occur of (i) the end of the calendar year in which the Participant's death occurs or (ii) the fifteenth day of the third calendar month following the Participant's death.

(c) Termination of Service on Account of Voluntary Retirement with Consent of Company. If the Participant voluntarily Retires with the consent of the Company prior to the TSR Vesting Date or the FCF Vesting Date, the Participant's Performance Award shall continue to be eligible to vest in accordance with the performance-based vesting conditions set forth on Exhibit A and Exhibit B, as applicable, regardless of such termination of service.

(d) Disability. If the Participant incurs a Disability that also constitutes a "disability" within the meaning of Section 409A of the Code prior to the TSR Vesting Date or the FCF Vesting Date, the Participant's Performance Award shall continue to be eligible to vest in accordance with the performance-based vesting conditions set forth on Exhibit A and Exhibit B, as applicable, regardless of any subsequent termination of service.

(e) Termination of Service by the Company without Cause or by the Participant for Good Reason.

(i) Upon termination of the Participant's service with the Company and its Subsidiaries by the Company or its Subsidiaries without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified below, prior to the TSR Vesting Date, a portion of the Participant's TSR Performance Award shall vest based upon achievement of the TSR Performance Criteria (as defined in Exhibit A) measured as of the date of the Participant's termination of service, multiplied by a fraction, the numerator of which is the number of full months of the Participant's service during the TSR Performance Period and the denominator of which is the total number of months in the TSR Performance Period. The vested portion of the TSR Performance Award shall be settled in shares of Company Stock as soon as practicable following the Participant's termination of service, but no later than the later to occur of (A) the end of the calendar year in which such termination occurs or (B) the fifteenth day of the third calendar month following such termination. Notwithstanding the foregoing, the Committee (or such individual or individuals authorized by the Committee) may, in its discretion, exercise negative discretion to determine payout achievement. Any portion of the TSR Performance Award that could have been earned in accordance with the provisions of this Section 4(e)(i) that is not earned as of the date of the Participant's termination of service shall be immediately forfeited on the date of the Participant's termination of service.

(ii) Upon termination of the Participant's service with the Company and its Subsidiaries by the Company or its Subsidiaries without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified below, prior to the FCF Vesting Date but after the Company's first approval of estimated Free Cash Flow for the FCF Performance Period in which such termination of service

occurs, the Participant's FCF Performance Award in respect of such FCF Performance Period shall vest based upon achievement of the most recently approved estimate of Free Cash Flow for the applicable FCF Performance Period, multiplied by a fraction, the numerator of which is the number of full months of Participant's service during the current FCF Performance Period and the denominator of which is twelve (12). If such termination occurs prior to the FCF Vesting Date and prior to the Company's first approval of estimated Free Cash Flow for the FCF Performance Period in which such termination of service occurs, then the Participant shall not vest in any portion of the FCF Performance Award in respect of the FCF Performance Period in which such termination of service occurs. The vested portion of the FCF Performance Award determined in accordance with the foregoing (plus any portion of the Participant's FCF Performance Award for which the FCF Performance Criteria (as defined in Exhibit B) has been achieved in respect of any previously completed FCF Performance Period) shall be settled in shares of Company Stock immediately following such termination. Notwithstanding the foregoing the Committee (or such individual or individuals authorized by the Committee) may, in its discretion, exercise negative discretion to determine payout achievement. Any portion of the FCF Performance Award that could have been earned in accordance with the provisions of this Section 4(e)(ii) that is not earned as of the date of the Participant's termination of service shall be immediately forfeited on the date of the Participant's termination of service.

(iii) For the purposes of this Section 4(e), for any Participant who is a party to an employment agreement with the Company or a Subsidiary, "good reason" shall also include the Participant's termination of his or her employment within ninety (90) days following the expiration of the employment term of the Participant's employment agreement under circumstances that would have constituted good reason had such termination occurred during the employment term.

(f) Termination of Service for any Other Reason. Unless otherwise provided in an individual agreement with the Participant, if the Participant has a termination of service with the Company and its Subsidiaries prior to the TSR Vesting Date or the FCF Vesting Date for any reason other than the reasons enumerated in Subparagraphs (a) through (e) above, the Participant's Performance Award as of the date of termination of service shall be forfeited.

5. Change in Control. Notwithstanding anything to the contrary in the Plan, in the event of a Change in Control prior to the TSR Vesting Date or the FCF Vesting Date, as applicable, the provisions of this Section 5 shall apply.

(a) if the entire Performance Award is assumed or substituted (within the meaning of the Plan) in connection with such Change in Control, and the Participant incurs a termination of service from the Company and its Subsidiaries by the Company or its Subsidiary without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified by Section 4(e)(iii), during the 24-month period following such Change in Control, then the restrictions, deferral limitations, payment conditions, and forfeiture conditions applicable to any portion of the Performance Award shall lapse and:

(i) the TSR Performance Award shall be settled in shares of Company Stock as soon as practicable following the Participant's termination of service, but no later than the later to occur of the end of the calendar year in which such termination occurs or the fifteenth day of the third calendar month following such termination, based on the greater of (y) actual achievement of TSR Performance Criteria or (z) target achievement of the TSR Performance Criteria, in either case measured as of the date of such termination, and

(ii) the FCF Performance Award shall be settled as soon as practicable following the Participant's termination of service, but no later than the later to occur of the end of the calendar year in which such termination occurs or the fifteenth day of the third calendar month following such termination, with the number of shares equal to the sum of (y) the number of shares of Company Stock underlying any portion of the Participant's FCF Performance Award for which the FCF Performance Criteria has been achieved in respect of any previously completed FCF Performance Period and (z) the number of shares of Company Stock subject to any portion of the FCF Performance Award for any FCF Performance Period not completed multiplied by one (1) or, if greater, a multiple determined based upon achievement of the most recently approved estimate of Free Cash Flow.

(b) if any portion of the Performance Award is not assumed or substituted in connection with such Change in Control, then the restrictions, deferral limitations, payment conditions, and forfeiture conditions applicable to any portion of the Performance Award shall lapse and:

(i) the TSR Performance Award shall be settled in shares of Company Stock immediately prior to the Change in Control based on the greater of (1) actual achievement of TSR Performance Criteria or (2) target achievement of the TSR Performance Criteria, in either case measured as of the date of the Change in Control, and

(ii) the FCF Performance Award shall be settled immediately prior to the Change in Control, with the number of shares equal to the sum of (y) the number of shares of Company Stock underlying any portion of the Participant's FCF Performance Award for which the FCF Performance Criteria has been achieved in respect of any previously completed FCF Performance Period and (z) the number of shares of Company Stock subject to any portion of the FCF Performance Award for any FCF Performance Period not completed multiplied by one (1) or, if greater, a multiple determined based upon achievement of the most recently approved estimate of Free Cash Flow.

(c) Any portion of the Performance Award that could have been earned in accordance with Section 5(a) or Section 5(b) that is not earned shall be immediately forfeited on the date of termination of service or the date the Change in Control occurs, as applicable.

6. Change in Control Definition. Notwithstanding anything to the contrary in the Plan, for purposes of this Award Agreement, "Change in Control" means and shall be deemed to have occurred upon the first of the following events to occur:

(a) Any “Person” (as defined below) is or becomes the “beneficial owner” (“Beneficial Owner”) within the meaning set forth in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its “Affiliates” (as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act)) representing 30% or more of the combined voting power of the Company’s then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of Subparagraph (c) below; or

(b) The following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board of Directors or nomination for election by the Company’s shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(c) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or other entity, other than (A) a merger or consolidation which results in (i) the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, at least 60% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (ii) the individuals who comprise the Board of Directors immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 30% or more of the combined voting power of the Company’s then outstanding securities; or

(d) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company’s assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Company of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Company’s shareholders unless the Board of Directors expressly determines in

writing that such approval is required solely by reason of any relationship between the Company and any other Person or an Affiliate of the Company and any other Person), other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity (A) at least 60% of the combined voting power of the voting securities of which are owned by shareholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board of Directors immediately prior thereto.

For purposes hereof, "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 15(d) thereof, except that such term shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

Notwithstanding the foregoing, (i) a "Change in Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of Company Stock immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions and (ii) to the extent required to avoid the imposition of taxes or penalties under Section 409A of the Code with respect to any Award that constitutes a deferral of compensation subject to Section 409A of the Code, no such Award shall become payable as a result of the occurrence of a Change in Control unless such Change in Control also constitutes a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company under Section 409A of the Code.

For the avoidance of doubt, any one or more of the events described in subparagraphs (a) through (d) may be effected pursuant to (A) a takeover under Irish takeover rules; (B) a compromise or arrangement under Chapter 1 of Part 9 of the Companies Act 2014 of the Republic of Ireland or (C) Chapter 2 of Part 9 of the Companies Act 2014 of the Republic of Ireland.

7. No Shareholder Rights Prior to Delivery. The Participant shall not have any rights of a shareholder (including the right to distributions or dividends) with respect to the Performance Award until shares of Company Stock are issued pursuant to the terms of this Award Agreement.

8. Performance Award Agreement Subject to Plan. This Award Agreement is made pursuant to all of the provisions of the Plan, which is incorporated herein by reference, and is intended, and shall be interpreted, in a manner to comply therewith. In the event of any conflict between the provisions of this Award Agreement and the provisions of the Plan, the provisions of

the Plan shall govern, except as expressly provided by Sections 5 and 6 of this Award Agreement.

9. No Rights to Continuation of Service. Nothing in the Plan or this Award Agreement shall confer upon the Participant any right to continue in the employ of the Company or any Subsidiary thereof or shall interfere with or restrict the right of the Company or its shareholders (or of a Subsidiary or its shareholders, as the case may be) to terminate the Participant's service at any time for any reason whatsoever, with or without Cause.

10. Tax Withholding. The Company shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from the Performance Award granted hereunder or other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld or to satisfy any applicable payroll deductions with respect to the vesting of, lapse of restrictions on, or payment of the Performance Award, up to the maximum statutory tax rates. A Participant who is an officer or director subject to the provisions of Section 16 of the Exchange Act as of the date of the withholding requirement may satisfy the foregoing requirement by electing to have the Company withhold from delivery shares of Company Stock in accordance with Section 12(b) of the Plan.

11. Section 409A Compliance. The Performance Award is intended to comply with Code Section 409A to the extent subject thereto and shall be interpreted in accordance with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Date of Grant. Notwithstanding any provision in the Plan or Award Agreement to the contrary, no payment or distribution under this Award Agreement that constitutes an item of deferred compensation under Code Section 409A and becomes payable by reason of the Participant's termination of service with the Company and its Subsidiaries will be made to the Participant until the Participant's termination of service constitutes a "separation from service" (as defined in Code Section 409A). For purposes of this Award Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Code Section 409A. If a participant is a "specified employee" (as defined in Code Section 409A), then to the extent necessary to avoid the imposition of taxes under Code Section 409A, such Participant shall not be entitled to any payments upon a termination of his or her service until the earlier of: (i) the expiration of the six (6)-month period measured from the date of such Participant's "separation from service" and (ii) the date of such Participant's death. Upon the expiration of the applicable waiting period set forth in the preceding sentence, all payments and benefits deferred pursuant to this Paragraph 11 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid to such Participant in a lump sum as soon as practicable, but in no event later than sixty (60) calendar days, following such expired period, and any remaining payments due under this Award Agreement will be paid in accordance with the normal payment dates specified for them herein.

12. Governing Law. This Award Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws, and not the laws pertaining to

conflicts or choice of laws, of the State of Delaware applicable to agreements made and to be performed wholly within the State of Delaware.

13. Binding on Successors. The terms of this Award Agreement shall be binding upon the Participant and upon the Participant's heirs, executors, administrators, personal representatives, transferees, assignees and successors in interest, and upon the Company and its successors and assignees, subject to the terms of the Plan.

14. No Assignment. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant.

15. Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Award Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Irish law.

16. Entire Performance Award Agreement. This Award Agreement (including Exhibits A and B and Annex A) and the Plan contain the entire agreement and understanding among the parties as to the subject matter hereof.

17. Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Paragraph.

18. Counterparts. This Award Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

19. Notices. All notices and other communications under this Award Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to Company:

Endo International plc
c/o Endo Health Solutions Inc.
1400 Atwater Drive
Malvern, PA 19355
Attention: Treasurer

If to the Participant:

At the address on file with the Company.

Either party hereto may change such party's address for notices by notice duly given pursuant hereto.

20. Amendment. No amendment or modification hereof shall be valid unless it shall be in writing and signed by all parties hereto.

21. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Award Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Performance Award subject to all the terms and conditions of the Plan and this Award Agreement.

22. No Compensation for Loss of Rights. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of the Company and its Subsidiaries, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

23. Severability. All the terms and provisions of this Award Agreement are distinct and severable, and if any term or provision is held unenforceable, illegal or void in whole or in part by any court, regulatory authority or other competent authority it shall to that extent be deemed not to form part of this Award Agreement, and the enforceability, legality and validity of the remainder of this Award Agreement will not be affected; if any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to make it valid, enforceable and legal.

24. Data Protection. The Participant hereby acknowledges and consents to the Company and any Subsidiary sharing and exchanging his/her information held in order to administer and operate the Plan (including personal details, data relating to participation, salary, taxation and employment and sensitive personal data, e.g. data relating to physical or mental health, criminal conviction or the alleged commission of offences) (the "Information") and providing the Company and/or the Subsidiary's agents and/or third parties with the Information for the administration and operation of the Plan and the Participant further accepts that this may involve the Information being sent to a country outside the country in which the Participant provides service including to a country which may not have the same level of data protection laws as his/her home country. The Participant acknowledges that s/he has the right to request a list of the names and addresses of any potential recipients of the Information and to review and correct the Information by contacting his/her local human resources representative. The Participant acknowledges that the collection, processing and transfer of the Information is important to Plan administration and that failure to consent to same may prohibit participation in the Plan.

25. Additional Matters. This Award Agreement is intended to comply with the applicable laws of any country or jurisdiction where the Performance Award is granted under the Plan, and all provisions hereof shall be construed in a manner to so comply. The following provisions apply to Participants providing service in the country noted:

Canada:

Section 4 above shall be amended to add the following language at the end thereof as a new sub-section (g):

> (g) The Participant's date of termination of service shall be the Participant's last day of active service with the Company and its Subsidiaries and shall not include any period of statutory, contractual or common law reasonable notice or any period of deemed employment or salary continuance.

Section 10 above shall be deleted in its entirety and replaced with the following language:

> The Company shall be entitled to receive either a cash payment by or on behalf of the Participant or a sufficient amount of the proceeds from the sale of Company Stock to be acquired pursuant to this Award Agreement by the Participant's delivery to the Company of an assignment of such proceeds and an authorization to the broker or selling agent to pay that amount to the Company and to effect such sale at the time of exercise or other delivery of shares of Company Stock for any sums required by federal, state or local tax law to be withheld or to satisfy any applicable payroll deductions with respect to the vesting of, lapse of restrictions on, or payment of any Performance Award.

India:

As used herein, "Participant" shall have the meaning set forth in the Plan, except the term shall not include consultants of any Subsidiary in India.

Section 4(b) shall be deleted in its entirety and replaced with the following language:

> Termination of Service on Account of Death. Upon termination of the Participant's service on account of death prior to the either the TSR Vesting Date or the FCF Vesting Date, the Participant's Performance Award shall immediately vest in his legal heirs or nominees, subject to fulfilment of the performance conditions specified in Exhibits A and B and shall be settled in shares of Company Stock for the benefit of the Participant's estate no later than the later of the end of the calendar year in which the Participant's death occurs or the fifteenth day of the third calendar month following the Participant's death.

Section 4(c) shall be deleted in its entirety and replaced with the following language:

> Termination of Service on Account of Voluntary Retirement with Consent of Company. If the Participant voluntarily Retires with the consent of the Company, the unvested portion, if any, of the Participant's Performance Award as of the date of termination shall stand vested on the date of termination of service, subject to the fulfilment of the performance conditions specified in Exhibits A and B.

Section 4(d) shall be deleted in its entirety and replaced with the following language:

Disability. If the Participant incurs a Disability that also constitutes a "disability" within the meaning of Section 409A, the unvested portion, if any, of the Participant's Performance Award as of the date of such Disability shall continue to be eligible to vest in accordance with the performance-based vesting conditions set forth on Exhibits A and B regardless of any subsequent termination of service, provided such Disability does not result in termination of service. In the event of termination of service, the unvested portion, if any, of the Performance Award shall vest in him on the date of termination.

Section 10 shall be deleted in its entirety and replaced with the following language:

Tax Withholding. The Subsidiary under whose payroll the Participant is registered shall have the right to deduct or withhold from the Performance Award or payroll of the Participant an amount sufficient to satisfy income taxes required by law to be withheld with respect to the vesting of, lapse of restrictions on, or payment of the Performance Award or to satisfy any applicable payroll deductions. The obligations of the Company under this Award Agreement will be conditioned on such arrangement and the Company or such Subsidiary will, to the extent permitted by law, have the right to deduct any such taxes from any payment of any kind otherwise due to the Participant. A Participant who is an officer or director subject to the provisions of Section 16 of the Exchange Act as of the date of the withholding requirement may satisfy the foregoing requirement by electing to have the Subsidiary under whose payroll the Participant is registered withhold from delivery shares of Company Stock in accordance with Section 12(b) of the Plan.

Section 13 shall be amended to delete the term "transferees".

Section 14 shall be deleted in its entirety and replaced with the following language:

No Assignment. Notwithstanding anything to the contrary in this Award Agreement, but subject to the assignment of the Performance Award upon death of the Participant, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant.

Section 15 shall be deleted in its entirety and replaced with the following language:

Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Award Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Indian law. The rights and interests of the Participant under the Award Agreement shall be subject to compliance under the Foreign Exchange Management Act, 1999 and the related rules thereto.

Ireland:

Section 4(c) above shall be deleted and be of no force and effect.

Section 13 above shall be amended to delete the words “transferees, assignees” therefrom.

Section 14 above shall be deleted in its entirety and replaced with the following language:

> No Assignment or Transfer. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant. Neither this Award Agreement nor any rights granted herein shall be transferable by the Participant in any circumstances, except on the death of the Participant.

Luxembourg:

Section 4(c) above shall be deleted in its entirety and replaced with the following language:

> Termination of Service on Account of Retirement. If the Participant voluntarily retires according to Luxembourg employment law prior to the TSR Vesting Date or the FCF Vesting Date, any unvested portion of the Participant’s Performance Award as of the Participant’s termination date shall vest on that date and be eligible to be settled subject to the satisfaction of the performance conditions specified in Exhibits A and B, determined at a time and manner as is determined for employees generally, disregarding such termination of service.

Section 4(d) above shall be amended to (i) delete the phrase “that also constitutes a ‘disability’ within the meaning of Section 409A of the Code” therefrom and (ii) add the following language at the end thereof:

> As used herein, “Disability” shall mean either (i) the Participant’s inability to, solely because of injury or physical or mental illness, perform the material duties of his or her regular occupation in a situation where the Participant receives paid sickness, incapacity or invalidity benefits from any of the Luxembourg competent authorities for a period that lasts or can reasonably be expected to last for a continuous period of 6 months, or (ii) the Participant’s *reclassement* by the competent commission following an irrevocable decision from said commission.

Section 4(e)(iii) above shall be deleted in its entirety and be of no force and effect.

Section 4 above shall be amended to add the following language at the end thereof as a new sub-section (g):

> It is understood that the Participant’s termination of service for any reason shall take place in accordance with applicable Luxembourg employment law rules.

Section 10 above shall be amended to add the following language at the end thereof:

For Participants subject to Luxembourg employment law, the Company shall comply with Circular L.I.R. n°104/2 dated 29 November 2017 and issued by the Luxembourg Tax Administration to the extent subject thereto and shall be interpreted in accordance with its provisions and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Date of Grant.

Section 13 above shall be amended to delete the word "transferees" therefrom.

Section 14 above shall be deleted in its entirety and replaced with the following language:

No Assignment or Transfer. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant. Neither this Award Agreement nor any rights granted herein shall be transferable by the Participant in any circumstances, except on the death of the Participant.

Section 24 above shall be amended to add the following language at the end thereof:

, it being understood that for the purposes hereunder any Information on the Participant shall be processed in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, as well as any applicable local laws.

United Kingdom:

As used herein, "Cause" shall have the meaning set forth in the Plan and, with respect to any Participant who is a party to an employment agreement with the Company, the definition of "Cause" shall include any circumstances in which the Company may terminate the Participant's employment agreement without notice in accordance with its terms.

As used herein, "Disability" shall mean the Participant's inability to, solely because of injury or physical or mental illness: (i) perform the material duties of his or her regular occupation and (ii) earn 80% or more of his or her base salary or wages in respect of his or her regular occupation, for a period that lasts or can reasonably be expected to last for a continuous period of 12 months.

Section 4(c) above shall be deleted and be of no force and effect.

Section 10 above shall be deleted in its entirety and replaced with the following:

Tax Liabilities. The Participant irrevocably agrees (A) to pay, or enter into arrangements to the satisfaction of the Company to pay, to the Company, the Participant's employer or former employer (as appropriate) the amount of any Tax Liability, (B) that the Company, the Participant's employer or former employer (as appropriate) may, if it so elects by written notice to the Participant, recover the whole or any part of any Employer NICs from the Participant, (C) that the

Participant shall, promptly upon being requested to do so by the Company, the Participant's employer or former employer (as appropriate), elect (using a form approved by HM Revenue & Customs) that the whole or any part of the liability for Employer NICs shall be transferred to the Participant; (D) to enter into a joint election, under section 431(1) or 431(2) of the Income Tax (Earnings & Pensions) Act 2003 ("ITEPA"), in respect of the Company Stock delivered pursuant to a Performance Award, if required to do so by the Company, the Participant's employer or former employer, before, on or within 14 days after any date of delivery of such Company Stock. For the purposes of this section the following capitalized terms shall have the meanings set out below:

"Employer NICs": any secondary class 1 (employer) national insurance contributions that the Company or any employer (or former employer) of the Participant is liable to pay as a result of any Taxable Event (or which that person would be liable to pay in the absence of an election of the type referred to in (C) above) and that may be lawfully recovered from the Participant.

"Taxable Event": any event or circumstance that gives rise to a liability for the Participant to pay income tax and national insurance contributions or either of them in respect of: (a) the Performance Award, including its assignment or surrender for consideration, or the receipt of any benefit in connection with it; (b) any shares (or other securities or assets): (i) earmarked or held to satisfy the Performance Award; (ii) acquired pursuant to the Performance Award; or (iv) acquired in consideration of the assignment or surrender of the Performance Award; (c) any securities (or other assets) acquired or earmarked as a result of holding shares (or other securities or assets) mentioned in (b); or (d) any amount due in respect of assets within (a) to (c) above and not made good by the Participant within the time limit specified in section 222 ITEPA.

"Tax Liability": the total of (a) any income tax and primary class 1 (employee) national insurance contributions that any employer (or former employer) of the Participant is liable to account for (or reasonably believes it is liable to account for) as a result of any Taxable Event; and (b) any Employer NICs that any employer (or former employer) of the Participant is liable to pay (or reasonably believes it is liable to pay) as a result of any Taxable Event and that can be recovered lawfully from the Participant.

Section 22 shall be replaced by the following provision:

Nothing contained in the Plan or this Performance Award shall form part of the Participant's contract of employment. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of or otherwise engaged by the Company or any of its Subsidiaries for any reason (including as a result of a repudiatory breach of contract by the Company or any of its Subsidiaries), be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise

have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever. By signing this Performance Award the Participant shall be deemed irrevocably to have waived any such entitlement.

IN WITNESS WHEREOF, the parties hereto have executed this Award Agreement as of the date set forth above.

ENDO INTERNATIONAL PLC

By: _____

Name: Paul V. Campanelli

Title: President & Chief Executive Officer

PARTICIPANT

Signature: _____

Print Name: _____

EXHIBIT A

(I) **TSR Performance Criteria.**

The Participant will be entitled to receive a number of shares of Company Stock as of the TSR Vesting Date, equal to a multiple of the TSR Target Performance Award achieved based on achievement of targets relating to Relative TSR (the "TSR Performance Criteria") as described below for the TSR Performance Period:

Relative TSR	**Multiple Applicable to TSR Target Performance Award**
Equal to or above 90th percentile	2
Equal to or above 80th percentile but below 90th percentile	1.61 - 1.80
Equal to or above 70th percentile but below 80th percentile	1.41 - 1.60
Equal to or above 60th percentile but below 70th percentile	1.21 - 1.40
Equal to or above 50th percentile but below 60th percentile	1.00 - 1.20
Equal to or above 40th percentile but below 50th percentile	0.5
Below 40th percentile	0

In the event that Relative TSR over the TSR Performance Period is negative, the multiple applicable to the TSR Target Performance Award shall not exceed 1.

If Relative TSR is equal to or above the 50th percentile but below the 90th percentile, the Participant will vest in a number of shares of Company Stock that is the mathematical linear interpolation between the number of shares of Company Stock that would vest at the defined ends of the applicable spectrum. No such interpolation shall occur in the event that Relative TSR is below the 50th percentile or equal to or above the 90th percentile.

The determination of Relative TSR will be made in the sole discretion of the Committee, after the end of the TSR Performance Period once the applicable year-end audit is available. The Committee has discretion to accelerate the vesting of all or a portion of the Participant's TSR Performance Award based upon the overall performance of the Company and/or the Participant or based upon any change in business conditions.

(II) **Definitions.**

For purposes of this Exhibit A, the following terms have the meanings set forth below:

"Comparator Group" shall mean the companies listed on Annex A, attached hereto. Each such company shall be included in the Comparator Group only if the company is publicly-traded at both the beginning and end of the TSR Performance Period.

“Per Share Price” shall mean the average of the closing prices of common shares for the applicable company during the thirty (30) consecutive trading days ending on the day immediately preceding the applicable measurement date.

“Relative TSR” shall mean the percentile ranking of the Company’s Total Shareholder Return as compared to the Total Shareholder Return of each company in the Comparator Group.

“Total Shareholder Return” shall mean the appreciation of the Per Share Price during the TSR Performance Period, plus any dividends paid on the applicable company’s common stock during such TSR Performance Period.

ANNEX A

Comparator Group

1. AbbVie Inc. (ABBV)
2. Abbott Laboratories (ABT)
3. Akorn, Inc. (AKRX)
4. Alexion Pharmaceuticals Inc. (ALXN)
5. Alkermes plc (ALKS)
6. Allergan plc (AGN)
7. AMAG Pharmaceuticals Inc. (AMAG)
8. Amgen Inc. (AMGN)
9. AstraZeneca PLC (AZN)
10. Biogen Inc. (BIIB)
11. BioMarin Pharmaceutical Inc. (BMRN)
12. Bristol-Myers Squibb Company (BMY)
13. Celgene Corporation (CELG)
14. Dr. Reddy's Laboratories Ltd. (RDY)
15. Eli Lilly and Company (LLY)
16. Gilead Sciences Inc. (GILD)
17. GlaxoSmithKline plc (GSK)
18. Horizon Pharma Public Limited Company (HZNP)
19. Impax Labs Inc. (IPXL)
20. Incyte Corporation (INCY)
21. Jazz Pharmaceuticals Public Limited Company (JAZZ)
22. Johnson & Johnson (JNJ)
23. Lannett Company (LCI)
24. Mallinckrodt Public Limited Company (MNK)
25. Merck & Co. Inc. (MRK)
26. Mylan N.V. (MYL)
27. Novartis AG (NVS)
28. Novo Nordisk A/S (NVO)
29. Perrigo Company Public Limited Company (PRGO)
30. Pfizer Inc. (PFE)
31. Qiagen NV (QGEN)
32. Regeneron Pharmaceuticals Inc. (REGN)
33. Roche Holding AG (RHHBY)
34. Sanofi (SNY)
35. Shire plc (SHPG)
36. Taro Pharmaceutical Industries Ltd. (TARO)
37. Teva Pharmaceutical Industries Limited (TEVA)
38. United Therapeutics Corporation (UTHR)
39. Valeant Pharmaceuticals International, Inc. (VRX)
40. Vertex Pharmaceuticals Inc. (VRTX)
41. Zoetis Inc. (ZTS)

EXHIBIT B

The following exhibit contains the FCF Performance Criteria in respect of 2018, which is the first FCF Performance Period for the 2018 FCF Performance Award.

The FCF Performance Criteria (including any changes thereto) in respect of future FCF Performance Periods for the 2018 FCF Performance Award shall be communicated to the Participant no later than March 31st of the relevant FCF Performance Period.

(I) **FCF Performance Criteria.**

The Participant will be eligible to earn a number of shares of Company Stock equal to one third (1/3rd) of the number of restricted stock units underlying the target FCF Performance Award multiplied by the multiple applicable to the FCF Performance Award for the FCF Performance Period, which will be based on achievement of a Target relating to Free Cash Flow (the "FCF Performance Criteria") and determined in accordance with the below:

Free Cash Flow*	**Multiple Applicable to FCF Performance Award for the FCF Performance Period**
Equal to or greater than 110% of Target	2
Equal to or greater than 107.5% of Target but less than 110% of Target	1.75
Equal to or greater than 105% of Target but less than 107.5% of Target	1.5
Equal to or greater than 102.5% of Target but less than 105% of Target	1.25
Equal to or greater than 100% of Target but less than 102.5% of Target	1
Equal to or greater than 97.5% of Target but less than 100% of Target	0.75
Equal to or greater than 95% of Target but less than 97.5% of Target	0.5
Less than 95% of Target	0

*Free Cash Flow for each FCF Performance Period associated with the 2018 FCF Performance Award must equal or exceed the following minimum Free Cash Flow: 50% of actual annual adjusted net income for the relevant FCF Performance Period.

If Free Cash Flow is equal to or greater than 95% of Target but below 110% of Target, the Participant will earn a number of shares of Company Stock that is the mathematical linear interpolation between the number of shares of Company Stock that would be earned at the defined ends of the applicable spectrum. No such interpolation shall occur in the event that Free Cash Flow is less than 95% of Target or equal to or greater than 110% of Target.

The determination of Free Cash Flow will be made in the sole discretion of the Committee, after the end of the applicable FCF Performance Period once the applicable year-end audit is available. The Committee may adjust the FCF Performance Award in a manner approved by the Committee at the time of the grant of the FCF Performance Award. The Committee has discretion to increase the portion of the Participant's FCF Performance Award earned based upon

the overall performance of the Company and/or the Participant or based upon any change in business conditions.

(II) **Definitions.**

For purposes of this Exhibit B, the following terms have the meanings set forth below:

“Adjusted Cash Flow from Operations” shall mean cash from operations less the following expenses: mesh and other legal settlements; unused financing fees; separation, restructuring, transaction and integration payments; and one-time significant tax refunds or payments.

“Capital Expenditures” shall mean the Company’s purchases of property, plant and equipment (including capitalized software costs).

“Free Cash Flow” shall mean Adjusted Cash Flow from Operations less Capital Expenditures.

“Target” shall mean [ ].

Grant No.

ENDO INTERNATIONAL PLC
LONG-TERM CASH INCENTIVE AWARD AGREEMENT
UNDER THE AMENDED AND RESTATED 2015 STOCK INCENTIVE PLAN

This Award Agreement (this "Award Agreement"), is made and entered into as of the date of grant set forth below (the "Date of Grant") by and between Endo International plc, an Irish public limited company (the "Company"), and the participant named below (the "Participant"). Capitalized terms not defined herein shall have the meanings ascribed to them in the Company's Amended and Restated 2015 Stock Incentive Plan (the "Plan"). Where the context permits, references to the Company shall include any successor to the Company.

Name of Participant:

Number of Cash-Settled Restricted Stock Units Subject to Award:

Date of Grant:

Vesting Dates: Award vests ratably over the first, second and third anniversaries of the Date of Grant

1. Grant of Award. The Company hereby grants to the Participant the total number of cash-settled restricted stock units set forth above (the "Award"), subject to all of the terms and conditions of this Award Agreement and the Plan.

2. Form of Payment and Vesting. The Award granted hereunder shall vest on the vesting dates set forth above, provided that the Participant is employed by the Company or one of its Subsidiaries on the applicable vesting date (except as set forth in Paragraph 4 of this Award Agreement). The Participant shall be entitled to receive an amount in cash equal to the Fair Market Value of one share of Company Stock in respect of each vested restricted stock unit subject to the Award as soon as practicable following the applicable vesting date, but no later than the later to occur of (a) the end of the calendar year in which the applicable vesting date occurs and (b) the fifteenth day of the third calendar month following the applicable vesting date.

3. Restrictions. The Award granted hereunder may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of or encumbered, and shall be subject to a risk of forfeiture until any requirements or restrictions contained in this Award Agreement or in the Plan have been otherwise satisfied, terminated or expressly waived by the Company in writing.

4. Termination of Service; Disability.

(a) Termination of Service for Cause. Upon the Participant's termination of service with the Company and its Subsidiaries for Cause, the unvested portion of the Participant's Award shall be forfeited as of such date.

(b) Termination of Service on Account of Death. Upon termination of the Participant's service with the Company and its Subsidiaries on account of death, the unvested portion of the Participant's Award shall immediately vest.

(c) Termination of Service on Account of Voluntary Retirement with Consent of Company. If the Participant voluntarily Retires with the consent of the Company, the unvested portion of the Participant's Award as of the date of termination shall continue to vest in accordance with the original vesting schedule set forth in Paragraph 2 of this Award Agreement.

(d) Disability. If the Participant incurs a Disability that also constitutes a "disability" within the meaning of Section 409A, the unvested portion of the Participant's Award as of the date of such Disability shall continue to vest in accordance with the original vesting schedule set forth in Paragraph 2 of this Award Agreement regardless of any subsequent termination of service.

(e) Termination of Service by the Company without Cause or by the Participant for Good Reason. Upon termination of the Participant's service with the Company and its Subsidiaries by the Company or its Subsidiaries without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified below, any portion of the Award that is unvested as of date of termination shall be forfeited. For any Participant who is a party to an employment agreement with the Company or a Subsidiary, "good reason" shall also include the Participant's termination of his or her employment within ninety (90) days following the expiration of the employment term of the Participant's employment agreement under circumstances that would have constituted good reason had such termination occurred during the employment term.

(f) Termination of Service for any Other Reason. Unless otherwise provided in an individual agreement with the Participant, if the Participant has a termination of service for any reason other than the reasons enumerated in Subparagraphs (a) through (e) above, any portion of the Participant's Award that is unvested as of date of termination of service shall be forfeited.

5. Change in Control. In the event of a Change in Control:

(a) if the Award is assumed or substituted (within the meaning of the Plan) in connection with such Change in Control, and the Participant incurs a termination of service with the Company and its Subsidiaries by the Company or its Subsidiary without Cause or by the Participant for "good reason" or any like term (provided that such a termination is afforded protection under an employment agreement with the Company or a Subsidiary to which the Participant is a party), as modified by Section 4(e), during the 24-month period following such Change in Control, then the Award shall vest on the date of such termination of service.

(b) if the Award is not assumed or substituted in connection with such Change in Control, then the Award shall immediately vest upon the occurrence of the Change in Control.

6. Change in Control Definition. Notwithstanding anything to the contrary in the Plan, for purposes of this Award Agreement, "Change in Control" means and shall be deemed to have occurred upon the first of the following events to occur:

(a) Any "Person" (as defined below) is or becomes the "beneficial owner" ("Beneficial Owner") within the meaning set forth in Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its "Affiliates" (as defined in Rule 12b-2 promulgated under Section 12 of the Exchange Act)) representing 30% or more of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (A) of Subparagraph (c) below; or

(b) The following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board of Directors and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board of Directors or nomination for election by the Company's shareholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

(c) There is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation or other entity, other than (A) a merger or consolidation which results in (i) the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any subsidiary of the Company, at least 60% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation and (ii) the individuals who comprise the Board of Directors immediately prior thereto constituting immediately thereafter at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger is then a subsidiary, the ultimate parent thereof, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing 30% or more of the combined voting power of the Company's then outstanding securities; or

(d) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets (it being conclusively presumed that any sale or disposition is a sale or disposition by the Company of all or substantially all of its assets if the consummation of the sale or disposition is contingent upon approval by the Company's shareholders unless the Board of Directors expressly determines in writing that such approval is required solely by reason of any relationship between the Company and any other Person or an Affiliate of the Company and any other Person), other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity (A) at least 60% of the combined voting power of the voting securities of which are owned by shareholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale or disposition and (B) the majority of whose board of directors immediately following such sale or disposition consists of individuals who comprise the Board of Directors immediately prior thereto.

For purposes hereof, "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 15(d) thereof, except that such term shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of stock of the Company.

Notwithstanding the foregoing, (i) a "Change in Control" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of Company Stock immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions and (ii) to the extent required to avoid the imposition of taxes or penalties under Section 409A of the Code with respect to any Award that constitutes a deferral of compensation subject to Section 409A of the Code, no such Award shall become payable as a result of the occurrence of a Change in Control unless such Change in Control also constitutes a change in the ownership or effective control of the Company or a change in ownership of a substantial portion of the assets of the Company under Section 409A of the Code.

For the avoidance of doubt, any one or more of the events described in subparagraphs (a) through (d) may be effected pursuant to (A) a takeover under Irish takeover rules; (B) a compromise or arrangement under Chapter 1 of Part 9 of the Companies Act 2014 of the Republic of Ireland or (C) Chapter 2 of Part 9 of the Companies Act 2014 of the Republic of Ireland.

7. No Shareholder Rights. The Participant shall not have any rights of a shareholder with respect to the Award.

8. Award Agreement Subject to Plan. This Award Agreement is made pursuant to all of the provisions of the Plan, which is incorporated herein by reference, and is intended, and shall be interpreted in a manner, to comply therewith. In the event of any conflict between the provisions of this Award Agreement and the provisions of the Plan, the provisions of the Plan shall govern, except as expressly provided by Paragraph 6 of this Award Agreement.

9. No Rights to Continuation of Service. Nothing in the Plan or this Award Agreement shall confer upon the Participant any right to continue in the employ of the Company or any Subsidiary thereof or shall interfere with or restrict the right of the Company or its

shareholders (or of a Subsidiary or its shareholders, as the case may be) to terminate the Participant's service any time for any reason whatsoever, with or without Cause.

10. Tax Withholding. The Company shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from any Award granted hereunder or other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld or to satisfy any applicable payroll deductions with respect to the vesting of, lapse of restrictions on, or payment of any Award, up to the maximum statutory tax rates. A Participant who is an officer or director subject to the provisions of Section 16 of the Exchange Act as of the date of the withholding requirement may satisfy the foregoing requirement by electing to have the Company withhold from delivery shares of Company Stock in accordance with Section 12(b) of the Plan.

11. Section 409A Compliance. The Award is intended to comply with Code Section 409A to the extent subject thereto and shall be interpreted in accordance with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Date of Grant. Notwithstanding any provision in the Plan or Award Agreement to the contrary, no payment or distribution under this Award Agreement that constitutes an item of deferred compensation under Code Section 409A and becomes payable by reason of the Participant's termination of service with the Company and its Subsidiaries will be made to the Participant until the Participant's termination of service constitutes a "separation from service" (as defined in Code Section 409A). For purposes of this Award Agreement, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Code Section 409A. If a participant is a "specified employee" (as defined in Code Section 409A), then to the extent necessary to avoid the imposition of taxes under Code Section 409A, such Participant shall not be entitled to any payments upon a termination of his or her service until the earlier of: (i) the expiration of the six (6)-month period measured from the date of such Participant's "separation from service" and (ii) the date of such Participant's death. Upon the expiration of the applicable waiting period set forth in the preceding sentence, all payments and benefits deferred pursuant to this Paragraph 11 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid to such Participant in a lump sum as soon as practicable, but in no event later than sixty (60) calendar days, following such expired period, and any remaining payments due under this Award Agreement will be paid in accordance with the normal payment dates specified for them herein.

12. Governing Law. This Award Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the internal laws, and not the laws pertaining to conflicts or choices of laws, of the State of Delaware applicable to agreements made and to be performed wholly within the State of Delaware.

13. Binding on Successors. The terms of this Award Agreement shall be binding upon the Participant and upon the Participant's heirs, executors, administrators, personal representatives, transferees, assignees and successors in interest, and upon the Company and its successors and assignees, subject to the terms of the Plan.

14. No Assignment. Notwithstanding anything to the contrary in this Award Agreement, neither this Award Agreement nor any rights granted herein shall be assignable by the Participant.

15. Necessary Acts. The Participant hereby agrees to perform all acts, and to execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Award Agreement, including but not limited to all acts and documents related to compliance with federal and/or state securities and/or tax laws and applicable Irish law.

16. Entire Award Agreement. This Award Agreement and the Plan contain the entire agreement and understanding among the parties as to the subject matter hereof.

17. Headings. Headings are used solely for the convenience of the parties and shall not be deemed to be a limitation upon or descriptive of the contents of any such Paragraph.

18. Counterparts. This Award Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

19. Notices. All notices and other communications under this Award Agreement shall be in writing and shall be given by first class mail, certified or registered with return receipt requested, and shall be deemed to have been duly given three days after mailing to the respective parties named below:

If to Company:

Endo International plc
c/o Endo Health Solutions Inc.
1400 Atwater Drive
Malvern, PA 19355
Attention: Treasurer

If to the Participant:

At the address on file with the Company.

Either party hereto may change such party's address for notices by notice duly given pursuant hereto.

20. Amendment. No amendment or modification hereof shall be valid unless it shall be in writing and signed by all parties hereto.

21. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Award Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Award subject to all the terms and conditions of the Plan and this Award Agreement.

22. No Compensation for Loss of Rights. The Participant hereby acknowledges that under no circumstances will s/he, on ceasing to be an employee or director of the Company and its Subsidiaries, be entitled to any compensation for any loss of any right or benefit or prospective right or benefit under the Plan that s/he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for loss of office or otherwise howsoever.

23. Severability. All the terms and provisions of this Award Agreement are distinct and severable, and if any term or provision is held unenforceable, illegal or void in whole or in part by any court, regulatory authority or other competent authority it shall to that extent be deemed not to form part of this Award Agreement, and the enforceability, legality and validity of the remainder of this Award Agreement will not be affected; if any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to make it valid, enforceable and legal.

24. Data Protection. The Participant hereby acknowledges and consents to the Company and any Subsidiary sharing and exchanging his/her information held in order to administer and operate the Plan (including personal details, data relating to participation, salary, taxation and employment and sensitive personal data, e.g. data relating to physical or mental health, criminal conviction or the alleged commission of offences) (the "Information") and providing the Company and/or the Subsidiary's agents and/or third parties with the Information for the administration and operation of the Plan and the Participant further accepts that this may involve the Information being sent to a country outside the country in which the Participant provides services including to a country which may not have the same level of data protection laws as his/her home country. The Participant acknowledges that s/he has the right to request a list of the names and addresses of any potential recipients of the Information and to review and correct the Information by contacting his/her local human resources representative. The Participant acknowledges that the collection, processing and transfer of the Information is important to Plan administration and that failure to consent to same may prohibit participation in the Plan.

IN WITNESS WHEREOF, the parties hereto have executed this Award Agreement as of the date set forth above.

ENDO INTERNATIONAL PLC

By: _____

Name: Paul V. Campanelli

Title: President & Chief Executive Officer

PARTICIPANT

Signature: _____

Print Name: _____

ENDO HEALTH SOLUTIONS INC.

AMENDED AND RESTATED

EXECUTIVE DEFERRED COMPENSATION PLAN

Effective July 31, 2018

ENDO HEALTH SOLUTIONS INC.
AMENDED AND RESTATED EXECUTIVE DEFERRED COMPENSATION PLAN

ENDO HEALTH SOLUTIONS INC.
AMENDED AND RESTATED EXECUTIVE DEFERRED COMPENSATION PLAN

ARTICLE I
INTRODUCTION

1.1. Purpose. The purpose of the Plan is to promote the interests of the Company and the stockholders of the Company by providing Executives the opportunity to defer incentive compensation and Restricted Stock Units.

1.2. Effective Date. The effective date of the Plan, as amended and restated, is July 31, 2018.

1.3. Type of Plan. The Plan is intended to be an unfunded plan of non-qualified deferred compensation established for a select group of management or highly compensated Employees that meets the requirements of Code Section 409A. In the event that any provision of the Plan is inconsistent with Code Section 409A, the applicable provisions of Code Section 409A shall be deemed to automatically supersede such inconsistent provision and the Plan shall be administered to comply with Code Section 409A. The Plan was first adopted effective January 1, 2008, as the Endo Pharmaceuticals Holdings Inc. Executive Deferred Compensation Plan. The Plan was previously amended and restated effective April 30, 2012, and further amended December 9, 2013, February 28, 2014, and January 1, 2016.

ARTICLE II
DEFINITIONS

Where used in the Plan, the following initially capitalized words and terms shall have the meanings specified below, unless the context clearly indicates to the contrary:

2.1. "Account" means the recordkeeping account established by the Administrator for each Participant to which Deferrable Compensation, and earnings thereon, are credited in accordance with Article VI of the Plan. An Account may consist of one or more sub-accounts established by the Administrator, as deemed necessary for efficient operation of the Plan.

2.2. "Administrator" means the Committee or such individuals or entity designated by the Committee to administer the Plan.

2.3. "Affiliate" means an entity, more than fifty percent (50%) of the total voting power of which is owned, directly or indirectly, by the Company.

2.4. "Base Salary" means the annual rate of base salary paid by the Employer or an Affiliate to a Participant, determined before reduction for compensation deferred pursuant to this Plan or any other plan of deferred compensation maintained by the Employer or an Affiliate, including but not limited to any such plan maintained in accordance with Code Section 401(k), 125, or 132(f), as determined by the Administrator.

2.5. "Beneficiary" means such person(s) or legal entity that is designated by a Participant under Section 8.9 to receive benefits hereunder after such Participant's death.

2.6. "Board" means the board of directors of the Company.

2.7. "Change in Control" means and shall be deemed to occur upon a Change in Ownership, a Change in Effective Control, or a Change in Ownership of Substantial Assets. For this purpose:

(i) A "Change in Ownership" means that a person or group acquires more than fifty percent (50%) of the aggregate fair market value or voting power of the capital stock of Endo plc, including for this purpose capital stock previously acquired by such person or group; provided, however, that a Change in Ownership shall not be deemed to occur hereunder if, at the time of any such acquisition, such person or group owns more than fifty percent (50%) of the aggregate fair market value or voting power of Endo plc's capital stock.

(ii) A “Change in Effective Control” means that (a) a person or group acquires (or has acquired during the immediately preceding twelve (12)-month period ending on the date of the most recent acquisition by such person or group) ownership of the capital stock of Endo plc possessing thirty percent (30%) or more of the total voting power of Endo plc, or (b) a majority of the members of the Endo plc Board is replaced during any twelve (12)-month period, whether by appointment or election, without endorsement by a majority of the members of the Endo plc Board prior to the date of such appointment or election.

(iii) A “Change in Ownership of Substantial Assets” means that any person or group acquires (or has acquired during the immediately preceding twelve (12)-month period ending on the date of the most recent acquisition) assets of Endo plc with an aggregate gross fair market value of not less than forty percent (40%) of the aggregate gross fair market value of the assets of Endo plc immediately prior to such acquisition. For this purpose, gross fair market value shall mean the fair value of the affected assets determined without regard to any liabilities associated with such assets.

The Endo plc Board shall determine whether a Change in Control has occurred hereunder in a manner consistent with the provisions of Code Section 409A and the regulations and applicable guidance promulgated thereunder.

For the avoidance of doubt, any one or more of the above events may be effected pursuant to (A) a compromise or arrangement sanctioned by the court under section 201 of the Companies Act 1963 of the Republic of Ireland or (B) section 204 of the Companies Act 1963 of the Republic of Ireland.

2.8. “Code” means the Internal Revenue Code of 1986, as amended from time to time, and any regulations and applicable guidance promulgated thereunder. References in the Plan to specific sections of the Code shall be deemed to include any successor provisions thereto.

2.9. “Committee” means the committee appointed by the Endo plc Board, which shall consist of two or more persons, each of whom, unless otherwise determined by the Endo plc Board, is an “outside director” within the meaning of Code Section 162(m) and a “non-employee director” within the meaning of Rule 16b-3.

2.10. “Company” means Endo Health Solutions Inc., a Delaware corporation.

2.11. “Company Stock” means the ordinary shares of Endo plc, par value $0.0001 per share.

2.12. “Deferrable Compensation” means fifty percent (50%) of a Participant’s Incentive Compensation and 100% of a Participant’s Restricted Stock Units that would be payable to a Participant during a Plan Year but for the Participant’s election to defer such Deferrable Compensation on his or her

Election Form in accordance with Article IV of this Plan. Deferrable Compensation shall not include any compensation payable to the Participant that is designated by the Administrator as Base Salary. Notwithstanding the foregoing, Deferrable Compensation shall not include any compensation, if any, paid or payable in respect of services to any "non-qualified entity" within the meaning of Section 457A of the Code.

2.13. "Election Form" means such document(s) or form(s), which may be electronic, as prescribed and made available from time to time by the Administrator, whereby an Eligible Employee enrolls in the Plan as a Participant, elects to defer Deferrable Compensation pursuant to Article IV of this Plan, and/or makes investment elections pursuant to Section 6.2 of the Plan.

2.14. "Eligible Employee" means an employee designated by the Committee as eligible to participate in the Plan. Initially, Eligible Employees are limited to Employees whose total annual rate of Base Salary and target Incentive Compensation at the time of the deferral election exceed the indexed limit under Code Section 401(a)(17), as determined by the Committee. Notwithstanding the foregoing, the Committee, in its sole discretion, may establish such other eligibility criteria as it deems desirable from time to time.

2.15. "Employer" means the Company, and any Affiliate that has been approved by the Endo plc Board as a participating Employer under the Plan.

2.16. "Endo plc" means Endo International plc, an Irish public limited company.

2.17. "Endo plc Board" means the board of directors of Endo plc.

2.18. "ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

2.19. "Fair Market Value" means (determined as of the applicable distribution or valuation date hereunder) (i) the closing sales price per share of Company Stock on the national securities exchange on which such stock is principally traded on the last preceding date on which there was a sale of such stock on such exchange, or (ii) if the shares of Company Stock are not listed or admitted to trading on any such exchange, the closing price as reported by the NASDAQ Stock Market for the last preceding date on which there was a sale of such stock on such exchange, or (iii) if the shares of Company Stock are not then listed on a national securities exchange or traded in an over-the-counter market or the value of such shares is not otherwise determinable, such value as determined by the Committee in good faith upon the advice of a qualified valuation expert.

2.20. "Incentive Compensation" means a bonus or incentive award provided by the Employer for a calendar year that is not part of a Participant's Base Salary and that qualifies as Performance-Based Compensation.

2.21. “Installment Payment” means a series of substantially equal annual payments of the Participant’s Account paid over a period ranging from two (2) whole years to ten (10) whole years. For purposes of this Plan, each Installment Payment is treated as a single payment.

2.22. “Leave of Absence” means a military, sick, or other bona fide leave of absence provided that such leave does not exceed six (6) months, or if longer, continues so long as the Participant has a right to reemployment with the Employer and there is a reasonable expectation that the Participant will return to such employment. A Leave of Absence is deemed to terminate on the first date immediately following the end of the six-month period, or the date on with the Participant no longer has any right or expectation to return to employment, whichever is later.

2.23. “Lump Sum Payment” means a single sum distribution of the entire value of a Participant’s Account.

2.24. “Participant” means any Eligible Employee who defers Deferrable Compensation to this Plan by filing an Election Form and for whom an Account is maintained under the Plan.

2.25. “Payment Date” means the date elected by the Participant for payment(s) from the Participant’s Account to commence.

2.26. “Performance-Based Compensation” means performance-based compensation within the meaning Section 409A of the Code that is paid solely on account of the attainment of one or more objective Employer or Participant performance goals established in writing by the Committee not later than ninety (90) days after the commencement of the twelve (12)-month period of service to which it relates and that is not readily ascertainable within the meaning of Code Section 409A.

2.27. “Plan” means the Amended and Restated Endo Health Solutions Inc. Executive Deferred Compensation Plan.

2.28. “Plan Year” means the calendar year.

2.29. “Restricted Stock Unit” means a unit representing a share of Company Stock that has been granted to a Participant pursuant to the terms of a separate agreement or plan maintained by the Company or an Affiliate, and that is subject to a vesting schedule or other substantial risk of forfeiture and that is settled in shares of Company Stock.

2.30. “Specified Employee” means a Participant who is determined to be a “specified employee” within the meaning of Code Section 409A with respect to a Termination of Employment occurring in any twelve (12)-month period commencing on April 1 based on the Participant’s compensation with the Employer, as defined in Code Section 416(i)(1)(D), and his or her status at the

end of the immediately preceding Plan Year. For purposes of the determining whether a Participant is classified as a Specified Employee, compensation from a nonresident alien's gross income under Section 1.415(c)-2(g)(5)(ii) on account of the location of the services or the identity of an Employer that is not effectively connected with the conduct of a trade or business within the United States shall be excluded.

2.31. "Termination of Employment" means the date the Participant ceases to be an Employee on account of a voluntary or involuntary separation from service with the Company and all Affiliates, within the meaning of Code Section 409A, for any reason other than death. Notwithstanding the foregoing, a Termination of Employment shall not be deemed to occur so long as the Participant is on a Leave of Absence or the Participant continues to perform services for the Company or an Affiliate at a level in excess of 20% of the level of services performed by the Participant during the 36-month period (or the Employee's full period of service if the Employee has worked less than 36 months) immediately preceding the date of separation from service.

2.32. "Unforeseeable Emergency" means with respect to a Participant, his or her spouse, dependents (as defined in Code Section 152, without regard to Sections 152(b)(1), (b)(2), and (d)(1)(B)) or Beneficiary, a non-reimbursable severe financial hardship attributable to (i) a sudden and unexpected illness or accident or (ii) funeral expenses, and also means with respect to the Participant (i) a property loss due to casualty that is not otherwise covered by insurance, (ii) imminent foreclosure or eviction from the Participant's primary residence, or (iii) a similar extraordinary and unforeseeable circumstance beyond the control of the Participant, as determined by the Administrator. For purposes of this Plan, the purchase of a home and the payment of college tuition are not Unforeseeable Emergencies.

ARTICLE III
PARTICIPATION BY ELIGIBLE EMPLOYEES

3.1. Participation. Participation in this Plan is voluntary and is limited to Eligible Employees who file Election Forms in accordance with Article IV.

3.2. Cessation of Participation. Once an Employee is designated by the Committee as an Eligible Employee, such Eligible Employee shall remain eligible to file deferral elections under the Plan until the earlier of (i) the date the Committee informs the Eligible Employee that he or she is no longer eligible to participate in the Plan, i.e., "Ineligible Status," or (ii) the date such Eligible Employee incurs a Termination of Employment.

3.3. Ineligible Status. If the Committee determines that a Participant ceases to qualify as an Eligible Employee, effective as of the date of such determination, said ineligible Participant shall no longer be eligible to file deferral elections under the Plan. The Account of an ineligible Participant shall be paid in accordance with Sections 5.1 of the Plan, except to the extent all or part of such Account is eligible for distribution of accelerated payment as permitted in Sections 5.2 and 5.3.

ARTICLE IV
PARTICIPANT DEFERRALS

4.1. Deferral Elections – General. A Participant's deferral election for a Plan Year is irrevocable for such Plan Year; except to the extent a cessation of deferrals hereunder is required under Section 4.5 or except as permitted by Section 4.6. Amounts deferred under the Plan shall not be distributed to a Participant except as expressly provided in Article V or as otherwise permitted under Code Section 409A. A deferral election hereunder shall be made on an Election Form and comply with the applicable requirements of this Article IV. A Participant's initial deferral election under the Plan shall designate: (i) the amount of Deferrable Compensation that is being deferred, (ii) the time of the distribution (as permitted in Section 5.1(a)), and (iii) the form of distribution (as permitted in Section 5.1). The Administrator may establish procedures for deferral elections as it deems necessary to comply with the requirements of this Article IV and Code Section 409A.

4.2. First Year of Eligibility. Notwithstanding the timing requirements of Sections 4.3 and 4.4, an Eligible Employee may elect to defer Deferrable Compensation by completing and executing an Election Form that specifies the amount or percentage of compensation to be deferred within the thirty (30) day period immediately following the date he or she first becomes an Eligible Employee, provided, that the compensation deferred relates to services performed after the date of such election.

4.3. Deferral of Incentive Compensation. An Eligible Employee may elect to defer Deferrable Compensation that is Incentive Compensation by completing and executing an Election Form that specifies the amount or percentage of Incentive Compensation to be deferred and filing it with the Administrator before expiration of the election period established by the Administrator, which period shall end no later than June 30 of the calendar year during which the Incentive Compensation is earned, provided that (i) as of the date of such deferral election the Eligible Employee has performed services continuously from the later of the beginning of said calendar year or the date the performance criteria for said calendar year are established by the Committee and (ii) the Incentive Compensation has not become readily ascertainable.

4.4. Deferral of Restricted Stock Units. An Eligible Employee may elect to defer Restricted Stock Units to the Plan by completing and executing an Election Form that specifies the amount or percentage of Restricted Stock Units to be deferred and filing it with the Administrator on or before expiration of the election period established by the Administrator, which period shall (i) for purposes of the Plan Year beginning January 1, 2008, end no later than December 31, 2007, (ii) for purposes of the Plan Year beginning January 1, 2009, end no later than December 31, 2008, and (iii) for all subsequent Plan Years, end no later than December 31 of the calendar year ending before the Plan Year that precedes the Plan Year in which such Restricted Stock Units are granted.

4.5. Cessation of Deferral Elections. To the extent provided for under Code Section 409A or under the terms of a Code Section 401(k) plan maintained by the Employer, a Participant's deferral election(s) in effect under the Plan for a Plan Year in which a Participant is granted an Unforeseeable Emergency distribution in accordance with Section 5.2(b) hereof or a hardship distribution under such Code Section 401(k) plan may be terminated by the Administrator, effective as soon as practicable following the grant of such hardship or emergency distribution. If a Participant's deferral elections under the Plan are terminated in accordance with the foregoing sentence, such Participant shall be ineligible to make deferrals of compensation to the Plan, and all other plans maintained by the Company or an Affiliate, for the six (6) month period following his or her receipt of the hardship or emergency distribution. Subject to the foregoing six-month limitation, the Participant may make new deferral elections for Deferrable Compensation payable in subsequent Plan Years in accordance with this Article IV.

4.6. Changes to Deferral Elections. A Participant shall be permitted to elect to change the time and form of payment relating to the distribution of his or her Account to the extent permitted by the Administrator and in accordance with the requirements of Code Section 409A(a)(4)(C), including the requirements that such redeferral election (a) may not take effect until at least twelve (12) months after such redeferral election is filed with the Administrator; (b) must result in the first distribution subject to the redeferral election being made at least five (5) years after the Payment Date; and (c) must be filed with the Administrator at least twelve (12) months before the first scheduled Payment Date.

ARTICLE V
DISTRIBUTIONS

5.1. Time and Form of Payment.

a. Unless distributed earlier as provided in this Plan, distributions from a Participant's Account will commence within sixty (60) days of the Participant's elected Payment Date. If the Participant is classified as a Specified Employee within the meaning of Section 409A at the time of the individual's termination of his or her employment, then distributions from a Participant's Account scheduled to be paid on account of the Participant's Termination of Employment shall not be paid earlier than the date that is at least six months after following the date of such Specified Employee's Termination of Employment.

b. Except as otherwise provided under the Plan, a Participant's Account shall be paid as a Lump Sum Payment or an Installment Payment, as elected by the Participant on his or her Election Form.

c. In the absence of Participant's election as to the time and form of payment, as permitted under subsections (a) and (b), above, a Participant's Account shall be distributed in a Lump Sum Payment within sixty (60) days following the date of the Participant's Termination of Employment.

5.2. Permissible Distributions. No distribution under the Plan shall be permitted except as set forth in this Section 5.2 or as otherwise permitted under the Plan and Code Section 409A(a)(2).

a. Change in Control. Notwithstanding any provision of the Plan or Participant Election Form to the contrary, a Participant who incurs a Termination of Employment within the two (2) year period immediately following a Change in Control shall receive a Lump Sum Payment of his or her Account within sixty (60) days following the date of such Termination of Employment.

b. Unforeseeable Emergency. If a Participant experiences an Unforeseeable Emergency, such Participant shall be permitted to withdraw all or a portion of his or her Account in the form of an immediate single-sum payment, subject to the limitations set forth below:

(i) A request for withdrawal shall be made, in writing, and shall set forth the circumstances surrounding the Unforeseeable Emergency. As a condition of and part of such request, the Participant shall provide to the Committee his or her written representation that (A) the hardship cannot be relieved by insurance or other reimbursement reasonably available to the Participant, (B) the hardship can only be relieved by liquidation of the Participant's assets and any such liquidation would itself result in severe damage or injury to the Participant, (C) the Participant has no

reasonable borrowing capacity to relieve the hardship, and (D) the hardship cannot be relieved by cessation of the Participant's deferrals under the Plan. The Committee shall be entitled to request such additional information as may be reasonably required to determine whether an Unforeseeable Emergency exists and the amount of the hardship and to establish additional conditions precedent to the review or granting of a request for a withdrawal on account of an Unforeseeable Emergency.

(ii) If the Committee determines that an Unforeseeable Emergency exists, the Committee shall authorize the immediate distribution of the amount required to meet the financial need created by such Unforeseeable Emergency, including any taxes payable on such amount, and, if required, the cessation of the Participant's deferrals to the Plan as permitted in Section 4.5.

c. Death Distribution. Notwithstanding any provision of the Plan or Participant Election Form to the contrary, in the event of a Participant's death before the complete distribution of his or her Account, the distribution of such Participant's Account shall be made in a Lump Sum Payment to the Participant's Beneficiary within sixty (60) days after the date of death.

5.3. Permissible Acceleration of Payments. No acceleration of time or schedule of payments under the Plan shall be permitted except as set forth in this Section 5.3 or as otherwise permitted under the Plan and Code Section 409A(a)(3).

a. Right of Offset. If a Participant is indebted to the Employer, then the Administrator, in its discretion, may accelerate a payment hereunder or withhold the amount of such indebtedness from any distribution to be made to the Participant, his or her Beneficiary or both, provided that (i) such debt was incurred in the ordinary course of the employment relationship between the Employer and the Participant, (ii) the entire amount of reduction for a Plan Year does not exceed $5,000, and (iii) the reduction is made at the same time and in the same amount as the debt otherwise would have been due and collected from the Participant.

b. Distribution for Taxes. The Plan may accelerate payment of all or part of a Participant's Account to pay or withhold state, local, or foreign tax obligations; taxes imposed under the Federal Insurance Contributions Act or the Railroad Retirement Act; and any related federal income tax thereon, arising from a Participant's participation in the Plan. Such payment of withholding must be limited to the amount necessary to fulfill such tax obligation.

c. Small Payment. Notwithstanding any provision of the Plan to the contrary, if the total value of a Participant's Account or death benefit payable hereunder is not greater than the applicable dollar amount under Code Section 402(g)(1)(B), and the Participant is not entitled to a benefit from any other plan that is required to be aggregated with this Plan pursuant to Treasury Regulation Section 1.409A-1(c)(2), the Administrator may distribute such amount to the Participant or Beneficiary in the form of a Lump Sum Payment within sixty (60) days following Termination of Employment.

d. Income Inclusion under 409A. Notwithstanding any provision of the Plan to the contrary, in the event that the Plan fails to meet the requirements of Code Section 409A, the Administrator may distribute to Participants the portion of their Accounts that is required to be included in income as a result of such failure.

5.4. Permissible Delay of Payment. The Administrator may delay payment to a date after the designated payment date pursuant to any of the following circumstances, provided that payments to similarly situated Participants are made on a reasonably consistent basis.

a. Payments subject to Section 162(m). All scheduled payments to a Participant may be delayed beyond the applicable distribution date under Section 5.1 herein to the extent that the Employer reasonably anticipates that if all or a portion of a payment were made as scheduled, the Company or Employer's deduction with respect to such payment would not be permitted due to the application of Code Section 162(m). Any payment that is delayed pursuant to this Section 5.5(a), must be made either during the first calendar year in which the Employer reasonably anticipates, or should reasonably anticipate, that if the payment is made during such year, deduction of such payment will not be barred by application of Code Section 162(m), or during the period beginning with the date of the Participant's Termination of Employment and ending on the later of the last day of the taxable year in which Termination of Employment occurs or the fifteenth (15th) day of the third (3rd) month following the Termination of Employment.

b. Payments that would violate federal securities laws or other applicable law. A payment may be delayed where the Administrator reasonably anticipates that the making of the payment will violate federal securities laws or other applicable law, provided that the payment is made at the earliest date at which the Administrator reasonably anticipates that the making of the payment will not cause such violation. For purposes of this Section 5.4(b), the making of a payment that would cause inclusion in gross income or the application of any penalty provision or other provision of the Code is not treated as a violation of applicable law.

5.5. Payment Deemed Timely. A payment shall be treated as made upon the date specified under the Plan under the following circumstances:

a. If the payment is made at such date or a later date within the same calendar year or, if later, by the fifteenth (15th) day of the third (3rd) calendar month following the date specified under the Plan.

b. If calculation of the amount of the payment is not administratively practicable due to events "beyond the control" of the Participant, or the Participant's Beneficiary (as such phrase is defined under Code Section 409A), the payment will be treated as made upon the date

specified under the Plan if the payment is made during the first calendar year in which the calculation of the amount of the payment is administratively practicable.

c. If the Employer fails to make a payment, in whole or in part, as of the date specified under the Plan, either intentionally or unintentionally, the payment will be treated as made upon the date specified under the Plan if (i) the Participant accepts the portion (if any) of the payment that the Employer is willing to make (unless such acceptance will result in a relinquishment of the claim to all or part of the remaining amount), (ii) if the Participant files claims pursuant to Sections 8.6 and 8.7 herein to collect the unpaid portion of the payment, and (iii) any further payment (including payment of a lesser amount that satisfies the Employer's obligation to make the entire payment) is made no later than the end of the first calendar year in which the Employer and the Participant enter into a legally binding settlement of such dispute, the Employer concedes that the amount is payable, or the Employer is required to make such payment pursuant to a final and nonappealable judgment or other binding decision.

5.6. Valuation of Distributions. All distributions under this Plan shall be based upon a daily valuation of the Participant's Account or, where applicable, the Fair Market Value of the shares of Company Stock that relate to the Restricted Stock Units deferred under the Participant's Account, as determined by the Administrator.

ARTICLE VI
ACCOUNTS

6.1. Account. The Administrator shall establish and maintain, or cause to be established and maintained, a separate Account for each Participant hereunder who executes an election pursuant to Article IV. Each such Participant's Deferrable Compensation deferred pursuant to an Election Form under Article IV shall be separately accounted for and credited with earnings or dividends, as applicable, for recordkeeping purposes only, to his or her Account. A Participant's Account shall be solely for the purposes of measuring the amounts to be paid under the Plan. Except as provided in Article VII, the Company shall not be required to fund or secure a Participant's Account in any way, the Company's obligation to Participants hereunder being purely contractual.

6.2. Crediting of Earnings on Non-Stock Compensation. Except as provided in Section 6.3, a Participant may hypothetically invest his Account in one or more investment alternatives made available by the Committee, and earnings or losses thereon shall be credited to the Participant's Account in accordance with the valuation procedures under such investment alternatives. The Participant shall make his or her investment elections, and changes thereto, on an Election Form in accordance with procedures established by the Administrator. Unless the Committee determines otherwise, the investment alternatives available under the Plan shall mirror the alternatives that are made available under the Code Section 401(k) plan sponsored by the Company.

6.3. Crediting of Earnings on Restricted Stock Units. The portion of a Participant's Account attributable to Restricted Stock Units shall be deemed invested solely in stock equivalent units of Company Stock, shall be denominated in numbers of stock units, and shall be valued at any time as the stock equivalent units are credited to such Account multiplied by the then-Fair Market Value of the Company Stock. Whenever a dividend is declared and payable on Company Stock, the number of such stock equivalent units in the Participant's Account shall be increased by the following calculations:

(i) the number of units in the Participant's Account multiplied by any cash dividend declared by the Company on a share of Company Stock, divided by the Fair Market Value determined as of the related dividend payment date; and/or

(ii) the number of units in the Participant's Account on the related dividend payment date multiplied by any stock dividend declared by the Company on a share of Company Stock.

In the event of any change in the number or kind of outstanding shares of Company Stock, including a stock split or splits (other than a stock dividend as provided above), an appropriate adjustment shall be made in the number of units credited to the Participant's Account.

6.4. Statement of Account. As soon as practicable after the end of each Plan Year (and at such additional times as the Administrator may determine), the Administrator shall furnish each Participant with a statement of the balance credited to the Participant's Account.

6.5. Vesting. A Participant is always one hundred percent (100%) vested in his or her Account.

ARTICLE VII
FUNDING AND PARTICIPANTS INTEREST

7.1. Plan Unfunded. This Plan shall be unfunded and no trust is created by this Plan. There will be no funding of any amounts to be paid pursuant to this Plan; provided, however, that nothing herein shall prevent the Company from establishing one or more grantor trusts from which benefits due under this Plan may be paid in certain instances. All benefits shall be paid from the general assets of the Company and a Participant (or his or her Beneficiary) shall have the rights of a general, unsecured creditor against the Company for any distributions due hereunder. This Plan constitutes a mere promise by the Company to make benefit payments in the future.

7.2. Establishment of Grantor Trust. Within fifteen (15) days following a Change in Control, the Company shall establish under the Plan a grantor trust that meets the requirements of IRS Revenue Procedure 92-64, and shall transfer assets to such trust in amounts sufficient to fully fund the Plan's aggregate liability with respect to the Accounts under the Plan on and after the date of the Change in Control.

7.3. Participants' Interest in Plan. Notwithstanding Section 7.2 or any other provision of the Plan, a Participant has an interest only in the value of the amount credited to his or her Account and has no rights or interests in the specific investment funds, stock, or securities in which his or her Account is hypothetically invested under the Plan. All distributions shall be paid by the Employer from its general assets and a Participant (or his or her Beneficiary) shall have the rights of a general, unsecured creditor against the Company or the Employer for any distributions due hereunder. The Plan constitutes a mere promise by the Company or the Employer to make benefit payments in the future.

ARTICLE VIII
ADMINISTRATION AND INTERPRETATION

8.1. Administration. The Administrator shall be in charge of the overall operation and administration of this Plan. The Administrator has, to the extent appropriate and in addition to the powers described elsewhere in this Plan, full discretionary authority to construe and interpret the terms and provisions of the Plan; to adopt, alter and repeal administrative rules, guidelines and practices governing the Plan; to perform all acts, including the delegation of its administrative responsibilities to advisors or other persons who may or may not be Employees; and to rely upon the information or opinions of legal counselor experts selected to render advice with respect to the Plan, as it shall deem advisable, with respect to the administration of the Plan.

8.2. Interpretation. The Administrator may take any action, correct any defect, supply any omission or reconcile any inconsistency in the Plan, or in any election hereunder, in the manner and to the extent it shall deem necessary to carry the Plan into effect or to carry out the Employer's purposes in adopting the Plan. Any decision, interpretation or other action made or taken in good faith by or at the direction of the Employer or the Administrator arising out of or in connection with the Plan, shall be within the absolute discretion of each of them, and shall be final, binding and conclusive on the Employer, and all Participants and Beneficiaries and their respective heirs, executors, administrators, successors and assigns. The Administrator's determinations hereunder need not be uniform, and may be made selectively among Eligible Employees, whether or not they are similarly situated.

8.3. Records and Reports. The Administrator shall keep a record of proceedings and actions and shall maintain or cause to be maintained all such books of account, records, and other data as shall be necessary for the proper administration of the Plan. Such records shall contain all relevant data pertaining to individual Participants and their rights under this Plan. The Administrator shall have the duty to carry into effect all rights or benefits provided hereunder to the extent assets of the Employer are properly available.

8.4. Payment of Expenses. The Employer shall bear all expenses incurred by the Administrator in administering this Plan.

8.5. Indemnification for Liability. The Employer shall indemnify the Committee, the Administrator and the Employees to whom administrative duties have been delegated under this Plan, against any and all claims, losses, damages, expenses and liabilities arising from their responsibilities in connection with this Plan, unless the same is determined to be due to gross negligence or willful misconduct.

8.6. Claims Procedure. Within ninety (90) days following the date payment was due in accordance with the terms of the Plan, the Participant or the Participant's duly authorized representative

(hereinafter, the “claimant”) may file a written request for payment with the Administrator. If a claim for benefits under the Plan is denied in whole or in part, the claimant will receive written notification within forty-five (45) days following the date of such written request. The notification will include specific reasons for the denial, specific reference to pertinent provisions of this Plan, a description of any additional material or information necessary to process the claim and why such material or information is necessary, and an explanation of the claims review procedure. To the extent a Participant hereunder is a claimant and serves as an Administrator, he or she shall not participate in any determination relating to his or her claim, and the Committee or the Company may appoint an independent individual to take the place of such Participant for purposes of making such determination.

8.7. Review Procedure. No later than one hundred and eighty (180) days following the date payment was due under the Plan, the claimant may file a written request with the Administrator for a review of his denied claim. The claimant may review pertinent documents that were used in processing his claim, submit pertinent documents, and address issues and comments in writing to the Administrator. The Administrator will notify the claimant of his or her final decision in writing. In his or her response, the Administrator will explain the reason for the decision, with specific references to pertinent Plan provisions on which the decision was based. To the extent a Participant hereunder is a claimant requesting a review and serves as an Administrator, he or she shall not participate in any determination relating to the review, and the Committee or the Company may appoint an independent individual to take the place of such Participant for purposes of making such determination.

8.8. Legal Claims. In no event may a claimant commence legal action for benefits the claimant believes are due the claimant until the claimant has exhausted all of the remedies and procedures afforded the claimant by this Article VIII. No such legal action may be commenced more than two (2) years after the date of the Administrator’s final review decision, described in Section 8.7 above.

8.9. Participant and Beneficiary Information. Each Participant shall keep the Administrator informed of his or her current address and the current address of his or her designated beneficiary or beneficiaries. A Participant may from time to time change his designated Beneficiary without the consent of such Beneficiary by filing a new designation in writing with the Administrator. If no Beneficiary designation is in effect at the time of the Participant’s death, or if the designated Beneficiary is missing or has predeceased the Participant, distribution shall be made to the Participant’s surviving spouse, or if none, to his surviving children per stirpes, and if none, to his estate. The Administrator shall not be obligated to search for any person. If such person is not located within one year after the date on which payment of the Participant’s death benefit is payable under the Plan, payment shall be made to the Participant’s estate.

ARTICLE IX
AMENDMENT AND TERMINATION

9.1. Amendment. The Endo plc Board shall have the right, at any time, to amend the Plan or discontinue deferrals under the Plan in whole or in part provided that such amendment or termination complies with Code Section 409A and does not adversely affect the right of any Participant or Beneficiary to a benefit or payment due under the Plan. The Committee has the authority, without Endo plc Board approval, to amend the Plan to comply with the requirements of Code Section 409A, modify the amount or type of compensation that qualifies as Deferrable Compensation, modify the classes of individuals eligible to participate in the Plan, and to change the investment alternatives offered under the Plan. In addition, the Committee may make such changes to the Plan's operation and administration as it deems to be in the best interest of the Plan.

9.2. Termination of Plan. The Endo plc Board may take action to provide for the acceleration of the time and form of a payment, or a payment hereunder, where the acceleration of the payment is made pursuant to a termination and liquidation of the Plan in accordance with one of the following:

a. The termination and liquidation of the Plan pursuant to an irrevocable action taken within the thirty (30) days preceding or the twelve (12) months following a Change in Control, provided that all agreements, methods, programs, and other arrangements sponsored by the Company or a participating Affiliate immediately after the Change in Control event with respect to which deferrals of compensation that, together with the Plan, are treated as a single plan for purposes of Treasury Regulation Section 1.409A-1(c)(2) (the "Aggregated Plans") are terminated and liquidated with respect to each Participant that experienced the Change in Control event, so that under the terms of the termination and liquidation all such Participants are required to receive all amounts of compensation deferred under the terminated Aggregated Plans within twelve (12) months of the date of the irrevocable action taken to terminate and liquidate such Aggregated Plans.

b. The termination and liquidation of the Plan within twelve (12) months of a corporate dissolution of the Company that is taxed under Code Section 331, or approved by a bankruptcy court pursuant to 11 U.S.C. Section 503(b)(1)(A), provided that the amounts deferred under the Plan are included in the Participants' gross incomes in the latest of the following years (or, if earlier, the taxable year in which the amount is actually or constructively received):

(i) The calendar year in which Plan termination and liquidation occurs;

(ii) The first calendar year in which the amount is no longer subject to a substantial risk of forfeiture; or

(iii) The first calendar year in which the payment is administratively practicable.

c. The termination and liquidation of the Plan, where:

(i) Such termination and liquidation does not occur proximate to a downturn in the financial health of the Company or the Affiliate, as applicable;

(ii) To the extent the same Participant had deferrals of thereunder, all Aggregated Plans are likewise terminated and liquidated;

(iii) No payments in liquidation of the Plan are made within twelve (12) months of the date the irrevocable action is taken to terminate and liquidate the Plan, other than payments that would be payable under the terms of the Plan if the action to terminate and liquidate the Plan had not occurred;

(iv) All payments are made within twenty-four (24) months of the date the irrevocable action is taken to terminate and liquidate the Plan; and

(v) The Company and Affiliate, as applicable, does not adopt a new plan that would be aggregated with the Plan if the Participant participated in both plans, at any time within three years following the date the irrevocable action is taken to terminate and liquidate the Plan.

d. Any other termination and liquidation event that is permissible under Code Section 409A.

ARTICLE X
MISCELLANEOUS PROVISIONS

10.1. Right of Employer to Take Employment Actions. The adoption and maintenance of this Plan shall not be deemed to constitute a contract between the Employer and any Eligible Employee, or to be a consideration for, nor an inducement or condition of, the employment of any person. Nothing herein contained, or any action taken hereunder, shall be deemed to give any Eligible Employee the right to be retained in the employ of the Employer or to interfere with the right of the Employer to discharge any Eligible Employee at any time, nor shall it be deemed to give to the Employer the right to require the Eligible Employee to remain in its employ, nor shall it interfere with the Eligible Employee's right to terminate his or her employment at any time. Nothing in this Plan shall prevent the Employer from amending, modifying, or terminating any other benefit plan.

10.2. Alienation or Assignment of Benefits. Except as otherwise provided under the Plan, a Participant's rights and interest under the Plan shall not be assigned or transferred except as otherwise provided herein, and the Participant's rights to benefit payments under the Plan shall not be subject to alienation, pledge or garnishment by or on behalf of creditors (including heirs, beneficiaries, or dependents) of the Participant or of a Beneficiary.

10.3. Company's Protection. By execution of an Election Form, each Participant shall be deemed to have agreed to cooperate with the Company by furnishing any and all information reasonably requested by the Administrator in order to facilitate the payment of benefits hereunder.

10.4. Construction. All legal questions pertaining to the Plan shall be determined in accordance with the laws of the Commonwealth of Pennsylvania, to the extent such laws are not superseded by ERISA or any other federal law.

10.5. Headings. The headings of the Articles and Sections of this Plan are for reference only. In the event of a conflict between a heading and the contents of an Article or Section, the contents of the Article or Section shall control.

10.6. Number and Gender. Whenever any words used herein are in the singular form, they shall be construed as though they were also used in the plural form in all cases where they would so apply, and references to the male gender shall be construed as applicable to the female gender where applicable, and vice versa.

10.7. Right to Withhold. To the extent required by law in effect at the time a distribution is made from the Plan, the Employer or its agents shall have the right to withhold or deduct from any distributions or payments any taxes required to be withheld by federal, state or local governments.

* * * * *

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Paul V. Campanelli, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Endo International plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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/ PAUL V. CAMPANELLI

Paul V. Campanelli
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 8, 2018

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Blaise Coleman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Endo International plc;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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/ BLAISE COLEMAN

Blaise Coleman

Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Date: August 8, 2018

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Paul V. Campanelli, as President and Chief Executive Officer of Endo International plc (the Company), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2018 (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ PAUL V. CAMPANELLI

Name: Paul V. Campanelli

Title: President and Chief Executive Officer
(Principal Executive Officer)

Date: August 8, 2018

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Endo International plc and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Blaise Coleman, as Chief Financial Officer of Endo International plc (the Company), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2018 (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/S/ BLAISE COLEMAN

Name: Blaise Coleman

Title: Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Date: August 8, 2018

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Endo International plc and furnished to the Securities and Exchange Commission or its staff upon request.