

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM TO

Commission file number: 001-36326

ENDO INTERNATIONAL PLC
(Exact Name of Registrant as Specified in Its Charter)

Ireland

(State or other jurisdiction of incorporation or organization)

68-0683755

(I.R.S. Employer Identification Number)

First Floor, Minerva House, Simonscourt Road, Ballsbridge, Dublin 4, Ireland

(Address of Principal Executive Offices)

Not applicable

(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

Ordinary shares, nominal value \$0.0001 per share

Name of each exchange on which registered

The NASDAQ Global Market, The Toronto Stock Exchange

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

None

Indicate by check whether the registrant: (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check 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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

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

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

Ordinary shares, \$0.0001 par value	Number of ordinary shares outstanding as of	April 29, 2016	222,661,344
-------------------------------------	---	----------------	-------------

	<u>Page</u>
Forward-Looking Statements	<u>i</u>
PART I. FINANCIAL INFORMATION	
Item 1. Financial Statements	<u>1</u>
Condensed Consolidated Balance Sheets as of March 31, 2016 (Unaudited) and December 31, 2015	<u>1</u>
Condensed Consolidated Statements of Operations (Unaudited) Three Months Ended March 31, 2016 and 2015	<u>2</u>
Condensed Consolidated Statements of Comprehensive Loss (Unaudited) Three Months Ended March 31, 2016 and 2015	<u>3</u>
Condensed Consolidated Statements of Cash Flows (Unaudited) Three Months Ended March 31, 2016 and 2015	<u>4</u>
Notes to Condensed Consolidated Financial Statements (Unaudited)	<u>6</u>
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	<u>35</u>
Item 3. Quantitative and Qualitative Disclosures About Market Risk	<u>46</u>
Item 4. Controls and Procedures	<u>46</u>
PART II. OTHER INFORMATION	
Item 1. Legal Proceedings	<u>47</u>
Item 1A. Risk Factors	<u>47</u>
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	<u>48</u>
Item 3. Defaults Upon Senior Securities	<u>48</u>
Item 4. Mine Safety Disclosures	<u>48</u>
Item 5. Other Information	<u>48</u>
Item 6. Exhibits	<u>48</u>
Signatures	<u>49</u>
Exhibit Index	

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, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the 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 Item 1A. of this document and in Part I, Item 1A. under the caption “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2015, supplement, and as otherwise enumerated herein, 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 Item 1A. of this document and in Part I, Item 1A. under the caption “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2015, 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)

	March 31, 2016	December 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 221,968	\$ 272,348
Restricted cash and cash equivalents	521,968	585,379
Marketable securities	39	34
Accounts receivable	867,829	1,014,808
Inventories, net	670,454	752,493
Prepaid expenses and other current assets	47,728	55,052
Income taxes receivable	749,917	735,901
Assets held for sale (NOTE 3)	—	36,522
Total current assets	\$ 3,079,903	\$ 3,452,537
MARKETABLE SECURITIES	2,441	3,855
PROPERTY, PLANT AND EQUIPMENT, NET	674,097	675,624
GOODWILL	7,424,782	7,299,354
OTHER INTANGIBLES, NET	7,354,386	7,828,942
DEFERRED INCOME TAXES	8,937	10,423
OTHER ASSETS	92,254	79,601
TOTAL ASSETS	\$ 18,636,800	\$ 19,350,336
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 303,290	\$ 347,503
Accrued expenses	987,976	1,162,612
Current portion of legal settlement accrual	1,571,448	1,606,726
Current portion of long-term debt	335,579	328,705
Income taxes payable	8,674	8,551
Liabilities held for sale (NOTE 3)	—	20,215
Total current liabilities	\$ 3,206,967	\$ 3,474,312
DEFERRED INCOME TAXES	659,323	871,040
LONG-TERM DEBT, LESS CURRENT PORTION, NET	8,229,191	8,251,657
LONG-TERM LEGAL SETTLEMENT ACCRUAL, LESS CURRENT PORTION, NET	377,880	549,098
OTHER LIABILITIES	239,293	236,253
COMMITMENTS AND CONTINGENCIES (NOTE 12)		
SHAREHOLDERS' EQUITY:		
Euro deferred shares, \$0.01 par value; 4,000,000 shares authorized and issued	46	43
Ordinary shares, \$0.0001 par value; 1,000,000,000 shares authorized; 222,657,468 and 222,124,282 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	22	22
Additional paid-in capital	8,703,520	8,693,385
Accumulated deficit	(2,475,084)	(2,341,215)
Accumulated other comprehensive loss	(304,358)	(384,205)
Total Endo International plc shareholders' equity	\$ 5,924,146	\$ 5,968,030
Noncontrolling interests	—	(54)
Total shareholders' equity	\$ 5,924,146	\$ 5,967,976
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 18,636,800	\$ 19,350,336

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 March 31,	
	2016	2015
TOTAL REVENUES	\$ 963,539	\$ 714,128
COSTS AND EXPENSES:		
Cost of revenues	688,705	384,266
Selling, general and administrative	178,355	211,578
Research and development	41,692	17,897
Litigation-related and other contingencies, net	5,200	13,000
Asset impairment charges	129,625	7,000
Acquisition-related and integration items	12,554	34,640
OPERATING (LOSS) INCOME FROM CONTINUING OPERATIONS	\$ (92,592)	\$ 45,747
INTEREST EXPENSE, NET	116,793	73,139
LOSS ON EXTINGUISHMENT OF DEBT	—	980
OTHER INCOME, NET	(1,907)	(11,995)
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAX	\$ (207,478)	\$ (16,377)
INCOME TAX BENEFIT	(118,715)	(166,869)
(LOSS) INCOME FROM CONTINUING OPERATIONS	\$ (88,763)	\$ 150,492
DISCONTINUED OPERATIONS, NET OF TAX (NOTE 3)	(45,108)	(226,210)
CONSOLIDATED NET LOSS	\$ (133,871)	\$ (75,718)
Less: Net loss attributable to noncontrolling interests	(2)	—
NET LOSS ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	\$ (133,869)	\$ (75,718)
NET LOSS PER SHARE ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS—BASIC:		
Continuing operations	\$ (0.40)	\$ 0.89
Discontinued operations	(0.20)	(1.34)
Basic	\$ (0.60)	\$ (0.45)
NET LOSS PER SHARE ATTRIBUTABLE TO ENDO INTERNATIONAL PLC ORDINARY SHAREHOLDERS—DILUTED:		
Continuing operations	\$ (0.40)	\$ 0.85
Discontinued operations	(0.20)	(1.28)
Diluted	\$ (0.60)	\$ (0.43)
WEIGHTED AVERAGE SHARES:		
Basic	222,302	169,653
Diluted	222,302	176,825

See Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended March 31,	
	2016	2015
CONSOLIDATED NET LOSS	\$ (133,871)	\$ (75,718)
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX:		
Net unrealized (loss) gain on securities:		
Unrealized (loss) gain arising during the period	\$ (860)	\$ 1,513
Less: reclassification adjustments for loss (gain) realized in net loss	—	—
Foreign currency translation gain (loss)	80,763	(131,348)
OTHER COMPREHENSIVE INCOME (LOSS)	\$ 79,903	\$ (129,835)
CONSOLIDATED COMPREHENSIVE LOSS	\$ (53,968)	\$ (205,553)
Less: Net loss attributable to noncontrolling interests	(2)	—
Less: Other comprehensive income (loss) attributable to noncontrolling interests	56	(606)
COMPREHENSIVE LOSS ATTRIBUTABLE TO ENDO INTERNATIONAL PLC	\$ (54,022)	\$ (204,947)

See Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended March 31,	
	2016	2015
OPERATING ACTIVITIES:		
Consolidated net loss	\$ (133,871)	\$ (75,718)
Adjustments to reconcile consolidated net loss to Net cash used in operating activities:		
Depreciation and amortization	236,089	119,590
Inventory step-up	61,370	37,554
Share-based compensation	14,967	13,837
Amortization of debt issuance costs and discount	6,373	5,947
Provision for bad debts	7,311	232
Deferred income taxes	(161,301)	(164,535)
Net loss on disposal of property, plant and equipment	527	52
Change in fair value of contingent consideration	(10,688)	(808)
Loss on extinguishment of debt	—	980
Asset impairment charges	150,804	229,753
Gain on sale of business and other assets	(525)	—
Changes in assets and liabilities which (used) provided cash:		
Accounts receivable	142,153	(39,941)
Inventories	18,483	(10,166)
Prepaid and other assets	17,648	7,388
Accounts payable	(44,254)	6,267
Accrued expenses	(192,075)	80,034
Other liabilities	(146,938)	(223,415)
Income taxes payable/receivable	(15,898)	(76,859)
Net cash used in operating activities	\$ (49,825)	\$ (89,808)
INVESTING ACTIVITIES:		
Purchases of property, plant and equipment	(25,998)	(17,189)
Proceeds from sale of intellectual property and property, plant and equipment	2,313	—
Acquisitions, net of cash acquired	—	(911,892)
Proceeds from notes receivable	—	17
Patent acquisition costs and license fees	(13,000)	—
Proceeds from sale of business, net	4,108	4,712
Increase in restricted cash and cash equivalents	(121,031)	(172,900)
Decrease in restricted cash and cash equivalents	184,678	166,768
Net cash provided by (used in) investing activities	\$ 31,070	\$ (930,484)

	Three Months Ended March 31,	
	2016	2015
FINANCING ACTIVITIES:		
Proceeds from issuance of notes	—	1,200,000
Principal payments on term loans	(20,750)	(11,375)
Principal payments on other indebtedness, net	(1,109)	(270)
Repurchase of convertible senior subordinated notes	—	(149,068)
Deferred financing fees	(500)	(20,482)
Payment for contingent consideration	(9,405)	(4,723)
Tax benefits of share awards	4,058	16,797
Payments of tax withholding for restricted shares	(10,272)	(11,930)
Exercise of options	1,952	18,470
Issuance of ordinary shares related to the employee stock purchase plan	1,434	1,118
Payments related to the issuance of ordinary shares	—	(2,068)
Cash buy-out of noncontrolling interests	—	(39,608)
Net cash (used in) provided by financing activities	\$ (34,592)	\$ 996,861
Effect of foreign exchange rate	\$ 2,967	\$ (7,861)
NET DECREASE IN CASH AND CASH EQUIVALENTS	\$ (50,380)	\$ (31,292)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	272,348	408,753
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 221,968	\$ 377,461
SUPPLEMENTAL INFORMATION:		
Cash paid into Qualified Settlement Funds for mesh legal settlements	\$ 120,919	\$ 170,739
Cash paid out of Qualified Settlement Funds for mesh legal settlements	\$ 184,678	\$ 127,160
Other cash distributions for mesh legal settlements	\$ 1,561	\$ 3,815
SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Purchases of property, plant and equipment financed by capital leases	\$ —	\$ 54
Accrual for purchases of property, plant and equipment	\$ 1,897	\$ 3,179
Acquisition financed by ordinary shares	\$ —	\$ 1,519,318
Repurchase of convertible senior subordinated notes financed by ordinary shares	\$ —	\$ 408,585

See Notes to Condensed Consolidated Financial Statements.

ENDO INTERNATIONAL PLC
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE MONTHS ENDED MARCH 31, 2016

NOTE 1. BASIS OF PRESENTATION

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 with 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 to a fair statement of the Company's financial position as of March 31, 2016 and the results of our operations and our cash flows for the periods presented. Operating results for the three months ended March 31, 2016 are not necessarily indicative of the results that may be expected for the year ending December 31, 2016. The year-end Condensed Consolidated Balance Sheets data as of December 31, 2015 was derived from the audited financial statements.

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.

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

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, 2015.

NOTE 2. RECENT ACCOUNTING PRONOUNCEMENTS

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards update (ASU) No. 2014-09, "*Revenue from Contracts with Customers*" (ASU 2014-09). ASU 2014-09 represents a comprehensive new revenue recognition model that requires a company to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled to receive in exchange for those goods or services. This ASU sets forth a new five-step revenue recognition model which replaces the prior revenue recognition guidance in its entirety and is intended to eliminate numerous industry-specific pieces of revenue recognition guidance that have historically existed. In August 2015, the FASB issued ASU No. 2015-14, "*Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date*", which deferred the effective date of ASU 2014-09 by one year, but permits entities to adopt one year earlier if they choose (i.e., the original effective date). As such, ASU 2014-09 will be effective for annual and interim reporting periods beginning after December 15, 2017 and the Company currently plans to adopt it on January 1, 2018. In addition, during March and April 2016, the FASB issued ASU No. 2016-08 "*Revenue from Contracts with Customers (Topic 606): Principal versus Agent Consideration (Reporting Revenue Gross versus Net)*" and ASU No. 2016-10 "*Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing*", respectively, which clarified the guidance on reporting revenue as a principal versus agent, identifying performance obligations and accounting for intellectual property licenses. The Company is currently evaluating the impact of this standard on the Company's consolidated results of operations and financial position including possible transition alternatives.

In July 2015, the FASB issued ASU No. 2015-11, "*Simplifying the Measurement of Inventory*" (ASU 2015-11). ASU 2015-11 states that an entity should measure inventory at the lower of cost and net realizable value. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. For public entities, ASU 2015-11 is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The amendments in this update should be applied prospectively and early application is permitted. The Company is currently evaluating the impact of ASU 2015-11 on the Company's consolidated results of operations and financial position.

In February 2016, the FASB issued ASU No. 2016-02, "*Leases (Topic 842)*" (ASU 2016-02). ASU 2016-02 establishes the principles to report transparent and economically neutral information about the assets and liabilities that arise from leases. This guidance results in a more faithful representation of the rights and obligations arising from operating and capital leases by requiring lessees to recognize the lease assets and lease liabilities that arise from leases in the statement of financial position and to disclose qualitative and quantitative information about lease transactions, such as information about variable lease payments and options to renew and terminate leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The Company is currently evaluating the impact of ASU 2016-02 on the Company's consolidated results of operations and financial position.

In March 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-09 "*Improvements to Employee Share-Based Payment Accounting*" (ASU 2016-09). ASU 2016-09 will change how companies account for certain aspects of share-based payments

to employees including: (a) require all income tax effects of awards to be recognized in the income statement, rather than in additional paid in capital, when the awards vest or are settled, (b) eliminates the requirement that excess tax benefits be realized before companies can recognize them, (c) require companies to present excess tax benefits as an operating activity on the statement of cash flows rather than as a financing activity, (d) increase the amount an employer can withhold to cover income taxes on awards and still qualify for the exception to liability classification for shares used to satisfy the employer's statutory income tax withholding obligation, (e) require an employer to classify the cash paid to a tax authority when shares are withheld to satisfy its statutory income tax withholding obligation as a financing activity on its statement of cash flows and (f) elect whether to account for forfeitures of share-based payments by (1) recognizing forfeitures of awards as they occur or (2) estimating the number of awards expected to be forfeited and adjusting the estimate when it is likely to change, as is currently required. ASU 2016-09 is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early adoption is permitted in any interim or annual period but all of ASU 2016-09 must be adopted in the same period. The Company is currently evaluating the impact of ASU 2016-09 on the Company's consolidated results of operations and financial position.

NOTE 3. DISCONTINUED OPERATIONS AND HELD FOR SALE

American Medical Systems

On February 24, 2015, the Board of Directors approved a plan to sell the Company's American Medical Systems Holdings, Inc. (AMS) business, which comprised the entirety of our former Devices segment. The AMS business was comprised of the Men's Health and Prostate Health business as well as the Women's Health business (referred to herein as Astora). On August 3, 2015, the Company sold the Men's Health and Prostate Health business to Boston Scientific Corporation (Boston Scientific) for \$1.65 billion, with \$1.60 billion paid upfront in cash and \$50.0 million in cash contingent on Boston Scientific achieving certain product revenue milestones in the Men's Health and Prostate Health business in 2016. In addition, Boston Scientific paid \$60.0 million in exchange for 60,000 shares of American Medical Systems Holdings, Inc. Series B Non-Voting Preferred Stock (Series B Senior Preferred Stock) sold by our subsidiary Endo Pharmaceuticals Inc. (EPI). On December 11, 2015, the Company redeemed all 60,000 shares of the Series B Senior Preferred Stock from Boston Scientific for \$61.6 million, including accrued and unpaid dividends.

In addition to selling the Men's Health and Prostate Health business in 2015, as of December 31, 2015 and continuing into 2016, the Company was actively pursuing a sale of the Astora business with the Company in active negotiations with multiple potential buyers. The majority of the remaining assets and liabilities of the AMS business, which were related to the Astora business, were classified as held for sale in the Consolidated Balance Sheet as of December 31, 2015 in the Company's Form 10-K filed with the SEC on February 29, 2016. Certain of AMS's assets and liabilities, primarily with respect to its product liability accrual related to vaginal mesh cases, the related Qualified Settlement Funds and certain intangible and fixed assets, were not classified as held for sale based on management's expectation that these assets and liabilities would remain with the Company.

On February 24, 2016, the Company's Board of Directors resolved to wind down the Company's Astora business as it did not align with the Company's strategic direction and to reduce the additional exposure to mesh-related product liability. The Company conducted a wind down process to transition physicians to alternative products during the first quarter of 2016. The Company ceased business operations for Astora on March 31, 2016 and exited its AMS business. As a result, as of March 31, 2016, the remaining assets and liabilities of the AMS business, which were related to the Astora business, were no longer classified as held for sale in the Condensed Consolidated Balance Sheets. In accordance with applicable accounting guidance, the Company also reclassified the Astora assets and liabilities previously presented as held for sale as of December 31, 2015 to held and used on its Condensed Consolidated Balance Sheets.

The operating results of the AMS business 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 the Discontinued operations of AMS, net of tax for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Revenue	\$ 28,851	\$ 118,665
Litigation related and other contingencies, net	\$ 2,450	\$ 5,200
Asset impairment charges	\$ 21,179	\$ 222,753
Loss from discontinued operations before income taxes	\$ (68,832)	\$ (229,858)
Income tax benefit	\$ (23,724)	\$ (3,648)
Discontinued operations, net of tax	\$ (45,108)	\$ (226,210)

As a result of the Astora wind down initiative announced in the first quarter of 2016, the Company incurred asset impairment charges of \$21.2 million. See below for discussion of our material wind down initiatives.

The following table provides the Depreciation and amortization and Purchases of property, plant and equipment of AMS for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Cash flows from discontinued operating activities:		
Net loss	\$ (45,108)	\$ (226,210)
Depreciation and amortization	\$ —	\$ 11,555
Net cash used in discontinued investing activities:		
Purchases of property, plant and equipment	\$ (138)	\$ (934)

Astora Restructuring

The wind down process includes a restructuring initiative implemented during the three months ended March 31, 2016, which includes the reduction of the Astora workforce consisting of approximately 250 employees. Under this restructuring initiative, separation costs are expensed over the requisite service period, if any, while retention is being expensed ratably over the respective retention period.

As a result of the Astora restructuring initiative, the Company incurred expenses of \$60.7 million during the three months ended March 31, 2016, consisting of employee separation, retention and other benefit-related costs, asset impairment charges, contract termination charges and other general restructuring costs. There were no restructuring expenses related to this initiative during the three months ended March 31, 2015. The Company anticipates there will be additional pre-tax restructuring expenses of \$12.8 million related to employee separation, retention and other benefit-related costs, contract termination charges, and other restructuring costs and the majority of these actions are expected to be completed by September 30, 2016, with substantially all cash payments made by the end of 2016. These restructuring costs are included in Discontinued operations in the Condensed Consolidated Statements of Operations.

A summary of expenses related to the Astora restructuring initiative is included below for the three months ended March 31, 2016 (in thousands):

	Three Months Ended March 31, 2016
Employee separation, retention and other benefit-related costs	\$ 16,149
Asset impairment charges	21,179
Contract termination charges	10,224
Other wind down costs	13,121
Total	\$ 60,673

The liability related to the Astora restructuring initiative totaled \$39.0 million as of March 31, 2016 and is included in Accrued expenses in the Condensed Consolidated Balance Sheets. Changes to this accrual during the three months ended March 31, 2016 were as follows (in thousands):

	Employee Separation, Retention and Other Benefit- Related Costs	Contract Termination Charges	Other Restructuring Costs	Total
Liability balance as of January 1, 2016	\$ —	\$ —	\$ —	\$ —
Expenses	16,149	10,224	13,121	39,494
Cash distributions	—	—	(445)	(445)
Liability balance as of March 31, 2016	\$ 16,149	\$ 10,224	\$ 12,676	\$ 39,049

Other

During the three months ended March 31, 2016, the Company divested a component of its international business that was not individually material.

NOTE 4. RESTRUCTURING

U.S. Generic Pharmaceuticals Restructuring

2015 U.S. Generic Pharmaceuticals Restructuring

In connection with the acquisition of Par Pharmaceutical Holdings, Inc. (Par) on September 25, 2015, we implemented cost-rationalization and integration initiatives to capture operating synergies and generate cost savings across the Company. These measures included realigning the Company's U.S. Generic Pharmaceuticals segment sales, sales support, management activities and staffing, which resulted in separation benefits to certain U.S. Generic Pharmaceuticals employees. The cost reduction initiatives included a reduction in headcount of approximately 6% of the U.S. Generic Pharmaceuticals workforces. Under this restructuring initiative (the 2015 U.S. Generic Pharmaceuticals restructuring initiative), separation costs are expensed over the requisite service period, if any, while retention is being expensed ratably over the respective retention period.

As a result of the 2015 U.S. Generic Pharmaceuticals restructuring initiative, the Company incurred restructuring expenses of \$3.5 million during the three months ended March 31, 2016, consisting of employee separation, retention and other benefit-related costs. There were no restructuring expenses related to this initiative during the three months ended March 31, 2015. The Company anticipates there will be additional pre-tax restructuring expenses of \$1.6 million related to employee separation, retention and other benefit-related costs and these actions are expected to be completed by October 31, 2016, with substantially all cash payments made by the end of 2016. In addition, the Company anticipates there will be additional pre-tax restructuring expenses of \$9.8 million related to accelerated depreciation on certain assets. These restructuring costs are allocated to the U.S. Generic Pharmaceuticals segment, and are primarily included in Selling, general and administrative costs and expenses in the Condensed Consolidated Statements of Operations.

The liability related to the 2015 U.S. Generic Pharmaceuticals restructuring initiative totaled \$17.3 million and \$17.9 million at March 31, 2016 and December 31, 2015, respectively. At March 31, 2016, this liability is included in Accrued expenses in the Condensed Consolidated Balance Sheets. Changes to this accrual during the three months ended March 31, 2016 were as follows (in thousands):

	Total
Liability balance as of January 1, 2016	\$ 17,914
Expenses	3,464
Cash distributions	(4,056)
Liability balance as of March 31, 2016	\$ 17,322

2016 U.S. Generic Pharmaceuticals Restructuring

As part of the ongoing U.S. Generic Pharmaceuticals integration efforts, in May 2016 we announced a restructuring initiative to optimize our product portfolio and rationalize our manufacturing sites to expand product margins (the 2016 U.S. Generic Pharmaceuticals restructuring initiative). These measures include certain cost savings initiatives, including a reduction in headcount and the closing of the Charlotte, North Carolina manufacturing facility.

As a result of the 2016 U.S. Generic Pharmaceuticals restructuring initiative, the Company expects to incur total restructuring-related expenses of approximately \$200 million, consisting of asset impairment charges, charges to increase excess inventory reserves, employee separation, retention and other benefit-related costs and certain other charges. The Company anticipates these actions will be

completed by September 2017, with substantially all cash payments made by the end of 2017. Under this restructuring initiative, separation costs will be expensed ratably over the requisite service period, if any. As a result of the 2016 U.S. Generic Pharmaceuticals restructuring initiative, the Company incurred pretax charges of \$127.2 million during the three months ended March 31, 2016, consisting of certain intangible asset impairment charges of \$100.3 million and charges to increase excess inventory reserves of \$26.9 million. These charges are included in the U.S. Generic Pharmaceuticals segment, and are included in Asset impairment charges and Cost of revenues, respectively, in the Condensed Consolidated Statements of Operations.

Auxilium Restructuring

In connection with the acquisition of Auxilium Pharmaceuticals, Inc. (Auxilium) on January 29, 2015, the Company implemented cost-rationalization and integration initiatives to capture operating synergies and generate cost savings across the Company. These measures included realigning our sales, sales support, management activities and staffing, which included separation benefits to former Auxilium employees, in addition to the closing of duplicative facilities. The cost reduction initiatives included a reduction in headcount of approximately 40% of the former Auxilium workforce. For former Auxilium employees that agreed to continue employment with the Company for a merger transition period, the separation costs payable upon completion of their retention period was expensed over their respective retention period. The Company does not anticipate there will be additional material pre-tax restructuring expenses related to this initiative. The Company anticipates that substantially all employee separation, retention and other benefit-related costs cash payments relating to this initiative will be made by the end of 2016. The remainder of the cash payments will be made over the remaining lease term of Auxilium's former corporate headquarters in Chesterbrook, Pennsylvania. These restructuring costs are included in the U.S. Branded Pharmaceuticals segment, and are primarily included in Selling, general and administrative costs and expenses in the Condensed Consolidated Statements of Operations.

The liability related to the Auxilium restructuring initiative totaled \$8.7 million and \$12.3 million at March 31, 2016 and December 31, 2015, respectively, and is included in Accrued expenses and Other liabilities in the Condensed Consolidated Balance Sheets. Changes to this accrual during the three months ended March 31, 2016 were as follows (in thousands):

	Employee Separation, Retention and Other Benefit- Related Costs	Other Restructuring Costs	Total
Liability balance as of January 1, 2016	\$ 5,353	\$ 6,910	\$ 12,263
Cash distributions	(3,222)	(377)	(3,599)
Liability balance as of March 31, 2016	<u>\$ 2,131</u>	<u>\$ 6,533</u>	<u>\$ 8,664</u>

NOTE 5. ACQUISITIONS

For each of the acquisitions described below, except for Auxilium, the estimated fair values of the net assets acquired are provisional as of March 31, 2016 and are based on information that is currently available to the Company. Additional information is being gathered to finalize these provisional measurements. Accordingly, the measurement of the assets acquired and liabilities assumed may change upon finalization of the Company's valuations and completion of the purchase price allocations, all of which are expected to occur no later than one year from the respective acquisition dates.

Auxilium Pharmaceuticals, Inc.

On January 29, 2015 (the Auxilium Acquisition Date), the Company acquired all of the outstanding shares of common stock of Auxilium, a fully integrated specialty biopharmaceutical company emerging as a leader in the men's healthcare sector with a strategically focused product portfolio and pipeline in orthopedics, dermatology and other therapeutic areas, in a transaction valued at \$2.6 billion. The Company believed that Auxilium would be highly complementary to its branded pharmaceuticals business with significant opportunities to leverage Auxilium's leading presence in men's health, as well as the Company's R&D capabilities and financial resources to accelerate the growth of Auxilium's XIAFLEX[®] and its other products.

The operating results of Auxilium are included in the accompanying Condensed Consolidated Statements of Operations for the three months ended March 31, 2016 and the operating results from the acquisition date of January 29, 2015 are included in the accompanying Condensed Consolidated Statements of Operations for the three months ended March 31, 2015.

The Company recognized no acquisition-related transaction costs associated with the Auxilium acquisition during the three months ended March 31, 2016. The Company recognized acquisition-related transaction costs associated with the Auxilium acquisition during the three months ended March 31, 2015 totaling \$19.4 million. These costs, which related primarily to bank fees, legal and accounting services, and fees for other professional services, are included in Acquisition-related and integration items in the accompanying Condensed Consolidated Statements of Operations.

The amounts of Auxilium Revenue and Net loss attributable to Endo International plc included in the Company's Condensed Consolidated Statements of Operations from and including January 29, 2015 to March 31, 2015 are as follows (in thousands, except per share data):

Revenue	\$	66,796
Net loss attributable to Endo International plc	\$	(50,907)
Basic net loss per share	\$	(0.30)
Diluted net loss per share	\$	(0.29)

The following supplemental unaudited pro forma information presents the financial results as if the acquisition of Auxilium had occurred on January 1, 2015 for the three months ended March 31, 2015. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what would have occurred had the acquisition been made on January 1, 2015, nor are they indicative of any future results.

		Three Months Ended March 31, 2015
Unaudited pro forma consolidated results (in thousands, except per share data):		
Revenue	\$	737,703
Net loss attributable to Endo International plc	\$	(82,582)
Basic net loss per share	\$	(0.49)
Diluted net loss per share	\$	(0.47)

These amounts have been calculated after applying the Company's accounting policies and adjusting the results of Auxilium to reflect factually supportable adjustments that give effect to events that are directly attributable to the Auxilium acquisition assuming the Auxilium acquisition had occurred on January 1, 2015. These adjustments mainly include adjustments to interest expense and additional intangible amortization. The adjustments to interest expense, net of tax, related to borrowings to finance the acquisition increased the expense by \$1.1 million for the three months ended March 31, 2015. In addition, the adjustments include additional intangible amortization, net of tax, which would have been charged assuming the Company's estimated fair value of the intangible assets. An adjustment to the amortization expense for the three months ended March 31, 2015 increased the expense by \$6.9 million.

Acquisition of Par Pharmaceutical Holdings, Inc.

On September 25, 2015 (Par Acquisition Date), the Company acquired Par, a specialty pharmaceutical company that develops, licenses, manufactures, markets and distributes innovative and cost-effective pharmaceuticals with a focus on high-barrier-to-entry products that are difficult to formulate, for total consideration of \$8.14 billion, including the assumption of Par debt. The consideration included the Company's 18,069,899 ordinary shares valued at \$1.33 billion.

The operating results of Par are included in the accompanying Condensed Consolidated Statements of Operations for the three months ended March 31, 2016. There are no results included in the accompanying Condensed Consolidated Statements of Operations for the three months ended March 31, 2015.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the Par Acquisition Date, including measurement period adjustments since the fair values presented in the Company's Form 10-K for the year ended December 31, 2015 filed with the SEC on February 29, 2016, (in thousands):

	September 25, 2015	Measurement period adjustments	September 25, 2015 (As adjusted)
Cash and cash equivalents	\$ 215,612	\$ —	\$ 215,612
Accounts and other receivables	530,664	(13,500)	517,164
Inventories	330,406	(1,849)	328,557
Prepaid expenses and other current assets	31,124	—	31,124
Deferred income tax assets, current	14,652	660	15,312
Property, plant and equipment	256,293	4,744	261,037
Intangible assets	3,627,000	(154,500)	3,472,500
Other assets	8,477	—	8,477
Total identifiable assets	\$ 5,014,228	\$ (164,445)	\$ 4,849,783
Accounts payable and accrued expenses	\$ 551,614	\$ (13,500)	\$ 538,114
Deferred income tax liabilities	1,093,779	(53,515)	1,040,264
Other liabilities	16,057	—	16,057
Total liabilities assumed	\$ 1,661,450	\$ (67,015)	\$ 1,594,435
Net identifiable assets acquired	\$ 3,352,778	\$ (97,430)	\$ 3,255,348
Goodwill	4,782,876	97,430	4,880,306
Net assets acquired	\$ 8,135,654	\$ —	\$ 8,135,654

The estimated fair value of the Par assets acquired and liabilities assumed are provisional as of March 31, 2016 and are based on information that is currently available to the Company. Additional information is being gathered to finalize these provisional measurements, particularly with respect to property, plant and equipment, intangible assets, inventory, accrued expenses, deferred income taxes and income taxes payable. Accordingly, the measurement of the Par assets acquired and liabilities assumed may change significantly upon finalization of the Company's valuations and completion of the purchase price allocation, both of which are expected to occur no later than one year from the acquisition date. During the three months ended March 31, 2016, the Company recorded a reduction of \$3.8 million of expense, \$3.1 million related to the amortization of intangible assets and \$0.7 million related to the amortization of inventory step-up, as a result of the measurement period adjustments recorded above.

The valuation of the intangible assets acquired and related amortization periods are as follows:

	Valuation (in millions)	Amortization period (in years)
Developed Technology:		
Vasostrict™	\$ 556.0	8
Aplisol®	312.4	11
Developed - Other - Non-Partnered (Generic Non-Injectable)	230.4	7
Developed - Other - Partnered (Combined)	164.4	7
Nascobal®	118.3	9
Developed - Other - Non-Partnered (Generic Injectable)	116.4	10
Other	517.9	9
Total	\$ 2,015.8	
In Process Research & Development (IPR&D):		
IPR&D 2019 Launch	\$ 401.0	n/a
IPR&D 2018 Launch	283.8	n/a
Ezetimibe	147.6	n/a
IPR&D 2016 Launch	133.3	n/a
Ephedrine Sulphate	128.6	n/a
Neostigmine vial	118.6	n/a
Other	243.8	n/a
Total	\$ 1,456.7	n/a
Total other intangible assets	\$ 3,472.5	n/a

The preliminary fair values of the developed technology and IPR&D assets were estimated using a discounted present value income approach. Under this method, an intangible asset's fair value is equal to the present value of the incremental after-tax cash flows (excess earnings) attributable solely to the intangible asset over its remaining useful life. To calculate fair value, the Company used cash flows discounted at rates ranging from 9% to 10.5%, which were considered appropriate given the inherent risks associated with each type of asset. The Company believes that the level and timing of cash flows appropriately reflect market participant assumptions.

The goodwill recognized is attributable primarily to strategic and synergistic opportunities related to existing pharmaceutical businesses, the assembled workforce of Par and other factors. Approximately \$34.2 million of goodwill is expected to be deductible for income tax purposes.

Deferred tax assets and liabilities are related primarily to the difference between the book basis and tax basis of identifiable intangible assets and inventory step-up.

The following supplemental unaudited pro forma information presents the financial results as if the acquisition of Par had occurred on January 1, 2015 for the three months ended March 31, 2015. This supplemental pro forma information has been prepared for comparative purposes and does not purport to be indicative of what would have occurred had the acquisition been made on January 1, 2015, nor are they indicative of any future results.

	Three Months Ended March 31, 2015	
Unaudited pro forma consolidated results (in thousands, except per share data):		
Revenue	\$	1,073,372
Net loss attributable to Endo International plc	\$	(100,462)
Basic net loss per share	\$	(0.59)
Diluted net loss per share	\$	(0.57)

These amounts have been calculated after applying the Company's accounting policies and adjusting the results of Par to reflect factually supportable adjustments that give effect to events that are directly attributable to the Par acquisition assuming the Par acquisition had occurred on January 1, 2015. These adjustments mainly include adjustments to interest expense and additional intangible amortization. The adjustments to interest expense, net of tax, related to borrowings to finance the acquisition increased

the expense by \$6.8 million for the three months ended March 31, 2015. In addition, the adjustments include additional intangible amortization, net of tax, that would have been charged assuming the Company's estimated fair value of the intangible assets. An adjustment to the amortization expense for the three months ended March 31, 2015 increased the expense by \$38.3 million.

Aspen Holdings

On October 1, 2015, the Company acquired a broad portfolio of branded and generic injectable and established products focused on pain, anti-infectives, cardiovascular and other specialty therapeutic areas from a subsidiary of Aspen Holdings, a leading publicly-traded South African company that supplies branded and generic products in more than 150 countries, and from GlaxoSmithKline plc (GSK) for total consideration of approximately \$135.6 million. The transaction expanded the Company's presence in South Africa.

The fair values of the net identifiable assets acquired totaled \$128.7 million, resulting in goodwill of \$6.9 million, which was assigned to our International Pharmaceuticals segment. The amount of net identifiable assets acquired in connection with the Aspen Holdings acquisition includes \$118.4 million of intangible assets to be amortized over an average life of approximately 19 years, and inventory of \$10.3 million.

The operating results of Aspen Holdings are included in the accompanying Condensed Consolidated Statements of Operations for the three months ended March 31, 2016. There are no results included in the accompanying Condensed Consolidated Statements of Operations for the three months ended March 31, 2015. The Condensed Consolidated Balance Sheets as of March 31, 2016 and December 31, 2015 reflect the acquisition of Aspen Holdings, effective October 1, 2015.

Pro forma results of operations have not been presented because the effect of the Aspen Holdings acquisition was not material.

NOTE 6. SEGMENT RESULTS

The reportable business segments in which the Company operates are: (1) U.S. Branded Pharmaceuticals, (2) U.S. Generic Pharmaceuticals and (3) International Pharmaceuticals. These 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 (loss) from continuing operations before income tax, which we define as loss from continuing operations before income tax 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; excess costs that will be eliminated pursuant to integration plans; asset impairment charges; amortization of intangible assets; inventory step-up recorded as part of our acquisitions; certain non-cash interest expense; litigation-related and other contingent matters; gains or losses from early termination of debt activities; foreign currency gains or losses on intercompany financing arrangements; and certain other items that the Company believes do not reflect its core operating performance.

Certain of the corporate general and administrative 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". 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 costs.

U.S. Branded Pharmaceuticals

Our U.S. Branded Pharmaceuticals segment includes a variety of branded prescription products related to treating and managing pain as well as our urology and men's health, endocrinology and orthopedic products. The marketed products that are included in this segment include Lidoderm[®], OPANA[®] ER, Voltaren[®] Gel, Percocet[®], BELBUCA[™], Aveed[®], Supprelin[®] LA, and XIAFLEX[®], among others.

U.S. Generic Pharmaceuticals

Our U.S. Generic Pharmaceuticals segment consists of a differentiated product portfolio including high barrier-to-entry products, first-to-file or first-to-market opportunities, which are difficult to formulate, difficult to manufacture or face complex legal and regulatory challenges. The product offerings of this segment include products in the pain management, urology, CNS 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 for the Canadian, Mexican, South African and world markets. Paladin, based in Canada, has a portfolio of products serving growing therapeutic areas, including

ADHD, pain, women's health and oncology. Somar, based in Mexico, develops, manufactures and markets high-quality generic, branded generic and over-the-counter products across key market segments including dermatology and anti-infectives. Litha, based in South Africa, is a diversified healthcare group providing services, products and solutions to public and private hospitals, pharmacies, general and specialist practitioners, as well as government healthcare programs.

The following represents selected information for the Company's reportable segments for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Net revenues to external customers:		
U.S. Branded Pharmaceuticals	\$ 308,813	\$ 284,507
U.S. Generic Pharmaceuticals	583,390	356,962
International Pharmaceuticals (1)	71,336	72,659
Total net revenues to external customers	\$ 963,539	\$ 714,128
Adjusted income from continuing operations before income tax:		
U.S. Branded Pharmaceuticals	\$ 168,781	\$ 158,794
U.S. Generic Pharmaceuticals	\$ 211,768	\$ 183,457
International Pharmaceuticals	\$ 21,754	\$ 16,567

(1) Revenues generated by our International Pharmaceuticals segment are primarily attributable to Canada, Mexico and South Africa.

In 2015, we realigned certain costs between our International Pharmaceuticals segment, U.S. Branded Pharmaceuticals segment and corporate unallocated costs based on how our chief operating decision maker currently reviews segment performance. As a result of this realignment, certain expenses included in our consolidated adjusted income (loss) from continuing operations before income tax for the three months ended March 31, 2015 have been reclassified among our various segments to conform to current period presentation. The net impact of these reclassification adjustments increased U.S. Branded Pharmaceuticals segment and corporate unallocated costs by \$0.6 million and \$7.6 million, respectively, with an offsetting \$8.2 million decrease to International Pharmaceuticals segment costs.

There were no material revenues from external customers attributed to an individual country outside of the United States during the three months ended March 31, 2016, or 2015.

The table below provides reconciliations of our 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, for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Total segment adjusted income from continuing operations before income tax:	\$ 402,303	\$ 358,818
Corporate unallocated costs (1)	(153,073)	(111,068)
Upfront and milestone payments to partners	(1,417)	(2,667)
Asset impairment charges (2)	(129,625)	(7,000)
Acquisition-related and integration items (3)	(12,554)	(34,640)
Separation benefits and other cost reduction initiatives (4)	(38,456)	(41,807)
Amortization of intangible assets	(211,669)	(95,269)
Inventory step-up and certain manufacturing costs that will be eliminated pursuant to integration plans	(68,476)	(39,916)
Non-cash interest expense related to the 1.75% Convertible Senior Subordinated Notes	—	(1,379)
Loss on extinguishment of debt	—	(980)
Impact of Voltaren® Gel generic competition	7,750	—
Certain litigation-related charges, net (5)	(5,200)	(13,000)
Costs associated with unused financing commitments	—	(11,810)
Acceleration of Auxilium employee equity awards at closing	—	(37,603)
Foreign currency impact related to the remeasurement of intercompany debt instruments	(1,255)	21,090
Other, net	4,194	854
Total consolidated loss from continuing operations before income tax	\$ (207,478)	\$ (16,377)

(1) Corporate unallocated costs include certain corporate overhead costs, interest expense, net, and certain other income and expenses.

(2) Asset impairment charges primarily related to charges to write down intangible assets as further described in Note 9. Goodwill and Other Intangibles.

(3) Acquisition-related and integration-items include costs directly associated with previous acquisitions of \$23.2 million for the three months ended March 31, 2016 and \$35.4 million for the comparable 2015 period. During 2016 and 2015, these costs are net of a benefit due to changes in the fair value of contingent consideration of \$10.7 million and \$0.8 million, respectively.

(4) Separation benefits and other cost reduction initiatives include charges to increase excess inventory reserves of \$26.9 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, employee separation costs of \$6.8 million and other restructuring costs of \$4.4 million for the three months ended March 31, 2016. Amounts in the comparable 2015 period include employee separation costs of \$32.4 million and a \$7.9 million charge recorded upon the cease use date of our Auxilium subsidiary's former corporate headquarters, representing the liability for our remaining obligations under the respective lease agreement, net of estimated sublease income. These amounts were primarily recorded as Selling, general and administrative expense in our Condensed Consolidated Statements of Operations. See Note 4. Restructuring for discussion of our material restructuring initiatives.

(5) These amounts include charges for Litigation-related and other contingencies, net as further described in Note 12. Commitments and Contingencies.

Interest income and expense are considered corporate items and included in Corporate unallocated. Asset information is not reviewed or included within our internal management reporting. Therefore, the Company has not disclosed asset information for each reportable segment.

NOTE 7. FAIR VALUE MEASUREMENTS

Financial Instruments

The financial instruments recorded in our Condensed Consolidated Balance Sheets include cash and cash equivalents, 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 are structured to maintain the fund's net asset value at \$1.00 per unit, which assists in providing adequate liquidity upon demand by the holder. Money

market funds pay dividends that generally reflect short-term interest rates. Thus, only the dividend yield fluctuates. Due to their short-term maturity, the carrying amounts of non-restricted and restricted cash and cash equivalents (including money market funds), accounts receivable, accounts payable and accrued expenses approximate their fair values.

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 the Condensed Consolidated Balance Sheets at March 31, 2016 and December 31, 2015.

At the time of purchase, we classify our marketable securities as either available-for-sale securities or trading securities, depending on our intent at that time. Available-for-sale and trading securities are carried at fair value with unrealized holding gains and losses recorded within other comprehensive income or net income, respectively. The Company reviews unrealized losses associated with available-for-sale securities to determine the classification as a “temporary” or “other-than-temporary” impairment. A temporary impairment results in an unrealized loss being recorded in other comprehensive income. An impairment that is viewed as other-than-temporary is recognized in net income. The Company considers various factors in determining the classification, including the length of time and extent to which the fair value has been less than the Company’s cost basis, the financial condition and near-term prospects of the issuer or investee, and the Company’s ability to hold the investment for a period of time sufficient to allow for any anticipated recovery in market value.

Equity and Cost Method Investments

As of March 31, 2016, we have investments that we account for using the equity or cost method of accounting totaling \$9.8 million. The Company divested a joint venture investment owned through its Litha subsidiary during the three months ended March 31, 2016. The Company classified this joint venture investment as Assets held for sale as of December 31, 2015 in the accompanying Condensed Consolidated Balance Sheets.

With respect to our other equity or cost method investments, which are included in Other Assets in our Condensed Consolidated Balance Sheets at March 31, 2016 and December 31, 2015, the Company did not recognize any other-than-temporary impairments. We considered various factors, including the operating results of our equity method investments and the lack of an unrealized loss position on our cost method investments.

Acquisition-Related Contingent Consideration

The fair value of contingent consideration liabilities is determined using unobservable inputs. 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. Acquisition-related contingent consideration is measured at fair value on a recurring basis using unobservable inputs; hence these instruments represent Level 3 measurements within the above-defined fair value hierarchy. 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 March 31, 2016 and December 31, 2015 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
March 31, 2016				
Assets:				
Money market funds	\$ 56,135	\$ —	\$ —	\$ 56,135
Equity securities	2,480	—	—	2,480
Total	\$ 58,615	\$ —	\$ —	\$ 58,615
Liabilities:				
Acquisition-related contingent consideration—short-term	\$ —	\$ —	\$ 48,045	\$ 48,045
Acquisition-related contingent consideration—long-term	—	—	76,466	76,466
Total	\$ —	\$ —	\$ 124,511	\$ 124,511

At March 31, 2016, money market funds include \$56.1 million in Qualified Settlement Funds to be disbursed to mesh-related product liability claimants. See Note 12. Commitments and Contingencies for further discussion of our product liability cases.

	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
December 31, 2015				
Assets:				
Money market funds	\$ 51,145	\$ —	\$ —	\$ 51,145
Equity securities	3,889	—	—	3,889
Total	\$ 55,034	\$ —	\$ —	\$ 55,034
Liabilities:				
Acquisition-related contingent consideration—short-term	\$ —	\$ —	\$ 65,265	\$ 65,265
Acquisition-related contingent consideration—long-term	—	—	78,237	78,237
Total	\$ —	\$ —	\$ 143,502	\$ 143,502

At December 31, 2015, money market funds include \$51.1 million in Qualified Settlement Funds to be disbursed to mesh-related product liability claimants. See Note 12. Commitments and Contingencies for further discussion of our product liability cases.

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 months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Beginning of period	\$ 143,502	\$ 46,005
Amounts acquired	—	148,100
Amounts settled	(9,474)	(4,723)
Transfers (in) and/or out of Level 3	—	—
Measurement period adjustments	—	(4,313)
Changes in fair value recorded in earnings	(10,688)	(808)
Effect of currency translation	1,171	—
End of period	\$ 124,511	\$ 184,261

The fair value measurement of the contingent consideration obligations was determined using risk-adjusted discount rates ranging from 6.5% to 22.0%. Changes in fair value recorded in earnings related to acquisition-related contingent consideration are included in the 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 Accrued expenses and Other liabilities, respectively, in the Condensed Consolidated Balance Sheets.

The following table presents changes to the Company's liability for acquisition-related contingent consideration during the three months ended March 31, 2016 by acquisition (in thousands):

	Balance as of December 31, 2015	Acquisitions	Fair Value Adjustments and Accretion	Payments and Other	Balance as of March 31, 2016
Qualitest acquisition	\$ 1,137	\$ —	\$ (1,137)	\$ —	\$ —
Sumavel acquisition	631	—	55	—	686
Auxilium acquisition	26,435	—	3,157	(3,081)	26,511
Lehigh Valley Technologies, Inc. acquisitions	97,003	—	(12,710)	(6,393)	77,900
Other	18,296	—	1,118	—	19,414
Total	\$ 143,502	\$ —	\$ (9,517)	\$ (9,474)	\$ 124,511

The following is a summary of available-for-sale securities held by the Company at March 31, 2016 and December 31, 2015 (in thousands):

	Available-for-sale			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
March 31, 2016				
Money market funds	\$ 56,135	\$ —	\$ —	\$ 56,135
<i>Total included in cash and cash equivalents</i>	\$ —	\$ —	\$ —	\$ —
<i>Total included in restricted cash and cash equivalents</i>	\$ 56,135	\$ —	\$ —	\$ 56,135
Equity securities	\$ 26	\$ 13	\$ —	\$ 39
<i>Total other short-term available-for-sale securities</i>	\$ 26	\$ 13	\$ —	\$ 39
Equity securities	\$ 1,766	\$ 675	\$ —	\$ 2,441
<i>Long-term available-for-sale securities</i>	\$ 1,766	\$ 675	\$ —	\$ 2,441

	Available-for-sale			Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	
December 31, 2015				
Money market funds	\$ 51,145	\$ —	\$ —	\$ 51,145
<i>Total included in cash and cash equivalents</i>	\$ 3	\$ —	\$ —	\$ 3
<i>Total included in restricted cash and cash equivalents</i>	\$ 51,142	\$ —	\$ —	\$ 51,142
Equity securities	\$ 24	\$ 10	\$ —	\$ 34
<i>Total other short-term available-for-sale securities</i>	\$ 24	\$ 10	\$ —	\$ 34
Equity securities	\$ 1,766	\$ 2,089	\$ —	\$ 3,855
<i>Long-term available-for-sale securities</i>	\$ 1,766	\$ 2,089	\$ —	\$ 3,855

Nonrecurring Fair Value Measurements

The Company's financial assets and liabilities measured at fair value on a nonrecurring basis as of March 31, 2016 were as follows (in thousands):

	Fair Value Measurements at Reporting Date using:			Total Expense for the Three Months Ended March 31, 2016
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets:				
Certain Astora property, plant and equipment (Note 3)	\$ —	\$ —	\$ —	\$ (4,892)
Certain U.S. Generic Pharmaceuticals intangible assets (Note 9)	—	—	45,522	(129,625)
Certain Astora intangible assets (Note 3)	—	—	—	(16,287)
Total	\$ —	\$ —	\$ 45,522	\$ (150,804)

NOTE 8. INVENTORIES

Inventories consist of the following at March 31, 2016 and December 31, 2015 (in thousands):

	March 31, 2016	December 31, 2015
Raw materials (1)	\$ 206,404	\$ 210,038
Work-in-process (1)	134,017	177,821
Finished goods (1)	330,033	364,634
Total	\$ 670,454	\$ 752,493

(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 March 31, 2016 and December 31, 2015, \$26.5 million and \$24.9 million, respectively, of long-term inventory was included in Other assets in the Condensed Consolidated Balance Sheets.

NOTE 9. GOODWILL AND OTHER INTANGIBLES**Goodwill**

Changes in the carrying amount of our goodwill for the three months ended March 31, 2016 were as follows (in thousands):

	Carrying Amount			
	U.S. Branded Pharmaceuticals	U.S. Generic Pharmaceuticals	International Pharmaceuticals	Total
Balance as of December 31, 2015:				
Goodwill	\$ 1,676,276	\$ 5,789,934	\$ 592,424	\$ 8,058,634
Accumulated impairment losses	(673,500)	—	(85,780)	(759,280)
Balance as of December 31, 2015	<u>\$ 1,002,776</u>	<u>\$ 5,789,934</u>	<u>\$ 506,644</u>	<u>\$ 7,299,354</u>
Measurement period adjustments	—	97,430	435	97,865
Effect of currency translation on gross balance	—	—	29,485	29,485
Effect of currency translation on accumulated impairment	—	—	(1,922)	(1,922)
Balance as of March 31, 2016:				
Goodwill	\$ 1,676,276	\$ 5,887,364	\$ 622,344	\$ 8,185,984
Accumulated impairment losses	(673,500)	—	(87,702)	(761,202)
	<u>\$ 1,002,776</u>	<u>\$ 5,887,364</u>	<u>\$ 534,642</u>	<u>\$ 7,424,782</u>

Other Intangible Assets

The following is a summary of other intangibles held by the Company at March 31, 2016 and December 31, 2015 (in thousands):

Cost basis:	Balance as of December 31, 2015	Acquisitions (1)	Impairments (2)	Other (3)	Effect of Currency Translation	Balance as of March 31, 2016
Indefinite-lived intangibles:						
In-process research and development	\$ 1,742,880	\$ (114,200)	\$ (55,100)	\$ (3,821)	\$ 3,027	\$ 1,572,786
Total indefinite-lived intangibles	\$ 1,742,880	\$ (114,200)	\$ (55,100)	\$ (3,821)	\$ 3,027	\$ 1,572,786
Definite-lived intangibles:						
Licenses (weighted average life of 10 years)	\$ 676,867	\$ —	\$ —	\$ —	\$ —	\$ 676,867
Customer relationships (weighted average life of 15 years)	11,318	—	(11,318)	—	—	—
Tradenames (weighted average life of 12 years)	7,537	—	—	—	(5)	7,532
Developed technology (weighted average life of 12 years)	6,731,573	(32,300)	(89,525)	1,862	31,986	6,643,596
Total definite-lived intangibles (weighted average life of 11 years)	\$ 7,427,295	\$ (32,300)	\$ (100,843)	\$ 1,862	\$ 31,981	\$ 7,327,995
Total other intangibles	\$ 9,170,175	\$ (146,500)	\$ (155,943)	\$ (1,959)	\$ 35,008	\$ 8,900,781
Accumulated amortization:						
Indefinite-lived intangibles:						
In-process research and development	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Total indefinite-lived intangibles	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Definite-lived intangibles:						
Licenses	\$ (508,225)	\$ (14,881)	\$ —	\$ —	\$ —	\$ (523,106)
Customer relationships	(7,858)	—	7,858	—	—	—
Tradenames	(6,544)	(22)	—	—	—	(6,566)
Developed technology	(818,606)	(196,766)	2,173	322	(3,846)	(1,016,723)
Total definite-lived intangibles	\$ (1,341,233)	\$ (211,669)	\$ 10,031	\$ 322	\$ (3,846)	\$ (1,546,395)
Total other intangibles	\$ (1,341,233)	\$ (211,669)	\$ 10,031	\$ 322	\$ (3,846)	\$ (1,546,395)
Net other intangibles	\$ 7,828,942					\$ 7,354,386

(1) Includes measurement period adjustments relating to the Par acquisition, partially offset by the capitalization of payments relating to XIAFLEX®.

(2) Includes the impairment of certain intangible assets of our U.S. Generic Pharmaceuticals segment of approximately \$129.6 million, and the impairment of certain intangible assets in connection with the wind down of our Astora business, with a net impairment of approximately \$16.3 million, which is reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for the three months ended March 31, 2016. See Note 3. Discontinued Operations and Held for Sale for further information relating to the Astora wind down.

(3) Includes the sale of certain intangible assets in our International Pharmaceuticals segment, partially offset by certain IPR&D assets totaling \$3.8 million being placed into service.

Amortization expense for the three months ended March 31, 2016 and 2015 totaled \$211.7 million and \$95.3 million, respectively. Estimated amortization of intangibles for the five fiscal years subsequent to December 31, 2015 is as follows (in thousands):

2016	\$	807,613
2017	\$	690,977
2018	\$	609,018
2019	\$	549,786
2020	\$	522,080

Changes in the gross carrying amount of our other intangibles for the three months ended March 31, 2016 were as follows (in thousands):

		Gross Carrying Amount
December 31, 2015	\$	9,170,175
Impairment of certain Astora intangible assets		(26,318)
Capitalization of payments relating to XIAFLEX®		8,000
Sale of certain International Pharmaceuticals intangible assets		(1,959)
Impairment of certain U.S. Generic Pharmaceuticals intangible assets		(129,625)
Measurement period adjustments relating to acquisitions closed during 2015		(154,500)
Effect of currency translation		35,008
March 31, 2016	\$	8,900,781

Impairments

U.S. Generic Pharmaceuticals Segment

During the three months ended March 31, 2016, the Company identified certain market and regulatory conditions impacting the commercial potential of certain indefinite and definite-lived intangible assets in our U.S. Generic Pharmaceuticals segment. Accordingly, we tested these assets for impairment and determined that the carrying value of certain of these assets was no longer fully recoverable, resulting in pre-tax, non-cash asset impairment charges of \$29.3 million during the first quarter of 2016. In addition, the Company recognized pre-tax, non-cash asset impairment charges of \$100.3 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, which resulted from the discontinuation of certain commercial products and the abandonment of certain IPR&D projects. See Note 4. Restructuring for discussion of our material restructuring initiatives.

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.

The Company and its subsidiaries are generally required to make upfront payments as well as other payments upon successful completion of regulatory or sales milestones. In addition, these agreements generally require our subsidiaries to pay royalties on sales of the products arising from these agreements. These agreements generally permit termination by our subsidiaries with no significant continuing obligation.

Novartis AG, Novartis Consumer Health, Inc. and Sandoz, Inc.

The Company has exclusive U.S. marketing rights to Voltaren® Gel (Voltaren® Gel) pursuant to a License and Supply Agreement entered into in 2008 with and among Novartis AG and Novartis Consumer Health, Inc. (Novartis) (the 2008 Voltaren® Gel Agreement). Effective March 1, 2015, Novartis Consumer Health, Inc. assigned the 2008 Voltaren® Gel Agreement to its affiliate, Sandoz, Inc. On December 11, 2015, the Company, Novartis AG and Sandoz entered into a new License and Supply Agreement (as amended and in effect the 2015 Voltaren® Gel Agreement) effectively renewing our exclusive U.S. marketing and license rights to commercialize Voltaren® Gel (the Branded Licensed Product) and granting the Company the exclusive right to launch an authorized generic of Voltaren® Gel (the Generic Licensed Product, and, together with the Branded Licensed Product, the Licensed Product). Pursuant to the 2015 Voltaren® Gel Agreement, the former 2008 Voltaren® Gel Agreement will expire on June 30, 2016 in accordance with its terms. The 2015 Voltaren® Gel Agreement will become effective on July 1, 2016 and will be accounted for as a business combination as of the effective date. The initial term of the 2015 Voltaren® Gel Agreement will expire on June 30, 2023 with an automatic extension of the term for one year thereafter unless a written notice of non-extension is provided at least six months in

advance of termination. Voltaren® Gel royalties incurred during the three months ended March 31, 2016 and 2015 were \$7.0 million and \$7.5 million, respectively, representing minimum royalties pursuant to the 2008 Voltaren® Gel Agreement.

Under the 2008 Voltaren® Gel Agreement, the Company agreed (i) to make certain guaranteed minimum annual royalty payments beginning in the fourth year of the 2008 Voltaren® Gel Agreement (2008 Guaranteed Minimum Annual Royalty Payment), (ii) to expend a minimum amount of annual advertising and promotional expenses (A&P Expenditures) on the commercialization of Voltaren® Gel and (iii) to perform a minimum number of face-to-face one-on-one discussions with physicians and other health care practitioners (Details), each subject to certain limitations set forth in the 2008 Voltaren® Gel Agreement, including the requirement that a third party generic equivalent product is not launched. Under the 2015 Voltaren® Gel Agreement, the Company agreed to make certain guaranteed minimum annual royalty payments (2015 Guaranteed Minimum Annual Royalty Payment) subject to certain limitations set forth in the 2015 Voltaren® Gel Agreement, including the requirement that a third party generic equivalent product is not launched. In March 2016, Amneal Pharmaceuticals LLC (Amneal) launched a generic equivalent of Voltaren® Gel and, therefore, the Company's obligations to make the 2008 Guaranteed Minimum Annual Royalty Payment, to expend A&P Expenditures and to perform Details for the remainder of the term of the 2008 Voltaren® Gel Agreement terminated as of the date of the launch of the generic equivalent product by Amneal. In addition, the Company's obligation to make the 2015 Guaranteed Minimum Annual Royalty Payment also terminated. Amounts incurred for such A&P Expenditures during the three months ended March 31, 2016 and 2015 were \$2.2 million and \$0.8 million, respectively.

BioSpecifics Technologies Corp.

The Company, through an affiliate, is party to a development and license agreement, as amended (the BioSpecifics Agreement) with BioSpecifics Technologies Corp. (BioSpecifics). The BioSpecifics Agreement was originally entered into by Auxilium in June 2004 to obtain exclusive worldwide rights to develop, market and sell certain products containing BioSpecifics' enzyme, which we refer to as XIAFLEX®. Auxilium's licensed rights concern the development and commercialization of products, other than dermal formulations labeled for topical administration, and currently, Auxilium's licensed rights cover the indications of Dupuytren's contracture (DC), Dupuytren's Nodules, Peyronie's Disease (PD), Adhesive Capsulitis, cellulite, canine lipomas, Planter Fibromatosis and Lateral Hip Fat. Auxilium may further expand the BioSpecifics Agreement, at its option, to cover other indications as they are developed by Auxilium or BioSpecifics.

Under the BioSpecifics Agreement, we are responsible, at our own cost and expense, for developing the formulation and finished dosage form of products and arranging for the clinical supply of products. BioSpecifics is currently conducting exploratory clinical trials evaluating XIAFLEX® as a treatment for a number of conditions, including lipomas in humans and uterine fibroids. The Company has the option to license development and marketing rights to these indications based on a full analysis of the data from the clinical trials, which would transfer responsibility for the future development costs to the Company and trigger opt-in payments and potential future milestone and royalty payments to BioSpecifics.

The BioSpecifics Agreement extends, on a country-by-country and product-by-product basis, for the longer of the patent life, the expiration of any regulatory exclusivity period or twelve years from the effective date. Either party may terminate the BioSpecifics Agreement as a result of the other party's breach or bankruptcy. We may terminate the BioSpecifics Agreement with 90 days' written notice.

We must pay BioSpecifics on a country-by-country and product-by-product basis a specified percentage within a range of 5% to 15% of net sales for products covered by the BioSpecifics Agreement. This royalty applies to net sales by the Company or its sublicensees, including Actelion Pharmaceuticals Ltd (Actelion), Asahi Kasei Pharma Corporation (Asahi Kasei) and Swedish Orphan Biovitrum AB (Sobi). We are also obligated to pay a percentage of any future regulatory or commercial milestone payments received from such sublicensees. In addition, the Company and its affiliates pay BioSpecifics an amount equal to a specified mark-up on certain cost of goods related to supply of XIAFLEX® (which mark-up is capped at a specified percentage within the range of 5% to 15% of the cost of goods of XIAFLEX®) for products sold by the Company and its affiliates.

NOTE 11. DEBT

The following table presents the carrying amounts of the Company's total indebtedness at March 31, 2016 and December 31, 2015 (in thousands):

	March 31, 2016		December 31, 2015	
	Principal Amount	Unamortized Discount and Deferred Loan Costs	Principal Amount	Unamortized Discount and Deferred Loan Costs
7.25% Senior Notes due 2022	\$ 400,000	\$ (12,127)	\$ 400,000	\$ (12,535)
5.75% Senior Notes due 2022	700,000	(9,739)	700,000	(10,088)
5.375% Senior Notes due 2023	750,000	(10,206)	750,000	(10,511)
6.00% Senior Notes due 2023	1,635,000	(26,968)	1,635,000	(27,694)
6.00% Senior Notes due 2025	1,200,000	(22,245)	1,200,000	(22,713)
Term Loan A Facility Due 2019	1,003,750	(12,616)	1,017,500	(13,831)
Term Loan B Facility Due 2021	2,793,000	(48,213)	2,800,000	(49,900)
Revolving Credit Facility	225,000	—	225,000	—
Other debt	134	—	134	—
Total long-term debt, net	\$ 8,706,884	\$ (142,114)	\$ 8,727,634	\$ (147,272)
Less current portion, net	335,579	—	328,705	—
Total long-term debt, less current portion, net	\$ 8,371,305	\$ (142,114)	\$ 8,398,929	\$ (147,272)

The total fair value of the Company's Total long-term debt, net at March 31, 2016 and December 31, 2015, was \$8.4 billion and \$8.6 billion, respectively.

The fair value of the Company's long-term debt is estimated using the quoted market prices for the same or similar debt issuances. Based on this valuation methodology, we determined these debt instruments represent Level 2 measurements within the fair value hierarchy.

Credit Facility

There were \$225.0 million in revolving loans at March 31, 2016. We have \$773.0 million of remaining credit available through the revolving credit facilities as of March 31, 2016.

The Company's 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 capital expenditures, asset sales, mergers and acquisitions, indebtedness, liens, dividends, investments and transactions with the Company's affiliates. As of March 31, 2016, we were in compliance with all such covenants.

NOTE 12. COMMITMENTS AND CONTINGENCIES

Manufacturing, Supply and Other Service Agreements

Our subsidiaries contract with various third party manufacturers, suppliers and service providers to provide raw materials used in our subsidiaries' products and semi-finished and finished goods, as well as certain packaging, labeling services, customer service support, warehouse and distribution services. These contracts include agreements with Novartis Consumer Health, Inc., Novartis AG, and Sandoz, Inc. (collectively, Novartis), Teikoku Seiyaku Co., Ltd., Noramco, Inc., Grünenthal GmbH, Sharp Corporation, UPS Supply Chain Solutions, Inc. and Jubilant HollisterStier Laboratories LLC. If, for any reason, we are unable to obtain sufficient quantities of any of the finished goods or raw materials or components required for our products or services needed to conduct our business, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

In addition to the manufacturing and supply agreements described above, we have agreements with various companies for clinical development services. Although we have no reason to believe that the parties to these agreements will not meet their obligations, failure by any of these third parties to honor their contractual obligations may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Teikoku Seiyaku Co., Ltd.

Under the terms of the Company's agreement (the Teikoku Agreement) with Teikoku Seiyaku Co. Ltd. (Teikoku), during the three months ended March 31, 2016 and 2015, we recorded \$3.8 million and \$5.0 million of royalties to Teikoku, respectively. These

amounts were included in our Condensed Consolidated Statements of Operations as Cost of revenues. At March 31, 2016, \$3.8 million was recorded as a royalty payable and included in Accounts payable in the accompanying Condensed Consolidated Balance Sheets.

The Teikoku Agreement will not expire until December 31, 2021, unless terminated in accordance with its terms. After December 31, 2021, the Teikoku Agreement shall be automatically renewed on the first day of January each year unless terminated in accordance with its terms. Either party may terminate the Teikoku Agreement, following a 45-day cure period, in the event that the Company fails to issue firm purchase orders for the annual minimum quantity for each year after 2017. The Company is the exclusive licensee for any authorized generic for Lidoderm® until August 15, 2017.

Noramco, Inc.

Pursuant to the terms of the Company's 2012 agreement with Noramco, the Company made payments to Noramco during the three months ended March 31, 2016 and 2015 totaling \$8.4 million and \$6.5 million, respectively. These payments are recorded in Cost of revenues in our Condensed Consolidated Statements of Operations.

Grünenthal GmbH

Pursuant to the terms of the Company's December 2007 License, Development and Supply Agreement with Grünenthal, the Company made payments to Grünenthal during the three months ended March 31, 2016 and 2015 totaling \$7.2 million and \$7.5 million, respectively. These payments are recorded in Cost of revenues in our Condensed Consolidated Statements of Operations.

Legal Proceedings

We and certain of our subsidiaries are involved in various claims, legal proceedings and governmental investigations that arise from time to time in the ordinary course of our business, including those relating to product liability, intellectual property, regulatory compliance and commercial matters. These and other 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. While we cannot predict the outcome of these legal proceedings and we intend to defend vigorously our position, 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.

As of March 31, 2016, our reserve for loss contingencies totaled \$1.95 billion, of which \$1.90 billion relates to our product liability accrual for vaginal mesh cases. We had previously announced that we had reached master settlement agreements with several of the leading plaintiffs' law firms to resolve claims relating to vaginal mesh products sold by our AMS subsidiary. The agreements were entered into solely by way of compromise and settlement and are not in any way an admission of liability or fault. 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

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 of our products and the products of our subsidiaries. These matters are described below in more detail.

We believe that certain settlements and judgments, as well as legal defense costs, relating to certain product liability matters are or may be covered in whole or in part under our product liability 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 product liability insurance policies will likely 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.

Vaginal Mesh Cases. In October 2008, the FDA issued a Public Health Notification (October 2008 Public Health Notification) regarding potential complications associated with transvaginal placement of surgical mesh to treat pelvic organ prolapse (POP) and stress urinary incontinence (SUI). The notification provides recommendations and encourages physicians to seek specialized training in mesh procedures, to advise their patients about the risks associated with these procedures and to be diligent in diagnosing and reporting complications.

In July 2011, the FDA issued an update to the October 2008 Public Health Notification regarding mesh to further advise the public and the medical community of the potential complications associated with transvaginal placement of surgical mesh to treat POP and SUI. In the July 2011 update, the FDA stated that adverse events are not rare. Furthermore, the FDA questioned the relative effectiveness of transvaginal mesh as a treatment for POP as compared to non-mesh surgical repair. The July 2011 notification continued to encourage physicians to seek specialized training in mesh procedures, to consider and to advise their patients about the risks associated with these procedures and to be diligent in diagnosing and reporting complications. In January 2016, the FDA issued a

statement reclassifying surgical mesh for transvaginal POP repair from Class II to Class III. Surgical mesh for SUI repair remains a Class II device.

In January 2012, the FDA ordered manufacturers of transvaginal surgical mesh used for POP and of single incision mini-slings for urinary incontinence, such as our AMS subsidiary, to conduct post-market safety studies and to monitor adverse event rates relating to the use of these products. AMS received a total of 19 class-wide post-market study orders regarding its pelvic floor repair and mini-sling products; however, the FDA agreed to place 16 of these study orders on hold for a variety of reasons. AMS commenced three of these post-market study orders; however, it recently notified the FDA of its termination of these studies and is in the process of winding them down in connection with the wind down of our Astora business.

Since 2008, we and certain of our subsidiaries, including AMS and/or Astora, have been named as defendants in multiple lawsuits in the U.S. in various state courts and in a multidistrict litigation (MDL) in the Southern District of West Virginia (MDL No. 2325), in Canada, where various class action and individual complaints are pending, and in other countries alleging personal injury resulting from the use of transvaginal surgical mesh products designed to treat POP and SUI. Plaintiffs in these suits allege various personal injuries including chronic pain, incontinence and 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 settlement agreements regarding settling up to approximately 49,000 filed and unfiled mesh claims handled or controlled by the participating counsel. These MSAs, which were executed at various times since June 2013, were entered into solely by way of compromise and settlement and are 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 Qualified Settlement Funds (QSFs) into which funds may be deposited pursuant to certain schedules set forth in those agreements. All MSAs have participation thresholds requiring participation by the majority of claims represented by each law firm party to the MSA. If certain participation thresholds are not met, then we will have the right to terminate the settlement with that law firm. 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 a dismissal of the entire action or claim as to all AMS parties and affiliates. Prior to receiving funds, an individual claimant shall represent and warrant that liens, assignment rights or other claims that are identified in the claims administration process have been or will be satisfied by the individual claimant. 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 settlement, shall be kept confidential by all parties and their counsel.

We expect that valid claims under the MSAs will continue to be settled. However, we intend to vigorously contest pending and future claims that are invalid or in excess of the maximum claim amounts under the MSAs. We are also aware of a substantial number of additional claims or potential claims, some of which may be invalid or contested, for which we lack sufficient information to determine whether any potential liability is probable, and such claims have not been included in our estimated product liability accrual. We intend to contest these claims vigorously.

As of the date of this report, we believe that the current product liability accrual includes all known claims for which liability is probable and estimable. In order to evaluate whether a mesh claim is probable of a loss, we must obtain and evaluate certain information pertaining to each individual claim, including but not limited to the following items: the name and social security number of the plaintiff, evidence of an AMS implant, the date of implant, the date the claim was first asserted to AMS, the date that plaintiff's counsel was retained, and most importantly, medical records establishing the injury alleged. Without access to at least this information and the opportunity to evaluate it, we are not in a position to determine whether a loss is probable for such claims. It is currently not possible to determine the validity or outcome of any additional or potential claims and such claims may result in additional losses that could have a material adverse effect on our business, financial condition, results of operations and cash flow. We will continue to monitor the situation, including with respect to any additional claims of which we may later become aware, and, if appropriate, make further adjustments to the product liability accrual based on new information.

The following table presents the changes in the vaginal mesh QSFs and product liability balance during the three months ended March 31, 2016 (in thousands):

	Qualified Settlement Funds	Product Liability
Balance as of December 31, 2015	\$ 578,970	\$ 2,086,176
Additional charges	—	2,450
Cash distributions to Qualified Settlement Funds	120,919	—
Cash distributions to settle disputes from Qualified Settlement Funds	(184,678)	(184,678)
Cash distributions to settle disputes	—	(1,561)
Balance as of March 31, 2016	<u>\$ 515,211</u>	<u>\$ 1,902,387</u>

Approximately \$1.53 billion of the total liability amount shown above is classified as Current portion of legal settlement accrual, with the remainder to be paid over time in accordance with the MSA agreements and classified as Long-term legal settlement accrual, less current portion, net in the March 31, 2016 Condensed Consolidated Balance Sheets. Charges related to vaginal mesh product liability for all periods presented are reported in Discontinued operations, net of tax in our Condensed Consolidated Statements of Operations.

We expect to fund the payments under all current settlement agreements over the course of the next two years, with completion by December 31, 2017. As the funds are disbursed out of the QSFs from time to time, the product 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 product liability accrual but will not decrease restricted cash and cash equivalents.

In addition, we have been contacted regarding a civil investigation that has been 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 have subsequently received additional subpoenas from other states. We are currently cooperating with this investigation. At this time, we cannot predict or determine the outcome of this investigation or reasonably estimate the amount or range of amounts of fines or penalties, if any, that might result from a settlement or an adverse outcome from this investigation.

Testosterone Cases. We and certain of our subsidiaries, including EPI and Auxilium Pharmaceuticals, Inc. (Auxilium), along with other pharmaceutical manufacturers, have been named as defendants in lawsuits alleging personal injury resulting from the use of prescription medications containing testosterone, including Fortesta[®] Gel, Delatestryl[®], Testim[®], TESTOPEL[®] and Striant[®]. Plaintiffs in these suits allege various personal injuries, including pulmonary embolism, stroke and other vascular and/or cardiac injuries and seek compensatory and/or punitive damages, where available. In June 2014, an MDL was formed to include claims involving all testosterone replacement therapies filed against EPI, Auxilium, and other manufacturers of such products, and certain transferable cases pending in federal court were coordinated in the Northern District of Illinois as part of MDL No. 2545. In addition to the federal cases filed against EPI and Auxilium that have been transferred to the Northern District of Illinois as tag-along actions to MDL No. 2545, litigation has also been filed against EPI in the Court of Common Pleas Philadelphia County and in certain other state courts. Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions, and cases brought in federal court will be transferred to the Northern District of Illinois as tag-along actions to MDL No. 2545. However, we cannot predict the timing or outcome of any such litigation, or whether any such additional litigation will be brought against us. We intend to contest the litigation vigorously and to explore all options as appropriate in our best interest. As of April 29, 2016, approximately 1,111 cases are currently pending against us; some of which may have been filed on behalf of multiple plaintiffs, and including a class action complaint filed in Canada.

In November 2015, the U.S. District Court for the Northern District of Illinois entered an order granting defendants' motion to dismiss claims involving certain testosterone products that were approved pursuant to abbreviated new drug applications, including TESTOPEL[®]. Plaintiffs filed a motion for reconsideration and clarification of this order. In March 2016, the District 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.

In November 2014, a civil class action complaint was filed in 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 had paid for certain testosterone products, alleging that the marketing efforts of EPI, Auxilium, and other defendant manufacturers with respect to certain testosterone products constituted racketeering activity in violation of 18 U.S.C. §1962(c), and other civil Racketeer Influenced and Corrupt Organizations Act claims. Further, the complaint alleges that EPI, Auxilium, and other defendant manufacturers violated various state consumer protection laws through their marketing of certain testosterone products and raises other state law claims. In March 2015, defendants filed a motion to dismiss the complaint and plaintiffs responded by filing amended complaints. In February 2016, the District Court granted in part and denied in part defendants' motion to dismiss. The

District Court declined to dismiss plaintiffs' claims for conspiracy to commit racketeering activity in violation of 18 U.S.C. §1962(d) and claims for negligent misrepresentation. In April 2016, plaintiffs filed a third amended complaint. In October 2015, a similar civil class action complaint was filed against EPI and other defendant manufacturers in the Northern District of Illinois. Similar litigation may be brought by other plaintiffs. We are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for this matter, if any, but we will explore all options as appropriate in our best interest.

Qualitest Pharmaceuticals Civil Investigative Demands

In April 2013, our subsidiaries, EPI and Qualitest, received Civil Investigative Demands (CIDs) from the U.S. Attorney's Office for the Southern District of New York. The CIDs request documents and information regarding the manufacture and sale of chewable fluoride tablets and other products sold by Qualitest. EPI and Qualitest reached a resolution of potential claims of the federal government and numerous states related to the manufacture and sale of certain chewable fluoride tablets that were the subject of these CIDs. In December 2015, that settlement with the federal government was approved by the U.S. District Court for the Southern District of New York. In February 2016, the settlement with the states was approved by the District Court. All settlement amounts pursuant to these agreements have been paid as of March 31, 2016.

Unapproved Drug Litigation

In September 2013, the State of Louisiana filed a Petition for Damages against certain of our subsidiaries, EPI, Qualitest and Boca, and over 50 other pharmaceutical companies alleging the defendants or their subsidiaries marketed products that were not approved by the FDA. See *State of Louisiana v. Abbott Laboratories, Inc., et al.*, C624522 (19th Jud. Dist. La.). The State of Louisiana sought damages, fines, penalties, attorneys' fees and costs under various causes of action. In October 2015, the court ordered judgment for Defendants on their exception for no right of action. The case is currently on appeal to the Louisiana Court of Appeals, First District.

We intend to contest the above case vigorously and to explore other options as appropriate in our best interest. Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions. However, we cannot predict the timing or outcome of any such litigation, or whether any such litigation will be brought against us. We are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for this matter, if any.

Opioid-Related Litigations, Subpoenas and Document Requests

In June 2014, Corporation Counsel for the City of Chicago filed suit in Illinois state court against multiple defendants, including our subsidiaries, Endo Health Solutions Inc. (EHSI) and EPI, for alleged violations of city ordinances and other laws relating to defendants' alleged opioid sales and marketing practices. In June 2014, the case was removed to the U.S. District Court for the Northern District of Illinois. In December 2014, defendants moved to dismiss the Amended Complaint and in May 2015, the District Court issued an order granting that motion in part, dismissing the case as to EHS and EPI. In August 2015, plaintiff filed its Second Amended Complaint against multiple defendants, including EPI and ESHI. In November 2015, defendants moved to dismiss the Second Amended Complaint.

In May 2014 and in June 2014, a lawsuit was filed in California Superior Court (Orange County) in the name of the People of the State of California, acting by and through County Counsel for Santa Clara County and the Orange County District Attorney, against multiple defendants, including our subsidiaries EHSI and EPI. The complaint asserts violations of California's statutory Unfair Competition and False Advertising laws, as well as asserting a claim for public nuisance, based on alleged misrepresentations in connection with sales and marketing of opioids, including OPANA[®]. Plaintiff seeks declaratory relief, restitution, civil penalties (including treble damages), abatement, an injunction, and attorneys' fees and costs. Defendants, which include our subsidiaries, filed various motions attacking the pleadings, including one requesting that the Superior Court refrain from proceeding under the doctrines of primary jurisdiction and equitable abstention. That motion was granted in August 2015, and the case has been stayed pending further proceedings and findings by the FDA.

In December 2015, a lawsuit was filed in the Chancery Court of the First Judicial District of Hinds County, Mississippi by the State of Mississippi against multiple defendants, including our subsidiaries EHSI and EPI. The complaint alleges violations of Mississippi's Consumer Protection Act and various other claims arising out of defendants' alleged opioid sales and marketing practices. Plaintiff seeks declaratory relief, restitution, civil penalties, abatement, an injunction, and attorneys' fees and costs. In March 2016, defendants moved to dismiss the complaint.

In September 2013, our subsidiaries EPI and EHSI received a subpoena from the State of New York Office of Attorney General seeking documents and information regarding the sales and marketing of OPANA[®]. In February 2016, EPI and EHSI agreed with the State of New York Office of Attorney General to an Assurance of Discontinuance pursuant to the provisions of New York law, whereby EPI and EHSI agreed to modify certain business practices related to the marketing and sale of OPANA[®], as well as to pay certain monetary penalties. The cost of those penalties has been incorporated into our legal loss contingency reserve.

In September 2014, our subsidiaries EPI and EHSI received a Request for Information from the State of Tennessee Office of the Attorney General and Reporter seeking documents and information regarding the sales and marketing of opioids, including OPANA® ER. We are currently cooperating with the State of Tennessee Office of the Attorney General and Reporter in this investigation.

In August 2015, our subsidiaries EPI and EHSI received a subpoena from the State of New Hampshire Office of the Attorney General seeking documents and information regarding the sales and marketing of opioids, including OPANA® ER. We were cooperating with the State of New Hampshire Office of the Attorney General in its investigation until we learned that it was being assisted in the investigation by outside counsel hired on a contingent fee basis. The New Hampshire Attorney General initiated an action in the Superior Court for the State of New Hampshire to enforce the subpoena despite this contingent fee arrangement, and we (along with other companies that had received similar subpoenas) responded by filing a motion for protective order to preclude the use of contingent fee counsel. In addition, we filed a separate motion seeking declaratory relief. In March 2016, the Superior Court granted the motion for protective order on the grounds that the contingent fee agreement was invalid as *ultra vires* and that the office of the Attorney General had acted outside of its statutory authority in entering into the agreement with the contingent fee counsel. At this time, it is uncertain whether the Attorney General will be able to proceed with contingent fee counsel.

In March 2016, EPI and EHSI received a CID from the Department of Justice for the State of Oregon seeking documents and information regarding the sales and marketing of OPANA® ER. We are currently cooperating with the State of Oregon in its investigation.

With respect to the litigations brought on behalf of the City of Chicago, the People of the State of California and the State of Mississippi, we intend to contest those matters vigorously. We are unable to predict the outcome of these matters or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss, if any, for these matters but will explore all options as appropriate in our best interest.

Antitrust Litigation and Investigations

Multiple direct and indirect purchasers of Lidoderm® have filed a number of cases against our subsidiary EPI and co-defendants Teikoku Seiyaku Co., Ltd., Teikoku Pharma USA, Inc. (collectively, Teikoku) and Actavis plc (now Allergan plc) and a number of its subsidiaries (collectively referred to herein as Allergan, Actavis or Watson). Certain of these actions have been asserted on behalf of classes of direct and indirect purchasers, while others are individual cases brought by one or more alleged direct or indirect purchasers. The complaints in these cases generally allege 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 of the complaints also allege that Teikoku wrongfully listed the '529 patent in the 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 cases allege violations of Sections 1 and 2 of the Sherman Act (15 U.S.C. §§ 1, 2) and various state antitrust and consumer protection statutes as well as common law remedies in some states. These cases generally seek damages, treble damages, disgorgement of profits, restitution, injunctive relief and attorneys' fees.

The U.S. Judicial Panel on Multidistrict Litigation, pursuant to 28 U.S.C. § 1407, issued an order in April 2014 transferring these cases as *In Re Lidoderm Antitrust Litigation*, MDL No. 2521, to the U.S. District Court for the Northern District of California. The cases are in the discovery phase of the litigation in accordance with the pre-trial schedule. Trial is currently scheduled to begin in 2017. Litigation similar to that described above may also be brought by other plaintiffs in various jurisdictions, and cases brought in federal court will be transferred to the Northern District of California as tag-along actions to *In Re Lidoderm Antitrust Litigation*.

Multiple direct and indirect purchasers of OPANA® ER have filed cases against our subsidiaries EHSI and EPI, and other pharmaceutical companies, including Penwest Pharmaceuticals Co., which we subsequently acquired, and Impax Laboratories Inc. (Impax), all of which have been transferred and coordinated for pretrial proceedings in the Northern District of Illinois by the Judicial Panel on Multidistrict Litigation. Some of these cases have been filed on behalf of putative classes of direct and indirect purchasers, while others have been filed on behalf of individual retailers. These cases generally allege that the agreement reached by EPI and Impax to settle patent infringement litigation concerning multiple patents pertaining to OPANA® ER and EPI's introduction of the re-formulation of OPANA® ER violated antitrust laws. The complaints allege violations of Sections 1 and 2 of the Sherman Act (15 U.S.C. §§ 1, 2), various state antitrust and consumer protection statutes, as well as state common law. These cases generally seek damages, treble damages, disgorgement of profits, restitution, injunctive relief and attorneys' fees. In February 2016, the District 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 and (iii) granting defendants' motion to dismiss the complaints filed by certain retailers, but giving them permission to file amended complaints, which they have done. We cannot predict whether or not additional cases similar to those described above will be filed by other plaintiffs or the timing or outcome of any such litigation.

In February 2014, our subsidiary, EPI received a CID (the February 2014 CID) from the U.S. Federal Trade Commission (the FTC). The FTC issued a second CID to EPI in March 2014 (the March 2014 CID). The February 2014 CID requested documents and information concerning EPI's settlement agreements with Actavis and Impax settling the OPANA® ER patent litigation, EPI's Development and Co-Promotion Agreement with Impax, and its settlement agreement with Actavis settling the Lidoderm® patent litigation, as well as information concerning the marketing and sales of OPANA® ER and Lidoderm®. The March 2014 CID requested

documents and information concerning EPI's acquisition of U.S. Patent No. 7,852,482 (the '482 patent), as well as additional information concerning certain litigation relating to, and the marketing and sales of OPANA® ER. The FTC also issued subpoenas for investigational hearings (similar to depositions) to our employees and former employees. In March 2016, the FTC filed a lawsuit in the U.S. District Court for the Eastern District of Pennsylvania against us and our subsidiary EPI, as well as against Allergan, Impax, and Teikoku, alleging generally that the settlement agreements with Actavis and Impax, respectively, constituted, in whole or part, unfair methods of competition in violation Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). The FTC also alleges that one provision of the agreement with Actavis violated Section 7 of the Clayton Act, 15 U.S.C. § 18. The complaint seeks injunctive and declaratory relief and other remedies, including restitution and disgorgement.

We are unable to predict the outcome of these matters or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for these matters, if any, but will explore all options as appropriate in our best interest.

In November 2014, EPI received a CID from the State of Florida Office of the Attorney General issued pursuant to the Florida Antitrust Act of 1980, Section 542.28 and seeking documents and other information concerning EPI's settlement agreement with Actavis settling the Lidoderm® patent litigation, as well as information concerning the marketing and sales of Lidoderm®.

In February 2015, EPI and EHSI received a CID for Production of Documents and Information from the State of Alaska Office of Attorney General issued pursuant to Alaska's Antitrust and Unfair Trade Practices and Consumer Protection law seeking documents and other information concerning settlement agreements with Actavis and Impax settling the OPANA® ER patent litigation as well as information concerning EPI's settlement agreement with Actavis settling the Lidoderm patent litigation, as well as information concerning the marketing and sales of Lidoderm.

In February 2016, EPI received a subpoena from the State of South Carolina Office of the Attorney General seeking documents and other information concerning EPI's settlement agreement with Actavis settling the Lidoderm® patent litigation, as well as information concerning the marketing and sales of Lidoderm®.

In December 2014, our subsidiary, Par, received a Subpoena to Testify Before Grand Jury from the Antitrust Division of the DOJ and issued by the U.S. District Court for the Eastern District of Pennsylvania. The subpoena requests 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. Par is currently cooperating fully with the investigation.

In January 2009, the FTC filed a lawsuit against our subsidiary, Par, in the U.S. District Court for the Central District of California, which was subsequently transferred to the U.S. District Court for the Northern District of Georgia, and which alleged violations of antitrust law arising out of Par's settlement of certain patent litigation concerning the generic version of AndroGel®. The FTC complaint generally seeks a finding that Par's settlement agreement violates Section 5(a) of the Federal Trade Commission Act, and a permanent injunction against Par's ability to engaged in certain types of patent settlements in the future. Beginning in February 2009, certain private plaintiffs, including distributors and retailers, filed similar litigation. Generally, the private plaintiff suits seek equitable relief, unspecified damages and costs.

In February 2010, the District Court granted a motion to dismiss the FTC's claims and granted in part and denied in part a motion to dismiss the claims of the private plaintiffs. In April 2012, the U.S. Court of Appeals for the 11th Circuit affirmed the District Court's decision on the motion to dismiss the FTC's claims. In September 2012, the District Court granted a motion for summary judgment against the private plaintiffs' claims of sham litigation. In July 2013, the Supreme Court of the U.S. reversed the Court of Appeals' and District Court's decisions and remanded the case to the District Court for further proceedings. We intend to contest this litigation vigorously and to explore all options as appropriate in our best interest.

In February 2015, Par received a CID from the Office of the Attorney General for the State of Alaska seeking production of certain documents and information regarding Par's settlement of the AndroGel® patent litigation as well as documents produced in the on-going litigation filed by the FTC.

We are currently cooperating with the DOJ, the State of Florida Office of the Attorney General, the State of Alaska Office of the Attorney General and the State of South Carolina Office of the Attorney General in their respective investigations. Investigations similar to these antitrust matters described above may be brought by others. We are unable to predict the outcome of these investigations or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for these investigations, if any, but will explore all options as appropriate in our best interest.

False Claims Act Litigation

The Attorneys General of Florida, Indiana and Virginia and the U.S. Office of Personnel Management (the USOPM) have issued subpoenas, and the Attorneys General of Michigan, Tennessee, Texas, and Utah have issued CIDs, to our subsidiary, Par, among other companies. The demands generally request documents and information pertaining to allegations that certain of Par's sales and marketing practices caused pharmacies to substitute ranitidine capsules for ranitidine tablets, fluoxetine tablets for fluoxetine capsules, and two 7.5 mg buspirone tablets for one 15 mg buspirone tablet, under circumstances in which some state Medicaid programs at

various times reimbursed the new dosage form at a higher rate than the dosage form being substituted. Par has provided documents in response to these subpoenas to the respective Attorneys General and the USOPM. The aforementioned subpoenas and CIDs culminated in the federal and state law qui tam action brought on behalf of the U.S. and several states by Bernard Lisitza. The complaint was unsealed in August 2011. Lisitza's corrected second amended complaint generally seeks (i) a finding that defendants violated and be enjoined from future violations of the federal False Claims Act and state false claims acts; (ii) treble damages and maximum civil penalties for each violation of the federal False Claims Act and state false claims acts; (iii) an applicable percentage share of the proceeds; and (iv) expenses, fees, and costs. The U.S. intervened in this action and filed a separate complaint in September 2011, alleging claims for violations of the Federal False Claims Act and common law fraud. The U.S.'s second corrected complaint generally seeks (i) treble damages and civil penalties for violations under the federal False Claims Act and (ii) compensatory and punitive damages for common law fraud. The states of Michigan and Indiana have also intervened as to claims arising under their respective state false claim acts, common law fraud, and unjust enrichment. Michigan's complaint generally seeks (i) treble damages and civil penalties and (ii) common law compensatory and punitive damages. Indiana's amended complaint generally seeks treble damages, costs, and attorney's fees. We intend to vigorously defend these lawsuits. At this time, we are unable to predict the outcome of this matter or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss for this matter, if any.

Pricing Matters

In March 2016, EPI received a CID from the U.S. Attorney's Office for the Southern District of New York. The CID requests documents and information regarding contracts with Pharmacy Benefit Managers regarding Frova[®]. We are currently cooperating with this investigation. We are unable to predict the outcome of these matters or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss, if any, for these matters but will explore all options as appropriate in our best interest.

Beginning in January 2016, several complaints, including multiple class action complaints, have been filed in the Philadelphia Court of Common Pleas and the U.S. Court for the Eastern District of Pennsylvania against us and certain of our subsidiaries, including Par, along with other manufacturers of certain generic pharmaceutical products, seeking compensatory and punitive or treble damages, as well as injunctive relief and alleging that certain marketing and pricing practices by the defendant companies violated state law, including consumer protection law and/or federal and state antitrust laws. Additional similar claims may be brought by other plaintiffs in various jurisdictions.

In December 2015, EPI received Interrogatories and Subpoena Duces Tecum from the State of Connecticut Office of Attorney General requesting information regarding pricing of certain of its generic products, including Doxycycline Hyclate, Amitriptyline Hydrochloride, Doxazosin Mesylate, Methotrexate Sodium and Oxybutynin Chloride. We are currently cooperating with this investigation.

We are unable to predict the outcome of these matters or the ultimate legal and financial liability, if any, and at this time cannot reasonably estimate the possible loss or range of loss, if any, for these matters but will explore all options as appropriate in our best interest.

Megace ES[®] (megestrol acetate oral suspension) Cases

In September 2011, our subsidiary, Par, along with EDT Pharma Holdings Ltd. (Elan) (now known as Alkermes Pharma Ireland Limited), filed a complaint against TWi Pharmaceuticals, Inc. (TWi) in the U.S. District Court for the District of Maryland alleging infringement of U.S. Patent No. 7,101,576 because TWi filed an ANDA with a Paragraph IV certification seeking FDA approval of a generic version of Megace[®] ES. A bench trial was held in October 2013, and in February 2014, the District Court issued a decision in favor of TWi, finding all asserted claims of the 7,101,576 patent invalid for obviousness. Par appealed. In August 2014, the District Court issued a preliminary injunction enjoining TWi's launch of its generic product pending disposition of the appeal. In December 2014, the Federal Circuit reversed the District Court's decision, remanding for further findings of fact. In March 2015, the District Court issued another preliminary injunction enjoining TWi's launch of its generic product pending disposition of the case on remand. In July 2015, the District Court issued a new decision in favor of TWi, finding all of the asserted claims invalid, and TWi launched its generic product. Par appealed again, and in December 2015, the District Court's decision in favor of TWi was affirmed without opinion. On February 22, 2016, TWi moved the District Court to recover its lost profits, which TWi alleges in the amount of \$16 million, resulting from the previous injunctions to which the District Court subjected TWi, as well as attorneys' fees and costs. Par has opposed TWi's motion. We believe that a loss is probable and we have incorporated our best estimate of this loss into our reserve for loss contingencies. It is possible that the outcome of this matter could result in an additional loss above the amount reserved.

In June 2013, Par, along with Alkermes Pharma Ireland Limited, filed a complaint against Breckenridge Pharmaceutical, Inc. in the U.S. District Court for the District of Delaware, alleging infringement of U.S. Patent Nos. 6,592,903 and 7,101,576 because Breckenridge filed an ANDA with a Paragraph IV certification seeking FDA approval of a generic version of Megace[®] ES. The complaint sought (i) a finding of infringement, validity, and/or enforceability; and (ii) a permanent injunction be entered, terminating at the expiration of the patents-in-suit. A stipulation to stay the proceedings was entered in July 2014. In January 2016, we terminated the case by filing a stipulation of dismissal with prejudice.

In June 2015, Par, along with Alkermes Pharma Ireland Limited, filed a complaint against Breckenridge Pharmaceutical, Inc., TWi Pharmaceuticals, Inc., and TWi Pharmaceuticals USA, Inc. in the U.S. District Court for the District of Delaware alleging infringement of U.S. Patent No. 9,040,088 because the defendants had filed ANDAs seeking FDA approval of generic versions of Megace® ES. In August 2015, Par and Alkermes Pharma Ireland Limited filed an additional complaint in the same court against TWi and Breckenridge alleging infringement of U.S. Patent Nos. 9,101,540 and 9,101,549, followed by a third complaint in Delaware District Court alleging infringement of U.S. Patent No. 9,107,827. Our complaint sought (i) a finding of infringement, validity and/or enforceability; and (ii) a permanent injunction. In January 2016, we terminated the cases by filing stipulations of dismissal with prejudice.

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 (now Allergan) in U.S. District Court for the Southern District of New York for patent infringement based on its ANDA for a non-crush-resistant generic 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-crush-resistant OPANA® ER: Roxane Laboratories, Inc. (Roxane) and Ranbaxy Laboratories Limited (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-crush-resistant formulations of OPANA® ER. 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-crush-resistant OPANA® ER currently offered by Actavis, the U.S. generics business of Allergan, and the additional approved but not yet marketed generic version of the product developed by Roxane. The time for appealing the ruling has not yet expired and we expect the defendants to appeal. We intend to continue vigorously asserting our intellectual property rights and to oppose any such appeal.

We intend to defend vigorously our intellectual property rights and to pursue all available legal and regulatory avenues in defense of the non-crush-resistant formulation OPANA® ER, including enforcement of the product's intellectual property rights and approved labeling. However, there can be no assurance that we will be successful. If we are unsuccessful, competitors that already have obtained, or are able to obtain, FDA approval of their products may be able to launch their generic versions of non-crush-resistant OPANA® ER prior to the applicable patents' expirations. Additionally, we cannot predict or determine the timing or outcome of related litigation but will explore all options as appropriate in our best interest. In addition to the above litigation, it is possible that another generic manufacturer may also seek to launch a generic version of non-crush-resistant OPANA® ER and challenge the applicable patents.

From September 21, 2012 through October 30, 2013, EPI and its partner Grünenthal received Paragraph IV Notices from each of Teva Pharmaceuticals USA, Inc. (Teva), Amneal Pharmaceuticals, LLC (Amneal), ThoRx Laboratories, Inc. (ThoRx), Allergan, Impax and Ranbaxy, advising of the filing by each such company of an ANDA for a generic version of the formulation of OPANA® ER designed to be crush-resistant. These Paragraph IV Notices refer to U.S. Patent Nos. 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. We intend, and have been advised by Grünenthal that it too intends, to defend vigorously the intellectual property rights covering the formulation of OPANA® ER designed to be crush-resistant and to pursue all available legal and regulatory avenues in defense of crush-resistant OPANA® ER, including enforcement of the product's intellectual property rights and approved labeling. 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 time for appealing that Opinion and Order has not yet expired and we expect the defendants to appeal the decision. We intend to continue to vigorously assert our intellectual property and oppose appeals by the defendants. However, there can be no assurance that we and/or Grünenthal will be successful. If we are unsuccessful and Teva, Amneal, ThoRx, Allergan or Impax is able to obtain FDA approval of its product, generic versions of crush-resistant OPANA® ER may be launched prior to the applicable patents' expirations in 2023 through 2029. Additionally, we cannot predict or determine the timing or outcome of this defense but will explore all options as appropriate in our best interest. In addition to the above litigation, it is possible that another generic manufacturer may also seek to launch a generic version of crush-resistant OPANA® ER and challenge the applicable patents.

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. 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.

Paragraph IV Certification on Fortesta® Gel

In January 2013, EPI and its licensor Strakan Limited received a notice from Watson (now Allergan) advising of the filing by Watson of an ANDA for a generic version of Fortesta® (testosterone) Gel. In February 2013, EPI filed a lawsuit against Watson in the U.S. District Court for the Eastern District of Texas, Marshall division. Because the suit was filed within the 45-day period under the Hatch-Waxman Act for filing a patent infringement action, we believe that it triggered an automatic 30-month stay of approval under the Act. A two-day trial was held on or about February 26 and 27, 2015. In August 2015, the District Court issued an Order holding that the asserted patents are not invalid and are infringed by Watson's ANDA. As a result, the District Court ordered that the effective date for the approval of Watson's ANDA to be the date no sooner than the latest expiration date of the '913 Patent and the '865 Patent in November of 2018. Watson filed an appeal in October 2015.

We intend, and have been advised by Strakan Limited that it too intends, to defend vigorously Fortesta® Gel and to pursue all available legal and regulatory avenues in defense of Fortesta® Gel, including enforcement of the product's intellectual property rights and approved labeling. However, there can be no assurance that we and/or Strakan will be successful. If we and/or Strakan are unsuccessful and Watson is able to obtain FDA approval of its product, Watson may be able to launch its generic version of Fortesta® Gel prior to the applicable patents' expirations in 2018. Additionally, we cannot predict or determine the timing or outcome of this litigation but will explore all options as appropriate in our best interest. In addition to the above litigation, it is possible that another generic manufacturer may also seek to launch a generic version of Fortesta® Gel and challenge the applicable patents.

Other Legal Proceedings

In addition to the above proceedings, 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 legal proceedings that arise from the normal course of our business. We cannot predict the timing or outcome of these claims and other proceedings. Currently, neither we nor our subsidiaries are involved in any other legal proceedings that we expect to have a material effect on our business, financial condition, results of operations and cash flows.

NOTE 13. OTHER COMPREHENSIVE INCOME (LOSS)

The following table presents the tax effects allocated to each component of Other comprehensive income (loss) for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,					
	2016			2015		
	Before-Tax Amount	Tax Benefit (Expense)	Net-of-Tax Amount	Before-Tax Amount	Tax (Expense) Benefit	Net-of-Tax Amount
Net unrealized (loss) gain on securities:						
Unrealized (loss) gain arising during the period	\$ (1,386)	\$ 526	\$ (860)	\$ 2,198	\$ (685)	\$ 1,513
Net unrealized gain (loss) on foreign currency:						
Foreign currency translation gain (loss) arising during the period	54,572	26,191	80,763	(131,380)	32	(131,348)
Other comprehensive income (loss)	\$ 53,186	\$ 26,717	\$ 79,903	\$ (129,182)	\$ (653)	\$ (129,835)

The following is a summary of the accumulated balances related to each component of Other comprehensive loss, net of taxes, at March 31, 2016 and December 31, 2015 (in thousands):

	March 31, 2016	December 31, 2015
Net unrealized gains	\$ 955	\$ 1,815
Foreign currency translation loss	(305,313)	(386,020)
Accumulated other comprehensive loss	\$ (304,358)	\$ (384,205)

NOTE 14. SHAREHOLDERS' EQUITY

Changes in Shareholder's Equity

The following table displays a reconciliation of our beginning and ending balances in shareholders' equity for the three months ended March 31, 2016 (in thousands):

	Attributable to:		
	Endo International plc	Noncontrolling interests	Total Shareholders' Equity
Shareholders' equity at January 1, 2016	\$ 5,968,030	\$ (54)	\$ 5,967,976
Net loss	(133,869)	(2)	(133,871)
Other comprehensive income	79,847	56	79,903
Compensation related to share-based awards	14,967	—	14,967
Tax withholding for restricted shares	(10,272)	—	(10,272)
Exercise of options	1,952	—	1,952
Issuance of ordinary shares related to the employee stock purchase plan	1,434	—	1,434
Other	2,057	—	2,057
Shareholders' equity at March 31, 2016	\$ 5,924,146	\$ —	\$ 5,924,146

The following table displays a reconciliation of our beginning and ending balances in shareholders' equity for the three months ended March 31, 2015 (in thousands):

	Attributable to:		
	Endo International plc	Noncontrolling interests	Total Shareholders' Equity
Shareholders' equity at January 1, 2015	\$ 2,374,757	\$ 33,456	\$ 2,408,213
Net loss	(75,718)	—	(75,718)
Other comprehensive loss	(129,229)	(606)	(129,835)
Compensation related to share-based awards	13,837	—	13,837
Tax withholding for restricted shares	(11,930)	—	(11,930)
Exercise of options	18,470	—	18,470
Buy-out of noncontrolling interests, net of contributions	(6,876)	(32,732)	(39,608)
Ordinary shares issued in connection with the Auxilium acquisition	1,519,320	—	1,519,320
Fair value of equity component of acquired Auxilium Notes	278,014	—	278,014
Conversion of Auxilium Notes	145,101	—	145,101
Other	13,852	—	13,852
Shareholders' equity at March 31, 2015	\$ 4,139,598	\$ 118	\$ 4,139,716

During the three months ended March 31, 2015, the Company completed a buy-out of the noncontrolling interest associated with our Litha subsidiary. The following table reflects the effect on the Company's equity for the three months ended March 31, 2015 (in thousands):

	March 31, 2015
Adjustment to Accumulated other comprehensive loss related to the reallocation (from noncontrolling to controlling interests) of foreign currency translation loss attributable to our noncontrolling interest in Litha	\$ (3,904)
Decrease in noncontrolling interests for buy-out of Litha	(32,732)
Decrease in additional paid-in capital for buy-out of Litha	(2,972)
Total cash consideration paid related to buy-out of Litha	\$ (39,608)

Share-Based Compensation

As discussed in Note 3. Discontinued Operations and Held for Sale, the operating results of the Company's AMS business is reported as Discontinued operations, net of tax in the Condensed Consolidated Statements of Operations for all periods presented. However, as share-based compensation is not material for this business, amounts in this Note 14. Shareholders' Equity have not been adjusted to exclude the impact of this business.

The Company recognized share-based compensation expense of \$15.0 million and \$51.4 million during the three months ended March 31, 2016 and 2015, respectively. The share-based compensation expense recognized during the three months ended March 31, 2015 includes a charge related to the acceleration of Auxilium employee equity awards at closing of \$37.6 million. As of March 31, 2016, the total remaining unrecognized compensation cost related to all non-vested share-based compensation awards amounted to \$104.0 million. As of March 31, 2016, the weighted average remaining requisite service period of the non-vested stock options was 3.3 years and for non-vested restricted stock units was 2.6 years.

NOTE 15. OTHER INCOME, NET

The components of Other income, net for the three months ended March 31, 2016 and 2015 are as follows (in thousands):

	Three Months Ended March 31,	
	2016	2015
Foreign currency loss (gain), net	\$ 996	\$ (23,134)
Equity (earnings) loss from unconsolidated subsidiaries, net	(2,344)	851
Costs associated with unused financing commitments	—	11,810
Other miscellaneous	(559)	(1,522)
Other income, net	\$ (1,907)	\$ (11,995)

Foreign currency loss (gain), net results from the remeasurement of the Company's foreign currency denominated assets and liabilities. In addition, the Company incurred \$11.8 million during the three months ended March 31, 2015 related to unused commitment fees primarily associated with financing for the Auxilium acquisition.

NOTE 16. INCOME TAXES

During the three months ended March 31, 2016, the Company recognized an income tax benefit of \$118.7 million on \$207.5 million of loss from continuing operations before income tax, compared to \$166.9 million of tax benefit on \$16.4 million of loss from continuing operations before income tax during the comparable 2015 period. The tax benefit for the current period is primarily related to the overall geographical mix of pretax earnings as well as the discrete tax benefit associated with the impairment associated with the U.S. Generic Pharmaceutical business. The tax benefit for the comparable 2015 period was primarily related to benefits resulting from the expected realization of deferred tax assets for certain components of our AMS business that was held for sale in such period.

NOTE 17. NET (LOSS) INCOME PER SHARE

The following is a reconciliation of the numerator and denominator of basic and diluted net loss per share for the three months ended March 31, 2016 and 2015 (in thousands, except share data):

	Three Months Ended March 31,	
	2016	2015
Numerator:		
(Loss) income from continuing operations	\$ (88,763)	\$ 150,492
Less: Net loss from continuing operations attributable to noncontrolling interests	(2)	—
(Loss) income from continuing operations attributable to Endo International plc ordinary shareholders	(88,761)	150,492
Loss from discontinued operations attributable to Endo International plc ordinary shareholders, net of tax	(45,108)	(226,210)
Net loss attributable to Endo International plc ordinary shareholders	\$ (133,869)	\$ (75,718)
Denominator:		
For basic per share data—weighted average shares	222,302	169,653
Dilutive effect of ordinary share equivalents	—	2,375
Dilutive effect of various convertible notes and warrants	—	4,797
For diluted per share data—weighted average shares	222,302	176,825

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. Ordinary share equivalents are measured under the treasury stock method.

For the three months ended March 31, 2015, stock options and stock awards of 0.8 million were excluded from the diluted share calculation because their effect would have been anti-dilutive. All stock options and stock awards were excluded from the diluted share calculation for the three months ended March 31, 2016 because their effect would have been anti-dilutive, as the Company was in a loss position.

The 1.75% Convertible Senior Subordinated Notes due April 15, 2015 were only included in the dilutive net loss per share calculations using the treasury stock method during periods in which the average market price of our ordinary shares was above the applicable conversion price of the Convertible Notes, or \$29.20 per share, and the impact would not have been anti-dilutive. In these periods, under the treasury stock method, we calculated the number of shares issuable under the terms of these notes based on the average market price of the shares during the period, and included that number in the total diluted shares outstanding for the period.

We entered into convertible note hedge and warrant agreements, which were settled in 2015 and 2014, that, in combination, had the economic effect of reducing the dilutive impact of the Convertible Notes. However, we separately analyzed the impact of the convertible note hedge and the warrant agreements on diluted weighted average shares outstanding. As a result, the purchases of the convertible note hedges were excluded because their impact would have been anti-dilutive. The treasury stock method was applied when the warrants were in-the-money with the proceeds from the exercise of the warrant used to repurchase shares based on the average share price in the calculation of diluted weighted average shares. Until the warrants were in-the-money, they had no impact to the diluted weighted average share calculation.

The dilutive impact of the Auxilium Notes was calculated using the if-converted method, assuming the notes were converted at the time of issuance.

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 at 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, 2015 (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 consolidated 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 mergers, acquisitions and other business development activity, (2) the timing of new product launches, (3) purchasing patterns of our customers, (4) market acceptance of our products, (5) the impact of competitive products and products we recently acquired, (6) pricing of our products and (7) litigation-related charges. These fluctuations are also attributable to charges incurred for compensation related to share-based payments, amortization of intangible assets, asset impairment charges and certain upfront, milestone and other payments made or accrued pursuant to acquisition or licensing agreements.

Consolidated Results Review

Total Revenues. Total revenues for the three months ended March 31, 2016 increased 35% to \$963.5 million from the comparable 2015 period. This revenue increase was primarily attributable to revenues related to our January 2015 acquisition of Auxilium and September 2015 acquisition of Par. The increases were partially offset by decreased revenues for certain products in our U.S. Branded Pharmaceuticals segment, driven mainly by decreased Voltaren® Gel, Lidoderm® and OPANA® ER revenues related to generic competition and decreased revenues from our legacy U.S. Generic Pharmaceuticals segment, driven by a decrease in price and volume as the result of competitive pressure on commoditized generic products.

Gross margin, costs and expenses. The following table sets forth costs and expenses for the three months ended March 31, 2016 and 2015 (dollars in thousands):

	Three Months Ended March 31,			
	2016		2015	
	\$	% of Revenue	\$	% of Revenue
Cost of revenues	\$ 688,705	71	\$ 384,266	54
Selling, general and administrative	178,355	19	211,578	30
Research and development	41,692	4	17,897	3
Litigation-related and other contingencies, net	5,200	1	13,000	2
Asset impairment charges	129,625	13	7,000	1
Acquisition-related and integration items	12,554	1	34,640	5
Total costs and expenses*	\$ 1,056,131	110	\$ 668,381	94

* Percentages may not add due to rounding.

Cost of revenues and gross margin. Cost of revenues for the three months ended March 31, 2016 increased 79% to \$688.7 million from the comparable 2015 period. This increase was primarily attributable to increased costs related to our acquisition of Par and charges to increase excess inventory reserves of approximately \$45 million at our U.S. Generic Pharmaceuticals segment due to the underperformance of certain products and the planned discontinuance of several products as part of the 2016 U.S. Generic Pharmaceuticals restructuring initiative announced in May 2016. Gross margins in 2016 decreased to 29% from 46% in 2015. This decrease was primarily attributable to growth in lower margin generic pharmaceutical product sales, increased intangible asset amortization of \$116.4 million, the charges to increase excess inventory reserves mentioned above, increased inventory step-up amortization as a result of recent acquisitions of \$23.8 million and a decline in higher margin branded pharmaceutical product sales due to generic competition on certain products.

Selling, general and administrative expenses. Selling, general and administrative expenses for the three months ended March 31, 2016 decreased 16% to \$178.4 million from the comparable 2015 period. The decrease was primarily a result of a non-recurring charge during the first quarter of 2015 related to the acceleration of Auxilium employee equity awards at closing of \$37.6 million and non-recurring restructuring charges during the first quarter of 2015 of \$26.0 million related to the Auxilium acquisition. These decreases were partially offset by increased expenses as the result of the acquisition of Par.

Research and development expenses. Research and development expenses for the three months ended March 31, 2016 increased 133% to \$41.7 million from the comparable 2015 period. The increase was primarily attributable to increased expenses as the result of the acquisition of Par.

Litigation-related and other contingencies, net. Charges for Litigation-related and other contingencies, net for the three months ended March 31, 2016 totaled \$5.2 million, compared to \$13.0 million in the comparable 2015 period. These amounts mainly relate to fluctuations in charges associated with certain litigation matters. The Company's legal proceedings and other contingent matters are described in more detail in Note 12. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

Asset impairment charges. Asset impairment charges for the three months ended March 31, 2016 totaled \$129.6 million, compared to \$7.0 million in the comparable 2015 period. This increase primarily relates to pre-tax, non-cash impairment charges of

\$129.6 million recorded during the three months ended March 31, 2016 in our U.S. Generic Pharmaceuticals segment, including pre-tax, non-cash asset impairment charges of \$100.3 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, which resulted from the discontinuation of certain commercial products and the abandonment of certain IPR&D projects. In addition, we recorded \$29.3 million of asset impairment charges resulting from certain market conditions impacting the commercial potential of certain intangible assets in our U.S. Generic Pharmaceuticals segment. A decline in future market conditions below our current estimates could result in additional impairment charges, which could be material.

Acquisition-related and integration items. Acquisition-related and integration items for the three months ended March 31, 2016 decreased 64% to \$12.6 million from the comparable 2015 period. This decrease was due to non-recurring prior year acquisition-related and integration costs associated with our acquisition of Auxilium, which closed during the first quarter of 2015. In addition, during 2016 the Company recorded \$10.7 million of income, net, resulting from the change in the fair value of certain contingent consideration. The change in contingent consideration is due to certain market conditions impacting the commercial potential of the underlying products.

Interest expense, net. The components of Interest expense, net for the three months ended March 31, 2016 and 2015 are as follows (in thousands):

	Three Months Ended March 31,	
	2016	2015
Interest expense	\$ 117,470	\$ 73,849
Interest income	(677)	(710)
Interest expense, net	\$ 116,793	\$ 73,139

Interest expense for the three months ended March 31, 2016 increased 59% to \$117.5 million from the comparable 2015 period. This increase was primarily attributable to an increase in our average total indebtedness to \$8.6 billion in 2016 from \$5.0 billion in 2015.

Loss on extinguishment of debt. Loss on extinguishment of debt was zero for the three months ended March 31, 2016 compared to \$1.0 million during the comparable 2015 period.

Other income, net. The components of Other income, net for the three months ended March 31, 2016 and 2015 are as follows (in thousands):

	Three Months Ended March 31,	
	2016	2015
Foreign currency loss (gain), net	\$ 996	\$ (23,134)
Equity (earnings) loss from unconsolidated subsidiaries, net	(2,344)	851
Costs associated with unused financing commitments	—	11,810
Other miscellaneous	(559)	(1,522)
Other income, net	\$ (1,907)	\$ (11,995)

Foreign currency loss (gain), net results from the remeasurement of the Company's foreign currency denominated assets and liabilities. In addition, the Company incurred \$11.8 million during the three months ended March 31, 2015 related to unused commitment fees primarily associated with financing for the Auxilium acquisition.

Income tax benefit. During the three months ended March 31, 2016, the Company recognized an income tax benefit of \$118.7 million on \$207.5 million of loss from continuing operations before income tax, compared to \$166.9 million of tax benefit on \$16.4 million of loss from continuing operations before income tax during the comparable 2015 period. The tax benefit for the current period is primarily related to the overall geographical mix of pretax earnings as well as the discrete tax benefit associated with the tax impact of the impairment associated with the U.S. Generic Pharmaceutical business. The tax benefit for the comparable 2015 period was primarily related to benefits resulting from the expected realization of deferred tax assets for certain components of our AMS business that was held for sale in such period.

The Company and its subsidiaries are subject to income taxes in various jurisdictions and significant judgment is required in evaluating the Company's tax positions to determine the provision for income taxes, including reserves, for any uncertainty. The tax laws in the jurisdictions in which the Company operates are also subject to change, sometimes with retroactive effect. Existing and future tax laws and regulations may limit our ability to use U.S. tax attributes, including net operating losses, to offset U.S. taxable income. For a period of time following the 2014 Paladin transaction, our U.S. affiliates could be precluded from utilizing U.S. tax attributes to offset taxable income if we complete certain transactions. In addition, the U.S. Treasury Department recently issued new temporary and proposed regulations related to corporate inversions and earnings stripping. The limitations on the use of certain tax attributes and deductions in these regulations are in addition to existing rules that could impose more restrictive limitations in the event that cumulative changes in our stock ownership within a three-year period exceed certain thresholds. Such changes or the adoption of additional limitations could

impact our overall utilization of deferred tax assets, potentially resulting in a material adverse impact to our financial statements and cash flows from operations.

Discontinued operations, net of tax. As a result of our decision to sell our AMS business and wind down our Astora business, which comprises the entirety of our former Devices segment, the operating results of this 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 totaled \$45.1 million of loss, net of tax, during the three months ended March 31, 2016 compared to \$226.2 million of loss, net of tax, in the comparable 2015 period.

The fluctuation in Discontinued operations during the three months ended March 31, 2016 compared to the prior period was mainly related to a decrease in impairment charges of \$201.6 million, partially offset by a decrease in income from operations due to the sale of the Men's Health and Prostate Health components. In connection with previously classifying AMS as held-for-sale, the Company was required to compare the estimated fair values of the underlying disposal groups, less the costs to sell, to the respective carrying amounts. As a result of this analysis, the Company recorded a combined asset impairment charge of \$222.8 million during the three months ended March 31, 2015.

2016 Outlook

We estimate that our 2016 total revenues will be between \$3.87 billion and \$4.03 billion. This estimate is based on our expectation of growth for company revenues from our core products and the full year impact of our 2015 acquisitions, including our acquisition of Par, which closed on September 25, 2015. We consistently apply our lean operating model principles to streamline general and administrative expenses, optimize commercial spend and focus research and development efforts onto lower-risk projects and higher-return investments to Endo's current business. The Company also intends to seek long-term, durable growth both internally and through strategic acquisitions in order to support its objective of transforming Endo into a leading global specialty pharmaceuticals company. There can be no assurance that the Company will achieve these results.

Business Segment Results Review

The three reportable business segments in which the Company operates are: (1) U.S. Branded Pharmaceuticals, (2) U.S. Generic Pharmaceuticals and (3) International Pharmaceuticals. These 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 (loss) 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 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; excess costs that will be eliminated pursuant to integration plans; asset impairment charges; amortization of intangible assets; inventory step-up recorded as part of our acquisitions; certain non-cash interest expense; litigation-related and other contingent matters; gains or losses from early termination of debt activities; foreign currency gains or losses on intercompany financing arrangements; and certain other items that the Company believes do not reflect its core operating performance.

Certain of the corporate general and administrative 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, including interest expense. 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 costs.

We refer to adjusted income (loss) from continuing operations before income tax in making operating decisions because we believe it provides meaningful supplemental information regarding the Company's operational performance. For instance, we believe that this measure facilitates its internal comparisons to our historical operating results and comparisons to competitors' results. The Company believes 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 (loss) from continuing operations before income tax may be useful to investors as we are aware that certain of our significant shareholders utilize adjusted income (loss) from continuing operations before income tax to evaluate our financial performance. Finally, adjusted income (loss) 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 the Company'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 (loss) from continuing operations before income tax. Other companies in our industry may define adjusted income (loss) from continuing operations before income tax differently than we do. As a result, it may be difficult to use adjusted income (loss) 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 (loss) from continuing operations before income tax should not be considered as a measure of the income generated by our business or discretionary cash available to us to invest in the growth of our business. The Company compensates for these limitations by providing reconciliations of our 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 months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Net revenues to external customers:		
U.S. Branded Pharmaceuticals	\$ 308,813	\$ 284,507
U.S. Generic Pharmaceuticals	583,390	356,962
International Pharmaceuticals (1)	71,336	72,659
Total net revenues to external customers	\$ 963,539	\$ 714,128

(1) Revenues generated by our International Pharmaceuticals segment are primarily attributable to Canada, Mexico and South Africa.

U.S. Branded Pharmaceuticals. The following table displays the significant components of our U.S. Branded Pharmaceuticals revenues to external customers for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Pain Management:		
Lidoderm®	\$ 19,712	\$ 25,160
OPANA® ER	44,670	46,859
Percocet®	33,593	36,299
Voltaren® Gel	35,747	45,471
	\$ 133,722	\$ 153,789
Specialty Pharmaceuticals:		
Supprelin® LA	\$ 17,252	\$ 16,282
XIAFLEX®	44,045	27,966
	\$ 61,297	\$ 44,248
Branded Other Revenues	113,794	86,470
Total U.S. Branded Pharmaceuticals	\$ 308,813	\$ 284,507

Pain Management

Net sales of Lidoderm® for the three months ended March 31, 2016 decreased 22% to \$19.7 million from the comparable 2015 period. This decrease was attributable to volume decreases partially offset by an increase in price. In September 2013 Actavis (now Allergan) launched a generic form of Lidoderm®, in May 2014 the Company's U.S. Generic Pharmaceuticals launched its authorized generic of Lidoderm® and in August 2015 Mylan launched a generic form of Lidoderm®. To the extent additional competitors are able to launch generic versions of Lidoderm®, our revenues could decline.

Net sales of OPANA® ER for the three months ended March 31, 2016 decreased 5% to \$44.7 million from the comparable 2015 period. Net sales continue to be impacted by competing generic versions of the non-crush resistant formulation of OPANA® ER, which launched beginning in early 2013. To the extent additional competitors are able to launch generic versions of the non-crush resistant formulation OPANA® ER, our revenues could decline further. However, in April 2016, the U.S. District Court affirmed a ruling upholding two of the Company's patents covering OPANA® ER. In addition, in April 2016, the U.S. District Court issued an order upholding its August 2015 ruling in the Company's favor and confirming the prior injunction against the manufacture or sale of the generic version of non-crush-resistant OPANA® ER currently offered by Actavis, the U.S. generics business of Allergan, and the additional approved but not yet marketed generic version of the product developed by Roxane. As a result, it is expected that the generic product currently sold by Actavis will be removed from the market and other generic versions of the product will not be launched in the near term by other generic companies.

Net sales of Percocet® for the three months ended March 31, 2016 decreased 7% to \$33.6 million from the comparable 2015 period. This decrease was attributable to volume decreases, partially offset by price increases.

Net sales of Voltaren® Gel for the three months ended March 31, 2016 decreased 21% to \$35.7 million from the comparable 2015 period. This decrease was primarily attributable to the March 24, 2016 launch of Amneal Pharmaceuticals LLC's generic equivalent of Voltaren® Gel. Subject to FDA approval, it is possible one or more additional competing generic products could potentially enter the market during 2016, which could negatively impact future sales of Voltaren® Gel.

Specialty Pharmaceuticals

Net sales of Supprelin® LA for the three months ended March 31, 2016 increased 6% to \$17.3 million from the comparable 2015 period. This revenue increase was primarily attributable to volume and price increases.

Net sales of XIAFLEX® for the three months ended March 31, 2016 increased 57% to \$44.0 million from the comparable 2015 period. This revenue increase was primarily attributable to a full quarter of Auxilium revenues.

Branded Other

Net sales of Branded Other products for the three months ended March 31, 2016 increased 32% to \$113.8 million from the comparable 2015 period. This increase was primarily attributable to the acquisitions of Auxilium and Par which we acquired on January, 29 2015 and September 25, 2015, respectively.

U.S. Generic Pharmaceuticals. The following table displays the significant components of our U.S. Generic Pharmaceuticals revenues to external customers for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
U.S. Generic Pharmaceuticals		
U.S. Generics Base (1)	\$ 347,429	\$ 241,696
Sterile Injectables	123,689	—
New Launches and Alternative Dosages (2)	112,272	115,266
Total U.S. Generic Pharmaceuticals	\$ 583,390	\$ 356,962

(1) U.S. Generics Base includes solid oral-extended release, solid oral-immediate release and pain/controlled substances products.

(2) New Launches and Alternative Dosages includes liquids, semi-solids, patches, powders, ophthalmics, sprays and new product launches. Products are included in New Launches during the calendar year of launch and the subsequent calendar year such that the period of time any product will be considered a New Launch will range from thirteen to twenty-four months. New Launches contributed \$29.3 million and \$7.3 million of revenues to the three months ended March 31, 2016 and 2015. The table below presents the top 5 New Launch products by revenue for each period presented.

Year of Launch	Three Months Ended March 31,					
	2016			2015		
2014				Telemisartan	Valsartan/HCTZ	Lorazepam
				Methylphenidate	Disulfiram	
2015	Ethacrynate Sodium	Megace ES AG	Dutas/Tams Caps	Isosorbide ER	Gildess FE 24	Zafirlukast
	Propranolol	Testosterone Gel Sachets		Hydrocortisone Cream	Pramipexole DHCI	
2016	Dantrolene Caps	Frova AG	Darifenacin HBr ER Tabs			

Net sales of U.S. Generics Base for the three months ended March 31, 2016 increased 44% to \$347.4 million from the comparable 2015 period. This increase was attributable to approximately \$181 million in revenue as a result of the acquisition of Par, partially offset by a decrease in price and volume as the result of competitive pressure on commoditized generic products.

Net sales of Sterile Injectables for the three months ended March 31, 2016 increased to \$123.7 million from the comparable 2015 period. This increase was attributable to revenue as a result of the acquisition of Par.

Net sales of New Launches and Alternative Dosages for the three months ended March 31, 2016 decreased 3% to \$112.3 million from the comparable 2015 period. This decrease was primarily attributable to increased competitive pressure on patches, ophthalmics and other alternative doses, partially offset by launch products from the Par acquisition.

International Pharmaceuticals. Revenues from our International Pharmaceuticals segment for the three months ended March 31, 2016 decreased 2% to \$71.3 million from the comparable 2015 period. This decrease was primarily attributable to unfavorable fluctuations in foreign currency rates, partially offset by an increase in revenue at Paladin.

Adjusted income (loss) from continuing operations before income tax. The following table displays our adjusted income (loss) from continuing operations before income tax by reportable segment for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Adjusted income (loss) from continuing operations before income tax:		
U.S. Branded Pharmaceuticals	\$ 168,781	\$ 158,794
U.S. Generic Pharmaceuticals	\$ 211,768	\$ 183,457
International Pharmaceuticals	\$ 21,754	\$ 16,567
Corporate unallocated	\$ (153,073)	\$ (111,068)

During the quarter ended December 31, 2015, we realigned certain costs between our International Pharmaceuticals segment, U.S. Branded Pharmaceuticals segment and corporate unallocated costs based on how our chief operating decision maker currently reviews segment performance. As a result of this realignment, certain expenses included in our consolidated adjusted income (loss) from continuing operations before income tax for the three months ended March 31, 2015 have been reclassified among our various segments to conform to current period presentation. The net impact of these reclassification adjustments increased U.S. Branded Pharmaceuticals segment and corporate unallocated costs by \$0.6 million and \$7.6 million, respectively, with an offsetting \$8.2 million decrease to International Pharmaceuticals segment costs. The realignment of these expenses did not impact periods prior to 2015.

U.S. Branded Pharmaceuticals. Adjusted income from continuing operations before income tax for the three months ended March 31, 2016 increased 6% to \$168.8 million from the comparable 2015 period. This increase was primarily attributable to the acquisition of Auxilium on January 29, 2015.

U.S. Generic Pharmaceuticals. Adjusted income from continuing operations before income tax for the three months ended March 31, 2016 increased 15% to \$211.8 million from the comparable 2015 period. In 2016, revenues and gross margins increased primarily due to the Par acquisition on September 25, 2015. These increases were partially offset by a decrease resulting from competitive pressure on commoditized generic products and charges to increase excess inventory reserves of approximately \$18 million at our U.S. Generic Pharmaceuticals segment due to the underperformance of certain products.

International Pharmaceuticals. Adjusted income from continuing operations before income tax for the three months ended March 31, 2016 increased 31% to \$21.8 million from the comparable 2015 period. This increase was primarily attributable to an increase in gross margin resulting from the divestiture of certain lower margin products and decreased operating expenses, partially offset by unfavorable fluctuations in foreign currency rates.

Corporate unallocated. Corporate unallocated adjusted loss from continuing operations before income tax for the three months ended March 31, 2016 increased 38% to \$153.1 million from the comparable 2015 period. This increase was primarily attributable to the previously discussed increase in interest expense.

Reconciliation to GAAP. The table below provides reconciliations of our 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, for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Total segment adjusted income from continuing operations before income tax:	\$ 402,303	\$ 358,818
Corporate unallocated costs (1)	(153,073)	(111,068)
Upfront and milestone payments to partners	(1,417)	(2,667)
Asset impairment charges (2)	(129,625)	(7,000)
Acquisition-related and integration items (3)	(12,554)	(34,640)
Separation benefits and other cost reduction initiatives (4)	(38,456)	(41,807)
Amortization of intangible assets	(211,669)	(95,269)
Inventory step-up and certain manufacturing costs that will be eliminated pursuant to integration plans	(68,476)	(39,916)
Non-cash interest expense related to the 1.75% Convertible Senior Subordinated Notes	—	(1,379)
Loss on extinguishment of debt	—	(980)
Impact of Voltaren® Gel generic competition	7,750	—
Certain litigation-related charges, net (5)	(5,200)	(13,000)
Costs associated with unused financing commitments	—	(11,810)
Acceleration of Auxilium employee equity awards at closing	—	(37,603)
Foreign currency impact related to the remeasurement of intercompany debt instruments	(1,255)	21,090
Other, net	4,194	854
Total consolidated loss from continuing operations before income tax	\$ (207,478)	\$ (16,377)

(1) Corporate unallocated costs include certain corporate overhead costs, interest expense, net, and certain other income and expenses.

(2) Asset impairment charges primarily related to charges to write down intangible assets as further described in Note 9. Goodwill and Other Intangibles.

(3) Acquisition-related and integration-items include costs directly associated with previous acquisitions of \$23.2 million for the three months ended March 31, 2016 and \$35.4 million for the comparable 2015 period. During 2016 and 2015, these costs are net of a benefit due to changes in the fair value of contingent consideration of \$10.7 million and \$0.8 million, respectively.

(4) Separation benefits and other cost reduction initiatives include charges to increase excess inventory reserves of \$26.9 million related to the 2016 U.S. Generic Pharmaceuticals restructuring initiative, employee separation costs of \$6.8 million and other restructuring costs of \$4.4 million for the three months ended March 31, 2016. Amounts in the comparable 2015 period include employee separation costs of \$32.4 million and a \$7.9 million charge recorded upon the cease use date of our Auxilium subsidiary's former corporate headquarters, representing the liability for our remaining obligations under the respective lease agreement, net of estimated sublease income. These amounts were primarily recorded as Selling, general and administrative expense in our Condensed Consolidated Statements of Operations. See Note 4. Restructuring for discussion of our material restructuring initiatives.

(5) These amounts include charges for Litigation-related and other contingencies, net as further described in Note 12. Commitments and Contingencies.

LIQUIDITY AND CAPITAL RESOURCES

Our principal source of liquidity is cash generated from operations. Our principal liquidity requirements are for working capital for operations, licenses, milestone payments, capital expenditures, debt service payments and acquisitions. The Company's working capital was \$(127.1) million at March 31, 2016 compared to \$(21.8) million at December 31, 2015. Working capital at March 31, 2016 includes restricted cash and cash equivalents of \$515.2 million held in Qualified Settlement Funds for mesh product liability settlement agreements, which is expected to be paid to qualified claimants within the next twelve months. Working capital at December 31, 2015 included restricted cash and cash equivalents of \$579.0 million held in Qualified Settlement Funds for mesh product liability settlement agreements.

We have historically had broad access to financial markets that provide liquidity. Cash and cash equivalents, which primarily consisted of bank deposits, time deposits and money market accounts, totaled \$222.0 million at March 31, 2016 compared to \$272.3 million at December 31, 2015.

During and beyond 2016, we expect cash generated from operations together with our cash, cash equivalents and the revolving credit facilities to be sufficient to cover cash needs for working capital and general corporate purposes, certain contingent liabilities, payment of contractual obligations, principal and interest payments on our indebtedness, capital expenditures, ordinary share repurchases and any regulatory and/or sales milestones that may become due.

At this time, we cannot accurately predict the effect of certain developments on the rate of sales growth, such as the degree of market acceptance, patent protection and exclusivity of our products, 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 near-term product candidates. Additionally, we may not be successful in implementing, or may face unexpected changes or expenses in connection with our lean operating model and 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 for future transactions, to repay our outstanding indebtedness, or for our future operational needs, and 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 our acquisition efforts we are likely to experience significant charges to earnings for merger and related expenses (whether or not our efforts are successful) that may include transaction costs, closure costs or costs of restructuring activities.

Borrowings. At March 31, 2016, the Company's indebtedness includes a credit agreement with combined outstanding principal borrowings of \$3,796.8 million and additional availability of approximately \$773.0 million under the revolving credit facilities.

The 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 capital expenditures, asset sales, mergers and acquisitions, indebtedness, liens, dividends, investments and transactions with the Company's affiliates. As of March 31, 2016, we were in compliance with all such covenants.

At March 31, 2016, the Company's indebtedness includes senior notes with aggregate principal amounts totaling \$4.7 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%. These notes are senior unsecured obligations of the Company's subsidiaries and are issued or guaranteed on a senior unsecured basis, as applicable, by all of our significant subsidiaries (other than Astora Women's Health Technologies, Grupo Farmacéutico Somar, S.A. de C.V., and Litha Healthcare Group Limited) and certain of our other subsidiaries, except for 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 indentures governing our various senior notes contain affirmative and negative covenants that the Company believes to be usual and customary for senior unsecured credit agreements. 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 restricted payments, sell certain assets, agree to any restrictions on the ability of restricted subsidiaries to make payments to us, create certain liens, merge, consolidate, or sell substantially all of the Company's assets, or enter into certain transactions with affiliates. As of March 31, 2016, we were in compliance with all covenants.

During the remainder of 2016, we anticipate that any excess cash will be used to pay down our borrowings.

Credit ratings. The Company's corporate credit ratings assigned by Moody's Investors Service and Standard & Poor's are B1 with a negative outlook and B+ with a stable outlook, respectively.

Working capital. The components of our working capital and our liquidity at March 31, 2016 and December 31, 2015 are below (dollars in thousands):

	March 31, 2016	December 31, 2015
Total current assets	\$ 3,079,903	\$ 3,452,537
Less: total current liabilities	(3,206,967)	(3,474,312)
Working capital	<u>\$ (127,064)</u>	<u>\$ (21,775)</u>
Current ratio	-1.0:1	-1.0:1

Working capital decreased by \$105.3 million from December 31, 2015 to March 31, 2016. The decrease in total current assets of \$372.6 million was primarily driven by decreases in Accounts receivable, Inventories, net and Restricted cash and cash equivalents. The decrease in total current liabilities of \$267.3 million was primarily driven by changes in Accrued expenses, Accounts payable and the Current portion of legal settlement accrual.

The following table summarizes our Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2016 and 2015 (in thousands):

	Three Months Ended March 31,	
	2016	2015
Net cash flow (used in) provided by:		
Operating activities	\$ (49,825)	\$ (89,808)
Investing activities	31,070	(930,484)
Financing activities	(34,592)	996,861
Effect of foreign exchange rate	2,967	(7,861)
Net decrease in cash and cash equivalents	<u>\$ (50,380)</u>	<u>\$ (31,292)</u>

Net cash used in operating activities. Net cash used in operating activities was \$49.8 million for the three months ended March 31, 2016 compared to \$89.8 million used in operating activities in the comparable 2015 period.

Net cash used in 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 in the ordinary course of business.

The \$40.0 million decrease in Net cash used in operating activities for the three months ended March 31, 2016 compared to the comparable 2015 period was primarily the result of the timing of cash collections and cash payments related to our operations.

The following table summarizes certain of our significant infrequent pre-tax cash outlays impacting net cash used in operating activities for the three months ended March 31, 2016 and 2015 (in thousands). The cash outlays were mainly related to mesh-related product liability payments and cash outlays as a result of significant acquisitions and the associated transaction and integration costs:

	Three Months Ended March 31,	
	2016	2015
Payments for mesh-related product liability and other litigation matters	\$ 213,886	\$ 130,975
Unused commitment fees	—	11,810
Separation and restructuring payments	19,351	11,719
Transaction costs and certain integration charges paid in connection with acquisitions	30,462	44,206
Total	<u>\$ 263,699</u>	<u>\$ 198,710</u>

Net cash provided by (used in) investing activities. Net cash provided by investing activities was \$31.1 million for the three months ended March 31, 2016 compared to \$930.5 million used in investing activities in the comparable 2015 period.

This \$961.6 million fluctuation in cash provided by investing activities for the three months ended March 31, 2016 compared to the comparable 2015 period relates primarily to cash used for acquisitions in 2015 of \$911.9 million. In addition, \$184.7 million of cash was released from the Qualified Settlement Funds (QSFs) for mesh settlements during the three months ended March 31, 2016, which was \$57.5 million more than cash released from the QSFs during the prior year. Also, we paid \$120.9 million into QSFs for mesh settlements during the three months ended March 31, 2016, which was \$49.8 million less than cash paid into the QSFs during the prior year. These net increases were partially offset by the release of \$40 million of cash from the escrow account associated with the acquisition of the remaining outstanding share capital of Litha during the three months ended March 31, 2015. Cash payments into QSFs and escrow accounts result in a cash outflow for investing activities. Cash releases from QSFs and escrow accounts result in a cash inflow for investing activities. Payments related to our QSFs are further described in Note 12. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

Net cash (used in) provided by financing activities. Net cash used in financing activities was \$34.6 million for the three months ended March 31, 2016 compared to \$996.9 million provided by financing activities in the comparable 2015 period.

Items contributing to the \$1,031.5 million fluctuation in cash used in financing activities for the three months ended March 31, 2016 compared to the comparable 2015 period include a decrease in proceeds from the issuance of notes of \$1,200.0 million, partially offset by a decrease in the repurchase of convertible notes of \$149.1 million and a decrease in cash buy-outs of controlling interests of \$39.6 million related to the acquisition of the remaining share capital of Litha.

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, asset impairment 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 a business combination. 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.

Contractual Obligations. As of March 31, 2016, there were no material changes in our contractual obligations from those disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Securities and Exchange Commission on February 29, 2016.

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

Our critical accounting estimates have not changed materially since December 31, 2015. 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, 2015 filed with the Securities and Exchange Commission on February 29, 2016.

RECENT ACCOUNTING PRONOUNCEMENTS

For discussion of recent accounting pronouncements, refer to Note 2. Recent Accounting Pronouncements in the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q.

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 the term loan portion and revolving credit facilities portion of our credit agreement. To the extent we utilize amounts under our term loans and revolving credit facilities, we would be exposed to additional interest rate risk. At March 31, 2016, our term loans include principal amount of floating-rate debt of \$3.8 billion and our revolving credit facilities include principal amount of floating-rate debt of \$225.0 million. Borrowings under our revolving credit facilities and our Term Loan A facility bear interest at a rate equal to an applicable margin plus London Interbank Offered Rate (LIBOR). In addition, borrowings under our Term Loan B facility bear interest at a rate equal to an applicable margin plus LIBOR, subject to a LIBOR floor of 0.75%. A hypothetical 1% increase in LIBOR over the 0.75% floor would result in \$40.2 million in incremental annual interest expense.

As of March 31, 2016 and December 31, 2015, we had no other assets or liabilities with significant interest rate sensitivity.

Investment Risk

At March 31, 2016 and December 31, 2015, we had immaterial investments in available-for-sale securities, primarily associated with equity securities of publicly traded companies. Any decline in value below our original investments will be evaluated to determine if the decline in value is considered temporary or other-than-temporary. An other-than-temporary decline in fair value would be included as a charge to earnings.

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 historical 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 income in shareholders' equity. Gains and losses on foreign currency transactions and short term inter-company receivables from foreign subsidiaries are included in Other income, net.

Fluctuations in foreign currency rates resulted in a net loss of \$1.0 million for the three months ended March 31, 2016. This compares to a net gain of \$23.1 million in the comparable 2015 period.

Based on the Company's significant foreign currency denominated intercompany loans existing at March 31, 2016, we estimate that a 10% appreciation or depreciation in the underlying currencies of our foreign currency denominated intercompany loans, relative to the U.S. Dollar, would result in approximately \$3.0 million in incremental foreign currency gains or losses, respectively.

In addition, we purchase Lidoderm® in U.S. dollars from Teikoku Seiyaku Co., Ltd., a Japanese manufacturer. As part of the purchase agreement with Teikoku, there is a price adjustment feature that prevents the cash payment in U.S. dollars from falling outside of a certain pre-defined range in Japanese yen even if the spot rate is outside of that range.

Inflation

We do not believe that inflation has had a significant impact on our revenues or operations.

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 March 31, 2016. 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 March 31, 2016.

Changes in Internal Control over Financial Reporting

The Company acquired certain entities during the year ended December 31, 2015. Particularly as it relates to the Par acquisition, as permitted by the Securities and Exchange Commission, management elected to exclude this acquisition from its assessment of the effectiveness of its internal controls over financial reporting as of December 31, 2015. The Company began to integrate the Par business into its internal control over financial reporting structure during the three months ended March 31, 2016. As such, there have been changes during the three months ended March 31, 2016 associated with the establishment and continued integration of internal control over financial reporting with respect to Par.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The disclosures under Note 12. Commitments and Contingencies of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q are incorporated into this Part II, Item 1. by reference.

Item 1A. Risk Factors

Risk factors disclosed in Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2015 filed with the Securities and Exchange Commission on February 29, 2016 (Annual Report) are incorporated into this document by reference. The risk factors set forth below are the risk factors containing changes from the risk factors previously disclosed in the Company's Annual Report. Except as set forth below, there have been no material changes to the risk factors disclosed therein.

We may be the subject of product liability claims or other significant litigations and/or government investigations or product recalls, and we may be unable to obtain or maintain insurance adequate to cover potential liabilities or other losses.

Our business exposes us to significant potential risk from product liability claims, other significant litigation matters, government investigations or product recalls, including, but not limited to, such matters associated with the testing, manufacturing, marketing and sale of our products. We have been in the past, and continue to be, subject to various product liability cases, other litigations and/or government investigations. In addition to direct expenditures for damages, settlement and defense costs, there is a possibility of adverse publicity, loss of revenues and disruption of business as a result of product liability claims or other litigation matters. Some plaintiffs have received substantial damage awards in some jurisdictions against pharmaceutical and/or medical device companies based upon claims for injuries allegedly caused by the use of their products. In addition, in the age of social media, plaintiffs' attorneys have a wide variety of tools to advertise their services and solicit new clients for litigation. Thus, we could expect that any significant product liability litigation or mass tort in which we are a defendant will have a larger number of plaintiffs than such actions have seen historically because of the increasing use of wide-spread and media-varied advertising. In addition, it may be necessary for us to voluntarily or mandatorily recall or withdraw products that do not meet approved specifications or which subsequent data demonstrate may be unsafe or ineffective or which has been widely misused. Any such recall or withdraw could result in adverse publicity, costs connected to the recall and loss of revenue. We cannot confirm to you that a product liability claim or series of claims brought against us would not have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our pharmaceutical and medical device products may cause, or may appear to cause, serious adverse side effects or potentially dangerous drug interactions if misused, improperly prescribed, improperly implanted or subject to faulty surgical technique. For example, we and/or certain of our subsidiaries, have been named as defendants in multiple lawsuits in various federal and state courts alleging personal injury resulting from use of transvaginal surgical mesh products designed to treat pelvic organ prolapse and stress urinary incontinence. We and certain plaintiffs' attorneys representing mesh-related product liability claimants have entered into various Master Settlement Agreements (MSAs) regarding settling up to approximately 49,000 filed and unfiled mesh claims handled or controlled by the participating attorneys. These MSAs, which were executed at various times since June 2013, were entered into solely by way of compromise and settlement and are not in any way an admission of liability or fault by us and/or any of our subsidiaries. As of March 31, 2016, our product liability accrual for vaginal mesh cases totaled \$1.9 billion for all known pending and estimated future claims related to vaginal mesh cases. We may be subject to additional liabilities arising out of these cases, and are responsible for the cost of managing these cases.

We cannot confirm to you that we will be able to obtain or maintain product liability insurance in the future on acceptable terms or with adequate coverage against potential liabilities or other losses such as the cost of a recall if any claim is brought against us, regardless of the success or failure of the claim. For example, we no longer have product liability insurance to cover the claims in connection with the mesh-related litigation described above. Additionally, we may be limited by the surviving insurance policies of our acquired subsidiaries, which may not be adequate to cover against potential liabilities or other losses. The failure to generate

sufficient cash flow or to obtain other financing could affect our ability to pay the amounts due under these liabilities not covered by insurance. See Note 12. Commitments and Contingencies in the Consolidated Financial Statements, included in Part I, Item 1. of this report "Financial Statements" for further discussion of our product liability cases.

We are subject to various regulations pertaining to the marketing and pricing of our products and services.

We are subject to various federal and state laws pertaining to healthcare fraud and abuse involving the marketing and pricing of our products and services, including prohibitions on the offer of payment or acceptance of kickbacks or other remuneration for the purchase of our products and services, including inducements to potential patients to request our products and services and inducements to healthcare professionals to prescribe and use our products and devices. Additionally, product promotion, educational activities, support of continuing medical education programs, and other interactions with healthcare professionals must be conducted in a manner consistent with the FDA regulations and the Anti-Kickback Statute. The Anti-Kickback Statute, with certain exceptions or exemptions published by the Office of the Inspector General of the Department of Health and Human Services (HHS-OIG), prohibits persons or entities from knowingly and willfully soliciting, receiving, offering or providing remuneration, directly or indirectly, to induce either the referral of an individual, or the furnishing, recommending, or arranging for a good or service, for which payment may be made under federal healthcare programs, such as the Medicare and Medicaid programs. Violations of the Anti-Kickback Statute also carry potential federal False Claims Act liability. Additionally, many states have adopted laws similar to the Anti-Kickback Statute, without identical exceptions or exemptions. Some of these state prohibitions apply to referral of patients for healthcare items or services reimbursed by any third-party payer, not only the Medicare and Medicaid programs. Any such new regulations or requirements may be difficult and expensive for us to comply with, may delay our introduction of new products, may adversely affect our total revenues and may have a material adverse effect on our business, results of operations, financial condition and cash flows.

Sanctions for violating these laws include criminal penalties and civil sanctions and possible exclusion from federal funded healthcare programs such as Medicare and Medicaid as well as potential liability under the False Claims Act and applicable state false claims acts. There can be no assurance that our practices will not be challenged under these laws in the future or that changes in these laws or interpretation of these laws would not give rise to new challenges of our practices or that such a challenge would not have a material adverse effect on our business or results of operations. Law enforcement agencies sometimes initiate investigations into sales, marketing and/or pricing practices based on preliminary information or evidence, and such investigations can and often are closed without any enforcement action. Nevertheless, these types of investigations and any related litigation can result in: (i) large expenditures of cash for legal fees, payment of penalties, and compliance activities; (ii) limitations on operations; (iii) diversion of management resources; (iv) injury to our reputation; and (v) decreased demand for our products.

In addition, our company is subject to statutory and regulatory restrictions on the promotion of uses of prescription drugs or devices that are not cleared or approved by the FDA. Although the FDA does not regulate a physician's choice of medications, treatments or product uses, the FDCA and FDA regulations and guidance significantly restrict the ability of pharmaceutical and medical device companies to communicate with patients, physicians, and other third-parties about unapproved or uncleared product uses. FDA, FTC, the HHS-OIG, the DOJ and various state Attorneys General actively enforce state and federal prohibitions on the promotion of unapproved uses, as well as prohibitions against promotional practices deemed false or misleading. A company that is found to have improperly promoted its products under these laws may be subject to significant liability, including significant administrative, civil, and criminal sanctions, including but not limited to, significant civil damages, criminal fines, and exclusion from participation in Medicare, Medicaid, and other federal healthcare programs. Applicable laws governing product promotion also provide for administrative, civil, and criminal liability for individuals, including, in some circumstances, potential strict vicarious liability. Conduct giving rise to such liability could also form the basis for private civil litigation by third-party payers or other persons allegedly harmed by such conduct.

We have established and implemented a corporate compliance program designed to prevent, detect, and correct violations of state and federal healthcare laws, including laws related to advertising and promotion of our drugs and devices. Nonetheless, the FDA, FTC, HHS-OIG, the DOJ and/or the state Attorneys General, and *qui tam* relators may take the position that we are not in compliance with such requirements, and, if such non-compliance is proven, the company and, in some cases, individual employees, may be subject to significant liability, including the aforementioned administrative, civil, and criminal sanctions.

Furthermore, in February 2014, we entered into a Deferred Prosecution Agreement (DPA) with the U.S. Department of Justice and a Corporate Integrity Agreement (CIA) with the U.S. Department of Health and Human Services to resolve allegations regarding the promotion of Lidoderm®. In March 2013, our subsidiary, Par, entered into a CIA and a Plea Agreement with the U.S. Department of Justice to resolve allegations regarding the promotion of Megace ES®. Those agreements place certain obligations on us related to the marketing of our branded pharmaceutical products and our healthcare regulatory compliance program, including reporting requirements to the U.S. government, detailed requirements for our compliance program, code of conduct, and policies and procedures, and the requirement to engage an Independent Review Organization. We have implemented procedures and practices to comply with the CIA, including the engagement of an Independent Review Organization. In the event we breach the DPA, the Plea Agreement, and/or the CIA, there is a risk the government would seek remedies provided for in those agreements, including instituting

criminal prosecution against us, seeking to impose stipulated penalties, or seeking to exclude us from participation in Federal health care programs.

The trading prices of our securities may be volatile, and your investment in our securities could decline in value.

The market prices for securities of pharmaceutical companies in general have been highly volatile and may continue to be highly volatile in the future. For example, in 2015, our ordinary shares traded between \$96.58 and \$46.66 per share on the NASDAQ Global Select Market. The following factors, in addition to other risk factors described in this section, may cause the market value of our securities to fluctuate:

- FDA approval or disapproval of any of the drug applications we have submitted;
- the success or failure of our clinical trials;
- new data or new analyses of older data that raises potential safety or effectiveness issues concerning our approved products;
- product recalls;
- competitors announcing technological innovations or new commercial products;
- introduction of generic substitutes for our products, including the filing of ANDAs with respect to generic versions of our branded products;
- developments concerning our or others' proprietary rights, including patents;
- competitors' publicity regarding actual or potential products under development or other activities affecting our competitors or the industry in general;
- regulatory developments in the U.S. and foreign countries, or announcements relating to these matters;
- period-to-period fluctuations in our financial results;
- new legislation in the U.S. relating to the development, sale or pricing of pharmaceutical products or changes in interpretation of existing legislation relating thereto;
- a determination by a regulatory agency that we are engaging or have engaged in inappropriate sales or marketing activities, including promoting the "off-label" use of our products;
- social and political pressure to lower the cost of drugs;
- social and political scrutiny over increases in prices of shares of pharmaceutical companies that are perceived to be caused by a strategy of growth through acquisitions;
- litigation; and
- economic and other external factors, including market speculation or disasters and other crises.

Our ability to use U.S. tax attributes to offset U.S. taxable income may be limited.

Existing and future tax laws and regulations may limit our ability to use U.S. tax attributes, including net operating losses, to offset U.S. taxable income. For a period of time following the 2014 Paladin transaction, our U.S. affiliates could be precluded from utilizing U.S. tax attributes to offset taxable income if we complete certain transactions. In addition, the U.S. Treasury Department recently issued new temporary and proposed regulations related to corporate inversions and earnings stripping. The limitations on the use of certain tax attributes and deductions in these regulations are in addition to existing rules that could impose more restrictive limitations in the event that cumulative changes in our stock ownership within a three-year period exceed certain thresholds. Such changes or the adoption of additional limitations could impact our overall utilization of deferred tax assets, potentially resulting in a material adverse impact to our financial statements and cash flows from operations.

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 March 31, 2016.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

The information called for by this item is incorporated by reference to the Exhibit Index of this Report.

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/ RAJIV DE SILVA
Name: **Rajiv De Silva**
Title: **President and Chief Executive Officer**
(Principal Executive Officer)

/s/ SUKETU P. UPADHYAY
Name: **Suketu P. Upadhyay**
Title: **Executive Vice President and Chief Financial Officer**
(Principal Financial Officer)

Date: May 6, 2016

Exhibit Index

<u>Exhibit No.</u>	<u>Title</u>
2.1	Amended and Restated Agreement and Plan of Merger, dated as of November 17, 2014, by and among Auxilium Pharmaceuticals, Inc., Endo International plc, Endo U.S. Inc., and Avalon Merger Sub Inc. (incorporated by reference to Annex A of the prospectus on Form 424B3 filed with the Commission on December 24, 2014)
2.2	Agreement and Plan of Merger by and among Generics International (US), Inc., DAVA Pharmaceuticals, Inc. and certain other parties listed therein, dated June 24, 2014 (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on June 26, 2014)
2.3	Purchase Agreement, dated March 2, 2015, by and among American Medical Systems Holdings, Inc., Endo Health Solutions Inc., and Boston Scientific Corporation (incorporated by reference to Exhibit 10.239 of the Endo International plc Quarterly Report on Form 10-Q for the quarter ended March 31, 2015, filed with the Commission May 11, 2015)
2.4	Agreement and Plan of Merger, dated as of May 18, 2015, by and among Par Pharmaceutical Holdings, Inc., a Delaware corporation, Endo International plc, a public limited company incorporated under the laws of Ireland, Endo Limited, a private limited company incorporated under the laws of Ireland, Endo Health Solutions Inc., a Delaware corporation, Banyuls Limited, a private limited company incorporated under the laws of Ireland, Hawk Acquisition ULC, a Bermudian unlimited liability company and Shareholder Representative Services LLC, a Colorado limited liability company, solely as the Stakeholder Representative (as defined therein) (incorporated by reference to Exhibit 2.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 21, 2015)
3.1	Certificate of Incorporation on re-registration as a public limited company of Endo International plc (incorporated by reference to Exhibit 3.1 of the Endo International plc Current Report on Form 8-K12B, filed with the Commission on February 28, 2014)
3.2	Memorandum and Articles of Association of Endo International plc (incorporated by reference to Exhibit 3.2 of the Endo International plc Current Report on Form 8-K12B, filed with the Commission on February 28, 2014)
4.1	Specimen Share Certificate of Endo International plc (incorporated by reference to Exhibit 4.3 of the Endo International plc Form S-8, filed with the Commission on February 28, 2014)
4.2	Indenture among the Company, the guarantors named therein and Wells Fargo Bank, National Association, as trustee, dated June 8, 2011 (including Form of 7 1/4% Senior Notes due 2022 and Form of Supplemental Indenture relating to the 7 1/4% Senior Notes due 2022) (incorporated by reference to Exhibit 4.3 of the Endo Health Solutions Inc. Current Report on Form 8-K, filed with the Commission on June 9, 2011)
4.3	Fourth Supplemental Indenture, among Generics Bidco II, LLC, Generics International (US Holdco), Inc., Generics International (US Midco), Inc., Generics International (US Parent), Inc., Moores Mill Properties L.L.C., Quartz Specialty Pharmaceuticals, LLC and Wood Park Properties LLC, as guaranteeing subsidiaries, Endo, the guarantors named therein and Wells Fargo Bank, National Association, as trustee, dated September 26, 2011, to the Indenture among Endo, the guarantors named therein and Wells Fargo Bank, National Association, as trustee, dated June 8, 2011 (incorporated by reference to Exhibit 10.157 of the Endo Health Solutions Inc. Annual Report on Form 10-K for the year ended December 31, 2013, filed with the Commission on March 3, 2014)
4.4	Fifth Supplemental Indenture, among Endo Health Solutions Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, dated as of April 17, 2014, to the Indenture among Endo Health Solutions Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, dated as of June 8, 2011, governing Endo Health Solutions Inc.'s 7 1/4% Senior Notes due 2022 (incorporated by reference to Exhibit 10.3 of the Endo International plc Current Report on Form 8-K, filed with the Commission on April 17, 2014)
4.5	Indenture, dated December 19, 2013, between Endo Finance Co. and Wells Fargo Bank, National Association, as trustee (including Form of 5.75% Senior Notes due 2022 and Form of Supplemental Indenture relating to the 5.75% Senior Notes due 2022) (incorporated by reference to Exhibit 4.1 of the Endo Health Solutions Inc. Current Report on Form 8-K, filed with the Commission on December 19, 2013)
4.6	Supplemental Indenture, dated February 28, 2014, among Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, to the Indenture, dated December 19, 2013 (incorporated by reference to Exhibit 4.1 of Endo International plc's Current Report on Form 8-K, filed with the Commission on February 28, 2014)
4.7	Supplemental Indenture, dated March 27, 2015, among Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, to the Indenture, dated December 19, 2013 (incorporated by reference to Exhibit 4.7 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)

- 4.8 Indenture, dated May 6, 2014, among Endo Finance LLC, Endo Finco Inc. the guarantors named therein and Wells Fargo Bank, National Association, as trustee, relating to the 7.25% Senior Notes due 2022 (including Form of 7.25% Senior Notes due 2022 and Form of Supplemental Indenture relating to the 7.25% Senior Notes due 2022) (incorporated by reference to Exhibit 10.5 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 7, 2014)
- 4.9 Supplemental Indenture, dated March 27, 2015, among Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, to the Indenture, dated May 6, 2014 (incorporated by reference to Exhibit 4.9 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)
- 4.10 Registration Rights Agreement, dated May 6, 2014, by and among Endo Finance LLC, Endo Finco Inc. the guarantors named therein and RBC Capital Markets, LLC and Deutsche Bank Securities Inc., relating to the 7.25% Senior Notes due 2022 (including Form of Counterpart to the Registration Rights Agreement relating to the 7.25% Senior Notes due 2022) (incorporated by reference to Exhibit 10.9 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 7, 2014)
- 4.11 Indenture, dated June 30, 2014, among Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, relating to the 5.375% Senior Notes due 2023 (including Form of 5.375% Senior Notes due 2023 and Form of Supplemental Indenture relating to the 5.375% Senior Notes due 2023) (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on July 1, 2014)
- 4.12 Supplemental Indenture, dated March 27, 2015, among Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, to the Indenture, dated June 30, 2014 (incorporated by reference to Exhibit 4.12 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)
- 4.13 Registration Rights Agreement, dated June 30, 2014, by and among Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Citigroup Global Markets Inc. and RBC Capital Markets, LLC, relating to the 5.375% Senior Notes due 2023 (including Form of Counterpart to the Registration Rights Agreement relating to the 5.375% Senior Notes due 2023) (incorporated by reference to Exhibit 10.3 of the Endo International plc Current Report on Form 8-K, filed with the Commission on July 1, 2014)
- 4.14 Indenture, dated January 27, 2015, among Endo Limited, Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, relating to the 6.00% Senior Notes due 2025 (including Form of 6.00% Senior Notes due 2025 and Form of Supplemental Indenture relating to the 6.00% Senior Notes due 2025) (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on January 27, 2015)
- 4.15 Supplemental Indenture, dated March 27, 2015, among Endo Limited, Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, to the Indenture, dated January 27, 2015 (incorporated by reference to Exhibit 4.15 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)
- 4.16 Registration Rights Agreement, dated January 27, 2015, by and among Endo Limited, Endo Finance LLC, Endo Finco Inc., the guarantors named therein and RBC Capital Markets, LLC and Citigroup Global Markets Inc., relating to the 6.00% Senior Notes due 2025 (including Form of Counterpart to the Registration Rights Agreement relating to the 6.00% Senior Notes due 2025) (incorporated by reference to Exhibit 10.3 of the Endo International plc Current Report on Form 8-K, filed with the Commission on January 27, 2015)
- 4.17 Indenture, dated July 9, 2015, among Endo Limited, Endo Finance LLC, Endo Finco Inc., the guarantors named therein and Wells Fargo Bank, National Association, as trustee, relating to the 6.000% Senior Notes due 2023 (including Form of 6.000% Notes due 2023 and Form of Supplemental Indenture relating to the 6.000% Notes due 2023) (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on July 9, 2015)
- 4.18 Shareholders Agreement, dated as of May 18, 2015, by and among Endo International plc and the signatories thereto (incorporated by reference to Exhibit 10.2 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 21, 2015)
- 4.18.1 Amendment to Shareholders and Registration Rights Agreements, dated as of May 5, 2016, by and among Endo International plc and the signatories thereto (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 5, 2016)
- 4.19 Registration Rights Agreement dated April 26, 2013, by and between Auxilium Pharmaceuticals, Inc., a Delaware corporation and GTCR Fund IX/A, L.P., a Delaware limited partnership, solely in its capacity as representative for the GTCR Fund IX/B, L.P., and the Actient Holdings LLC's Unitholders and Optionholders (incorporated by reference to Exhibit 10.2 to the Auxilium Current Report on Form 8-K, filed with the Commission on April 29, 2013)

4.20	Registration Rights Agreement, dated as of May 18, 2015, by and among Endo International plc and the persons listed on Schedule A thereto (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 21, 2015)
10.1	Amended and Restated Executive Deferred Compensation Plan (incorporated by reference to Exhibit 10.11 of the Endo Health Solutions Inc. Annual Report on Form 10-K for the year ended December 31, 2012, filed with the Commission on March 1, 2013)
10.2	Amended and Restated 401(k) Restoration Plan (incorporated by reference to Exhibit 10.12 of the Endo Health Solutions Inc. Annual Report on Form 10-K for the year ended December 31, 2012, filed with the Commission on March 1, 2013)
10.3	Directors Deferred Compensation Plan (incorporated by reference to Exhibit 10.13 of the Endo Health Solutions Inc. Annual Report on Form 10-K for the year ended December 31, 2012, filed with the Commission on March 1, 2013)
10.4*	Supply and Manufacturing Agreement, dated as of November 23, 1998, by and between Endo Pharmaceuticals and Teikoku Seiyaku Co., Ltd. (incorporated by reference to Exhibit 10.14 of the Endo Health Solutions Inc. Registration Statement filed with the Commission on June 9, 2000)
10.4.1*	First Amendment, dated April 24, 2007, to the Supply and Manufacturing Agreement, dated as of November 23, 1998, by and between Endo Pharmaceuticals and Teikoku Seiyaku Co., Ltd. / Teikoku Pharma USA, Inc. (incorporated by reference to Exhibit 10.14.1 of the Endo Health Solutions Inc. Current Report on Form 8-K, filed with the Commission on April 30, 2007)
10.4.2*	Second Amendment, effective December 16, 2009, to the Supply and Manufacturing Agreement, dated as of November 23, 1998 and as amended as of April 24, 2007, by and between Endo Pharmaceuticals and Teikoku Seiyaku Co., Ltd. / Teikoku Pharma USA, Inc. (incorporated by reference to Exhibit 10.14.2 of the Endo Health Solutions Inc. Current Report on Form 8-K, filed with the Commission on January 11, 2010)
10.4.3*	Third Amendment, effective November 1, 2010, to the Supply and Manufacturing Agreement, dated as of November 23, 1998 and as amended as of December 16, 2009, by and between Endo Pharmaceuticals and Teikoku Seiyaku Co., Ltd. / Teikoku Pharma USA, Inc. (incorporated by reference to Exhibit 10.14.3 of the Endo Health Solutions Inc. Form 10-Q for the Quarter ended September 30, 2010 filed with the Commission on November 2, 2010)
10.4.4*	Fourth Amendment, effective February 25, 2015, to the Supply and Manufacturing Agreement, dated as of November 23, 1998 and as amended as of November 1, 2010, by and between Endo Pharmaceuticals and Teikoku Seiyaku Co., Ltd. / Teikoku Pharma USA, Inc. (incorporated by reference to Exhibit 10.14.4 of the Endo International plc Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Commission on March 2, 2015)
10.5*	Supply Agreement, dated as of April 27, 2012, between Endo Pharmaceuticals and Noramco, Inc. (incorporated by reference to Exhibit 10.17 of the Endo Health Solutions Inc. Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2012, filed with the Commission on May 1, 2012)
10.5.1*	Third Amendment, dated as of January 1, 2015, to the Supply Agreement, dated as of April 27, 2012, as amended, between Endo Pharmaceuticals and Noramco, Inc. (filed herewith)
10.5.2*	Fourth Amendment, dated as of October 22, 2015, to the Supply Agreement, dated as of April 27, 2012, as amended, between Endo Pharmaceuticals and Noramco, Inc. (filed herewith)
10.5.3*	Fifth Amendment, dated as of April 25, 2016, to the Supply Agreement, dated as of April 27, 2012, as amended, between Endo Pharmaceuticals and Noramco, Inc. (filed herewith)
10.6	Executive Employment Agreement between Endo and Ivan P. Gergel, dated as of October 27, 2011 (incorporated by reference to Exhibit 10.122 of the Endo Health Solutions Inc. Quarterly Report on Form 10-Q for the Quarter Ended September 30, 2011, filed with the Commission on October 31, 2011)
10.7	Executive Employment Agreement between Endo and Rajiv De Silva, dated as of February 24, 2013 and effective as of March 18, 2013 (incorporated by reference to Exhibit 10.1 of the Endo Health Solutions Inc. Current Report on Form 8-K, filed with the Commission on February 25, 2013)
10.8	Endo International plc Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Exhibit 4.9 of the Endo International plc Form S-8, filed with the Commission on February 28, 2014)
10.9*	Development, License and Supply Agreement, dated as of December 18, 2007, between Endo Pharmaceuticals and Grünenthal GmbH (incorporated by reference to Exhibit 10.139 of the Endo Health Solutions Inc. Quarterly Report on Form 10-Q for the Quarter Ended March 31, 2012 filed with the Commission on May 1, 2012)
10.9.1*	First Amendment to Development, License and Supply Agreement, dated as of December 19, 2012, between Endo Pharmaceuticals and Grünenthal GmbH (incorporated by reference to Exhibit 10.139.1 of the Endo Health Solutions Inc. Form 10-K for the year ended December 31, 2012 filed with the Commission on March 1, 2013)

10.9.2*	Second Amendment to Development, License and Supply Agreement, dated as of February 18, 2014, between Endo Pharmaceuticals and Grünenthal GmbH (incorporated by reference to Exhibit 10.139.2 of the Endo Health Solutions Inc. Form 10-K for the year ended December 31, 2013 filed with the Commission on March 3, 2014)
10.10	Executive Employment Agreement between Endo Health Solutions Inc. and Suketu P. Upadhyay, dated as of September 4, 2013 and effective as of September 23, 2013 (incorporated by reference to Exhibit 10.1 of the Endo Health Solutions Inc. Current Report on Form 8-K, filed with the Commission on September 10, 2013)
10.11	Executive Employment Agreement between Endo Health Solutions Inc. and Donald W. DeGolyer, dated as of May 24, 2013 and effective as of August 1, 2013 (incorporated by reference to Exhibit 10.147 of the Endo Health Solutions Inc. Annual Report on Form 10-K for the year ended December 31, 2013, filed with the Commission on March 3, 2014)
10.12	Credit Agreement, dated as of February 28, 2014, among Endo Limited, Endo Management Limited, Endo Luxembourg Holding Company S.a.r.l., Endo Luxembourg Finance Company I S.a.r.l., Endo LLC (formerly known as NIMA Acquisition, LLC), the lenders from time to time party thereto, and Deutsche Bank AG New York Branch, as administrative agent, collateral agent, issuing bank and swingline lender (incorporated by reference to Exhibit 4.3 of the Endo International plc Current Report on Form 8-K, filed with the Commission on February 28, 2014)
10.13	Amendment No. 1 to Credit Agreement, dated as of June 12, 2015, by and among Endo Luxembourg Finance Company I S.à.r.l and Endo LLC, as borrowers, the subsidiary guarantors party thereto, the lenders and other financial institutions party thereto and Deutsche Bank AG New York Branch, as administrative agent (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on June 15, 2015)
10.14	Incremental Amendment, dated as of September 25, 2015, by and among Endo Designated Activity Company, Endo Management Limited, Endo Luxembourg Holding Company S.à r.l., Endo Luxembourg Finance Company I S.à.r.l., as borrower, Endo LLC, as borrower, the subsidiary guarantors party thereto, the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, with the Commission on September 28, 2015)
10.15	Executive Employment Agreement between Endo Health Solutions Inc., a wholly-owned subsidiary of Endo International plc, and Susan Hall, dated as of March 6, 2014 and effective March 10, 2014 (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on March 13, 2014)
10.15.1	First Amendment to Executive Employment Agreement between Endo Health Solutions Inc., a wholly-owned subsidiary of Endo International plc, and Susan Hall, dated as of April 21, 2014 and effective April 22, 2014 (incorporated by reference to Exhibit 10.162.1 of the Endo International plc Quarterly Report on Form 10-Q for the Quarter ended March 31, 2014, filed with the Commission on May 9, 2014)
10.16	Retention Agreement, dated as of January 8, 2015, between Endo Health Solutions Inc. and Caroline B. Manogue (incorporated by reference to Exhibit 10.207 of the Endo International plc Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Commission on March 2, 2015)
10.17	Executive Employment Agreement by and between American Medical Systems, Inc. and Camille Farhat, effective as of July 17, 2012 (incorporated by reference to Exhibit 10.208 of the Endo International plc Annual Report on Form 10-K for the year ended December 31, 2014, filed with the Commission on March 2, 2015)
10.18*	Second Amended and Restated Development and License Agreement, dated August 31, 2011, by and between BioSpecifics Technologies Corp. and Auxilium (incorporated by reference to Exhibit 10.1 to the Auxilium Current Report on Form 8-K, filed with the Commission on September 1, 2011)
10.18.1*	First Amendment to Second Amended and Restated Development and License Agreement, dated February 1, 2016, by and between BioSpecifics Technologies Corp. and Endo Global Ventures (incorporated by reference to Exhibit 10.18.1 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)
10.19*	Supply Agreement, dated June 26, 2008, between Auxilium and Hollister-Stier Laboratories LLC (incorporated by reference to Exhibit 10.1 to the Auxilium Quarterly Report on Form 10-Q for the quarter ended June 30, 2008, filed with the Commission on August 8, 2008)
10.20	Executive Employment Agreement between Endo Health Solutions Inc. and Matthew J. Maletta, effective as of April 28, 2015 (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on April 30, 2015)
10.21	Endo International plc 2015 Stock Incentive Plan (incorporated by reference to Exhibit 4.2 of the Endo International plc Registration Statement on Form S-8, filed with the Commission on June 15, 2015)
10.22	Form of Stock Option Agreement to Optionee under the Endo International plc 2015 Stock Incentive Plan (filed herewith)
10.23	Form of Stock Award Agreement to Participant under the Endo International plc 2015 Stock Incentive Plan (filed herewith)

10.24	Form of Performance Award Agreement to Participant under the Endo International plc 2015 Stock Incentive Plan (filed herewith)
10.25	Form of Matched Performance Award Agreement to Participant under the Endo International plc 2015 Stock Incentive Plan (incorporated by reference to Exhibit 10.276 of the Endo International plc Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, filed with the Commission August 10, 2015)
10.26	Executive Employment Agreement between Endo Health Solutions, Inc. and Paul V. Campanelli, effective as of September 25, 2015 (incorporated by reference to Exhibit 10.310 of the Endo International plc Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, filed with the Commission November 9, 2015)
10.27	License and Supply Agreement by and by and among Novartis, AG, Novartis Consumer Health, Inc. and Endo Pharmaceuticals dated as of March 4, 2008 (incorporated by reference to Exhibit 10.31 of the Endo International plc Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, filed with the Commission November 9, 2015)
10.27.1	Amendment No. 1 to the License and Supply Agreement by and by and among Novartis, AG, Novartis Consumer Health, Inc. and Endo Pharmaceuticals dated as of March 28, 2008 (incorporated by reference to Exhibit 10.31.1 of the Endo International plc Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, filed with the Commission November 9, 2015)
10.27.2	Amendment No. 2 to License and Supply Agreement, by and among Novartis AG, Novartis Consumer Health, Inc. and Endo Pharmaceuticals dated as of December 31, 2012 (incorporated by reference to Exhibit 10.31.2 of the Endo International plc Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, filed with the Commission November 9, 2015)
10.28*	Amended and Restated License and Supply Agreement by and among Novartis, AG, Sandoz Inc. and Endo Ventures Limited dated as of December 11, 2015 (incorporated by reference to Exhibit 10.28 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)
10.28.1*	Letter Agreement by and among Novartis AG, Sandoz, Inc. and Endo Ventures Limited dated as of March 25, 2016 (filed herewith)
10.29*	License and Commercialization Agreement, dated October 10, 2013, by and between VIVUS, Inc. and Auxilium Pharmaceuticals, Inc. (incorporated by reference to Exhibit 10.14 to the Auxilium Annual Report on Form 10-K, filed with the Commission on February 28, 2014)
10.30*	Commercial Supply Agreement, dated October 10, 2013, by and between VIVUS, Inc. and Auxilium Pharmaceuticals, Inc. (incorporated by reference to Exhibit 10.15 to the Auxilium Annual Report on Form 10-K, filed with the Commission on February 28, 2014)
10.31	Notice of Termination, effective as of June 30, 2016, of (i) the License and Commercialization Agreement by and between Auxilium and VIVUS and (ii) the Commercial Supply Agreement, by and between Endo Ventures (by assignment from Auxilium) and VIVUS (incorporated by reference to Exhibit 10.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on December 30, 2015)
10.32	Form of Indemnification Agreement with Endo Health Solutions Inc. (incorporated by reference to Exhibit 10.32 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)
10.33	Executive Employment Agreement between Endo Health Solutions, Inc. and Rajiv De Silva, effective as of March 18, 2016 (incorporated by reference to Exhibit 10.33 of Endo International plc Annual Report on Form 10-K for the year ended December 31, 2015, filed with the Commission on February 29, 2016)
10.34	Director Confidentiality Agreement, dated as of May 5, 2016, by and among Endo International plc, Todd B. Sisitsky and TPG Global, LLC (incorporated by reference to Exhibit 10.2 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 5, 2016)
10.35	Form of Indemnification Agreement with Endo International plc (filed herewith)
14.1	Code of Conduct of the Board of Directors, as amended and restated on May 3, 2016 (incorporated by reference to Exhibit 14.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on May 5, 2016)
16.1	Letter Regarding Change in Certifying Accountant, dated June 13, 2014 (incorporated by reference to Exhibit 16.1 of the Endo International plc Current Report on Form 8-K, filed with the Commission on June 13, 2014)
31.1	Certification of the President and Chief Executive Officer of Endo pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer of Endo pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

- 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
- 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
- 101 The following materials from Endo International plc's Report on Form 10-Q for the quarter ended March 31, 2016, 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
- * Confidential portions of this exhibit (indicated by asterisks) have been redacted and filed separately with the Securities and Exchange Commission pursuant to a confidential treatment request in accordance with Rule 24b-2 of the Securities Exchange Act of 1934, as amended

THIRD AMENDMENT TO SUPPLY AGREEMENT

This Third Amendment to the April 27, 2012 Supply Agreement (the "Third Amendment") is made as of January 1, 2015 (the "Effective Date") by and between Endo Pharmaceuticals Inc., a Delaware limited liability company with offices at 1400 Atwater Drive, Malvern, PA 19355 ("ENDO") and Noramco, Inc. a Georgia corporation having a principal place of business at 500 Swedes Landing Road, Wilmington, DE 19801, USA ("Noramco") hereinafter collectively and/or individually (Parties and/or Party).

WHEREAS:

(A) The Parties hereto entered into a Supply Agreement dated April 27, 2012 (the "Agreement"), and amended the Agreement on December 12, 2013 (the "First Amendment"), and on April 29, 2015 (the "Second Amendment"), and the Parties desire to amend the Agreement as set forth herein.

NOW THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings given to such terms in the Agreement.
2. For ***, in excess of the agreed volume maximum and beginning ***, purchases by Endo and Affiliates are not included in the Agreement and shall be based on availability. Price shall be determined for each request.
3. Prices for the Agreement as of the above Effective Date of this Amendment are attached.
4. Save as otherwise expressly referred to in this Amendment the terms and conditions of the Agreement shall apply in all other respects and remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to

execute this Third Amendment in duplicate counterparts.

ENDO PHARMACEUTICALS INC.

By: /s/Rajiv De Silva
Name: Rajiv De Silva
Title: President and Chief Executive Officer
Date: 8/17/2015

NORAMCO, INC.

By: /s/John Giannone
Name: John Giannone
Title: Director of US Sales
Date: 7/27/2015

Attachment

Amendment Number 4 to Supply Agreement

This Fourth Amendment (“Fourth Amendment”) is entered into on the 22nd day of October, 2015 (“Amendment Effective Date”), by and between Endo Ventures Limited, a corporation organized and existing under the laws of Ireland (registered number 442731) having its principal office at Minerva House, Simonscourt Road, Ballsbridge, Dublin 4, Ireland for itself and its subsidiaries, each of which shall be bound by this Fourth Amendment as if each had separately executed this Fourth Amendment, (collectively “Endo”), and Noramco, Inc., a corporation organized under the laws of the State of Georgia and having a place of business at 500 Swedes Landing Road, Wilmington, Delaware 19801 (“Company”) (each individually a “Party” and collectively the “Parties”) as the Fourth Amendment to the Supply Agreement dated 27th day of April, 2012 as entered into by and between the Parties and as amended on December 12, 2013 (the “First Amendment”), on April 29, 2015 (the “Second Amendment”), on January 1, 2015 (the “Third Amendment”) and on April 16, 2015 (the “Assignment of Contract”) (as amended, the “Agreement”).

The Agreement is hereby amended as follows:

1. Replacement of Exhibit 1. Exhibit 1 is hereby replaced with the attached Exhibit 1. Exhibit 1 was updated to add the Product Price for ***.
2. Addendum A to Exhibit 3. Exhibit 3 is amended with the attached Addendum A to Exhibit 3. This Addendum A adds ***.
3. Except as expressly and specifically amended hereby, all other provisions, terms and conditions of the Agreement shall remain unchanged and in full force and effect.
4. This Fourth Amendment may be executed in several counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
5. Capitalized terms used but not otherwise defined herein shall have the meanings assigned to such terms in the Agreement.

IN WITNESS WHEREOF, this Fourth Amendment to the Agreement has been executed by the authorized officers of the Parties hereto with effect as of the Amendment Effective Date.

ENDO VENTURES LIMITED

By: /s/Michael Moes
 Name: Michael Moes
 Title: VP

NORAMCO, INC.

By: /s/John Giannone
 Name: John Giannone
 Title: Director of US Sales

EXHIBIT 1

PRODUCT PRICES

ADDENDUM A EXHIBIT 3

FIFTH AMENDMENT TO SUPPLY AGREEMENT

This Fifth Amendment to the April 27, 2012 Supply Agreement (the "Fifth Amendment") is made as of April 25, 2016 (the "Fifth Amendment Effective Date") by and between Endo Ventures Limited, a company organized and existing under the laws of Ireland (registered number 442731) having its principal office at First Floor, Minerva House, Simonscourt Road, Ballsbridge, Dublin 4, Ireland for itself and its Affiliates, each of which shall be bound by this Fifth Amendment as if each had separately executed this Fifth Amendment, (collectively "Endo"), and Noramco, Inc. a Georgia corporation having a principal place of business at 500 Swedes Landing Road, Wilmington, DE 19801, USA ("Noramco") hereinafter collectively and/or individually ("Parties" and/or a "Party").

WHEREAS:

- (A) The Parties hereto entered into a Supply Agreement dated April 27, 2012 (the "Supply Agreement"), and as amended on December 12, 2013 (the "First Amendment"), on April 29, 2015 (the "Second Amendment"), on January 1, 2015 (the "Third Amendment"), on April 16, 2015 (the "Assignment of Contract") and on October 22, 2015 (the "Fourth Amendment") (collectively, the "Agreement"), and now the Parties desire to amend the Agreement as set forth herein;
- (B) The Agreement contains a provision for automatic one (1) year renewals of the Agreement provided a termination notice has not been sent by *** of the then current renewal year pursuant to Section 10.1; and
- (C) The Parties desire to temporarily change the termination notice date for the *** notification period pursuant to Section 10.1 from *** to ***.

NOW THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Capitalized terms used in this Fifth Amendment and not otherwise defined herein shall have the meanings given to such terms in the Agreement.
2. As of the Fifth Amendment Effective Date, Section 10.1 of the Agreement shall be deleted in its entirety and replaced with the following:

"Term. Unless sooner terminated pursuant to the terms hereof, the term of this Agreement shall commence on the Effective Date and shall continue until four (4) years from the Effective Date (the "Initial Term"). Thereafter, this Agreement automatically renews for additional terms of one (1) year each (each, a "Renewal Term" and together with the Initial Term, the "Term"), unless written notice of non-renewal is given by any Party to the other Party by no later than *** of the then current Term; provided, however, that solely with respect to the

Renewal Term scheduled to commence on ***, notice of non-renewal for such Renewal Term may be provided by either Party no later than **. For the purposes of clarity, in the event that either Party provides notice of non-renewal on or prior to ***, the Agreement will not renew for the Renewal Term commencing on ***.”

3. Save as otherwise expressly referred to in this Fifth Amendment, the terms and conditions of the Agreement shall apply in all other respects and remain in full force and effect.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to execute this Fifth Amendment in duplicate counterparts.

ENDO VENTURES LIMITED

By: /s/Orla Dunlea

Name: Orla Dunlea

Title: Director

Date: 26 April 2016

NORAMCO, INC.

By: /s/William B. Grubb III

Name: William B. Grubb III

Title: VP, Global Marketing, Sales & Business Development

Date: 4.26.2016

Grant No.

**ENDO INTERNATIONAL PLC
STOCK OPTION AGREEMENT
UNDER THE 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 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 or (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 as defined under any 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 as defined under any 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) 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 understand the terms and

provision 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.

Mexico:

Section 18 above shall be amended to add the following language:

The Option shall not become part of the Participant’s salary or compensation, nor an acquired right, since it is not intended to compensate the Participant for his/her services to his/her employer but to be part of a global employee retention plan implemented by the Company. Therefore, the Plan, or the right of the Participant to receive options or other

awards pursuant to the Plan, may be modified or terminated at any time. In addition, the value of such Options will not be considered at any time for purposes of the Participant's severance calculations.

South Africa:

Section 12 above shall be amended to include the language in bold:

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. **The Participant's participation in terms of this Option Agreement is subject to compliance by the Participant with all applicable South African exchange control laws and rules. The Company and/or the Participant's employer shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from any benefit granted hereunder of compensation payable to the Participant and/or from any 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 Options in terms of this Option Agreement.**

Section 18 above shall be amended to add the following provisions:

This Option contains no promise of any future options or similar awards. In other words, by the Participant's signature below, he/she agrees that he/she will have no entitlement or claim to, or expectation of, receiving further awards on the basis of this Option or previous options.

The Option shall not constitute part of the Participant's terms and conditions of employment, including without limitation his/her remuneration, nor an acquired right, since it is not intended to compensate the Participant for his/her services to his/her employer. Therefore, the Plan, or the right of the Participant to receive Options pursuant to the Plan, may be amended, supplemented, substituted or terminated at any time. In addition, the value of such Options will not be considered at any time for purposes of calculating any leave pay, notice pay, severance pay or compensation or the like, which may be due or awarded to the Participant.

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: Rajiv De Silva
Title: President & Chief Executive Officer

PARTICIPANT

Signature: _____

Print Name:

Grant No.

**ENDO INTERNATIONAL PLC
STOCK AWARD AGREEMENT
UNDER THE 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 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 (i) the end of the calendar year in which the applicable vesting date occurs or (ii) 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 as defined under any 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 as defined under any 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) 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. 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" or (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 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:

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 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, 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.

Mexico:

Section 10 above shall be deleted and be of no force and effect.

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

The Stock Award shall not become part of the Participant’s salary or compensation, nor an acquired right, since it is not intended to compensate the Participant for his/her services to his/her employer but to be part of a global employee retention plan implemented by the Company. Therefore, the Plan, or the right of the Participant to receive any awards pursuant to the Plan, may be modified or terminated at any time. In addition, the value of such Stock Awards will not be considered at any time for purposes of the Participant’s severance calculations.

South Africa:

Section 10 above shall be amended to include the language in bold:

Tax Withholding. The Company **and/or the Participant’s employer** 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 **and/or from any 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 Stock Award. 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 **and/or the Participant's employer** withhold from delivery shares of Company Stock in accordance with Section 12(b) of the Plan.

Section 15 above shall be amended to include the language in bold:

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. **Participant's participation in terms of this Award Agreement is subject to compliance by the Participant with all applicable South African exchange control laws and rules.**

Section 21 above shall be amended to add the following provisions:

This Stock Award contains no promise of any future awards. In other words, by the Participant's signature below, he/she agrees that he/she will have no entitlement or claim to, or expectation of, receiving further awards on the basis of this Stock Award or previous awards.

The Stock Award shall not constitute part of the Participant's terms and conditions of employment, including without limitation his/her remuneration, nor an acquired right, since it is not intended to compensate the Participant for his/her services to his/her employer. Therefore, the Plan, or the right of the Participant to receive awards pursuant to the Plan, may be amended, supplemented, substituted or terminated at any time. In addition, the value of such Stock Awards will not be considered at any time for purposes of calculating any leave pay, notice pay, severance pay or compensation or the like, which may be due or awarded to the Participant.

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: Rajiv De Silva
Title: President & Chief Executive Officer

PARTICIPANT

Signature: _____
Print Name:

Grant No.

**ENDO INTERNATIONAL PLC
PERFORMANCE AWARD AGREEMENT
UNDER THE 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 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: The period beginning on the Date of Grant and ending on the third anniversary of 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 (the “Performance Award”), subject to all of the terms and conditions of this Award Agreement and the Plan.

2. Form of Payment and Vesting. The Performance Award shall vest on the the last day of the Performance Period (the “Vesting Date”) in a number of shares of Company Stock equal to the multiple of the Total Target Performance Award achieved, as determined by the Committee (or its designee) in accordance with the vesting provisions of Exhibit A hereto, provided that the Participant is employed by the Company or one of its Subsidiaries on the 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 Vesting Date, but no later than the later to occur of (i) the end of the calendar year in which the Vesting Date occurs or (ii) by the fifteenth day of the third calendar month following the Vesting Date. Any portion of the Performance Award that could have been earned in accordance with the provisions of Exhibit A that is not earned as of the Vesting Date, 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 Vesting Date, 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 Vesting Date, 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 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) by 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 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 hereto 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 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 hereto 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 as defined under any employment agreement with the Company or a Subsidiary to which the Participant is a party, as modified below) prior to the Vesting Date, a portion of the Participant's Performance Award shall vest based upon achievement of the 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 months of Participant's service during the Performance Period and the denominator of which is the total number of months in the Performance Period. The vested portion of the Performance Award shall be settled in shares of Company Stock immediately following such termination. Notwithstanding the foregoing, (i) if termination of the Participant's service occurs prior to the first anniversary of the Date of Grant, CAGR (as defined in Exhibit A) will be determined as though the date of the Participant's termination of service is the one-year anniversary of the Date of Grant and (ii) 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 Performance Award that could have been earned in accordance with the provisions of this Section 4(e) 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. 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 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 services 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 Vesting Date,

- (a) if the 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 as defined under any 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 restrictions, deferral limitations, payment conditions, and forfeiture conditions applicable to any Performance Awards shall lapse and the Performance Awards shall be settled in shares of Company Stock on the date of such termination based on the greater of (i) actual achievement of Performance Criteria or (ii) target achievement of Performance Criteria, in either case measured as of the date of such termination; provided, however, if such termination of service occurs prior to the first anniversary of the Date of Grant, CAGR will be determined based on an assumed measurement period of one year.
- (b) if 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 Performance Awards shall lapse and the Performance Awards shall be settled in shares of Company Stock immediately prior to the Change in Control based on the greater of (i) actual achievement of Performance Criteria or (ii) target achievement of Performance Criteria, in either case measured as of the date of the Change in Control; provided, however, if the Change in Control occurs prior to the first anniversary of the Date of Grant, CAGR will be determined based on an assumed measurement period of one year.
- (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 services 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) 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 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 any 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 any Performance Award. 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" or (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 Exhibit A 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 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 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 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 (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 Vesting Date, the Participant's Performance Awards shall immediately vest in his legal heirs or nominees, subject to fulfillment of the performance conditions specified in Exhibit A and shall be settled in shares of Company Stock for the benefit of the Participant's estate no later than the end of the calendar year in which the Participant's death occurs or, if later, by 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, all of the Participant's unvested Performance Awards as of the date of termination shall stand vested on the date of termination of service, subject to the fulfillment of the performance conditions specified in Exhibit A.

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 Participant's unvested 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 Exhibit A hereto 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 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 any 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.

Mexico:

Section 10 above shall be deleted and be of no force and effect.

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

The Performance Award shall not become part of the Participant’s salary or compensation, nor an acquired right, since it is not intended to compensate the Participant for his/her services to his/her employer but to be part of a global employee retention plan implemented by the Company. Therefore, the Plan, or the right of the Participant to receive any awards pursuant to the Plan, may be modified or terminated at any time. In addition, the value of such Performance Awards will not be considered at any time for purposes of the Participant’s severance calculations.

South Africa:

Section 10 above shall be amended to include the language in bold:

Tax Withholding. The Company **and/or the Participant's employer** shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from any Performance Awards granted hereunder of compensation payable to the Participant **and/or from any 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 Performance Award. 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 **and/or the Participant's employer** withhold from delivery shares of Company Stock in accordance with Section 12(b) of the Plan.

Section 15 above shall be amended to include the language in bold:

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. **Participant's participation in terms of this Award Agreement is subject to compliance by the Participant with all applicable South African exchange control laws and rules.**

Section 21 above shall be amended to add the following provisions:

This Performance Award contains no promise of any future awards. In other words, by the Participant's signature below, he/she agrees that he/she will have no entitlement or claim to, or expectation of, receiving further awards on the basis of this Performance Award or previous awards.

The Performance Award shall not constitute part of the Participant's terms and conditions of employment, including without limitation his/her remuneration, nor an acquired right, since it is not intended to compensate the Participant for his/her services to his/her employer. Therefore, the Plan, or the right of the Participant to receive awards pursuant to the Plan, may be amended, supplemented, substituted or terminated at any time. In addition, the value of such Performance Awards will not be considered at any time for purposes of calculating any leave pay, notice pay, severance pay or compensation or the like, which may be due or awarded to the Participant.

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: Rajiv De Silva
Title: President & Chief Executive Officer

PARTICIPANT

Signature: _____
Print Name:

(I) Performance Criteria.

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

Relative TSR	Multiple Applicable to Target Performance Award
Equal to or above 90 th percentile*	3
Equal to or above 80 th percentile but below 90 th percentile	1.75 - 2
Equal to or above 70 th percentile but below 80 th percentile	1.5 – 1.74
Equal to or above 60 th percentile but below 70 th percentile	1.25 – 1.49
Equal to or above 50 th percentile but below 60 th percentile	1 – 1.24
Equal to or above 40 th percentile but below 50 th percentile	.5
Below 40 th percentile	0

* In order to achieve maximum payout, Relative TSR must rank in the top decile as compared to the Comparator Group and the Company must achieve 20% annual share price CAGR over the Performance Period. In the event that one (but not both) is achieved, the multiple applicable to the target performance award shall be 2.

In the event that Relative TSR over the Performance Period is negative, the multiple applicable to the 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 and CAGR will be made in the sole discretion of the Committee, after the end of the 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 Performance Award based upon the overall performance of the Company and/or the Participant or based upon any change in business conditions, provided that the exercise of such discretion would not cause a Performance Award that would otherwise be deductible as “performance-based” compensation within the meaning of Section 162(m) of the Code to become non-deductible.

(II) Definitions.

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

“CAGR” shall mean the compounded annual growth rate of the Company Stock, which will be determined based on the appreciation of the Per Share Price during the Performance Period, plus any dividends paid on the shares of Company Stock during the Performance Period.

“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 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 Performance Period, plus any dividends paid on the applicable company’s common stock during such Performance Period.

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

March 25, 2016

Sandoz, Inc. (“Sandoz”)
100 College Rd. West
Princeton, NJ 08540

Attention: Peter Goldschmidt, President Sandoz US, Head of North America

NOVARTIS, AG (“Novartis AG” and, together with Sandoz, the “Novartis Parties”)
Lichtstrasse 35
CH-4056 Basel
Switzerland

Re: Voltaren® Gel Authorized Generic

Dear Mr. Goldschmidt:

This Letter Agreement (“Letter Agreement”), entered into as of the date written above (the “Letter Agreement Effective Date”), is by and among Sandoz, Novartis AG and Endo Ventures Limited (“Endo” and collectively with Sandoz and Novartis AG, the “Parties”). Reference is made to that certain Amended and Restated License and Supply Agreement (the “License Agreement”) by and among the Parties, dated as of December 11, 2015, with effect as of July 1, 2016. Any capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the License Agreement unless otherwise specified.

The Parties, intending to be legally bound, hereby agree to amend the terms of the License Agreement, as set forth herein, as of the Letter Agreement Effective Date:

1. Manufacturing. Notwithstanding anything to the contrary in the License Agreement, Sandoz shall: (a) manufacture (or have manufactured on Sandoz’s behalf) Endo’s orders for Generic Licensed Product pursuant to the Manufacturing Plan attached hereto as Exhibit A (the “Manufacturing Plan”); and (b) shall use commercially reasonable efforts to deliver Endo’s orders for Generic Licensed Product pursuant to the Manufacturing Plan, or related Purchase Order(s) issued thereunder, (and further shall use commercially reasonable efforts to expedite delivery in advance of the dates specified therein). Sandoz and Endo shall cooperate and confer regularly regarding the progress of such manufacturing efforts, and shall notify each other promptly of any delays (actual or reasonably foreseeable) that result or may result in a manufacturing or delivery delay of Generic Licensed Product.
2. Purchase Orders. Notwithstanding anything to the contrary in the License Agreement, the parties agree that the terms and conditions of the License Agreement shall apply to all purchase orders submitted pursuant to Section 1.
3. Contingent Royalty. Section 6.1(c) of the License Agreement is hereby amended to modify the Contingent Royalty payable on July 1, 2016 as follows:
 - (i) if, as of July 1, 2016, there has been no Generic Entry, the Contingent Royalty payable on July 1 equals ***;
 - (ii) if, as of July 1, 2016, there has been at least ***, but not more than *** Generic Entries, the Contingent Royalty payable on July 1 equals ***; or

(iii) if, as of July 1, 2016, there have been more than *** Generic Entries, the Contingent Royalty payable on July 1 ***.

4. The terms and conditions of this Letter Agreement and any disclosures made thereunder shall remain confidential as among the Parties, pursuant to the confidentiality obligations set forth in the License Agreement; provided, that for the purposes of this Letter Agreement, such obligations shall become effective as of the Effective Date.
5. This Letter Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
6. Except as specifically amended hereby, all terms and conditions of the License Agreement remain in full force and effect.

[Signature Page Follows]

Each of Endo, Novartis AG and Sandoz has caused this Letter Agreement to be executed by their duly authorized representatives as of the day and year first above written.

Very truly yours,
ENDOVENTURES LIMITED

BY: Robert Cobuzzi
NAME: Robert Cobuzzi
TITLE: Director

ACCEPTED AND AGREED:

SANDOZ, INC.

BY: /s/ Peter Goldschmidt
NAME: Peter Goldschmidt
TITLE: President, Sandoz US, Head of N. America

NOVARTIS, AG

BY: /s/Felix R Ehrat
NAME: Felix R. Ehrate
TITLE: Group General Counsel

BY: /s/ Harry Kirsch
NAME: Harry Kirch
TITLE: CFO

Exhibit A

Manufacturing Plan

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this **Agreement**) is made as of _____, 2016 by and between Endo International plc, a public limited company (company number 534814) with its registered office at First Floor, Minerva House, Simonscourt Road, Ballsbridge, Dublin 4, Ireland (the **Company**), and _____ (**Indemnitee**). This Agreement supersedes and replaces any and all previous agreements between the Company and Indemnitee covering the subject matter of this Agreement.

RECITALS

WHEREAS, it is essential to the Company to retain and attract as directors and officers the most capable persons available;

WHEREAS, capable persons have become more reluctant to serve public companies as directors, officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the Company;

WHEREAS, Indemnitee is a director of the Company's Board of Directors (the **Board**) and/or an officer of the Company (or subsidiary of the Company);

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against directors and officers of publicly-held corporations in today's environment and the need for substantial protection against personal liability in order to enhance Indemnitee's continued service to the Company in an effective manner;

WHEREAS, the Company has determined that its inability to retain and attract as directors and officers the most capable persons would be detrimental to the interests of the Company, and that the Company therefore should seek to assure such persons that indemnification and insurance coverage will be available in the future;

WHEREAS, the Company's articles of association (the **Articles**) require the Company to indemnify and advance Expenses (as defined below) to its directors, secretary and/or officers to the extent provided therein, and Indemnitee serves as a director, secretary and/or officer of the Company, in part, in reliance on such provisions in the Articles; and

WHEREAS, in recognition of Indemnitee's need for substantial protection against personal liability in order to enhance Indemnitee's continued service to the Company in an effective manner and Indemnitee's reliance on the Articles, and in part to provide Indemnitee with specific contractual assurance that the protection promised by the Articles will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of the applicable provisions of the Articles or any change in the composition of the governing bodies of the Company or any acquisition transaction relating to the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancing of Expenses (as defined below) to Indemnitee to the fullest extent (whether partial or complete) permitted by law and as set forth in this Agreement, and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the directors' and officers' liability insurance policy of the Company.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, and of Indemnitee continuing to serve the Company, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. **Definitions.** As used in this Agreement:

(a) "Corporate Status" shall mean the status of a person who is or was a director, secretary, officer, employee, trustee, agent or fiduciary of the Company or of any other corporation, limited liability company, partnership or joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the request of the Company.

(b) "Change in Control" shall be deemed to occur if and when: (i) any person (including as such term is used in Sections 13(d) and 14(d)(2) of the 1934 Act (as defined below)) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act (as defined below)), directly or indirectly, of shares representing 25% or more of the combined voting power of the Company's then outstanding shares (not including in the shares beneficially owned by such person any shares acquired directly from the Company), other than a trustee or other fiduciary holding shares under an employee benefit plan of the Company, a corporation owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of shares of the Company, or any Person who becomes such a beneficial owner in connection with a transaction described in clause (A) of paragraph (iii) below; or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board and any new director whose election by the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or (iii) the Company's shareholders approve a merger, or consolidation other than a merger or consolidation, (A) which would result in the voting shares of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting shares of the surviving entity) at least 50% of the total voting power represented by the voting shares of the Company or such surviving entity outstanding immediately after such merger or consolidation, or (B) 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 shares representing 25% or more of the combined voting power of the Company's then outstanding shares (not including in the shares beneficially owned by such person any shares acquired directly from the Company); or (iv) the Company's shareholders approve a sale or disposition of all or substantially all of the Company's assets (in one transaction or a series of transactions) or a plan or partial or complete liquidation, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity at least 75% of the combined voting power of the voting shares of which are owned by persons in substantially the same proportions as their ownership of the Company immediately prior to such sale or disposition. "1934 Act" means the Securities and Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder.

(c) "Disinterested Director" shall mean a director of the Company who is not and was not a party to the Proceeding (as defined below) in respect of which indemnification is sought by Indemnitee.

(d) "Enterprise" shall mean the Company and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, employee, trustee, agent or fiduciary.

(e) "Expenses" shall mean all expenses and liabilities, including judgments, fines penalties, interest, amounts paid in settlement with the approval of the Company, reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local, foreign or other taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, penalties arising from breaches of Part 4 of Title I of ERISA and related taxes under the United States Internal Revenue Code of 1986, as amended, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also shall include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersede bond, or other appeal bond or its equivalent, and (ii) Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement, by litigation or otherwise. The parties agree that for the purposes of any advancement of Expenses for which Indemnitee has made written demand to the Company in accordance with this Agreement, all Expenses included in such demand that are certified by affidavit of Indemnitee's counsel as being reasonable shall be presumed conclusively to be reasonable.

(f) "Independent Counsel" shall mean a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past three (3) years has been, retained to represent: (i) the

Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(g) "Proceeding" shall mean any threatened, asserted, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative legislative, or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness or otherwise by reason of the fact that Indemnitee is or was a director, officer, employee, trustee, agent or fiduciary of an Enterprise, or by reason of anything done or not done by Indemnitee in any such capacity, by reason of any action taken by him/her or of any action on his/her part while acting pursuant to his/her Corporate Status, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement, or advancement of Expenses can be provided under this Agreement. If Indemnitee reasonably believes in good faith that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall be considered a Proceeding under this paragraph.

(h) "Reviewing Party" shall mean any appropriate person or body consisting of a member or members of the Board or any other person or body appointed by the Board who is not a party to the particular Proceeding for which Indemnitee is seeking indemnification, or Independent Counsel.

Section 2. Indemnity in Third-Party Proceedings. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 2 if Indemnitee was, is, or is threatened to be made, a party to, a witness or other participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 2, Indemnitee shall be indemnified to the fullest extent permitted by applicable law, as soon as practicable but in any event no later than thirty (30) days after written demand is presented to the Company, against all Expenses (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses) actually and reasonably incurred by Indemnitee or on his/her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding had no reasonable cause to believe that his/her conduct was unlawful. No change in applicable law shall have the effect of reducing the benefits available to Indemnitee hereunder.

Section 3. Indemnity in Proceedings by or in the Right of the Company. The Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee was, is, or is threatened to be made, a party to, a witness or other participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnitee shall be indemnified to the fullest extent permitted by applicable law, as soon as practicable but in any event no later than thirty (30) days after written demand is presented to the Company, against all Expenses actually and reasonably incurred by him/her or on his/her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 3 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to the Company, unless and only to the extent that the courts of Ireland (**Courts of Ireland**) or any court, in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is entitled to indemnification. No change in applicable law shall have the effect of reducing the benefits available to Indemnitee hereunder.

Section 4. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is

a party to (or a participant in) and is successful, on the merits or otherwise, in any Proceeding or in defense of any claim, issue or matter therein, in whole or in part, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him/her in connection therewith. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses, the Company shall indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. For purposes of this Section 4 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 5. Section 235 of the Companies Act 2014. Notwithstanding anything to the contrary, the rights of Indemnitee under this Agreement shall only have effect insofar as they are not contrary to or in violation of the laws of Ireland, including Section 235 of the Companies Act 2014.

Section 6. Indemnification For Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of his/her Corporate Status, a witness or otherwise asked to participate in any Proceeding to which Indemnitee is not a party, he/she shall be indemnified against all Expenses actually and reasonably incurred by him/her or on his/her behalf in connection therewith.

Section 7. Exclusions. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision in the Articles, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision. In the event that such actual payment is made under any insurance policy or indemnity provision after the Company has made an indemnity payment under this Agreement, Indemnitee shall promptly reimburse the Company for such indemnity in the amount of such payment.; or

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of shares of the Company within the meaning of Section 16(b) of the 1934 Act or similar provisions of state statutory law or common law, or (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity -based compensation or of any profits realized by Indemnitee from the sale of shares of the Company, as required in each case under the 1934 Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of shares in violation of Section 306 of the Sarbanes-Oxley Act); or

(c) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the Proceeding is for enforcement of this Agreement (to the extent that Indemnitee prevails), or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; or

(d) for which the Reviewing Party shall have determined (in a written opinion, in any case in which the Independent Counsel is involved) that Indemnitee would not be permitted to be indemnified under applicable law; provided, however, Indemnitee shall have the right to commence litigation in any court in the Courts of Ireland having subject matter jurisdiction thereof and in which venue is proper seeking an initial determination by the court or challenging any such determination by the Reviewing Party or any aspect thereof, including the legal or factual bases thereof, and the Company hereby consents to service of process and to appear in any such proceeding. Any determination by the Reviewing Party otherwise shall be conclusive and binding on the Company and Indemnitee. If Indemnitee commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee should be indemnified under applicable law, any determination made by the Reviewing Party that Indemnitee is not entitled to be indemnified under applicable law shall not be binding until a

final judicial determination is made (as to which all rights of appeal therefrom have been exhausted or lapsed) that Indemnitee is not entitled to be so indemnified under applicable law.

Section 8. Advances of Expenses.

(a) Notwithstanding any provision of this Agreement to the contrary, the Company shall advance or reimburse, to the extent not prohibited by law, the Expenses incurred by Indemnitee in connection with any Proceeding (or any part of any Proceeding) (**Advances**). Advances shall be made within twenty-one (21) days after the receipt by the Company of a statement or statements requesting such Advances from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Advances shall also include any and all reasonable Expenses incurred pursuing an action to enforce this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the Advances claimed. This Section 8 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 7.

(b) The obligation of the Company to make an advancement of Expenses pursuant to Section 8(a) shall be subject to the condition that, if, when and to the extent that the Reviewing Party determines that Indemnitee would not be permitted to be so indemnified under applicable law, the Company shall be entitled to be reimbursed by Indemnitee (who hereby agrees to reimburse the Company) for all such amounts paid; provided, however, that if Indemnitee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee should be indemnified under applicable law, any determination made by the Reviewing Party that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding and Indemnitee shall not be required to reimburse the Company for any Advance until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed). Indemnitee's undertaking to repay such Advances shall be unsecured and interest-free.

Section 9. Procedure for Notification and Defense of Claim.

(a) Indemnitee shall notify the Company in writing of any matter with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of any written notice, summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered under this Agreement. The written notification to the Company shall include a description of the nature of the Proceeding, the facts underlying the Proceeding, and documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The failure by Indemnitee to notify the Company hereunder will not relieve the Company from any liability which it may have to Indemnitee hereunder or otherwise than under this Agreement, and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

Section 10. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 9(a), a determination with respect to Indemnitee's entitlement thereto shall be made by the Reviewing Party, who shall be: (i) if a Change in Control (other than a Change in Control which has been approved by a majority of the Board who were directors immediately prior to such Change in Control) shall have occurred, Independent Counsel, retained pursuant to Section 10(c); or (ii) if a Change in Control shall not have occurred, (A) selected by a majority vote of the Disinterested Directors, even though less than a quorum of the Board, or (B) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, Independent Counsel, retained by the Company (who shall make such

determination in the form of a written opinion to the Board, a copy of which shall be delivered to Indemnitee). Indemnitee shall cooperate with the Reviewing Party, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or Expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the Reviewing Party shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification).

(b) In the event that Independent Counsel is retained by the Company pursuant to Section 10(a), written notice of the selection shall be provided promptly to Indemnitee. Upon the due commencement of any judicial proceeding pursuant to Section 12(a) of this Agreement, legal counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(c) The Company agrees that if there is a Change in Control of the Company (other than a Change in Control which has been approved by a majority of the Board who were directors immediately prior to such Change in Control) then with respect to all matters thereafter arising concerning the rights of Indemnitee to indemnity payments and Advances under this Agreement or any other agreement or the Articles now or hereafter in effect relating to any Proceeding, the Company shall seek legal advice only from Independent Counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld). Such Independent Counsel, among other things, shall render its written opinion to the Company and Indemnitee as to whether and to what extent Indemnitee would be permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees of the Independent Counsel and to indemnify fully such Independent Counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the Reviewing Party shall, to the fullest extent not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 9(a) of this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption.

(b) Subject to Section 12(d), if the Reviewing Party shall not have made a determination within sixty (60) days after receipt by the Company of the request thereof, the requisite determination of entitlement to indemnification shall, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such 60-day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, that the foregoing provisions of this Section 11(b) shall not apply if the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(a) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not meet any particular standard of conduct, act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his/her conduct was unlawful.

(d) *Actions of Others*. The knowledge and/or actions, or failure to act, of any director, officer, employee, trustee, agent or fiduciary of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 12. Remedies of Indemnitee.

(a) Subject to Section 12(d), in the event that (i) the advancement of Expenses is not timely made pursuant to Section 8 of this Agreement, (ii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(a) of this Agreement within ninety (90) days after receipt by the Company of the request for indemnification, (iii) the payment of indemnification is not made pursuant to Section 2 or 3 within thirty (30) days after receipt by the Company of a written request thereof, or (iv) the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of his/her entitlement to such indemnification or advancement of Expenses.

(b) Any judicial proceeding commenced pursuant to this Section 12 shall be conducted in all respects as a de novo trial on the merits and the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advancement of Expenses.

(c) If a determination shall have been made that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 12, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement of Indemnitee to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

Section 13. Non-exclusivity; Insurance; Subrogation; Other Payments.

(a) The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under the Articles, the Companies Act 2014, any agreement, a vote of shareholders or a resolution of the Board, or otherwise. To the extent that a change in the Companies Act 2014, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Articles and this Agreement, it is the intent of the parties hereto that Indemnitee shall, by this Agreement, enjoy the greater benefits so afforded by such change. To the extent that there is a conflict or inconsistency between the terms of this Agreement and the Articles, it is the intent of the parties hereto that Indemnitee shall enjoy the greater benefits regardless of whether contained herein or in the Articles. No amendment or alteration of the Articles or any other agreement shall adversely affect the rights provided to Indemnitee under this Agreement.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such claim or of the commencement of a Proceeding, as the case may be, to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights. The Company shall payor reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

(d) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, employee, trustee, agent or fiduciary of any Enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such other corporation, limited liability company, partnership, joint venture, trust or other enterprise.

Section 14. Actions of the Company. To the extent that this Agreement contemplates actions to be taken by the Company, any officer engaging in such actions shall not be a party to the Proceeding in respect of which indemnification is sought.

Section 15. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as a director or an officer of the Company or in other Corporate Status due to service as a director or an officer of the Company or (b) one (1) year after the final termination of any Proceeding then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement relating thereto. This Agreement shall be binding upon the Company and its successors and assigns, and the Company agrees to assign this Agreement to any purchaser of substantially all of the assets and to secure the agreement of such purchaser to assume this Agreement. This Agreement shall inure to the benefit of Indemnitee and his/her heirs, executors and administrators.

Section 16. Reliance as Safe Harbor. Indemnitee shall be entitled to indemnification for any action or omission to act undertaken (a) in good faith reliance upon the records of the Company, including its financial statements, or upon information, opinions, reports or statements furnished to Indemnitee by the officers or employees of the Company or any of its subsidiaries in the course of their duties, or by committees of the Board, or by any other person as to matters Indemnitee reasonably believes are within such other person's professional or expert competence, or (b) on behalf of the Company in furtherance of the interests of the Company in good faith in reliance upon, and in accordance with, the advice of legal counsel or accountants, provided such legal counsel or accountants were selected with reasonable care by or on behalf of the Company. In addition, the knowledge and/or actions, or failures to act, of any director, officer, agent or employee of the Company shall not be imputed to Indemnitee for purposes of determining the right to indemnity hereunder.

Section 17. Severability. If any provision or provisions of this Agreement shall be held to be invalid, void, illegal or otherwise unenforceable for any reason whatsoever, by a court of competent jurisdiction: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal, void or otherwise unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement shall be construed so as to give effect to the intent manifested thereby.

Section 18. Merger. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Articles and applicable law, and shall not be deemed a substitute thereof, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 19. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver. In the event the Company or any of its subsidiaries enters into an indemnification agreement with another director, officer, employee, trustee, agent or fiduciary of the Company or any of its subsidiaries containing a term or terms more favorable to Indemnitee than the terms contained herein (as determined by Indemnitee), Indemnitee shall be afforded the benefit of such more favorable term or terms and such more favorable term or terms shall be deemed incorporated by reference herein as if set forth in full herein. As promptly as practicable following the execution by the Company or the relevant subsidiary of each indemnity agreement with any such other director, officer, employee, trustee, agent or fiduciary (i) the Company shall send a copy of the indemnity agreement to Indemnitee, and (ii) if requested by Indemnitee, the Company shall prepare, execute and deliver to Indemnitee an amendment to this Agreement containing such more favorable term or terms.

Section 20. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail, with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received, for each party, at the address indicated on the signature page of this Agreement, or at such other address as each party shall provide to the other party.

Section 21. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of Ireland, without regard to its conflict of laws and/or rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement may be brought only in the Courts of Ireland and not in any other federal court in the United States of America or any court in any other country, (ii) waive any objection to the laying of venue of any such action or proceeding in the Courts of Ireland, and (iii) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Courts of Ireland has been brought in an improper or inconvenient forum.

Section 22. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against Indemnitee, Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two (2) years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action such shorter period shall govern.

Section 23. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement.

Section 24. Headings. The headings contained in this Agreement are inserted for convenience only and shall not be deemed to affect construction of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

ENDO INTERNATIONAL PLC

INDEMNITEE

By: _____
Name: Rajiv De Silva
Title: President and CEO

By: _____
Name: _____
Title: Director

Address: First Floor, Minerva House,
Simmons Court Road, Ballsbridge,
Dublin 4, Ireland

Address:

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Rajiv De Silva, 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/ RAJIV DE SILVA

Rajiv De Silva
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 6, 2016

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Suketu P. Upadhyay, 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/ SUKETU P. UPADHYAY

Suketu P. Upadhyay
Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Date: May 6, 2016

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, Rajiv De Silva, 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 March 31, 2016 (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/ RAJIV DE SILVA

Name: Rajiv De Silva
Title: President and Chief Executive Officer
(Principal Executive Officer)

Date: May 6, 2016

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.

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, Suketu P. Upadhyay, 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 March 31, 2016 (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/ SUKETU P. UPADHYAY

Name: Suketu P. Upadhyay
Title: Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Date: May 6, 2016

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.