

Actavis plc  
Form 424B3  
January 27, 2015  
Table of Contents

**Filed Pursuant to Rule 424(b)(3)  
Registration No. 333-201242**

To Our Shareholders:

You are cordially invited to attend an extraordinary general meeting of the shareholders (the Actavis EGM) of Actavis plc (Actavis) to be held on March 10, 2015 at 8:30 a.m. local time, at 1 Grand Canal Square, Docklands, Dublin 2, Ireland.

As previously announced, on November 16, 2014, Actavis entered into an Agreement and Plan of Merger (as it may be amended from time to time, the Merger Agreement) with Avocado Acquisition Inc. (Merger Sub), a wholly owned subsidiary of Actavis, and Allergan, Inc. (Allergan), that provides for the acquisition of Allergan by Actavis. Pursuant to the Merger Agreement, Merger Sub will merge with and into Allergan, with Allergan continuing as the surviving corporation (the Merger). Following the Merger, Allergan will be an indirect wholly owned subsidiary of Actavis.

As a result of the Merger, each issued and outstanding share of Allergan common stock, other than shares held by Allergan stockholders who properly demand appraisal in accordance with Delaware law and shares owned by Actavis, Merger Sub, Allergan or any of their respective wholly owned subsidiaries, will be converted into the right to receive 0.3683 of an Actavis ordinary share and \$129.22 in cash, without interest. After giving effect to the Merger, the Actavis shareholders as of immediately prior to the Merger are expected to own approximately 72% of the issued and outstanding Actavis ordinary shares and the former Allergan stockholders are expected to own approximately 28% of the issued and outstanding Actavis ordinary shares. The Actavis ordinary shares will remain listed on the NYSE under the symbol ACT. Actavis expects to issue or reserve for issuance approximately 128 million ordinary shares to pay the stock portion of the Merger Consideration to Allergan stockholders and assume Allergan equity-based awards at the closing of the Merger.

Actavis is holding the Actavis EGM to seek your approval of (i) the issuance of Actavis ordinary shares (the Actavis Share Issuance Proposal), pursuant to the Merger Agreement, and (ii) the adjournment of the Actavis EGM, or any adjournments thereof, to another time and place if necessary or appropriate to, among other things, solicit additional proxies if there are insufficient votes at the time of the Actavis EGM to approve the Actavis Share Issuance Proposal (the Actavis Adjournment Proposal). However, only the approval of the Actavis Share Issuance Proposal is required for the completion of the Merger.

We urge all Actavis shareholders to read the accompanying joint proxy statement/prospectus, including the Annexes and the documents incorporated by reference in the accompanying joint proxy statement/prospectus, carefully and in their entirety. In particular, we urge you to read carefully the Risk Factors section beginning on page 34 of the accompanying joint proxy statement/prospectus.

Your proxy is being solicited by the board of directors of Actavis. After careful consideration, our board of directors has unanimously approved the Merger Agreement and determined that the terms of the acquisition will further the strategies and goals of Actavis. **The Actavis board of directors unanimously recommends that you vote FOR the Actavis Share Issuance Proposal and FOR the Actavis Adjournment Proposal. Your vote is very important. Please vote as soon as possible whether or not you plan to attend the Actavis EGM by following the instructions**

**in the accompanying joint proxy statement/prospectus.**

On behalf of the Actavis board of directors, thank you for your consideration and continued support.

Very truly yours,

Paul M. Bisaro  
Executive Chairman and Director

Actavis plc

Brenton L. Saunders  
President, Chief Executive Officer and  
Director

Actavis plc

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in connection with the transaction or determined if the accompanying joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

For the avoidance of doubt, the accompanying joint proxy statement/prospectus is not intended to be and is not a prospectus for the purposes of the Investment Funds, Companies and Miscellaneous Provisions Act of 2005 of Ireland (the 2005 Act ), the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland (as amended) or the Prospectus Rules issued under the 2005 Act, and the Central Bank of Ireland has not approved this joint proxy statement/prospectus.

The accompanying joint proxy statement/prospectus is dated January 27, 2015, and is first being mailed to shareholders of Actavis on or about January 28, 2015.

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**Table of Contents**

Dear Stockholders:

You are cordially invited to attend a special meeting of the stockholders of Allergan, Inc. ( Allergan ) to be held on March 10, 2015 at 10:00 a.m. local time, at the headquarters of Allergan, located at 2525 Dupont Drive, Irvine, California 92612 (the Allergan special meeting ).

As previously announced, on November 16, 2014, Actavis plc ( Actavis ) entered into an Agreement and Plan of Merger (as it may be amended from time to time, the Merger Agreement ) with Allergan, pursuant to which Actavis will acquire Allergan in a merger transaction (the Merger ). Following the Merger, the Allergan common stock will be delisted from the New York Stock Exchange (the NYSE ), deregistered under the Securities Exchange Act of 1934 (the Exchange Act ) and cease to be publicly traded. The acquisition of Allergan will be effected under Delaware law. The combination of Allergan and Actavis, if completed, will create one of the top 10 global pharmaceutical companies by sales revenue with combined annual pro forma revenues of more than \$23 billion anticipated in 2015.

As a result of the Merger, each share of Allergan common stock (except for certain shares held by Allergan, Actavis, Avocado Acquisition Inc., a Delaware corporation and a wholly owned subsidiary of Actavis, or any of their respective wholly owned subsidiaries, and shares held by Allergan stockholders who properly demand appraisal in accordance with Delaware law) will be converted into the right to receive 0.3683 of an Actavis ordinary share and \$129.22 in cash, without interest (the Merger Consideration ).

For a description of the consideration that Allergan stockholders will receive, see *The Merger Agreement Consideration to Allergan Stockholders* beginning on page 134 of the accompanying joint proxy statement/prospectus. It is anticipated that immediately after completion of the Merger, Actavis shareholders and Allergan stockholders, in each case as of immediately prior to the Merger, will hold approximately 72% and 28%, respectively, of the issued and outstanding Actavis ordinary shares. It is currently estimated that, if the Merger is completed, Actavis will issue or reserve for issuance approximately 128 million Actavis ordinary shares to pay the stock portion of the Merger Consideration to Allergan stockholders and assume Allergan equity-based awards at the closing of the Merger and that the amount of cash to be paid for the cash portion of the Merger Consideration will be approximately \$39 billion. Actavis ordinary shares trade on the NYSE under the symbol ACT, and shares of Allergan common stock trade on the NYSE under the symbol AGN. Based on the closing price of Actavis ordinary shares as of January 22, 2015, the value of the Merger Consideration was approximately \$231.61. Because Actavis share price will fluctuate between now and the closing of the Merger, the value of the Merger Consideration based on the closing price of Actavis ordinary shares as of the closing date of the Merger may differ from the value based on the price per Actavis ordinary share as of January 22, 2015 or the price per Actavis ordinary share at the time of the Allergan special meeting.

Allergan is holding the Allergan special meeting to vote on the adoption of the Merger Agreement and related matters, and Actavis is holding an extraordinary general meeting of shareholders to seek the Actavis shareholders approval of, among other things, the proposal to approve the issuance of Actavis ordinary shares pursuant to the Merger Agreement. Allergan and Actavis cannot complete the proposed Merger unless, among other things, Allergan stockholders adopt the Merger Agreement and Actavis shareholders to approve the issuance of Actavis ordinary shares pursuant to the Merger Agreement.

**Your vote is very important. A failure to vote will have the same effect as a vote AGAINST the adoption of the Merger Agreement. To ensure your representation at the Allergan special meeting, please complete and return**

**the enclosed proxy card or submit your proxy by telephone or through the Internet.** Please submit your proxy promptly whether or not you expect to attend the Allergan special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the Allergan special meeting. **The Allergan board of directors has unanimously determined that the Merger is fair and in the best interests of the Allergan stockholders, has unanimously approved and declared advisable the Merger Agreement, and unanimously recommends that Allergan stockholders vote FOR the adoption of the Merger Agreement.**

The obligations of Allergan and Actavis to complete the Merger are subject to the satisfaction or waiver of several conditions set forth in the Merger Agreement, a copy of which is included as Annex A to the joint proxy statement/prospectus. The joint proxy statement/prospectus provides you with detailed information about the proposed Merger. It also contains or references information about Allergan and Actavis and certain related matters. **You are encouraged to read this document carefully. In particular, you should read the Risk Factors section beginning on page 34 of the accompanying joint proxy statement/prospectus for a discussion of the risks you should consider in evaluating the proposed transactions and how they will affect you.**

On behalf of the Allergan board of directors, thank you for your consideration and continued support.

Sincerely,

David E.I. Pyott

*Chairman of the Board*

*and Chief Executive Officer*

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Merger, the issuance of the Actavis ordinary shares in connection with the Merger, or passed upon the adequacy or accuracy of the disclosure in this document. Any representation to the contrary is a criminal offense.**

**This document is dated January 27, 2015, and is first being mailed to stockholders of Allergan on or about January 28, 2015.**

**Table of Contents**

**ADDITIONAL INFORMATION**

The accompanying joint proxy statement/prospectus incorporates by reference important business and financial information about Actavis and Allergan from documents that are not included in or delivered with the joint proxy statement/prospectus. This information is available without charge to you upon written or oral request. You can obtain the documents incorporated by reference in the joint proxy statement/prospectus by requesting them in writing, by email or by telephone from Actavis or Allergan at their respective addresses and telephone numbers listed below or by accessing the websites listed below. The information provided on the websites listed below is not a part of the accompanying joint proxy statement/prospectus and therefore is not incorporated by reference into the accompanying joint proxy statement/prospectus.

**For Actavis Shareholders:**

Actavis plc  
Morris Corporate Center III  
400 Interpace Parkway  
Parsippany, NJ 07054  
Attention: Investor Relations  
Telephone: (862) 261-7488

Email: [investor.relations@actavis.com](mailto:investor.relations@actavis.com)

[ir.actavis.com](http://ir.actavis.com)

In addition, if you have questions about the Merger, the Actavis EGM or the Allergan special meeting, or if you need to obtain copies of the accompanying joint proxy statement/prospectus, proxy cards or other documents incorporated by reference in the accompanying joint proxy statement/prospectus, you may contact the appropriate contact listed below. You will not be charged for any of the documents you request.

**For Actavis Shareholders:**

MacKenzie Partners Inc.  
105 Madison Avenue  
New York, NY 10016  
Telephone: (212) 929-5500 (call collect)

or

**For Allergan Stockholders:**

Innisfree M&A Incorporated  
501 Madison Avenue, 20th Floor  
New York, NY 10022  
Telephone: (212) 750-5833 (call collect)

or

Toll-Free (800) 322-2885

Toll-Free (877) 800-5187

**To obtain timely delivery of these documents before the Actavis extraordinary general meeting and the Allergan special meeting, you must request the information no later than March 3, 2015.**

For a more detailed description of the information incorporated by reference in the accompanying joint proxy statement/prospectus and how you may obtain it, see *Where You Can Find More Information* beginning on page 262 of the accompanying joint proxy statement/prospectus.

Table of Contents

**ACTAVIS PLC**

**1 Grand Canal Square, Docklands**

**Dublin 2, Ireland**

**NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON MARCH 10, 2015**

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING (the Actavis EGM ) of Actavis plc ( Actavis ) will be held at 1 Grand Canal Square, Docklands, Dublin 2, Ireland, on March 10, 2015 at 8:30 a.m. (local time) for the purpose of considering and, if thought fit, passing the proposed resolutions (the Actavis EGM Resolutions ), each of which will be proposed as an ordinary resolution:

**Time:** 8:30 a.m. local time

**Date:** March 10, 2015

**Place:** 1 Grand Canal Square, Docklands, Dublin 2, Ireland

**Purpose:** (1) To approve the issuance of ordinary shares (the Actavis Share Issuance Proposal ) pursuant to the Agreement and Plan of Merger, dated November 16, 2014, as it may be amended from time to time (the Merger Agreement ), among Actavis, Allergan, Inc. ( Allergan ) and Avocado Acquisition Inc.; and

(2) To approve any motion to adjourn the Actavis EGM, or any adjournments thereof, to another time and place if necessary or appropriate to, among other things, solicit additional proxies if there are insufficient votes at the time of the Actavis EGM to approve the Actavis Share Issuance Proposal (the Actavis Adjournment Proposal ).

The Merger described in the Merger Agreement is not conditioned on approval of proposal 2 described above.

The enclosed joint proxy statement/prospectus describes the purpose and business of the Actavis EGM, contains a detailed description of the Merger Agreement and the Merger and includes a copy of the Merger Agreement as Annex A. Please read these documents carefully before

deciding how to vote.

**Record Date:**

The record date for the Actavis EGM has been fixed by the board of directors as of the close of business on January 22, 2015. Actavis shareholders of record at that time are entitled to vote at the Actavis EGM.

More information about the transaction and the Actavis EGM Resolutions is contained in the accompanying joint proxy statement/prospectus. **We urge all Actavis shareholders to read the accompanying joint proxy statement/prospectus, including the Annexes and the documents incorporated by reference in the accompanying joint proxy statement/prospectus, carefully and in their entirety. In particular, we urge you to read carefully *Risk Factors* beginning on page 34 of the accompanying joint proxy statement/prospectus.**

The Actavis board of directors unanimously recommends that Actavis shareholders vote **FOR** the Actavis Share Issuance Proposal and **FOR** the Actavis Adjournment Proposal.

By order of the board of directors

A. Robert D. Bailey

Chief Legal Officer and Corporate Secretary

January 27, 2015



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**Table of Contents**

**YOUR VOTE IS IMPORTANT**

You may vote your ordinary shares by using a toll-free telephone number or electronically over the Internet as described on the proxy form. We encourage you to file your proxy using either of these options if they are available to you. Alternatively, you may mark, sign, date and mail your proxy form in the postage-paid envelope provided. The method by which you vote does not limit your right to vote in person at the Actavis EGM. We strongly encourage you to vote.

Notes:

1. **Whether or not you plan to attend the Actavis EGM in person, it is important that your ordinary shares be represented and voted at the Actavis EGM.** Holders of record may submit a proxy via the Internet, by telephone or by completing, signing and dating the enclosed proxy card and returning it as promptly as possible in the enclosed postage-paid, return-addressed reply envelope. Holders of record must vote in accordance with the instructions listed on the proxy card. Beneficial holders whose ordinary shares are held in street name must vote in accordance with the voting instructions provided to them by their bank, broker or other nominee. Such holders may be eligible to submit a proxy electronically or by telephone. Any holder of record who is present at the Actavis EGM may vote in person instead of by proxy, thereby canceling any previous proxy. If you are a holder of record entitled to attend and vote at the Actavis EGM, then you are entitled to appoint a proxy or proxies to attend, speak and vote on your behalf at the Actavis EGM. A proxy is not required to be a shareholder of Actavis. A holder of record wishing to name any person other than the individual specified on the proxy card as his or her proxy holder may do so by crossing out the name of the designated proxy holder specified on the proxy card, inserting the name of such other person to act as his or her proxy and initialing such alteration. In that case, it will be necessary for the shareholder to sign the proxy card and deliver it in accordance with the instructions on the enclosed proxy card, with a copy to the person named as his or her proxy holder, and for the person so named to be present to vote at the Actavis EGM.

**Please note that if shareholders plan to attend the Actavis EGM in person, they will need to register in advance to be admitted.** Holders of record can register for the Actavis EGM by checking the appropriate box on their proxy card. The Actavis EGM will start promptly at 8:30 a.m. (local time).

**In addition to registering in advance, shareholders will be required to present a valid government-issued photo identification (e.g., driver's license or passport) to enter the Actavis EGM.** Holders of record, whose ordinary shares are registered in their name, should bring a valid form of photo identification to the Actavis EGM. Beneficial holders whose ordinary shares are held in street name will need to bring a letter from their bank, broker or other nominee that confirms that such holder is the beneficial owner of such ordinary shares as of the record date, together with a valid form of photo identification. Beneficial holders whose ordinary shares are held in street name and who plan to vote at the Actavis EGM must also obtain a legal proxy, executed in their favor by or on behalf of their bank, broker or other nominee, to be able to vote at the Actavis EGM. Actavis reserves the right to deny admittance to anyone who cannot adequately show proof of share ownership as of January 22, 2015. See *The Actavis Extraordinary General Meeting* beginning on page 55 of the accompanying joint proxy statement/prospectus.

2. If you sign and return your proxy or voting instruction card without indicating how to vote on any particular proposal, the Actavis ordinary shares represented by your proxy will be voted **FOR** each proposal in accordance with the recommendation of the Actavis board of directors.

3. The completion and return of the proxy or voting instruction card will not preclude a shareholder from attending and voting at the meeting in person, subject to compliance with the other requirements described herein.
4. In accordance with article 54 of Actavis' articles of association, the board of directors of Actavis has determined that only holders of record of Actavis ordinary shares as of the close of business on January 22, 2015 may vote at the Actavis EGM or any adjournment thereof.
5. Terms used but not otherwise defined herein shall have the same meaning in this notice as they have in the Merger Agreement included in the joint proxy statement/prospectus accompanying this notice.

**Table of Contents**

6. Any alteration to the proxy or voting instruction card must be initialed by the person who signs it.
  
7. Actavis shareholders should also refer to *The Actavis Extraordinary General Meeting* beginning on page 55 of the accompanying joint proxy statement/prospectus, which further describes the matters being voted on at the Actavis EGM and the ultimate effect of each Actavis EGM Resolution.

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Table of Contents

**ALLERGAN, INC.**

**2525 DUPONT DRIVE**

**IRVINE, CA 92612**

**NOTICE OF A SPECIAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON MARCH 10, 2015**

NOTICE IS HEREBY GIVEN that a special meeting of the stockholders of Allergan, Inc. ( Allergan ) will be held at 2525 Dupont Drive, Irvine, California 92612 at 10:00 a.m. (local time) on March 10, 2015 for the following purposes:

1. to adopt the Agreement and Plan of Merger, dated as of November 16, 2014, as it may be amended from time to time (the Merger Agreement ), by and among Actavis plc, Avocado Acquisition Inc. ( Merger Sub ) and Allergan (the Merger Proposal );
2. to approve the adjournment of the meeting to another date and place if necessary or appropriate to solicit additional votes in favor of the Merger Proposal (the Allergan Adjournment Proposal ); and
3. to approve, on a non-binding, advisory basis, the compensation to be paid to Allergan s named executive officers that is based on or otherwise relates to the Merger (the Merger-Related Named Executive Officer Compensation Proposal ), as disclosed pursuant to Item 402(t) of Regulation S-K in *The Merger Interests of Allergan s Directors and Executive Officers in the Transactions Quantification of Payments and Benefits to Allergan s Named Executive Officers* beginning on page 126 of the accompanying joint proxy statement/prospectus.

The approval by Allergan stockholders of the Merger Proposal is required to complete the Merger described in the accompanying joint proxy statement/prospectus.

Allergan will transact no other business at the special meeting, except for business properly brought before the special meeting or any adjournment or postponement thereof.

The Merger Proposal is described in more detail in the accompanying joint proxy statement/prospectus, which you should read carefully in its entirety before you vote. A copy of the Merger Agreement is attached as Annex A to this document.

The Allergan board of directors has set January 22, 2015 as the record date for the Allergan special meeting. Only holders of record of shares of Allergan common stock at the close of business on January 22, 2015 will be entitled to notice of and to vote at the Allergan special meeting and any adjournments thereof. Any stockholder entitled to attend and vote at the Allergan special meeting is entitled to appoint a proxy to attend and vote on such stockholder s behalf. Such proxy need not be a holder of shares of Allergan common stock.

**Your vote is very important. To ensure your representation at the Allergan special meeting, please complete and return the enclosed proxy card or submit your proxy by telephone or through the Internet.** Please submit your proxy promptly whether or not you expect to attend the Allergan special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the Allergan special meeting.

**Table of Contents**

**The Allergan board of directors has unanimously approved and declared advisable the Merger Agreement and unanimously recommends that you vote FOR the Merger Proposal, FOR the Allergan Adjournment Proposal and FOR the Merger-Related Named Executive Officer Compensation Proposal.**

BY ORDER OF THE BOARD OF DIRECTORS

Matthew J. Maletta

*Vice President,*

*Associate General Counsel and Secretary*

Irvine, California

January 27, 2015

**PLEASE SUBMIT A PROXY FOR YOUR SHARES OF ALLERGAN COMMON STOCK PROMPTLY. YOU CAN FIND INSTRUCTIONS FOR DOING SO ON THE ENCLOSED PROXY CARD. IF YOU HAVE QUESTIONS ABOUT THE PROPOSALS OR ABOUT VOTING YOUR SHARES, PLEASE CALL 877-800-5187 (TOLL-FREE) OR 212-750-5833 (COLLECT).**

Table of Contents

## TABLE OF CONTENTS

<u>QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS AND THE ACTAVIS EXTRAORDINARY GENERAL MEETING AND THE ALLERGAN SPECIAL MEETING SUMMARY</u>	1
<u>The Merger</u>	15
<u>Consideration to Allergan Stockholders</u>	15
<u>Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards</u>	15
<u>Comparative Per Share Market Price Information</u>	17
<u>Recommendation of the Actavis Board of Directors and Actavis Reasons for the Merger</u>	17
<u>Recommendation of the Allergan Board of Directors and Allergan s Reasons for the Merger</u>	18
<u>Opinion of Actavis Financial Advisor</u>	18
<u>Opinions of Allergan s Financial Advisors</u>	19
<u>The Actavis Extraordinary General Meeting</u>	20
<u>The Allergan Special Meeting</u>	20
<u>Interests of Allergan s Directors and Executive Officers in the Transactions</u>	21
<u>Board of Directors and Management after the Transactions</u>	22
<u>Regulatory Approvals Required for the Merger</u>	22
<u>Appraisal Rights</u>	23
<u>No Solicitation; Third-Party Acquisition Proposals</u>	23
<u>Change of Recommendation</u>	25
<u>Conditions to the Completion of the Merger</u>	26
<u>Termination of the Merger Agreement; Termination Fees; Expense Reimbursement</u>	27
<u>Financing Relating to the Transactions</u>	29
<u>Accounting Treatment of the Transactions</u>	31
<u>Public Trading Markets</u>	31
<u>Certain Tax Consequences of the Merger U.S. Federal Income Tax Considerations</u>	31
<u>Comparison of the Rights of Holders of Actavis Ordinary Shares and Allergan Common Stock</u>	32
<u>Risk Factors</u>	32
<u>Information about the Companies</u>	32
<b>RISK FACTORS</b>	34
<u>Risks Related to the Transactions</u>	34
<u>Risks Related to the Business of the Combined Company</u>	39
<u>Risks Related to Actavis Business</u>	46
<u>Risks Related to Allergan s Business</u>	46
<b>CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</b>	47
<b>SELECTED HISTORICAL FINANCIAL DATA OF ACTAVIS</b>	48
<b>SELECTED HISTORICAL FINANCIAL DATA OF ALLERGAN</b>	51
<b>SELECTED UNAUDITED PRO FORMA FINANCIAL DATA</b>	52
<b>COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE FINANCIAL DATA</b>	53
<b>THE ACTAVIS EXTRAORDINARY GENERAL MEETING</b>	55
<u>Date, Time and Place of the Actavis Extraordinary General Meeting</u>	55
<u>Purpose of the Actavis Extraordinary General Meeting</u>	55
<u>Recommendation of the Actavis Board of Directors</u>	55
<u>Actavis Record Date and Quorum</u>	56
<u>Required Vote</u>	56

<u>Treatment of Abstentions; Failure to Vote</u>	56
<u>Voting on Proxies; Incomplete Proxies</u>	56
<u>Shares Held in Street Name</u>	57
<u>Revocability of Proxies and Changes to an Actavis Shareholder's Vote</u>	57
<u>Solicitation of Proxies</u>	58
<u>Attending the Actavis Extraordinary General Meeting</u>	58
<u>Assistance</u>	58

**Table of Contents**

<b><u>ACTAVIS PROPOSALS</u></b>	59
<u>Actavis Share Issuance Proposal</u>	59
<u>Actavis Adjournment Proposal</u>	59
<u>Other Matters to Come Before the Actavis Extraordinary General Meeting</u>	59
<b><u>THE ALLERGAN SPECIAL MEETING</u></b>	60
<u>Date, Time and Place of the Allergan Special Meeting</u>	60
<u>Purpose of the Allergan Special Meeting</u>	60
<u>Recommendation of the Allergan Board of Directors</u>	60
<u>Allergan Record Date and Quorum</u>	60
<u>Required Vote</u>	61
<u>Treatment of Abstentions; Failure to Vote</u>	61
<u>Voting of Proxies; Incomplete Proxies</u>	61
<u>Shares Held in Street Name</u>	62
<u>Revocability of Proxies and Changes to an Allergan Stockholder's Vote</u>	63
<u>Solicitation of Proxies</u>	63
<u>Attending the Allergan Special Meeting</u>	63
<u>Assistance</u>	64
<b><u>ALLERGAN PROPOSALS</u></b>	65
<u>Merger Proposal</u>	65
<u>Allergan Adjournment Proposal</u>	65
<u>Merger-Related Named Executive Officer Compensation Proposal</u>	65
<u>Other Matters to Come Before the Allergan Special Meeting</u>	66
<b><u>INFORMATION ABOUT THE COMPANIES</u></b>	67
<u>Actavis</u>	67
<u>Merger Sub</u>	67
<u>Allergan</u>	67
<b><u>THE MERGER</u></b>	68
<u>Transaction Structure</u>	68
<u>Consideration to Allergan Stockholders</u>	68
<u>Background of the Transaction</u>	68
<u>Recommendation of the Actavis Board of Directors and Actavis' Reasons for the Merger</u>	78
<u>Recommendation of the Allergan Board of Directors and Allergan's Reasons for the Merger</u>	83
<u>Opinion of Actavis' Financial Advisor</u>	87
<u>Opinions of Allergan's Financial Advisors</u>	95
<u>Actavis Unaudited Prospective Financial Information</u>	116
<u>Allergan Unaudited Prospective Financial Information</u>	119
<u>Board of Directors and Management after the Transactions</u>	122
<u>Interests of Allergan's Directors and Executive Officers in the Transactions</u>	122
<u>Regulatory Approvals Required for the Merger</u>	128
<u>Financing Relating to the Transactions</u>	129
<u>Transaction-Related Costs</u>	131
<u>Accounting Treatment of the Transactions</u>	132
<u>Public Trading Markets</u>	132
<u>Resale of Actavis Ordinary Shares</u>	132
<b><u>THE MERGER AGREEMENT</u></b>	133
<u>Explanatory Note Regarding the Merger Agreement</u>	133
<u>Merger Agreement</u>	133
<u>Closing and Effective Times of the Merger</u>	133



<u>Consideration to Allergan Stockholders</u>	134
<u>Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards</u>	136
<u>Withholding</u>	137
<u>No Fractional Shares</u>	137

**Table of Contents**

<u>Representations and Warranties</u>	137
<u>No Survival of Representations and Warranties</u>	140
<u>Covenants and Agreements</u>	141
<u>Conditions to the Completion of the Merger</u>	153
<u>Termination of the Merger Agreement; Termination Fees; Expense Reimbursement</u>	155
<u>Limitation on Remedies</u>	157
<u>Fees and Expenses</u>	157
<u>Indemnification; Directors and Officers Insurance</u>	157
<u>Amendment and Waiver</u>	158
<u>Specific Performance</u>	158
<u>CERTAIN TAX CONSEQUENCES OF THE MERGER</u>	159
<u>U.S. Federal Income Tax Considerations</u>	159
<u>Irish Tax Considerations</u>	167
<u>UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION</u>	173
<u>COMPARATIVE PER SHARE MARKET PRICE INFORMATION</u>	198
<u>COMPARISON OF THE RIGHTS OF HOLDERS OF ACTAVIS ORDINARY SHARES AND ALLERGAN COMMON STOCK</u>	200
<u>DESCRIPTION OF ACTAVIS ORDINARY SHARES</u>	235
<u>Capital Structure</u>	235
<u>Preemption Rights, Share Warrants and Options</u>	236
<u>Dividends</u>	236
<u>Share Repurchases, Redemptions and Conversions</u>	237
<u>Lien on Shares, Calls on Shares and Forfeiture of Shares</u>	238
<u>Bonus Shares</u>	238
<u>Consolidation and Division; Subdivision</u>	238
<u>Reduction of Share Capital</u>	238
<u>Annual Meetings of Shareholders</u>	239
<u>Extraordinary General Meetings of Shareholders</u>	239
<u>Quorum for General Meetings</u>	240
<u>Voting</u>	240
<u>Action by Written Consent</u>	241
<u>Variation of Rights Attaching to a Class or Series of Shares</u>	241
<u>Inspection of Books and Records</u>	241
<u>Acquisitions</u>	241
<u>Appraisal Rights</u>	242
<u>Disclosure of Interests in Shares</u>	242
<u>Anti-Takeover Provisions</u>	243
<u>Insider Dealing</u>	245
<u>Corporate Governance</u>	245
<u>Legal Name; Formation; Fiscal Year; Registered Office</u>	245
<u>Appointment of Directors</u>	246
<u>Removal of Directors</u>	246
<u>Duration; Dissolution; Rights upon Liquidation</u>	247
<u>Uncertificated Shares</u>	247
<u>Stock Exchange Listing</u>	247
<u>No Sinking Fund</u>	247
<u>No Liability for Further Calls or Assessments</u>	247
<u>Transfer and Registration of Shares</u>	247

<u>SHARE OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT/DIRECTORS (ACTAVIS)</u>	249
<u>STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT/DIRECTORS (ALLERGAN)</u>	252
<u>EXPERTS</u>	254
<u>VALIDITY OF ORDINARY SHARES</u>	254

**Table of Contents**

<b><u>ENFORCEABILITY OF CIVIL LIABILITIES</u></b>	255
<b><u>OTHER MATTERS</u></b>	255
<b><u>ACTAVIS ANNUAL MEETING SHAREHOLDER PROPOSALS</u></b>	255
<b><u>ALLERGAN ANNUAL MEETING STOCKHOLDER PROPOSALS</u></b>	256
<b><u>APPRAISAL RIGHTS</u></b>	257
<b><u>HOUSEHOLDING OF PROXY MATERIALS</u></b>	262
<b><u>WHERE YOU CAN FIND MORE INFORMATION</u></b>	262
<b><u>Annex A</u></b> Agreement and Plan of Merger	A-1
<b><u>Annex B</u></b> Opinion of J.P. Morgan Securities LLC	B-1
<b><u>Annex C</u></b> Opinion of Merrill Lynch, Pierce, Fenner & Smith Incorporated	C-1
<b><u>Annex D</u></b> Opinion of Goldman, Sachs & Co.	D-1
<b><u>Annex E</u></b> Section 262 of the General Corporation Law of the State of Delaware	E-1
<b><u>Annex F</u></b> List of Relevant Territories for the Purposes of Irish Dividend Withholding Tax	F-1

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**Table of Contents**

**QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS AND THE ACTAVIS EXTRAORDINARY GENERAL MEETING AND THE ALLERGAN SPECIAL MEETING**

*The following are answers to certain questions you may have regarding the transactions, the Actavis extraordinary general meeting (referred to in this joint proxy statement/prospectus as the Actavis EGM ) and the Allergan special meeting. You are urged to read carefully this entire joint proxy statement/prospectus, because the information in this section may not provide all of the information that might be important to you in determining how to vote. Additional important information is also contained in the Annexes to, and the documents incorporated by reference into, this joint proxy statement/prospectus. See Where You Can Find More Information beginning on page 262 of this joint proxy statement/prospectus. All references in this joint proxy statement/prospectus to Actavis refer to Actavis plc, an Irish public limited company, all references to Merger Sub refer to Avocado Acquisition Inc., a Delaware corporation and an indirect wholly owned subsidiary of Actavis, and all references to Allergan refer to Allergan, Inc., a Delaware corporation; all references to the Merger Agreement refer to the Agreement and Plan of Merger, dated November 16, 2014, by and among Actavis, Merger Sub and Allergan (as it may be amended from time to time) a copy of which is included as Annex A to this joint proxy statement/prospectus. Unless otherwise indicated, all references to dollars or \$ in this joint proxy statement/prospectus are references to U.S. dollars. If you are in any doubt about this transaction you should consult an independent financial advisor who, if you are obtaining advice in Ireland, is authorized or exempted by the Investment Intermediaries Act 1995, or the European Communities (Markets in Financial Instruments) Regulations (Nos. 1 to 3) 2007 (as amended).*

**Q: WHAT ARE THE PROPOSED TRANSACTIONS ABOUT WHICH I AM BEING ASKED TO VOTE?**

A: Actavis has agreed to acquire Allergan under the terms of the Merger Agreement. Pursuant to the Merger Agreement, Merger Sub will merge with and into Allergan (which merger is referred to in this joint proxy statement/prospectus as the Merger ), with Allergan continuing as the surviving corporation (referred to in this joint proxy statement/prospectus as the Surviving Corporation ). Following the Merger, Allergan will be an indirect wholly owned subsidiary of Actavis and the Allergan common stock will be delisted from the New York Stock Exchange (referred to in this joint proxy statement/prospectus as the NYSE ), deregistered under the Securities Exchange Act of 1934, as amended (referred to in this joint proxy statement/prospectus as the Exchange Act ) and cease to be publicly traded.

Actavis shareholders and Allergan stockholders are being asked to vote on distinct issues. Actavis shareholders are being asked to approve (i) the issuance of Actavis ordinary shares pursuant to the Merger Agreement and (ii) the adjournment of the Actavis EGM and any adjournments thereof. Allergan stockholders are being asked to (i) adopt the Merger Agreement, (ii) approve the adjournment of the Allergan special meeting to another date and place if necessary or appropriate to solicit additional votes in favor of adopting the Merger Agreement, and (iii) approve, on a non-binding, advisory basis, the compensation payments that will or may be paid by Allergan to its named executive officers that is based on or otherwise relates to the Merger.

The approval by the Actavis shareholders of the issuance of Actavis ordinary shares pursuant to the Merger Agreement and the adoption of the Merger Agreement by the Allergan stockholders are conditions to the completion of the Merger. See *The Merger Agreement Conditions to the Completion of the Merger* beginning on page 153 of this joint proxy statement/prospectus.

**Q: WHY AM I RECEIVING THIS JOINT PROXY STATEMENT/PROSPECTUS?**

Edgar Filing: Actavis plc - Form 424B3

A: Each of Actavis and Allergan is sending these materials to its respective shareholders or stockholders to help them decide how to vote their Actavis ordinary shares or Allergan common stock, as the case may be, with respect to matters to be considered at the Actavis EGM and the Allergan special meeting, respectively.

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**Table of Contents**

Completion of the Merger requires the approval of both the Actavis shareholders and the Allergan stockholders. To obtain the required shareholder and stockholder approvals, Actavis will hold the Actavis EGM at which Actavis will ask its shareholders to approve (i) the issuance of Actavis ordinary shares pursuant to the Merger Agreement and (ii) the adjournment of the Actavis EGM, and any adjournments thereof, and Allergan will hold a special meeting of stockholders at which Allergan will ask its stockholders to approve (i) the adoption of the Merger Agreement, (ii) the adjournment of the Allergan special meeting, and (iii) a non-binding, advisory proposal relating to the compensation payable to Allergan's named executive officers that is based on or otherwise relates to the Merger. Further information about the Actavis EGM, the Allergan special meeting and the Merger is contained in this joint proxy statement/prospectus. The Merger is not conditioned on the approval of the adjournment of the Actavis EGM or the approval of the adjournment of the Allergan special meeting or the compensation payable to Allergan's named executive officers that is based on or otherwise relates to the Merger.

This joint proxy statement/prospectus constitutes both a joint proxy statement of Actavis and Allergan and a prospectus of Actavis. It is a joint proxy statement because each of the boards of directors of Actavis and Allergan is soliciting proxies from its respective shareholders or stockholders using this joint proxy statement/prospectus. It is a prospectus because Actavis, in connection with the Merger Agreement, is offering its ordinary shares in partial exchange for the outstanding shares of Allergan common stock in the Merger.

The enclosed proxy materials allow you to grant a proxy or vote your shares by telephone or Internet without attending your respective company's EGM or special meeting in person.

Your vote is very important. You are encouraged to submit your proxy or vote your shares by telephone or Internet as soon as possible, even if you do plan to attend the Actavis EGM or the Allergan special meeting in person.

For the avoidance of doubt, this joint proxy statement/prospectus is not intended to be and is not a prospectus for the purposes of the Investment Funds, Companies and Miscellaneous Provisions Act of 2005 of Ireland (referred to in this joint proxy statement/prospectus as the 2005 Act), the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland (as amended) or the Prospectus Rules issued under the 2005 Act, and the Central Bank of Ireland has not approved this joint proxy statement/prospectus.

**Q: WHAT WILL ALLERGAN STOCKHOLDERS RECEIVE IN THE MERGER?**

A: As a result of the Merger, each issued and outstanding share of Allergan common stock, other than (i) any shares of Allergan common stock held in the treasury of Allergan or owned by Actavis, Merger Sub or by any of their respective wholly owned subsidiaries, which will each be cancelled and cease to exist, and no consideration will be delivered in exchange therefor (the shares described in (i) are referred to in this joint proxy statement/prospectus as excluded shares) and (ii) shares of Allergan common stock held by Allergan stockholders who have properly demanded appraisal and otherwise complied with applicable Delaware law and not effectively withdrawn any demand for, or lost the right to, appraisal under Delaware law, which will become entitled to the payment of the fair value of such shares determined in accordance with Delaware law as described under *Appraisal Rights* beginning on page 257 of this joint proxy statement/prospectus (the shares described in (ii) are referred to in this joint proxy statement/prospectus as dissenting shares), will be converted into the right to receive 0.3683 of an Actavis ordinary share (referred to in this joint proxy statement/prospectus as the Stock Consideration Portion) and \$129.22 in cash, without interest (referred to in this joint proxy statement/prospectus as the Cash Consideration Portion, and the Stock Consideration Portion and the Cash Consideration Portion are collectively referred to in this joint proxy statement/prospectus as the Merger Consideration). It is anticipated that Actavis shareholders and Allergan stockholders, in each case as of immediately prior to the Merger, will hold approximately 72% and 28%, respectively,

of the issued and outstanding Actavis ordinary shares immediately after completion of the Merger.

No holder of Allergan common stock will be issued fractional Actavis ordinary shares in the Merger. Each holder of Allergan common stock converted pursuant to the Merger who would otherwise have been entitled to



**Table of Contents**

receive a fraction of an Actavis ordinary share will receive, in lieu thereof, cash, without interest, in an amount equal to such fractional part of an Actavis ordinary share (rounded to the nearest one thousandth when expressed in decimal form) multiplied by the volume weighted average price of Actavis ordinary shares for a 10 trading day period, starting with the opening of trading on the 11<sup>th</sup> trading day prior to the closing date to the closing of trading on the second to last trading day prior to the closing date, as reported by Bloomberg (referred to in this joint proxy statement/prospectus as the Actavis VWAP ).

**Q: WHAT IS THE VALUE OF THE MERGER CONSIDERATION?**

A: Because the Merger Consideration includes a fixed fraction of a share of Actavis ordinary shares, the exact value of the Merger Consideration that Allergan stockholders will receive as a result of the Merger will depend in part on the price per share of Actavis ordinary shares at the effective time of the Merger. This price will not be known at the time of the Actavis EGM or the Allergan special meeting and may be greater than, less than, or the same as the current price or the price at the time of the Actavis EGM or the Allergan special meeting. Based on the closing price per share of Actavis ordinary shares on the NYSE on November 14, 2014, the last full trading day before the public announcement of the signing of the Merger Agreement, the Merger Consideration represented \$219.00 in value for each share of Allergan common stock. Based on the closing price per share of Actavis ordinary shares on January 22, 2015, the most recent practicable trading day prior to the date of this joint proxy statement/prospectus, the Merger Consideration represented approximately \$231.61 in value for each share of Allergan common stock. You should obtain current stock price quotations for Actavis ordinary shares and Allergan common stock before deciding how to vote with respect to the issuance of Actavis ordinary shares or the adoption of the Merger Agreement, as applicable; however, as noted above, the price of Actavis ordinary shares at the effective time of the Merger may be greater than, less than or the same as such stock price quotations.

**Q: WHAT WILL HOLDERS OF ALLERGAN EQUITY-BASED AWARDS RECEIVE IN THE MERGER?**

A: *Stock Options:* At the effective time of the Merger, each outstanding option to purchase Allergan common stock (referred to in this joint proxy statement/prospectus as an Allergan Stock Option ) held by an employee of Allergan and/or its subsidiaries who continues to be employed by Actavis or the Surviving Corporation or any subsidiary thereof (such employees of Allergan and/or its subsidiaries referred to in this joint proxy statement/prospectus as the Continuing Employees ) will be converted into an option to purchase a number of Actavis ordinary shares determined by multiplying the number of shares of Allergan common stock subject to such Allergan Stock Option by the sum of (i) the Stock Consideration Portion and (ii) a fraction, the numerator of which is the Cash Consideration Portion and the denominator of which is the Actavis VWAP (the sum of (i) and (ii) is referred to in this joint proxy statement/prospectus as the Stock Award Exchange Ratio ), and with a per share exercise price equal to (i) the per share exercise price of the Allergan Stock Option divided by (ii) the Stock Award Exchange Ratio. At the effective time of the Merger, each outstanding Allergan Stock Option held by an Allergan non-employee director or any employee of Allergan who is not a Continuing Employee will vest in full and be cancelled and converted into the right to receive an amount in cash per share equal to the sum of (i) the Stock Consideration Portion multiplied by the Actavis VWAP and (ii) the Cash Consideration Portion, minus the exercise price of such Allergan Stock Option, subject to applicable withholding taxes. Mr. David Pyott will not be considered a Continuing Employee under the terms of the Merger Agreement. In addition, while it is possible that certain other Allergan executive officers may continue to provide services to Actavis in various non-employee capacities following the effective time of the Merger, such executive officers may not be Continuing Employees under the terms of the Merger Agreement.

*Restricted Stock:* At the effective time of the Merger, each outstanding restricted share of Allergan common stock (referred to in this joint proxy statement/prospectus as an Allergan Restricted Share ) held by a Continuing Employee will be converted into a number of restricted Actavis ordinary shares (referred to in this joint proxy statement/prospectus as Actavis Restricted Shares ) determined by multiplying the number of shares of Allergan Restricted Shares by the Stock Award Exchange Ratio, and will remain subject to the same terms and

**Table of Contents**

conditions as applied to the Allergan Restricted Shares. At the effective time of the Merger, each outstanding Allergan Restricted Share that is held by an Allergan non-employee director or any employee of Allergan who is not a Continuing Employee will vest in full and the holder will be entitled to receive the Merger Consideration, subject to applicable withholding taxes.

*Restricted Stock Units:* At the effective time of the Merger, each outstanding Allergan restricted stock unit (referred to in this joint proxy statement/prospectus as an Allergan RSU ) held by a Continuing Employee will be converted into a restricted stock unit award for Actavis ordinary shares (each referred to in this joint proxy statement/prospectus as an Actavis RSU ) determined by multiplying the number of shares of Allergan common stock underlying the Allergan RSU by the Stock Award Exchange Ratio, and will remain subject to the same terms and conditions as applied to the Allergan RSU. Performance in respect of any Allergan RSUs that are subject to performance-based vesting will be deemed achieved based on target performance, provided that all converted Allergan RSUs subject to performance-based vesting will vest on the last day of the applicable performance period and will remain subject to the same terms and conditions as applied to the Allergan RSUs immediately prior to the effective time of the Merger. Further, Actavis will have the ability to adjust any dividend equivalent rights under any Allergan equity plan, in any award agreement or in any Allergan RSUs, to reflect the changes or adjustments contemplated to the corresponding Allergan RSUs by reason of the Merger Agreement or the Merger. At the effective time of the Merger, each outstanding Allergan RSU that is held by an Allergan non-employee director or any employee of Allergan who is not a Continuing Employee will vest in full and the holder will be entitled to receive the Merger Consideration, subject to applicable withholding taxes.

See *The Merger Interests of Allergan's Directors and Executive Officers in the Transactions* beginning on page 122 of this joint proxy statement/prospectus.

**Q: WHEN WILL THE MERGER BE COMPLETED?**

A: The parties currently expect that the Merger will be completed late in the first quarter or early in the second quarter of 2015. Neither Actavis nor Allergan can predict, however, the actual date on which the Merger will be completed, or whether it will be completed, because the Merger is subject to factors beyond each company's control, including whether or when the required regulatory approvals will be received. See *The Merger Agreement Conditions to the Completion of the Merger* beginning on page 153 of this joint proxy statement/prospectus.

**Q: WHO IS ENTITLED TO VOTE?**

A: *Actavis:* The board of directors of Actavis has fixed the close of business on January 22, 2015 as the record date of the Actavis EGM (referred to in this joint proxy statement/prospectus as the Actavis record date ). If you were an Actavis shareholder of record as of the close of business on January 22, 2015, you are entitled to receive notice of and to vote at the Actavis EGM and any adjournments thereof.

*Allergan:* The board of directors of Allergan has fixed the close of business on January 22, 2015 as the record date of the Allergan special meeting (referred to in this joint proxy statement/prospectus as the Allergan record date ). If you were an Allergan stockholder of record as of the close of business on January 22, 2015, you are entitled to receive notice of and to vote at the Allergan special meeting and any adjournments thereof.

**Q: WHAT ARE ACTAVIS SHAREHOLDERS BEING ASKED TO VOTE ON AND WHY IS THIS APPROVAL NECESSARY?**

A: Actavis shareholders are being asked to vote on the following proposals:

1. to approve the issuance of Actavis ordinary shares pursuant to the Merger Agreement (referred to in this joint proxy statement/prospectus as the Actavis Share Issuance Proposal ); and

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**Table of Contents**

2. to approve the adjournment of the Actavis EGM, or any adjournments thereof, to another time and place if necessary or appropriate to, among other things, solicit additional proxies if there are insufficient votes at the time of the Actavis EGM to approve the Actavis Share Issuance Proposal (referred to in this joint proxy statement/prospectus as the Actavis Adjournment Proposal and the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal collectively referred to in this joint proxy statement/prospectus as the Actavis EGM Resolutions ). The Merger Agreement provides that Actavis may not postpone or adjourn the Actavis EGM to a date that is more than 30 days after the date on which the Actavis EGM was originally scheduled.

Under the NYSE rules, shareholder approval is required prior to the issuance of stock if the number of shares of stock to be issued in a transaction equals 20% or more of the number of shares of stock outstanding prior to the issuance. It is currently expected that the issuance of ordinary shares by Actavis pursuant to the Merger Agreement will result in the issuance of a number of ordinary shares equal to approximately 39% of the Actavis ordinary shares expected to be outstanding prior to the Merger. Accordingly, Actavis shareholders are being asked to consider and vote on the issuance of Actavis ordinary shares pursuant to the Merger Agreement. Actavis shareholder approval of the Actavis Share Issuance Proposal is required to complete the Merger under the terms of the Merger Agreement.

Under Irish law, Actavis shareholders are not required to approve the Merger or adopt the Merger Agreement. Accordingly, Actavis shareholders are not being asked to vote on the Merger or the adoption of the Merger Agreement.

No other matters are intended to be brought before the Actavis EGM by Actavis.

**Q: WHAT VOTE IS REQUIRED TO APPROVE EACH PROPOSAL AT THE ACTAVIS EXTRAORDINARY GENERAL MEETING?**

*A: The Actavis Share Issuance Proposal:* The affirmative vote of a majority of the votes cast, either in person or by proxy, by shareholders entitled to vote on the Actavis Share Issuance Proposal at the Actavis EGM is required to approve the Actavis Share Issuance Proposal.

*The Actavis Adjournment Proposal:* The affirmative vote of a majority of the votes cast, either in person or by proxy, by shareholders entitled to vote on the Actavis Adjournment Proposal at the Actavis EGM is required to approve the Actavis Adjournment Proposal.

Because the vote required to approve each of the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal is based on votes properly cast at the Actavis EGM, and because abstentions are not considered votes properly cast, abstentions, along with failures to vote, will have no effect on such proposals (except that failures to vote will not, but abstentions will, be counted towards determining whether a quorum is present).

**Q: HOW DOES THE ACTAVIS BOARD OF DIRECTORS RECOMMEND ACTAVIS SHAREHOLDERS VOTE?**

A: The Actavis board of directors has unanimously approved the Merger Agreement and determined that the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger, are in the best interests of Actavis and its shareholders. The Actavis board of directors unanimously recommends that the Actavis shareholders vote their Actavis ordinary shares:

1. **FOR** the Actavis Share Issuance Proposal; and
2. **FOR** the Actavis Adjournment Proposal.

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**Table of Contents**

**Q: ARE THERE ANY RISKS ABOUT THE MERGER OR ALLERGAN S BUSINESS THAT ACTAVIS SHAREHOLDERS SHOULD CONSIDER IN DECIDING WHETHER TO VOTE ON THE PROPOSALS?**

A: Yes. Before making any decision on whether and how to vote, Actavis shareholders are urged to read carefully and in its entirety *Risk Factors* beginning on page 34 of this joint proxy statement/prospectus. Actavis shareholders should also read and carefully consider the risk factors of Actavis and Allergan and the other risk factors that are incorporated by reference into this joint proxy statement/prospectus.

**Q: WHAT ARE ALLERGAN STOCKHOLDERS BEING ASKED TO VOTE ON AND WHY IS THIS APPROVAL NECESSARY?**

A: Allergan stockholders are being asked to vote on the following proposals:

1. to adopt the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus (referred to in this joint proxy statement/prospectus as the *Merger Proposal* );
2. to approve the adjournment of the meeting to another date and place if necessary or appropriate to solicit additional votes in favor of the Merger Proposal (referred to in this joint proxy statement/prospectus as the *Allergan Adjournment Proposal* ); and
3. to approve, on a non-binding, advisory basis, the compensation to be paid to Allergan s named executive officers that is based on or otherwise relates to the Merger, discussed under the section entitled *The Merger Interests of Allergan s Directors and Executive Officers in the Transactions Quantification of Payments and Benefits to Allergan s Named Executive Officers* beginning on page 126 of this joint proxy statement/prospectus (referred to in this joint proxy statement/prospectus as the *Merger-Related Named Executive Officer Compensation Proposal* ).

Allergan stockholder approval of the Merger Proposal is required for completion of the Merger. Allergan stockholder approval of the Allergan Adjournment Proposal and the Merger-Related Named Executive Officer Compensation Proposal is not required for completion of the Merger. No other matters are intended to be brought before the Allergan special meeting by Allergan.

The Merger Agreement provides that Allergan may not postpone or adjourn the Allergan special meeting to a date that is more than 30 days after the date on which the Allergan special meeting was originally scheduled.

**Q: WHAT VOTE IS REQUIRED TO APPROVE EACH PROPOSAL AT THE ALLERGAN SPECIAL MEETING?**

A: *The Merger Proposal*: The affirmative vote of a majority of the outstanding shares of Allergan common stock entitled to vote on the proposal at the Allergan special meeting is required to approve the Merger Proposal. If you are an Allergan stockholder and you abstain from voting or fail to vote, or fail to instruct your broker, bank or other nominee how to vote on the Merger Proposal, it will have the same effect as a vote cast against the Merger Proposal.

*The Allergan Adjournment Proposal:* The affirmative vote of at least a majority of the shares of Allergan common stock entitled to vote on the proposal present in person or by proxy at the Allergan special meeting is required to approve the Allergan Adjournment Proposal. For the Allergan Adjournment Proposal, an abstention will have the same effect as a vote cast against this proposal. If an Allergan stockholder fails to vote and is not present in person or by proxy at the Allergan special meeting, it will have no effect on the vote count for the Allergan Adjournment Proposal (except that it will not be counted towards determining whether a quorum is present).



**Table of Contents**

*The Merger-Related Named Executive Officer Compensation Proposal:* The affirmative vote of a majority of the shares of Allergan common stock entitled to vote on the proposal present in person or by proxy at the Allergan special meeting is required to approve the Merger-Related Named Executive Officer Compensation Proposal. The stockholders' vote regarding the Merger-Related Named Executive Officer Compensation Proposal is an advisory vote, and therefore is not binding on Allergan or the Allergan board of directors or the compensation committee of the Allergan board of directors. Since compensation and benefits to be paid or provided in connection with the Merger are based on contractual arrangements with the named executive officers, the outcome of this advisory vote will not affect the obligation to make these payments and these payments may still be made even if the Allergan stockholders do not approve, by advisory (non-binding) vote, the Merger-Related Named Executive Officer Compensation Proposal. For the Merger-Related Named Executive Officer Compensation Proposal, an abstention will have the same effect as a vote against the proposal. If an Allergan stockholder fails to vote and is not present in person or by proxy at the Allergan special meeting, it will have no effect on the vote count for the Merger-Related Named Executive Officer Compensation Proposal (except that it will not be counted towards determining whether a quorum is present).

**Q: HOW DOES THE ALLERGAN BOARD OF DIRECTORS RECOMMEND ALLERGAN STOCKHOLDERS VOTE?**

A: The Allergan board of directors has unanimously approved the Merger Agreement and determined that the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger, are fair and reasonable and in the best interests of Allergan and its stockholders. The Allergan board of directors unanimously recommends that Allergan stockholders vote their shares of Allergan common stock:

1. **FOR** the Merger Proposal;
2. **FOR** the Allergan Adjournment Proposal; and
3. **FOR** the Merger-Related Named Executive Officer Compensation Proposal.

**Q: ARE THERE ANY RISKS ABOUT THE MERGER OR ACTAVIS BUSINESS THAT ALLERGAN STOCKHOLDERS SHOULD CONSIDER IN DECIDING WHETHER TO VOTE ON THE PROPOSALS?**

A: Yes. Before making any decision on whether and how to vote, Allergan stockholders are urged to read carefully and in its entirety *Risk Factors* beginning on page 34 of this joint proxy statement/prospectus. Allergan stockholders should also read and carefully consider the risk factors of Actavis and Allergan and the other risk factors that are incorporated by reference into this joint proxy statement/prospectus.

**Q: DO ANY OF ALLERGAN'S DIRECTORS OR EXECUTIVE OFFICERS HAVE INTERESTS IN THE MERGER THAT MAY DIFFER FROM THOSE OF ALLERGAN STOCKHOLDERS?**

A: Yes. Allergan's directors and executive officers have interests in the Merger that are different from, or in addition to, their interests as Allergan stockholders. See *The Merger Interests of Allergan's Directors and Executive Officers in the Transactions* beginning on page 122 of this joint proxy statement/prospectus. The members of Allergan's board of directors were aware of and considered these interests, among other matters, in evaluating the Merger Agreement and the Merger, and in recommending that Allergan stockholders adopt the Merger Agreement.

**Q: WHAT DO I NEED TO DO NOW?**

A: After carefully reading and considering the information contained in this joint proxy statement/prospectus, please submit your proxy or voting instruction card for your shares as soon as possible so that your shares will be represented at your respective company's meeting of shareholders or stockholders. Please follow the

## **Table of Contents**

instructions set forth on the proxy card or on the voting instruction card provided by the record holder if your shares are held in street name through your broker, bank or other nominee.

### **Q: HOW DO I VOTE?**

A: If you are a shareholder of record as of the Actavis record date, or a stockholder of record of Allergan as of the Allergan record date, you may submit your proxy before your respective company's extraordinary general meeting or special meeting in one of the following ways:

1. visit the website shown on your proxy card to submit your proxy via the Internet;
2. call the toll-free number for telephone proxy submission shown on your proxy card; or
3. complete, sign, date and return the enclosed proxy card in the enclosed postage-paid envelope.

You may also cast your vote in person at your respective company's extraordinary general meeting or special meeting.

If your shares are held in street name, through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Street name shareholders or stockholders who wish to vote in person at the meeting will need to obtain a proxy form from their broker, bank or other nominee.

### **Q: HOW MANY VOTES DO I HAVE?**

A: *Actavis*: You are entitled to one vote for each Actavis ordinary share that you owned as of the close of business on the Actavis record date. As of the close of business on the Actavis record date, 266,142,831 Actavis ordinary shares were outstanding and entitled to vote at the Actavis EGM.

*Allergan*: You are entitled to one vote for each share of Allergan common stock that you owned as of the close of business on the Allergan record date. As of the close of business on the Allergan record date, 299,776,882 shares of Allergan common stock were outstanding and entitled to vote at the Allergan special meeting.

### **Q: WHAT IF I SELL MY ACTAVIS ORDINARY SHARES BEFORE THE ACTAVIS EXTRAORDINARY GENERAL MEETING OR MY SHARES OF ALLERGAN COMMON STOCK BEFORE THE ALLERGAN SPECIAL MEETING?**

A: *Actavis*: If you transfer your Actavis ordinary shares after the Actavis record date but before the Actavis EGM, you will, unless you provide the transferee of your shares with a proxy, retain your right to vote at the Actavis EGM.

*Allergan*: If you transfer your shares of Allergan common stock after the Allergan record date but before the Allergan special meeting, you will, unless you provide the transferee of your shares with a proxy, retain your right to vote at the Allergan special meeting, but will have transferred the right to receive the Merger Consideration. In order to receive the Merger Consideration, you must hold your shares through the effective time of the Merger.

**Q: SHOULD I SEND IN MY STOCK CERTIFICATES NOW?**

A: No. To the extent certain Allergan stockholders have certificated shares, such Allergan stockholders should keep their existing stock certificates at this time. After the Merger is completed, Allergan stockholders will receive a letter of transmittal and written instructions for exchanging their stock certificates for Actavis ordinary shares and the cash portion of the Merger Consideration.

**Table of Contents**

**Q: WHEN AND WHERE ARE THE ACTAVIS EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS AND THE ALLERGAN SPECIAL MEETING OF STOCKHOLDERS?**

A: *Actavis*: The Actavis EGM will be held at 1 Grand Canal Square, Docklands, Dublin 2, Ireland, at 8:30 a.m., (local time), on March 10, 2015.

*Allergan*: The special meeting of Allergan stockholders will be held at 2525 Dupont Drive, Irvine, California 92612, at 10:00 a.m. (local time), on March 10, 2015.

**Q: WHAT CONSTITUTES A QUORUM?**

A: *Actavis*: The presence of two or more persons holding or representing by proxy (whether or not such holder actually exercises his voting rights in whole, in part or at all) more than 50% of the total issued voting rights of Actavis shares. Abstentions will be counted as present for purposes of determining whether there is a quorum.

*Allergan*: The presence, in person or by proxy, of the holders of a majority in voting interest of the outstanding Allergan stock entitled to vote will constitute a quorum for the meeting. Abstentions are considered present for purposes of determining a quorum.

**Q: IF MY SHARES ARE HELD IN STREET NAME BY A BROKER, BANK OR OTHER NOMINEE, WILL MY BROKER, BANK OR OTHER NOMINEE VOTE MY SHARES FOR ME?**

A: If your shares are held in street name in a stock brokerage account or by a bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your broker, bank or other nominee. Please note that you may not vote shares held in street name by returning a proxy card directly to Actavis or Allergan or by voting in person at your respective company's special meeting unless you obtain a legal proxy, which you must obtain from your broker, bank or other nominee.

Under the rules of the NYSE, brokers who hold shares in street name for a beneficial owner of those shares typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers are not allowed to exercise their voting discretion with respect to the approval of matters that the NYSE determines to be non-routine without specific instructions from the beneficial owner. It is expected that all proposals to be voted on at the Actavis EGM and the Allergan special meeting will be non-routine matters. Broker non-votes occur when a broker or nominee is not instructed by the beneficial owner of shares how to vote on a particular proposal for which the broker does not have discretionary voting power.

If you are an Actavis shareholder and you do not instruct your broker, bank or other nominee on how to vote your shares:

1. your broker, bank or other nominee may not vote your shares on the Actavis Share Issuance Proposal, which broker non-votes will have no effect on the vote count for this proposal (and your shares will not count toward determining whether a quorum is present); and
2. your broker, bank or other nominee may not vote your shares on the Actavis Adjournment Proposal, which broker non-votes will have no effect on the vote count for this proposal (and your shares will not count toward determining whether a quorum is present).

If you are a Allergan stockholder and you do not instruct your broker, bank or other nominee on how to vote your shares:

1. your broker, bank or other nominee may not vote your shares on the Merger Proposal, which broker non-votes will have the same effect as a vote **AGAINST** such proposal;

**Table of Contents**

2. your broker, bank or other nominee may not vote your shares on the Allergan Adjournment Proposal, which broker non-votes will have no effect on the vote count for this proposal (and your shares will not count toward determining whether a quorum is present); and

3. your broker, bank or other nominee may not vote your shares on the Merger-Related Named Executive Officer Compensation Proposal, which broker non-votes will have no effect on the vote count for this proposal (and your shares will not count toward determining whether a quorum is present).

**Q: HOW DO I VOTE SHARES HELD OR ACQUIRED THROUGH AN EMPLOYEE PROGRAM?**

A: *Actavis*: If you are an Actavis shareholder of record, the shares listed on your proxy card will include the following shares, if applicable:

shares held in the Actavis, Inc. 401(k) Plan; and

shares held in the Forest Tosara Share Participation Scheme.

Please see the Q&A above entitled *How do I vote?* for further information on how to vote such shares.

If your shares are held through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares.

*Allergan*: If you are an Allergan stockholder of record, the shares listed on your proxy card will include the following shares, if applicable:

shares held in the Allergan, Inc. Savings and Investment Plan;

shares held in the Allergan, Inc. Employee Stock Ownership Plan;

shares held in the Allergan Irish Share Participation Scheme;

shares held in the Allergan, Inc. Dividend Reinvestment Plan;

shares held in the Allergan, Inc. Savings Plan Canada; and

shares held in the Allergan, Inc. Deferred Directors Fee Program.

Please see the Q&A above entitled *How do I vote?* for further information on how to vote such shares.

If your shares are held through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares.

**Q: WHAT IF I DO NOT VOTE?**

A: If you are an Actavis shareholder and you fail to vote, fail to submit a proxy or fail to properly instruct your broker, bank or other nominee how to vote on the Actavis Share Issuance Proposal or the Actavis Adjournment Proposal, this will have no effect on the vote count for such proposal (and will not count towards determining whether a quorum is present).

An abstention occurs when a shareholder or stockholder attends the applicable meeting in person and does not vote or returns a proxy or voting instruction card with an "abstain" vote. If you respond with an "abstain" vote on the Actavis Share Issuance Proposal or the Actavis Adjournment Proposal, your proxy will have no effect on the vote count for either proposal, but will count towards determining whether a quorum is present.

If you are an Allergan stockholder and you fail to vote, fail to submit a proxy or fail to return a voting instruction card instructing your broker, bank or other nominee how to vote on the Merger Proposal or you respond with an "abstain" vote on the Merger Proposal, this will have the same effect as a vote cast against the Merger Proposal.



**Table of Contents**

If you are an Allergan stockholder and you fail to vote, fail to submit a proxy or fail to return a voting instruction card instructing your broker, bank or other nominee how to vote on the Allergan Adjournment Proposal or Merger-Related Named Executive Officer Compensation Proposal, this will have no effect on the vote count for such proposal (and will not count towards determining whether a quorum is present). If you respond with an abstain vote on the Allergan Adjournment Proposal or Merger-Related Named Executive Officer Compensation Proposal, your proxy will count as a vote against such proposal, but will count towards determining whether a quorum is present.

Please note, however, if you sign and return your proxy or voting instruction card without indicating how to vote on any particular proposal (and you do not change your vote after delivering your proxy or voting instruction card), the Actavis ordinary shares represented by your proxy will be voted for each Actavis proposal in accordance with the recommendation of the Actavis board of directors or the shares of Allergan common stock represented by your proxy will be voted for each Allergan proposal in accordance with the recommendation of the Allergan board of directors.

Please see the Q&A below entitled *May I change my vote after I have delivered my proxy or voting instruction card?* for further information on how to change your vote.

**Q: MAY I CHANGE MY VOTE AFTER I HAVE DELIVERED MY PROXY OR VOTING INSTRUCTION CARD?**

A: *Actavis*: Yes. As an Actavis shareholder you may change your vote or revoke a proxy at any time before your proxy is voted at the Actavis EGM. If you are an Actavis shareholder of record, you can do this by:

timely delivering written notice that you have revoked your proxy to the company secretary of Actavis at the following address:

Actavis plc

1 Grand Canal Square, Docklands

Dublin 2, Ireland

Attention: Company Secretary

timely submitting your voting instructions again by telephone or over the Internet;

signing and returning by mail a proxy card with a later date so that it is received prior to the Actavis EGM;  
or

attending the Actavis EGM and voting by ballot in person.

Attending the Actavis EGM will not automatically revoke a proxy that was submitted through the Internet or by telephone or mail.

## Edgar Filing: Actavis plc - Form 424B3

If you are an Actavis shareholder whose shares are held in street name by a broker, bank or other nominee, you may revoke your proxy and vote your shares in person at the Actavis EGM only in accordance with applicable rules and procedures as employed by such broker, bank or other nominee. If your shares are held in an account at a broker, bank or other nominee, you should contact your broker, bank or other nominee to change your voting instructions.

If you hold shares indirectly in the Actavis benefit plans, you should contact the trustee of your plan, as applicable, to change your vote of the shares allocated to your benefit plan.

**Table of Contents**

*Allergan*: As an Allergan stockholder you may change your vote or revoke a proxy at any time before your proxy is voted at the Allergan special meeting. If you are an Allergan stockholder of record, you can do this by:

delivering a written notice of revocation to Allergan's Secretary at or before the Allergan special meeting at the following address:

Allergan, Inc.

P.O. Box 19534

Irvine, California 92623

Attention: Secretary

presenting to Allergan's Secretary, at or before the Allergan special meeting, a later dated proxy executed by the person who executed the prior proxy;

submitting another proxy by telephone or via the Internet (your latest telephone or Internet voting instructions will be followed); or

attending the Allergan special meeting and voting in person.

If you are an Allergan shareholder whose shares are held in street name by a broker, bank or other nominee, you may revoke your proxy and vote your shares in person at the Allergan special meeting only in accordance with applicable rules and procedures as employed by such broker, bank or other nominee. If your shares are held in an account at a broker, bank or other nominee, you should contact your broker, bank or other nominee to change your vote.

If you hold shares indirectly in the Allergan benefits plans, you should contact the trustee of your plan, as applicable, to change your vote of the shares allocated to your benefit plan.

Attending the Actavis EGM or the Allergan special meeting will not automatically revoke a proxy that was submitted through the Internet or by telephone or mail. **If you wish to change your vote at the Actavis EGM or Allergan special meeting, you must vote by ballot at such meeting to change your vote.**

**Q: WHAT SHOULD I DO IF I RECEIVE MORE THAN ONE SET OF VOTING MATERIALS?**

A: Actavis shareholders and Allergan stockholders may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold Actavis ordinary shares or Allergan common stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold such shares. If you are a holder of record of Actavis ordinary shares or Allergan common stock and your shares are registered in more than one name, you will receive more than one proxy card. In addition, if you are a holder of both Actavis ordinary shares and Allergan common stock, you will receive one or more separate proxy cards or voting instruction cards for each

company. Please complete, sign, date and return each proxy card and voting instruction card that you receive or otherwise follow the voting instructions set forth in this joint proxy statement/prospectus to ensure that you vote every Actavis ordinary share and/or Allergan common stock that you own.

**Q: WHERE CAN I FIND THE VOTING RESULTS OF THE ACTAVIS EGM AND THE ALLERGAN SPECIAL MEETING?**

A: Preliminary voting results will be announced at the Actavis EGM and the Allergan special meeting, and will be set forth in press releases that Actavis and Allergan intend to issue after the Actavis EGM and the Allergan special meeting, respectively. The respective press releases will be available on the Actavis website at [www.actavis.com](http://www.actavis.com) and the Allergan website at [www.allergan.com](http://www.allergan.com). Final voting results for the Actavis EGM and Allergan special meeting are expected to be published in a Current Report on Form 8-K to be filed by Actavis and Allergan with the SEC within four business days after the Actavis EGM and the Allergan special meeting, as applicable. A copy of these Current Reports on Form 8-K will be available after filing with the SEC on the Actavis and Allergan websites, respectively.

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**Table of Contents**

**Q: ARE ALLERGAN STOCKHOLDERS ENTITLED TO APPRAISAL RIGHTS?**

A: Yes. Allergan stockholders are entitled to appraisal rights under Section 262 of the General Corporation Law of the State of Delaware (referred to in this joint proxy statement/prospectus as the "DGCL"), provided they do not vote in favor of the Merger Proposal and otherwise satisfy the conditions set forth in Section 262 of the DGCL. More information regarding these appraisal rights is provided in this joint proxy statement/prospectus, and the provisions of Section 262 of the DGCL that grant appraisal rights and govern such procedures are attached as Annex E to this joint proxy statement/prospectus. You should read these provisions carefully and in their entirety. See *Appraisal Rights* beginning on page 257 of this joint proxy statement/prospectus.

**Q: ARE ACTAVIS SHAREHOLDERS ENTITLED TO APPRAISAL RIGHTS?**

A: No. Actavis shareholders are not entitled to appraisal rights under Irish law in connection with the Merger.

**Q: WHAT ARE THE U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER TO ALLERGAN STOCKHOLDERS?**

A: For U.S. federal income tax purposes, the exchange of Allergan common stock for Actavis ordinary shares and cash pursuant to the Merger will be treated as a taxable transaction. Allergan stockholders that are U.S. holders will generally recognize gain or loss equal to the difference, if any, between (i) the sum of (1) the fair market value of the Actavis ordinary shares received by such holder in the Merger, and (2) the amount of cash received by such holder in the Merger, including any cash received in lieu of fractional shares of Actavis ordinary shares, and (ii) the stockholder's tax basis in Allergan common stock surrendered. Such gain or loss generally will be long-term capital gain or loss if the U.S. holder's holding period of the Allergan common stock surrendered exceeds one year at the effective time of the Merger.

Allergan stockholders should consult their tax advisors as to the particular tax consequences to them of the transactions, including the effect of U.S. federal, state and local tax laws and foreign tax laws. For a more detailed discussion of the material U.S. federal income tax consequences of the Merger, see *Certain Tax Consequences of the Merger U.S. Federal Income Tax Considerations* beginning on page 159 of this joint proxy statement/prospectus.

**Q: WHAT HAPPENS IF THE MERGER IS NOT COMPLETED?**

A: If the Merger is not completed, Allergan stockholders will not receive any consideration for their shares of Allergan common stock. Instead, Allergan will remain an independent public company and its common stock will continue to be listed and traded on the NYSE. Under specified circumstances, Allergan or Actavis may be required to pay to, or be entitled to receive from, the other party a fee or reimbursement of expenses with respect to the termination of the Merger Agreement, as described under *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus.

**Q: WHOM SHOULD I CONTACT IF I HAVE ANY QUESTIONS ABOUT THE PROXY MATERIALS OR VOTING?**

Edgar Filing: Actavis plc - Form 424B3

A: If you have any questions about the proxy materials or if you need assistance submitting your proxy or voting your shares or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card, you should contact the proxy solicitation agent for the company in which you hold shares.

Actavis shareholders should contact MacKenzie Partners Inc., the proxy solicitation agent for Actavis, at 105 Madison Avenue, New York, New York 10016. Actavis shareholders may call MacKenzie Partners Inc. collect at (212) 929-5500 or toll-free at (800) 322-2885.

**Table of Contents**

Allergan stockholders should contact Innisfree M&A Incorporated, the proxy solicitation agent for Allergan, at 501 Madison Avenue, 20<sup>th</sup> Floor, New York, New York 10022. Allergan stockholders may call Innisfree M&A Incorporated collect at (212) 750-5833 or toll-free at (877) 800-5187.

**Q: WHERE CAN I FIND MORE INFORMATION ABOUT ACTAVIS AND ALLERGAN?**

A: You can find more information about Actavis and Allergan from the various sources described under *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

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**Table of Contents**

**SUMMARY**

*This summary highlights selected information included in this joint proxy statement/prospectus. You should read carefully this entire joint proxy statement/prospectus and its Annexes and the other documents referred to in this joint proxy statement/prospectus, because the information in this section may not provide all of the information that might be important to you in determining how to vote. Additional important information about Actavis and Allergan is also contained in the Annexes to, and the documents incorporated by reference into, this joint proxy statement/prospectus. For a description of, and instructions as to how to obtain, this information, see *Where You Can Find More Information* on page 262 of this joint proxy statement/prospectus. Each item in this summary includes a page reference directing you to a more complete description of that item.*

**The Merger (page 68)**

The terms and conditions of the Merger are contained in the Merger Agreement, which is attached to this joint proxy statement/prospectus as Annex A. You should read the Merger Agreement carefully, as it is the legal document that governs the Merger.

Pursuant to the Merger Agreement, Merger Sub will merge with and into Allergan, with Allergan continuing as the Surviving Corporation. Following the Merger, Allergan will be an indirect wholly owned subsidiary of Actavis and the Allergan common stock will be delisted from the NYSE, deregistered under the Exchange Act and cease to be publicly traded.

**Consideration to Allergan Stockholders (page 134)**

As a result of the Merger, each issued and outstanding share of Allergan common stock, other than excluded shares and dissenting shares, will be converted into the right to receive the Merger Consideration, which consists of 0.3683 of an Actavis ordinary share and \$129.22 in cash, without interest.

It is anticipated that, immediately after completion of the Merger, Actavis shareholders and Allergan stockholders, in each case as of immediately prior to the Merger, will hold approximately 72% and 28%, respectively, of the issued and outstanding Actavis ordinary shares. It is currently estimated that, if the Merger is completed, Actavis will issue or reserve for issuance approximately 128 million Actavis ordinary shares to pay the aggregate Stock Consideration Portion and assume Allergan equity-based awards at the closing of the Merger and that the aggregate Cash Consideration Portion will be approximately \$39 billion.

No holder of Allergan common stock will be issued fractional Actavis ordinary shares in the Merger. Each holder of Allergan common stock who would otherwise have been entitled to receive a fraction of an Actavis ordinary share will receive, in lieu thereof, cash, without interest, in an amount equal to such fractional part of an Actavis ordinary share (rounded to the nearest one thousandth when expressed in decimal form) multiplied by the volume weighted average price of Actavis ordinary shares for a 10 trading day period, starting with the opening of trading on the 11<sup>th</sup> trading day prior to the closing date to the closing of trading on the second to last trading day prior to the closing date, as reported by Bloomberg. For a more complete description of the consideration payable to the Allergan stockholders, see *The Merger Agreement Consideration to Allergan Stockholders* beginning on page 134 of this joint proxy statement/prospectus.

**Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards (page 136)**



*Options Held by Continuing Employees.* As of the effective time of the Merger, each Allergan Stock Option granted under any Allergan equity plan held by any Continuing Employee that is outstanding and unexercised immediately prior to the effective time of the Merger, whether or not then vested or exercisable, will be assumed by Actavis and will be converted into an Actavis Stock Option. Each such Actavis Stock Option as so assumed

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**Table of Contents**

and converted will continue to have, and will be subject to, the same terms and conditions as applied to the Allergan Stock Option immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan Stock Option by reason of the Merger Agreement or the Merger). As of the effective time of the Merger, each such Actavis Stock Option as so assumed and converted will be for that whole number of Actavis ordinary shares (rounded down to the nearest whole share) equal to the product of (i) the number of shares of Allergan common stock subject to such Allergan Stock Option multiplied by (ii) the Stock Award Exchange Ratio, at an exercise price per Actavis ordinary share (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (x) the exercise price per share of Allergan common stock of such Allergan Stock Option by (y) the Stock Award Exchange Ratio.

*Restricted Stock Held by Continuing Employees.* As of the effective time of the Merger, each Allergan Restricted Share granted under any Allergan equity plan held by a Continuing Employee that is not then vested will be assumed by Actavis and will be converted into an Actavis Restricted Share. Each Actavis Restricted Share as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the applicable Allergan Restricted Shares immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan Restricted Share by reason of the Merger Agreement or the Merger). As of the effective time of the Merger, the number of Actavis Restricted Shares as so assumed and converted will be equal to the product of (i) the applicable number of Allergan Restricted Shares multiplied by (ii) the Stock Award Exchange Ratio. Such number of Actavis Restricted Shares will be rounded up to the nearest whole share if half a share or more or down to the nearest whole share if less than half a share.

*Restricted Stock Units Held by Continuing Employees.* As of the effective time of the Merger, each outstanding Allergan RSU issued under any Allergan equity plan held by a Continuing Employee that is not then vested will be assumed by Actavis and will be converted into an Actavis RSU with associated rights to the issuance of additional Actavis ordinary shares. Each Actavis RSU as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the applicable Allergan RSUs immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan RSU by reason of the Merger Agreement or the Merger). To the extent any such Allergan RSUs held by Continuing Employees are subject to performance vesting, the applicable Actavis RSUs corresponding to such Allergan RSUs will be earned at the effective time of the Merger based on target performance, and will otherwise vest on the last day of the original applicable performance period for such Allergan RSUs, subject to continued employment through the last day of the original applicable performance period. In addition, such Actavis RSUs may be subject to accelerated vesting upon certain terminations of employment as prescribed by the terms in effect for such Allergan RSUs immediately prior to the effective time of the Merger. Furthermore, Actavis will have the ability to adjust any dividend equivalent rights under any Allergan equity plan, in any award agreement or in any Allergan RSUs, to reflect the changes or adjustments contemplated to the corresponding Allergan RSUs by reason of the Merger Agreement or the Merger. As of the effective time of the Merger, the number of Actavis ordinary shares underlying each such Actavis RSU as so assumed and converted will be equal to the product of (i) the number of shares of Allergan common stock underlying the applicable Allergan RSUs multiplied by (ii) the Stock Award Exchange Ratio. Such number of Actavis ordinary shares underlying the Actavis RSUs will be rounded up to the nearest whole share if half a share or more or down to the nearest whole share if less than half a share.

*Equity Awards Held by Allergan Non-Employee Directors and Non-Continuing Employees.* The vesting of any outstanding unvested Allergan equity awards held by any Allergan non-employee director or any employee of Allergan who is not a Continuing Employee will accelerate in full at the effective time of the Merger. Each such accelerated Allergan Stock Option will be cancelled at the effective time of the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of Allergan common stock subject to



**Table of Contents**

such Allergan Stock Option multiplied by (ii) the excess, if any, of (A) the Stock Consideration Portion multiplied by the Actavis VWAP plus the Cash Consideration Portion less (B) the exercise price of such Allergan Stock Option. Such cash amount will be rounded up to the nearest whole cent if half a cent or more or down to the nearest whole cent if less than half a cent. Holders of such accelerated Allergan RSUs and Allergan Restricted Shares will be entitled to receive the Merger Consideration in respect of the shares of Allergan common stock underlying the Allergan RSUs and the Allergan Restricted Shares, subject to applicable withholding taxes.

For a more complete description of the treatment of Allergan's stock options and other Allergan equity based awards, see *The Merger Agreement Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards* beginning on page 136 of this joint proxy statement/prospectus.

**Comparative Per Share Market Price Information (page 198)**

Actavis ordinary shares are listed on the NYSE under the symbol ACT. Allergan common stock is listed on the NYSE under the symbol AGN. The following table shows the closing prices of Actavis ordinary shares and Allergan common stock as reported on the NYSE on November 14, 2014, the last full trading day before the public announcement of the signing of the Merger Agreement, and on January 22, 2015, the last practicable full trading day before the date of this joint proxy statement/prospectus. This table also shows the equivalent value of the consideration per share of Allergan common stock, which was calculated by adding (i) the Cash Consideration Portion to be paid to Allergan stockholders, or \$129.22, and (ii) the closing price of Actavis ordinary shares as of the specified date multiplied by the exchange ratio of 0.3683.

	Actavis Ordinary Shares	Allergan Common Stock	Equivalent Value of Merger Consideration per Allergan share
November 14, 2014	\$ 243.77	\$ 198.65	\$ 219.00
January 22, 2015	\$ 278.01	\$ 222.79	\$ 231.61

**Recommendation of the Actavis Board of Directors and Actavis Reasons for the Merger (page 78)**

After careful consideration, the Actavis board of directors unanimously recommends that Actavis shareholders vote **FOR** the Actavis Share Issuance Proposal and **FOR** the Actavis Adjournment Proposal.

In reaching its decision, the Actavis board of directors considered a number of factors as generally supporting its decision to enter into the Merger Agreement, including, among others, the potential to create a top 10 global pharmaceutical company with a diverse product portfolio and geographically balanced business, the expectation that the combined company would have a broad range of strong franchises and a stronger foundation to market complementary products, the potential strategic opportunities in combining the businesses, expected synergies, an enhanced credit profile, expected accretion to non-GAAP earnings, the potential for substantial R&D investments by the combined company, the opinion of Actavis' financial advisor as to the fairness, from a financial point of view, to Actavis of the Merger Consideration to be paid by Actavis pursuant to the Merger Agreement, and the overall terms of the Merger Agreement. The Actavis board of directors also considered a variety of risks and other potentially negative factors concerning the Merger, including, among others, the risk that the Merger might not be completed in a timely manner, risks related to Allergan's business, risks related to regulatory approvals necessary to complete the Merger, risks related to the financing for the Merger, risks related to certain terms of the Merger Agreement (including

restrictions on the conduct of Actavis business prior to the completion of the Merger and the requirement that Actavis pay Allergan a termination fee in certain circumstances), risks related to the diversion of management and resources from other strategic opportunities and

**Table of Contents**

challenges and potential difficulties relating to integrating the operations of Actavis and Allergan. For a more complete description of Actavis' reasons for the Merger and the recommendations of the Actavis board of directors, see *The Merger Recommendation of the Actavis Board of Directors and Actavis' Reasons for the Merger* beginning on page 78 of this joint proxy statement/prospectus.

**Recommendation of the Allergan Board of Directors and Allergan's Reasons for the Merger (page 83)**

After careful consideration, the Allergan board of directors unanimously recommends that Allergan stockholders vote

**FOR** the Merger Proposal, **FOR** the Allergan Adjournment Proposal and **FOR** the Merger-Related Named Executive Officer Compensation Proposal.

In reaching its decision, the Allergan board of directors considered a number of factors as generally supporting its decision to enter into the Merger Agreement, including, among other things, that the Merger Consideration would be payable in a mix of cash and highly liquid stock and, based on the closing price of Actavis ordinary shares as of November 14, 2014, the last full trading day before the public announcement of the signing of the Merger Agreement, would represent a premium of approximately 54.2% to Allergan's stock price at the closing of trading on April 21, 2014, the day prior to the public announcement of the initial unsolicited proposal by Valeant Pharmaceuticals International, Inc. (referred to in this joint proxy statement/prospectus as "Valeant") to acquire Allergan, a premium of approximately 76.1% to Allergan's stock price at the closing of trading on March 24, 2014, four weeks prior to Valeant's public announcement, a premium of approximately 10.2% to Allergan's stock price at the closing of trading on November 14, 2014 and a premium of approximately 19.4% to the value of the offer price Allergan stockholders would receive in Valeant's exchange offer, based on the closing price of Valeant common shares as of November 14, 2014, the last full trading day before the public announcement of the signing of the Merger Agreement, and the potential to create one of the top 10 global pharmaceutical companies by sales revenue, with combined annual pro forma revenues of more than \$23 billion anticipated in 2015. The Allergan board of directors also considered a variety of risks and other potentially negative factors concerning the Merger, including, among others, the risk that the Merger might not be completed in a timely manner, risks related to Actavis' business, risks related to regulatory approvals necessary to complete the Merger, risks related to certain terms of the Merger Agreement (including restrictions on the conduct of Allergan's business prior to the completion of the Merger and the requirement that Allergan pay Actavis a termination fee in certain circumstances), risks related to the diversion of management and resources from other strategic opportunities and challenges and difficulties relating to integrating the operations of Actavis and Allergan. For a more complete description of Allergan's reasons for the Merger and the recommendation of the Allergan board of directors, see *The Merger Recommendation of the Allergan Board of Directors and Allergan's Reasons for the Merger* beginning on page 83 of this joint proxy statement/prospectus.

**Opinion of Actavis' Financial Advisor (page 87)**

In connection with the Merger, J.P. Morgan Securities LLC (referred to in this joint proxy statement/prospectus as "J.P. Morgan"), Actavis' financial advisor, delivered to the Actavis board of directors on November 15, 2014, its oral opinion, which was confirmed by delivery of a written opinion, dated November 15, 2014, as to the fairness, from a financial point of view and as of the date of such opinion and based upon and subject to the factors, assumptions, limitations and qualifications set forth in such opinion, to Actavis of the Merger Consideration to be paid by Actavis pursuant to the Merger Agreement. The full text of J.P. Morgan's written opinion, dated November 15, 2014, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference. The shareholders of Actavis are urged to read the opinion in its entirety. J.P. Morgan's written opinion is addressed to the Actavis board of directors, is directed only to the Merger Consideration to be paid by Actavis in the Merger and does not constitute a recommendation to any shareholder of Actavis as to how such shareholder should vote or act with respect to the Merger or any other

matter. For services rendered in

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**Table of Contents**

connection with the Merger (including the delivery of its opinion), Actavis agreed to pay J.P. Morgan \$5 million upon delivery of its opinion and agreed to pay J.P. Morgan an additional fee of \$60 million at the effective time of the Merger. In the event the Merger is not consummated and Actavis receives any payment in connection with the termination or abandonment of the proposed Merger, or the failure of the proposed Merger to occur, Actavis will pay J.P. Morgan a fee equal to 5% of any such payment (less any of the above fees already paid by Actavis and net of Actavis' actual expenses), but in no event will the payment to J.P. Morgan exceed the fee that would have been paid to J.P. Morgan if the transaction had been consummated.

For a description of the opinion that the Actavis board of directors received from J.P. Morgan, see *The Merger Opinion of Actavis' Financial Advisor* beginning on page 87 of this joint proxy statement/prospectus.

**Opinions of Allergan's Financial Advisors (page 95)**

***BofA Merrill Lynch***

On November 16, 2014, Merrill Lynch, Pierce, Fenner & Smith Incorporated (referred to in this joint proxy statement/prospectus as BofA Merrill Lynch), a financial advisor to Allergan, rendered to the board of directors of Allergan an oral opinion, which was confirmed by delivery of a written opinion, dated November 16, 2014, to the effect that, as of that date and based on and subject to various assumptions and limitations described in its written opinion, the Merger Consideration to be received by holders of Allergan common stock in the Merger was fair, from a financial point of view, to such holders.

**The full text of BofA Merrill Lynch's written opinion to Allergan's board of directors, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex C to this joint proxy statement/prospectus and is incorporated by reference herein in its entirety. BofA Merrill Lynch delivered its opinion to Allergan's board of directors for the benefit and use of Allergan's board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the Merger. BofA Merrill Lynch's opinion does not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to Allergan or in which Allergan might engage or as to the underlying business decision of Allergan to proceed with or effect the Merger. BofA Merrill Lynch's opinion did not address any terms or other aspects of the Merger (other than the Merger Consideration to the extent expressly specified in its opinion) and does not constitute an opinion or recommendation to any stockholders as to how to vote or act in connection with the Merger or any related matter. Allergan has agreed to pay BofA Merrill Lynch for its services in connection with the Merger a transaction fee based on the value of the aggregate consideration to be paid (including the debt of Allergan to be assumed) in the Merger (to be reduced by \$18 million of quarterly fees previously paid to BofA Merrill Lynch in connection with Valeant's efforts to acquire Allergan and the Valeant exchange offer (as defined below)). Based on the closing price of Actavis ordinary shares on November 16, 2014, BofA Merrill Lynch would be entitled to receive a transaction fee of approximately \$56.1 million (after giving effect to the \$18 million of fees referred to above). The remainder of the fee payable to BofA Merrill Lynch is contingent upon the completion of the Merger.**

For a description of the opinion that the Allergan board of directors received from BofA Merrill Lynch, see *The Merger Opinions of Allergan's Financial Advisors BofA Merrill Lynch* beginning on page 95 of this joint proxy statement/prospectus.

***Goldman, Sachs & Co.***



On November 16, 2014, Goldman, Sachs & Co. (referred to in this joint proxy statement/prospectus as Goldman Sachs ), a financial advisor to Allergan, rendered its oral opinion, subsequently confirmed in writing,

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**Table of Contents**

to the Allergan board of directors that, as of November 16, 2014, and based upon and subject to the factors and assumptions set forth therein, the aggregate of \$129.22 in cash, without interest, and 0.3683 of an Actavis ordinary share to be paid by Actavis in respect of each share of Allergan common stock (other than the excluded shares and other than Allergan shares with respect to which appraisal rights are properly demanded and not withdrawn) pursuant to the Merger Agreement was fair from a financial point of view to the holders (other than Actavis and its affiliates) of shares of Allergan common stock.

**The full text of the written opinion of Goldman Sachs, dated November 16, 2014, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with its opinion, is attached as Annex D to this joint proxy statement/prospectus. Goldman Sachs provided its opinion for the information and assistance of Allergan's board of directors in connection with its consideration of the Merger. The Goldman Sachs opinion does not constitute a recommendation as to how any holder of shares of Allergan common stock should vote with respect to the Merger or any other matter. Goldman Sachs assumes no responsibility to update, revise or reaffirm its opinion based on circumstances, developments or events occurring after the date of its opinion. Pursuant to an engagement letter between Allergan and Goldman Sachs, Allergan has agreed to pay Goldman Sachs a transaction fee based on the aggregate consideration paid in the Merger, which as of November 16, 2014, the date of the signing of the Merger Agreement, including Actavis share price as of such date, is estimated to be approximately \$56.1 million, a substantial portion of which is payable upon consummation of the Merger.**

For a description of the opinion that the Allergan board of directors received from Goldman Sachs, see *The Merger Opinions of Allergan's Financial Advisors Goldman, Sachs & Co.* beginning on page 107 of this joint proxy statement/prospectus.

**The Actavis Extraordinary General Meeting (page 55)**

Actavis will convene the Actavis EGM on March 10, 2015 at 8:30 a.m. (local time) at 1 Grand Canal Square, Docklands, Dublin 2, Ireland. At the Actavis EGM, Actavis shareholders will be asked to approve the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal.

Only holders of Actavis ordinary shares as of the close of business on January 22, 2015, the record date for the Actavis EGM, will be entitled to notice of, and to vote at, the Actavis EGM or any adjournments thereof. On the Actavis record date, there were 266,142,831 Actavis ordinary shares outstanding and entitled to vote at the Actavis EGM, held by a total of 1,747 registered holders. Each outstanding Actavis ordinary share is entitled to one vote on each proposal and any other matter properly coming before the Actavis EGM. As of the record date, directors and executive officers of Actavis and their affiliates owned and were entitled to vote 756,354 Actavis ordinary shares, representing less than 1% of Actavis ordinary shares outstanding on that date. Actavis currently expects that Actavis directors and executive officers will vote their shares in favor of the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal, although none of them has entered into any agreements obligating them to do so.

Approval of each of the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal requires the affirmative vote of at least a majority of the votes cast, either in person or by proxy, by shareholders entitled to vote on the proposals at the Actavis EGM.

**The Allergan Special Meeting (page 60)**

The Allergan special meeting will be held at 10:00 a.m., local time, on March 10, 2015 at 2525 Dupont Drive, Irvine, California 92612. At the Allergan special meeting, Allergan stockholders will be asked to approve the Merger

Proposal, the Allergan Adjournment Proposal and the Merger-Related Named Executive Officer Compensation Proposal.

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**Table of Contents**

Allergan's board of directors has fixed the close of business on January 22, 2015 as the record date for determining the holders of shares of Allergan common stock entitled to receive notice of and to vote at the Allergan special meeting. Only holders of record of shares of Allergan common stock at the close of business on the Allergan record date will be entitled to notice of, and to vote at, the Allergan special meeting and any adjournment thereof. As of the Allergan record date, there were 299,776,882 shares of Allergan common stock outstanding and entitled to vote at the Allergan special meeting, held by 4,019 holders of record. Each share of Allergan common stock entitles the holder to one vote on each proposal and any other matter properly coming before the Allergan special meeting. As of the Allergan record date, directors and executive officers of Allergan and their affiliates owned and were entitled to vote 502,178 shares of Allergan common stock, representing approximately less than 1% of the shares of Allergan common stock outstanding on that date. Allergan currently expects that Allergan's directors and executive officers will vote their shares in favor of the Merger Proposal, the Allergan Adjournment Proposal and the Merger-Related Named Executive Officer Compensation Proposal, although none of them has entered into any agreements obligating them to do so.

Approval of the Merger Proposal requires the affirmative vote of at least a majority of the outstanding shares of Allergan common stock entitled to vote on the proposal at the Allergan special meeting. Approval of the Allergan Adjournment Proposal requires the affirmative vote of at least a majority of the shares of Allergan common stock entitled to vote on the proposal present in person or by proxy at the Allergan special meeting. Approval of the Merger-Related Named Executive Officer Compensation Proposal requires the affirmative vote of at least a majority of the shares of Allergan common stock entitled to vote on the proposal present in person or by proxy at the Allergan special meeting.

**Interests of Allergan's Directors and Executive Officers in the Transactions (page 122)**

In considering the recommendation of the Allergan board of directors that Allergan stockholders vote to approve the Merger Proposal, Allergan stockholders should be aware that some of Allergan's directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of Allergan's stockholders generally. Interests of Allergan's directors and officers that may be different from or in addition to the interests of Allergan's stockholders include, but are not limited to:

The Merger Agreement provides for conversion of all outstanding Allergan Stock Options, Allergan Restricted Stock, and Allergan RSUs held by Continuing Employees as of the effective time of the Merger into corresponding equity awards of Actavis, with any Allergan RSUs subject to performance-based vesting conditions deemed earned based on target performance, and otherwise vesting, subject to continued employment on the last day of the performance period for such Allergan RSUs.

The Merger Agreement provides for the accelerated vesting of all outstanding Allergan Stock Options, Allergan Restricted Stock, and Allergan RSUs held by Allergan non-employee directors or any employees of Allergan who are not Continuing Employees. Such Allergan Stock Options will be cancelled at the effective time of the Merger and converted into the right to receive cash equal to the sum of the Cash Consideration Portion and the value of the Stock Consideration Portion less the applicable exercise price, and such Allergan Restricted Stock and Allergan RSUs will entitle the holder to receive the Merger Consideration, in each case, subject to withholding taxes.

The terms and conditions of outstanding Allergan Stock Options, Allergan Restricted Stock and Allergan RSUs held by employees provide for full acceleration upon certain qualifying terminations of employment in connection with or within two years after the Merger.

Allergan's executive officers are participants in Allergan's Change in Control Policy, which provides for severance benefits in the event of certain qualifying terminations of employment in connection with or within two years after the Merger.

## **Table of Contents**

Certain of Allergan's executive officers are participants in Allergan's Supplemental Executive Benefit Plan and Supplemental Retirement Income Plan (referred to in this joint proxy statement/prospectus as the Executive Benefit Plan ) which provide for a lump sum payment at a more favorable discount rate in connection with any termination of employment within two years after the Merger.

Allergan's directors and executive officers are entitled to continued indemnification, expense advancement and insurance coverage under the Merger Agreement.

Under the Merger Agreement, Allergan may, in consultation with Actavis, award employees cash incentive bonus compensation from a retention bonus pool of up to \$20 million. Allergan does not expect to award any such retention bonuses to its executive officers.

Allergan's executive officers may receive cash bonuses in accordance with the terms of Allergan's annual bonus plans for the 2014 and 2015 fiscal years.

These interests are discussed in more detail in the section entitled *The Merger Interests of Allergan's Directors and Executive Officers in the Transactions* beginning on page 122 of this joint proxy statement/prospectus. The members of the Allergan board of directors were aware of the different or additional interests set forth herein and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement and the Merger, and in recommending to the stockholders of Allergan that the Merger Proposal be approved.

## **Board of Directors and Management after the Transactions (page 122)**

Upon completion of the Merger, the combined company will be led by Brenton L. Saunders, the current CEO and President of Actavis, and Paul M. Bisaro, the current Executive Chairman of Actavis, will be the Executive Chairman of the combined company. The integration of the two companies will be led by the senior management teams for the combined company, which will be comprised of executives of both companies as announced by Actavis on December 16, 2014. Two members of the Allergan board of directors as of immediately prior to the effective time of the Merger will be added to the Actavis board of directors.

For additional information, see *The Merger Board of Directors and Management after the Transactions* beginning on page 122 of this joint proxy statement/prospectus.

## **Regulatory Approvals Required for the Merger (page 128)**

### ***United States Antitrust***

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (referred to in this joint proxy statement/prospectus as the HSR Act ), and the rules and regulations promulgated thereunder by the U.S. Federal Trade Commission (referred to in this joint proxy statement/prospectus as the FTC ), the Merger cannot be consummated until, among other things, notifications have been given and certain information has been furnished to the FTC and the Antitrust Division of the U.S. Department of Justice (referred to in this joint proxy statement/prospectus as the Antitrust Division ) and the applicable waiting period has expired or been terminated.

On December 1, 2014, each of Actavis and Allergan filed a Pre-Merger Notification and Report Form required pursuant to the HSR Act with the Antitrust Division and the FTC. On December 29, 2014, Actavis voluntarily

withdrew and subsequently re-filed these forms. On January 9, 2015, the FTC granted early termination of the waiting period under the HSR Act with respect to the Merger.

## **Table of Contents**

### ***Other Regulatory Approvals***

Actavis and Allergan derive revenues in other jurisdictions where merger or acquisition control filings or clearances are or may be required, including clearances by the European Commission and in Canada, Colombia, Russia, Serbia, South Africa, Turkey and Ukraine. The Merger cannot be consummated until the closing conditions relating to applicable filings and clearances under antitrust laws have been satisfied or waived. The necessary antitrust clearance in Serbia has been received. Although Actavis and Allergan believe that they will be able to obtain the other requisite regulatory clearances in a timely manner, they cannot be certain when or if they will do so, or if any clearances will contain terms, conditions or restrictions that will be detrimental to or adversely affect Actavis, Allergan or their respective subsidiaries after the completion of the Merger.

### **Appraisal Rights (page 257)**

Under Section 262 of the DGCL, stockholders of a Delaware corporation are entitled to appraisal of their shares if they are required to accept cash (other than cash in lieu of fractional shares) as any portion of the consideration for such shares. A holder of shares of Allergan common stock who properly seeks appraisal and otherwise complies with the applicable requirements under Delaware law (referred to in this joint proxy statement/prospectus as a dissenting stockholder ), will be entitled to receive a cash payment equal to the fair value of his, her or its shares of Allergan common stock in connection with the Merger in lieu of the Merger Consideration. Fair value will be determined by the Delaware Court of Chancery (referred to in this joint proxy statement/prospectus as the Court ) following an appraisal proceeding. Dissenting stockholders will not know the appraised fair value at the time such holders must elect whether to seek appraisal.

The ultimate amount dissenting stockholders receive in an appraisal proceeding may be more or less than, or the same as, the value of the Merger Consideration such holders would have received under the Merger Agreement. To seek appraisal, an Allergan stockholder must comply strictly with all of the procedures required under Delaware law, including delivering a written demand for appraisal to Allergan before the vote is taken on the Merger Agreement at the Allergan special meeting, not voting in favor of the Merger Proposal and continuing to hold its shares of common stock through the effective time of the Merger. Failure to comply strictly with all of the procedures required under Delaware law will result in the loss of appraisal rights.

For a further description of the appraisal rights available to Allergan stockholders and the procedures required to exercise such appraisal rights, see *Appraisal Rights* beginning on page 257 of this joint proxy statement/prospectus and the provisions of Section 262 of the DGCL that grant appraisal rights and govern such procedures, which are attached as Annex E to this joint proxy statement/prospectus. If an Allergan stockholder holds shares of Allergan common stock through a bank, brokerage firm or other nominee and the Allergan stockholder wishes to exercise appraisal rights, such stockholder should consult with such stockholder's bank, brokerage firm or nominee sufficiently in advance of the Allergan special meeting to permit such nominee to exercise appraisal rights on such stockholder's behalf. In view of the complexity of Delaware law, Allergan stockholders who may wish to pursue appraisal rights should consult their legal and financial advisors promptly.

Actavis shareholders will not be entitled to dissenters' or appraisal rights in connection with the Merger.

### **No Solicitation; Third-Party Acquisition Proposals (page 149)**

Under the terms of the Merger Agreement, Allergan has agreed that it and its board of directors will not (and will not permit any of its subsidiaries to, and that it will cause its officers and employees not to, and that it will use its reasonable best efforts to cause its other representatives not to, directly or indirectly) solicit, initiate, knowingly



encourage, knowingly facilitate, or engage in any discussions or negotiations regarding any inquiry, proposal or offer (or any amendment or modification thereto), or participate in any negotiations regarding, or

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**Table of Contents**

furnish to any person or entity any non-public information relating to it or any of its respective subsidiaries in connection with any inquiry, proposal or offer which constitutes or would be reasonably expected to lead to a competing acquisition proposal (as defined in *The Merger Agreement Covenants and Agreements* beginning on page 141 of this joint proxy statement/prospectus); engage in discussions with any person or entity with respect to any inquiry, proposal or offer which constitutes or would be reasonably expected to lead to any competing acquisition proposal; except in the event the Allergan board of directors has determined in good faith after consultation with Allergan's outside legal counsel that the failure to take such action would constitute a breach of the fiduciary duties of the members of the Allergan board of directors under applicable Delaware law, waive, terminate, modify or release any person or entity from any provision of any standstill or similar agreement; approve or recommend (or propose such action publicly) or fail to timely recommend against any competing acquisition proposal; withdraw, change, amend, modify or qualify (or propose such action publicly), in a manner adverse to Actavis, the recommendation of the Allergan board of directors to vote in favor of its proposals; or enter into any letter of intent or other document or agreement relating to, or any agreement or commitment providing for, a competing acquisition proposal.

Allergan has also agreed not to take any action to exempt any person or entity from the restrictions on business combinations or any similar provision contained in any applicable takeover statute or Allergan's governing documents or otherwise cause such restrictions not to apply or terminate (or permit the termination thereof, subject to certain exceptions), waive or amend the Rights Agreement, dated as of April 22, 2014, between Allergan and Wells Fargo Bank, N.A., as rights agent, (which agreement is referred to in this joint proxy statement/prospectus as the Rights Plan), redeem any of the rights under the Rights Plan or take any action with respect to, or make any determination under, the Rights Plan that would interfere with Actavis consummating the transactions contemplated by the Merger Agreement, in each case without the prior written consent of Actavis, in each case prior to the termination of the Merger Agreement.

Nevertheless, Allergan may (i) seek to clarify and understand the terms and conditions of any competing acquisition proposal (or amended proposal) solely to determine whether such proposal constitutes or would reasonably be expected to lead to a superior proposal (as defined in *The Merger Agreement Covenants and Agreements* beginning on page 141 of this joint proxy statement/prospectus) and (ii) inform a person or entity that has made a competing acquisition proposal of the non-solicitation provisions of the Merger Agreement, in each case so long as Allergan, its subsidiaries and Allergan's representatives otherwise comply with the non-solicitation provisions of the Merger Agreement.

If Allergan receives, prior to obtaining approval of the Merger Proposal, a bona fide, written competing acquisition proposal from any person or entity, which the Allergan board of directors determines in good faith after consultation with its outside legal and financial advisors (i) constitutes a superior proposal or (ii) would reasonably be expected to result in a superior proposal, after furnishing additional nonpublic information to the person or entity making such offer or engaging in discussions or negotiations with such party as described in (x) or (y) below, then in either event (if there has not been a material breach of the non-solicitation provisions of the Merger Agreement with respect to, or in a manner that otherwise relates to, such competing acquisition proposal or person or entity) Allergan may take the following actions: (x) furnish nonpublic information to the person or entity making such competing acquisition proposal, if, and only if, prior to furnishing such information, it receives from such person or entity an executed confidentiality agreement with confidentiality terms that are no less favorable, in the aggregate to it, than those contained in the confidentiality agreement between Actavis and Allergan (though such confidentiality agreement is not required to contain standstill provisions) and (y) engage in discussions or negotiations with such person or entity with respect to the competing acquisition proposal.

Under the terms of the Merger Agreement, Actavis has agreed that it will not (and its board of directors will not) withdraw, change, amend, modify or qualify, in a manner adverse to Allergan, the recommendation of its board of

directors to vote in favor of the Actavis Share Issuance Proposal.

**Table of Contents****Change of Recommendation (page 151)***Allergan Change of Recommendation*

The Allergan board of directors is entitled to approve or recommend, propose publicly to approve or recommend, or fail to recommend against, any competing acquisition proposal, or withdraw, change, amend, modify or qualify its recommendation in favor of adoption of the Merger Agreement, in a manner adverse to Actavis, prior to the approval of the Merger Proposal:

following receipt of a bona fide, written competing acquisition proposal, which the Allergan board of directors determines in good faith after consultation with its outside legal and financial advisors is a superior proposal, if and only if (x) neither Allergan nor any of its representatives solicited, encouraged or facilitated such competing acquisition proposal in material breach of, or is otherwise in material breach of, the non-solicitation provisions of the Merger Agreement and (y) the Allergan board of directors has determined in good faith after consultation with its outside legal counsel that the failure to take such action would constitute a breach of the fiduciary duties of the members of the Allergan board of directors under applicable Delaware law and has first provided Actavis notice of, and an opportunity to respond to, such competing acquisition proposal in accordance with the terms of the Merger Agreement (such a change of recommendation referred to in this joint proxy statement/prospectus as an acquisition proposal change of recommendation ); or

in response to a change, effect, development, circumstance, condition, state of facts, event or occurrence that was not known to the Allergan board of directors, or the material consequences of which (based on facts known to members of the Allergan board of directors as of the date of the Merger Agreement) were not reasonably foreseeable, as of the date of the Merger Agreement, and does not relate to a competing acquisition proposal (referred to in this joint proxy statement/prospectus as an Allergan intervening event ), if the Allergan board of directors has determined in good faith after consultation with its outside legal counsel that the failure to take such action would constitute a breach of the fiduciary duties of the members of the Allergan board of directors under applicable Delaware law and has first provided Actavis notice of, and an opportunity to address, such Allergan intervening event in accordance with the terms of the Merger Agreement (which change of recommendation is referred to in this joint proxy statement/prospectus as an Allergan intervening event change of recommendation and, together with an acquisition proposal change of recommendation, an Allergan change of recommendation ).

Prior to making an acquisition proposal change of recommendation, Allergan must provide Actavis with four business days prior written notice (or a new three business day notice period for a material amendment to the competing acquisition proposal) advising Actavis of the intent to make such a change of recommendation and contemporaneously providing to Actavis a copy of the superior proposal and a copy of any proposed agreements for such superior proposal, including copies of any related financing commitments (or, in each case, if not provided in writing to Allergan or any of its representatives, a written summary of the terms thereof). During such four business day period (or subsequent three business day period), Allergan is required to negotiate and cause its representatives to negotiate with Actavis and its representatives in good faith (to the extent Actavis wishes to negotiate) to enable Actavis to determine whether to propose revisions to the terms of the Merger Agreement or any other agreement related to the transactions contemplated by the Merger Agreement such that such competing acquisition proposal would no longer constitute a superior proposal, and Allergan will consider in good faith any proposal by Actavis to amend the terms and conditions of the Merger Agreement or any other agreement related to the transactions

contemplated by the Merger Agreement such that such competing acquisition proposal would no longer constitute a superior proposal.

Prior to making an intervening event change of recommendation, Allergan must provide Actavis with four business days prior written notice advising Actavis of its intent to make such a change of recommendation and

**Table of Contents**

specifying, in reasonable detail, the reasons for such change in recommendation (including the material facts and circumstances related to the applicable Allergan intervening event). During such four business day period, Allergan is required to negotiate and cause its representatives to negotiate with Actavis and its representatives in good faith (to the extent Actavis wishes to negotiate) to enable Actavis to determine whether to propose revisions to the terms of the Merger Agreement such that it would obviate the need for the Allergan board of directors to make such a change of recommendation, and Allergan will consider in good faith any proposal by Actavis to amend the terms and conditions of the Merger Agreement in a manner that would obviate the need to make such a change of recommendation.

*Actavis Change of Recommendation*

The Actavis board of directors is entitled to withdraw, change, amend, modify or qualify, or otherwise propose publicly to withdraw, change, amend, modify or qualify its recommendation, in a manner adverse to Allergan, prior to the approval of the Actavis Share Issuance Proposal, if in response to a material change, effect, development, circumstance, condition, state of facts, event or occurrence relating to Actavis that was not known to or reasonably foreseeable by the Actavis board of directors, or the material consequences of which (based on facts known or reasonably expected to be known to members of the Actavis board of directors as of the date of the Merger Agreement) were not reasonably foreseeable, as of the date of the Merger Agreement, and does not relate to any competing acquisition proposal for Actavis (referred to in this joint proxy statement/prospectus as an Actavis intervening event ) and if the Actavis board of directors has determined in good faith after consultation with its outside legal counsel that the failure to take such action would constitute a breach of the duties of the members of the Actavis board of directors under applicable law (which change of recommendation is referred to in this joint proxy statement/prospectus as an Actavis change of recommendation ).

Prior to making an Actavis change of recommendation, Actavis must provide Allergan with four business days prior written notice advising Allergan that it intends to make such a change of recommendation and specifying, in reasonable detail, the reasons for such change in recommendation (including the material facts and circumstances related to the applicable Actavis intervening event), and during such four business day period, Actavis will negotiate and cause its representatives to negotiate with Allergan and its representatives in good faith (to the extent Allergan wishes to negotiate) to enable Allergan to determine whether to propose revisions to the terms of the Merger Agreement such that it would obviate the need for the Actavis board of directors to make an Actavis change of recommendation, and Actavis will consider in good faith any proposal by Allergan to amend the terms and conditions of the Merger Agreement in a manner that would obviate the need to make an Actavis change of recommendation.

**Conditions to the Completion of the Merger (page 153)**

Under the Merger Agreement, the respective obligations of each party to effect the Merger are subject to the satisfaction or waiver at the effective time of the Merger of each of the following conditions:

approval of the Actavis Share Issuance Proposal by the Actavis shareholders and approval of the Merger Proposal by the Allergan stockholders;

the effectiveness of the registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part and no stop order suspending the effectiveness of such registration statement having been issued by the Securities and Exchange Commission (referred to in this joint proxy statement/prospectus as the SEC ) and remaining in effect and no proceeding to that effect having been commenced or threatened unless

subsequently withdrawn;

no statute, rule, regulation or other law (other than any antitrust law) shall have been enacted or promulgated by any governmental entity of competent jurisdiction which prohibits or makes illegal the

**Table of Contents**

consummation of the Merger and no order or injunction of any governmental entity of competent jurisdiction preventing the consummation of the Merger shall be in effect;

receipt of required regulatory approvals and clearances; and

authorization for listing on the NYSE of the Actavis ordinary shares to be issued in the Merger, subject to official notice of issuance.

In addition, Actavis and Merger Sub's obligations to effect the Merger are conditioned, among other things, upon:

the accuracy of Allergan's representations and warranties, subject to specified materiality standards;

the performance by Allergan of its obligations and covenants under the Merger Agreement in all material respects;

the delivery by Allergan of an officer's certificate certifying such accuracy of its representations and warranties and such performance of its obligations and covenants; and

a material adverse effect on Allergan not having occurred since the date of the Merger Agreement and being continuing.

In addition, Allergan's obligation to effect the Merger is conditioned, among other things, upon:

the accuracy of Actavis and Merger Sub's representations and warranties, subject to specified materiality standards;

the performance by Actavis and Merger Sub of their obligations and covenants under the Merger Agreement in all material respects;

the delivery by Actavis of an officer's certificate certifying such accuracy of such representations and warranties and such performance of such obligations and covenants; and

a material adverse effect on Actavis not having occurred since the date of the Merger Agreement and being continuing.

Neither Actavis nor Allergan can be certain when, or if, the conditions to the Merger will be satisfied or waived, or that the Merger will be completed. For a more complete description of the conditions to Actavis and Allergan's respective obligations to effect the Merger, see *The Merger Agreement Conditions to the Completion of the Merger* beginning on page 153 of this joint proxy statement/prospectus.



**Termination of the Merger Agreement; Termination Fees; Expense Reimbursement (page 155)**

***Termination of the Merger Agreement***

The Merger Agreement may be terminated and the Merger and the other transactions abandoned as follows:

by mutual written consent of Actavis and Allergan;

by either Actavis or Allergan:

- i if the other party breaches any representation, warranty, covenant or agreement set forth in the Merger Agreement, which breach would result in certain conditions to the consummation of the Merger not being satisfied (and such breach is not curable prior to the Outside Date (as defined below), or, if curable prior to the Outside Date, has not been cured within the earlier of (i) 30 calendar days after receipt by the breaching party of notice thereof from the non-breaching party and (ii) three business days before the Outside Date), so long as the terminating party is not then in material breach of any representation, warranty, covenant or agreement set forth in the Merger Agreement;

**Table of Contents**

- i if the effective time of the Merger has not occurred by 5:00 p.m. (U.S. Eastern Time) on September 30, 2015 (which date, as it may be extended as follows, is referred to in this joint proxy statement/prospectus as the "Outside Date"), provided that if on such date all of the conditions to the consummation of the Merger have been satisfied or waived (other than the conditions regarding required antitrust clearances and those conditions that by their nature can only be satisfied at the closing of the Merger), then such date will be extended to 5:00 p.m. (U.S. Eastern Time) on November 16, 2015. However, this right to terminate the Merger Agreement may not be exercised by a party whose breach of any representation, warranty, covenant or agreement in the Merger Agreement is the cause of, or resulted in, the effective time of the Merger not occurring prior to the Outside Date;
- i if a governmental entity of competent jurisdiction has issued a final, non-appealable order, injunction, decree, ruling or law in each case permanently restraining, enjoining or otherwise prohibiting the consummation of the Merger; or
- i if (i) after completion of the Allergan special meeting, or at any adjournment or postponement thereof, the Allergan stockholders' approval of the Merger Proposal has not been obtained, in each case at which a vote on such approval was taken, or (ii) after completion of the Actavis EGM, or at any adjournment or postponement thereof, the Actavis shareholders' approval of the Actavis Share Issuance Proposal has not been obtained, in each case at which a vote on such approval was taken;

by Actavis, if, at any time prior to receipt of the Allergan stockholders' approval of the Merger Proposal, the Allergan board of directors makes a change of recommendation. This termination right expires at 5:00 p.m. (U.S. Eastern Time) on the 20<sup>th</sup> business day following the date on which such change of recommendation occurs;

by Allergan if:

- i at any time prior to receipt of the Actavis shareholders' approval of the Actavis Share Issuance Proposal, the Actavis board of directors makes a change of recommendation. This termination right expires at 5:00 p.m. (U.S. Eastern Time) on the 20<sup>th</sup> business day following the date on which such change of recommendation occurs; or
- i at any time prior to receipt of the Allergan stockholders' approval of the Merger Proposal, the Allergan board of directors makes a change of recommendation in order to accept a superior proposal, enters into an acquisition agreement with respect to such superior proposal concurrently with the termination of the Merger Agreement and pays the applicable termination fee (described below) to Actavis.

***Termination Fees Payable by Actavis***

The Merger Agreement requires Actavis to pay Allergan a termination fee of \$2.1 billion if:

(i) Actavis or Allergan terminates the Merger Agreement due to the failure of the Merger to occur by the Outside Date, (ii) (x) all of the conditions to the consummation of the Merger have been satisfied or waived (other than the conditions regarding required antitrust clearances and those conditions that by their nature can only be satisfied at the closing of the Merger) or (y) a governmental entity of competent jurisdiction has issued a final, non-appealable order, injunction, decree, ruling or law in each case permanently restraining, enjoining or otherwise prohibiting the consummation of the Merger arising under the HSR Act or antitrust laws of certain required jurisdictions and (iii) Allergan is not otherwise in material breach of the Merger Agreement; or

Allergan terminates the Merger Agreement because the Actavis board of directors effects an Actavis change of recommendation prior to receipt of the Actavis shareholders' approval of the Actavis Share Issuance Proposal.

## **Table of Contents**

The Merger Agreement requires Actavis to pay Allergan a termination fee of \$1.3 billion if either Actavis or Allergan terminates the Merger Agreement because the Actavis Share Issuance Proposal is not approved by the Actavis shareholders at the Actavis EGM, or at any adjournment or postponement thereof, in each case at which a vote on such approval was taken.

### ***Termination Fees Payable by Allergan***

The Merger Agreement requires Allergan to pay Actavis a termination fee of \$2.1 billion if:

Actavis or Allergan terminates the Merger Agreement (i) due to (x) the failure of the Merger to occur by the Outside Date or (y) the failure of Allergan to obtain the approval of the Merger Proposal, (ii) an acquisition proposal for Allergan by a third party has been publicly disclosed and not publicly, irrevocably withdrawn prior to the date of termination, in the case of a failure of the Merger to occur by the Outside Date, or prior to the date of the Allergan special meeting, in the case of the failure of Allergan to obtain the approval of the Merger Proposal and (iii)(x) an acquisition proposal is consummated within 12 months of such termination or (y) Allergan enters into a definitive agreement providing for any acquisition proposal within 12 months of such termination and such acquisition proposal is subsequently consummated;

Allergan terminates the Merger Agreement and concurrently enters into a superior proposal acquisition agreement; or

Actavis terminates the Merger Agreement because the Allergan board of directors effects a change of recommendation prior to the approval of the Merger Proposal.

### ***Expense Reimbursement Payable by Allergan***

The Merger Agreement also requires Allergan to pay Actavis for the expenses incurred by or on behalf of Actavis in connection with the evaluation, authorization, preparation, negotiation, execution or performance of the Merger Agreement and related transactions, including the Debt Financing (as defined below), in an amount not to exceed \$680 million if either Actavis or Allergan terminates the Merger Agreement because the Merger Proposal is not approved by the Allergan stockholders at the Allergan special meeting, or at any adjournment or postponement thereof, in each case at which a vote on such approval was taken. To the extent Allergan pays Actavis for such expenses and Allergan thereafter becomes obligated to pay a termination fee to Actavis, the amount of such expenses paid by Allergan will be credited against and reduce the amount of the termination fee payable by Allergan.

See *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus.

### **Financing Relating to the Transactions (page 129)**

Actavis anticipates that the total funds it will need to complete the Merger will be funded through a combination of:

available cash on hand of Actavis and Allergan;

up to \$8.9 billion in proceeds from the issuance and sale of common equity interests and/or mandatorily convertible preferred equity interests by Actavis (referred to in this joint proxy statement/prospectus as the Equity Securities ); and

**Table of Contents**

third-party debt financing consisting of the following (referred to in this joint proxy statement/prospectus as the Debt Financing ):

- i senior unsecured term loan facilities (referred to in this joint proxy statement/prospectus as the Term Facilities ) consisting of (i) a tranche of three-year senior unsecured term loans in an original aggregate principal amount of \$2.75 billion and (ii) a tranche of five-year senior unsecured term loans in an original aggregate principal amount of \$2.75 billion;
- i up to \$22.0 billion in proceeds from the issuance and sale of senior unsecured notes by Actavis Funding SCS (referred to in this joint proxy statement/prospectus as the Notes ), which are expected to be guaranteed by certain wholly owned subsidiaries of Actavis;
- i if and to the extent cash on hand of Allergan is not available on the closing date, a 60-day senior unsecured bridge loan facility (referred to in this joint proxy statement/prospectus as the Cash Bridge Facility ) in an original aggregate principal amount of up to \$4.698 billion; and
- i if and to the extent the Notes or the Equity Securities are not issued and sold, up to \$30.9 billion in loans under a 364-day senior unsecured bridge facility (referred to in this joint proxy statement/prospectus as the Bridge Facility ).

***Bridge Credit Agreement***

On December 17, 2014, Actavis entered into a 364-day senior unsecured bridge credit agreement (referred to in this joint proxy statement/prospectus as the Bridge Credit Agreement ), among Actavis Capital S.à r.l. (referred to in this joint proxy statement/prospectus as Actavis Capital ), as borrower, Actavis, Warner Chilcott Limited, Actavis, Inc., Actavis Funding SCS, the lenders from time to time party thereto (referred to in this joint proxy statement/prospectus as the Bridge Lenders ), the other financial institutions from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent. Under the Bridge Credit Agreement, the Bridge Lenders have committed to provide, subject to certain conditions, unsecured bridge financing in an aggregate principal amount of up to \$30.9 billion. The proceeds of borrowings under the Bridge Credit Agreement are to be used to finance, in part, the aggregate Cash Consideration Portion and certain fees and expenses incurred in connection with the Merger, to the extent Actavis does not arrange for alternative financing prior to the consummation of the Merger. The obligations of Actavis Capital under the Bridge Credit Agreement are guaranteed by Warner Chilcott Limited, Actavis, Inc. and Actavis Funding SCS. Actavis Capital would expect to refinance any borrowings under the Bridge Credit Agreement with the proceeds of other external indebtedness.

***Term Loan Credit Agreement***

On December 17, 2014, Actavis also entered into a senior unsecured term loan credit agreement (referred to in this joint proxy statement/prospectus as the Term Loan Credit Agreement ) and, together with the Bridge Credit Agreement, the New Credit Agreements ), among Actavis Capital, as borrower, Actavis, Warner Chilcott Limited, Actavis, Inc., Actavis Funding SCS, the lenders from time to time party thereto (referred to in this joint proxy statement/prospectus as the Term Lenders ), the other financial institutions from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent. Under the Term Loan Credit Agreement, the Term Lenders have committed to provide, subject to certain conditions, (i) a tranche of three-year senior unsecured term loans in an original aggregate principal

amount of \$2.75 billion and (ii) a tranche of five-year senior unsecured term loans in an original aggregate principal amount of \$2.75 billion. The proceeds of borrowings under the Term Loan Credit Agreement are to be used to finance, in part, the aggregate Cash Consideration Portion and certain fees and expenses incurred in connection with the Merger. The obligations of Actavis Capital under the Term Loan Credit Agreement are guaranteed by Warner Chilcott Limited, Actavis, Inc. and Actavis Funding SCS.

***Commitments for the Debt Financing***

On November 16, 2014, Actavis obtained a debt commitment letter (referred to in this joint proxy statement/prospectus as the Commitment Letter ) from certain financial institutions (referred to in this joint proxy

## **Table of Contents**

statement/prospectus as the Commitment Parties ) pursuant to which the Commitment Parties agreed to provide, subject to certain conditions, the entire principal amount of the Cash Bridge Facility and commitments for certain other portions of the Debt Financing that have been replaced by the Bridge Credit Agreement and the Term Loan Credit Agreement. The commitments under the Commitment Letter with respect to the Cash Bridge Facility remain outstanding and, if and to the extent cash on hand of Allergan will not be available on the closing date, Actavis expects to enter into definitive documentation for the Cash Bridge Facility in advance of the closing date.

The commitments with respect to the Cash Bridge Facility, the Bridge Facility and the Term Facilities will terminate on the earliest of (i) the Outside Date (as it may be extended pursuant to the terms of the Merger Agreement), (ii) the closing of the Merger without the use of such facility, (iii) the termination of the Merger Agreement and (iv) with respect to the Bridge Facility and the Term Facilities, 11:59 p.m. New York City time on the date the Bridge Credit Agreement or the Term Loan Credit Agreement are funded, respectively.

Although the Debt Financing described in this joint proxy statement/prospectus is not subject to a due diligence or market out, such financing may not be considered assured. The obligation of the Commitment Parties, the Bridge Lenders and the Term Lenders to provide their respective portions of the Debt Financing is subject to a number of conditions. There can be no assurance that these conditions will be satisfied or that the Debt Financing will be funded when required. As of the date of this joint proxy statement/prospectus, no alternative financing arrangements or alternative financing plans have been made in the event the Debt Financing described in this joint proxy statement/prospectus is not available.

For additional information regarding the financing relating to the transactions, see *The Merger Financing Relating to the Transactions* beginning on page 129 of this joint proxy statement/prospectus.

### **Accounting Treatment of the Transactions (page 132)**

Actavis will account for the acquisition pursuant to the Merger Agreement using the acquisition method of accounting in accordance with U.S. generally accepted accounting principles (referred to in this joint proxy statement/prospectus as GAAP ). Actavis will measure the assets acquired and liabilities assumed at their fair values including net tangible and identifiable intangible assets acquired and liabilities assumed as of the closing of the transactions. Any excess of the purchase price over those fair values will be recorded as goodwill.

Definite lived intangible assets will be amortized over their estimated useful lives. Intangible assets with indefinite useful lives and goodwill will not be amortized but will be tested for impairment at least annually. All intangible assets and goodwill are also tested for impairment when certain indicators are present.

The purchase price reflected in the unaudited pro forma condensed combined financial statements is based on preliminary estimates using assumptions Actavis management believes are reasonable based on currently available information. The final purchase price and fair value assessment of assets and liabilities will be based in part on a detailed valuation which has not yet been completed.

### **Public Trading Markets (page 132)**

The Actavis ordinary shares to be issued as the stock portion of the Merger Consideration in the Merger must be approved for listing on the NYSE, subject to official notice of issuance. Actavis ordinary shares are listed and traded on the NYSE under the symbol ACT.

### **Certain Tax Consequences of the Merger U.S. Federal Income Tax Considerations (page 159)**



For U.S. federal income tax purposes the exchange of Allergan common stock for Actavis ordinary shares and cash in the Merger will be a taxable transaction. A U.S. holder will generally recognize capital gain or loss

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**Table of Contents**

for U.S. federal income tax purposes equal to the difference, if any, between (i) the sum of (1) the fair market value of the Actavis ordinary shares received by such holder in the Merger, and (2) the amount of cash received by such holder in the Merger, including any cash received in lieu of fractional shares of Actavis ordinary shares, and (ii) the U.S. holder's tax basis in the Allergan common stock surrendered.

Allergan stockholders should consult their tax advisors as to the particular tax consequences to them of the transactions, including the effect of U.S. federal, state and local tax laws and foreign tax laws. For a more detailed discussion of the material U.S. federal income tax consequences of the Merger, see *Certain Tax Consequences of the Merger U.S. Federal Income Tax Considerations* beginning on page 159 of this joint proxy statement/prospectus.

**Comparison of the Rights of Holders of Actavis Ordinary Shares and Allergan Common Stock (page 200)**

As a result of the Merger, the holders of Allergan common stock will become holders of Actavis ordinary shares and their rights will be governed by Irish law (instead of Delaware law) and by the memorandum and articles of association of Actavis (instead of Allergan's certificate of incorporation and bylaws). The memorandum and articles of association of Actavis are incorporated by reference herein. Following the Merger, former Allergan stockholders will have different rights as Actavis shareholders than they had as Allergan stockholders. Material differences between the rights of stockholders of Allergan and the rights of shareholders of Actavis include differences with respect to, among other things, distributions, dividends, share repurchases and redemptions, the election of directors, the removal of directors, the fiduciary and statutory duties of directors, conflicts of interests of directors, the indemnification of directors and officers, limitations on director liability, the convening of annual meetings of shareholders and special shareholder meetings, notice provisions for meetings, the quorum for shareholder meetings, the adjournment of shareholder meetings, the exercise of voting rights, shareholder action by written consent, shareholder suits, shareholder approval of certain transactions, rights of dissenting shareholders, anti-takeover measures and provisions relating to the ability to amend the governing documents. For a summary of the material differences between the rights of Actavis shareholders and Allergan stockholders, see *Comparison of the Rights of Holders of Actavis Ordinary Shares and Allergan Common Stock* beginning on page 200 of this joint proxy statement/prospectus.

**Risk Factors (page 34)**

In deciding how to vote your Actavis ordinary shares or Allergan common stock, you should read carefully this entire joint proxy statement/prospectus, including the documents incorporated by reference herein and the Annexes hereto, and in particular, you should read the *Risk Factors* section beginning on page 34 of this joint proxy statement/prospectus.

**Information about the Companies (page 67)**

***Actavis***

*Actavis plc*

1 Grand Canal Square, Docklands

Dublin 2, Ireland

Phone: (862) 261-7000

Actavis (formerly known as Actavis Limited) was incorporated in Ireland on May 16, 2013 as a private limited company and re-registered effective September 18, 2013 as a public limited company. Actavis is a leading integrated global specialty pharmaceutical company engaged in the development, manufacturing, marketing, sale and distribution of generic, branded generic, brand name, biosimilar and over-the-counter pharmaceutical products. Actavis also develops and out-licenses generic pharmaceutical products primarily in

**Table of Contents**

Europe through its Medis third-party business. Actavis has operations in more than 60 countries throughout North America and the rest of world, including Europe, MEAAP (Middle East, Africa, Australia, and Asia Pacific) and Latin America.

***Merger Sub***

*Avocado Acquisition Inc.*

c/o Actavis plc

Morris Corporate Center III

400 Interpace Parkway

Parsippany, New Jersey 07054

Phone: (862) 261-7000

Merger Sub is a Delaware corporation and an indirect wholly owned subsidiary of Actavis. Merger Sub was incorporated on November 14, 2014 for the sole purpose of effecting the Merger. As of the date of this joint proxy statement/prospectus, Merger Sub has not conducted any activities other than those incidental to its formation, the execution of the Merger Agreement, the preparation of applicable filings under U.S. securities laws and regulatory filings made in connection with the proposed transaction.

***Allergan***

*Allergan, Inc.*

2525 Dupont Drive

Irvine, California 92612

Phone: (714) 246-4500

Allergan was incorporated in Delaware in 1950. Allergan is a multi-specialty health care company focused on developing and commercializing innovative pharmaceuticals, biologics, medical devices and over-the-counter products that enable people to live life to their full potential to see more clearly, move more freely and express themselves more fully. Allergan discovers, develops and commercializes a diverse range of products for the ophthalmic, neurological, medical aesthetics, medical dermatology, breast aesthetics, urological and other specialty markets in more than 100 countries around the world.

**Table of Contents****RISK FACTORS**

*In addition to the other information contained in or incorporated by reference into this joint proxy statement/prospectus, including the matters addressed under the caption **Cautionary Statement Regarding Forward-Looking Statements** beginning on page 47 of this joint proxy statement/prospectus, Actavis shareholders should carefully consider the following risks in deciding whether to vote for the approval of the Actavis Share Issuance Proposal, and Allergan stockholders should carefully consider the following risk factors in deciding whether to vote for the Merger Proposal and the Merger-Related Named Executive Officer Compensation Proposal. You should read carefully this entire joint proxy statement/prospectus and its Annexes and the other documents incorporated by reference into this joint proxy statement. See **Where You Can Find More Information** beginning on page 262 of this joint proxy statement/prospectus.*

**Risks Related to the Transactions**

***Because the market price of Actavis ordinary shares will fluctuate, Allergan stockholders cannot be sure of the market price of the Actavis ordinary shares they will receive.***

As a result of the Merger, each issued and outstanding share of Allergan common stock, other than excluded shares and dissenting shares, will be converted into the right to receive the Merger Consideration. The market price of Actavis ordinary shares, which Allergan stockholders will receive in the Merger as a portion of the Merger Consideration, will continue to fluctuate from the date of this joint proxy statement/prospectus through the effective time of the Merger. Accordingly, at the time of the Allergan special meeting, Allergan stockholders will not know or be able to determine the market price of the Actavis ordinary shares they will become entitled to receive upon the closing of the Merger. It is possible that, at the time of the closing of the Merger, the shares of Allergan common stock held by Allergan stockholders may have a greater market value than the cash and the Actavis ordinary shares for which they are exchanged. The market price of Actavis ordinary shares on the date of the Allergan special meeting may not be indicative of the market price of Actavis ordinary shares that Allergan stockholders will become entitled to receive upon the closing of the Merger. The market prices of Actavis ordinary shares and Allergan common stock are subject to general price fluctuations in the market for publicly traded equity securities and have experienced volatility in the past. Stock price changes may result from a variety of factors, including general market and economic conditions and changes in the respective businesses, operations and prospects, and regulatory considerations of Actavis and Allergan. Market assessments of the benefits of the Merger and the likelihood that the Merger will be completed, as well as the terms of the Debt Financing and general and industry specific market and economic conditions, may also impact market prices of Actavis ordinary shares and Allergan common stock. Equity offerings that Actavis intends to use to partially finance the Merger may also cause the share price of Actavis ordinary shares to decrease. Many of these factors are beyond Actavis' and Allergan's control. You should obtain current market quotations for shares of Allergan common stock and for Actavis ordinary shares.

***The market price for Actavis ordinary shares following the closing of the Merger may be affected by factors different from those that historically have affected or currently affect Allergan common stock and Actavis ordinary shares.***

Upon completion of the Merger, holders of shares of Allergan common stock (other than the holders of excluded shares and dissenting shares) will become holders of Actavis ordinary shares. Actavis' businesses differ from those of Allergan, and accordingly the results of operations of Actavis will be affected by some factors that are different from those currently affecting the results of operations of Allergan. In addition, upon completion of the Merger, holders of Actavis ordinary shares will become holders of shares in the combined company. The results of operation of the combined company may also be affected by factors different from those currently affecting Actavis. For a discussion

of the businesses of Actavis and Allergan and of some important factors to consider in connection with those businesses, see the documents incorporated by reference in this joint proxy statement/prospectus and referred to under *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

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**Table of Contents**

***Actavis does not intend to pay dividends in the foreseeable future, and current Allergan stockholders may have to rely on increases in the trading price of Actavis ordinary shares for returns on their investment following the Merger. In addition, the Merger Agreement places restrictions on Allergan's ability to pay dividends.***

Allergan and Actavis have had different dividend policies historically. Allergan has consistently paid a regular quarterly dividend, but Actavis does not currently pay regular quarterly dividends and does not anticipate paying dividends on its ordinary shares in the foreseeable future. Any payment of dividends by Actavis would require approval by the Actavis board of directors and the board may change its dividend policy at any time. As such, Actavis may not pay any regular dividends in the foreseeable future, in which case former Allergan stockholders who become shareholders of Actavis would no longer be able to rely on receiving regular dividend payments, and they (and other Actavis shareholders) would have to rely on increases in the trading price of Actavis ordinary shares for any returns on their investment. See *Comparative Per Share Market Price Information* beginning on page 198 of this joint proxy statement/prospectus for a comparison of the historical dividend practices of Actavis and Allergan. In addition, under the Merger Agreement, Allergan is not permitted to pay dividends except for the payment of quarterly cash dividends of \$0.05 per share of Allergan common stock consistent with past practice, including as to record and payment dates.

***Actavis and Allergan must obtain required approvals and governmental and regulatory consents to consummate the Merger, which if delayed or not granted or granted with unacceptable conditions, may prevent (for example, if the approval of Actavis shareholders or Allergan stockholders is not obtained), delay or jeopardize the consummation of the Merger, result in additional expenditures of money and resources and/or reduce the anticipated benefits of the Merger.***

The Merger is subject to customary closing conditions. These closing conditions include, among others, the receipt of required approvals by the Actavis shareholders and the Allergan stockholders, the clearances of the Merger by certain governmental and regulatory authorities, including multiple governmental and regulatory authorities, and the expiration or termination of applicable waiting periods under the HSR Act (for which early termination was granted on January 9, 2015), and the antitrust and competition laws of certain foreign countries under which filings or approvals are or may be required. The governmental agencies with which the parties will make these filings and seek certain of these approvals and consents have broad discretion in administering the governing regulations. Actavis and Allergan can provide no assurance that all required approvals and consents will be obtained. Moreover, as a condition to their approval of the transaction, certain governmental agencies may impose requirements, limitations or costs or require divestitures or place restrictions on the conduct of the business of the combined company after the closing of the Merger. Any one of these requirements, limitations, costs, divestitures or restrictions could jeopardize or delay the effective time of the Merger or reduce the anticipated benefits of the transaction. Further, no assurance can be given that the required Actavis shareholder and Allergan stockholder approvals will be obtained or that the required closing conditions will be satisfied, and, if all required consents and approvals are obtained and the closing conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the approvals or clearances. If Actavis and Allergan agree to any material requirements, limitations, costs, divestitures or restrictions in order to obtain any approvals or clearances required to consummate the transaction, these requirements, limitations, costs, divestitures or restrictions could adversely affect Actavis' ability to integrate Allergan's operations with Actavis' operations and/or reduce the anticipated benefits of the transactions. This could result in a failure to consummate the transactions or have a material adverse effect on the business and results of operations of the combined company. For additional information, see *The Merger Regulatory Approvals Required for the Merger* beginning on page 128 of this joint proxy statement/prospectus.

***The Merger Agreement may be terminated in accordance with its terms and the Merger may not be completed.***

The Merger Agreement contains a number of conditions that must be fulfilled to complete the Merger. Those conditions include: the approval of the Merger Proposal by Allergan stockholders, approval of the Actavis Share Issuance Proposal by Actavis shareholders, receipt of requisite regulatory and antitrust approvals, absence of orders prohibiting the closing of the Merger, effectiveness of the registration statement of which this joint



**Table of Contents**

proxy statement/prospectus is a part, approval of the Actavis ordinary shares to be issued to Allergan stockholders for listing on the NYSE, the continued accuracy of the representations and warranties of both parties subject to specified materiality standards, the performance by both parties of their covenants and agreements and that, since the date of the Merger Agreement, no material adverse effect of Allergan or Actavis has occurred and is continuing. These conditions to the closing of the Merger may not be fulfilled and, accordingly, the Merger may not be completed. In addition, if the Merger is not completed by September 30, 2015 (subject to extension to November 16, 2015, if the only conditions not satisfied or waived (other than those conditions that by their nature are to be satisfied at the closing of the Merger, which conditions are capable of being satisfied) are conditions relating to certain required filings and clearances under antitrust laws, the absence of certain proceedings under certain antitrust laws and the absence of any orders, judgments or decrees under certain antitrust laws), either Actavis or Allergan may choose not to proceed with the Merger. In addition, Actavis or Allergan may elect to terminate the Merger Agreement in certain other circumstances, and the parties can mutually decide to terminate the Merger Agreement at any time prior to the consummation of the Merger, whether before or after Allergan stockholder approval or Actavis shareholder approval. See *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus for a fuller description of these circumstances.

***The Merger Agreement contains provisions that restrict the ability of the Actavis board of directors to change its recommendation that Actavis shareholders vote for the approval of the Actavis Share Issuance Proposal and, in specified circumstances, could require Actavis to pay Allergan a termination fee of up to \$2.1 billion.***

Under the Merger Agreement, the Actavis board of directors is restricted, subject to certain exceptions, from withdrawing, changing, amending, modifying or qualifying, or otherwise proposing publicly to withdraw, change, amend, modify or qualify, in a manner adverse to Allergan, its recommendation that Actavis shareholders vote for the approval of the Actavis Share Issuance Proposal. If the Actavis board of directors (after consultation with Actavis legal counsel) determines that an Actavis change of recommendation is advisable and effects such a change of recommendation, Allergan would be entitled to terminate the Merger Agreement. Under such circumstances, Actavis would be required to pay Allergan a termination fee equal to \$2.1 billion. In the event the Merger Agreement is terminated due to the failure of the Actavis shareholders to approve the Actavis Share Issuance Proposal at the Actavis EGM, Actavis would be required to pay Allergan a termination fee of \$1.3 billion. See *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus.

***The Merger Agreement contains provisions that restrict the ability of Allergan to pursue alternatives to the Merger and, in specified circumstances, could require Allergan to pay Actavis a termination fee of up to \$2.1 billion.***

Under the Merger Agreement, Allergan is restricted, subject to certain exceptions, from soliciting, initiating, knowingly encouraging or facilitating, discussing or negotiating, or furnishing information with regard to, any inquiry, proposal or offer for a competing acquisition proposal. Under certain circumstances, Allergan may terminate the Merger Agreement in order to enter into an agreement with respect to a superior proposal, if the Allergan board of directors (after consultation with Allergan's financial advisors and legal counsel) determines that such proposal is more favorable to the Allergan stockholders (taking into account any changes to the Merger Agreement proposed by Actavis within four business days of Actavis' receipt of the terms of such proposal, or within three business days of Actavis' receipt of any material amendment to such proposal) than the Merger. If the Allergan board of directors recommends such superior proposal to the Allergan stockholders but does not terminate the Merger Agreement, Actavis would be entitled to terminate the Merger Agreement. Under either of these circumstances, Allergan would be required to pay Actavis a termination fee equal to \$2.1 billion. In the event the Merger Agreement is terminated due to the failure of the Allergan stockholders to approve the Merger Proposal at the Allergan special meeting, Allergan would be required to pay Actavis for up to \$680 million of Actavis' expenses related to the transactions. These

provisions could discourage a third party that may have an interest in acquiring all or a significant part of Allergan from considering or proposing that acquisition, even if

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**Table of Contents**

such third party were prepared to enter into a transaction that would be more favorable to Allergan and its stockholders than the Merger, or might result in a third party proposing to pay a lower price than it might otherwise have proposed to pay because of the added expense of the termination fee or expense reimbursement that may become payable in certain circumstances. See *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus.

***While the Merger is pending, Actavis and Allergan will be subject to business uncertainties that could adversely affect their business.***

Uncertainty about the effect of the Merger on employees, customers and suppliers may have an adverse effect on Allergan and Actavis. These uncertainties may impair Actavis and Allergan's ability to attract, retain and motivate key personnel until the Merger is consummated and for a period of time thereafter, and could cause customers, suppliers and others who deal with Actavis and Allergan to seek to change existing business relationships with Actavis and Allergan. Employee retention may be challenging during the pendency of the Merger, as certain employees may experience uncertainty about their future roles. If key employees depart because of issues related to the uncertainty and difficulty of integration or a desire not to remain with the businesses, the business of the combined company following the Merger could be seriously harmed. In addition, the Merger Agreement restricts Allergan and, to a lesser extent, Actavis, from taking specified actions until the Merger occurs without the consent of the other party. These restrictions may prevent Actavis or Allergan from pursuing attractive business opportunities that may arise prior to the completion of the Merger. See *The Merger Agreement Covenants and Agreements* beginning on page 141 of this joint proxy statement/prospectus for a description of the restrictive covenants applicable to Actavis and Allergan.

***Allergan directors and officers may have interests in the Merger different from the interests of Allergan stockholders.***

Certain of the directors and executive officers of Allergan negotiated the terms of the Merger Agreement, and the Allergan board of directors approved the Merger Agreement and recommended that the stockholders of Allergan vote in favor of the Merger Proposal and the Merger-Related Named Executive Officer Compensation Proposal. These directors and executive officers may have interests in the Merger that are different from, or in addition to, those of Allergan stockholders generally. These interests include, but are not limited to, the continued employment of certain executive officers of Allergan by Actavis, the continued service of certain directors of Allergan as directors of Actavis, the treatment in the Merger of stock options, restricted stock, restricted stock units, bonus awards, change of control employment agreements and other rights held by Allergan directors and executive officers, and provisions in the Merger Agreement regarding continued indemnification of and advancement of expenses to Allergan directors and officers. Allergan stockholders should be aware of these interests when they consider the Allergan board of directors recommendation that they vote in favor of the Merger Proposal and the Merger-Related Named Executive Officer Compensation Proposal.

The Allergan board of directors was aware of these interests when it approved the Merger Agreement, determined that it was fair to the Allergan stockholders and recommended that the Allergan stockholders adopt the Merger Agreement. The interests of Allergan directors and executive officers are described in more detail in the section of this joint proxy statement/prospectus entitled *The Merger Interests of Allergan's Directors and Executive Officers in the Transactions* beginning on page 122 of this joint proxy statement/prospectus.

***Allergan stockholders will have a reduced ownership and voting interest after the Merger and will exercise less influence over management.***

Allergan stockholders currently have the right to vote in the election of Allergan's board of directors and on other matters affecting Allergan. Upon the completion of the Merger, each Allergan stockholder will become a

**Table of Contents**

shareholder of Actavis with a percentage ownership of Actavis that is smaller than the stockholder's prior percentage ownership of Allergan. It is currently expected that the former stockholders of Allergan as a group will receive shares in the Merger constituting approximately 28% of the outstanding Actavis ordinary shares immediately after the Merger. Because of this, Allergan stockholders will have less influence on the management and policies of Actavis than they now have on the management and policies of Allergan.

***Actavis ordinary shares to be received by Allergan stockholders as a result of the Merger will have rights different from the shares of Allergan common stock.***

Upon completion of the Merger, the rights of former Allergan stockholders who become Actavis shareholders will be governed by the memorandum of association and articles of association of Actavis and by Irish law. The rights associated with shares of Allergan common stock are different from the rights associated with Actavis ordinary shares. Material differences between the rights of stockholders of Allergan and the rights of shareholders of Actavis include differences with respect to, among other things, distributions, dividends, share repurchases and redemptions, the election of directors, the removal of directors, the fiduciary and statutory duties of directors, conflicts of interests of directors, the indemnification of directors and officers, limitations on director liability, the convening of annual meetings of shareholders and special shareholder meetings, notice provisions for meetings, the quorum for shareholder meetings, the adjournment of shareholder meetings, the exercise of voting rights, shareholder action by written consent, shareholder suits, shareholder approval of certain transactions, rights of dissenting shareholders, anti-takeover measures and provisions relating to the ability to amend the governing documents. See *Comparison of the Rights of Holders of Actavis Ordinary Shares and Allergan Common Stock* beginning on page 200 of this joint proxy statement/prospectus for a discussion of the different rights associated with Actavis ordinary shares and Allergan common stock.

***The opinions of Actavis and Allergan's financial advisors do not reflect changes in circumstances that may occur between the original signing of the Merger Agreement and the completion of the Merger.***

The boards of directors of Actavis and Allergan have not obtained updated opinions from their respective financial advisors as of the date of this joint proxy statement/prospectus and do not expect to receive updated, revised or reaffirmed opinions prior to the completion of the Merger. Changes in the operations and prospects of Actavis or Allergan, general market and economic conditions and other factors that may be beyond the control of Actavis or Allergan, and on which Actavis and Allergan's financial advisors' opinions were based, may significantly alter the value of Allergan or Actavis or the prices of Actavis ordinary shares or Allergan common stock by the time the Merger is completed. The opinions do not speak as of the time the Merger will be completed or as of any date other than the date of such opinions. Because Actavis and Allergan's financial advisors will not be updating their opinions, the opinions will not address the fairness of the Merger Consideration from a financial point of view at the time the Merger is completed. Actavis' board of directors' recommendation that Actavis shareholders vote **FOR** the Actavis Share Issuance Proposal and the Allergan board of directors' recommendation that Allergan stockholders vote **FOR** the Merger Proposal, however, are made as of the date of this joint proxy statement/prospectus. For a description of the opinions that the boards of directors of Actavis and Allergan received from their respective financial advisors, please refer to *The Merger Opinion of Actavis Financial Advisor* and *The Merger Opinions of Allergan's Financial Advisors* beginning on pages 87 and 95, respectively, of this joint proxy statement/prospectus.

***Irish resident or ordinarily resident holders of Allergan common stock may be subject to Irish tax on chargeable gains on the cancellation of their shares of Allergan common stock.***

Allergan stockholders that are resident or ordinarily resident in Ireland for Irish tax purposes, or Allergan stockholders that hold their shares of Allergan common stock in connection with a trade carried on by such persons through an Irish

branch or agency, will, subject to the availability of any exemptions and reliefs, generally be subject to Irish tax on chargeable gains arising on the cancellation of their shares of Allergan common stock pursuant to the Merger. On the basis that the Merger is treated as a scheme of reconstruction or amalgamation for Irish capital gains tax or corporation tax on chargeable gains (as applicable) (referred to in

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**Table of Contents**

this joint proxy statement/prospectus as Irish CGT ) purposes, being a scheme for the amalgamation of any two or more companies, is effected for bona fide commercial reasons and does not form part of any arrangement or scheme of which the main purpose or one of the main purposes is the avoidance of liability to tax, the following treatment should apply:

The receipt by such an Allergan stockholder of Actavis ordinary shares and cash (including any cash received in lieu of a fractional Actavis ordinary share) will be treated as a part disposal of his or her shares of Allergan common stock for Irish CGT purposes in respect of the cash consideration received. This may, subject to the availability of any exemptions and reliefs, give rise to a chargeable gain (or allowable loss) for the purposes of Irish CGT in respect of the cash received; and

The Actavis ordinary shares received should be treated as the same asset as the cancelled shares of Allergan common stock and as acquired at the same time and for the same consideration as those cancelled shares of Allergan common stock as adjusted for the part of the consideration attributable to the part disposal in respect of the receipt of cash.

See *Certain Tax Consequences of the Merger Irish Tax Considerations Irish Tax on Chargeable Gains* beginning on page 167 of this joint proxy statement/prospectus for more information.

***Actavis ordinary shares received by means of a gift or inheritance could be subject to Irish capital acquisitions tax.***

Irish capital acquisitions tax (referred to in this joint proxy statement/ prospectus as CAT ) (currently levied at a rate of 33% above certain tax-free thresholds) could apply to a gift or inheritance of Actavis ordinary shares irrespective of the place of residence, ordinary residence, or domicile of the parties. This is because Actavis ordinary shares will be regarded as property situated in Ireland for CAT purposes. The person who receives the gift or inheritance has primary liability for CAT. See *Certain Tax Consequences of the Merger Irish Tax Considerations Capital Acquisitions Tax (CAT)* beginning on page 172 of this joint proxy statement/ prospectus.

**Risks Related to the Business of the Combined Company**

***Actavis may fail to realize all of the anticipated benefits of the Merger or those benefits may take longer to realize than expected. Actavis may also encounter significant difficulties in integrating the two businesses.***

The ability of Actavis to realize the anticipated benefits of the Merger will depend, to a large extent, on Actavis ability to integrate the two businesses. The combination of two independent businesses is a complex, costly and time-consuming process. As a result, Actavis and Allergan will be required to devote significant management attention and resources prior to closing to prepare for integrating, and Actavis will be required to devote significant management attention and resources post-closing to integrate, the business practices and operations of Actavis and Allergan. The integration process may disrupt the businesses and, if implemented ineffectively, would restrict the realization of the full expected benefits. The failure to meet the challenges involved in integrating the two businesses and to realize the anticipated benefits of the transactions could cause an interruption of, or a loss of momentum in, the activities of the combined company and could adversely affect the results of operations of the combined company.

In addition, the overall integration of the businesses may result in material unanticipated problems, expenses, liabilities, competitive responses, loss of customer and other business relationships, and diversion of management s attention. The difficulties of combining the operations of the companies include, among others:

the diversion of management's attention to integration matters;

difficulties in achieving anticipated cost savings, synergies, business opportunities and growth prospects from the combination;

difficulties in the integration of operations and systems;



**Table of Contents**

conforming standards, controls, procedures and accounting and other policies, business cultures and compensation structures between the two companies;

difficulties in the assimilation of employees;

difficulties in managing the expanded operations of a significantly larger and more complex company;

challenges in keeping existing customers and obtaining new customers;

potential unknown liabilities, adverse consequences and unforeseen increased expenses associated with the Merger, including possible adverse tax consequences to the Actavis group pursuant to the anti-inversion rules under section 7874 (referred to in this joint proxy statement/prospectus as Section 7874 ) of the Internal Revenue Code of 1986, as amended (referred to in this joint proxy statement/prospectus as the Code ), as a result of the Merger or otherwise;

challenges in attracting and retaining key personnel; and

coordinating a geographically dispersed organization.

Many of these factors will be outside of the control of Actavis or Allergan and any one of them could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy, which could materially impact the business, financial condition and results of operations of the combined company. In addition, even if the operations of the businesses of Actavis and Allergan are integrated successfully, the full benefits of the transactions may not be realized, including the synergies, cost savings or sales or growth opportunities that are expected. These benefits may not be achieved within the anticipated time frame, or at all. Further, additional unanticipated costs may be incurred in the integration of the businesses of Actavis and Allergan. All of these factors could cause dilution to the earnings per share of Actavis, decrease or delay the expected accretive effect of the transactions, and negatively impact the price of Actavis ordinary shares. As a result, it cannot be assured that the combination of Actavis and Allergan will result in the realization of the full benefits anticipated from the transactions.

***Actavis and Allergan will incur direct and indirect costs as a result of the Merger.***

Actavis and Allergan will incur substantial expenses in connection with and as a result of completing the Merger and, over a period of time following the completion of the Merger, Actavis further expects to incur substantial expenses in connection with coordinating the businesses, operations, policies and procedures of Actavis and Allergan. While Actavis has assumed that a certain level of transaction expenses will be incurred, factors beyond Actavis' control could affect the total amount or the timing of these expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately.

***If the Merger is consummated, Actavis will incur a substantial amount of debt to finance the aggregate Cash Consideration Portion and certain other amounts to be paid in connection with the Merger, which could adversely affect Actavis' business, including by restricting its ability to engage in additional transactions or incur additional indebtedness or resulting in a downgrade or other adverse action with respect to Actavis' credit rating.***

In connection with the Merger, Actavis expects that one or more of its subsidiaries will (i) borrow up to \$5.5 billion under the Term Facilities, (ii) issue and sell up to \$22.0 billion in aggregate principal amount of Notes, (iii) under certain circumstances, borrow up to \$4.698 billion in loans under the Cash Bridge Facility and (iv) if and to the extent the Notes or the Equity Securities are not issued and sold, borrow up to \$30.9 billion in loans under the Bridge Facility. Following the completion of the Merger, the combined company will have a significant amount of indebtedness outstanding. On a pro forma basis, giving effect to the incurrence of indebtedness as described in *The Merger Financing Relating to the Transactions* beginning on page 129 of this joint proxy statement/prospectus, the consolidated indebtedness of Actavis would be approximately \$44.6 billion as of September 30, 2014. See *Unaudited Pro Forma Combined Financial Information* beginning on page 173 of this joint proxy statement/prospectus. Actavis net consolidated borrowing costs, which cannot be predicted at this time, will depend on rates in effect from time to time, the structure of the indebtedness, taxes and other factors.

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**Table of Contents**

This substantial level of indebtedness could have important consequences to Actavis' business, including, but not limited to:

reducing the benefits Actavis expects to receive from the Merger;

making it more difficult for Actavis to satisfy its obligations;

limiting Actavis' ability to borrow additional funds and increasing the cost of any such borrowing;

increasing Actavis' vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions;

limiting Actavis' flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;

placing Actavis at a competitive disadvantage as compared to its competitors, to the extent that they are not as highly leveraged; and

restricting Actavis from pursuing certain business opportunities.

Actavis' credit ratings impact the cost and availability of future borrowings and, accordingly, Actavis' cost of capital. Actavis' ratings at any time will reflect each rating organization's then opinion of Actavis' financial strength, operating performance and ability to meet its debt obligations. Following the announcement of the Merger, Standard & Poor's Rating Services, Moody's Investor Service, Inc. and Fitch Ratings, Inc. each reaffirmed its respective ratings of Actavis. However, there can be no assurance that Actavis will achieve a particular rating or maintain a particular rating in the future. Any reduction in Actavis' credit ratings may limit Actavis' ability to borrow at interest rates consistent with the interest rates that have been available to Actavis prior to the Merger. If Actavis' credit ratings are downgraded or put on watch for a potential downgrade, Actavis may not be able to sell additional debt securities or borrow money in the amounts, at the times or interest rates or upon the more favorable terms and conditions that might be available if Actavis' current credit ratings are maintained. Any impairment of Actavis' ability to obtain future financing on favorable terms could have an adverse effect on Actavis' ability to refinance the Bridge Facility, if drawn, with the issuance of debt securities or alternatives to the Bridge Facility on terms more favorable than under the Bridge Facility, or to refinance, to the extent the Cash Bridge Facility is not otherwise repaid using Allergan's cash on hand, the Cash Bridge Facility.

***Actavis expects that, for a period of time following the consummation of the Merger, Actavis will have significantly less cash on hand than the sum of cash on hand of Actavis and Allergan prior to the Merger. This reduced amount of cash could adversely affect Actavis' ability to grow.***

Actavis is expected to have, for a period of time following the consummation of the Merger, significantly less cash and cash equivalents on hand than the approximately \$4.25 billion of combined cash and cash equivalents of the two

companies as of September 30, 2014, and would have on a pro forma basis, giving effect to the Merger as if they had been consummated on September 30, 2014, no cash and cash equivalents. See *Unaudited Pro Forma Combined Financial Information* beginning on page 173 of this joint proxy statement/prospectus. Although the management of Actavis believes that it will have access to cash sufficient to meet Actavis' business objectives and capital needs, the lessened availability of cash and cash equivalents for a period of time following the consummation of the Merger could constrain Actavis' ability to grow its business. Actavis' more leveraged financial position following the Merger could also make it vulnerable to general economic downturns and industry conditions, and place it at a competitive disadvantage relative to its competitors that have more cash at their disposal. In the event that Actavis does not have adequate capital to maintain or develop its business, additional capital may not be available to Actavis on a timely basis, on favorable terms, or at all.

***Disruption in the financial markets could affect Actavis' ability to refinance the bridge loan facilities on favorable terms, or at all.***

If and to the extent drawn, the \$30.9 billion Bridge Facility must be repaid within 364 days after the consummation of the Merger and, if the \$4.698 billion Cash Bridge Facility is necessary, the Cash Bridge

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**Table of Contents**

Facility must be repaid within 60 days after the consummation of the Merger. Actavis anticipates refinancing, or obtaining alternative financing to repay, the Bridge Facility and, to the extent the Cash Bridge Facility is not otherwise repaid using Allergan's cash on hand, the Cash Bridge Facility. Disruptions in the commercial credit markets or uncertainty in the United States, European Union or elsewhere could result in a tightening of financial markets. As a result of financial market turmoil, Actavis may not be able to obtain alternate financing in order to repay the bridge loan facilities or refinance the bridge loan facilities on favorable terms (or at all).

If Actavis is unable to successfully obtain alternative financing or refinance the bridge loan facilities at favorable terms and conditions (including, but not limited to, pricing and other fee payments), this could result in additional costs to Actavis. If Actavis is unable to obtain alternate financing or refinance at all, the outstanding amounts under the \$30.9 billion Bridge Facility must be repaid within 364 days after the consummation of the Merger and, if the \$4.698 billion Cash Bridge Facility is necessary, the Cash Bridge Facility must be repaid within 60 days after the consummation of the Merger.

***Actavis and Allergan's actual financial positions and results of operations may differ materially from the unaudited pro forma financial data included in this joint proxy statement/prospectus.***

The pro forma financial information contained in this joint proxy statement/prospectus is presented for illustrative purposes only and may not be an indication of what Actavis' financial position or results of operations would have been had the transactions been completed on the dates indicated. The pro forma financial information has been derived from the audited and unaudited historical financial statements of Actavis, certain companies previously acquired by Actavis, and Allergan and certain adjustments and assumptions have been made regarding the combined company after giving effect to the transactions. The assets and liabilities of Allergan have been measured at fair value based on various preliminary estimates using assumptions that Actavis management believes are reasonable utilizing information currently available. The process for estimating the fair value of acquired assets and assumed liabilities requires the use of judgment in determining the appropriate assumptions and estimates. These estimates may be revised as additional information becomes available and as additional analyses are performed. Differences between preliminary estimates in the pro forma financial information and the final acquisition accounting will occur and could have a material impact on the pro forma financial information and the combined company's financial position and future results of operations. In addition, Actavis, Allergan and their respective affiliates are involved in various disputes, governmental and/or regulatory inspections, investigations and proceedings, and litigation matters that arise from time to time, and it is possible that an unfavorable resolution of these matters will adversely affect Actavis or Allergan and their respective results of operations, financial condition and cash flows. They and their respective affiliates also engage from time to time in settlement discussions regarding such proceedings, including matters involving federal and state authorities. The impact of such settlements could be material to their results of operation, however, there can be no assurance that any such ongoing settlement discussions will result in actual settlements.

In addition, the assumptions used in preparing the pro forma financial information may not prove to be accurate, and other factors may affect Actavis' financial condition or results of operations following the closing. Any potential decline in Actavis' financial condition or results of operations may cause significant variations in the share price of Actavis. See *Unaudited Pro Forma Combined Financial Information* beginning on page 173 of this joint proxy statement/prospectus.

***The Merger may not be accretive and may cause dilution to Actavis' earnings per share, which may negatively affect the market price of Actavis ordinary shares.***

Although Actavis currently anticipates that the Merger will be accretive to earnings per share (on a non-GAAP adjusted earnings basis) from and after the Merger, this expectation is based on preliminary estimates, which may

change materially.

As described and based on the assumptions in the section of this joint proxy statement/prospectus entitled *The Merger Consideration to Allergan Stockholders* beginning on page 68, Actavis expects to issue or

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**Table of Contents**

reserve for issuance approximately 128 million ordinary shares to pay the aggregate stock portion of the Merger Consideration to Allergan stockholders and assume Allergan equity-based awards at the closing of the Merger. Actavis also expects to issue ordinary shares and/or mandatorily convertible preferred equity interests to finance a portion of the aggregate cash portion of the Merger Consideration on terms that cannot be predicted.

In addition, Actavis could also encounter additional transaction-related costs or other factors such as the failure to realize all of the benefits anticipated in the Merger. All of these factors could cause dilution to Actavis' earnings per share or decrease or delay the expected accretive effect of the Merger and cause a decrease in the market price of Actavis ordinary shares.

***The Internal Revenue Service may not agree that Actavis is a foreign corporation for U.S. federal tax purposes.***

Although Actavis is incorporated in Ireland, the Internal Revenue Service (referred to in this joint proxy statement/prospectus as the IRS) may assert that Actavis should be treated as a U.S. corporation for U.S. federal tax purposes pursuant to Section 7874. For U.S. federal tax purposes, a corporation generally is classified as either a U.S. corporation or a foreign corporation by reference to the jurisdiction of its organization or incorporation. Because Actavis is an Irish incorporated entity, it would generally be classified as a foreign corporation under these rules. Section 7874 provides an exception to this general rule under which a foreign incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal tax purposes.

Under Section 7874, a corporation created or organized outside the United States (i.e., a foreign corporation) will nevertheless be treated as a U.S. corporation for U.S. federal tax purposes when (i) the foreign corporation directly or indirectly acquires substantially all of the assets held directly or indirectly by a U.S. corporation (including the indirect acquisition of assets of the U.S. corporation by acquiring all the outstanding shares of the U.S. corporation), (ii) the shareholders of the acquired U.S. corporation hold at least 80% (by either vote or value) of the shares of the foreign acquiring corporation after the acquisition by reason of holding shares in the U.S. acquired corporation (including the receipt of the foreign corporation's shares in exchange for the U.S. corporation's shares), and (iii) the foreign corporation's expanded affiliated group does not have substantial business activities in the foreign corporation's country of organization or incorporation relative to such expanded affiliated group's worldwide activities. For purposes of Section 7874, multiple acquisitions of U.S. corporations by a foreign corporation, if treated as part of a plan or series of related transactions, may be treated as a single acquisition. If multiple acquisitions of U.S. corporations are treated as a single acquisition, all shareholders of the acquired U.S. corporations would be aggregated for purposes of the test set forth above concerning such shareholders holding at least 80% (by either vote or value) of the shares of the foreign acquiring corporation after the acquisitions by reason of holding shares in the acquired U.S. corporations.

On October 1, 2013, Actavis acquired all of the capital stock of Actavis, Inc., a Nevada corporation, and Warner Chilcott plc, a company incorporated under the laws of Ireland (referred to in this joint proxy statement/prospectus as the Warner Chilcott Transaction). Subsequently, on July 1, 2014, Actavis acquired all of the common stock of Forest Laboratories, Inc., a company incorporated under the laws of the State of Delaware (referred to in this joint proxy statement/prospectus as the Forest Transaction). Actavis believes that, in the Warner Chilcott Transaction, the Actavis, Inc. shareholders received less than 80% (by both vote and value) of the Actavis shares and consequently that the test set forth above to treat Actavis as a foreign corporation was satisfied. However, the law and Treasury regulations promulgated under Section 7874 are relatively new and somewhat unclear, and thus it cannot be assured that the IRS will agree that the ownership requirements to treat Actavis as a foreign corporation were met in the Warner Chilcott Transaction. Moreover, even if such ownership requirements were met in the Warner Chilcott Transaction and the Forest Transaction, the IRS may assert that, even though the Merger is a separate transaction from the Warner Chilcott Transaction and the Forest Transaction, the Merger should be integrated with the Warner Chilcott Transaction and the Forest Transaction as a single transaction. In the event the IRS were to prevail with such

assertion, Actavis would be treated as a U.S. corporation for U.S. federal tax purposes and significant adverse tax consequences would result for Actavis.



**Table of Contents**

See *Certain Tax Consequences of the Merger U.S. Federal Income Tax Considerations U.S. Federal Income Tax Consequences of the Merger Tax Consequences to Actavis* beginning on page 160 of this joint proxy statement/prospectus for a full discussion of the application of Section 7874 to the transactions.

***Actavis status as a foreign corporation for U.S. federal tax purposes could be affected by a change in law.***

Actavis believes that, under current law, it is treated as a foreign corporation for U.S. federal tax purposes. However, changes to the inversion rules in Section 7874 or the U.S. Treasury Regulations promulgated thereunder or other IRS guidance could adversely affect Actavis status as a foreign corporation for U.S. federal tax purposes, and any such changes could have prospective or retroactive application to Actavis, Allergan, their respective stockholders, shareholders and affiliates, and/or the Merger. In addition, recent legislative proposals have aimed to expand the scope of U.S. corporate tax residence, limit the ability of foreign-owned corporations to deduct interest expense, and to make other changes in the taxation of multinational corporations. Such legislation, if passed, could have an adverse effect on Actavis. For example, in March 2014, the President of the United States proposed legislation that would amend the anti-inversion rules. Furthermore, in September 2014, the U.S. Treasury and the IRS issued additional guidance stating that they intend to issue regulations that will address certain inversion transactions.

***Section 7874 likely will limit Actavis and its U.S. affiliates ability to utilize certain U.S. tax attributes of Allergan and its U.S. affiliates to offset certain U.S. taxable income, if any, generated by the Merger or certain specified transactions for a period of time following the Merger.***

Following the acquisition of a U.S. corporation by a foreign corporation, Section 7874 can limit the ability of the acquired U.S. corporation and its U.S. affiliates to utilize certain U.S. tax attributes such as net operating losses to offset U.S. taxable income resulting from certain transactions. Based on the limited guidance available, Actavis believes that this limitation applies to Actavis and its U.S. affiliates following the Warner Chilcott Transaction and as a result, Actavis currently does not expect that it or its U.S. affiliates (including Allergan and its U.S. affiliates after the Merger) will be able to utilize certain U.S. tax attributes of Allergan and its U.S. affiliates to offset their U.S. taxable income, if any, resulting from certain specified taxable transactions. See *Certain Tax Consequences of the Merger U.S. Federal Income Tax Considerations U.S. Federal Income Tax Consequences of the Merger Tax Consequences to Actavis* beginning on page 160 of this joint proxy statement/prospectus.

***Future changes to U.S. and foreign tax laws could adversely affect Actavis.***

The U.S. Congress, the Organisation for Economic Co-operation and Development and other government agencies in jurisdictions where Actavis and its affiliates do business have had an extended focus on issues related to the taxation of multinational corporations. One example is in the area of base erosion and profit shifting, where profits are claimed to be earned for tax purposes in low-tax jurisdictions, or payments are made between affiliates from a jurisdiction with high tax rates to a jurisdiction with lower tax rates. On September 16, 2014, the Organisation for Economic Co-operation and Development released the first seven components of its comprehensive plan to create an agreed set of international rules for fighting base erosion and profit shifting. As a result, the tax laws in the United States, Ireland, and other countries in which Actavis and its affiliates do business could change on a prospective or retroactive basis, and any such changes could adversely affect Actavis and its affiliates (including Allergan and its affiliates after the Merger).

Moreover, U.S. and foreign tax authorities may carefully scrutinize companies that result from a cross-border business combination, such as Actavis, which may lead such authorities to assert that Actavis owes additional taxes.



**Table of Contents*****Legislative or other governmental action relating to the denial of U.S. federal or state governmental contracts to U.S. companies that redomicile abroad could adversely affect Actavis' business.***

Various U.S. federal and state legislative and other proposals that would deny governmental contracts to U.S. companies (and subsidiaries of U.S. companies) that move (or have moved) their corporate location abroad may affect Actavis if adopted. The likelihood that any such proposals might be adopted, the nature of regulations that might be promulgated, or the effect such adoptions and increased regulatory scrutiny might have on Actavis' business cannot be predicted.

***Transfers of Actavis ordinary shares, other than by means of the transfer of book-entry interests in the Depository Trust Company, may be subject to Irish stamp duty.***

For the majority of transfers of Actavis ordinary shares, there will not be any Irish stamp duty. Transfers of Actavis ordinary shares effected by means of the transfer of book-entry interests in the Depository Trust Company (referred to in this joint proxy statement/prospectus as "DTC") are not subject to Irish stamp duty. However, if you hold your Actavis ordinary shares directly rather than beneficially through DTC, any transfer of your Actavis ordinary shares could be subject to Irish stamp duty (currently at the rate of 1% of the higher of the price paid or the market value of the shares acquired). A shareholder who directly holds Actavis ordinary shares may transfer those shares into his or her own broker account to be held through DTC (or vice versa) without giving rise to Irish stamp duty provided that there is no change in the ultimate beneficial ownership of the shares as a result of the transfer and the transfer is not in contemplation of a sale of the shares by a beneficial owner to a third party.

Payment of Irish stamp duty is generally a legal obligation of the transferee. The potential for stamp duty could adversely affect the price of your shares. See *Certain Tax Consequences of the Merger - Irish Tax Considerations - Stamp Duty* beginning on page 168 of this joint proxy statement/prospectus.

***In certain limited circumstances, dividends paid by Actavis may be subject to Irish dividend withholding tax.***

In certain limited circumstances, Irish dividend withholding tax (referred to in this joint proxy statement/prospectus as "DWT") (currently at a rate of 20%) may arise in respect of dividends, if any, paid on Actavis ordinary shares. A number of exemptions from DWT exist pursuant to which shareholders resident in the United States and shareholders resident in the countries listed in Annex F attached to this joint proxy statement/prospectus (referred to in this joint proxy statement/prospectus as the "Relevant Territories") may be entitled to exemptions from DWT.

See *Certain Tax Consequences of the Merger - Irish Tax Considerations - Withholding Tax on Dividends (DWT)* beginning on page 169 of this joint proxy statement/prospectus and, in particular, please note the requirement to complete certain relevant Irish Revenue Commissioners DWT forms (referred to in this joint proxy statement/prospectus as "DWT Forms") in order to qualify for many of the exemptions.

Dividends paid in respect of Actavis ordinary shares that are owned by a U.S. resident and held through DTC will not be subject to DWT provided the address of the beneficial owner of such shares in the records of the broker holding such shares is recorded as being in the United States (and such broker has further transmitted the relevant information to a qualifying intermediary appointed by Actavis). Similarly, dividends paid in respect of Actavis ordinary shares that are held outside of DTC and are owned by a former Allergan stockholder who is a resident of the United States will not be subject to DWT if such shareholder has provided a completed IRS Form 6166 or a valid DWT Form to Actavis transfer agent to confirm its U.S. residence and claim an exemption. Actavis shareholders resident in other Relevant Territories may also be eligible for exemption from DWT on dividends paid in respect of their Actavis shares provided they have furnished valid DWT Forms to their brokers (in respect of such shares held through DTC) (and

such broker has further transmitted the relevant information to a qualifying intermediary appointed by Actavis) or to Actavis transfer agent (in respect of such shares held

**Table of Contents**

outside of DTC). However, other Actavis shareholders may be subject to DWT, which if you are such a shareholder could adversely affect the price of your shares. See *Certain Tax Consequences of the Merger Irish Tax Considerations Withholding Tax on Dividends (DWT)* beginning on page 169 of this joint proxy statement/prospectus for more information on DWT.

**Risks Related to Actavis Business**

You should read and consider the risk factors specific to Actavis businesses that will also affect the combined company after the Merger. These risks are described in Part I, Item 1A of Actavis Annual Report on Form 10-K for the fiscal year ended December 31, 2013, as amended by Actavis Current Reports on Form 8-K filed on May 20, 2014 and December 5, 2014, Warner Chilcott Limited's Registration Statement on Form S-4, effective as of October 15, 2014, and the related prospectus, and in other documents that are incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus for the location of information incorporated by reference in this joint proxy statement/prospectus.

**Risks Related to Allergan's Business**

You should read and consider the risk factors specific to Allergan's business that will also affect the combined company after the Merger. These risks are described in Part I, Item 1A of Allergan's Annual Report on Form 10-K for the fiscal year ended December 31, 2013, as supplemented and amended by the risk factors described in Part II, Item 1A of Allergan's Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2014, June 30, 2014 and September 30, 2014, and in other documents that are incorporated by reference into this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus for the location of information incorporated by reference in this joint proxy statement/prospectus.

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**Table of Contents****CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This joint proxy statement/prospectus contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements contained in this communication that refer to Actavis or Allergan's estimated or anticipated future results, including estimated synergies, or other non-historical facts are forward-looking statements that reflect Actavis or Allergan's, as applicable, current perspective of existing trends and information as of the date of this communication. Forward-looking statements generally will be accompanied by words such as anticipate, believe, plan, could, should, estimate, expect, forecast, outlook, guidance, might, will, possible, potential, predict, project, or other similar words, phrases or expressions. Such forward-looking statements include, but are not limited to, statements about the benefits of the Merger, including future financial and operating results, Actavis or Allergan's plans, objectives, expectations and intentions and the expected timing of completion of the transactions. It is important to note that Actavis and Allergan's goals and expectations are not predictions of actual performance. Actual results may differ materially from Actavis and Allergan's current expectations depending upon a number of factors affecting Actavis' business, Allergan's business and risks associated with acquisition transactions. These factors include, among others, the inherent uncertainty associated with financial projections; restructuring in connection with, and successful closing of, the Merger; subsequent integration of the Allergan business and the ability to recognize the anticipated synergies and benefits of the Merger; the ability to obtain required regulatory approvals for the transactions (including the approval of antitrust authorities necessary to complete the acquisition), the timing of obtaining such approvals and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transactions; the ability to obtain the requisite Allergan and Actavis shareholder approvals; the risk that a condition to closing of the Merger may not be satisfied on a timely basis or at all; the failure of the proposed transaction to close for any other reason; risks relating to the value of the Actavis shares to be issued in the transactions; the anticipated size of the markets and continued demand for Actavis and Allergan's products; the impact of competitive products and pricing; access to available financing (including financing for the acquisition or refinancing of Actavis or Allergan debt) on a timely basis and on reasonable terms; the risks of fluctuations in foreign currency exchange rates; the risks and uncertainties normally incident to the pharmaceutical industry, including product liability claims and the availability of product liability insurance on reasonable terms; the difficulty of predicting the timing or outcome of pending or future litigation or government investigations; periodic dependence on a small number of products for a material source of net revenue or income; variability of trade buying patterns; changes in generally accepted accounting principles; risks that the carrying values of assets may be negatively impacted by future events and circumstances; the timing and success of product launches; the difficulty of predicting the timing or outcome of product development efforts and regulatory agency approvals or actions, if any; market acceptance of and continued demand for Actavis and Allergan's products; costs and efforts to defend or enforce intellectual property rights; difficulties or delays in manufacturing; the availability and pricing of third party sourced products and materials; successful compliance with governmental regulations applicable to Actavis and Allergan's facilities, products and/or businesses; changes in the laws and regulations affecting, among other things, pricing and reimbursement of pharmaceutical products; changes in tax laws or interpretations that could increase Actavis' consolidated tax liabilities; the loss of key senior management or scientific staff; and such other risks and uncertainties detailed in Actavis' periodic public filings with the Securities and Exchange Commission, including but not limited to Actavis' Annual Report on Form 10-K for the year ended December 31, 2013, as amended by Actavis' Current Reports on Form 8-K filed on May 20, 2014 and December 5, 2014, in Warner Chilcott Limited's Registration Statement on Form S-4 effective as of October 15, 2014, and the related prospectus, and in other documents that are incorporated by reference into this joint proxy statement/prospectus and from time to time in Actavis' other investor communications, and such other risks and uncertainties detailed in Allergan's periodic public filings with the Securities and Exchange Commission, including but not limited to Allergan's annual report on Form 10-K for the year ended December 31, 2013, Quarterly Reports on Form 10-Q for the quarters ended March 31, 2014, June 30, 2014 and September 30, 2014, and in other documents that are incorporated by reference into this joint proxy statement/prospectus and from

time to time in Allergan's other investor communications. Except as expressly required by law, Actavis and Allergan disclaim any intent or obligation to update or revise these forward-looking statements.

**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA OF ACTAVIS**

The financial information as of and for the fiscal years ended December 31, 2009 through December 31, 2013 was derived from the audited consolidated financial statements of Actavis (and from the unaudited consolidated financial statements of its predecessor entities, as applicable, for the financial information as of December 31, 2011, and as of and with respect to the years ended December 31, 2009 and December 31, 2010) and from Actavis unaudited condensed consolidated financial statements for the nine months ended September 30, 2014 and September 30, 2013. The information set forth below is only a summary that you should read together with the historical audited consolidated financial statements of Actavis and the related notes, as well as the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations* contained in Actavis Annual Report on Form 10-K for the fiscal year ended December 31, 2013, as amended by Actavis Current Reports on Form 8-K filed on May 20, 2014 and December 5, 2014 and Quarterly Reports on Form 10-Q for the periods ended March 31, 2014, June 30, 2014 and September 30, 2014, that Actavis previously filed with the SEC and that are incorporated by reference into this joint proxy statement/prospectus. Historical results are not necessarily indicative of any results to be expected in the future. For more information, see the section entitled *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

(In millions, except per share amounts)	Nine months ended			Years ended December 31,			
	September 30, 2014 <sup>(2)(3)</sup>	2013 <sup>(7)</sup>	2013 <sup>(3)(4)(7)</sup>	2012 <sup>(7)</sup>	2011	2010	2009 <sup>(8)</sup>
<b>Operating Highlights:</b>							
Net Revenues	\$ 9,005.4	\$ 5,898.3	\$ 8,677.6	\$ 5,914.9	\$ 4,584.4	\$ 3,566.9	\$ 2,793.0
Operating (loss)/income	\$ (638.1)	\$ (355.2)	\$ (423.2)	\$ 315.7	\$ 523.4	\$ 305.4	\$ 383.9
Net (loss)/income attributable to							
Actavis ordinary shareholders	\$ (897.6)	\$ (602.0)	\$ (750.4)	\$ 97.3	\$ 260.9	\$ 184.4	\$ 222.0
Basic (loss)/earnings per share	\$ (4.39)	\$ (4.57)	\$ (5.27)	\$ 0.77	\$ 2.10	\$ 1.51	\$ 2.11
Diluted (loss)/earnings per share	\$ (4.39)	\$ (4.57)	\$ (5.27)	\$ 0.76	\$ 2.06	\$ 1.48	\$ 1.96
Weighted average ordinary shares outstanding:							
Basic	204.4	131.7	142.3	125.8	124.5	122.4	105.0
Diluted	204.4	131.7	142.3	128.4	126.5	124.2	116.4

(In millions)	At September 30,			At December 31,			
	2014 <sup>(1)(2)(3)</sup>	2013 <sup>(4)(5)(6)(7)</sup>	2013 <sup>(3)(4)(5)(6)(7)</sup>	2012 <sup>(7)</sup>	2011	2010	2009 <sup>(8)</sup>
<b>Balance Sheet Highlights:</b>							
Current assets	\$ 6,252.3	\$ 4,073.4	\$ 4,434.7	\$ 3,838.3	\$ 2,569.7	\$ 1,786.7	\$ 1,749.2
Working capital, excluding assets and liabilities held for sale							
	\$ 1,646.3	\$ 1,266.2	\$ 1,115.4	\$ 1,089.0	\$ 730.2	\$ 978.7	\$ 721.6
Total assets	\$ 53,467.4	\$ 13,644.1	\$ 22,725.9	\$ 14,114.8	\$ 6,698.3	\$ 5,686.6	\$ 5,772.4
Total debt	\$ 15,537.1	\$ 6,310.4	\$ 9,052.0	\$ 6,433.3	\$ 1,033.0	\$ 1,016.1	\$ 1,457.8
Total equity	\$ 29,145.0	\$ 3,748.0	\$ 9,537.1	\$ 3,856.4	\$ 3,562.5	\$ 3,282.6	\$ 3,023.1



- (1) On July 2, 2014, Actavis completed the acquisition of Furiex Pharmaceuticals, Inc. (which acquisition is referred to in this joint proxy statement/prospectus as the Furiex Transaction ). The Furiex Transaction had the impact of increasing Actavis' intangible assets.
  
- (2) On July 1, 2014, Actavis completed the Forest Transaction. Forest was a leading, fully integrated, specialty pharmaceutical company largely focused on the U.S. market. Forest marketed a portfolio of branded drug products and developed new medicines to treat patients suffering from diseases principally in the following

**Table of Contents**

therapeutic areas: central nervous system, cardiovascular, gastrointestinal, respiratory, anti-infective, and cystic fibrosis. Beginning July 1, 2014, the following items were included in Actavis' operating results:

total revenues and related cost of sales for Forest products;

selling, general and administrative expenses and research and development expenses;

amortization expense for intangible assets acquired; and

increased interest expense from the senior secured notes assumed and the indebtedness incurred.

- (3) On October 1, 2013, Actavis completed the Warner Chilcott Transaction. Warner Chilcott plc was a leading specialty pharmaceutical company focused on women's healthcare, gastroenterology, urology and dermatology segments of the branded pharmaceuticals market, primarily in North America. Beginning October 1, 2013, the following items were included in Actavis' operating results:

total revenues and related cost of sales for Warner Chilcott plc products;

selling, general and administrative expenses and research and development expenses;

amortization expense for intangible assets acquired; and

increased interest expense from the senior secured notes assumed and the \$2.0 billion aggregate term loan indebtedness assumed, and subsequently refinanced, in connection with the Warner Chilcott Transaction.

- (4) On August 1, 2013, Actavis, Inc. entered into a transaction with Palau Pharma, S.A. (referred to in this joint proxy statement/prospectus as Palau) to acquire worldwide product rights to develop and commercialize albaconazole for the treatment of candidiasis. Actavis, Inc. simultaneously entered into a manufacturing and supply agreement with Palau for the supply of clinical and commercial quantities of the products. In connection with the execution of the agreements, Actavis, Inc. paid an upfront non-refundable payment of 10.0 million, or \$13.4 million to Palau, which was recorded as R&D expense in the year ended December 31, 2013.

- (5) On June 11, 2013, Actavis, Inc. entered into an exclusive license agreement with Medicines360 to market, sell and distribute Medicines360 LNG20 intrauterine device in the U.S. and in Canada for a payment of approximately \$52.3 million. Actavis will also pay Medicines360 certain regulatory and sales based milestone payments totaling up to nearly \$125.0 million plus royalties. Medicines360 retains the rights to market the product in the U.S. public sector, including family planning clinics that provide services to low-income women.

LNG20, originally developed by Uteron Pharma S.P.R.L. in Belgium (now a subsidiary of Actavis), is designed to deliver 20 mcg of levonorgestrel per day for the indication of long term contraception, and is currently in Phase III clinical trials in the United States. Pending Food and Drug Administration (referred to in this joint proxy statement/prospectus as the FDA ) approval, the LNG20 product is anticipated to be launched in 2015.

- (6) On January 23, 2013, Actavis, Inc. completed the acquisition of Uteron Pharma, SA for approximately \$142.0 million in cash, plus assumption of debt and other liabilities of \$7.7 million and up to \$155.0 million in potential future milestone payments (referred to in this joint proxy statement/prospectus as the Uteron Acquisition ). The Uteron Acquisition expanded Actavis specialty brands pipeline of women s health products including two potential near term commercial opportunities in contraception and infertility, and one oral contraceptive project projected to launch by 2018. Several additional products in earlier stages of development are also included in the acquisition.
- (7) On October 31, 2012, Watson Pharmaceuticals, Inc. (referred to in this joint proxy statement/prospectus as Watson ) completed the acquisition of the entire issued share capital of Actavis, Inc., a Delaware corporation, Actavis Pharma Holding 4 ehf., a company incorporated in Iceland, and Actavis S.à r.l., a company incorporated in Luxembourg (referred to in this joint proxy statement/prospectus as the Actavis Group ). As of December 31, 2012, the estimated number of shares contingently issuable in connection with the Actavis Group earn-out was calculated to be 3.85 million shares. In the year ended December 31, 2013, the decision was made to award the remaining 1.65 million shares. The 1.65 million additional shares are

**Table of Contents**

included in the basic weighted average common shares outstanding for the year ended December 31, 2013 beginning on March 28, 2013. The Actavis Group was a privately held generic pharmaceutical company specializing in the development, manufacture and sale of generic pharmaceuticals. Actavis' financial statements included in this report do not include the financial results of the Actavis Group for any of the periods presented prior to October 31, 2012.

- (8) On December 2, 2009, Watson acquired all the outstanding equity of the Arrow Group in exchange for cash consideration of \$1.05 billion, approximately 16.9 million shares of Watson restricted common stock and 200,000 shares of its mandatorily redeemable preferred stock and certain contingent consideration. The fair value of the total consideration was approximately \$1.95 billion.

**Table of Contents****SELECTED HISTORICAL FINANCIAL DATA OF ALLERGAN**

The following selected historical consolidated financial data is derived from Allergan's audited consolidated financial statements for each of the years ended December 31, 2013, 2012, 2011, 2010 and 2009 and from Allergan's unaudited condensed consolidated financial statements for the nine months ended September 30, 2014 and 2013. The information set forth below is only a summary that you should read together with the historical audited consolidated financial statements of Allergan and the related notes, as well as the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations* contained in Allergan's Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and Quarterly Reports on Form 10-Qs for the periods ended March 31, 2014, June 30, 2014 and September 30, 2014 that Allergan previously filed with the SEC and that are incorporated by reference into this joint proxy statement/prospectus. Historical results are not necessarily indicative of any results to be expected in the future. For more information, see the section entitled *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

(In millions, except per share amounts)	Nine Months ended		2013	Years ended December 31,			
	September 30, 2014	2013		2012	2011	2010	2009
<b>Operating Highlights:</b>							
Total Revenues	\$ 5,327.4	\$ 4,616.0	\$ 6,300.4	\$ 5,646.6	\$ 5,216.0	\$ 4,919.4	\$ 4,503.6
Operating income	\$ 1,382.6	\$ 1,354.5	\$ 1,809.3	\$ 1,611.0	\$ 1,374.6	\$ 258.6	\$ 928.0
Net earnings attributable to Allergan, Inc.	\$ 987.0	\$ 672.2	\$ 985.1	\$ 1,098.8	\$ 934.5	\$ 0.6	\$ 621.3
Net basic earnings per share attributable to Allergan, Inc. stockholders	\$ 3.32	\$ 2.27	\$ 3.32	\$ 3.64	\$ 3.07	\$ 0.00	\$ 2.05
Net diluted earnings per share attributable to Allergan, Inc. stockholders	\$ 3.25	\$ 2.23	\$ 3.26	\$ 3.58	\$ 3.01	\$ 0.00	\$ 2.03
<b>Weighted average number of common shares outstanding:</b>							
Basic	297.5	296.7	296.8	301.5	304.4	303.4	303.6
Diluted	303.6	301.9	301.8	307.1	310.2	308.0	305.8

(In millions)	At September 30,		2013	At December 31,			
	2014	2013		2012	2011	2010	2009
<b>Balance Sheet Highlights:<sup>(1)</sup></b>							
Current assets	\$ 6,103.8	\$ 4,932.4	\$ 5,319.7	\$ 4,934.9	\$ 4,048.3	\$ 3,993.7	\$ 3,106.3
Working capital	\$ 4,536.8	\$ 3,732.7	\$ 4,075.4	\$ 3,839.4	\$ 3,093.3	\$ 2,465.3	\$ 2,294.7
Total assets	\$ 11,645.8	\$ 10,144.6	\$ 10,574.3	\$ 9,179.3	\$ 8,508.6	\$ 8,308.1	\$ 7,536.6
Long-term debt, excluding current portion	\$ 2,088.6	\$ 2,101.5	\$ 2,098.3	\$ 1,512.4	\$ 1,515.4	\$ 1,534.2	\$ 1,491.3
Total stockholders' equity	\$ 7,110.7	\$ 6,085.9	\$ 6,463.2	\$ 5,837.1	\$ 5,309.6	\$ 4,757.7	\$ 4,822.8

(1) On December 2, 2013, Allergan completed the sale of its obesity intervention business and retrospectively adjusted the information included in the summary of operations for the years ended December 31, 2012 and 2011

and the information included in the financial position as of December 31, 2012 to reflect the obesity intervention business as discontinued operations. Based on an accounting policy election, Allergan did not retrospectively adjust the information included in the summary of operations for the years ended December 31, 2010 and 2009 and the information included in the financial position as of December 31, 2011, 2010 and 2009.

**Table of Contents****SELECTED UNAUDITED PRO FORMA FINANCIAL DATA**

The following selected unaudited pro forma combined financial data (referred to in this joint proxy statement/prospectus as the selected pro forma data ) gives effect to the acquisition of Allergan by Actavis. The selected pro forma data has been prepared using the acquisition method of accounting under U.S. GAAP, under which the assets and liabilities of Allergan will be recorded by Actavis at their respective fair values as of the date the Merger is completed. The selected unaudited pro forma combined balance sheet data as of September 30, 2014, gives a preliminary effect to the Merger as if it had occurred on September 30, 2014. The selected unaudited pro forma combined statement of operations data for the year ended December 31, 2013 and the nine months ended September 30, 2014, gives effect to the Merger as if it had occurred on January 1, 2013.

The selected pro forma data, which is preliminary in nature, has been derived from, and should be read in conjunction with, the more detailed unaudited pro forma combined financial information of the combined company appearing elsewhere in this joint proxy statement/prospectus and the accompanying notes to the unaudited pro forma combined financial information. In addition, the unaudited pro forma combined financial information was based on, and should be read in conjunction with, the historical consolidated financial statements and related notes of each of Actavis, Allergan, Forest, Aptalis, and Warner Chilcott plc for the applicable periods, which have been incorporated in this joint proxy statement/prospectus by reference. See *Where You Can Find More Information* and *Unaudited Pro Forma Combined Financial Information* beginning on pages 262 and 173, respectively, of this joint proxy statement/prospectus for additional information. The selected pro forma data has been presented in accordance with SEC Regulation S-X Article 11 for illustrative purposes only and is not necessarily indicative of what the combined company's financial position or results of operations actually would have been had the Merger been completed as of the dates indicated. In addition, the selected pro forma data does not purport to project the future financial position or operating results of the combined company. Also, as explained in more detail in the accompanying notes to the unaudited pro forma combined financial information, the preliminary fair values of assets acquired and liabilities assumed reflected in the selected pro forma data is subject to adjustment and may vary significantly from the fair values that will be recorded upon completion of the Merger.

**Selected Unaudited Pro Forma Combined Statement of Operations Data**

<b>(In millions, except per share data)</b>	<b>For the Year ended December 31, 2013</b>	<b>For the Nine Months ended September 30, 2014</b>
Net Revenues	\$ 20,809.0	\$ 16,630.8
Net loss attributable to ordinary shareholders	\$ (5,310.5)	\$ (4,070.6)
Loss per ordinary share basic	\$ (14.16)	\$ (10.00)
Loss per ordinary share diluted	\$ (14.16)	\$ (10.00)
Weighted-average number of ordinary shares outstanding basic	375.1	406.9
Weighted-average number of ordinary shares outstanding diluted	375.1	406.9

**Selected Unaudited Pro Forma Combined Balance Sheet Data**

<b>(In millions)</b>	<b>As of</b>	<b>September 30, 2014</b>
Total assets	\$	137,447.8
Total indebtedness and capital leases	\$	44,558.7
Shareholders equity	\$	68,820.0



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**Table of Contents**

**COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE FINANCIAL DATA**

The following tables set forth certain historical, pro forma and pro forma equivalent per share financial information for Actavis ordinary shares and shares of Allergan common stock. The unaudited pro forma and pro forma equivalent per share financial information gives effect to the Merger as if it had occurred on September 30, 2014 for book value per share data and as of January 1, 2013 for net earnings (loss) per share data.

The pro forma per share balance sheet information combines Actavis' September 30, 2014 unaudited consolidated balance sheet with Allergan's September 30, 2014 unaudited consolidated balance sheet.

The fiscal years of Actavis, Allergan, and Warner Chilcott plc ended on December 31. The fiscal years of Forest and Aptalis ended on March 31 and September 30, respectively.

The following unaudited pro forma combined statement of operations for the 12 months ended December 31, 2013 was prepared based on (i) the historical consolidated statement of operations of Actavis for the 12 months ended December 31, 2013, (ii) the historical consolidated statement of operations of Allergan for the 12 months ended December 31, 2013, (iii) the historical consolidated statement of operations of Forest for the 12 months ended December 31, 2013, which was derived by adding the consolidated statement of operations for nine months ended December 31, 2013 and subtracting the consolidated statement of operations for the nine months ended December 31, 2012 to and from the consolidated statement of operations for the fiscal year ended March 31, 2013, (iv) the historical consolidated statement of operations of Aptalis for the 12 months ended December 31, 2013, which was derived by adding the consolidated statement of operations for the three months ended December 31, 2013 and subtracting the consolidated statement of operations for the three months ended December 31, 2012 to and from the consolidated statement of operations for the fiscal year ended September 30, 2013, and (v) the historical consolidated statement of operations of Warner Chilcott plc for the nine months ended September 30, 2013.

The following unaudited pro forma combined statement of operations for the nine months ended September 30, 2014 was prepared based on (i) the historical consolidated statement of operations of Actavis for the nine months ended September 30, 2014, (ii) the historical consolidated statement of operations of Allergan for the nine months ended September 30, 2014, (iii) the historical consolidated statement of operations of Forest for the six months ended June 30, 2014, which was derived by subtracting the consolidated statement of operations for the nine months ended December 31, 2013 and adding the consolidated statement of operations for the fiscal year ended March 31, 2014 from and to the consolidated statement of operations for the three months ended June 30, 2014, and (iv) the historical consolidated statement of operations of Aptalis for the one month ended January 31, 2014.

The Allergan pro forma equivalent data per ordinary share financial information was calculated by multiplying the combined unaudited pro forma data per ordinary share amounts by the exchange ratio of 0.3683 per Allergan common share. The Forest pro forma equivalent data per ordinary share financial information was based on the actual share issuance on July 1, 2014 in connection with the Forest Transaction.

The following information should be read in conjunction with the audited financial statements of Actavis, Warner Chilcott plc, Forest, Aptalis and Allergan, that are incorporated by reference in this joint proxy statement/prospectus, and the financial information contained in the *Unaudited Pro Forma Combined Financial Information* and *Selected Historical Financial Data of Actavis* sections of this joint proxy statement/prospectus, beginning on pages 173 and 48, respectively, of this joint proxy statement/prospectus. The unaudited pro forma information below, which is preliminary in nature, is presented in accordance with SEC Regulation S-X Article 11 for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the transaction had been completed as of the periods presented, nor is it necessarily indicative of the future operating

results or financial position of the combined company. In addition,

the unaudited pro forma information does not purport to indicate balance sheet data or results of operations data as of any future date or for any future period.

**Table of Contents**

	<b>For the Year ended December 31, 2013</b>	<b>As of and for the Nine Months ended September 30, 2014</b>
<b>Actavis Historical Data per Ordinary Share</b>		
Loss per share attributable to ordinary shareholders		
Basic	\$ (5.27)	\$ (4.39)
Diluted	(5.27)	(4.39)
Cash dividends declared per ordinary share		
Book value per ordinary share	N/A	\$ 110.01

	<b>For the Year ended December 31, 2013</b>	<b>As of and for the Nine Months ended September 30, 2014</b>
<b>Allergan Historical Data per Common Share</b>		
Net earnings per share attributable to Allergan, Inc. stockholders		
Basic	\$ 3.32	\$ 3.32
Diluted	3.26	3.25
Cash dividends per share	\$ 0.20	\$ 0.15
Book value per share	N/A	\$ 23.89

	<b>For the Year ended December 31, 2013</b>	<b>As of and for the Nine Months ended September 30, 2014</b>
<b>Actavis Combined Unaudited Pro Forma Data per Ordinary Share</b>		
Loss per share attributable to ordinary shareholders		
Basic	\$ (14.16)	\$ (10.00)
Diluted	(14.16)	(10.00)
Cash dividends declared per ordinary share <sup>(1)</sup>		
Book value per ordinary share	N/A	\$ 168.70

(1) Same as Actavis historical as there has been no change in dividend policy.

	<b>For the Year ended December 31, 2013</b>	<b>As of and for the Nine Months ended September 30, 2014</b>
<b>Allergan Unaudited Pro Forma Equivalent Data per Common Share</b>		
Loss per share attributable to common shareholders		
Basic	\$ (5.21)	\$ (3.68)
Diluted	(5.21)	(3.68)

Cash dividends declared per common share			
Book value per common share	N/A	\$	62.13

**Table of Contents****THE ACTAVIS EXTRAORDINARY GENERAL MEETING****Date, Time and Place of the Actavis Extraordinary General Meeting**

Actavis will convene the Actavis EGM on March 10, 2015 at 8:30 a.m. (local time), at 1 Grand Canal Square, Docklands, Dublin 2, Ireland. On or about January 28, 2015, Actavis commenced mailing this joint proxy statement/prospectus and the enclosed form of proxy to its shareholders entitled to vote at the Actavis EGM.

**Purpose of the Actavis Extraordinary General Meeting**

This joint proxy statement/prospectus is being provided to Actavis shareholders as part of a solicitation of proxies by the Actavis board of directors for use at the Actavis EGM. This joint proxy statement/prospectus provides Actavis shareholders with important information they need to know to be able to vote, or instruct their brokers, banks and other nominees to vote, at the Actavis EGM.

At the Actavis EGM, Actavis shareholders will be asked to consider and vote on the proposals described below:

*Actavis EGM Resolution #1:* a proposal to approve the issuance of Actavis ordinary shares pursuant to the Merger Agreement; and

*Actavis EGM Resolution #2:* a proposal to adjourn the Actavis EGM, or any adjournments thereof, to another time and place if necessary or appropriate to, among other things, solicit additional proxies if there are insufficient votes at the time of the Actavis EGM to approve the Actavis Share Issuance Proposal.

**Recommendation of the Actavis Board of Directors**

THE ACTAVIS BOARD OF DIRECTORS HAS UNANIMOUSLY APPROVED THE MERGER AGREEMENT AND UNANIMOUSLY RECOMMENDS THAT ACTAVIS SHAREHOLDERS VOTE FOR THE ACTAVIS SHARE ISSUANCE PROPOSAL.

THE ACTAVIS BOARD OF DIRECTORS ALSO UNANIMOUSLY RECOMMENDS THAT ACTAVIS SHAREHOLDERS VOTE FOR THE ACTAVIS ADJOURNMENT PROPOSAL.

Set forth below is a table summarizing certain information with respect to the Actavis EGM Resolutions:

<b>Actavis EGM Resolution #</b>	<b>Resolution</b>	<b>Ordinary or Special Resolution?</b>	<b>Transaction Conditioned on Approval of Resolution?</b>
1	Approve the Actavis Share Issuance Proposal and authorize the directors of Actavis to take all such actions as they consider necessary or appropriate for carrying the share issuance into effect.	Ordinary	Yes
2	Approve the Actavis Adjournment Proposal.	Ordinary	No

Completion of the Merger is conditioned on approval of the Actavis Share Issuance Proposal, but is not conditioned on the approval of the Actavis Adjournment Proposal. The issuance of Actavis ordinary shares in the Merger will become effective only if the Merger is completed.

For both of the Actavis EGM Resolutions, because the votes required to approve such resolutions are based on votes properly cast at the meeting, and because abstentions are not considered votes properly cast, abstentions, along with failures to vote, will have no effect on the Actavis EGM Resolutions (except that failures to vote will not, but abstentions will, be counted towards determining whether a quorum is present).

## **Table of Contents**

### **Actavis Record Date and Quorum**

#### *Record Date*

Only holders of Actavis ordinary shares as of the close of business on January 22, 2015, the record date for the Actavis EGM, will be entitled to notice of, and to vote at, the Actavis EGM or any adjournments thereof. On the Actavis record date, there were 266,142,831 Actavis ordinary shares outstanding, held by 1,747 registered holders. Each outstanding Actavis ordinary share is entitled to one vote on each proposal and any other matter properly coming before the Actavis EGM.

#### *Quorum*

At least two persons holding or representing by proxy (whether or not such holder actually exercises his voting rights in whole, in part or at all at the Actavis EGM) more than 50% of the total issued voting rights of Actavis shares will constitute a quorum for the Actavis EGM. Abstentions will be counted as present for purposes of determining whether there is a quorum.

### **Required Vote**

The affirmative vote of a majority of the votes cast, either by person or by proxy, by shareholders entitled to vote on the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal at the Actavis EGM is required to approve the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal.

As of the Actavis record date, directors and executive officers of Actavis and their affiliates owned and were entitled to vote 756,354 Actavis ordinary shares, representing less than 1% of the Actavis ordinary shares outstanding on that date. Actavis currently expects that Actavis directors and executive officers will vote their shares in favor of the Actavis Share Issuance Proposal and the Actavis Adjournment Proposal, although none of them has entered into any agreements obligating them to do so.

### **Treatment of Abstentions; Failure to Vote**

For purposes of the Actavis EGM, an abstention occurs when an Actavis shareholder attends the Actavis EGM in person and does not vote or returns a proxy with an abstain vote. For both of the Actavis EGM Resolutions, because the votes required to approve such resolutions are based on votes properly cast at the meeting, and because abstentions are not considered votes properly cast, abstentions, along with failures to vote, will have no effect on the Actavis EGM Resolutions (except that failures to vote will not, but abstentions will, be counted towards determining whether a quorum is present).

### **Voting on Proxies; Incomplete Proxies**

Giving a proxy means that an Actavis shareholder authorizes the persons named in the enclosed proxy card to vote his, her or its ordinary shares at the Actavis EGM in the manner it directs. An Actavis shareholder may vote by proxy or in person at the Actavis EGM. If you hold Actavis ordinary shares in your name as a registered Actavis shareholder, to submit a proxy, you may use one of the following methods:

**By Internet.** The web address and instructions for Internet voting can be found on the enclosed proxy card. You will be required to provide your assigned control number located on the proxy card. Internet voting via [www.proxyvote.com](http://www.proxyvote.com) is available 24 hours a day. If you choose to vote by Internet, then you do not need to return the proxy card. To be valid, your vote by Internet must be received by 11:59 p.m. (U.S. Eastern Time) on the day preceding the Actavis EGM.

**By Telephone.** The toll-free number for telephone voting is (800) 690-6903. You will be required to provide your assigned control number located on the proxy card. Telephone voting is available 24 hours a day. If you choose to vote by telephone, then you do not need to return the proxy card. To be valid, your vote by telephone must be received by 11:59 p.m. (U.S. Eastern Time) on the day preceding the Actavis EGM.



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**Table of Contents**

***By Mail.*** Mark the enclosed proxy card, sign and date it, and return it in the postage-paid envelope provided to you. To be valid, your vote by mail must be received by 11:59 p.m. (U.S. Eastern Time) on the day preceding the Actavis EGM.

***In Person.*** You may also vote your ordinary shares in person at the Actavis EGM.

Actavis requests that Actavis shareholders vote over the Internet, by telephone or by completing and signing the accompanying proxy card and returning it to Actavis as soon as possible in the enclosed postage-paid envelope. When the accompanying proxy is returned properly executed (including proper voting by Internet or telephone) and not later revoked, the Actavis ordinary shares represented by it will be voted at the Actavis EGM in accordance with the instructions contained on the proxy card.

If you sign and return your proxy or voting instruction card without indicating how to vote on either proposal, the Actavis ordinary shares represented by your proxy will be voted **FOR** each proposal in accordance with the recommendation of the Actavis board of directors.

If an Actavis shareholder's ordinary shares are held in street name by a broker, bank or other nominee, the shareholder should check the voting form used by that firm to determine whether he, she or it may vote by telephone or the Internet.

**EVERY ACTAVIS SHAREHOLDER'S VOTE IS IMPORTANT. ACCORDINGLY, EACH ACTAVIS SHAREHOLDER SHOULD VOTE VIA THE INTERNET OR BY TELEPHONE, OR SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD, WHETHER OR NOT THE ACTAVIS SHAREHOLDER PLANS TO ATTEND THE ACTAVIS EXTRAORDINARY GENERAL MEETING IN PERSON.**

**Shares Held in Street Name**

If your ordinary shares are held in an account through a bank, broker or other nominee, you must instruct such bank, broker or other nominee how to vote your ordinary shares by following the instructions that the bank, broker or other nominee provides you along with this joint proxy statement/prospectus. Your bank, broker or other nominee, as applicable, may have an earlier deadline by which you must provide instructions to it as to how to vote your ordinary shares, so you should read carefully the materials provided to you by your bank, broker or other nominee. You may be eligible to submit such instructions electronically or by telephone.

If you do not provide a signed voting instruction card (or otherwise submit your voting instructions in accordance with the procedures specified by your bank, broker or other nominee) to your bank, broker or other nominee, your ordinary shares will not be voted on any proposal on which such bank, broker or other nominee does not have discretionary authority to vote. Banks, brokers and other nominees do not have discretionary voting with respect to any of the Actavis Proposals. Accordingly, if you fail to provide a signed voting instruction card (or otherwise submit your voting instructions in accordance with the procedures specified by your bank, broker or other nominee) to your bank, broker or other nominee, your ordinary shares held through such bank, broker or other nominee will not be voted.

**Revocability of Proxies and Changes to an Actavis Shareholder's Vote**

If you are an Actavis shareholder of record, you may revoke or change your proxy at any time before it is voted at the Actavis EGM by:

timely delivering written notice that you have revoked your proxy to the company secretary of Actavis at the following address:

Actavis plc

1 Grand Canal Square, Docklands

Dublin 2, Ireland

Attention: Company Secretary

## **Table of Contents**

timely submitting your voting instructions again by telephone or over the Internet;

signing and returning by mail a proxy card with a later date so that it is received prior to the Actavis EGM;  
or

attending the Actavis EGM and voting by ballot in person.

Attendance at the Actavis EGM will not, in and of itself, revoke or change a proxy.

If you are an Actavis shareholder whose shares are held in street name by a broker, bank or other nominee, you may revoke your proxy and vote your shares in person at the Actavis EGM only in accordance with the applicable rules and procedures as employed by your broker, bank or other nominee. If your ordinary shares are held in an account at a broker, bank or other nominee, you should contact your broker, bank or other nominee to change your vote.

## **Solicitation of Proxies**

Actavis will bear the cost of soliciting proxies from its shareholders.

Actavis will solicit proxies by mail. In addition, the directors, officers and employees of Actavis may solicit proxies from its shareholders by telephone, electronic communication, or in person, but will not receive any additional compensation for their services. Actavis will make arrangements with brokerage houses and other custodians, nominees and fiduciaries for forwarding proxy solicitation materials to the beneficial owners of Actavis ordinary shares held of record by those persons and will reimburse them for their reasonable out-of-pocket expenses incurred in forwarding such proxy solicitation materials.

Actavis has engaged a professional proxy solicitation firm, MacKenzie Partners Inc., 105 Madison Avenue, New York, New York 10016, to assist in the solicitation of proxies for a fee of approximately \$75,000, and will reimburse MacKenzie Partners Inc. for its reasonable disbursements.

## **Attending the Actavis Extraordinary General Meeting**

Attendance at the Actavis EGM is limited to Actavis shareholders on the Actavis record date. Please indicate on the enclosed proxy card if you plan to attend the Actavis EGM. If your ordinary shares are held through a bank, broker or other nominee and you would like to attend, you will need to bring to the meeting a letter from such bank, broker or other nominee confirming beneficial ownership of the Actavis ordinary shares as of the Actavis record date for the meetings. Any beneficial holder who plans to vote at the Actavis EGM must also obtain a legal proxy, executed in their favor by or on behalf of their bank, broker or other nominee, and should contact such bank, broker or other nominee for instructions on how to obtain a legal proxy. Each Actavis shareholder will be asked to provide valid government-issued photo identification, such as a driver's license or passport, and proof of ownership as of the Actavis record date. The use of cell phones, smartphones, pagers, recording and photographic equipment will not be permitted in the meeting rooms.

## **Assistance**

If you need assistance in completing your proxy card or have questions regarding the Actavis EGM, please contact MacKenzie Partners Inc., the proxy solicitation agent for Actavis, by mail at 105 Madison Avenue, New York, New York 10016. Actavis shareholders may call MacKenzie Partners Inc. collect at (212) 929-5500 or toll-free at

(800) 322-2885.

**Table of Contents**

**ACTAVIS PROPOSALS**

**Actavis Share Issuance Proposal**

As discussed throughout this joint proxy statement/prospectus, Actavis is asking its shareholders to approve the Actavis Share Issuance Proposal. Holders of Actavis ordinary shares should read carefully this joint proxy statement/prospectus in its entirety, including the Annexes, for more detailed information concerning the Merger Agreement and the transactions contemplated thereby. In particular, holders of Actavis ordinary shares are directed to the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus.

Completion of the Merger is conditioned on approval of the Actavis Share Issuance Proposal. The issuance of Actavis ordinary shares in the Merger will become effective only if the Merger is completed.

***Vote Required and Actavis Board Recommendation***

The affirmative vote of a majority of the votes cast, either in person or by proxy, by Actavis shareholders entitled to vote on the Actavis Share Issuance Proposal at the Actavis EGM is required to approve the Actavis Share Issuance Proposal.

The Actavis board of directors unanimously recommends a vote **FOR** the Actavis Share Issuance Proposal.

**Actavis Adjournment Proposal**

Actavis is asking its shareholders to approve the adjournment of the Actavis EGM, or any adjournments thereof, to another time and place if necessary or appropriate to, among other things, solicit additional proxies if there are insufficient votes at the time of the Actavis EGM to approve the Actavis Share Issuance Proposal. The Merger Agreement provides that Actavis may not postpone or adjourn the Actavis EGM for more than 30 days after the date on which the Actavis EGM was originally scheduled.

Completion of the Merger is not conditioned on the approval of the Actavis Adjournment Proposal.

***Vote Required and Actavis Board Recommendation***

The affirmative vote of a majority of the votes cast, either in person or by proxy, by Actavis shareholders entitled to vote on the Actavis Adjournment Proposal at the Actavis EGM is required to approve the Actavis Adjournment Proposal.

The Actavis board of directors unanimously recommends a vote **FOR** the Actavis Adjournment Proposal.

**Other Matters to Come Before the Actavis Extraordinary General Meeting**

No other matters are intended to be brought before the Actavis EGM by Actavis. If, however, any other matters properly come before the Actavis EGM and where you have named the Chairman of the Actavis EGM as your proxy he or she will vote the shares represented thereby in accordance with the judgment of management on any such matter.

**Table of Contents**

**THE ALLERGAN SPECIAL MEETING**

**Date, Time and Place of the Allergan Special Meeting**

The special meeting of Allergan stockholders will be held at 2525 Dupont Drive, Irvine, California 92612 at 10:00 a.m. (local time) on March 10, 2015. On or about January 28, 2015, Allergan commenced mailing this joint proxy statement/prospectus and the enclosed form of proxy to its stockholders entitled to vote at the Allergan special meeting.

**Purpose of the Allergan Special Meeting**

At the Allergan special meeting, Allergan stockholders will be asked to:

1. adopt the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus;
2. approve the adjournment of the meeting to another date and place if necessary or appropriate to solicit additional votes in favor of the Merger Proposal; and
3. approve, on a non-binding, advisory basis, the compensation to be paid to Allergan's named executive officers that is based on or otherwise relates to the Merger, as disclosed pursuant to Item 402(t) of Regulation S-K in *The Merger Interests of Allergan's Directors and Executive Officers in the Transactions Quantification of Payments and Benefits to Allergan's Named Executive Officers* beginning on page 126 of the accompanying joint proxy statement/prospectus.

**Recommendation of the Allergan Board of Directors**

The Allergan board of directors recommends that you vote **FOR** the Merger Proposal, **FOR** the Allergan Adjournment Proposal and **FOR** the Merger-Related Named Executive Officer Compensation Proposal. See *The Merger Recommendation of the Allergan Board of Directors and Allergan's Reasons for the Merger* beginning on page 83 of this joint proxy statement/prospectus.

Completion of the Merger is conditioned upon approval of the Merger Proposal, but is not conditioned on the approval of the Allergan Adjournment Proposal or the Merger-Related Named Executive Officer Compensation Proposal.

**Allergan Record Date and Quorum**

*Record Date*

The Allergan board of directors has fixed the close of business on January 22, 2015 as the record date for determining the holders of shares of Allergan common stock entitled to receive notice of and to vote at the Allergan special meeting.

As of the Allergan record date, there were 299,776,882 shares of Allergan common stock outstanding and entitled to vote at the Allergan special meeting held by 4,019 holders of record. Each share of Allergan common stock entitles the holder to one vote at the Allergan special meeting on each proposal to be considered at the Allergan special meeting. Allergan shares that are held in treasury will not be entitled to vote at the Allergan special meeting.

*Quorum*

The representation (in person or by proxy) of holders of at least a majority of the votes entitled to be cast on the matters to be voted on at the Allergan special meeting constitutes a quorum for transacting business at the Allergan special meeting. All shares of Allergan common stock, whether present in person or represented by proxy, including abstentions, will be treated as present for purposes of determining the presence or absence of a quorum for all matters voted on at the Allergan special meeting.

## **Table of Contents**

As of the Allergan record date, directors and executive officers of Allergan and their affiliates owned and were entitled to vote 502,178 shares of Allergan common stock, representing approximately less than 1% of the shares of Allergan common stock outstanding on that date. Allergan currently expects that Allergan's directors and executive officers will vote their shares in favor of the Merger Proposal, the Allergan Adjournment Proposal and the Merger-Related Named Executive Officer Compensation Proposal, although none of them has entered into any agreements obligating them to do so.

### **Required Vote**

#### ***Required Vote to Approve the Merger Proposal***

The affirmative vote of a majority of the outstanding shares of Allergan common stock entitled to vote on the Merger Proposal at the Allergan special meeting is required to approve the Merger Proposal.

#### ***Required Vote to Approve the Allergan Adjournment Proposal***

The affirmative vote of a majority of the shares of Allergan common stock entitled to vote on the Allergan Adjournment Proposal present in person or by proxy at the Allergan special meeting is required to approve the Allergan Adjournment Proposal.

#### ***Required Vote to Approve the Merger-Related Named Executive Officer Compensation Proposal***

The affirmative vote of a majority of the shares of Allergan common stock entitled to vote on the Merger-Related Named Executive Officer Compensation Proposal present in person or by proxy at the Allergan special meeting is required to approve the Merger-Related Named Executive Officer Compensation Proposal.

### **Treatment of Abstentions; Failure to Vote**

For purposes of the Allergan special meeting, an abstention occurs when an Allergan stockholder attends the Allergan special meeting in person and does not vote or returns a proxy marked **ABSTAIN**.

For the Merger Proposal, an abstention or a failure to vote will have the same effect as a vote cast **AGAINST** this proposal.

For the Allergan Adjournment Proposal, an abstention will have the same effect as a vote cast **AGAINST** this proposal. If an Allergan stockholder fails to vote and is not present in person or by proxy at the Allergan special meeting, it will have no effect on the vote count for the Allergan Adjournment Proposal (but will not be counted towards determining whether a quorum is present).

For the Merger-Related Named Executive Officer Compensation Proposal, an abstention will have the same effect as a vote **AGAINST** the proposal. If an Allergan stockholder fails to vote and is not present in person or by proxy at the Allergan special meeting, it will have no effect on the vote count for the Merger-Related Named Executive Officer Compensation Proposal (but will not be counted towards determining whether a quorum is present).



**Voting of Proxies; Incomplete Proxies**

Giving a proxy means that an Allergan stockholder authorizes the persons named in the enclosed proxy card to vote its shares at the Allergan special meeting in the manner it directs. An Allergan stockholder may vote by proxy or in person at the Allergan special meeting. If you hold your shares of Allergan common stock in your name as a stockholder of record, to submit a proxy, you, as an Allergan stockholder, may use one of the following methods:

***By Internet.*** The web address and instructions for Internet proxy submission can be found on the enclosed proxy card. You will be required to provide your assigned control number located on the

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**Table of Contents**

proxy card. Internet proxy submission via the web address indicated on the enclosed proxy card is available 24 hours a day. If you choose to submit your proxy by Internet, then you do not need to return the proxy card. To be valid, your Internet proxy must be received by 11:59 p.m. (U.S. Eastern Time) on the day preceding the Allergan special meeting.

***By Telephone.*** The toll-free number for telephone proxy submission can be found on the enclosed proxy card. You will be required to provide your assigned control number located on the proxy card. Telephone proxy submission is available 24 hours a day. If you choose to submit your proxy by telephone, then you do not need to return the proxy card. To be valid, your telephone proxy must be received by 11:59 p.m. (U.S. Eastern Time) on the day preceding the Allergan special meeting.

***By Mail.*** Mark the enclosed proxy card, sign and date it, and return it in the postage-paid envelope we have provided. To be valid, your proxy by mail must be received by 11:59 p.m. (U.S. Eastern Time) on the day preceding the Allergan special meeting.

***In Person.*** You may also vote your shares in person at the Allergan special meeting.

Allergan requests that Allergan stockholders submit their proxies over the Internet, by telephone or by completing and signing the accompanying proxy and returning it to Allergan as soon as possible in the enclosed postage-paid envelope. When the accompanying proxy is returned properly executed (including proper proxy submission by Internet or telephone), the shares of Allergan common stock represented by it will be voted at the Allergan special meeting in accordance with the instructions contained on the proxy card.

If you sign and return your proxy or voting instruction card without indicating how to vote on any particular proposal, the Allergan common stock represented by your proxy will be voted **FOR** each proposal in accordance with the recommendation of the Allergan board of directors. Unless you check the box on your proxy card to withhold discretionary authority, the proxyholders may use their discretion to vote on the proposals relating to the Allergan special meeting.

If your shares of Allergan common stock are held in street name by a broker, bank or other nominee, you should check the voting form used by that firm to determine whether you may give voting instructions by telephone or the Internet.

**EVERY ALLERGAN STOCKHOLDER S VOTE IS IMPORTANT. ACCORDINGLY, EACH ALLERGAN STOCKHOLDER SHOULD SUBMIT ITS PROXY VIA THE INTERNET OR BY TELEPHONE, OR SIGN, DATE AND RETURN THE ENCLOSED PROXY CARD, WHETHER OR NOT THE ALLERGAN STOCKHOLDER PLANS TO ATTEND THE ALLERGAN SPECIAL MEETING IN PERSON.**

**Shares Held in Street Name**

If your shares of Allergan common stock are held in street name through a bank, broker or other nominee, you must instruct such bank, broker or other nominee on how to vote the shares by following the instructions that the bank, broker or other nominee provides you along with this joint proxy statement/prospectus. Your bank, broker or other nominee, as applicable, may have an earlier deadline by which you must provide instructions to it as to how to vote your shares of Allergan common stock, so you should read carefully the materials provided to you by your bank, broker or other nominee.

You may not vote shares held in street name by returning a proxy card directly to Allergan or by voting in person at the Allergan special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or other nominee. Further, brokers, banks or other nominees who hold shares of Allergan common stock on behalf of their customers may not give a proxy to Allergan to vote those shares with respect to any of the Allergan proposals without specific instructions from their customers, as brokers, banks and other nominees

## **Table of Contents**

do not have discretionary voting power on any of the Allergan proposals. Therefore, if your shares of Allergan common stock are held in street name and you do not instruct your broker, bank or other nominee on how to vote your shares,

your broker, bank or other nominee may not vote your shares on the Merger Proposal, which broker non-votes will have the same effect as a vote **AGAINST** this proposal;

your broker, bank or other nominee may not vote your shares on the Allergan Adjournment Proposal, which broker non-votes will have no effect on the vote count for this proposal (but will not be counted towards determining whether a quorum is present); and

your broker, bank or other nominee may not vote your shares on the Merger-Related Named Executive Officer Compensation Proposal, which broker non-votes will have no effect on the vote count for this proposal (but will not be counted towards determining whether a quorum is present).

### **Revocability of Proxies and Changes to an Allergan Stockholder's Vote**

If you are an Allergan stockholder of record, you may revoke or change your proxy at any time before it is voted at the Allergan special meeting by:

sending a written notice of revocation to the corporate secretary of Allergan at 2525 Dupont Drive, Irvine, California 92612 that is received by Allergan prior to 11:59 p.m. (U.S. Eastern Time) on the day preceding the Allergan special meeting, stating that you would like to revoke your proxy; or

submitting a new proxy bearing a later date (by Internet, telephone or mail) that is received by Allergan prior to 11:59 p.m. (U.S. Eastern Time) on the day preceding the Allergan special meeting; or

attending the Allergan special meeting and voting in person.

If you are an Allergan stockholder whose shares are held in street name by a broker, bank or other nominee, you may revoke your proxy or voting instructions and vote your shares in person at the Allergan special meeting only in accordance with applicable rules and procedures as employed by your broker, bank or other nominee. If your shares are held in an account at a broker, bank or other nominee, you must follow the directions you receive from your bank, broker or other nominee in order to change or revoke your proxy or voting instructions and should contact your broker, bank or other nominee to do so.

Attending the Allergan special meeting will NOT automatically revoke a proxy that was submitted through the Internet or by telephone or mail. ***You must vote by ballot at the Allergan special meeting to change your vote.***

### **Solicitation of Proxies**

The cost of solicitation of proxies from Allergan stockholders will be borne by Allergan. Allergan will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy materials to the beneficial owners of Allergan common stock. Allergan has retained a professional proxy solicitation firm, Innisfree M&A Incorporated, 501 Madison Avenue, 20<sup>th</sup> Floor New York, New York 10022, to assist in the solicitation of proxies for a fee of \$30,000 plus reasonable out-of-pocket expenses. In addition to solicitations by mail, Allergan's directors, officers and regular employees may solicit proxies personally or by telephone without additional compensation.

#### **Attending the Allergan Special Meeting**

Subject to space availability and certain security procedures, all Allergan stockholders as of the Allergan record date, or their duly appointed proxies, may attend the Allergan special meeting. Admission to the Allergan special meeting will be on a first-come, first-served basis.

**Table of Contents**

If you hold your shares of Allergan common stock in your name as a stockholder of record and you wish to attend the Allergan special meeting, you must present your proxy and evidence of your stock ownership, such as your most recent account statement, to the Allergan special meeting. You should also bring valid government-issued photo identification.

If your shares of Allergan common stock are held in street name by a broker, bank or nominee and you wish to attend the Allergan special meeting, you must bring a copy of a bank or brokerage statement to the Allergan special meeting reflecting your stock ownership as of the Allergan record date. You should also bring valid government-issued photo identification.

**Assistance**

If you need assistance in completing your proxy card or have questions regarding the Allergan special meeting, please contact Innisfree M&A Incorporated, the proxy solicitation agent for Allergan, by mail at 501 Madison Avenue, 20<sup>th</sup> Floor, New York, NY 10022, or by telephone toll-free at (877) 800-5187 or collect at (212) 750-5833.

**Table of Contents**

**ALLERGAN PROPOSALS**

**Merger Proposal**

As discussed throughout this joint proxy statement/prospectus, Allergan is asking its stockholders to approve the Merger Proposal. Pursuant to the Merger Agreement, Actavis will acquire Allergan in the Merger. Merger Sub will merge with and into Allergan, with Allergan continuing as the Surviving Corporation. Following the Merger, Allergan will be an indirect wholly owned subsidiary of Actavis and the Allergan common stock will be delisted from the NYSE, deregistered under the Exchange Act and cease to be publicly traded.

Holders of shares of Allergan common stock should carefully read this joint proxy statement/prospectus in its entirety, including the annexes, for more detailed information concerning the Merger Agreement and the Merger. In particular, holders of shares of Allergan common stock are directed to the Merger Agreement, a copy of which is attached as Annex A to this joint proxy statement/prospectus.

Completion of the Merger is conditioned on approval of the Merger Proposal.

***Vote Required and Allergan Board Recommendation***

The affirmative vote of a majority of the outstanding shares of Allergan common stock entitled to vote on the Merger Proposal at the Allergan special meeting is required to approve the Merger Proposal.

The Allergan board of directors unanimously recommends a vote **FOR** the Merger Proposal.

**Allergan Adjournment Proposal**

Allergan is asking its stockholders to approve the adjournment of the Allergan special meeting, or any adjournments thereof, to another time and place if necessary or appropriate to solicit additional votes in favor of the Merger Proposal. The Merger Agreement provides that Allergan may not postpone or adjourn the Allergan special meeting for more than 30 days after the date on which the Allergan special meeting was originally scheduled.

Completion of the Merger is not conditioned on the approval of the Allergan Adjournment Proposal.

***Vote Required and Allergan Board Recommendation***

The affirmative vote of a majority of the shares of Allergan common stock entitled to vote on the Allergan Adjournment Proposal present in person or by proxy at the Allergan special meeting is required to approve the Allergan Adjournment Proposal.

The Allergan board of directors unanimously recommends a vote **FOR** the Allergan Adjournment Proposal.

**Merger-Related Named Executive Officer Compensation Proposal**

Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and Rule 14a-21(c) of the Exchange Act, Allergan is seeking non-binding, advisory stockholder approval of the compensation of Allergan's named executive officers that is based on or otherwise relates to the Merger as disclosed in *The Merger Interests of Allergan's Directors and Executive Officers in the Transactions Quantification of Payments and Benefits to Allergan's Named Executive Officers* beginning on page 126 of this joint proxy statement/prospectus. The proposal gives

Allergan's stockholders the opportunity to express their views on the



**Table of Contents**

merger-related compensation of Allergan's named executive officers. Accordingly, Allergan is requesting stockholders to adopt the following resolution, on a non-binding, advisory basis:

**RESOLVED, that the compensation that may be paid or become payable to Allergan's named executive officers in connection with the Merger, as disclosed pursuant to Item 402(t) of Regulation S-K in *The Merger Interests of Allergan's Directors and Executive Officers in the Transactions Quantification of Payments and Benefits to Allergan's Named Executive Officers*, is hereby APPROVED.**

Completion of the Merger is not conditioned on approval of the Merger-Related Named Executive Officer Compensation Proposal.

***Vote Required and Allergan Board Recommendation***

The vote on this proposal is a vote separate and apart from the vote to approve the Merger Proposal. Accordingly, you may vote not to approve the Merger-Related Named Executive Officer Compensation Proposal and vote to approve the Merger Proposal or vice versa. The vote to approve the Merger-Related Named Executive Officer Compensation Proposal is advisory in nature and, therefore, is not binding on Allergan or the Allergan board of directors or the compensation committee of the Allergan board of directors, regardless of whether the Merger Proposal is approved. Approval of the Merger-Related Named Executive Officer Compensation Proposal is not a condition to completion of the Merger, and failure to approve this advisory matter will have no effect on the vote to approve the Merger Proposal. The merger-related named executive officer compensation to be paid in connection with the Merger is based on contractual arrangements with the named executive officers and accordingly the outcome of this advisory vote will not affect Allergan's obligation to make these payments.

The affirmative vote of a majority of the shares of Allergan common stock entitled to vote on the Merger-Related Named Executive Officer Compensation Proposal present in person or by proxy at the Allergan special meeting is required to approve the Merger-Related Named Executive Officer Compensation Proposal.

The Allergan board of directors unanimously recommends a vote **FOR** the Merger-Related Named Executive Officer Compensation Proposal.

**Other Matters to Come Before the Allergan Special Meeting**

No other matters are intended to be brought before the Allergan special meeting by Allergan. If, however, any other matters properly come before the Allergan special meeting, the persons named in the proxy will vote the shares represented thereby in accordance with the recommendation of Allergan management on any such matter (unless the Allergan stockholder checks the box on the proxy card to withhold discretionary voting authority).

**Table of Contents**

**INFORMATION ABOUT THE COMPANIES**

**Actavis**

*Actavis plc*

1 Grand Canal Square, Docklands

Dublin 2, Ireland

Phone: (862) 261-7000

Actavis (formerly known as Actavis Limited) was incorporated in Ireland on May 16, 2013 as a private limited company and re-registered effective September 18, 2013 as a public limited company. Actavis is a leading integrated global specialty pharmaceutical company engaged in the development, manufacturing, marketing, sale and distribution of generic, branded generic, brand name, biosimilar and over-the-counter pharmaceutical products. Actavis also develops and out-licenses generic pharmaceutical products primarily in Europe through its Medis third-party business. Actavis has operations in more than 60 countries throughout North America and the rest of world, including Europe, MEAAP (Middle East, Africa, Australia, and Asia Pacific) and Latin America.

**Merger Sub**

*Avocado Acquisition Inc.*

c/o Actavis plc

Morris Corporate Center III

400 Interpace Parkway

Parsippany, New Jersey 07054

Phone: (862) 261-7000

Merger Sub is a Delaware corporation, and an indirect wholly owned subsidiary of Actavis. Merger Sub was incorporated on November 14, 2014 for the sole purpose of effecting the Merger. As of the date of this joint proxy statement/prospectus, Merger Sub has not conducted any activities other than those incidental to its formation, the execution of the Merger Agreement, the preparation of applicable filings under U.S. securities laws and regulatory filings made in connection with the proposed transaction.

**Allergan**

*Allergan, Inc.*

2525 Dupont Drive

Irvine, California 92612

Phone: (714) 246-4500

Allergan was incorporated in Delaware in 1950. Allergan is a multi-specialty health care company focused on developing and commercializing innovative pharmaceuticals, biologics, medical devices and over-the-counter products that enable people to live life to their full potential to see more clearly, move more freely and express themselves more fully. Allergan discovers, develops and commercializes a diverse range of products for the ophthalmic, neurological, medical aesthetics, medical dermatology, breast aesthetics, urological and other specialty markets in more than 100 countries around the world.

## **Table of Contents**

### **THE MERGER**

*This discussion of the Merger is qualified in its entirety by reference to the Merger Agreement, which is attached to this joint proxy statement/prospectus as Annex A and is incorporated by reference into this joint proxy statement/prospectus. This summary does not purport to be complete and may not contain all of the information about the Merger that is important to you. You should read the entire Merger Agreement carefully as it is the legal document that governs the Merger. This section is not intended to provide you with any factual information about Actavis or Allergan. Such information can be found elsewhere in this joint proxy statement/prospectus and in the public filings Actavis and Allergan make with the SEC that are incorporated by reference into this joint proxy statement/prospectus, as described in the section entitled *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.*

#### **Transaction Structure**

Pursuant to the Merger Agreement, Merger Sub will merge with and into Allergan, with Allergan continuing as the Surviving Corporation. Following the Merger, Allergan will be an indirect wholly owned subsidiary of Actavis and the Allergan common stock will be delisted from the NYSE, deregistered under the Exchange Act and cease to be publicly traded.

#### **Consideration to Allergan Stockholders**

As a result of the Merger, each issued and outstanding share of Allergan common stock, other than excluded shares and dissenting shares, will be converted into the right to receive the Merger Consideration.

It is anticipated that Actavis shareholders and Allergan stockholders, in each case as of immediately prior to the Merger, will hold approximately 72% and 28%, respectively, of the issued and outstanding Actavis ordinary shares immediately after completion of the Merger. It is currently estimated that, if the Merger is completed, Actavis will issue or reserve for issuance approximately 128 million Actavis ordinary shares to pay the aggregate stock portion of the Merger Consideration to Allergan stockholders and assume Allergan equity-based awards at the closing of the Merger and that the aggregate cash portion of the Merger Consideration will be approximately \$39 billion.

No holder of Allergan common stock will be issued fractional Actavis ordinary shares in the Merger. Each holder of Allergan common stock converted pursuant to the Merger who would otherwise have been entitled to receive a fraction of an Actavis ordinary share will receive, in lieu thereof, cash, without interest, in an amount equal to such fractional part of an Actavis ordinary share (rounded to the nearest one thousandth when expressed in decimal form) multiplied by the volume weighted average price of Actavis ordinary shares for a 10 trading day period, starting with the opening of trading on the 11<sup>th</sup> trading day prior to the closing date to the closing of trading on the second to last trading day prior to the closing date, as reported by Bloomberg.

The Merger Consideration will be adjusted appropriately to reflect the effect of any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into Allergan common stock or Actavis ordinary shares, as applicable), reorganization, recapitalization, reclassification, combination, exchange of shares or other like change with respect to the shares of Allergan common stock or Actavis ordinary shares outstanding after the date of the Merger Agreement and prior to the effective time of the Merger.

#### **Background of the Transaction**

In pursuing its objective of enhancing stockholder value, the Allergan board has from time to time considered opportunities for a variety of transactions, including potential acquisitions, divestitures, license arrangements, business combinations and other strategic alliances.

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**Table of Contents**

In September 2012, J. Michael Pearson, Chairman and Chief Executive Officer of Valeant, approached David Pyott, Chairman of the Board and Chief Executive Officer of Allergan, regarding a potential transaction between Valeant and Allergan. After consultation with the Allergan board, Mr. Pyott informed Mr. Pearson that Allergan was not interested at that time.

In February 2014, Mr. Pearson scheduled a meeting with Mr. Pyott, but subsequently cancelled it.

On April 21, 2014, with no prior notice to Allergan, Pershing Square and Valeant each filed a Schedule 13D with the SEC disclosing beneficial ownership by PS Fund 1, LLC, an affiliate of Pershing Square, of 9.7% of Allergan's common stock.

On April 22, 2014, Mr. Pyott received an unsolicited letter from Mr. Pearson that set forth a non-binding proposal to acquire all of the outstanding shares of Allergan common stock in exchange for 0.83 of a Valeant common share and \$48.30 in cash per share of Allergan common stock (referred to in this joint proxy statement/prospectus as the Initial Valeant Proposal). Except for Mr. Pearson's approach to Mr. Pyott in September 2012 referenced above, prior to the Initial Valeant Proposal the Allergan board had not received any communication from either Valeant or Pershing Square regarding the Initial Valeant Proposal or any other proposed business combination between Allergan and Valeant and/or Pershing Square.

On April 22, 2014, the Allergan board met telephonically to discuss, among other topics, the Initial Valeant Proposal and Pershing Square's arrangements with Valeant as disclosed in the Schedule 13Ds. Representatives from each of Goldman Sachs and BofA Merrill Lynch, Allergan's financial advisors, and Latham & Watkins LLP (referred to in this joint proxy statement/prospectus as Latham & Watkins), Allergan's outside legal advisor, and Richards, Layton & Finger, P.A., Allergan's Delaware counsel, participated in the meeting. At the meeting, the Allergan board adopted the Rights Plan. The press release announcing adoption of the Rights Plan noted that the Rights Plan was not intended by the Allergan board to prevent an acquisition of Allergan on terms that the Allergan board determined to be favorable to, and in the best interests of, all Allergan stockholders. Rather, the Rights Plan aimed to provide the Allergan board with adequate time to fully assess and respond to any proposal.

On May 5, 2014, Michael Gallagher, the lead independent director of the Allergan board, received a letter from Pershing Square in which it recommended that the Allergan board begin discussions with Valeant in the very near future because, among other things, Valeant may reduce its offer under the Initial Valeant Proposal if Allergan did not engage.

On May 6, 2014, Allergan held its annual meeting of stockholders. At the annual meeting, among other items, all of the members of the Allergan board were re-elected.

On May 10, 2014, the Allergan board met to continue its consideration of the Initial Valeant Proposal. At the meeting, Allergan's management and outside legal and financial advisors provided their advice regarding the Initial Valeant Proposal to the Allergan board. Representatives from Latham & Watkins and Wachtell, Lipton, Rosen & Katz (referred to in this joint proxy statement/prospectus as Wachtell Lipton), who was also retained as a legal advisor by Allergan, reviewed with the Allergan board their fiduciary duties and responded to questions related to the Initial Valeant Proposal. At this meeting, the Allergan board unanimously rejected the Initial Valeant Proposal, concluding after a comprehensive review, that the Initial Valeant Proposal substantially undervalued Allergan, created significant risks and uncertainties for the Allergan stockholders, and was not in the best interests of Allergan and its stockholders. Allergan also retained two financial consultants and forensic accountants, Alvarez & Marsal Transaction Advisory Group, LLC and FTI Consulting, Inc., to evaluate certain concerns of the Allergan board regarding Valeant's business model and the inherent value of its common shares.

On May 12, 2014, Allergan sent a letter to Valeant and issued a press release announcing the Allergan board's determination with respect to the Initial Valeant Proposal and filed an investor presentation with the SEC

## **Table of Contents**

in which it updated Allergan's guidance and highlighted Allergan's market-leading positions, diversified product portfolio, operational excellence, consistent outperformance of peers in R&D innovation and strong growth prospects.

On May 13, 2014, Valeant issued a press release to Allergan's stockholders responding to Allergan's rejection of the Initial Valeant Proposal and announced a webcast on May 28, 2014 in which Valeant planned to improve its proposal. That same day, Pershing Square filed a preliminary proxy statement, seeking to conduct an informal stockholder referendum on a proposal requesting that the Allergan board promptly engage in discussions with Valeant regarding its offer.

On May 27, 2014, Allergan filed an investor presentation with the SEC detailing its initial concerns about the sustainability of Valeant's business model. The presentation raised a number of important issues about Valeant's business model and stock value of which the Allergan board and management believed Allergan's stockholders needed to be aware.

On May 28, 2014, Valeant hosted an investor meeting and webcast and Mr. Pearson sent a letter to Mr. Pyott and the Allergan board (which it issued in a press release), revising the terms of the Initial Valeant Proposal, leaving the share consideration at 0.83 of a Valeant common share and raising the cash consideration to \$58.30 per share of Allergan common stock, with the possibility of a contingent value right, or CVR, related to DARPin® sales (referred to in this joint proxy statement/prospectus as the Revised Valeant Proposal). The same day, Allergan issued a press release acknowledging receipt of the Revised Valeant Proposal.

On May 30, 2014, prior to any response by the Allergan board regarding the Revised Valeant Proposal, Valeant and Pershing Square issued a press release and Mr. Pearson wrote a letter to Mr. Pyott and the Allergan board again revising Valeant's proposal, leaving the share consideration at 0.83 of a Valeant common share and raising the cash consideration to \$72.00 per share of Allergan common stock, with the possibility of a CVR related to DARPin® sales (referred to in this joint proxy statement/prospectus as the Re-Revised Valeant Proposal). The same day, Allergan issued a press release acknowledging receipt of the Re-Revised Valeant Proposal.

On June 2, 2014, Pershing Square, having dropped its prior announced plans for an informal stockholder referendum, filed a preliminary proxy statement (referred to in this joint proxy statement/prospectus as the Pershing Square/Valeant Special Meeting Solicitation), with respect to soliciting Allergan stockholders to request a special meeting of Allergan's stockholders to consider proposals by Valeant and Pershing Square, including a request to remove six of the current members of the Allergan board from office, and a request that the Allergan board engage in discussions with Valeant (referred to in this joint proxy statement/prospectus as the Pershing Square/Valeant Special Meeting).

On June 9, 2014, the Allergan board held a meeting to consider the Re-Revised Valeant Proposal. At the meeting and after a comprehensive review, the Allergan board unanimously determined, after consultation with its outside legal and financial advisors, that the Re-Revised Valeant Proposal substantially undervalued Allergan, created significant risks and uncertainties for the stockholders of Allergan, and was not in the best interests of Allergan and its stockholders.

On June 10, 2014, Mr. Pyott on behalf of the Allergan board sent a letter to Mr. Pearson setting forth the Allergan board's conclusion regarding the Re-Revised Valeant Proposal and Allergan filed an investor presentation with the SEC with additional detail on the considerations behind the Allergan board's rejection of the Re-Revised Valeant Proposal. Allergan also issued a press release with the board's conclusion.



On June 18, 2014, Valeant issued a press release announcing that it had commenced a conditional exchange offer (referred to in this joint proxy statement/prospectus as the Valeant exchange offer ) and filed a corresponding Schedule TO and a registration statement on Form S-4 with the SEC. Under the terms of the

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**Table of Contents**

Valeant exchange offer, Allergan stockholders would be able to elect to exchange each share of Allergan common stock for 0.83 of a Valeant common share and \$72.00 in cash, or a specified amount of cash, or a specified number of Valeant common shares, in each case subject to proration. The same day, Allergan issued a press release noting that the Allergan board would carefully review and evaluate the Valeant exchange offer and make the Allergan board's position on the Valeant exchange offer available to the Allergan stockholders in a solicitation/recommendation statement on Schedule 14D-9.

On June 21, 2014, the Allergan board met to review the formal terms of the Valeant exchange offer with the assistance of Allergan's outside legal and financial advisors. At the meeting, each of Goldman Sachs and BofA Merrill Lynch rendered an oral opinion to the Allergan board, subsequently confirmed in writing, to the effect that, as of June 21, 2014 and based upon and subject to the factors, assumptions, limitations, qualifications and conditions set forth in its written opinion, the consideration proposed to be paid to the holders (other than Valeant, Pershing Square and any of their respective affiliates) of shares of Allergan common stock pursuant to the Valeant exchange offer was inadequate from a financial point of view to such holders. After careful consideration, including a thorough review of the terms and conditions of the Valeant exchange offer with Allergan's outside legal and financial advisors, the Allergan board, by unanimous vote, concluded that the Valeant exchange offer was grossly inadequate, substantially undervalued Allergan, created significant risks and uncertainties for Allergan and was not in the best interests of Allergan and its stockholders.

On June 23, 2014, Allergan filed its Schedule 14D-9 with the SEC, which included the June 21, 2014 opinions of Allergan's financial advisors, and issued a press release with the Allergan board's recommendation against the Valeant exchange offer. The Schedule 14D-9 and the press release included a number of considerations by the Allergan board in determining to recommend against the Valeant exchange offer.

On July 11, 2014, Pershing Square filed its definitive proxy statement with respect to the Pershing Square/Valeant Special Meeting Solicitation.

Also on July 11, 2014, there was an informal conference call among the Actavis directors, members of management and representatives of J.P. Morgan at which, among other things, the possibility of Actavis making a non-binding proposal to acquire Allergan was discussed, and the directors were advised that management and representatives of J.P. Morgan intended to make a presentation on that topic at the Actavis board meeting to be held on July 23-24.

On July 21, 2014, Allergan issued its earnings release for the quarter ended June 30, 2014, reporting a 23.8% increase in Adjusted EPS (as defined in the press release) attributable to stockholders and an increase in total product net sales of 15.9% compared to the quarter ended June 30, 2013. Allergan also announced a restructuring of its operations and processes as part of its efforts to increase stockholder value that it estimated would deliver annual pre-tax savings of approximately \$475 million beginning in calendar year 2015 as compared to previously communicated expectations for 2015. Allergan also raised its outlook for the full year of 2014, expecting total product net sales between \$6.9 billion and \$7.05 billion.

On July 23 and 24, 2014, at a meeting of the Actavis board in Ireland, management and representatives of J.P. Morgan made a presentation regarding, and the directors, management and representatives of J.P. Morgan discussed, the possibility of Actavis seeking to acquire Allergan. Following discussion by the directors and management, the Actavis board authorized Brent L. Saunders, President and Chief Executive Officer of Actavis, to contact Allergan and express interest in acquiring Allergan in a potential negotiated transaction.

On July 30, 2014, Mr. Saunders called Mr. Pyott and expressed an interest in a friendly transaction involving an acquisition by Actavis of Allergan for \$175.00 per share in cash and noted that Actavis was highly confident in its

ability to finance such a transaction. As he had advised Mr. Pyott he would, Mr. Saunders followed up that call with a written non-binding proposal consistent with the conversation.

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**Table of Contents**

On July 31, 2014, Valeant reported its financial results for the quarter ended June 30, 2014. In it, Valeant lowered its guidance for 2014 from \$8.3 - \$8.7 billion to \$8.0 - \$8.3 billion in revenues. Additionally, Valeant lowered its cash earnings per share guidance for 2014 from \$8.55 - \$8.80 to \$7.90 - \$8.10. The Allergan board met telephonically the same day with Allergan's management and outside legal advisors and, among other topics, Mr. Pyott discussed with the Allergan board his July 30 call with Mr. Saunders as well as potential acquisitions by Allergan and other potential strategic actions to increase stockholder value. Mr. Pyott then called Mr. Saunders on August 1, 2014, explaining that it would take several weeks until the Allergan board decided on a formal response.

On August 1, 2014, Allergan filed a complaint in the United States District Court for the Central District of California against Valeant, Pershing Square, its principal, William A. Ackman, and certain of their affiliates, (referred to in this joint proxy statement/prospectus as the "Insider Trading Litigation"). The complaint alleged that Valeant, Pershing Square and Mr. Ackman violated federal securities laws prohibiting insider trading, engaged in other fraudulent practices and failed to disclose legally required information.

On August 4, 2014, Mr. Saunders followed up on his July 30 call and letter with an e-mail to Mr. Pyott urging him for a response in a short time frame. When Mr. Saunders did not receive a response or an acknowledgment, and knowing that Mr. Pyott was on vacation in Europe, Mr. Saunders sent a letter on August 6, 2014 to Mr. Gallagher, copying Mr. Pyott, affirming an interest in a friendly transaction involving an acquisition by Actavis of Allergan for \$175.00 in cash per Allergan share and urging an expeditious response.

On August 11, 2014, after discussion with members of the Allergan board, Mr. Pyott called Mr. Saunders regarding his August 6 letter and informed Mr. Saunders that the Allergan board had determined that a proposal offering \$175.00 in cash per Allergan share was insufficient to warrant further discussion regarding a potential transaction. Mr. Saunders indicated on the call that Actavis would not pursue the proposal unilaterally.

On August 15, 2014, Valeant extended the expiration of the Valeant exchange offer until December 31, 2014.

On August 22, 2014, Pershing Square delivered to Allergan a number of written requests from Allergan stockholders in connection with Pershing Square's request to call the Pershing Square/Valeant Special Meeting, and Allergan issued a press release confirming the delivery.

On August 25, 2014, the Allergan board met with Allergan's management and outside legal and financial advisors. Among other topics, the Allergan board and its advisors discussed potential acquisitions by Allergan, the value of Allergan and market perceptions of Allergan's long-term outlook. The Allergan board also discussed further Mr. Saunders' August 6 letter and analysis on the ability of Actavis to finance a potential transaction. Subsequent to the meeting, Mr. Pyott spoke to Mr. Saunders by telephone and both parties indicated that they did not intend to engage in further discussions regarding Actavis' August 6 letter.

On August 26, 2014, in connection with the Insider Trading Litigation, Allergan issued a press release announcing that it requested the federal court to set an expedited schedule for discovery and a motion for a preliminary injunction against Valeant, Pershing Square and Mr. Ackman for violations of the federal securities laws. In addition, Allergan also announced that it would hold the Pershing Square/Valeant Special Meeting on December 18, 2014, subject to confirmation that the meeting had been validly requested in compliance with the bylaws.

On September 4, 2014 and September 11, 2014, the Allergan board met with Allergan's management and outside legal and financial advisors. Among other topics, the Allergan board and its advisors discussed at these meetings opportunities to create stockholder value, including through potential acquisitions by Allergan, and reviewed the written requests that had been submitted in connection with the Pershing Square/Valeant Special Meeting.



## **Table of Contents**

On September 12, 2014, Pershing Square delivered to Allergan additional written requests from Allergan stockholders in connection with the Pershing Square/Valeant Special Meeting Solicitation.

On September 15, 2014, Allergan announced that it had reached an agreement with Pershing Square and Valeant, under which Allergan agreed to hold the Pershing Square/Valeant Special Meeting on the originally scheduled date of December 18, 2014, without restriction, unless otherwise agreed to by the parties, and Pershing Square and Valeant agreed to dismiss an action Pershing Square had commenced against Allergan in the Delaware Court of Chancery in connection with its submission of special meeting requests.

On September 21, 2014 and September 22, 2014, the Allergan board held its regular meeting at which it continued its consideration of the Valeant exchange offer, potential acquisitions by Allergan and other potential strategic actions to increase stockholder value. Allergan's management and outside legal and financial advisors participated in the meeting.

On September 24, 2014, Pershing Square and Valeant filed with the SEC their definitive proxy statement related to the Pershing Square/Valeant Special Meeting.

On October 6, 2014, Mr. Saunders called Mr. Pyott and expressed an interest in a transaction between Allergan and Actavis with a value to Allergan stockholders 5 - 15% higher than Actavis' previous non-binding proposal, implying a value per Allergan share of approximately \$185.00 to approximately \$200.00. Mr. Saunders indicated that a portion of the consideration would be newly issued Actavis ordinary shares representing approximately 20% of Actavis outstanding ordinary shares. As a result of prior discussions with the Allergan board, Mr. Pyott informed Mr. Saunders that he believed that the Allergan board would require a proposal with a value to Allergan stockholders of greater than \$200.00 per share in order to engage in discussions regarding an acquisition proposal. That same day, Allergan filed with the SEC its preliminary proxy statement related to the Pershing Square/Valeant Special Meeting.

On October 8, 2014, Mr. Saunders called Mr. Pyott and indicated that Actavis would be willing to raise its non-binding proposal to a value within a range of \$195.00 - \$205.00 per Allergan share with a portion of the consideration made up of newly issued Actavis ordinary shares representing approximately 20% of Actavis outstanding ordinary shares. Mr. Pyott indicated that such a wide range of a potential offer would be insufficient to begin negotiating a transaction. Mr. Saunders also stated during the call that if Actavis were to increase its proposal, the increased consideration would likely consist primarily of Actavis ordinary shares.

On October 9, 2014, Allergan issued a press release in which it provided updates on Adjusted EPS (as defined in the press release) and sales expectations for the third quarter of 2014 and full years 2014, 2015 and 2016. Among other updates, Allergan announced that it expected Adjusted EPS for 2014 to be between \$6.20 and \$6.25, representing an increase of between 30% and 31% compared to 2013, and expected product net sales for 2014 to increase between 14% and 15% compared to 2013. Allergan also announced that it expected Adjusted EPS to be approximately \$8.60 for 2015 and approximately \$10.25 for 2016, respectively.

On October 10, 2014, the Allergan board met telephonically with Allergan's management and outside legal and financial advisors. Among other topics, the board discussed potential acquisitions, reviewed analysis on the valuation of Allergan and Mr. Pyott's communications with Mr. Saunders.

On October 14, 2014, Mr. Saunders and Mr. Pyott spoke again by phone, and Mr. Saunders indicated that if Actavis were to increase its October 8 indication of interest with additional cash, he expected that the increase would only relate to the lower end of the previously indicated range, and only be for \$5.00 per Allergan share, implying a value of \$200.00 - \$205.00 per Allergan share. Mr. Saunders also discussed his confidence in Actavis' ability to finance such a

potential transaction. Mr. Pyott again indicated that such a price range would be insufficient to make Allergan willing to enter into negotiations regarding a transaction.

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**Table of Contents**

On October 20, 2014, the Allergan board met telephonically with Allergan's management and outside legal advisors and, among other topics, reviewed Allergan's strong third quarter earnings and received updates on potential acquisitions by Allergan and recent discussions with Allergan's stockholders regarding corporate governance matters in connection with the proposals to be voted on at the Pershing Square/Valeant Special Meeting and discussed Mr. Pyott's October 14 call with Mr. Saunders.

In an October 22, 2014 telephone call, Mr. Saunders advised Mr. Pyott that, subject to Actavis' board approval, Actavis would be willing to increase its non-binding proposal to a value of \$210.00 per Allergan share and that such a transaction would likely consist of a combination of cash and newly issued Actavis ordinary shares representing approximately 27% of Actavis' outstanding ordinary shares. Mr. Pyott indicated that such a proposal would also be insufficient to enter into negotiations regarding a transaction. Later that day, the Allergan board met telephonically and discussed, among other topics, with Allergan's management and outside legal and financial advisors, Mr. Pyott's discussions with Mr. Saunders.

On October 27, 2014, Allergan issued a press release announcing its operating results for the quarter ended September 30, 2014, noting, among other things, that Allergan recorded the strongest increase in absolute dollar sales in any quarter in its history. That same day, Valeant delivered a letter to the Allergan board, and issued a press release containing that letter, in which Mr. Pearson stated that Valeant was prepared to improve its offer and provide value to Allergan's stockholders of at least \$200.00 a share. Later that day, Allergan issued a press release stating that if Valeant were to make an increased offer, the Allergan board would carefully consider it, but noted that Valeant's letter did not indicate an increase in the Valeant exchange offer or disclose the mix of consideration it was prepared to offer.

On October 28, 2014, the United States District Court for the Central District of California heard Allergan's motion for a preliminary injunction against Valeant, Pershing Square and Mr. Ackman in the Insider Trading Litigation. That same day, the Allergan board met telephonically and, among other things, reviewed Valeant's October 27 letter and press release and discussed how the value contemplated in it compared to the value of Allergan as well as the potential value of other alternatives that might be available, including potential acquisitions by Allergan and a potential transaction with Actavis. The board also reviewed with Allergan's management and its outside legal and financial advisors financial analyses regarding Actavis and discussed Actavis' business model, prospects, management team, recent business combinations and potential synergies, as compared to Valeant.

At an Actavis board meeting in Ireland on October 29, 2014, also attended by members of Actavis' senior management and representatives of J.P. Morgan, the board discussed a potential acquisition of Allergan and the financing of such a transaction, and authorized Mr. Saunders to make a revised non-binding proposal to acquire Allergan, subject to satisfactory completion of due diligence and negotiation of a mutually satisfactory acquisition agreement.

On October 31, 2014, Mr. Saunders called Mr. Pyott and advised him that, subject to satisfactory completion of due diligence, Actavis would be prepared to make a non-binding proposal in a range of \$210.00 to \$215.00 per Allergan share, consisting of a combination of cash and newly issued Actavis ordinary shares representing approximately 35% of Actavis' outstanding ordinary shares. Mr. Pyott indicated on the call that he believed that the Allergan board would be willing to consider the proposal and begin discussions regarding a transaction, but he made clear in doing so that Allergan would be expecting that, following completion of Actavis' due diligence on Allergan, Actavis would increase its proposal to a price of at least \$215.00 per Allergan share. Later that day, the Allergan board met telephonically with Allergan's management and outside legal advisors, and Mr. Pyott updated the Allergan board on his discussions with Mr. Saunders. Among other things, the board also obtained from Allergan's management and outside legal advisors updates regarding the Insider Trading Litigation with Valeant and Pershing Square and discussions with certain Allergan stockholders throughout the prior week following Allergan's third quarter earnings release. The Allergan board and its





## **Table of Contents**

advisors discussed Allergan's standalone value and recent views expressed by certain Allergan stockholders regarding potential strategic transactions involving Allergan and authorized discussions with Actavis regarding a potential transaction.

On November 2, 2014, the Allergan board again met telephonically, with Allergan's management and outside legal and financial advisors participating in the meeting. At this meeting, Allergan's financial advisors reviewed information regarding Actavis, its financial performance, products, competitors, recent acquisitions and other matters as well as information on Valeant and their analysis of Valeant's ability to increase its offer. The Allergan board concluded that Allergan should continue discussions with Actavis regarding a potential transaction. In connection with this conclusion, the Allergan board discussed whether to also enter into discussions with Valeant and determined in comparing the value of Valeant's offer to that offered by Actavis that such engagement was not warranted.

On November 3, 2014, Allergan filed an amendment to its preliminary proxy statement related to the Pershing Square/Valeant Special Meeting. That same day, Latham & Watkins delivered a draft confidentiality and standstill agreement to Cleary Gottlieb Steen & Hamilton LLP (referred to in this joint proxy statement/prospectus as Cleary Gottlieb), Actavis's outside legal advisor, and the parties exchanged drafts and negotiated the terms of the confidentiality and standstill agreement on November 4, 2014 and November 5, 2014.

On November 4, 2014, the United States District Court for the Central District of California granted in part Allergan's preliminary injunction motion heard on October 28, 2014 in the Insider Trading Litigation. The court found that serious questions existed as to whether Pershing Square and Valeant violated certain federal insider trading and securities rules and ordered that Valeant and Pershing Square make corrective disclosures to its proxy statement related to the Pershing Square/Valeant Special Meeting, but the court did not prohibit Pershing Square and Valeant from voting their shares of Allergan common stock at the Pershing Square/Valeant Special Meeting.

On November 5, 2014, Allergan and Actavis entered into a confidentiality and standstill agreement. Each party subsequently provided the other party and certain of its representatives with access to its electronic data room, containing due diligence information with respect to Allergan and Actavis, respectively. Also for the remainder of that week and throughout the following week, representatives of Allergan and Actavis engaged in additional diligence discussions and conference calls.

On November 6, 2014, Allergan filed with the SEC its definitive proxy statement related to the Pershing Square/Valeant Special Meeting and an amendment to its Schedule 14D-9 related to Valeant's Exchange Offer, disclosing in each that Allergan had been approached by another party besides Valeant regarding a potential merger transaction and that discussions with the third party had continued and could lead to negotiations. It was widely reported in the media that day that the third party referenced in Allergan's SEC filings was Actavis. That same day, the Allergan board met telephonically with Allergan's management and outside legal advisors and, among other topics, received an update on discussions with Actavis. Also that day, there was a conference call between both companies' respective outside legal advisors and financial advisors regarding Actavis's contemplated financing.

On November 7, 2014, Pershing Square issued a public letter to the Allergan board, noting media reports that Allergan was in discussions with Actavis and asking that Allergan promptly initiate negotiations with Valeant as well as any other potential acquirer, though no improved proposal was made by Valeant. At Mr. Saunders' request, a representative of Actavis advised representatives of Allergan that Mr. Saunders had informally discussed the Pershing Square letter in a conference call with a group of the Actavis directors and that they shared his view that Actavis would not be willing to participate in an auction situation.

On November 9, 2014 and November 10, 2014, Allergan's management and representatives of Goldman Sachs and BofA Merrill Lynch held in-person meetings with Actavis' management and representatives of its financial advisor, J.P. Morgan, at which each company made a management presentation to the other about its

## Table of Contents

business and the parties engaged in reciprocal due diligence. Also on the evening of November 9, 2014, Latham & Watkins delivered a draft merger agreement to Cleary Gottlieb, and there were conversations regarding the merger agreement from time to time thereafter.

On November 11, 2014, the Allergan board met telephonically with Allergan's management and outside legal and financial advisors and discussed the efforts undertaken with respect to Actavis. The Allergan board and its advisors also discussed reaching out to determine the interest of any other parties in an acquisition of Allergan, and the Allergan board concluded that in light of the extensive media coverage which the unsolicited offers by Valeant had garnered over the prior seven months and the unwillingness expressed by Actavis to participate in an auction sale process, such action would not be in the best interest of Allergan and its stockholders. Allergan's outside legal advisors then discussed with the Allergan board the terms of the draft merger agreement with Actavis that would allow any interested party to submit a superior bid.

On November 12, 2014, Cleary Gottlieb delivered a revised draft merger agreement to Latham & Watkins and Wachtell Lipton and the parties subsequently discussed a number of subjects with respect to Actavis' financing plans and open issues in the merger agreement, including structure of the transaction, antitrust risk allocation, termination provisions and termination fee triggers and amounts.

On November 13, 2014 and November 14, 2014, Latham & Watkins and Cleary Gottlieb exchanged revised drafts of the merger agreement reflecting various discussions and the respective parties' positions on open issues.

After the close of the U.S. financial markets on November 14, 2014, Mr. Saunders called Mr. Pyott to present an offer from Actavis, subject to negotiation of a mutually satisfactory acquisition agreement and approval by both companies boards. Mr. Saunders initially proposed a combination of cash and Actavis ordinary shares with an implied value, based on Actavis' share price at that time, of \$215.00 per share, while Mr. Pyott initially sought a transaction with an implied value in excess of \$220.00 per share. Following further conversations, Mr. Saunders increased the Actavis offer that he was prepared to recommend to the Actavis board to a combination of \$129.22 in cash and 0.3683 of an Actavis share for each Allergan share, implying a value, based on Actavis' share price at that time, of \$219.00 per Allergan share. Mr. Pyott continued to seek a further increase, but after a call from Paul Bisaro, Actavis' Executive Chairman, in which Mr. Bisaro advised Mr. Pyott that this was Actavis' final price, Mr. Pyott advised Mr. Saunders that he would be prepared to recommend a transaction to the Allergan board at this price so long as the other terms of the merger, including the amount of Allergan's and Actavis' termination fee, were acceptable.

Following the November 14 call between Mr. Saunders and Mr. Pyott and throughout the weekend into the evening of Sunday, November 16, 2014, Allergan's and Actavis' legal advisors continued to negotiate the open terms of the draft merger agreement, including the amount of the proposed termination fees and termination rights, and exchanged drafts.

The Actavis board met in Ireland on November 15, 2014, to review the terms and conditions of the proposed transaction with Allergan. The meeting was also attended by members of Actavis senior management, and representatives of J.P. Morgan, Cleary Gottlieb and Arthur Cox, Actavis' Irish counsel. Management summarized its view as to the strategic and financial benefits of the proposed transaction and reviewed the background and status of the discussions, plans regarding the financing for the Merger, including the status of the financing and key terms of the proposed Bridge Facility, management's expectation, following discussions with the rating agencies, that Actavis would maintain its investment grade credit rating upon completion of the Merger, the results of the due diligence performed by Actavis and its advisors with respect to Allergan, the potential timeline to closing, and the contemplated communications plan assuming approval of both boards of directors and execution of the Merger Agreement. Representatives of J.P. Morgan made a presentation regarding its financial analysis of the Merger, and rendered to the

Actavis board its oral opinion, subsequently confirmed by delivery of a written opinion, dated November 15, 2014, to the effect that, as of such date, and based upon and subject to the factors, assumptions, limitations and qualifications set forth in its written opinion, the Merger Consideration to be paid by Actavis in the Merger was fair, from a financial point of view, to Actavis, as more

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**Table of Contents**

fully described below in the section entitled *Opinion of Actavis Financial Advisor* beginning on page 87 of this joint proxy statement/prospectus. A representative of Cleary Gottlieb reviewed the proposed terms of the latest draft of the Merger Agreement, which the representative noted were substantially final, subject to approval by both companies boards of directors. The representative of Arthur Cox reviewed the directors' fiduciary duties in connection with considering approval of the Merger as well as certain other Irish legal considerations. Actavis directors asked questions and discussed the various presentations and related matters throughout the meeting and members of Actavis management and representatives of the financial and legal advisors responded to the directors' comments and questions. Following the presentations and the discussions, the Actavis board unanimously approved execution of the Merger Agreement and consummation of the transactions contemplated by the Merger Agreement, including the Merger, directed that the Actavis Share Issuance Proposal be submitted for approval by Actavis shareholders, and unanimously recommended that Actavis shareholders approve such proposal. Shortly thereafter, Mr. Saunders called Mr. Pyott and advised him of the action taken by the Actavis board.

During the evening of November 16, 2014, the Allergan board met to review the terms and conditions of the proposed transaction with Actavis. At the meeting, representatives of Goldman Sachs and BofA Merrill Lynch reviewed their respective presentations regarding the financial aspects of Actavis' offer of a combination of \$129.22 in cash and 0.3683 of an Actavis ordinary share for each Allergan share made on November 14, 2014. Representatives from Latham & Watkins reviewed the proposed terms of the latest draft of the merger agreement, which the representatives from Latham & Watkins noted were substantially final, subject to board approval. The Allergan board then discussed the terms of the Merger Agreement, including the reasonableness of each party's termination fee. The Allergan board then reviewed potential conflicts of interests disclosed by Allergan's financial advisors and the fees received by BofA Merrill Lynch and its affiliates from Actavis and certain of its affiliates in the prior two years for services unrelated to the Merger. Following additional discussion by the Allergan board, representatives of Goldman Sachs and BofA Merrill Lynch each rendered to the Allergan board its oral opinion, which was subsequently confirmed by delivery of a written opinion, dated November 16, 2014, to the effect that, as of November 16, 2014, and based upon and subject to the factors, assumptions, limitations, qualifications and conditions set forth in such opinion, the Merger Consideration to be received by holders of Allergan common stock (other than Actavis and its affiliates) was fair, from a financial point of view, to such holders, as more fully described below in the section entitled *Opinions of Allergan's Financial Advisors* beginning on page 95 of this joint proxy statement/prospectus. These opinions were addressed to, and for the use and benefit of, the board in connection with and for purposes of its evaluation of the Merger and do not constitute a recommendation as to how any holder of Allergan common stock should vote with respect to the Merger. Such opinions are attached to this joint proxy statement/prospectus as Annex C and Annex D, respectively and each is incorporated herein by reference.

The Allergan board, with the advice and assistance of its financial advisors and outside legal counsel and Allergan's management, evaluated and discussed the terms of the Merger Agreement and the transactions contemplated thereby, taking into consideration the Valeant exchange offer, and unanimously determined that the Merger Agreement, the performance by Allergan of its obligations thereunder and the consummation of the transactions contemplated thereby, including the Merger, were advisable and fair to, and in the best interests of Allergan and its stockholders.

The parties executed the Merger Agreement the night of November 16, 2014 and issued a joint press release announcing the transaction before the open of the U.S. financial markets on November 17, 2014.

Following the issuance of the joint press release on November 17, 2014, Valeant issued a press release indicating that it would not continue to pursue the acquisition of Allergan.

On November 18, 2014, Pershing Square filed with the SEC a request to withdraw its proxy statement filed in connection with the Pershing Square/Valeant Special Meeting, and on November 19, 2014, Valeant filed with the SEC

an amendment to its Schedule TO terminating the Valeant exchange offer.

On December 1, 2014, Allergan filed with the SEC both a request to withdraw its proxy statement filed in connection with the Pershing Square/Valeant Special Meeting and a Current Report on Form 8-K disclosing that the Pershing Square/Valeant Special Meeting would not be held.

## **Table of Contents**

On December 1, 2014, each of Actavis and Allergan filed a Pre-Merger Notification and Report Form required pursuant to the HSR Act with the Antitrust Division and the FTC. On December 29, 2014, Actavis voluntarily withdrew and subsequently re-filed these forms. On January 9, 2015, the FTC granted early termination of the waiting period under the HSR Act with respect to the Merger.

### **Recommendation of the Actavis Board of Directors and Actavis Reasons for the Merger**

The Actavis board of directors, at a meeting held on November 15, 2014 (referred to in this joint proxy statement/prospectus as the Actavis board meeting ), unanimously adopted resolutions approving the execution of the Merger Agreement and the consummation of the transactions contemplated by the Merger Agreement, including the Merger, and directed that the Actavis Share Issuance Proposal be submitted for consideration to the Actavis shareholders and unanimously recommended that the Actavis shareholders vote to approve the Actavis Share Issuance Proposal.

The Actavis board of directors considered many factors in making its determination that the terms of the transactions are advisable, consistent with and in furtherance of the strategies and goals of Actavis and are in the best interests of Actavis and the Actavis shareholders. In arriving at its decision at the Actavis board meeting, the Actavis board of directors consulted with Actavis management, legal advisors, financial advisors and other representatives, reviewed a significant amount of information, considered a number of factors in its deliberations and concluded that the Merger is likely to result in significant strategic and financial benefits to Actavis and its shareholders, including (not in any relative order of importance):

#### *Strategic Considerations*

The expectation that the combined company would create long-term shareholder value by creating additional growth opportunities by leveraging the respective strengths of each business, expanding the combined company's development pipeline and product portfolio and unlocking value in new business lines and product offerings;

The expectation that pro forma revenue would be strong in core therapeutic categories, including ophthalmology, central nervous system and medical aesthetics/dermatology/plastic surgery franchises that are each expected to generate pro forma 2015 revenues in excess of approximately \$3 billion and specialty product franchises in gastroenterology, cardiovascular, women's health, urology and infectious disease treatments that are expected to produce combined revenues of approximately \$4 billion;

The expectation that the combination of Actavis and Allergan would create one of the top 10 global pharmaceutical companies by sales revenue, with approximately \$23 billion in combined pro forma revenues expected for 2015;

The view that the combined company would have a U.S. sales force with expanded marketing reach and increased relevance in more than a dozen medical specialties, including primary care physicians, ophthalmologists, optometrists, dermatologists, aesthetic physicians, plastic surgeons, neurologists, psychiatrists, infectious disease specialists, cardiologists, pulmonologists, gastroenterologists, OB-GYNs



and urologists;

The expectation that the combined company will maintain approximately \$1.7 billion in annual investment in R&D focused on strategic development of products within brands, generics, biologics and over-the-counter portfolios;

The expectation that the combined company will have an enhanced global footprint, which is expected to include a commercial presence across approximately 100 markets and approximately \$5 billion in pro forma 2015 international revenues;

The expectation that the combined company would maintain an investment grade credit rating (based on conversations between Actavis management and each of Standard & Poor's Rating Services,

**Table of Contents**

Moody's Investor Service, Inc. and Fitch Ratings, Inc. held prior to the date of the Actavis board meeting) and would have an enhanced credit profile with increased earnings and cash flow and better access to capital markets as a result of enhanced size and business diversification; and

The expectation that the combination would create substantial incremental efficiency and growth opportunities.

*Synergies*

The expectation that the combination would yield double-digit accretion to non-GAAP earnings within the first 12 months following completion of the combination, with annual free cash flow generation of greater than \$8 billion expected in 2016; and

That the combination has the potential to realize approximately \$1.8 billion in annual synergies commencing in 2016, in addition to the \$475 million of annual savings previously announced by Allergan in connection with Allergan's ongoing restructuring (referred to in this joint proxy statement/prospectus as "Project Endurance").

*Other Financial Considerations*

The expectation that the transactions will provide strong operating leverage while preserving healthy levels of recurring revenues;

The expectation that the strong cash flows and balance sheet of the combined company will support continued investments in R&D and growth initiatives while facilitating deleveraging post-close;

The expectation that the combined company would have a strong balance sheet and the ability to generate substantial cash flow to finance future expansion as well as to invest in improving and adding new technology, services and products for customers; and

The Actavis board of directors' belief that the combined company would have increased earnings and free cash flow (expected to be in excess of \$8 billion in 2016) and better access to capital markets as a result of enhanced size and business diversification.

*Funding the Cash Portion of the Merger Consideration*

That the cash portion of the Merger Consideration would be funded by a combination of cash on hand, new credit facilities and equity offerings; and

The expectation that the Debt Financing would be consummated on the terms contemplated by the Commitment Letter.

*Opinion of Financial Advisor*

The opinion of J.P. Morgan, delivered orally on November 15, 2014 at the Actavis board meeting, which was confirmed by delivery of a written opinion, dated November 15, 2014, to the effect that as of the date of the opinion and based upon and subject to the factors, assumptions, limitations and qualifications set forth in such opinion, the Merger Consideration to be paid by Actavis in the Merger was fair, from a financial point of view, to Actavis, as more fully described below in *Opinion of Actavis Financial Advisor* beginning on page 87 of this joint proxy statement/prospectus.

*Due Diligence*

The scope of the due diligence investigation of Allergan conducted by Actavis management and outside advisors, and the results of that investigation.

*Familiarity with Businesses*

The Actavis board of directors and management's knowledge of Actavis and Allergan's businesses, historical financial performance and condition, operations, properties, assets, regulatory issues,

**Table of Contents**

competitive positions, prospects and management, as well as their knowledge of the current and prospective environment in which each of Actavis and Allergan operates, which, with respect to of Allergan, was based on both Actavis management's existing familiarity with Allergan and the due diligence investigation conducted by Actavis' management and outside advisors in connection with the transactions.

*Governance*

That the combined company would be led by Brenton L. Saunders, the current CEO and President of Actavis, that Paul M. Bisaro, the current Executive Chairman of Actavis, would be the Executive Chairman of the combined company and that the integration of the two companies would be led by senior management teams of both companies; and

That the Governance Committee of the Actavis board of directors, after consulting with Allergan, would select two members of the Allergan board of directors as of immediately prior to the Merger to be added to the Actavis board of directors.

*Merger Agreement*

The view that the terms and conditions of the Merger Agreement were, taken as a whole, favorable to completing to the proposed transaction, and acceptable to the Actavis board of directors;

The expectation that the satisfaction of the conditions to completion of the transactions contemplated by the Merger Agreement, including the receipt of necessary antitrust and regulatory clearances, is feasible in the second quarter of 2015;

The fact that the exchange ratio for the stock portion of the Merger Consideration is fixed and will not be increased to compensate Allergan stockholders in the event of a decline in the share price of Actavis ordinary shares prior to the effective time of the Merger, and that the terms of the Merger Agreement do not include termination rights for Allergan triggered in the event of an increase in the value of Allergan relative to the value of Actavis;

The fact that the Merger Agreement contains prohibitions on Allergan seeking a superior proposal and requires Allergan to pay Actavis a termination fee of \$2.1 billion if (i) Allergan terminates the Merger Agreement to enter into a superior proposal or (ii) Actavis or Allergan terminates the Merger Agreement under certain circumstances and Allergan consummates or enters into an agreement with respect to a competing acquisition proposal within a certain time period (see *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus); and

The fact that the Merger Agreement requires Allergan to reimburse Actavis for up to \$680 million in fees and expenses incurred by Actavis in connection with the transactions if Actavis or Allergan terminates the

Merger Agreement because it is not adopted by the Allergan stockholders (which reimbursement would be credited against the termination fee in the event that it subsequently becomes payable by Allergan) (see *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus).

*Recommendation by Actavis Management*

Actavis management's recommendation in favor of the Merger.

The Actavis board of directors also considered a variety of uncertainties and risks and other potentially negative factors concerning the Merger Agreement and the Merger, including (not in any relative order of importance):

The challenges and potential difficulties relating to integrating the operations of Actavis and Allergan;

**Table of Contents**

The risk of diverting Actavis management's focus and resources from other strategic opportunities and from operational matters while working to implement the transactions with Allergan, and other potential disruption associated with combining and integrating the companies, and the potential effects of such diversion and disruption on the businesses and customer and other business relationships of Actavis and Allergan;

The possibility that the combined company could have lower revenue and growth rates than each of the companies experienced historically;

The risk that the failure to complete the Merger could cause Actavis to incur significant fees and expenses and could lead to negative perceptions among investors, potential investors, customers and other business partners;

The effects of general competitive, economic, political and market conditions and fluctuations on Actavis, Allergan or the combined company;

The risk that the potential benefits, savings and synergies of the Merger may not be fully or partially achieved, or may not be achieved within the expected timeframe;

The risk that the transactions might not be completed in a timely manner or at all and the attendant adverse consequences for Actavis' and Allergan's businesses as a result of the pendency of the transactions and operational disruption;

The risk of adverse outcomes of pending or threatened litigation or investigations with respect to Allergan, and the possibility that an adverse judgment for monetary damages could have a material adverse effect on the business or operations of Allergan, or of the combined company after the Merger;

The restrictions on the conduct of Actavis' business prior to the completion of the Merger, including the restrictions on acquiring or agreeing to acquire any entity or assets that would reasonably be expected to prevent or materially delay or impede the consummation of the transactions contemplated by the Merger Agreement (see *The Merger Agreement Covenants and Agreements Conduct of Business Pending the Closing Date* beginning on page 141 of this joint proxy statement/prospectus);

The fact that Actavis is expected to incur indebtedness of up to approximately \$36.4 billion in connection with the Merger, which debt may adversely impact Actavis' operations following the Merger, including by making it more difficult for Actavis to satisfy its obligations, limiting Actavis' ability to borrow additional funds, increasing Actavis' cost of borrowing, and placing Actavis at a competitive disadvantage as compared to its competitors, to the extent that they are not as highly leveraged;

The risk that Actavis' credit ratings may be downgraded or put on watch for a downgrade in connection with the Merger, which would impair Actavis' ability to sell additional debt securities or borrow funds upon the more favorable terms and conditions that were available at the time of the signing of the Merger Agreement or to finance or refinance the aggregate cash portion of the Merger Consideration with the issuance of debt securities or alternatives to the bridge loan facilities on terms more favorable than under the bridge loan facilities, or to refinance the bridge loan facilities if drawn;

The fact that Actavis' obligation to complete the Merger is not subject to a financing condition and the risk that Actavis may not have the funds necessary to complete the Merger in the event the Debt Financing is not available at the closing;

The fact that the exchange ratio for the stock portion of the Merger Consideration is fixed and will not be reduced in the event of an increase in the share price of Actavis ordinary shares prior to the effective time of the Merger, and that the terms of the Merger Agreement do not include termination rights for Actavis triggered in the event of a decrease in the value of Allergan relative to the value of Actavis;

**Table of Contents**

The potential dilution to Actavis shareholders from the issuance of ordinary shares to pay the aggregate stock portion of the Merger Consideration and the issuance of ordinary shares and/or mandatorily convertible equity interests to finance a portion of the aggregate cash portion of the Merger Consideration;

The uncertainty, as of the date of the Actavis board meeting, as to whether Valeant and/or Pershing Square Capital Management L.P. (referred to in this joint proxy statement/prospectus as Pershing Square ) would continue to pursue an acquisition of Allergan and/or seek to remove a majority of the Allergan board of directors and the potential disruption to the Merger and Allergan's business associated therewith;

The risk that Allergan stockholders might fail to approve the adoption of the Merger Agreement or Actavis shareholders might fail to approve the issuance of Actavis ordinary shares;

The requirement that Actavis take any and all actions necessary to obtain certain specified antitrust approvals and clearances required to complete the Merger and the fact that, under certain circumstances, if such approvals and clearances are not obtained and the Merger Agreement were terminated, Actavis would be required to pay Allergan a termination fee of \$2.1 billion (see *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus);

The fact that Actavis board of directors does not have a right under the Merger Agreement to change its recommendation as a result of the receipt of a third-party proposal to acquire Actavis or a right under the Merger Agreement to terminate the Merger Agreement to accept such a proposal and the requirement that Actavis hold a shareholder vote on the Actavis Share Issuance Proposal even if the Actavis board of directors may have withdrawn its recommendation (see *The Merger Agreement Covenants and Agreements Change of Recommendation* beginning on page 151 of this joint proxy statement/prospectus);

That fact that the Actavis board of directors may only change its recommendation in response to material events affecting Actavis that were not known to, or reasonably foreseeable by, the Actavis board of directors as of the date of the Merger Agreement (other than a third-party proposal to acquire Actavis), and that a change in recommendation by the Actavis board of directors does not permit Actavis to terminate the Merger Agreement (see *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus);

The requirement that Actavis pay Allergan a termination fee of \$2.1 billion if the Actavis board of directors changes its recommendation or \$1.3 billion if the Actavis shareholders fail to approve the issuance of ordinary shares in the Merger (see *The Merger Agreement Termination of the Merger Agreement; Termination Fees; Expense Reimbursement* beginning on page 155 of this joint proxy statement/prospectus);

The risks associated with the occurrence of events which may materially and adversely affect the operations or financial condition of Allergan and its subsidiaries, but which may not entitle Actavis to terminate the Merger Agreement; and



Various other risks associated with the Merger and the transactions contemplated by the Merger Agreement and the businesses of Actavis, Allergan and the combined company, some of which are described under *Risk Factors* beginning on page 34 of this joint proxy statement/prospectus.

The Actavis board of directors concluded that the potentially negative factors associated with the Merger were outweighed by the potential benefits that it expected Actavis and its shareholders to achieve as a result of the Merger. Accordingly, the Actavis board of directors unanimously approved the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement.

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## **Table of Contents**

The foregoing discussion of the information and factors considered by the Actavis board of directors is not intended to be exhaustive, but includes the material factors considered by the Actavis board of directors. In view of the variety of factors considered in connection with its evaluation of the combination, the Actavis board of directors did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given different weights to different factors. The Actavis board of directors did not undertake to make any specific determination as to whether any factor, or any particular aspect of any factor, supported or did not support its ultimate determination. The Actavis board of directors based its recommendation on the totality of the information presented and the factors it considered. The explanation of the Actavis board of directors' reasons for the proposed transactions and all other information presented in this section is forward-looking in nature and therefore should be read in light of the factors discussed under *Cautionary Statement Regarding Forward-Looking Statements* beginning on page 47 of this joint proxy statement/prospectus.

For the reasons set forth above and such other factors considered by the Actavis board of directors, the Actavis board of directors determined that the Merger and the transactions contemplated by the Merger Agreement are consistent with, and will further, the business strategies and goals of Actavis, and are in the best interests of Actavis and the Actavis shareholders and has approved the Merger and the transactions contemplated thereby and unanimously recommends that Actavis shareholders vote **FOR** the Actavis Share Issuance Proposal and **FOR** the Actavis Adjournment Proposal.

### **Recommendation of the Allergan Board of Directors and Allergan's Reasons for the Merger**

At its meeting on November 16, 2014 held to evaluate the proposed merger (referred to in this joint proxy statement/prospectus as the Allergan board meeting ), the Allergan board of directors unanimously approved the Merger Agreement and determined that the terms of the Merger are fair to and in the best interests of Allergan's stockholders. **The Allergan board of directors unanimously recommends that the stockholders of Allergan vote to approve the Merger Proposal, the Allergan Adjournment Proposal and the Merger-Related Named Executive Officer Compensation Proposal at the Allergan special meeting.**

The Allergan board of directors considered many factors in making its determination that the terms of the Merger are fair to and in the best interests of Allergan's stockholders and unanimously recommending adoption of the Merger Agreement by the Allergan stockholders. In arriving at its determination, Allergan's board of directors consulted with Allergan's management, legal advisors, financial advisors and other representatives, reviewed a significant amount of information and considered a number of factors in its deliberations.

### ***Strategic and Financial Benefits of the Merger***

Allergan's board of directors concluded that the Merger will provide Allergan with a number of significant strategic and financial benefits. In arriving at this determination, the Allergan board of directors considered a number of factors, including (not in any relative order of importance):

that the Merger Consideration, payable in a mix of cash and highly liquid stock, had an implied value per Allergan share of \$219.00, based on the closing price of Actavis ordinary shares as of November 14, 2014, the last trading day prior to the public announcement of the signing of the Merger Agreement, which represented a premium of approximately 54.2% to Allergan's stock price at the closing of trading on April 21, 2014, the day prior to the public announcement of the initial unsolicited proposal by Valeant, a

premium of approximately 76.1% to Allergan's stock price at the closing of trading on March 24, 2014, four weeks prior to Valeant's public announcement, and a premium of approximately 10.2% to Allergan's stock price at the closing of trading on November 14, 2014. Additionally, Allergan's board of directors observed that the implied value per Allergan share of \$219.00 represented a 19.4% premium to the value of the offer price Allergan stockholders would receive in the Valeant exchange offer commenced on June 18, 2014 by Valeant for the shares of

**Table of Contents**

Allergan common stock, as amended, based on the closing price of Valeant common shares as of November 14, 2014, the last full trading day prior to the public announcement of the signing of the Merger Agreement;

that the mixed cash and equity nature of the Merger Consideration offers Allergan stockholders the opportunity to participate in the future earnings and growth of the combined company, while also providing the stockholders with a substantial cash payout of \$129.22 per share, without interest;

the Allergan board of directors' belief that the Merger would create one of the top 10 global pharmaceutical companies by sales revenue, with combined annual pro forma revenues of more than \$23 billion anticipated in 2015;

the Allergan board of directors' belief that the Merger would generate approximately \$1.8 billion in expected annual synergies commencing in 2016, in addition to the \$475 million of annual savings previously announced by Allergan in connection with Project Endurance, while maintaining annual research and development investment of approximately \$1.7 billion, ensuring the appropriate resource allocation to continue driving exceptional organic growth;

the Allergan board of directors' belief that the combination would significantly expand Allergan's branded pharmaceutical portfolio with blockbuster franchises in key therapeutic areas, including central nervous system, gastroenterology and women's health. In particular, the Allergan board of directors noted that:

- i as a result of its expanded product offerings, the combined company is expected to benefit from additional revenue growth opportunities;
- i the combined company would have a product pipeline with greater depth and breadth and many promising drug candidates;
- i with greater resources, the combined company is expected to have greater financial flexibility to invest in these development opportunities, as well as external opportunities; and
- i the combined company would have a U.S. sales force with expanded marketing reach and increased relevance in more than a dozen medical specialties, including primary care physicians, ophthalmologists, optometrists, dermatologists, aesthetic physicians, plastic surgeons, neurologists, psychiatrists, infectious disease specialists, cardiologists, pulmonologists, gastroenterologists, OB-GYNs and urologists;

the Allergan board of directors' belief that the combined company would generate strong free cash flow (expected to be in excess of \$8 billion in 2016) and better access to capital markets as a result of enhanced

size and therapeutics line diversification;

information and discussions with Allergan's management regarding Actavis' business and results of operations, and its financial and market position, and Allergan's management's expectations concerning Actavis' future prospects, and historical and current share trading prices and volumes of Actavis shares;

information and discussions regarding the benefits of size and scale, and expected credit profile and effective tax rate, of the combined company and the expected pro forma effect of the proposed transaction; and

the current and expected future landscape of the pharmaceutical industry, and, in light of the regulatory, financial and competitive challenges facing industry participants, the likelihood that the combined company would be better positioned to meet these challenges if the expected strategic and financial benefits of the transaction were fully realized.

**Table of Contents**

In the course of reaching its decision to approve the Merger Agreement, the Allergan board of directors considered the following additional factors as generally supporting its decision:

that the fixed exchange ratio provides certainty to the Allergan stockholders as to their approximate aggregate pro forma percentage ownership of the combined company;

the Allergan board of directors' consideration of potential alternative transactions and its view, in consultation with its legal and financial advisors, that it was not probable that any alternative transaction reasonably available to Allergan within a reasonable timeframe would generate value to the Allergan stockholders in excess of the value from the Merger, and that the Merger Agreement provided sufficient flexibility for the Allergan board of directors to terminate the Merger Agreement under certain circumstances in order to enter into a superior proposal acquisition agreement;

the likelihood that the Merger will be consummated, based on, among other things: (i) the closing conditions to the Merger, including the fact that the obligations of Actavis are not subject to a financing condition (and the views of Allergan's management and its financial advisors as to the likelihood that Actavis will be able to obtain the necessary financing, particularly in view of the committed bridge financing made available to Actavis by the Commitment Parties) and (ii) the commitment made by Actavis to Allergan to use reasonable best efforts to obtain regulatory clearances, including under the HSR Act, including the commitment to divest assets or commit to limitations on the businesses of Allergan or Actavis to the extent provided in the Merger Agreement, as discussed further under *The Merger Agreement* beginning on page 133 of this joint proxy statement/prospectus;

the terms and conditions of the Merger Agreement and the course of negotiations of such agreement, including, among other things:

- i the ability of Allergan, subject to certain conditions, to provide information to and to engage in discussions or negotiations with a third party that makes an unsolicited acquisition proposal, and the Allergan board of directors' ability to terminate the Merger Agreement under certain circumstances in order to enter into a superior proposal transaction agreement;
- i the Allergan board of directors' belief that the termination fee and expense reimbursement payments to be made to Actavis upon termination of the Merger Agreement under specified circumstances are reasonable, customary and not likely to significantly deter another party from making a superior proposal; and
- i the requirement that Actavis hold a shareholder vote on the Merger Agreement, even though the Actavis board of directors may have withdrawn its recommendation;

the recommendation of Allergan's management in support of the transaction;

the opinions of each of Goldman Sachs and BofA Merrill Lynch, each delivered orally on November 16, 2014 at the Allergan board meeting, and each of which was confirmed by delivery of a written opinion, each dated as of November 16, 2014, to the effect that as of November 16, 2014 and based upon and subject to the factors, assumptions, limitations, qualifications and conditions set forth in such opinion, the Merger Consideration to be received by the holders (other than Actavis and its affiliates) of Allergan's common stock in the Merger was fair, from a financial point of view, to such holders, as more fully described below in the section entitled *Opinions of Allergan's Financial Advisors* beginning on page 95 of this joint proxy statement/prospectus;

the expected aggregate percentage ownership interest and voting power of the Allergan stockholders in Actavis following completion of the Merger;

the required regulatory consents and the views of Allergan's advisors that the Merger will be approved by the requisite authorities without the imposition of conditions sufficiently material to preclude the Merger;

the fact that two of Allergan's current directors will become members of the board of directors of the combined company immediately following the effective time of the Merger; and

**Table of Contents**

the scope and results of Allergan's due diligence investigation of Actavis, which included reviews of organizational, operational, financial, commercial, regulatory, legal, employee and other matters related to Actavis' business and potential financial, operational and other impacts of the Merger on Allergan.

The Allergan board of directors weighed these factors against a number of uncertainties, risks and potentially negative factors relevant to the transaction, including the following (not in any relative order of importance):

the fixed exchange ratio will not adjust to compensate for changes in the price of Allergan's common stock or Actavis' ordinary shares prior to the consummation of the transactions, and the terms of the Merger Agreement do not include termination rights triggered by a decrease in the value of Actavis relative to the value of Allergan;

the restrictions on Allergan's operations until completion of the transactions, which could have the effect of preventing Allergan from pursuing other strategic transactions during the pendency of the Merger Agreement as well as taking a number of other actions relating to the conduct of its business without the prior consent of Actavis;

the adverse impact that business uncertainty pending completion of the transactions could have on the ability to attract, retain and motivate key personnel until the consummation of the transactions;

the provisions in the Merger Agreement relating to the potential payment of a termination fee of \$2.1 billion under certain circumstances specified in the Merger Agreement or up to \$680 million of expenses of Actavis in connection with the transaction if the Merger Agreement is terminated as a result of the Allergan stockholders not approving the Merger Proposal;

the challenges inherent in the combination of two business enterprises of the size and scope of Allergan and Actavis, including the possibility that the anticipated cost savings and synergies and other benefits sought to be obtained from the transactions might not be achieved in the time frame contemplated or at all, and the other numerous risks and uncertainties that could adversely affect the combined company's operating results;

the risk that the transactions might not be consummated in a timely manner or at all;

that failure to complete the transactions could cause Allergan to incur significant fees and expenses and could lead to negative perceptions among investors, potential investors and customers;

the risks associated with satisfying certain conditions relating to regulatory clearances and the absence of adverse changes in laws, and the possibility of delay;



the risk of failure of Allergan stockholders to approve the Merger Proposal or Actavis shareholders to approve the share issuance;

the increased leverage of the combined company, which will result in increased interest payments and could negatively affect the combined business's credit ratings, limit access to credit markets or make such access more expensive and reduce operational and strategic flexibility; and

the risks of the type and nature described under the sections entitled *Risk Factors* and *Cautionary Statement Regarding Forward-Looking Statements* beginning on pages 34 and 47, respectively, of this joint proxy statement/prospectus.

The Allergan board of directors concluded that the uncertainties, risks and potentially negative factors relevant to the transactions were outweighed by the potential benefits that it expected Allergan and the Allergan stockholders would achieve as a result of the transactions.

This discussion of the information and factors considered by the Allergan board of directors includes the principal positive and negative factors considered by the Allergan board of directors, but is not intended to be

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**Table of Contents**

exhaustive and may not include all of the factors considered by the Allergan board of directors. In view of the wide variety of factors considered in connection with its evaluation of the transaction, and the complexity of these matters, the Allergan board of directors did not find it useful and did not attempt to quantify or assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the transaction and to make its recommendations to the Allergan stockholders. Rather, the Allergan board of directors viewed its decisions as being based on the totality of the information presented to it and the factors it considered. In addition, individual members of the Allergan board of directors may have given differing weights to different factors. The explanation of the Allergan board of directors' reasons for the proposed transactions and all other information in this section may be forward-looking in nature and therefore should be read in light of the factors discussed under *Cautionary Statement Regarding Forward-Looking Statements* beginning on page 47 of this joint proxy statement/prospectus.

**Opinion of Actavis' Financial Advisor**

Actavis retained J.P. Morgan as its financial advisor in connection with the Merger Proposal, effective as of April 26, 2014, pursuant to an engagement letter dated November 16, 2014.

At the meeting of the Actavis board of directors on November 15, 2014, J.P. Morgan rendered its oral opinion to the Actavis board of directors that, as of such date and based upon and subject to the factors, assumptions, limitations and qualifications set forth in its opinion, the Merger Consideration to be paid by Actavis in the Merger was fair, from a financial point of view, to Actavis. Following the meeting of the Actavis board of directors, J.P. Morgan confirmed its November 15, 2014 oral opinion by delivering its written opinion to the Actavis board of directors, dated November 15, 2014, that, as of such date and based upon and subject to the factors, assumptions, limitations and qualifications set forth in its opinion, the Merger Consideration to be paid by Actavis in the Merger was fair, from a financial point of view, to Actavis. No limitations were imposed by the Actavis board of directors upon J.P. Morgan with respect to the investigations made or procedures followed by it in rendering its opinion.

The full text of the written opinion of J.P. Morgan dated November 15, 2014, which sets forth the assumptions made, matters considered and limits on the review undertaken, is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference. Actavis' shareholders are urged to read the opinion in its entirety. The issuance of J.P. Morgan's fairness opinion was approved by a fairness committee of J. P. Morgan. J.P. Morgan's written opinion is addressed to the Actavis board of directors, is directed only to the Merger Consideration to be paid in the Merger and does not constitute a recommendation to any Actavis shareholder or Allergan stockholder as to how such shareholder or stockholder should vote or act with respect to the Merger or any other matter. The summary of the opinion of J.P. Morgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of such opinion.

In arriving at its opinion, J.P. Morgan, among other things:

reviewed a draft of the Merger Agreement dated November 14, 2014;

reviewed certain publicly available business and financial information concerning Allergan and Actavis and the industries in which they operate;

compared the proposed financial terms of the Merger with the publicly available financial terms of certain transactions involving companies J.P. Morgan deemed relevant and the consideration paid for such companies;

compared the financial and operating performance of Allergan and Actavis with publicly available information concerning certain other companies J.P. Morgan deemed relevant and reviewed the current and historical market prices of Allergan's common stock and Actavis' ordinary shares and certain publicly traded securities of such other companies;

**Table of Contents**

reviewed certain internal financial analyses and forecasts prepared by or at the direction of the managements of Allergan and Actavis relating to their respective businesses, and reviewed the estimated amount and timing of the cost savings and related expenses and synergies expected to result from the Merger provided to J.P. Morgan by the management of Actavis (referred to in this section of this joint proxy statement/prospectus as the *Synergies* ); and

performed such other financial studies and analyses and considered such other information as J.P. Morgan deemed appropriate for the purposes of its opinion.

J.P. Morgan also held discussions with certain members of the management of Allergan and Actavis with respect to certain aspects of the Merger, and the past and current business operations of Allergan and Actavis, the financial condition and future prospects and operations of Allergan and Actavis, the effects of the Merger on the financial condition and future prospects of Allergan and Actavis, and certain other matters J.P. Morgan believed necessary or appropriate to its inquiry.

In giving its opinion, J.P. Morgan relied upon and assumed the accuracy and completeness of all information that was publicly available or was furnished to or discussed with J.P. Morgan by Allergan and Actavis or otherwise reviewed by or for J.P. Morgan, and J.P. Morgan did not independently verify, nor did J.P. Morgan assume responsibility or liability for independently verifying, any such information or its accuracy or completeness. J.P. Morgan did not conduct and was not provided with any valuation or appraisal of any assets or liabilities, nor did J.P. Morgan evaluate the solvency of Allergan or Actavis under any state or federal laws relating to bankruptcy, insolvency or similar matters. In relying on financial analyses and forecasts provided to it or derived therefrom, including the *Synergies* referred to above, J.P. Morgan assumed that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by management as to the expected future results of operations and financial condition of Allergan and Actavis to which such analyses or forecasts relate. J.P. Morgan expressed no view as to such analyses or forecasts (including the *Synergies*) or the assumptions on which they were based. J.P. Morgan also assumed that the Merger and other transactions contemplated by the Merger Agreement will have the tax consequences described in discussions with, and materials furnished to J.P. Morgan by, representatives of Actavis, and will be consummated as described in the Merger Agreement, and that the definitive Merger Agreement would not differ in any material respects from the draft furnished to J.P. Morgan. J.P. Morgan also assumed that the representations and warranties made by Allergan and Actavis in the Merger Agreement and the related agreements were and will be true and correct in all respects material to J.P. Morgan's analysis. J.P. Morgan is not a legal, regulatory or tax expert and has relied on the assessments made by Actavis and its advisors with respect to such issues. J.P. Morgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the Merger will be obtained without any adverse effect on Allergan or Actavis or on the contemplated benefits of the Merger.

The projections Actavis furnished to J.P. Morgan for Actavis for the calendar years 2015 through 2019 were prepared by the management of Actavis (referred to in this section of this joint proxy statement/prospectus as the *Actavis Projections* ) (for more information regarding the *Actavis Projections*, please refer to the section entitled *Actavis Unaudited Prospective Financial Information* beginning on page 116 in this joint proxy statement/prospectus). The projections used by J.P. Morgan in its fairness analysis for Allergan for the calendar years 2015 through 2019 were furnished to J.P. Morgan by the management of Actavis and were consistent, in all respects material to J.P. Morgan's analysis, with the projections for Allergan shown in the section entitled *Allergan Unaudited Prospective Financial Information* beginning on page 119 in this joint proxy statement/prospectus (referred to in this section of this joint proxy statement/prospectus as the *Allergan Projections* ). Neither Actavis nor Allergan publicly discloses internal management projections of the type provided to J.P. Morgan in connection with J.P. Morgan's analysis of the Merger, and such projections were not prepared with a view toward public disclosure. These projections were based on

numerous variables and assumptions that are inherently uncertain and may be beyond the control of management, including, without limitation, factors related to general economic and competitive conditions and prevailing interest rates. Accordingly, actual results could vary significantly from those set forth in such projections. For more information regarding the use of projections,

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**Table of Contents**

please refer to the sections entitled *Allergan Unaudited Prospective Financial Information* and *Actavis Unaudited Prospective Financial Information* beginning on pages 119 and 116, respectively, of this joint proxy statement/prospectus.

J.P. Morgan's opinion was necessarily based on economic, market and other conditions as in effect on, and the information made available to J.P. Morgan as of, the date of such opinion. Subsequent developments may affect J.P. Morgan's opinion, and J.P. Morgan does not have any obligation to update, revise, or reaffirm such opinion. J.P. Morgan's opinion is limited to the fairness, from a financial point of view, of the Merger Consideration to be paid by Actavis in the Merger, and J.P. Morgan has expressed no opinion as to the fairness of the Merger Consideration to the holders of any class of securities, creditors or other constituencies of Actavis or as to the underlying decision by Actavis to engage in the Merger. Furthermore, J.P. Morgan expressed no opinion with respect to the amount or nature of any compensation to any officers, directors, or employees of any party to the Merger, or any class of such persons, relative to the Merger Consideration to be paid by Actavis in the Merger or with respect to the fairness of any such compensation. J.P. Morgan expressed no opinion as to the price at which Allergan's common stock or Actavis' ordinary shares will trade at any future time, whether before or after the closing of the Merger.

In accordance with customary investment banking practice, J.P. Morgan employed generally accepted valuation methods in reaching its opinion. The following is a summary of the material financial analyses utilized by J.P. Morgan in connection with providing its opinion. Some of the summaries of the financial analyses include information presented in tabular format. The tables are not intended to stand alone, and in order to more fully understand the financial analyses used by J.P. Morgan, the tables must be read together with the full text of each summary. Considering the data set forth below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of J.P. Morgan's analyses.

***Historical Trading Range***

J.P. Morgan presented to the Actavis board of directors the trading range of Actavis' ordinary shares for the 26-week period ending November 14, 2014, which was \$202.72 per share to \$250.38 per share, and compared that to the closing price of Actavis' ordinary shares of \$243.77 on November 14, 2014. J.P. Morgan also reviewed with the Actavis board of directors the trading range of Allergan's common stock for the 26-week period ending November 14, 2014, which was \$151.92 per share to \$198.65 per share, and compared that to the closing price of Allergan common stock of \$198.65 on November 14, 2014 and the implied per share equity value of the Merger Consideration of \$219.00, calculated as of November 14, 2014. The implied per share equity value of the Merger Consideration of \$219.00 as used throughout this summary was calculated based on the exchange ratio of 0.3683 multiplied by the closing stock price of Actavis on November 14, 2014 of \$243.77, resulting in stock consideration valued at \$89.78, plus the fixed cash consideration of \$129.22. J.P. Morgan noted that the historical trading range analysis is not a valuation methodology and that such analysis was presented merely for reference purposes only and not as a component of its fairness analysis.

***Analyst Price Targets***

J.P. Morgan presented to the Actavis board of directors the price targets of public equity research analysts for Actavis, which provided a reference range of \$227.00 per share to \$310.00 per share with a median of \$277.50 per share, and compared that to the closing price of Actavis' ordinary shares of \$243.77 on November 14, 2014. J.P. Morgan also reviewed with the Actavis board of directors the price targets of public equity research analysts for Allergan, which provided a reference range of \$184.00 per share to \$232.00 per share with a median of \$212.00 per share, and compared that to the closing price of Allergan's common stock of \$198.65 on November 14, 2014 and the implied per

share equity value of the Merger Consideration of \$219.00 per share, calculated as of November 14, 2014. J.P. Morgan noted that the analyst price targets analysis is not a valuation methodology and that such analysis was presented merely for reference purposes only and not as a component of its fairness analysis.

**Table of Contents**

***Public Trading Multiples Analysis***

Using publicly available information, J.P. Morgan compared selected financial data of Actavis with similar data for publicly traded companies engaged in businesses that J.P. Morgan judged to be sufficiently analogous to Actavis business or aspects thereof. The companies were as follows:

Branded Specialty Pharmaceutical Companies:

Endo International plc

Jazz Pharmaceuticals plc

Shire plc

Valeant Pharmaceuticals International, Inc.

Generic Specialty Pharmaceutical Companies:

Mallinckrodt plc

Mylan Inc.

Teva Pharmaceutical Industries Ltd.

Using publicly available information, J.P. Morgan compared selected financial data of Allergan with similar data for publicly traded companies engaged in businesses that J.P. Morgan judged to be sufficiently analogous to Allergan's business or aspects thereof. The companies were as follows:

Branded Specialty Pharmaceutical Companies:

Endo International plc

Jazz Pharmaceuticals plc

Shire plc



Valeant Pharmaceuticals International, Inc.

None of the selected companies reviewed is identical to Actavis or Allergan, as applicable, and certain of these companies may have characteristics that are materially different from those of Actavis and Allergan, as applicable. These companies were selected, among other reasons, because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis, may be considered similar to those of Actavis or Allergan, as applicable, based on sector participation, financial metrics and form of operations. The analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies differently than would affect Actavis or Allergan, as applicable.

For each company listed above, J.P. Morgan calculated and compared various financial multiples and ratios based on publicly available financial data as of November 14, 2014. Among other calculations, J.P. Morgan calculated for each of the companies the ratio of enterprise value (referred to in this section of this joint proxy statement/prospectus as EV ) to estimated earnings before interest, taxes, depreciation and amortization (referred to in this section of this joint proxy statement/prospectus as EBITDA ) for the calendar year 2015 (referred to in this section of this joint proxy statement/prospectus as the 2015E EV/EBITDA multiple ).

The low and high 2015E EV/EBITDA multiples of the analyzed Branded Specialty Pharmaceutical Companies for the calendar year 2015 ranged from 11.2x to 14.7x. The low and high 2015E EV/EBITDA multiples of the analyzed Generic Specialty Pharmaceutical Companies for the calendar year 2015 ranged from 9.5x to 11.9x.

**Table of Contents**

Based on the results of this analysis, J.P. Morgan selected a 2015E EV/EBITDA multiple reference range of 11.5x to 14.0x for Actavis. The multiple reference range was applied to Actavis Adjusted EBITDA estimate for the calendar year 2015 provided by the management of Actavis to J.P. Morgan (see *Actavis Unaudited Prospective Financial Information* beginning on page 116 of this joint proxy statement/prospectus for more information) to arrive at a range of implied equity values per share for Actavis as follows:

**Public Trading Analysis  
Implied Equity  
Value per Share for  
Actavis**

<b>11.5x to 14.0x Estimated 2015 Adjusted EBITDA</b>	<b>\$208.29 - \$264.94</b>
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The range of implied equity values for Actavis was compared to the closing price of Actavis ordinary shares of \$243.77 on November 14, 2014.

Based on the results of this analysis, J.P. Morgan selected a 2015E EV/EBITDA multiple reference range of 13.0x to 15.0x for Allergan. The multiple reference range was applied to Allergan's EBITDA estimate for the calendar year 2015 provided by the management of Actavis to J.P. Morgan (see *Allergan Unaudited Prospective Financial Information* beginning on page 119 of this joint proxy statement/prospectus for more information) to arrive at a range of implied equity values per share for Allergan as follows:

**Public Trading Analysis  
Implied Equity Value  
per Share for Allergan**

<b>13.0x to 15.0x Estimated 2015 EBITDA</b>	<b>\$170.10 - \$194.25</b>
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The range of implied equity values for Allergan was compared to the closing price of Allergan's common stock of \$198.65 on November 14, 2014 and the implied per share equity value of the Merger Consideration of \$219.00 per share, calculated as of November 14, 2014.

**Selected Transaction Multiples Analysis**

Using publicly available information, J.P. Morgan examined selected transactions involving businesses that J.P. Morgan judged to be sufficiently analogous to Allergan's business or aspects thereof. For each of the selected transactions, J.P. Morgan calculated the ratio of the target's EV to the target's EBITDA for a forward-looking 12-month period as of the date of transaction announcement (which ratio is referred to in this section of this joint proxy statement/prospectus as the CY1 EV/EBITDA multiple). The forward-looking 12-month period that was used in each case was the same calendar year for transactions announced prior to June 30 of a given year and the next calendar year for transactions announced following June 30 of a given year. The transactions considered are as follows:

<b>Transaction</b>	<b>Announcement Date</b>
AbbVie Inc.'s proposed acquisition of Shire plc	July 18, 2014
Valeant Pharmaceuticals International Inc.'s proposed acquisition of Allergan, Inc.	May 30, 2014

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Actavis plc's acquisition of Forest Laboratories, Inc.	February 18, 2014
Sanofi-Aventis SA's acquisition of Genzyme Corporation (excluding CVR)	February 16, 2011
Sanofi-Aventis SA's acquisition of Genzyme Corporation (including CVR)	February 16, 2011
Merck & Co.'s acquisition of Schering-Plough Corporation	March 09, 2009
Pfizer Inc.'s acquisition of Wyeth	January 26, 2009

**Table of Contents**

The low and high CY1 EV/EBITDA multiple of the selected transactions ranged from 8.3x to 22.0x. Based on the results of this analysis, J.P. Morgan applied a 2015E EV/EBITDA multiple range of 15.0x to 20.0x to Allergan's EBITDA estimate for the calendar year 2015 provided by the management of Actavis to J.P. Morgan (see *Allergan Unaudited Prospective Financial Information* beginning on page 119 of this joint proxy statement/prospectus for more information) to arrive at a range of implied equity values per share as follows:

**Transaction Multiples Analysis  
Implied Equity Value per  
Share for Allergan**

15.0x to 20.0x Estimated 2015 EBITDA	\$194.25 - \$254.62
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The range of implied equity values for Allergan was compared to the closing price of Allergan's common stock of \$198.65 on November 14, 2014 and the implied per share equity value of the Merger Consideration of \$219.00 per share, calculated as of November 14, 2014.

**Discounted Cash Flow Analysis**

J.P. Morgan conducted a discounted cash flow analysis for the purpose of determining the fully diluted equity value per share for both Actavis and Allergan on a stand-alone basis. A discounted cash flow analysis is a method of evaluating an asset using estimates of the future unlevered free cash flows generated by the asset, and taking into consideration the time value of money with respect to those cash flows by calculating their present value. The unlevered free cash flows refers to a calculation of the future cash flows generated by an asset without including in such calculation any debt servicing costs. Specifically, unlevered free cash flow represents unlevered net operating profit after tax, adjusted for depreciation, capital expenditures, changes in net working capital, and certain other one-time cash expenses as applicable. Present value refers to the current value of the cash flows generated by the asset, and is obtained by discounting those cash flows back to the present using an appropriate discount rate and applying a discounting convention that assumes that all cash flows were generated at the midpoint of each period.

Terminal value refers to the present value of all future cash flows generated by the asset for periods beyond the projections period.

J.P. Morgan utilized the unlevered free cash flows for Actavis for calendar years 2015 through 2019 as reflected in the Actavis Projections. The unlevered free cash flows utilized by J.P. Morgan for Actavis for calendar years 2020 through 2024 were extrapolations prepared by Actavis management based on the Actavis Projections and furnished to J.P. Morgan for purposes of its analysis. J.P. Morgan utilized unlevered free cash flows for Allergan for calendar years 2015 through 2019 that were furnished to J.P. Morgan by the management of Actavis and were consistent, in all respects material to J.P. Morgan's analysis, with the unlevered free cash flow projections for Allergan reflected in the Allergan Projections. The unlevered free cash flows utilized by J.P. Morgan for Allergan for the calendar years 2020 through 2024 were extrapolations prepared by Actavis management based on the Allergan Projections and furnished to J.P. Morgan for purposes of its analysis. J.P. Morgan calculated a range of terminal values for Actavis and Allergan during the final year of the 10-year period ending 2024 by applying a perpetual growth rate ranging from 1.5% to 2.5% to the unlevered free cash flows of the respective company during the terminal period of the respective projections. The unlevered free cash flows and the range of terminal values were discounted to present values using a range of discount rates from 8.0% to 9.0% for Actavis, which was chosen by J.P. Morgan based upon an analysis of the weighted average cost of capital of Actavis, and a range of discount rates from 8.5% to 9.5% for Allergan, which was chosen by J.P. Morgan based upon an analysis of the weighted average cost of capital of Allergan. J.P. Morgan's analyses of the weighted average cost of capital of Actavis and Allergan were based upon the capital assets pricing model to derive a discount rate that takes into account macroeconomic assumptions and estimates of risk, the

opportunity cost of capital and other appropriate factors. The implied equity values were divided by the number of fully diluted shares outstanding at each company to arrive at a range of implied equity values as follows:

	<b>Discounted Cash Flow Analysis Implied Equity Value per Share</b>
Actavis	\$276.98 - \$371.38
Allergan	\$209.64 - \$263.94

**Table of Contents**

The range of implied equity values for Actavis was compared to the closing price of Actavis ordinary shares of \$243.77 on November 14, 2014. The range of implied equity values for Allergan was compared to the closing price of Allergan's common stock of \$198.65 on November 14, 2014 and the implied per share equity value of the Merger Consideration of \$219.00, calculated as of November 14, 2014.

***Discounted Cash Flow Analysis With Synergies***

J.P. Morgan also used discounted cash flow analysis for Allergan to determine a range of equity values for Allergan that included the present value of 50% of the Synergies. In performing these analyses, J.P. Morgan used the same methodology and assumptions as described under Discounted Cash Flow Analysis above with respect to Allergan.

Based on the foregoing calculations, J.P. Morgan derived a range of implied equity values for Allergan as follows:

	<b>Discounted Cash Flow Analysis Implied Equity Value per Share With 50% of Synergies</b>
Allergan	\$241.30 - \$300.31

This range of implied equity value per share was compared to the closing price of Allergan's common stock of \$198.65 on November 14, 2014 and the implied per share equity value of the Merger Consideration of \$219.00, calculated as of November 14, 2014.

***Relative Implied Exchange Ratio Analysis***

J.P. Morgan compared the results for Actavis to the results for Allergan with respect to the Public Trading Multiples, Discounted Cash Flow and Discounted Cash Flow With Synergies analyses referenced above. For each comparison, J.P. Morgan compared the highest equity value per share for Allergan, after adjusting for \$129.22 per share of cash consideration, to the lowest equity value per share for Actavis to derive the highest exchange ratio implied by each pair of results. J.P. Morgan also compared the lowest equity value per share for Allergan, after adjusting for \$129.22 per share of cash consideration, to the highest equity value per share for Actavis to derive the lowest exchange ratio implied by each pair of results. The implied exchange ratios resulting from this analysis were:

	<b>Implied Exchange Ratio</b>	
	Low	High
Public Trading Multiples	0.1543x	0.3122x
Discounted Cash Flow	0.2165x	0.4864x
Discounted Cash Flow With Synergies	0.3018x	0.6177x

The implied exchange ratios were compared to the proposed exchange ratio in the Merger of 0.3683x and the exchange ratio of 0.2848x implied by the closing price of Actavis ordinary shares of \$243.77 on November 14, 2014 and the closing price of Allergan's common stock of \$198.65 on November 14, 2014.

***Value Creation Analysis***

J.P. Morgan conducted an analysis of the theoretical value creation to the existing holders of Actavis ordinary shares that compared the estimated implied equity value per share of Actavis on a standalone basis based on the midpoint value determined in J.P. Morgan's Discounted Cash Flow Analysis described above to the

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**Table of Contents**

estimated implied equity value per share of Actavis shareholders' ownership in the combined company pro forma for the Merger. J.P. Morgan calculated the pro forma implied equity value of Actavis ordinary shares by (1) adding the sum of (a) the implied equity value of Actavis on a stand-alone basis using the midpoint value determined in J.P. Morgan's Discounted Cash Flow Analysis described above, (b) the implied equity value of Allergan on a stand-alone basis without Synergies using the midpoint value determined in J.P. Morgan's Discounted Cash Flow Analysis described above, (c) the estimated present value of 100% of the Synergies and (d) the estimated amount of capital from the issuance of Actavis equity to the market in connection with the Merger, (2) subtracting the sum of (a) the amount of cash consideration to be paid by Actavis to Allergan stockholders in the Merger and (b) the estimated transaction fees and expenses relating to the Merger, and (3) multiplying such result by the pro forma equity ownership of the combined company by the existing holders of Actavis ordinary shares. This value creation analysis indicated that the Merger would create value for the holders of Actavis ordinary shares as compared to the standalone equity value of Actavis. There can be no assurance, however, that the Synergies, amount of capital raise and the dilution that would result therefrom, transaction-related expenses and other impacts referred to above will not be substantially greater or less than those estimated by Actavis' management and described above.

***Miscellaneous***

The foregoing summary of certain financial analyses does not purport to be a complete description of the analyses or data presented by J.P. Morgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. J.P. Morgan believes that the foregoing summary and its analyses must be considered as a whole and that selecting portions of the foregoing summary and these analyses, without considering all of its analyses as a whole, could create an incomplete view of the processes underlying the analyses and its opinion. In arriving at its opinion, J.P. Morgan did not attribute any particular weight to any analyses or factors considered by it and did not form an opinion as to whether any individual analysis or factor (positive or negative), considered in isolation, supported or failed to support its opinion. Rather, J.P. Morgan considered the totality of the factors and analyses performed in determining its opinion. Analyses based upon forecasts of future results are inherently uncertain, as they are subject to numerous factors or events beyond the control of the parties and their advisors. Accordingly, forecasts and analyses used or made by J.P. Morgan are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by those analyses. Moreover, J.P. Morgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold. None of the selected companies reviewed as described in the above summary is identical to Actavis or Allergan, and none of the selected transactions reviewed was identical to the Merger. However, the companies selected were chosen because they are publicly traded companies with operations and businesses that, for purposes of J.P. Morgan's analysis, may be considered similar to those of Actavis and Allergan. The transactions selected were similarly chosen because their participants, size and other factors, for purposes of J.P. Morgan's analysis, may be considered similar to the Merger. These analyses necessarily involve complex considerations and judgments concerning differences in financial and operational characteristics of the companies involved and other factors that could affect the companies differently than would affect Actavis and Allergan and the transactions compared to the Merger.

As a part of its investment banking business, J.P. Morgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, and valuations for estate, corporate and other purposes. J.P. Morgan was selected to advise Actavis with respect to the Merger on the basis of such experience and its familiarity with Actavis.

For services rendered in connection with the Merger (including the delivery of its opinion), Actavis agreed to pay J.P. Morgan \$5 million upon delivery of its opinion. Actavis has agreed to pay J.P. Morgan an additional fee of



\$60 million at the effective time of the Merger. In the event the Merger is not consummated and Actavis

**Table of Contents**

receives any payment in connection with the termination or abandonment of the proposed Merger, or the failure of the proposed Merger to occur, Actavis will pay J.P. Morgan a fee equal to 5% of any such payment (less any of the above fees already paid by Actavis and net of Actavis actual expenses), but in no event will the payment to J.P. Morgan exceed the fee that would have been paid to J.P. Morgan if the transaction had been consummated. In addition, Actavis has agreed to reimburse J.P. Morgan for its reasonable expenses incurred in connection with its services, including the fees and disbursements of counsel, and has agreed to indemnify J.P. Morgan against certain liabilities, including liabilities arising under U.S. federal securities laws.

During the two years preceding delivery of the opinion, J.P. Morgan and its affiliates have had commercial or investment banking relationships with Actavis and Allergan, for which J.P. Morgan and its affiliates received approximately \$67 million and \$4 million in aggregate fees from Actavis and Allergan, respectively. Such services during such period have included acting as financial advisor to Actavis subsidiary Forest Laboratories, Inc. on its sale to Actavis in July 2014, acting as joint lead arranger on Actavis term loan facility in October 2013, acting as joint lead arranger and joint bookrunner on Actavis term loan facility in August 2013 and acting as joint bookrunner on Allergan's high grade offering in March 2013. In addition, J.P. Morgan's commercial banking affiliate is an agent bank and a lender under outstanding credit facilities of Actavis and Allergan, for which it receives customary compensation or other financial benefits. In addition, J.P. Morgan and its affiliates have provided a capital commitment of \$24.2 billion to Actavis in connection with the Merger, and have agreed to arrange and provide permanent financing for Actavis in connection with the Merger, for which J.P. Morgan expects to receive total aggregate fees of approximately 0.85% to 0.90% of J.P. Morgan's capital commitment. In the ordinary course of business, J.P. Morgan and its affiliates may actively trade the debt and/or equity securities of Actavis or Allergan for their own accounts or for the accounts of customers and, accordingly, J.P. Morgan may at any time hold long or short positions in such securities.

**Opinions of Allergan's Financial Advisors*****BofA Merrill Lynch***

Allergan retained BofA Merrill Lynch to act as one of Allergan's financial advisors in connection with Valeant's effort to acquire Allergan first publicly announced on April 21, 2014, Allergan's subsequent consideration of the Valeant exchange offer, and the Merger. BofA Merrill Lynch is an internationally recognized investment banking firm which is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. Allergan selected BofA Merrill Lynch to act as one of Allergan's financial advisors on the basis of BofA Merrill Lynch's qualifications, capabilities, and reputation for providing high-quality financial advisory services and its experience in transactions similar to the Valeant exchange offer to acquire Allergan and the Merger and its reputation in the investment community. In addition, BofA Merrill Lynch has a long-standing relationship and is familiar with Allergan and has substantial knowledge of and experience in the pharmaceutical sector.

On November 16, 2014, at the Allergan board meeting to evaluate the Merger, BofA Merrill Lynch rendered to the board of directors an oral opinion, which was confirmed by delivery of a written opinion dated November 16, 2014, to the effect that, as of that date and based on and subject to various assumptions and limitations described in its written opinion, the Merger Consideration to be received by holders of Allergan common stock in the Merger was fair, from a financial point of view, to such holders.

**The full text of BofA Merrill Lynch's written opinion to the Allergan board of directors, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex C to this joint proxy statement/prospectus and is incorporated by**

**reference herein in its entirety. The following summary of BofA Merrill Lynch's opinion is qualified in its entirety by reference to the full text of the opinion. BofA Merrill Lynch delivered**

**Table of Contents**

**its opinion to the Allergan board of directors for the benefit and use of the Allergan board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the Merger. BofA Merrill Lynch's opinion does not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to Allergan or in which Allergan might engage or as to the underlying business decision of Allergan to proceed with or effect the Merger. BofA Merrill Lynch's opinion did not address any terms or other aspects of the Merger (other than the Merger Consideration to the extent expressly specified in its opinion) and does not constitute an opinion or recommendation to any stockholders as to how to vote or act in connection with the Merger or any related matter.**

In connection with rendering its opinion, BofA Merrill Lynch:

reviewed certain publicly available business and financial information relating to Allergan and Actavis;

reviewed certain internal financial and operating information with respect to the business, operations and prospects of Allergan furnished to or discussed with BofA Merrill Lynch by the management of Allergan, including certain financial forecasts relating to Allergan prepared by the management of Allergan (referred to in this section of this joint proxy statement/prospectus as the Allergan forecasts );

reviewed certain internal financial and operating information with respect to the business, operations and prospects of Actavis furnished to or discussed with BofA Merrill Lynch by the management of Actavis, including certain financial forecasts relating to Actavis prepared by the management of Actavis and approved by the management of Allergan (referred to in this section of this joint proxy statement/prospectus as the Actavis forecasts );

reviewed certain estimates as to the amount and timing of cost savings (referred to in this section of this joint proxy statement/prospectus as the synergies ) anticipated by the management of Actavis to result from the Merger and approved by management of Allergan;

discussed the past and current business, operations, financial condition and prospects of Allergan with members of senior management of Allergan and Actavis, and discussed the past and current business, operations, financial condition and prospects of Actavis with members of senior management of Allergan and Actavis;

reviewed the potential pro forma financial impact of the Merger on the future financial performance of Actavis, including the potential effect on Actavis' estimated non-GAAP EPS;

reviewed the trading histories for the Allergan common stock and the Actavis ordinary shares and a comparison of such trading histories with the trading histories of other companies BofA Merrill Lynch deemed relevant;

compared certain financial and stock market information of Allergan and Actavis with similar information of other companies BofA Merrill Lynch deemed relevant;

compared certain financial terms of the Merger to financial terms, to the extent publicly available, of other transactions BofA Merrill Lynch deemed relevant;

reviewed a draft, dated November 16, 2014, of the Merger Agreement (referred to in this section of this joint proxy statement/prospectus as the November 16 draft merger agreement ); and

performed such other analyses and studies and considered such other information and factors as BofA Merrill Lynch deemed appropriate.

In arriving at its opinion, BofA Merrill Lynch assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to

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**Table of Contents**

or otherwise reviewed by or discussed with it and relied upon the assurances of the managements of Allergan and Actavis that they were not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the Allergan forecasts, BofA Merrill Lynch was advised by Allergan and assumed that they had been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Allergan as to the future financial performance of Allergan. With respect to the Actavis forecasts and the synergies, BofA Merrill Lynch was advised by Actavis, and assumed, with the consent of Allergan, that they had been reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of Actavis as to the future financial performance of Actavis and other matters covered thereby and BofA Merrill Lynch was directed by the management of Allergan to utilize the Actavis forecasts and the synergies for purposes of its analyses and opinion. BofA Merrill Lynch did not make and was not provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of Allergan or Actavis, nor did it make any physical inspection of the properties or assets of Allergan or Actavis. BofA Merrill Lynch did not evaluate the solvency or fair value of Actavis or Allergan under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. BofA Merrill Lynch assumed, at the direction of Allergan, that the Merger would be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Merger, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, would be imposed that would have an adverse effect on Allergan, Actavis or the contemplated benefits of the Merger. BofA Merrill Lynch also assumed, at the direction of Allergan, that the final executed Merger Agreement would not differ in any material respect from the November 16 draft merger agreement reviewed by BofA Merrill Lynch.

BofA Merrill Lynch expressed no view or opinion as to any terms or other aspects of the Merger (other than the Merger Consideration to the extent expressly specified in its opinion), including, without limitation, the form or structure of the Merger. BofA Merrill Lynch was not requested to, and did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of all or any part of Allergan. BofA Merrill Lynch's opinion was limited to the fairness, from a financial point of view, of the Merger Consideration to be received by holders of Allergan common stock, and no opinion or view was expressed with respect to any consideration to be received in connection with the Merger by the holders of any other class of securities, creditors or other constituencies of any party. In addition, no opinion or view was expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any of the officers, directors or employees of any party to the Merger, or class of such persons, relative to the Merger Consideration. Furthermore, no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to Allergan or in which Allergan might engage or as to the underlying business decision of Allergan to proceed with or effect the Merger. BofA Merrill Lynch did not express any opinion as to what the value of Actavis ordinary shares actually will be when issued or the prices at which Allergan common stock or Actavis ordinary shares will trade at any time, including following announcement or consummation of the Merger. In addition, BofA Merrill Lynch expressed no opinion or recommendation as to how any stockholder should vote or act in connection with the Merger or any related matter. Except as described above, Allergan imposed no limitations on the investigations made or procedures followed by BofA Merrill Lynch in rendering its opinion.

BofA Merrill Lynch's opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to BofA Merrill Lynch as of, the date of its opinion. Subsequent developments may affect its opinion, and BofA Merrill Lynch does not have any obligation to update, revise or reaffirm its opinion. The issuance of BofA Merrill Lynch's opinion was approved by BofA Merrill Lynch's Americas Fairness Opinion Review Committee.



## Table of Contents

The following represents a summary of the material financial analyses presented by BofA Merrill Lynch to the Allergan board of directors in connection with the delivery of its opinion. **The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses performed by BofA Merrill Lynch, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses performed by BofA Merrill Lynch. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by BofA Merrill Lynch.**

### *Summary of Material Financial Analyses of Allergan*

### *Selected Publicly Traded Companies Analyses*

BofA Merrill Lynch performed a selected publicly traded companies analysis of Allergan by reviewing publicly available financial and stock market information for Allergan and the following seven publicly traded companies in the pharmaceuticals industry which, based on its professional judgment and experience, BofA Merrill Lynch deemed most relevant to consider in relation to Allergan:

AbbVie Inc.;

Alexion Pharmaceuticals, Inc.;

Biogen Idec Inc.;

Bristol-Myers Squibb Company;

Celgene Corporation;

Novo Nordisk A/S; and

Shire plc.

For purposes of this analysis, BofA Merrill Lynch calculated implied enterprise values for each of the selected companies by multiplying its closing share price as of November 14, 2014, the last trading day prior to the announcement of the Merger, by the number of such company's fully diluted shares (determined on a treasury stock method basis) based on information contained in its most recent public filings, and adjusted the result to reflect the company's net debt (indebtedness less cash, cash equivalents and short-term investments) or net cash (cash, cash equivalents and short-term investments less indebtedness), as applicable, and such company's minority interest, as applicable, in each case, as reflected on its most recent publicly filed balance sheet.



BofA Merrill Lynch also calculated implied enterprise values for Allergan by multiplying each of (i) the closing price for the Allergan common stock on February 24, 2014, the day before an affiliate of Pershing Square started acquiring Allergan common stock (which share price is referred to in this section of this joint proxy statement/prospectus as the Allergan February 24 share price ), (ii) an implied value of \$183.39 for the per share Valeant exchange offer consideration, (iii) an implied value of \$219.00 for the Merger Consideration, calculated by adding an implied value of \$89.78 for the 0.3683 of an Actavis ordinary share based on the closing price for the Actavis ordinary shares of \$243.77 on November 14, 2014, to the per share cash consideration of \$129.22, and (iv) the closing share price of \$198.65 for the Allergan common stock as of November 14, 2014 (referred to in this section of this joint proxy statement/prospectus as the Allergan pre-announcement closing price ), by the number of fully diluted shares of Allergan common stock (determined on a treasury stock method basis) based on information provided by Allergan management, and subtracting from the result Allergan's net cash amount (defined as cash, cash equivalents and short term investments, less indebtedness) and adding its non-controlling interests, each as of September 30, 2014, as reflected on Allergan's most recent publicly filed balance sheet (except that, for the purposes of calculating the implied enterprise value based on the Allergan

**Table of Contents**

February 24 share price, Allergan's net cash amount and non-controlling interests reflect the December 31, 2013 balance sheet as available in public filings and the number of fully diluted shares of Allergan common stock (determined on a treasury stock method basis) reflect information provided by Allergan management).

BofA Merrill Lynch calculated and reviewed the following for each of the selected companies and Allergan:

each selected company's implied enterprise value and each of the implied enterprise values for Allergan referenced above as multiples of the estimated 2014 and 2015 EBITDA for the applicable company based on consensus Wall Street research analyst estimates as of November 14, 2014 (except that, for purposes of deriving multiples with reference to the implied enterprise value for Allergan based on the Allergan February 24 share price, estimates based on consensus Wall Street research analyst estimates as of February 24, 2014 were used);

each selected company's closing share price as of November 14, 2014 and each of the Allergan February 24 share price, the implied value of the per share consideration contemplated by the Valeant exchange offer, the implied value of the Merger Consideration and the Allergan pre-announcement closing price as multiples (referred to in this section of this joint proxy statement/prospectus as "P/E multiples") of estimated 2014 and 2015 earnings per share (referred to in this section of this joint proxy statement/prospectus as "EPS") for the applicable company based on consensus Wall Street research analyst estimates (except that, for purposes of deriving multiples with reference to the Allergan February 24 share price, estimates based on consensus Wall Street research analyst estimates as of February 24, 2014 were used); and

each selected company's 2014 and 2015 P/E multiples, including in the case of Allergan 2014 and 2015 P/E multiples derived using each of the Allergan February 24 share price, the implied value of the per share Valeant exchange offer consideration, the implied value of the Merger Consideration and the Allergan pre-announcement closing price as multiples (referred to in this section of this joint proxy statement/prospectus as "PEG multiples") of the median estimate of the applicable company's long-term EPS growth rate as published by the Institutional Brokers Estimate System (referred to in this section of this joint proxy statement/prospectus as "I/B/E/S").

The results of this analysis were as follows:

	Enterprise Values/EBITDA multiples		P/E multiples		PEG multiples	
	2014E	2015E	2014E	2015E	2014E	2015E
<b>Selected companies (median)</b>	18.2x	16.0x	26.1x	21.5x	1.7x	1.5x
<b>Selected companies (low)</b>	14.5x	11.2x	19.1x	14.7x	1.1x	0.8x
<b>Selected companies (high)</b>	32.1x	27.3x	36.3x	33.1x	2.2x	2.2x
<b>Allergan February 24 price</b>	14.5x	13.1x	22.8x	20.1x	1.6x	1.4x
<b>Implied value of per share Valeant exchange offer consideration</b>	19.0x	14.5x	29.1x	21.3x	1.4x	1.0x
<b>Implied value of the Merger Consideration</b>	23.0x	17.6x	34.8x	25.5x	1.7x	1.2x
	20.7x	15.8x	31.5x	23.1x	1.5x	1.1x

**Allergan pre-announcement closing price**

No company used in this analysis is identical or directly comparable to Allergan. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which Allergan were compared.

*Present Value of Future Stock Price Analysis*

BofA Merrill Lynch performed an analysis to derive implied present values of hypothetical future prices for the Allergan common stock as of December 31 of the years 2014 through 2018. BofA Merrill Lynch calculated

**Table of Contents**

hypothetical future prices for the Allergan common stock as of December 31 of each of those years by applying illustrative next 12 months (referred to in this section of this joint proxy statement/prospectus as NTM ) P/E multiples ranging from 20.0x to 26.0x, after considering the results of its *Selected Publicly Trading Companies Analyses* of Allergan described above and based on its professional judgment and experience, to estimated non-GAAP EPS for Allergan for the following year as reflected in the Allergan forecasts. The resulting hypothetical future prices were then discounted to present value as of September 30, 2014 using a discount rate of 9.5%, reflecting an estimate of Allergan's cost of equity derived using the capital asset pricing model. This analysis indicated approximate implied present values for the shares of Allergan common stock ranging from approximately \$178.88 to \$309.46, as compared to the implied value of the Merger Consideration of \$219.00.

*Selected Precedent Transactions Analysis*

BofA Merrill Lynch reviewed publicly available financial information relating to the following 14 selected transactions involving companies in the pharmaceutical industry, which, based on its professional judgment and experience, BofA Merrill Lynch deemed relevant to consider in relation to Allergan and the Merger:

<b>Target</b>	<b>Acquiror</b>	<b>Announcement Date</b>
InterMune, Inc.	Roche Holdings, Inc.	August 24, 2014
GlaxoSmithKline plc (oncology businesses)	Novartis AG	April 22, 2014
Forest Laboratories, Inc.	Actavis	February 18, 2014
Onyx Pharmaceuticals, Inc.	Amgen Inc.	August 26, 2013
Bausch & Lomb Incorporated	Valeant	May 27, 2013
Medicis Pharmaceutical Corporation	Valeant	September 3, 2012
Cephalon, Inc.	Teva Pharmaceutical Industries Ltd.	May 2, 2011
Genzyme Corporation	Sanofi-Aventis	February 16, 2011
Alcon, Inc.	Novartis AG	January 3, 2010
Genentech, Inc.	Roche Holdings, Inc.	March 12, 2009
ImClone Systems Incorporated	Eli Lilly and Company	October 6, 2008
Millennium Pharmaceuticals, Inc.	Takeda America Holdings, Inc.	April 10, 2008
MedImmune, Inc.	AstraZeneca PLC	April 23, 2007
Organon BioSciences N.V.	Schering-Plough Corp.	March 11, 2007

BofA Merrill Lynch reviewed the enterprise values implied for each of the target companies based on the consideration payable in the selected transaction as multiples of the target company's last 12 months, or LTM, EBITDA and NTM EBITDA. The financial data used by BofA Merrill Lynch for the selected transactions were based on publicly available information at the time of announcement of the relevant transaction. BofA Merrill Lynch then compared these reference ranges of multiples to corresponding multiples implied for Allergan based on an implied enterprise value for Allergan calculated using the implied value of the Merger Consideration and Allergan's EBITDA for the four quarters ended September 30, 2014 and estimated EBITDA for Allergan for the four quarters ended September 30, 2015 as reflected in the Allergan forecasts. The results of this analysis were as follows:

	<b>Enterprise Value /LTM EBITDA multiple</b>	<b>Enterprise Value /NTM EBITDA multiple</b>
<b>Selected Transactions (median)</b>	21.4x	15.9x
<b>Selected Transactions (low)</b>	5.9x	6.0x
<b>Selected Transactions (high)</b>	75.6x	42.1x
<b>Implied Value of Merger Consideration</b>	25.4x	18.6x

**Table of Contents**

No company, business or transaction used in this analysis is identical or directly comparable to Allergan or the Merger. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the acquisition or other values of the companies or transactions to which Allergan or the Merger were compared.

*Discounted Cash Flow Analyses*

BofA Merrill Lynch performed a discounted cash flow analysis of Allergan based on the present value of the stand-alone unlevered, after-tax free cash flows that Allergan was estimated to generate from October 1, 2014 through December 31, 2019 as reflected in the Allergan forecasts. Using discount rates ranging from 8.5% to 10.5%, reflecting an estimate of Allergan's weighted average cost of capital derived using the capital asset pricing model, BofA Merrill Lynch discounted to present value (using the mid-year convention) as of September 30, 2014 those cash flows and a range of implied terminal values for Allergan as of December 31, 2019, to derive a range of implied enterprise values for Allergan. The range of implied terminal values for Allergan was calculated by applying perpetuity growth rates ranging from 3.0% to 4.0% to normalized estimated stand-alone unlevered, after-tax free cash flows for Allergan based on Allergan's 2019 estimated stand-alone unlevered, after-tax free cash flows reflected in the Allergan forecasts. BofA Merrill Lynch added Allergan's net cash amount (defined as cash, cash equivalents and short term investments, less indebtedness) and subtracted its non-controlling interests, each as of September 30, 2014, as reflected on Allergan's most recent publicly filed balance sheet, to the range of implied enterprise values it derived for Allergan and divided the result by the number of fully diluted shares of Allergan common stock (calculated on a treasury stock method basis) based on information provided by Allergan management, to derive the following approximate implied per share equity value reference range for Allergan (rounded to the nearest \$0.25 per share):

**Implied Per Share Equity Value Reference Range for Allergan**

\$183.50	\$294.25
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*Summary of Material Financial Analyses of Actavis**Selected Publicly Traded Companies Analyses*

BofA Merrill Lynch performed a selected publicly traded companies analysis of Actavis by reviewing publicly available financial and stock market information for Actavis and the following nine publicly traded companies in the pharmaceuticals industry which, based on its professional judgment and experience, BofA Merrill Lynch deemed most relevant to consider in relation to Actavis:

AbbVie Inc.;

Endo International plc;

Mallinckrodt public limited company;

Meda AB;

Mylan, Inc.;

Salix Pharmaceuticals Ltd.;

Shire plc;

Teva Pharmaceutical Industries Limited; and

Valeant Pharmaceuticals International, Inc.

For purposes of this analysis, BofA Merrill Lynch calculated implied enterprise values for each of the selected companies by multiplying its closing share price as of November 14, 2014 by the number of the

**Table of Contents**

company's fully diluted shares (determined on a treasury stock method basis) based on information contained in its most recent public filings and added to the result the company's net debt (indebtedness less cash, cash equivalents and short-term investments) and minority interest as reflected on its most recent publicly filed balance sheet. For purposes of this analysis, BofA Merrill Lynch calculated the implied enterprise value for Actavis by multiplying its closing share price as of November 14, 2014 by the number of fully diluted Actavis ordinary shares (determined on a treasury stock method basis), as provided by Actavis management, and added to the result Actavis' net debt amount (defined as indebtedness less cash, cash equivalents and short term investments) and its non-controlling interests, each as of September 30, 2014, as provided in Actavis' most recent publicly filed balance sheet.

BofA Merrill Lynch calculated and reviewed the following for each of the selected companies and Actavis:

each company's implied enterprise value as multiples of the estimated 2014 and 2015 EBITDA for the applicable company based on consensus Wall Street research analyst estimates (and, in the case of estimated 2014 EBITDA for Actavis, median estimates published by I/B/E/S adjusted based on information provided by Actavis management to reflect the full year impact of acquisitions by Actavis);

each company's P/E multiples of estimated 2014 and 2015 EPS for the applicable company based on consensus Wall Street research analyst estimates; and

each company's 2014 and 2015 PEG multiples of the median estimate of the applicable company's long-term EPS growth rate as published by I/B/E/S as of November 14, 2014.

The results of this analysis were as follows:

	Enterprise Values/EBITDA multiples		P/E multiples		PEG multiples	
	2014E	2015E	2014E	2015E	2014E	2015E
<b>Selected companies (median)</b>	13.9x	11.2x	16.7x	14.5x	1.2x	1.0x
<b>Selected companies (low)</b>	9.5x	9.1x	11.3x	11.4x	0.6x	0.2x
<b>Selected companies (high)</b>	15.9x	14.0x	19.5x	22.8x	1.9x	1.7x
<b>Actavis</b>	17.3x	13.4x	18.0x	14.8x	1.4x	1.1x

No company used in this analysis is identical or directly comparable to Actavis. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which Actavis were compared.

*Present Value of Future Stock Price Analyses*

**Actavis Standalone.** BofA Merrill Lynch performed an analysis to derive implied present values of hypothetical future prices for the Actavis ordinary shares on a stand-alone basis as of December 31 of the years 2014 through 2018. BofA Merrill Lynch calculated hypothetical future prices for the Actavis ordinary shares as of December 31 of each of those years by applying illustrative NTM P/E multiples ranging from 14.0x to 18.0x, after considering the results of its

*Summary of Selected Publicly Traded Companies Analyses* for Actavis described above and based on its professional judgment and experience, to estimated non-GAAP EPS for Actavis for the following year as reflected in the Actavis



forecasts. The resulting hypothetical future prices were then discounted to present value as of September 30, 2014 using a discount rate of 8.75%, reflecting an estimate of Actavis' cost of equity derived using the capital asset pricing model. This analysis indicated approximate implied present values for the Actavis ordinary shares ranging from approximately \$225.60 to \$298.97, as compared to Actavis' closing share price on November 14, 2014 of \$243.77.

**Table of Contents**

**Actavis Pro Forma.** BofA Merrill Lynch performed an analysis to derive implied present values of hypothetical future prices for the Actavis ordinary shares on a pro-forma basis after giving effect to the Merger as of December 31 of the years 2014 through 2017. BofA Merrill Lynch calculated hypothetical future prices for the Actavis ordinary shares as of December 31 of each of those years by applying illustrative NTM P/E multiples ranging from 14.5x to 20.5x, reflecting a weighted average of the NTM P/E multiples applied in connection with the *Present Value of Future Stock Price Analysis* for Allergan described above and the *Present Value of Future Stock Price Analysis* for Actavis Standalone described above (with weighting based on their estimated stand-alone non-GAAP income as reflected in the Actavis forecasts and the Allergan forecasts, respectively), to estimated non-GAAP pro forma EPS for Actavis for the following year based on the Actavis forecasts, the Allergan forecasts and the synergies. The resulting hypothetical future stock prices were then discounted to present value as of December 31, 2014 using a discount rate of 9.03%, reflecting a weighted average of Actavis and Allergan's cost of equity (with weighting based on their respective estimated stand-alone 2015 non-GAAP net income as reflected in the Actavis forecasts and the Allergan forecasts, respectively). This analysis indicated approximate implied present values for the Actavis ordinary shares after giving effect to the Merger ranging from approximately \$273.47 to \$421.30, as compared to Actavis' closing share price on November 14, 2014 of \$243.77.

*Discounted Cash Flow Analyses*

**Actavis Standalone.** BofA Merrill Lynch performed a discounted cash flow analysis of Actavis based on the present value of the stand-alone unlevered, after-tax free cash flows that Actavis was estimated to generate from October 1, 2014 through December 31, 2019 as reflected in the Actavis forecasts. Using discount rates ranging from 7.0% to 8.5%, reflecting an estimate of Actavis' weighted average cost of capital, derived using the capital asset pricing model, BofA Merrill Lynch discounted to present value (using the mid-year convention) as of September 30, 2014 those cash flows and a range of implied terminal values for Actavis as of December 31, 2019, to derive a range of implied enterprise values for Actavis. The range of implied terminal values for Actavis was calculated by applying perpetuity growth rates ranging from 0.5% to 1.5% to normalized estimated stand-alone unlevered, after-tax free cash flows for Actavis based on Actavis' 2019 estimated stand-alone unlevered, after-tax free cash flows reflected in the Actavis forecasts. BofA Merrill Lynch subtracted Actavis' net debt amount (defined as indebtedness less cash, cash equivalents and short term investments) and its non-controlling interests, each as of September 30, 2014, as provided in Actavis most recent publicly filed balance sheet, to the range of implied enterprise values it derived for Actavis and divided the result by the number of fully diluted Actavis ordinary shares, calculated on a treasury stock method basis based on information provided by Actavis management, to derive the following approximate implied per share equity value reference range for Actavis (rounded to the nearest \$0.25 per share):

**Implied Per Share Equity Value Reference Range for Actavis**

\$236.75	\$358.75
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**Actavis Pro Forma.** BofA Merrill Lynch performed a discounted cash flow analysis of Actavis on a pro forma basis after giving effect to the Merger based on the present value of the pro forma unlevered, after-tax free cash flows that Actavis was estimated to generate on a pro forma basis from January 1, 2015 through December 31, 2019 based on the Allergan forecasts, the Actavis forecasts and the synergies. Using discount rates ranging from 7.5% to 9.5%, reflecting a weighted average of Actavis' and Allergan's cost of capital (with weighting based on their respective estimated normalized stand-alone unlevered, after-tax cash flows), BofA Merrill Lynch discounted to present value (using the mid-year convention) as of December 31, 2014 those cash flows and a range of implied terminal values for Actavis on a pro forma basis as of December 31, 2019, to derive a range of implied enterprise values for Actavis on a pro forma basis. The range of implied terminal values for Actavis on a pro forma basis was calculated by applying weighted average perpetuity growth rates of 1.5% to 2.5% to normalized estimated stand-alone unlevered, after-tax

free cash flows for Actavis on a pro forma basis based on Actavis and Allergan's respective 2019 estimated stand-alone unlevered, after-tax free cash flows reflected in the Actavis and Allergan forecasts and the synergies. BofA Merrill Lynch subtracted Actavis anticipated pro forma net debt amount (defined as the book value of indebtedness less cash, cash equivalents and short term investments) and the anticipated book value of pro forma non-controlling interests, each as of December 31, 2014, as provided by Actavis management

**Table of Contents**

and Allergan management, to the range of implied enterprise values it derived for Actavis on a pro forma basis and divided the result by the number of fully diluted Actavis ordinary shares expected to be outstanding after giving effect to the Merger, calculated on a treasury method basis based on information provided by Actavis management and Allergan management, to derive the following approximate implied pro forma per share equity value reference range for Actavis (rounded to the nearest \$0.25 per share):

**Implied Pro Forma Per Share Equity Value Reference Range for Actavis**

\$257.75    \$465.25

*Other Factors*

In rendering its opinion, BofA Merrill Lynch also reviewed and considered other factors for reference purposes only, including (i) an implied multiples analysis and (ii) implied premium analysis, in each case described below.

*Implied Multiples Analysis*

BofA Merrill Lynch calculated and reviewed the following:

each of the implied value of per share consideration contemplated by the Valeant exchange offer, the Allergan pre-announcement closing price and the implied value of the Merger Consideration as multiples of estimated 2014 and 2015 non-GAAP EPS for Allergan as reflected in the Allergan forecasts;

implied enterprise values calculated based upon each of the implied value of per share consideration contemplated by the Valeant exchange offer, the Allergan pre-announcement closing price and the implied value of the Merger Consideration as multiples of:

- i actual 2013 revenue and estimated 2014 and 2015 revenue for Allergan as reflected in the Allergan forecasts; and
- i actual 2013 EBITDA for Allergan and estimated 2014 and 2015 EBITDA for Allergan as reflected in the Allergan forecasts.

The results of these calculations were as follows:

	<b>Price as a multiple of</b>		<b>Enterprise Value as a Multiple of:</b>					
	<b>non-GAAP EPS</b>		<b>Revenue</b>			<b>EBITDA</b>		
	<b>2014E</b>	<b>2015E</b>	<b>2013A</b>	<b>2014E</b>	<b>2015E</b>	<b>2013A</b>	<b>2014E</b>	<b>2015E</b>
<b>Implied value of the Valeant per share exchange offer consideration</b>	28.2x	20.0x	8.7x	7.6x	6.9x	24.9x	19.2x	14.2x
	30.6x	21.7x	9.4x	8.2x	7.5x	27.1x	20.9x	15.5x

**Allergan pre-announcement closing price****Implied value of the Merger**

<b>Consideration</b>	33.7x	23.9x	10.5x	9.1x	8.3x	30.1x	23.2x	17.2x
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*Implied Premium Analysis*

BofA Merrill Lynch calculated the premium (or discount) represented by each of the implied value of the Valeant per share exchange offer consideration, the Allergan pre-announcement closing price and the implied value of the Merger Consideration compared to each of the following:

the Allergan pre-announcement closing price of \$198.65 on November 14, 2014;

the closing price of shares of Allergan common stock on April 10, 2014, the last trading day before the date upon which Pershing Square first held in excess of 5% of the outstanding Allergan common stock;

the Allergan February 24 share price;

**Table of Contents**

average trading prices for the shares of Allergan common stock over the last one-week, 30-day, three-month, six-month and one-year periods ended on February 24, 2014; and

the high and low prices for the shares of Allergan common stock over the 52-week period ended on February 24, 2014.

The results of these calculations were as follows:

	<b>Premium to:</b>									
	<b>As of February 24, 2014</b>									
	<b>Allergan</b>	<b>Allergan</b>	<b>Allergan</b>	<b>One</b>	<b>Last</b>	<b>Last</b>	<b>Last</b>	<b>52</b>	<b>52</b>	
	<b>pre-announcement</b>	<b>April 15</b>	<b>February 24</b>	<b>Week</b>	<b>30-day</b>	<b>3</b>	<b>6</b>	<b>Year</b>	<b>Week</b>	<b>Week</b>
	<b>closing</b>	<b>2014</b>	<b>share</b>	<b>Average</b>	<b>Average</b>	<b>Month</b>	<b>Month</b>	<b>Average</b>	<b>High</b>	<b>Low</b>
	<b>price</b>	<b>closing</b>	<b>price</b>	<b>price</b>	<b>price</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>	<b>Average</b>
<b>Implied Valeant exchange offer price</b>	(7.7%)	57.2%	47.3%	46.3%	53.4%	65.3%	82.0%	82.0%	44.1%	123.7%
<b>Allergan pre-announcement closing price</b>		70.3%	59.6%	58.5%	66.1%	79.0%	97.1%	97.1%	56.1%	142.3%
<b>Implied value of Merger Consideration</b>	10.2%	87.8%	75.9%	74.7%	83.2%	97.4%	117.3%	117.3%	72.1%	167.1%

*Miscellaneous*

As noted above, the discussion set forth above is a summary of the material financial analyses presented by BofA Merrill Lynch to Allergan's board of directors in connection with its opinion and is not a comprehensive description of all analyses undertaken by BofA Merrill Lynch in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. BofA Merrill Lynch believes that its analyses summarized above must be considered as a whole. BofA Merrill Lynch further believes that selecting portions of its analyses and the factors considered or focusing on information presented in tabular format, without considering all analyses and factors or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying BofA Merrill Lynch's analyses and opinion. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary.

In performing its analyses, BofA Merrill Lynch considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of Allergan and Actavis.

The estimates of the future performance of Allergan and Actavis in or underlying BofA Merrill Lynch's analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by BofA Merrill Lynch's analyses. These analyses were prepared solely as part of BofA Merrill Lynch's analysis of the fairness, from a financial point of view, to the holders of Allergan common stock of the Merger Consideration and were provided to Allergan's board of directors in connection with the delivery

of BofA Merrill Lynch's opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be BofA Merrill Lynch's view of the actual values of Allergan or Actavis.

The type and amount of consideration payable in the transaction was determined through negotiations between Allergan and Actavis, rather than by any financial advisor, and was approved by Allergan's board of directors. The decision to enter into the Merger Agreement was solely that of Allergan's board of directors. As described above, BofA Merrill Lynch's opinion and analyses were only one of many factors considered by

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**Table of Contents**

Allergan's board of directors in its evaluation of the proposed transaction and should not be viewed as determinative of the views of Allergan's board of directors or management with respect to the Merger or the Merger Consideration.

Allergan has agreed to pay BofA Merrill Lynch for its services in connection with the Merger a transaction fee based on the value of the aggregate consideration to be paid (including the debt of Allergan assumed) in the Merger (to be reduced by \$18 million of quarterly fees previously paid to BofA Merrill Lynch in connection with Valeant's effort to acquire Allergan and the Valeant exchange offer). Based on the closing price for the Actavis ordinary shares on November 16, 2014, BofA Merrill Lynch would be entitled to receive a transaction fee of approximately \$56.1 million (after giving effect to the \$18 million of fees referred to above). The remainder of the fee payable to BofA Merrill Lynch is contingent upon the completion of the Merger. Allergan also has agreed to reimburse BofA Merrill Lynch for its expenses incurred in connection with BofA Merrill Lynch's engagement and to indemnify BofA Merrill Lynch, any controlling person of BofA Merrill Lynch and each of their respective directors, officers, employees, agents and affiliates against specified liabilities, including liabilities under the federal securities laws.

BofA Merrill Lynch and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of their businesses, BofA Merrill Lynch and its affiliates invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of Allergan, Actavis and certain of their respective affiliates.

BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Allergan and certain of its affiliates and have received or in the future may receive compensation for the rendering of these services, including (i) having acted as financial advisor to Allergan in connection with an acquisition transaction, (ii) having acted as a book runner for a debt offering of Allergan, (iii) having acted or acting as documentation agent for, and lender under, certain credit facilities and letters of credit of Allergan and certain of its affiliates and (iv) having provided or providing certain treasury and management services and products to Allergan. From October 1, 2012 through November 30, 2014, BofA Merrill Lynch and its affiliates have received aggregate revenues from Allergan and certain of its affiliates of approximately \$10 million for corporate, commercial and investment banking services unrelated to the Merger.

In addition, BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to Actavis and have received or in the future may receive compensation for the rendering of these services, including (i) having acted as financial advisor to Actavis and/or certain of its affiliates in connection with various mergers and acquisitions transactions, (ii) having acted as a book runner on various debt offerings of Actavis and certain of its affiliates, (iii) having acted or acting as an administrative agent, co-lead arranger and book runner for, and/or a lender (including, in some cases a letter of credit lender and swingline lender) under, various credit facilities of Actavis and/or certain of its affiliates and (iv) having provided or providing certain treasury and management services and products to Actavis and/or certain of its affiliates. From October 1, 2012 through November 30, 2014, BofA Merrill Lynch and its affiliates have received aggregate revenues from Actavis and certain of its affiliates of approximately \$100 million for corporate, commercial and investment banking services unrelated to the Merger.



**Table of Contents**

***Goldman, Sachs & Co.***

On November 16, 2014, at the Allergan board meeting, Goldman Sachs rendered to Allergan's board of directors its oral opinion, subsequently confirmed in writing, that, as of November 16, 2014, and based upon and subject to the factors and assumptions set forth therein, the Merger Consideration to be paid pursuant to the Merger Agreement was fair from a financial point of view to the holders (other than Actavis and its affiliates) of shares of Allergan common stock.

**The full text of the written opinion of Goldman Sachs, dated as of November 16, 2014, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with its opinion, is attached as Annex D to this joint proxy statement/prospectus. Goldman Sachs provided its opinion for the information and assistance of Allergan's board of directors in connection with its consideration of the Merger. The Goldman Sachs opinion does not constitute a recommendation as to how any holder of shares of Allergan common stock should vote with respect to the Merger or any other matter.**

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

the Merger Agreement;

annual reports to stockholders of Allergan and Annual Reports on Form 10-K of Allergan for the five fiscal years ended December 31, 2013;

the annual report to shareholders of Actavis and the Annual Report on Form 10-K of Actavis for the fiscal year ended December 31, 2013;

the annual report to stockholders of Actavis, Inc. and the Annual Report on Form 10-K of Actavis, Inc. for the fiscal year ended December 31, 2012;

Actavis' registration statement on Form S-4, filed with the SEC on May 2, 2014 (File No. 333-194781);

certain interim reports to stockholders of Allergan and Actavis, Inc., certain interim reports to shareholders of Actavis, and Quarterly Reports on Form 10-Q of Allergan, Actavis and Actavis, Inc.;

certain other communications from Allergan to its stockholders and from Actavis to its shareholders;

certain publicly available research analyst reports for Allergan and Actavis; and

certain internal financial analyses and forecasts for Allergan prepared by its management and for Actavis prepared by its management, in each case, as approved for Goldman Sachs use by Allergan (referred to in this section of this joint proxy statement/prospectus as the Forecasts ), including certain operating synergies projected by the managements of Allergan and Actavis to result from the Merger, as approved for Goldman Sachs use by Allergan (referred to in this section of this joint proxy statement/prospectus as the Synergies ).

Goldman Sachs also held discussions with members of the senior managements of Allergan and Actavis regarding their assessment of the strategic rationale for, and the potential benefits of, the Merger and the past and current business operations, financial condition and future prospects of Allergan and Actavis; reviewed the reported price and trading activity for the shares of Allergan common stock and the Actavis ordinary shares; compared certain financial and stock market information for Allergan and Actavis with similar information for certain other companies the securities of which are publicly traded; reviewed the financial terms of certain recent business combinations in the pharmaceutical industry; and performed such other studies and analyses, and considered such other factors, as Goldman Sachs deemed appropriate.

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**Table of Contents**

For purposes of rendering the opinion described above, Goldman Sachs, with Allergan's consent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, Goldman Sachs, without assuming any responsibility for independent verification thereof. In that regard, Goldman Sachs assumed with Allergan's consent that the Forecasts, including the Synergies, had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Allergan. Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of Allergan, Actavis or any of their respective subsidiaries and Goldman Sachs was not furnished with any such evaluation or appraisal. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Merger will be obtained without any adverse effect on Allergan or Actavis or on the expected benefits of the Merger in any way meaningful to its analysis. Goldman Sachs assumed that the Merger will be consummated on the terms set forth in the Merger Agreement, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to its analysis.

Goldman Sachs' opinion did not address the underlying business decision of Allergan to engage in the Merger, or the relative merits of the Merger as compared to any strategic alternatives that may be available to Allergan; nor did it address any legal, regulatory, tax or accounting matters. Goldman Sachs was not requested to solicit, and did not solicit, interest from other parties with respect to an acquisition of, or other business combination with, Allergan or any other alternative transaction. The opinion addressed only the fairness from a financial point of view to the holders (other than Actavis and its affiliates) of shares of Allergan common stock, as of November 16, 2014, of the Merger Consideration to be paid to such holders pursuant to the Merger Agreement. Goldman Sachs did not express any view on, and its opinion did not address, any other term or aspect of the Merger Agreement or the Merger or any term or aspect of any other agreement or instrument contemplated by the Merger Agreement or entered into or amended in connection with the Merger, including, the fairness of the Merger to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of Allergan; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Allergan, or class of such persons, in connection with the Merger, whether relative to the Merger Consideration to be paid to the holders (other than Actavis and its affiliates) of shares of Allergan common stock pursuant to the Merger Agreement or otherwise. Goldman Sachs did not express any opinion as to the prices at which the Actavis ordinary shares will trade at any time or as to the impact of the Merger on the solvency or viability of Allergan or Actavis or the ability of Allergan or Actavis to pay their respective obligations when they come due. Goldman Sachs' opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Goldman Sachs as of, November 16, 2014, and Goldman Sachs assumes no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after November 16, 2014. Goldman Sachs' opinion was approved by a fairness committee of Goldman Sachs.

The following is a summary of the material financial analyses delivered by Goldman Sachs to Allergan's board of directors in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent the relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs' financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before November 14, 2014, the last trading day prior to the date on which Allergan's board of directors approved the Merger Agreement, and is not necessarily indicative of current market conditions.

*Implied Premia and Multiples Analyses*

Based upon the closing price of \$243.77 per Actavis ordinary share on the NYSE on November 14, 2014, Goldman Sachs calculated that the Merger Consideration reflected an implied value of \$219.00 per share of

**Table of Contents**

Allergan common stock (referred to in this section of this joint proxy statement/prospectus as the Implied Merger Consideration Value ). By multiplying this Merger Consideration by the total number of fully diluted shares of Allergan common stock as of October 31, 2014, provided by Allergan management, Goldman Sachs derived an implied equity value of Allergan of approximately \$68.0 billion. Goldman Sachs then added Allergan's net debt amount, which was a negative amount due to excess cash, reflected in Allergan's quarterly report on Form 10-Q for the quarter ended September 30, 2014, to this implied equity value and derived an implied enterprise value (referred to in this section of this joint proxy statement/prospectus as EV ) of Allergan of approximately \$65.9 billion.

Using the results of the calculations described above, actual financial results of Allergan reflected in Allergan's public filings and estimates of Allergan's financial results for the 2014 and 2015 reflected in the Forecasts, Goldman Sachs calculated the following premia and multiples:

the Implied Merger Consideration Value as a premium to the closing price of Allergan common stock on November 14, 2014, which was the last closing price prior to the public announcement of the Merger;

the Implied Merger Consideration Value as a premium to the closing price of Allergan common stock on April 21, 2014, which was the last closing price prior to the public announcement by Valeant of its intent to acquire Allergan;

the Implied Merger Consideration Value as a premium to the closing price of Allergan common stock on April 10, 2014, which was the last closing price that Pershing Square claimed was the last price unaffected by Pershing Square's significantly increasing its accumulation of Allergan shares;

the Implied Merger Consideration Value as a premium to the closing price of Allergan common stock on March 24, 2014, which was the last closing price four weeks prior to the public announcement by Valeant of its intent to acquire Allergan;

the Implied Merger Consideration Value as a premium to the closing price of Allergan common stock on February 24, 2014, which was the last closing price prior to Pershing Square's first purchase of shares of Allergan common stock;

the implied EV as a multiple of Allergan's revenues for the last twelve-month (referred to in this section of this joint proxy statement/prospectus as LTM ) period ended September 30, 2014 (referred to in this section of this joint proxy statement/prospectus as the EV/LTM Revenue );

the implied EV as a multiple of Allergan's estimated revenues for 2014 and 2015 as prepared by Allergan's management (referred to in this section of this joint proxy statement/prospectus as, respectively, the 2014E EV/Revenue and 2015E EV/Revenue );

the implied EV as a multiple of Allergan's EBITDA for the LTM period ended September 30, 2014 (referred to in this section of this joint proxy statement/prospectus as the "EV/LTM EBITDA");

the implied EV as a multiple of Allergan's estimated EBITDA for 2014 and 2015 as prepared by Allergan's management (referred to in this section of this joint proxy statement/prospectus as, respectively, the "2014E EV/EBITDA" and "2015E EV/EBITDA"); and

the implied Merger Consideration value as a P/E multiple for 2014 and 2015 non-GAAP earnings per share as prepared by Allergan's management (referred to in this section of this joint proxy statement/prospectus as, respectively, the "2014E P/E" and "2015E P/E").

**Table of Contents**

The results of these analyses are summarized as follows:

<b>Premium to</b>	
November 14, 2014 Closing Price	10.2%
April 21, 2014 Closing Price	54.2%
April 10, 2014 Closing Price	87.8%
March 24, 2014 Closing Price	76.1%
February 24, 2014 Closing Price	75.9%
<b>Implied EV/Revenue Multiples</b>	
EV/LTM Revenue	9.4x
2014E EV/Revenue	9.1x
2015E EV/Revenue	8.3x
<b>Implied EV/EBITDA Multiples</b>	
EV/LTM EBITDA	25.4x
2014E EV/EBITDA	23.2x
2015E EV/EBITDA	17.2x
<b>Implied P/E Multiples</b>	
2014E P/E	33.7x
2015E P/E	23.9x

*Selected Companies Analyses*

Goldman Sachs calculated and compared certain financial information, stock market data, multiples and ratios for Allergan and Actavis, each on a stand-alone basis, to corresponding financial information, stock market data, multiples and ratios for the following selected companies in the pharmaceutical industry:

**Selected Companies for Allergan:**

Alexion Pharmaceuticals, Inc.

Biogen Idec Inc.

Bristol-Myers Squibb Company

Celgene Corporation

Gilead Sciences Inc.

Novo Nordisk A/S

Shire plc  
Selected Companies for Actavis:

AbbVie Inc.

Endo International plc

Meda Pharmaceuticals Inc.

Mylan, Inc.

Perrigo Company plc

Salix Pharmaceuticals Ltd.

Shire plc

Teva Pharmaceutical Industries Limited

Valeant Pharmaceuticals International, Inc.



**Table of Contents**

Although none of the selected companies is directly comparable to Allergan or Actavis, the companies included were chosen because they are publicly traded companies in the pharmaceutical industry with operations that, for purposes of analysis, may be considered similar to certain operations of Allergan and Actavis, respectively.

With respect to Allergan, Actavis and each of their respective selected companies, Goldman Sachs calculated:

EV as of November 14, 2014, as a multiple of estimated 2015 and 2016 EBITDA (referred to in this section of this joint proxy statement/prospectus as, respectively, the 2015E EV/EBITDA and 2016E EV/EBITDA );

Price per share as of November 14, 2014, as a multiple of estimated non-GAAP earnings per share, or non-GAAP EPS, for 2015 and 2016 (referred to in this section of this joint proxy statement/prospectus as, respectively, the 2015E P/E and 2016E P/E ); and

P/E as of November 14, 2014, as a multiple of estimated non-GAAP EPS growth rate for 2015 and 2016 (referred to in this section of this joint proxy statement/prospectus as, respectively, the 2015E P/E/G and 2016E P/E/G ).

For purposes of these calculations, Goldman Sachs calculated an implied equity value for each company derived by multiplying the number of fully diluted outstanding shares of that company as reported in its most recent public filings (except for Allergan and Actavis, for which Goldman Sachs used the number of fully diluted outstanding shares of Allergan and Actavis as provided by their respective management) by such company's closing share price on November 14, 2014. By adding the net debt amount of each company as reported in its most recent public filings to the equity value of such company derived from the foregoing calculations, Goldman Sachs derived an implied enterprise value for each company. The multiples for Allergan, Actavis and each of the selected companies were calculated using the most recent median estimates for each company published by Institutional Brokers Estimate System and/or Capital IQ as of November 14, 2014. All research estimates have been calendarized to the December year end for the purpose of comparability.

The results of these analyses are summarized as follows:

	<b>Allergan</b>	<b>Range of Selected Companies</b>		<b>Median of Selected Companies</b>
<b>2015E EV/EBITDA</b>	15.8x	8.2x	27.3x	16.0x
<b>2016E EV/EBITDA</b>	13.6x	8.4x	21.9x	13.3x
<b>2015E P/E</b>	23.1x	10.3x	33.1x	21.5x
<b>2016E P/E</b>	19.4x	9.2x	26.7x	16.8x
<b>2015E P/E/G</b>	1.1x	0.8x	2.2x	1.5x
<b>2016E P/E/G</b>	0.9x	0.6x	1.8x	1.3x

<b>Actavis</b>	<b>Range of Selected Companies</b>	<b>Median of Selected</b>
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	<b>Companies</b>			
<b>2015E EV/EBITDA</b>	13.4x	9.1x	15.7x	11.9x
<b>2016E EV/EBITDA</b>	12.2x	7.7x	13.8x	10.9x
<b>2015E P/E</b>	14.8x	11.4x	22.8x	14.7x
<b>2016E P/E</b>	13.2x	11.3x	16.9x	13.3x
<b>2015E P/E/G*</b>	1.1x	0.2x	1.7x	1.3x
<b>2016E P/E/G*</b>	1.0x	0.2x	1.6x	1.1x

\* Excludes one selected company whose results were above 5x, which was not meaningful to the analysis based on Goldman Sachs professional judgment.

**Table of Contents***Selected Precedent Transactions Analyses*

Goldman Sachs analyzed certain publicly available information relating to the following change of control transactions in the pharmaceutical industry since 2007, where each target company's enterprise value was over \$5 billion:

<b>Date Announced</b>	<b>Acquiror</b>	<b>Target</b>
April 22, 2014	Novartis AG	GlaxoSmithKline plc (oncology assets)
February 18, 2014	Actavis plc	Forest Laboratories, Inc.
August 25, 2013	Amgen Inc.	Onyx Pharmaceuticals, Inc.
July 29, 2013	Perrigo Company plc	Elan Corporation, plc
May 27, 2013	Valeant Pharmaceuticals International, Inc.	Bausch & Lomb Incorporated
June 29, 2012	Bristol-Myers Squibb Company	Amylin Pharmaceuticals, Inc.
November 21, 2011	Gilead Sciences Inc.	Pharmasset Inc.
May 2, 2011	Teva Pharmaceutical Industries Limited	Cephalon, Inc.
August 3, 2010	Sanofi	Genzyme Corporation
January 4, 2010	Novartis AG	Alcon, Inc.
March 12, 2009	Roche Holding AG	Genentech, Inc.
March 9, 2009	Merck & Co. Inc.	Schering-Plough Corporation
January 26, 2009	Pfizer, Inc.	Wyeth
October 6, 2008	Eli Lilly and Company	Imclone Systems Incorporated
April 10, 2008	Takeda Pharmaceutical Company Limited	Millennium Pharmaceuticals, Inc.
April 22, 2007	AstraZeneca plc	MedImmune, Inc.
March 12, 2007	Schering-Plough Corporation	Organon BioSciences NV

Although none of the selected transactions is directly comparable to the proposed merger, the target companies in the selected transactions are involved in the pharmaceutical industry such that, for purposes of analysis, the selected transactions may be considered similar to the Merger.

With respect to each of the selected transactions for which relevant information was publicly available, Goldman Sachs calculated and reviewed the following:

the implied premium represented by the announced per share transaction price to either (i) the latest undisturbed closing price of the target company's common stock, which is identified in such companies' public disclosures, or (ii) if no undisturbed price is identified, then the earlier of the closing price of the target company's common stock four weeks prior to the announcement date or the day prior to the first news leak; and

the implied enterprise value of the target company based on the announced transaction price, as a multiple of the target company's EBITDA for the LTM period prior to the announcement of the transaction (referred to in this section of this joint proxy statement/prospectus as the EV/LTM EBITDA multiple).

For purposes of this analysis, the target companies' implied enterprise values were generally calculated based on public filings and press releases by multiplying the per share consideration paid in the transaction by the total number of outstanding shares of the target company's common stock on a fully diluted basis and adding the target company's net

debt amount.

Goldman Sachs compared the implied premia it calculated for the selected transactions to the implied merger consideration value as a premium to the closing price of Allergan common stock on (i) April 21, 2014, the last closing price prior to the public announcement by Valeant of its intent to acquire Allergan, (ii) April 10, 2014, the last closing price that Pershing Square claimed was the last price unaffected by Pershing Square's

**Table of Contents**

significantly increasing its accumulation of Allergan shares; (iii) March 24, 2014, the last closing price four weeks prior to the public announcement by Valeant of its intent to acquire Allergan; and (iv) February 24, 2014, the last closing price prior to Pershing Square's first purchase of shares of Allergan common stock.

The following table presents the results of this comparison:

	<b>Proposed Merger</b>				<b>Selected Transactions</b>		
	<b>As of 04/21/2014</b>	<b>As of 04/10/2014</b>	<b>As of 03/24/2014</b>	<b>As of 02/24/2014</b>	<b>High</b>	<b>Median</b>	<b>Low</b>
<b>Premium to Undisturbed Price</b>	54.2%	87.8%	76.1%	75.9%	101%	39%	9%

Goldman Sachs also compared the EV/LTM EBITDA multiples it calculated for the selected transactions to the implied enterprise value as a multiple of Allergan's EBITDA for the LTM period ended September 30, 2014.

The following table presents the results of this comparison:

	<b>Proposed Merger</b>	<b>Selected Transactions</b>		
		<b>High</b>	<b>Median</b>	<b>Low</b>
<b>EV/LTM EBITDA</b>	25.4x	54.0x	15.8x	6.0x

*Illustrative Present Value of Future Share Price Analyses*

Goldman Sachs performed an illustrative analysis of the implied present value of the future share price of each of Allergan and Actavis on a stand-alone basis, which is designed to provide an indication of the present value of a theoretical future value of Allergan's and Actavis' equity as a function of each company's estimated future earnings and each company's assumed price to future earnings per share multiple. For these analyses, Goldman Sachs used the Forecasts for fiscal years 2016-2018.

For shares of Allergan common stock, Goldman Sachs performed an analysis of the illustrative present value of the future share price (including projected future dividends) by first multiplying the Forecasts of non-GAAP EPS for fiscal years 2016-2018 by an illustrative range of next-twelve-month (referred to in this section of this joint proxy statement/prospectus as NTM) P/E multiples of 17.0x to 26.0x to determine the implied equity value of shares of Allergan common stock. These illustrative P/E multiple estimates were derived by Goldman Sachs utilizing its professional judgment and experience, taking into account current and historical trading data and the current P/E multiples for Allergan and the selected companies which exhibited similar business characteristics to Allergan. These implied per share future equity values for the twelve-month periods ending on November 14, 2015 through November 14, 2017 were then discounted to November 14, 2014, (dividends discounted using a mid-year convention) using a discount rate of 9.8%, reflecting an estimate of Allergan's cost of equity. Goldman Sachs assumed an annual dividend of \$0.20 per share for shares of Allergan common stock. This analysis yielded an illustrative range of implied per share present values of Allergan common stock of \$170.52 to \$294.37 for fiscal years 2015-2017.

For ordinary shares of Actavis, Goldman Sachs performed an analysis of the illustrative present value of the future share price by first multiplying the Forecasts of non-GAAP EPS for fiscal years 2016-2018 by an illustrative range of NTM P/E multiples of 13.5x to 16.5x to determine the implied equity value of ordinary shares of Actavis. These illustrative P/E multiple estimates were derived by Goldman Sachs utilizing its professional judgment and experience, taking into account current and historical trading data and the current P/E multiples for Actavis and the selected

companies which exhibited similar business characteristics to Actavis. These implied per share future equity values for the twelve-month periods ending on November 14, 2015, through November 14, 2017, were then discounted to November 14, 2014, using a discount rate of 9.8%, reflecting an estimate of Actavis' cost of equity. This analysis yielded an illustrative range of implied per share present values of ordinary shares of Actavis of \$220.02 to \$274.35 for fiscal years 2015-2017.

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**Table of Contents**

For ordinary shares of the combined company, Goldman Sachs performed an analysis of the illustrative implied present value of the future share price of the combined company for 2016-2018 by using the Forecasts, including the Synergies, and pro forma blended NTM P/E multiples of 15.0x to 19.0x. These illustrative P/E multiple estimates were derived by Goldman Sachs utilizing its professional judgment and experience, taking into account current and historical trading data and the current P/E multiples for each of Allergan and Actavis and the selected companies which exhibited similar business characteristics to Allergan and Actavis, respectively. The implied per share future equity values for the twelve-month periods November 14, 2015 through November 14, 2017 were discounted to November 14, 2014, using a discount rate of 9.8%, reflecting an estimate of the combined company's cost of equity. These present values were then multiplied by 0.3683 and increased by \$129.22, reflecting the stock portion and the cash portion, respectively, of the Merger Consideration to be received by the holders of shares of Allergan common stock pursuant to the Merger Agreement. This analysis yielded an illustrative range of implied per share present values of the Merger Consideration to be paid to holders of shares of Allergan common stock pursuant to the Merger Agreement of \$237.75 to \$270.07 for fiscal years 2015-2017.

*Illustrative Discounted Cash Flow Analyses*

Goldman Sachs performed an illustrative discounted cash flow analysis on Allergan, using the Forecasts, to determine a range of illustrative present values per share of Allergan common stock on a standalone basis. Using illustrative discount rates ranging from 9.5% to 11.0%, reflecting estimates of Allergan's weighted average cost of capital, Goldman Sachs derived illustrative ranges of implied enterprise values for Allergan by discounting to present values as of September 30, 2014, (i) estimates of Allergan's unlevered free cash flows for the three-month period ending on December 31, 2014, and for the fiscal years 2015 through 2019 and (ii) illustrative terminal value as of June 30, 2019, based on the perpetuity growth rates ranging from 3.5% to 6.0%. Goldman Sachs then derived the implied equity value per share of Allergan common stock by adding Allergan's net debt amount, which was a negative amount due to excess cash, reflected in Allergan's quarterly report on Form 10-Q for the fiscal quarter ended September 30, 2014, and dividing the result by the number of fully diluted outstanding shares of Allergan common stock in accordance with information provided by Allergan's management. The analysis resulted in a range of illustrative values of \$177.39 to \$345.91 per share of Allergan common stock.

Goldman Sachs also performed an illustrative discounted cash flow analysis on Actavis, using the Forecasts, to determine a range of illustrative present values per ordinary share of Actavis on a standalone basis. Using illustrative discount rates ranging from 7.5% to 9.0%, reflecting estimates of Actavis' weighted average cost of capital, Goldman Sachs derived illustrative ranges of implied enterprise values for Actavis by discounting to present values as of September 30, 2014, (i) estimates of Actavis' unlevered free cash flows for the three-month period ending on December 31, 2014, and for the fiscal years 2015 through 2019 and (ii) illustrative terminal value as of June 30, 2019, based on the perpetuity growth rates ranging from 1.0% to 2.0%. Goldman Sachs then derived the implied equity value per ordinary share of Actavis by adding the value of Actavis' net debt as of September 30, 2014, and dividing the result by the number of fully diluted outstanding ordinary shares of Actavis in accordance with information provided by Actavis' management. The analysis resulted in a range of illustrative values of \$229.87 to \$347.81 per ordinary share of Actavis.

In addition, Goldman Sachs also performed an illustrative discounted cash flow analysis on the combined company, using the Forecasts, including the Synergies, to determine a range of illustrative present values per ordinary share of the combined company on a pro forma basis. Using illustrative discount rates ranging from 8.5% to 10.0%, reflecting estimates of the combined company's weighted average cost of capital, Goldman Sachs derived illustrative ranges of implied enterprise values for the combined company by discounting to present values as of December 31, 2014, (i) estimates of the unlevered free cash flows of the combined company for the fiscal years 2015 through 2019 and (ii) illustrative terminal value as of June 30, 2019 based on perpetuity growth rates ranging from 2.25% to 4.0%.

Goldman Sachs then derived the implied equity value per ordinary share of the combined company by adding the value of net debt as of December 31, 2014, (adjusted for the



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**Table of Contents**

transaction on a pro forma basis in accordance with the information provided by Allergan's management), and dividing the result by the number of fully diluted ordinary shares of the combined company in accordance with information provided by Actavis' management (adjusted for the transaction on a pro forma basis in accordance with the information provided by Allergan's management). Goldman Sachs then derived the implied value of the Merger Consideration to be paid to holders of shares of Allergan common stock pursuant to the Merger Agreement, calculated as the cash consideration of \$129.22 plus 0.3683 of the implied equity value per share for the combined company. This analysis resulted in an illustrative range of present values of the Merger Consideration to holders of shares of Allergan common stock of \$221.61 to \$305.51.

*General*

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs' opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Allergan or Actavis or the Merger.

Goldman Sachs prepared these analyses for purposes of providing its opinion to Allergan's board of directors as to the fairness from a financial point of view of the Merger Consideration to be paid pursuant to the Merger Agreement to the holders (other than Actavis and its affiliates) of shares of Allergan common stock. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Allergan, Actavis or Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecasts.

The Merger Consideration was determined through arm's length negotiations between Allergan and Actavis and was approved by Actavis' board of directors. Goldman Sachs provided advice to Allergan during these negotiations. Goldman Sachs did not, however, recommend to Allergan or to Allergan's board of directors any specific amount of consideration or that any specific amount of consideration constituted the only appropriate consideration for the Merger.

As described above, Goldman Sachs' opinion to Allergan's board of directors was one of many factors taken into consideration by Allergan's board of directors in making its determination to approve the Merger Agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex D to this joint proxy statement/prospectus.

Goldman Sachs and its affiliates are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs and its affiliates and employees, and funds or other entities they manage or in which they invest or have other economic interests or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of Allergan, Actavis, any of their respective affiliates and third parties, or any

currency or commodity that may be involved in the transaction contemplated by the Merger Agreement. Goldman Sachs acted as financial advisor to Allergan in connection with, and participated in certain of the negotiations leading to, the Merger. Goldman Sachs expects to receive fees for its services in connection with its engagement, a substantial portion of which is contingent upon consummation of the Merger, and Allergan has agreed to reimburse certain of Goldman Sachs' expenses arising, and indemnify Goldman Sachs

**Table of Contents**

against certain liabilities that may arise, out of Goldman Sachs engagement. Goldman Sachs also has provided certain financial advisory and/or underwriting services to Allergan and/or its affiliates from time to time for which the Investment Banking Division of Goldman Sachs has received, and may receive, compensation, including having acted as financial advisor to Allergan in its acquisition of MAP Pharmaceuticals, Inc. in March 2013; as joint book-running manager with respect to a public offering of Allergan's 1.350% Notes due 2018 (aggregate principal amount \$250,000,000) and 2.800% Notes due 2023 (aggregate principal amount \$350,000,000) in March 2013; as financial advisor to Allergan with respect to the sale of its obesity intervention business in December 2013; and as financial advisor to Allergan with respect to the unsolicited offer by Valeant, AGMS Inc., Pershing Square and PS Fund 1, LLC to acquire Allergan (referred to in this section of this joint proxy statement/prospectus as the unsolicited Valeant offer) and related matters since June 2014. During the two-year period ending November 16, 2014, the Investment Banking Division of Goldman Sachs has received compensation for underwriting and/or financial advisory services provided to Allergan and its affiliates of approximately \$26.2 million, including the fees paid to date for the transactions as described below. During the two-year period ending November 16, 2014, Goldman Sachs has not provided financial advisory and/or underwriting services to Actavis or its affiliates for which its Investment Banking Division has received compensation. Goldman Sachs may also in the future provide investment banking services to Allergan, Actavis, and their respective affiliates for which the Investment Banking Division of Goldman Sachs may receive compensation.

Allergan's board of directors selected Goldman Sachs as its financial advisor because Goldman Sachs is an internationally recognized investment banking firm that has substantial experience in transactions similar to the Merger. Pursuant to a letter agreement, dated April 22, 2014, Allergan engaged Goldman Sachs to act as financial advisor in connection with the unsolicited Valeant offer and any sale of Allergan, including the Merger. The engagement letter between Allergan and Goldman Sachs provides for an initial fee, an ongoing financial advisory fee and a transaction fee. Based on the information available as of November 16, 2014, the date of the signing of the Merger Agreement, including Actavis share price as of such date, the transaction fee would be approximately \$56.1 million, a substantial portion of which is contingent upon the consummation of the Merger, and which will be offset by the sum of the initial fee and aggregate ongoing financial advisory fees paid to Goldman Sachs at the time of the closing of the Merger. As of the date of the announcement of the Merger, approximately \$18.0 million had been paid or had become payable pursuant to the initial fee and ongoing financial advisory fee, all of which is creditable against the transaction fee at closing. In addition, Allergan has agreed to reimburse Goldman Sachs for certain of its expenses, including attorneys' fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

**Actavis Unaudited Prospective Financial Information**

Actavis does not publicly disclose long-term projections as to future performance, revenues, earnings or other results due to, among other reasons, the uncertainty and subjectivity of the underlying assumptions and estimates. As a result, Actavis does not endorse the unaudited prospective financial information as a reliable indication of future results. Actavis is including certain unaudited prospective financial information in this joint proxy statement/prospectus solely because it was among the financial information made available to the Actavis board of directors, Actavis' financial advisor, Allergan and Allergan's financial advisors in connection with their respective evaluation of the Merger. The unaudited prospective financial information is not being included in this joint proxy statement/prospectus in order to influence any Actavis shareholder or Allergan stockholder to make an investment decision with respect to the Merger, including whether or not to seek appraisal rights with respect to shares of Allergan common stock held by Allergan stockholders. The unaudited prospective financial information presented below was prepared by Actavis management for internal planning purposes in the third quarter of 2014. The unaudited prospective financial information was based solely upon information available to Actavis' management at the time of its preparation. The unaudited prospective financial information was based on estimates and assumptions made by Actavis management in the third quarter of

2014 and speaks only as of that time. Actavis reviews and updates its internal projections regularly. Actavis has not updated the unaudited prospective financial information included in this joint proxy statement/prospectus and does not intend to do so.

**Table of Contents**

The inclusion of the unaudited prospective financial information in this joint proxy statement/prospectus should not be regarded as an indication that any of Actavis, Merger Sub, Allergan or their respective financial advisors or any other person considered, or now considers, this information to be necessarily predictive of actual future results or events, and it should not be relied upon as such. There can be no assurance that the prospective results will be realized or that actual results will not be significantly higher or lower than estimated.

Since the unaudited prospective financial information covers multiple years, such information by its nature becomes less predictive with each successive year. Actavis shareholders and Allergan stockholders are urged to review the SEC filings of Actavis and the SEC filings of certain companies acquired by Actavis and incorporated by reference into this joint proxy statement/prospectus for a description of risk factors with respect to the business of Actavis. See *Risk Factors*, *Cautionary Statement Regarding Forward-Looking Statements* and *Where You Can Find More Information* beginning on pages 34, 47 and 262, respectively, of this joint proxy statement/prospectus. The unaudited prospective financial information was not prepared with a view toward public disclosure, nor was it prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information, or GAAP. Neither the independent registered public accounting firm of Actavis nor any other independent accountants have audited, reviewed, compiled, examined or performed any procedures with respect to the accompanying unaudited prospective financial information, and accordingly, neither the independent registered public accounting firm of Actavis nor any other independent accountant expresses an opinion or provides any form of assurance with respect thereto. The report of the independent registered public accounting firm of Actavis contained in the Annual Report of Actavis on Form 10-K for the year ended December 31, 2013, which is incorporated by reference into this joint proxy statement/prospectus, relates to the historical financial information of Actavis. It does not extend to the unaudited prospective financial information and should not be read to do so. Furthermore, the unaudited prospective financial information does not necessarily reflect Actavis' current estimates and does not take into account any circumstances or events occurring after the date it was prepared, and some or all of the assumptions that have been made regarding, among other things, the timing of certain occurrences or impacts, may have changed since such date. In particular, the unaudited prospective financial information set forth below does not give effect to the Merger nor does it take into account the effect of any failure of the Merger to occur, and should not be viewed as accurate in those contexts.

The inclusion of the unaudited prospective financial information herein should not be deemed an admission or representation by Actavis, Merger Sub or Allergan that it is viewed by Actavis, Merger Sub or Allergan as material information of Actavis, and in fact, none of Actavis, Merger Sub or Allergan view the unaudited prospective financial information as material because of the inherent risks and uncertainties associated with such long-term projections. The unaudited prospective financial information should be evaluated in conjunction with the historical financial statements and other information regarding Actavis contained in this joint proxy statement/prospectus and Actavis' public filings with the SEC.

The following table presents selected unaudited prospective financial data:

<b>Fiscal Year Ended 12/31</b>	<b>2015E</b>	<b>2016E</b>	<b>2017E</b>	<b>2018E</b>	<b>2019E</b>
Net Revenue (in millions)	\$ 15,709	\$ 16,606	\$ 17,917	\$ 19,002	\$ 20,228
Non-GAAP EPS <sup>(1)</sup>	\$ 16.72	\$ 17.90	\$ 20.05	\$ 21.69	\$ 23.53
Adjusted EBITDA (in millions) <sup>(2)</sup>	\$ 6,200	\$ 6,489	\$ 7,100	\$ 7,617	\$ 8,180

(1)

As used in this section of this joint proxy statement/prospectus, Non-GAAP EPS is defined as consolidated net (loss)/income per share for such period adjusted for the following net of tax impacts per share: (i) amortization expenses; (ii) asset impairment charges and losses/(gains) and expenses associated with the sale of assets; (iii) business restructuring charges associated with Actavis Global Supply Chain and Operational Excellence Initiatives or other restructurings of a similar nature; (iv) costs and charges associated with the acquisition of businesses and assets including, but not limited to, milestone payments, integration

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**Table of Contents**

charges, other charges associated with the revaluation of assets or liabilities and charges associated with the revaluation of acquisition-related contingent liabilities that are based in whole or in part on future estimated cash flows; (v) litigation charges and settlements and (vi) other unusual charges or expenses.

- (2) As used in this section of this joint proxy statement/prospectus, Adjusted EBITDA is defined as an amount equal to consolidated net (loss)/income for such period adjusted for the following: (i) interest expense; (ii) interest income; (iii) provision for income taxes; (iv) depreciation and amortization expenses; (v) losses attributable to non-controlling interest; (vi) stock-based compensation expense; (vii) asset impairment charges and losses/(gains) and expenses associated with the sale of assets; (viii) business restructuring charges associated with Actavis Global Supply Chain and Operational Excellence Initiatives or other restructurings of a similar nature; (ix) costs and charges associated with the acquisition of businesses and assets including, but not limited to, milestone payments, integration charges, other charges associated with the revaluation of assets or liabilities and charges associated with the revaluation of acquisition-related contingent liabilities that are based in whole or in part on future estimated cash flows; (x) litigation charges and settlements and (xi) other unusual charges or expenses.

Although presented with numerical specificity, the above unaudited prospective financial information reflects numerous assumptions and estimates as to future events made by the management of Actavis. At the time the unaudited prospective financial information was prepared, Actavis management believed such assumptions and estimates were reasonable. In preparing the foregoing unaudited prospective financial information, Actavis made assumptions regarding, among other things, pricing and volume of products sold, production costs, interest rates, corporate financing activities, including amount and timing of the issuance of debt, the timing and amount of equity issuances, the effective tax rate, the regulatory and legal environment in which Actavis operates, the amount of general and administrative costs and Actavis anticipated acquisition or disposition activities.

The unaudited prospective financial information constitutes forward-looking statements and no assurances can be given that the assumptions made in preparing the above unaudited prospective financial information will accurately reflect future conditions. The estimates and assumptions underlying the unaudited prospective financial information involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions which may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among others, risks and uncertainties described under *Risk Factors* and *Cautionary Statement Regarding Forward-Looking Statements* beginning on pages 34 and 47, respectively, of this joint proxy statement/prospectus, all of which are difficult to predict and many of which are beyond the control of Actavis and/or Allergan and will be beyond the control of the combined company. In addition, the unaudited prospective financial information will be affected by Actavis ability to achieve strategic goals, objectives and targets over the applicable periods. As a result, there can be no assurance that the underlying assumptions will prove to be accurate or that the projected results will be realized, and actual results likely will differ, and may differ materially, from those reflected in the unaudited prospective financial information, whether or not the Merger is completed.

Allergan stockholders and Actavis shareholders are urged to review Actavis most recent SEC filings for a description of Actavis reported and anticipated results of operations and financial condition and capital resources during 2013 and 2014, including *Management's Discussion and Analysis of Financial Condition and Results of Operations* in Actavis Annual Report on Form 10-K for the year ended December 31, 2013, as amended by Actavis Current Reports on Form 8-K filed on May 20, 2014 and December 5, 2014, each of which is incorporated by reference into this joint proxy statement/prospectus.

In light of, among other matters, the foregoing factors and the uncertainties inherent in the unaudited prospective financial information, readers of this joint proxy statement/prospectus are cautioned not to place undue, if any,

reliance on the unaudited prospective financial information included in this joint proxy statement/prospectus. No representation is made by Actavis, Merger Sub, Allergan, their respective financial advisors or any other person to any Allergan stockholder or any Actavis shareholder regarding the ultimate performance of



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**Table of Contents**

Actavis compared to the information included in the above unaudited prospective financial information. In particular, Actavis has made no representation to Allergan or any other person (in the Merger Agreement or otherwise) concerning the unaudited prospective financial information. None of Actavis, Merger Sub, Allergan or any of their respective financial advisors or any of their affiliates assumes any responsibility for the validity, reasonableness, accuracy or completeness of the unaudited prospective financial information included in this joint proxy statement/prospectus. The inclusion of unaudited prospective financial information in this joint proxy statement/prospectus should not be regarded as an indication that such unaudited prospective financial information will be an accurate prediction of future events, and such information should not be relied on as such.

ACTAVIS DOES NOT INTEND TO, AND DISCLAIMS ANY OBLIGATION TO, UPDATE, CORRECT OR OTHERWISE REVISE THE ABOVE UNAUDITED PROSPECTIVE FINANCIAL INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH UNAUDITED PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE (EVEN IN THE SHORT TERM).

**Allergan Unaudited Prospective Financial Information**

Allergan does not publicly disclose long-term projections as to future revenues, earnings or other results due to, among other reasons, the uncertainty and subjectivity of the underlying assumptions and estimates. As a result, Allergan does not endorse the unaudited prospective financial information as a reliable indication of future results. Allergan is including the limited unaudited prospective financial information in this joint proxy statement/prospectus solely because it was among the financial information made available to the Allergan board of directors, Goldman Sachs, BofA Merrill Lynch, Actavis and J.P. Morgan in connection with their respective evaluations of the Merger. The unaudited prospective financial information is not being included in this joint proxy statement/prospectus in order to influence any Allergan stockholder or Actavis shareholder to make an investment decision with respect to the Merger, including whether or not to seek appraisal rights with respect to shares of Allergan common stock held by Allergan stockholders. The unaudited prospective financial data presented below includes projections prepared by Allergan management for normal internal planning purposes in the last quarter of fiscal 2014. Moreover, Allergan's internally prepared unaudited prospective financial information was based on estimates and assumptions made by Allergan's management in the last quarter of fiscal year 2014 and speaks only as of that time. The unaudited prospective financial information was based solely upon information available to Allergan's management at the time of its preparation. Except to the extent required by applicable law, Allergan has no obligation to update unaudited prospective financial information included in this joint proxy statement/prospectus and has not done so and does not intend to do so.

The inclusion of this information should not be regarded as an indication that any of Allergan, Goldman Sachs, BofA Merrill Lynch, Actavis, J.P. Morgan or any other recipient of this information considered, or now considers, it to be necessarily predictive of actual future results or events, and it should not be relied upon as such. There can be no assurance that the prospective results will be realized or that actual results will not be significantly higher or lower than estimated.

Since the unaudited prospective financial information covers multiple years, such information by its nature becomes less predictive with each successive year. Allergan stockholders and Actavis shareholders are urged to review the SEC filings of Allergan incorporated by reference in this joint proxy statement/prospectus for a description of risk factors with respect to the business of Allergan. See *Risk Factors*, *Cautionary Statement Regarding Forward-Looking Statements* and *Where You Can Find More Information* beginning on pages 34, 47 and 262, respectively, of this joint proxy statement/prospectus. The unaudited prospective financial information was not prepared with a view toward

public disclosure, nor was it prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information, or GAAP. Neither the independent registered public accounting firm of Allergan nor any other independent accountant has audited, reviewed, compiled, examined or performed any procedures with respect to the accompanying unaudited

**Table of Contents**

prospective financial information for the purpose of its inclusion herein, and accordingly, neither the independent registered public accounting firm of Allergan nor any other independent accountant expresses an opinion or provides any form of assurance with respect thereto for the purpose of this joint proxy statement/prospectus. The report of the independent registered public accounting firm of Allergan contained in the Annual Report of Allergan on Form 10-K for the year ended December 31, 2013, which is incorporated by reference into this joint proxy statement/prospectus, relates to the historical financial information of Allergan. It does not extend to the unaudited prospective financial information and should not be read to do so. Furthermore, the unaudited prospective financial information does not necessarily reflect Allergan's current estimates and does not take into account any circumstances or events occurring after the date it was prepared, and some or all of the assumptions that have been made regarding, among other things, the timing of certain occurrences or impacts, may have changed since such date. In particular, the unaudited prospective financial information does not give effect to the Merger nor does it take into account the effect of any failure of the Merger to occur, and should not be viewed as accurate in those contexts.

The inclusion of the unaudited prospective financial information herein should not be deemed an admission or representation by Allergan, Actavis or Merger Sub that it is viewed by Allergan, Actavis or Merger Sub as material information of Allergan, and in fact, none of Allergan, Actavis or Merger Sub view the unaudited prospective financial information as material because of the inherent risks and uncertainties associated with such long-term projections. The unaudited prospective financial information should be evaluated in conjunction with the historical financial statements and other information regarding Allergan contained in this joint proxy statement/prospectus and Allergan's public filings with the SEC.

The following table presents selected unaudited prospective financial data:

<b>Fiscal Year Ended 12/31</b>	<b>2014E</b>	<b>2015E</b>	<b>2016E</b>	<b>2017E</b>	<b>2018E</b>	<b>2019E</b>
Revenue (in millions)	\$ 7,216	\$ 7,903	\$ 8,690	\$ 9,557	\$ 10,616	\$ 11,795
Non-GAAP Operating Income (in millions) <sup>(1)</sup>	\$ 2,699	\$ 3,694	\$ 4,306	\$ 4,859	\$ 5,562	\$ 6,354
Non-GAAP EPS <sup>(1)</sup>	\$ 6.50	\$ 9.15	\$ 11.00	\$ 12.73	\$ 14.98	\$ 17.50
Alternative Non-GAAP EPS <sup>(1)</sup>	\$ 6.50	\$ 9.10	\$ 10.86	\$ 12.45	\$ 14.42	\$ 16.57
EBITDA (in millions) <sup>(2)</sup>	\$ 2,839	\$ 3,836	\$ 4,457	\$ 5,021	\$ 5,734	\$ 6,534
Unlevered Free Cash Flow (in millions) <sup>(2)</sup>		\$ 2,093	\$ 3,068	\$ 3,409	\$ 4,072	\$ 4,705

- (1) As used in this section of this joint proxy statement/prospectus, Non-GAAP Operating Income, Non-GAAP EPS and Alternative Non-GAAP EPS include certain non-GAAP adjustments to remove the effects of (i) extraordinary, unusual or non-recurring items; (ii) accounting changes required by U.S. GAAP; (iii) expenses for restructuring or productivity initiatives; (iv) integration and transaction costs associated with business combinations; (v) changes in the fair value of contingent consideration; (vi) amortization of acquired intangible assets; (vii) impairment of goodwill and intangible assets; (viii) significant unusual legal settlement expenses or recoveries; (ix) any unrealized gains or losses on derivative instruments; (x) significant discrete income tax adjustments related to transactions in previously filed tax returns; (xi) any other items that management determines are not reflective of Allergan's core, ongoing business activities; and (xii) any income tax effects of any adjustments with respect to subclauses (i) through (xi) (such adjustments referred to collectively in this section of this joint proxy statement/prospectus as the "Non-GAAP Adjustments"). Non-GAAP EPS and Alternative Non-GAAP EPS each include certain and different assumptions regarding future levels of anti-dilutive common stock repurchases.

- (2) As used in this section of this joint proxy statement/prospectus, EBITDA represents pro forma non-GAAP earnings before interest, taxes, depreciation and amortization, which Allergan calculates as total revenue, minus cost of goods sold, minus total operating expenses, plus depreciation and amortization, plus the net effect of Non-GAAP Adjustments. In calculating EBITDA, stock-based compensation was treated as a cash expense. Unlevered Free Cash Flow is calculated as non-GAAP earnings before interest and taxes (EBIT), minus taxes, minus capital expenditures, minus the change in net working capital, minus milestone payments, minus restructuring charges. EBITDA and Unlevered Free Cash Flow are non-GAAP financial measures.

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**Table of Contents**

Actavis and Allergan calculate certain non-GAAP financial metrics, including EBITDA, using different methodologies. Consequently, the financial metrics presented in each company's prospective financial information disclosures and in the sections of this joint proxy statement/prospectus with respect to the opinions of the financial advisors to Actavis and Allergan may not be directly comparable to one another.

Although presented with numerical specificity, the above unaudited prospective financial information reflects numerous assumptions and estimates as to future events made by the management of Allergan. At the time the unaudited prospective financial information was prepared, Allergan's management believed such assumptions and estimates were reasonable. In preparing the foregoing unaudited prospective financial information, Allergan made assumptions regarding, among other things, sales volumes and pricing, product costs, the amount of selling, general and administrative costs, the amount of research and development spending, the effective tax rate and the amount of Allergan's income taxes, currency exchange rates, and the timing and amount of anti-dilutive common stock repurchases.

The unaudited prospective financial information constitutes forward-looking statements and no assurances can be given that the assumptions made in preparing the above unaudited prospective financial information will accurately reflect future conditions. The estimates and assumptions underlying the unaudited prospective financial information involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions which may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among others, risks and uncertainties described under *Risk Factors* and *Cautionary Statement Regarding Forward-Looking Statements* beginning on pages 34 and 47, respectively, of this joint proxy statement/prospectus, all of which are difficult to predict and many of which are beyond the control of Allergan and/or Actavis and will be beyond the control of the combined company. In addition, the unaudited prospective financial information will be affected by Allergan's ability to achieve strategic goals, objectives and targets over the applicable periods. As a result, there can be no assurance that the underlying assumptions will prove to be accurate or that the projected results will be realized, and actual results likely will differ, and may differ materially, from those reflected in the unaudited prospective financial information, whether or not the Merger is completed.

Allergan stockholders and Actavis shareholders are urged to review Allergan's most recent SEC filings for a description of Allergan's reported and anticipated results of operations and financial condition and capital resources during 2014, including *Management's Discussion and Analysis of Financial Condition and Results of Operations* in Allergan's Quarterly Report on Form 10-Q for the third quarter ended September 30, 2014, which is incorporated by reference into this joint proxy statement/prospectus.

In light of, among other matters, the foregoing factors and uncertainties inherent in the unaudited prospective financial information, readers of this joint proxy statement/prospectus are cautioned not to place undue reliance on the unaudited prospective financial information included in this joint proxy statement/prospectus. No representation is made by Allergan, Actavis, Merger Sub, their respective financial advisors or any other person to any Allergan stockholder or any Actavis shareholder regarding the ultimate performance of Allergan compared to the information included in the above unaudited prospective financial information. In particular, Allergan has made no representation to Actavis or any other person (in the Merger Agreement or otherwise) concerning the unaudited prospective financial information. None of Allergan, Actavis, Merger Sub or any of their respective financial advisors or any of their affiliates assumes any responsibility for the validity, reasonableness, accuracy or completeness of the unaudited prospective financial information included in this joint proxy statement/prospectus. The inclusion of unaudited prospective financial information in this joint proxy statement/prospectus should not be regarded as an indication that such unaudited prospective financial information will be an accurate prediction of future events, and such information should not be relied on as such.

ALLERGAN DOES NOT INTEND TO, AND DISCLAIMS ANY OBLIGATION TO, UPDATE, CORRECT OR OTHERWISE REVISE THE ABOVE UNAUDITED PROSPECTIVE FINANCIAL

**Table of Contents**

INFORMATION TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH UNAUDITED PROSPECTIVE FINANCIAL INFORMATION ARE NO LONGER APPROPRIATE (EVEN IN THE SHORT-TERM), EXCEPT AS MAY BE REQUIRED BY LAW.

**Board of Directors and Management after the Transactions**

Upon completion of the Merger, the combined company will be led by Brenton L. Saunders, the current CEO and President of Actavis, and Paul M. Bisaro, the current Executive Chairman of Actavis, will be the Executive Chairman of the combined company. The integration of the two companies will be led by the senior management team for the combined company, which will be comprised of executives of both companies as announced by Actavis on December 16, 2014. Two members of the Allergan board of directors as of immediately prior to the effective time of the Merger will be added to the Actavis board of directors.

For additional information about the members of the Actavis board of directors, see the documents listed under *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

**Interests of Allergan's Directors and Executive Officers in the Transactions**

In considering the recommendation of the Allergan board of directors that Allergan stockholders vote to approve the Merger Proposal, Allergan stockholders should be aware that Allergan's directors and executive officers have interests in the Merger that are different from, or in addition to, the interests of Allergan's stockholders generally. The members of the Allergan board of directors were aware of the different or additional interests and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement, and in recommending to the stockholders of Allergan that the Merger Proposal be approved. See *Recommendation of the Allergan Board of Directors and Allergan's Reasons for the Merger* beginning on page 83 of this joint proxy statement/prospectus. Allergan's stockholders should take these interests into account in deciding whether to vote **FOR** the Merger Proposal. These interests are described in more detail below, and certain of them are quantified in the narrative and the table below.

***Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards***

Under the Merger Agreement, the equity-based awards held by Allergan's directors and executive officers as of the effective time of the Merger will be treated as follows:

*Options Held by Continuing Employees.* As of the effective time of the Merger, each Allergan Stock Option granted under any Allergan equity plan held by any Continuing Employee that is outstanding and unexercised immediately prior to the effective time of the Merger, whether or not then vested or exercisable, will be assumed by Actavis and will be converted into an Actavis Stock Option. Each such Actavis Stock Option as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the Allergan Stock Option immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan Stock Option by reason of the Merger Agreement or the Merger). As of the effective time of the Merger, each such Actavis Stock Option as so assumed and converted will be for that whole number of Actavis ordinary shares (rounded down to the nearest whole share) equal to the product of (i) the number of shares of Allergan common stock subject to such Allergan Stock Option multiplied by (ii) the Stock Award Exchange Ratio, at an exercise price per Actavis ordinary share (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (x) the exercise price per share of Allergan common stock of such Allergan Stock Option by (y) the Stock Award Exchange Ratio. Mr. David Pyott will not be considered a Continuing Employee under the terms of the Merger Agreement. In addition, while it is possible that certain other

Allergan executive officers may continue to provide services to Actavis in various non-employee capacities following the effective time of the Merger, such executive officers may not be Continuing Employees under the terms of the Merger Agreement.



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**Table of Contents**

*Restricted Stock Held by Continuing Employees.* As of the effective time of the Merger, each outstanding Allergan Restricted Share granted under any Allergan equity plan held by a Continuing Employee that is not then vested will be assumed by Actavis and will be converted into an Actavis Restricted Share. Each Actavis Restricted Share as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the applicable Allergan Restricted Shares immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan Restricted Share by reason of the Merger Agreement or the Merger). As of the effective time of the Merger, the number of Actavis ordinary shares underlying each such Actavis Restricted Share as so assumed and converted will be equal to the product of (i) the applicable number of Allergan Restricted Shares multiplied by (ii) the Stock Award Exchange Ratio. Such number of Actavis Restricted Shares will be rounded up to the nearest whole share if half a share or more, or down to the nearest whole share if less than half a share.

*Restricted Stock Units Held by Continuing Employees.* As of the effective time of the Merger, each outstanding Allergan RSU issued under any Allergan equity plan held by a Continuing Employee that is not then vested will be assumed by Actavis and will be converted into an Actavis RSU with associated rights to the issuance of additional Actavis ordinary shares. Each Actavis RSU as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the applicable Allergan RSUs immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan RSU by reason of the Merger Agreement or the Merger). To the extent any such Allergan RSUs are subject to performance vesting, the applicable Actavis RSUs corresponding to such Allergan RSUs will be earned at the effective time of the Merger based on target performance, and will otherwise vest on the last day of the original applicable performance period for such Allergan RSUs, subject to continued employment through the last day of the original applicable performance period. In addition, such Actavis RSUs may be subject to accelerated vesting upon certain terminations of employment as prescribed by the terms in effect for such Allergan RSUs immediately prior to the effective time of the Merger. Furthermore, Actavis will have the ability to adjust any dividend equivalent rights under any Allergan equity plan, in any award agreement or in any Allergan RSUs, to reflect the changes or adjustments contemplated to the corresponding Allergan RSUs by reason of the Merger Agreement or the Merger. As of the effective time of the Merger, the number of Actavis ordinary shares underlying each such Actavis RSU as so assumed and converted will be equal to the product of (i) the number of shares of Allergan common stock underlying the applicable Allergan RSUs multiplied by (ii) the Stock Award Exchange Ratio. Such number of Actavis ordinary shares underlying the Actavis RSUs will be rounded up to the nearest whole share if half a share or more, or down to the nearest whole share if less than half a share.

*Equity Awards Held by Allergan Non-Employee Directors and Non-Continuing Employees.* The vesting of any outstanding unvested Allergan equity awards held by any Allergan non-employee director or any employee of Allergan who is not a Continuing Employee will accelerate in full at the effective time of the Merger. Each such accelerated Allergan Stock Option will be cancelled at the effective time of the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of Allergan common stock subject to such Allergan Stock Option multiplied by (ii) the excess, if any, of (A) the Stock Consideration Portion multiplied by the Actavis VWAP plus the Cash Consideration Portion less (B) the exercise price of such Allergan Stock Option, subject to applicable withholding taxes. Such cash amount will be rounded up to the nearest whole cent if half a cent or more or down to the nearest whole cent if less than half a cent. Holders of such accelerated Allergan RSUs and Allergan Restricted Shares will be entitled to receive the Merger Consideration in respect of the shares of Allergan common stock underlying the Allergan RSUs and the Allergan Restricted Shares, subject to applicable withholding taxes.

*Acceleration upon a Qualifying Termination.* Pursuant to the terms and conditions of outstanding Allergan Stock Options, Allergan Restricted Shares and Allergan RSUs granted to employees under the Allergan 2011 Incentive Award Plan and the Allergan 2008 Incentive Award Plan (referred to in this joint proxy statement/prospectus as the

Allergan Equity Plans ), which terms will apply to such awards following their assumption

**Table of Contents**

and conversion to Actavis equity awards, vesting will be accelerated if the executive experiences a qualifying termination. For purposes of these equity awards, a "qualifying termination" means (A) a termination of the executive's employment within two years after the date of a "change in control" (x) by Allergan (or a successor entity) other than for cause (as defined under the Allergan Equity Plans), death or disability, or (y) in which the executive voluntarily terminates his or her employment following (i) a material reduction in the executive's base compensation, (ii) a material diminution in the executive's position without the executive's consent, such that there is a material diminution in the executive's authority, duties or responsibilities, (iii) a change in the executive's principal location of employment that is material and greater than 50 miles from the executive's prior principal location of employment without the executive's written consent, provided that travel in connection with the performance of the executive's duties will not constitute a change in the executive's principal location of employment or (iv) any action or inaction that constitutes a material breach by Allergan (or a successor entity) of any agreement with the executive pursuant to which he or she provides services; provided that in each of (i)-(iv), the executive provides Allergan (or its successor) with written notice within 90 days of the occurrence of the relevant breach and Allergan (or its successor) does not cure such breach within 30 days of receiving written notice or (B) a termination of the executive's employment that occurs prior to a change in control, where it is determined that such termination (x) was at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a change in control and who subsequently effectuates a change in control or (y) otherwise occurred in connection with, or in anticipation of, a change in control which actually occurs.

For an estimate of the amounts that would be payable to each of Allergan's named executive officers on settlement of their unvested equity-based awards, see *Quantification of Payments and Benefits to Allergan's Named Executive Officers* beginning on page 126 of this joint proxy statement/prospectus. The estimated aggregate amount that would be payable to Allergan's executive officers who are not named executive officers in settlement of their unvested equity-based awards if the Merger were completed on January 5, 2015 and they were to experience a qualifying termination on such date is \$38,600,474. We estimate that the aggregate amount that would be payable to Allergan's eight non-employee directors for their unvested equity-based awards assuming that the Merger were completed on January 5, 2015 and they were to discontinue service is \$4,017,900.

The amounts above are determined using a per share price of Allergan common stock of \$211.41, the average closing price per share over the first five business days following the announcement of the Merger.

***Change in Control Policy***

Each of Allergan's executive officers (other than Mr. Edwards, who resigned as an executive officer in August 2014) is a participant in Allergan's Change in Control Policy (referred to in this joint proxy statement/prospectus as the "CIC Policy"), which provides certain benefits in the event of a "qualifying termination," which means a termination of the executive's employment (i) within two years after the date of a "change in control" (a) by Allergan (or a successor entity) other than for cause (as defined in the CIC Policy), death or disability, or (b) in which the executive voluntarily terminates his or her employment in the case of a material reduction or adverse modification of the executive's overall compensation or a material change of the executive's duties (including any substantial diminution or adverse modification of the executive's overall position, responsibilities or reporting relationship or a relocation of the executive's place of employment more than 50 miles from his or her place of employment, in each case, without the executive's written consent) or (ii) within the 55 day period ending on the date of a change in control, where it is determined that such termination (a) was at the request of a third party who has indicated an intention or taken steps reasonably calculated to effect a change in control and who subsequently effectuates a change in control or (b) otherwise occurred in connection with, or in anticipation of, a change in control which actually occurs. The Merger would constitute a change in control under the CIC Policy.



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**Table of Contents**

Under the CIC Policy, if the executive experiences a qualifying termination, the executive is entitled to:

a cash payment equal to three times (or two times, in the case of Mr. Barlow) the sum of (i) the executive's highest annual salary rate within the five-year period preceding the date of the executive's termination and (ii) a bonus payment equal to the executive's target annual bonus under the applicable Allergan annual bonus plan for the year in which the qualifying termination occurs (to be calculated assuming 100% performance of applicable objectives), payable in a lump sum on the 55<sup>th</sup> day after such termination; provided, however, that if the executive's severance payment under an applicable (non-change in control) severance plan or policy would be higher than the foregoing payment, then the executive's cash severance payment would be equal to three times (or two times, in the case of Mr. Barlow) the amount determined in accordance with the applicable plan or policy;

company-paid continuation of medical, dental and vision benefits in accordance with the terms of the Allergan welfare benefit plans for a three-year period (or two-year, in the case of Mr. Barlow); and

outplacement benefits of a type and duration generally provided to employees at the executive's level.

The foregoing payments and benefits are subject to the executive's execution of a release of claims against Allergan (or its successor) that becomes irrevocable prior to the 55<sup>th</sup> day following such executive's qualifying termination. The CIC Policy prohibits excise tax gross-ups and certain benefit enhancements, such as pension credits, in the event of qualifying terminations following a change in control.

For an estimate of the value of the payments and benefits described above that would be payable to each of Allergan's named executive officers, see *Quantification of Payments and Benefits to Allergan's Named Executive Officers* beginning on page 126 of this joint proxy statement/prospectus. The estimated aggregate amount that would be payable to Allergan's other executive officers as a group under the CIC Policy if the Merger was to be completed and they were to experience a qualifying termination on January 5, 2015 is \$8,858,679.

***Bonus Plans***

Under the Merger Agreement, Allergan may operate its bonus and cash incentive plans for 2014 and 2015 in the ordinary course consistent with past practice and with the terms and conditions of Allergan's bonus and cash incentive plans.

Under Allergan's Management Bonus Plan or Allergan's Executive Bonus Plan (referred to in this joint proxy statement/prospectus as the *Bonus Plans*), if a change in control occurs during any year in which a participant is eligible to receive a bonus award under the plan, such bonus award will be prorated to the effective date of the change in control and all performance objectives set by the compensation committee of the Allergan board of directors will be deemed to be met at the greater of 100% of the performance objective or actual prorated year-to-date performance. Payments would be made within 30 days or, with respect to bonuses under the Bonus Plans for the 2015 fiscal year, no later than 60 days, after the effective date of the change in control (subject to continued employment through the change in control date).

For an estimate of the value of the bonus payments for 2014 that would be payable to each of Allergan's named executive officers, see *Quantification of Payments and Benefits to Allergan's Named Executive Officers* beginning on

page 126 of this joint proxy statement/prospectus. The estimated aggregate amount of the bonus payments for 2014 that would be payable to Allergan's other executive officers as a group if the Merger were completed on January 5, 2015 is \$1,095,000. The bonus amounts listed in the table below are calculated assuming achievement of 100% of the performance objectives for fiscal 2014. Allergan anticipates that the bonus pool under the Bonus Plans for 2014 will be funded at approximately 115% or higher; however, as of the date of this joint proxy statement/prospectus, individual 2014 bonus determinations have not been made by the compensation committee of the Allergan board of directors and remain subject to its review and approval. In addition, as of the date of this joint proxy statement/prospectus, Allergan has not approved its fiscal 2015 bonus program.

**Table of Contents*****Retention Bonus Pool***

Under the Merger Agreement, Allergan may provide cash incentive bonus compensation to key employees from a retention bonus pool of up to \$20 million, with the terms and eligible recipients of such cash incentive bonuses to be jointly agreed upon by Allergan and Actavis in reasonable consultation. Allergan does not expect to award any such retention bonuses to its executive officers.

***Pension Plan***

Under Allergan's Executive Benefit Plan, in the event of a change in control (assuming such event also constitutes a change in control for purposes of Internal Revenue Code Section 409A) and a participant is terminated within two years following such event, the participant will receive a lump sum payment of accrued benefits under the plans based on a more favorable 3.6% discount rate (rather than based on a 5.01% discount rate). Termination under Allergan's Executive Benefit Plan can be for any reason whatsoever, voluntary or involuntary.

For an estimate of the value of the pension plan payments described above that would be payable to each of Allergan's named executive officers, see *Quantification of Payments and Benefits to Allergan's Named Executive Officers* beginning on page 126 of this joint proxy statement/prospectus. The estimated aggregate amount of the pension plan payments described above that would be payable to Allergan's other executive officers as a group if the Merger were completed and the executive officers were terminated on January 5, 2015 is \$612,787.

***Indemnification and Insurance***

Pursuant to the terms of the Merger Agreement, Allergan's directors and executive officers will be entitled to certain ongoing indemnification, advancement of expenses and coverage under directors' and officers' liability insurance policies from the Surviving Corporation. Such indemnification, advancement of expenses and insurance coverage is further described in the section entitled *The Merger Agreement Indemnification; Directors' and Officers' Insurance* beginning on page 157 of this joint proxy statement/prospectus.

***Quantification of Payments and Benefits to Allergan's Named Executive Officers***

The table below sets forth the amount of payments and benefits that each of Allergan's named executive officers would receive in connection with the Merger, assuming that the transaction were consummated and each such executive officer experienced a qualifying termination on January 5, 2015. The amounts below are determined using a per share price of Allergan common stock of \$211.41, the average closing price per share over the first five business days following the announcement of the Merger Agreement. As a result of the foregoing assumptions, the actual amounts, if any, to be received by a named executive officer may materially differ from the amounts set forth below.

<b>Name</b>	<b>Cash (\$)<sup>(1)</sup></b>	<b>Equity (\$)<sup>(2)</sup></b>	<b>Pension/ NQDC (\$)<sup>(3)</sup></b>	<b>Perquisites/ Benefits (\$)<sup>(4)</sup></b>	<b>Total (\$)</b>
David Pyott	11,810,400	113,121,331	1,602,080	96,185	126,629,995
James Hindman	3,040,000	9,168,184	155,281	87,450	12,450,914
Douglas Ingram	4,470,200	21,327,233	358,132	111,867	26,267,432
Jeffrey Edwards	377,000	17,638,927	349,073		18,365,000
Scott Whitcup	3,984,000	23,510,403	360,421	42,739	27,897,564

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Julian Gangolli	3,094,200	17,060,982	287,733	96,185	20,539,100
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- (1) Amount represents the cash severance that the named executive officer is eligible to receive under the CIC Policy, as well as the named executive officer's 2014 cash bonus under either of the Bonus Plans. Following his resignation as an executive officer in August 2014, Mr. Edwards is no longer entitled to benefits under the CIC Policy.



**Table of Contents**

Cash severance would be payable in a lump sum upon a double-trigger qualifying termination, as described above in *Change in Control Policy*. In such an event, each named executive officer (other than Mr. Edwards) would be entitled to receive a cash payment equal to three times the sum of (i) the named executive officer's highest annual salary rate within the five-year period preceding termination and (ii) a bonus payment equal to the named executive officer's target annual bonus for the year in which the qualifying termination occurs.

In addition, under the Bonus Plans, if a change in control occurs, the named executive officer's award under the applicable Bonus Plan will be prorated to the effective date of the change in control and all performance objectives will be deemed to be met at the greater of 100% of the performance objectives or actual prorated year-to-date performance. Payment under the Bonus Plans would be based on a single trigger, i.e., the occurrence of a change in control (the Merger), subject to continued employment through the change in control date.

The following table quantifies each separate form of cash compensation included in the aggregate total reported in the column. The bonus amounts listed in the table below are calculated assuming achievement of 100% of the performance objectives for fiscal 2014. Allergan anticipates that the bonus pool under the Bonus Plans for 2014 will be funded at approximately 115% or higher; however, as of the date of this joint proxy statement/prospectus, individual 2014 bonus determinations have not been made by the compensation committee of the Allergan board of directors and remain subject to its review and approval. In addition, as of the date of this joint proxy statement/prospectus, Allergan has not approved its fiscal 2015 bonus program.

<b>Name</b>	<b>Base Salary Severance (\$)</b>	<b>Bonus Component of Severance (\$)</b>	<b>2014 Bonus (\$)</b>
David Pyott	4,218,000	5,694,300	1,898,100
James Hindman	1,650,000	1,155,000	235,000
Douglas Ingram	2,163,000	1,730,400	576,800
Jeffrey Edwards			377,000
Scott Whitcup	1,992,000	1,494,000	498,000
Julian Gangolli	1,719,000	1,031,400	343,800

- (2) Pursuant to the terms and conditions of Allergan's outstanding equity award arrangements, each named executive officer would be entitled to accelerated vesting of his assumed and outstanding Allergan equity awards upon a qualifying termination, as described above under *Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards Acceleration upon a Qualifying Termination*.

The following table quantifies the value of the unvested Allergan stock options, restricted stock awards and restricted stock units held by the named executive officers (assuming a qualifying termination on January 5, 2015), and a price per share of Allergan common stock of \$211.41, which equals the average closing market price of Allergan common stock (rounded up to the nearest whole cent) over the first five business days following the first public announcement of the Merger Agreement.

<b>Name</b>	<b>Number of Unvested</b>	<b>Value of Unvested Stock</b>	<b>Number of Restricted Stock Awards</b>	<b>Value of Restricted Stock</b>	<b>Number of Restricted Stock Units</b>	<b>Value of Restricted Stock Units</b>
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	<b>Stock Options (#)</b>	<b>Options (\$)</b>	<b>(#)</b>	<b>Awards (\$)</b>	<b>(#)</b>	<b>(\$)</b>
David Pyott	734,756	78,238,681			165,000	34,882,650
James Hindman	35,807	3,830,644	2,700	570,807	22,547	4,766,733
Douglas Ingram	169,431	17,752,078			16,911	3,575,155
Jeffrey Edwards	165,565 <sup>(a)</sup>	17,638,927 <sup>(a)</sup>				
Scott Whitcup	192,315	21,127,037			11,274	2,383,366
Julian Gangolli	137,729	14,758,332	3,000	634,230	7,892	1,668,420

(a) Allergan anticipates that Mr. Edwards will no longer serve as an employee effective on or about March 1, 2015 and in any event, prior to the effective time of the Merger. Upon a termination of his

**Table of Contents**

employment on March 1, 2015, Allergan anticipates that Mr. Edwards would forfeit 95,362 unvested options with a value of \$9,554,305 (determined using the same per share price of Allergan common stock of \$211.41).

- (3) Under Allergan's Executive Benefit Plan, in the event of a double trigger termination for any reason within two years following a change in control, each named executive officer will receive a lump sum payment of accrued benefits under the Executive Benefit Plan based on a more favorable 3.6% discount rate (rather than based on a 5.01% discount rate). This column quantifies this benefit enhancement and does not quantify any amounts with respect to Allergan's defined benefit retirement plan or the Allergan Executive Deferred Compensation Plan, because none of the named executive officers would be entitled to a benefit enhancement under either of these plans in connection with the Merger.
- (4) Under the CIC Policy, upon a double trigger qualifying termination as described in footnote (1) above, each named executive officer (other than Mr. Edwards) is entitled to receive (i) company-paid continuation of medical, dental and vision benefits for a three-year period and (ii) outplacement benefits of a type and duration generally provided to employees at the named executive officer's level.

The following table quantifies each separate perquisite included in the aggregate total reported in the column:

Name	Continued Healthcare	
	Coverage (\$)	Outplacement (\$)
David Pyott	76,185	20,000
James Hindman	67,450	20,000
Douglas Ingram	91,867	20,000
Jeffrey Edwards		
Scott Whitcup	22,739	20,000
Julian Gangolli	76,185	20,000

**Regulatory Approvals Required for the Merger*****United States Antitrust***

Under the HSR Act and the rules and regulations promulgated thereunder by the FTC, the transactions cannot be consummated until, among other things, notifications have been given and certain information has been furnished to the FTC and the Antitrust Division and the applicable waiting period has expired or been terminated.

On December 1, 2014, each of Actavis and Allergan filed a Pre-Merger Notification and Report Form required pursuant to the HSR Act with the Antitrust Division and the FTC. On December 29, 2014, Actavis voluntarily withdrew and subsequently re-filed these forms. On January 9, 2015, the FTC granted early termination of the waiting period under the HSR Act with respect to the Merger.

***Other Regulatory Approvals***

Actavis and Allergan derive revenues in other jurisdictions where merger or acquisition control filings or clearances are or may be required, including clearances by the European Commission and in Canada, Colombia, Russia, Serbia,

South Africa, Turkey and Ukraine. The Merger cannot be consummated until the closing conditions relating to applicable clearances under antitrust laws have been satisfied or waived. The necessary antitrust clearance in Serbia has been received. Although Actavis and Allergan believe that they will be able to obtain the other requisite regulatory clearances in a timely manner, they cannot be certain when or if they will do so, or if any clearances will contain terms, conditions or restrictions that will be detrimental to or adversely affect Actavis, Allergan or their respective subsidiaries after the completion of the Merger.

## **Table of Contents**

### ***Stock Exchange Listing***

The Actavis ordinary shares to be issued as the aggregate Stock Consideration Portion must be approved for listing on the NYSE, subject to official notice of issuance.

### ***Commitment to Obtain Approvals***

Actavis and Allergan have agreed to cooperate with each other and use their respective reasonable best efforts to obtain as soon as practicable all consents and approvals of any governmental authority or any other third party necessary, proper or advisable in connection with the Merger, subject to limitations as set forth in the Merger Agreement. In addition, Actavis has agreed to, and to cause each of its subsidiaries to, negotiate, effect and agree to any sale, divestiture, license, holding separate, and other disposition of, restriction on or similar action with respect to (each such action referred to in this joint proxy statement/prospectus as a Divestiture Action ) their respective businesses, product lines, divisions and assets to the minimum extent necessary to obtain the consents and approvals required to be obtained under certain specified antitrust laws so as to permit the closing to occur by the Outside Date, subject to certain exceptions. If requested and consented to by Actavis, Allergan has also agreed to effect any Divestiture Action with respect to its businesses, product lines, divisions and assets required to obtain the consents and approvals required to be obtained under certain specified antitrust laws so as to permit the closing to occur by the Outside Date. See *The Merger Agreement Covenants and Agreements Reasonable Best Efforts; Regulatory Filings and Other Actions* beginning on page 148 of this joint proxy statement/prospectus.

### ***General***

While Actavis and Allergan believe that they will receive the regulatory approvals and clearances necessary to consummate the Merger, there can be no assurances regarding the timing of the approvals and clearances, their ability to obtain the approvals and clearances on satisfactory terms or the absence of litigation challenging these approvals and clearances. There can likewise be no assurance that U.S. federal, state or non-U.S. regulatory authorities, or private parties, will not attempt to challenge the Merger on antitrust grounds or for other reasons, or, if a challenge is made, as to the results of the challenge. Actavis and Allergan's obligation to complete the Merger is conditioned upon the receipt of certain approvals and clearances by U.S. federal and state governmental authorities and under the antitrust laws of certain jurisdictions as set forth in the Merger Agreement. See *The Merger Agreement Conditions to the Completion of the Merger* beginning on page 153 of this joint proxy statement/prospectus.

### **Financing Relating to the Transactions**

Actavis anticipates that the total funds it will need to complete the Merger will be funded through a combination of:

available cash on hand of Actavis and Allergan;

up to \$8.9 billion in proceeds from the issuance and sale of the Equity Securities; and

third-party debt financing consisting of the following:

- i the Term Facilities;
- i the Notes;
- i if and to the extent cash on hand of Allergan is not available on the closing date, the Cash Bridge Facility; and
- i if and to the extent the Notes or the Equity Securities are not issued and sold, the Bridge Facility.

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**Table of Contents*****Bridge Credit Agreement***

On December 17, 2014, Actavis entered into the Bridge Credit Agreement. Under the Bridge Credit Agreement, the Bridge Lenders have committed to provide, subject to certain conditions, unsecured bridge financing in an aggregate principal amount of up to \$30.9 billion. The proceeds of borrowings under the Bridge Credit Agreement are to be used to finance, in part, the aggregate Cash Consideration Portion and certain fees and expenses incurred in connection with the Merger, to the extent Actavis does not arrange for alternative financing prior to the consummation of the Merger. The obligations of Actavis Capital under the Bridge Credit Agreement are guaranteed by Warner Chilcott Limited, Actavis, Inc. and Actavis Funding SCS. Actavis Capital would expect to refinance any borrowings under the Bridge Credit Agreement with the proceeds of other external indebtedness.

***Term Loan Credit Agreement***

On December 17, 2014, Actavis also entered into the Term Loan Credit Agreement. Under the Term Loan Credit Agreement, the Term Lenders have committed to provide, subject to certain conditions, (i) a tranche of three-year senior unsecured term loans in an original aggregate principal amount of \$2.75 billion and (ii) a tranche of five-year senior unsecured term loans in an original aggregate principal amount of \$2.75 billion (referred to in this joint proxy statement/prospectus as the Five Year Tranche ). The proceeds of borrowings under the Term Loan Credit Agreement are to be used to finance, in part, the aggregate Cash Consideration Portion and certain fees and expenses incurred in connection with the Merger. The obligations of Actavis Capital under the Term Loan Credit Agreement are guaranteed by Warner Chilcott Limited, Actavis, Inc. and Actavis Funding SCS.

***Other Terms of the Commitment Letter, Bridge Credit Agreement and the Term Loan Credit Agreement***

On November 16, 2014, Actavis obtained the Commitment Letter from the Commitment Parties pursuant to which the Commitment Parties agreed to provide, subject to certain conditions, the entire principal amount of the Cash Bridge Facility and commitments for certain other portions of the Debt Financing that have been replaced by the Bridge Credit Agreement and the Term Loan Credit Agreement. The commitments under the Commitment Letter with respect to the Cash Bridge Facility remain outstanding and, if and to the extent cash on hand of Allergan will not be available at closing, Actavis expects to enter into definitive documentation for the Cash Bridge Facility in advance of the closing date.

Loans outstanding under each New Credit Agreement will bear interest, at Actavis' option, either (i) at the base rate (which will be the highest of (1) the prime rate of JPMorgan Chase Bank, N.A., (2) the federal funds rate plus 0.50% and (3) the applicable interest rate for a eurodollar loan with a one month interest period plus 1.00%) or (ii) at the eurodollar rate, plus, in each case, an applicable margin that will vary depending on the debt rating of Actavis and, in the case of the Bridge Credit Agreement, the number of days for which the loans remain outstanding from the date of funding thereunder. In addition, under each New Credit Agreement, Actavis will pay a nonrefundable ticking fee of 0.175% on the amount of the aggregate commitments in effect from December 17, 2014 until the earlier of the termination or expiration of the commitments thereunder and the funding date thereunder. Under the Bridge Credit Agreement, a non-refundable duration fee of 0.50%, 1.00% and 1.50% is payable on the 90th, 180th and 270th day, respectively, after the funding date on the aggregate principal amount of the loans outstanding on such day.

The outstanding principal amount of the Five Year Tranche is payable in equal quarterly installments of 2.50% of the original principal amount of the Five Year Tranche outstanding on the funding date each quarter prior to the fifth anniversary of the funding date, with the remaining balance payable on the fifth anniversary of the funding date. Actavis Capital may voluntarily prepay the loans under each New Credit Agreement at any time without premium or penalty. The Bridge Credit Agreement also requires (i) mandatory commitment reductions with the net cash proceeds

of certain asset sales and recovery events and the gross cash proceeds of debt or equity issuances or (ii) if the loans under the Bridge Credit Agreement have been funded, mandatory prepayments with



**Table of Contents**

the net cash proceeds of certain asset sales and recovery events and debt or equity issuances, in each case, subject to customary exceptions. Each New Credit Agreement also contains customary events of default and if and for so long as an event of default has occurred and is continuing, any amounts outstanding under such New Credit Agreement will accrue interest at an increased rate and payments of any outstanding amounts thereunder could be accelerated by the lenders. In addition, Actavis and the loan parties under each New Credit Agreement will be subject to certain affirmative and negative covenants, including a quarterly consolidated leverage ratio maintenance covenant.

The commitments with respect to the Cash Bridge Facility, the Bridge Facility and the Term Facilities will terminate on the earliest of (i) the Outside Date (as it may be extended pursuant to the terms of the Merger Agreement), (ii) the closing of the Merger without the use of such facility, (iii) the termination of the Merger Agreement and (iv) with respect to the Bridge Facility and the Term Facilities, 11:59 p.m. New York City time on the date the Bridge Credit Agreement or the Term Loan Credit Agreement are funded, respectively.

Although the Debt Financing described in this joint proxy statement/prospectus is not subject to a due diligence or market out, such financing may not be considered assured. The obligation of the Commitment Parties, the Bridge Lenders and the Term Lenders to provide their respective portions of the Debt Financing is subject to a number of conditions as further set forth below. There can be no assurance that these conditions will be satisfied or that the Debt Financing will be funded when required. As of the date of this joint proxy statement/prospectus, no alternative financing arrangements or alternative financing plans have been made in the event the Debt Financing described in this joint proxy statement/prospectus is not available.

The obligations of the Commitment Parties to provide the Cash Bridge Facility and the obligations of the Bridge Lenders and the Term Lenders to make loans under the Bridge Credit Agreement and the Term Loan Agreement, respectively, are subject to:

since the date of the Merger Agreement, there not having occurred a material adverse effect with respect to Allergan which is continuing;

consummation of the Merger in accordance with the Merger Agreement;

the accuracy in all material respects of certain representations and warranties;

receipt of customary closing documents;

delivery by Actavis of a preliminary offering memoranda or preliminary private placement memoranda or, at Actavis' option, a preliminary prospectus or preliminary prospectus supplement for the Notes and other marketing materials at least 10 consecutive business days prior to the closing date;

filing of an effective registration statement on Form S-1 or Form S-3 and delivery of a preliminary prospectus or preliminary prospectus supplement, as applicable, by Actavis for the Equity Securities and

other marketing materials at least 10 consecutive business days prior to the closing date; and

other customary closing conditions.

The information set forth above regarding the Bridge Credit Agreement and the Term Loan Credit Agreement is only a summary and is qualified in its entirety by reference to the Bridge Credit Agreement and the Term Loan Credit Agreement, copies of which have been filed as exhibits to the Actavis reports that are incorporated by reference in this joint proxy statement/prospectus. See *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

### **Transaction-Related Costs**

Actavis currently estimates that, upon the effective time of the Merger, transaction-related costs incurred by the combined company, including fees and expenses relating to the Merger, will be approximately \$1 billion.

## **Table of Contents**

### **Accounting Treatment of the Transactions**

Actavis will account for the acquisition pursuant to the Merger Agreement using the acquisition method of accounting in accordance with GAAP. Actavis will measure the assets acquired and liabilities assumed at their fair values including net tangible and identifiable intangible assets (collectively referred to in this joint proxy statement/prospectus as **CMP** ) acquired and liabilities assumed as of the closing of the transactions. Any excess of the purchase price over those fair values will be recorded as goodwill.

Definite lived intangible assets will be amortized over their estimated useful lives. Intangible assets with indefinite useful lives and goodwill will not be amortized but will be tested for impairment at least annually. All intangible assets and goodwill are also tested for impairment when certain indicators are present.

The purchase price reflected in the unaudited pro forma condensed combined financial statements is based on preliminary estimates using assumptions Actavis management believes are reasonable based on currently available information. The final purchase price and fair value assessment of assets and liabilities will be based in part on a detailed valuation that has not yet been completed.

### **Public Trading Markets**

Actavis ordinary shares are listed and trade on the NYSE under the symbol **ACT**. Allergan common stock is listed and trades on the NYSE under the symbol **AGN**. It is expected that, following the Merger, Allergan common stock will be delisted from the NYSE, deregistered under the Exchange Act and cease to be publicly traded.

Actavis has agreed to use its reasonable best efforts to cause the Actavis ordinary shares to be issued in the Merger to be approved for listing on the NYSE, subject to official notice of issuance, prior to the effective time of the Merger. Additionally, the effectiveness of the registration statement, of which this joint proxy statement/prospectus forms a part, for the Actavis ordinary shares is a condition to the completion of the Merger. It is expected that, following the Merger, Actavis ordinary shares will continue to trade on the NYSE.

### **Resale of Actavis Ordinary Shares**

All Actavis ordinary shares received by Allergan stockholders as consideration in the Merger will be freely tradable for purposes of the Securities Act of 1933, as amended (referred to in this joint proxy statement/prospectus as the **Securities Act** ), except for Actavis ordinary shares received by any person who is deemed an **affiliate** of Actavis at the time of the closing of the Merger. Securities held by an affiliate of Actavis may be resold or otherwise transferred without registration in compliance with the volume limitations, manner of sale requirements, notice requirements and other requirements under Rule 144 or as otherwise permitted under the Securities Act. This joint proxy statement/prospectus does not cover resales of Actavis ordinary shares received upon completion of the Merger by any person, and no person is authorized to make any use of this joint proxy statement/prospectus in connection with any resale.

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**Table of Contents****THE MERGER AGREEMENT**

*This section describes the material terms of the Merger Agreement, which was executed on November 16, 2014. The description in this section and elsewhere in this joint proxy statement/prospectus is qualified in its entirety by reference to the complete text of the Merger Agreement, a copy of which is attached as Annex A and is incorporated by reference into this joint proxy statement/prospectus. This summary does not purport to be complete and may not provide all of the information about the Merger Agreement that might be important to you in determining how to vote. We urge you to read the Merger Agreement carefully and in its entirety.*

**Explanatory Note Regarding the Merger Agreement**

The Merger Agreement and this summary are included solely to provide you with information regarding the terms of the Merger Agreement. Factual disclosures about Actavis and Allergan contained in this joint proxy statement/prospectus or in Actavis' or Allergan's public reports filed with the SEC, as applicable, may supplement, update or modify the factual disclosures about Actavis or Allergan contained in the Merger Agreement. The representations, warranties and covenants made in the Merger Agreement by Allergan, Actavis, and Merger Sub were made solely for the purposes of the Merger Agreement and as of specific dates and were qualified and subject to important limitations agreed to by Allergan, Actavis, and Merger Sub in connection with negotiating the terms of the Merger Agreement. In particular, in your review of the representations and warranties contained in the Merger Agreement and described in this summary, it is important to bear in mind that the representations and warranties were negotiated with the principal purposes of establishing the circumstances in which a party to the Merger Agreement may have the right not to consummate the Merger if the representations and warranties of the other party prove to be untrue due to a change in circumstance or otherwise, and allocating risk between the parties to the Merger Agreement, rather than establishing matters as facts. The representations and warranties may also be subject to a contractual standard of materiality different from those generally applicable to stockholders and reports and documents filed with the SEC, are qualified by certain matters contained in certain reports publicly filed with the SEC, and in some cases were qualified by the matters contained in the respective disclosure letters that Actavis and Allergan delivered to each other in connection with the Merger Agreement, which disclosures were not included in the Merger Agreement attached to this joint proxy statement/prospectus as Annex A. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the Merger Agreement. Accordingly, the representations and warranties and other provisions of the Merger Agreement should not be read alone, but instead should be read together with the information provided elsewhere in this joint proxy statement/prospectus, the documents incorporated by reference into this joint proxy statement/prospectus, and reports, statements and filings that Actavis and Allergan file with the SEC from time to time. See the section entitled *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

**Merger Agreement**

Pursuant to the Merger Agreement, Actavis will acquire Allergan in a merger transaction. Merger Sub will merge with and into Allergan, with Allergan continuing as the Surviving Corporation. Following the Merger, Allergan will be an indirect wholly owned subsidiary of Actavis and the Allergan common stock will be delisted from the NYSE, deregistered under the Exchange Act and cease to be publicly traded.

**Closing and Effective Times of the Merger**

Unless otherwise mutually agreed to by Actavis and Allergan, the closing of the Merger will take place on the second business day after the satisfaction or waiver of, but subject to the continued satisfaction or waiver of, the conditions to consummate the Merger (other than those conditions that by their terms are to be satisfied at the closing of the Merger,

but subject to the satisfaction or waiver of those conditions) (described under *Conditions to the Completion of the Merger* beginning on page 153 of this joint proxy statement/prospectus). However, notwithstanding the satisfaction or waiver of the conditions to consummate the Merger, Actavis and

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**Table of Contents**

Merger Sub will not be obligated to effect the closing of the Merger prior to the second business day following the final day of the Marketing Period (as described below), unless Actavis requests an earlier date on two business days prior written notice to Allergan (but, subject in such case, to the satisfaction or waiver of the conditions to consummate the Merger (other than any such conditions which by their terms cannot be satisfied until the closing of the Merger)). The term Marketing Period is defined in the Merger Agreement to mean the first period of 15 consecutive business days, subject to certain terms and excluded dates set forth in the Merger Agreement, throughout which (i) Actavis has received certain specified financial information of Allergan that meets, and continues to meet throughout the duration of such 15 consecutive business day period, specified requirements as more fully described in the Merger Agreement and (ii) all of the conditions to Actavis obligation to consummate the Merger have been satisfied or waived (other than those conditions that by their nature can only be satisfied at the closing).

Assuming timely satisfaction of the necessary closing conditions, the closing of the Merger is expected to occur late in the first quarter or early in the second quarter of 2015. The Merger will become effective upon the filing a certificate of merger with the Secretary of State of the State of Delaware.

**Consideration to Allergan Stockholders**

As a result of the Merger, each issued and outstanding share of Allergan common stock, other than excluded shares and dissenting shares, will be converted into the right to receive 0.3683 of an Actavis ordinary share and \$129.22 in cash, without interest.

The Merger Consideration will be adjusted appropriately to reflect the effect of any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into Allergan common stock or Actavis ordinary shares, as applicable), reorganization, recapitalization, reclassification, combination, exchange of shares or other like change with respect to the shares of Allergan common stock or Actavis ordinary shares outstanding after the date of the Merger Agreement and prior to the effective time of the Merger.

No holder of Allergan common stock will be issued fractional Actavis ordinary shares in the Merger. Each holder of Allergan common stock who would otherwise have been entitled to receive a fraction of an Actavis ordinary share will receive, in lieu thereof, cash, without interest, in an amount equal to such fractional part of an Actavis ordinary share (rounded to the nearest one thousandth when expressed in decimal form) multiplied by the Actavis VWAP.

***Exchange Agent***

Prior to the effective time of the Merger, Actavis or Merger Sub will designate a bank or trust company that is reasonably satisfactory to Allergan to act as the exchange agent in connection with the Merger (referred to in this joint proxy statement/prospectus as the exchange agent ). At or immediately prior to the effective time of the Merger, Actavis or Merger Sub will deposit, or cause to be deposited, with the exchange agent the aggregate amount of cash and the number of Actavis ordinary shares necessary to satisfy the aggregate Merger Consideration payable in the Merger. In addition, Actavis or Merger Sub will deposit with the exchange agent any cash payable in lieu of any fractional shares and in respect of the cancellation of stock options held by Allergan non-employee directors or any employees of Allergan who are not Continuing Employees pursuant to the terms described under *No Fractional Shares* and *Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards* beginning on pages 137 and 136, respectively, of this joint proxy statement/prospectus.

***Transmittal Materials and Procedures***

Promptly after the effective time of the Merger, Actavis will, and will cause the Surviving Corporation to, cause the exchange agent to send transmittal materials, which will include the appropriate form of letter of

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**Table of Contents**

transmittal, to holders of record of shares of Allergan common stock (other than excluded shares and dissenting shares) and holders of Allergan Restricted Shares and Allergan RSUs subject to acceleration providing instructions on how to effect the transfer and cancellation of the stock certificates representing shares of Allergan common stock and shares of Allergan common stock held in book-entry form in exchange for the Merger Consideration.

After the effective time of the Merger, when an Allergan stockholder delivers a properly executed letter of transmittal and any other documents as may reasonably be required by the exchange agent, the holder of shares of Allergan common stock will be entitled to receive, and the exchange agent will be required to deliver to such holder, (i) the number of Actavis ordinary shares and an amount in cash that such holder is entitled to receive as a result of the Merger (after taking into account all of the shares of Allergan common stock held immediately prior to the Merger by such holder other than excluded shares and dissenting shares) and (ii) any cash in lieu of fractional shares and in respect of dividends or other distributions to which such holder is entitled.

No interest will be paid or accrued on any amount payable upon cancellation of shares of Allergan common stock. The Actavis ordinary shares issued and paid and cash amount paid in accordance with the Merger Agreement upon conversion of the shares of Allergan common stock (including any cash paid in lieu of fractional shares) will be deemed to have been issued and paid in full satisfaction of all rights pertaining to the shares of Allergan common stock.

If any portion of the Merger Consideration is to be delivered to a person or entity other than the holder in whose name any surrendered certificate is registered, it will be a condition of such exchange that (i) the certificate surrendered must be properly endorsed or must be otherwise in proper form for transfer and (ii) the person or entity requesting such payment pays any transfer or other similar taxes required by reason of the payment of the Merger Consideration to a person or entity other than the registered holder of the certificate surrendered or will establish to the satisfaction of the Surviving Corporation that such tax has been paid or is not required to be paid. Payment of the applicable Merger Consideration with respect to book-entry shares will only be made to the person or entity in whose name such book-entry shares are registered. The Actavis ordinary shares constituting the Stock Consideration Portion of the Merger Consideration may be in uncertificated book-entry form, unless a physical certificate is otherwise required by any applicable law.

***Appraisal Rights***

If a holder of shares of Allergan common stock does not vote in favor of, nor consent in writing to, the Merger Proposal, properly demands appraisal and otherwise complies with applicable Delaware law and does not effectively withdraw his, her or its demand for, or lose the right to, appraisal of such Allergan common stock in compliance with Section 262 of the DGCL (referred to in this joint proxy statement/prospectus as the appraisal rights ), such shares will not be converted into the right to receive the Merger Consideration as described under *Consideration to Allergan Stockholders* beginning on page 134 of this joint proxy statement/prospectus, but instead, at the effective time of the Merger, will become entitled only to payment of the fair value of such shares determined in accordance with applicable Delaware law. However, if any such holder votes in favor of, or consents in writing to, the Merger Proposal, fails to properly demand appraisal, fails to comply with applicable Delaware law, or otherwise waives, withdraws or loses the right to payment of the fair value of such dissenting shares under applicable Delaware law, then the right of such holder to be paid the fair value of such holder's dissenting shares will cease and such dissenting shares will be deemed to have been converted as of the effective time of the Merger into, and to have become exchangeable solely for the right to receive, without interest or duplication, the Merger Consideration with respect to such shares.



For additional information about appraisal rights upon completion of the Merger, see *Appraisal Rights* beginning on page 257 of this joint proxy statement/prospectus.

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**Table of Contents****Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards**

*Options Held by Continuing Employees.* As of the effective time of the Merger, each Allergan Stock Option granted under any Allergan equity plan held by any Continuing Employee that is outstanding and unexercised immediately prior to the effective time of the Merger, whether or not then vested or exercisable, will be assumed by Actavis and will be converted into an Actavis Stock Option. Each such Actavis Stock Option as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the Allergan Stock Option immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan Stock Option by reason of the Merger Agreement or the Merger). As of the effective time of the Merger, each such Actavis Stock Option as so assumed and converted will be for that whole number of Actavis ordinary shares (rounded down to the nearest whole share) equal to the product of (i) the number of shares of Allergan common stock subject to such Allergan Stock Option multiplied by (ii) the Stock Award Exchange Ratio, at an exercise price per Actavis ordinary share (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (x) the exercise price per share of Allergan common stock of such Allergan Stock Option by (y) the Stock Award Exchange Ratio.

*Restricted Stock Held by Continuing Employees.* As of the effective time of the Merger, each outstanding Allergan Restricted Share granted under any Allergan equity plan held by a Continuing Employee that is not then vested will be assumed by Actavis and will be converted into an Actavis Restricted Share. Each Actavis Restricted Share as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the applicable Allergan Restricted Shares immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan Restricted Share by reason of the Merger Agreement or the Merger). As of the effective time of the Merger, the number of Actavis Restricted Shares as so assumed and converted will be equal to the product of (i) the applicable number of Allergan Restricted Shares multiplied by (ii) the Stock Award Exchange Ratio. Such number of Actavis Restricted Shares will be rounded up to the nearest whole share if half a share or more or down to the nearest whole share if less than half a share.

*Restricted Stock Units Held by Continuing Employees.* As of the effective time of the Merger, each outstanding Allergan RSU issued under any Allergan equity plan held by a Continuing Employee that is not then vested will be assumed by Actavis and will be converted into an Actavis RSU with associated rights to the issuance of additional Actavis ordinary shares. Each Actavis RSU as so assumed and converted will continue to have, and will be subject to, the same terms and conditions as applied to the applicable Allergan RSUs immediately prior to the effective time of the Merger (but taking into account any changes thereto provided for in the applicable Allergan equity plan, in any award agreement or in the Allergan RSU by reason of the Merger Agreement or the Merger). To the extent any such Allergan RSUs are subject to performance vesting, the applicable Actavis RSUs corresponding to such Allergan RSUs will be earned at the effective time of the Merger based on target performance, and will otherwise vest on the last day of the original applicable performance period for such Allergan RSUs, subject to continued employment through the last day of the original applicable performance period. In addition, such Actavis RSUs may be subject to accelerated vesting upon certain terminations of employment as prescribed by the terms in effect for such Allergan RSUs immediately prior to the effective time of the Merger. Furthermore, Actavis will have the ability to adjust any dividend equivalent rights under any Allergan equity plan, in any award agreement or in any Allergan RSUs, to reflect the changes or adjustments contemplated to the corresponding Allergan RSUs by reason of the Merger Agreement or the Merger. As of the effective time of the Merger, the number of Actavis ordinary shares underlying each such Actavis RSU as so assumed and converted will be equal to the product of (i) the number of shares of Allergan common stock underlying the applicable Allergan RSUs multiplied by (ii) the Stock Award Exchange Ratio. Such number of Actavis ordinary shares underlying the Actavis RSUs will be rounded up to the nearest whole share if half a share or more, or down to the nearest whole share if less than half a share.



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**Table of Contents**

*Post-Signing Equity Grants.* Under and subject to the terms of the Merger Agreement, Allergan may grant annual equity awards for the 2015 fiscal year to employees, other than the executive officers, who were eligible for the annual equity grant in 2014 or who are eligible new hires or eligible promoted employees and may also make off-cycle equity grants to new hires and promoted employees in the ordinary course of business consistent with past practice. Such equity grants will be subject to the terms and conditions of the Allergan 2011 Incentive Award Plan, including accelerated vesting upon certain qualifying terminations of employment, which is described in *Treatment of Allergan Stock Options and Other Allergan Equity-Based Awards Acceleration upon a Qualifying Termination* beginning on page 123 of this joint proxy statement/prospectus.

*Equity Awards Held by Allergan Non-Employee Directors and Non-Continuing Employees.* The vesting of any unvested Allergan equity awards held by any Allergan non-employee director or any employee of Allergan who is not a Continuing Employee will accelerate in full at the effective time of the Merger. Each such accelerated Allergan Stock Option will be cancelled at the effective time of the Merger and converted into the right to receive an amount in cash equal to the product of (i) the number of shares of Allergan common stock subject to such Allergan Stock Option multiplied by (ii) the excess, if any, of (A) the Stock Consideration Portion multiplied by the Actavis VWAP plus the Cash Consideration Portion less (B) the exercise price of such Allergan Stock Option, subject to applicable withholding taxes. Such cash amount will be rounded up to the nearest whole cent if half a cent or more or down to the nearest whole cent if less than half a cent. Holders of such accelerated Allergan RSUs and Allergan Restricted Shares will be entitled to receive the Merger Consideration in respect of the shares of Allergan common stock underlying the Allergan RSUs and the Allergan Restricted Shares, subject to applicable withholding taxes.

**Withholding**

Under the terms of the Merger Agreement, Actavis and Allergan have agreed that Actavis and the Surviving Corporation will be entitled to deduct and withhold, or cause the exchange agent to deduct and withhold, from the consideration otherwise payable pursuant to the Merger Agreement, any amounts as are required to be withheld or deducted with respect to such consideration under the Code or any applicable provisions of state, local or foreign tax law. To the extent that amounts are so withheld and timely remitted to the appropriate governmental entity, such withheld amounts will be treated for all purposes of the Merger Agreement as having been paid to the person in respect of which such deduction and withholding was made.

**No Fractional Shares**

No fractional Actavis ordinary shares will be issued in connection with the Merger. Each holder of Allergan common stock converted pursuant to the Merger who would otherwise have been entitled to receive a fraction of an Actavis ordinary share (after aggregating all shares represented by the certificates and book-entry shares delivered by such holder) will receive, in lieu thereof and upon surrender thereof, cash, without interest, in an amount equal to such fractional part of an Actavis ordinary share (rounded to the nearest one thousandth when expressed in decimal form) multiplied by the Actavis VWAP.

**Representations and Warranties**

Actavis and Allergan made customary representations and warranties in the Merger Agreement on behalf of themselves and their respective subsidiaries that are subject, in some cases, to specified exceptions and qualifications contained in the Merger Agreement or in information provided pursuant to certain disclosure schedules to the Merger Agreement. The representations and warranties made by Actavis and Allergan are also subject to and qualified by certain information included in certain filings each party and its affiliates have made with the SEC.



**Table of Contents**

Many of the representations and warranties are reciprocal and apply to Actavis or Allergan, as applicable, and their respective subsidiaries. Some of the more significant representations and warranties relate to:

corporate organization, existence and good standing and requisite corporate power and authority to carry on business;

capital structure;

corporate authority to enter into the Merger Agreement and the enforceability thereof;

required governmental approvals;

the absence of any breach or violation of organizational documents or contracts as a result of the consummation of the transaction;

SEC reports and financial statements, including their preparation in accordance with GAAP, filing or furnishing with the SEC, and compliance with the applicable rules and regulations promulgated thereunder, and that such reports and financial statements fairly present, in all material respects, the relevant financial position and results of operations;

the maintenance of internal disclosure controls and internal control over financial reporting;

the absence of undisclosed liabilities;

compliance with laws and government regulations, including environmental laws;

compliance with applicable laws related to employee benefits and the Employment Retirement Income Security Act;

the absence of certain changes since December 31, 2013, with respect to Allergan and its subsidiaries, and Actavis and its subsidiaries, that have had or would reasonably be expected to have, individually or in the aggregate, a material adverse effect;

the absence of any actions since September 30, 2014, with respect to Actavis and its subsidiaries, and Allergan and its subsidiaries, that would constitute a breach of certain interim operating covenants if such

action was taken between the date of the Merger Agreement and the closing of the Merger;

the absence of certain material litigation, claims and actions;

the reliability and accuracy of information supplied for this joint proxy statement/prospectus;

certain regulatory matters relating to, among other relevant authorities, the Federal Food, Drug and Cosmetic Act of 1938, as amended, the Public Health Service Act, the U.S. Food and Drug Administration, and health insurance and healthcare laws;

the accuracy and completeness of certain tax matters;

the absence of collective bargaining agreements and other employment and labor matters;

ownership of or right to intellectual property, and absence of infringement;

title and rights to, and condition of, real property;

the receipt of fairness opinion(s);

the requisite vote of stockholders or shareholders;

the existence of and compliance with certain material contracts;

the existence and maintenance of insurance;

the absence of undisclosed brokers' fees or finders' fees relating to the transaction; and

compliance with the Foreign Corrupt Practices Act of 1977, as amended, and anti-corruption laws in other jurisdictions.

**Table of Contents**

Actavis made additional representations and warranties in the Merger Agreement in relation to:

the financing commitments obtained in connection with the execution of the Merger Agreement;

it and Merger Sub not being an interested stockholder of Allergan as defined in Allergan's certificate of incorporation, as amended, or in Section 203 of the DGCL; and

the business of Merger Sub.

Allergan made additional representations and warranties in the Merger Agreement in relation to sanctions laws, the inapplicability of certain takeover statutes and any similar provisions in the Allergan governing documents.

Many of the representations and warranties made by each of Actavis and Allergan are qualified by a material adverse effect standard (that is, they will not be deemed untrue or incorrect unless their failure to be true or correct, individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect). Certain of the representations and warranties are qualified by a general materiality standard or by a knowledge standard. For the purpose of the Merger Agreement, a material adverse effect with respect to each of Actavis and Allergan means any change, effect, development, circumstance, condition, state of facts, event or occurrence (each referred to in this section of this joint proxy statement/prospectus as an Effect ) that, individually or in the aggregate, has a material adverse effect on the assets, liabilities, condition (financial or otherwise), business or results of operations of the relevant party and its subsidiaries, taken as a whole, excluding:

any changes in general U.S. or global economic conditions to the extent that such Effects do not disproportionately impact the relevant party relative to other companies operating in the industry or industries in which such party operates;

conditions (or changes therein) in any industry or industries in which the relevant party operates to the extent that such Effects do not disproportionately impact such party relative to other companies operating in such industry or industries;

general legal, tax, economic, political and/or regulatory conditions (or changes therein), including any changes affecting financial, credit or capital market conditions, to the extent that such Effects do not disproportionately impact the relevant party relative to other companies operating in the industry or industries in which such party operates;

any change or prospective changes in GAAP or interpretation thereof to the extent that such Effects do not disproportionately impact the relevant party relative to other companies operating in the industry or industries in which such party operates;



any adoption, implementation, promulgation, repeal, modification, amendment, reinterpretation, change or proposal of any applicable law of and by any governmental entity (including with respect to taxes) to the extent that such Effects do not disproportionately impact the relevant party relative to other companies operating in the industry or industries in which such party operates;

the execution and delivery of the Merger Agreement or the consummation of the transactions contemplated by the Merger Agreement, or compliance with the terms of the Merger Agreement other than compliance with the interim operating covenants applicable to the relevant party (provided, however, that this exception will not apply to certain of the relevant party's representations and warranties or certain covenants);

changes in the stock price of the respective party, in and of itself (it being understood that the Effects giving rise or contributing to such changes that are not otherwise excluded from the definition of a material adverse effect may be taken into account);

any failure by the relevant party to meet any internal or published projections, estimates or expectations of such relevant party's revenue, earnings or other financial performance or results of operations for

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**Table of Contents**

any period, in and of itself, or any failure by such relevant party to meet its internal budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations, in and of itself (it being understood that the Effects giving rise or contributing to such failure that are not otherwise excluded from the definition of a material adverse effect may be taken into account);

effects arising out of changes in geopolitical conditions, acts of terrorism or sabotage, war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility, weather conditions or other similar force majeure events, including any material worsening of such conditions threatened or existing as of the date of the Merger Agreement, to the extent that such Effects do not disproportionately impact the relevant party relative to other companies operating in the industry or industries in which such relevant party operates;

the negotiation, pendency or public announcement of the transactions contemplated by the Merger Agreement, including any resulting litigation, other than compliance with the interim operating covenants applicable to the relevant party (provided, however, that the exceptions in this clause will not apply to certain of the relevant party's representations and warranties or certain covenants);

any action or failure to take any action that is expressly consented to or requested by the relevant party in writing;

any reduction in the credit rating of the relevant party or its subsidiaries, in and of itself (it being understood that the Effects giving rise or contributing to such reduction that are not otherwise excluded from the definition of a material adverse effect may be taken into account);

any change or prospective change by any governmental entity in reimbursement or payor rules or policies applicable to products or product candidates of the relevant party to the extent that such Effects do not disproportionately impact the relevant party relative to other companies operating in the industry or industries in which such relevant party operates; or

only as it relates to Allergan, Effects arising out of certain items related to specified intellectual property litigation.

THE DESCRIPTION OF THE MERGER AGREEMENT IN THIS JOINT PROXY STATEMENT/PROSPECTUS HAS BEEN INCLUDED TO PROVIDE YOU WITH INFORMATION REGARDING ITS TERMS. THE MERGER AGREEMENT CONTAINS REPRESENTATIONS AND WARRANTIES MADE BY AND TO THE PARTIES AS OF SPECIFIC DATES. THE STATEMENTS EMBODIED IN THOSE REPRESENTATIONS AND WARRANTIES WERE MADE FOR PURPOSES OF THE CONTRACT BETWEEN THE PARTIES AND ARE SUBJECT TO QUALIFICATIONS AND LIMITATIONS AGREED BY THE PARTIES IN CONNECTION WITH NEGOTIATING THE TERMS OF THE MERGER AGREEMENT AND IN SOME CASES WERE QUALIFIED BY CONFIDENTIAL DISCLOSURES MADE BY THE PARTIES, WHICH DISCLOSURES ARE NOT REFLECTED IN THE MERGER AGREEMENT. IN ADDITION, CERTAIN REPRESENTATIONS AND WARRANTIES WERE MADE AS OF A SPECIFIED DATE AND THE REPRESENTATIONS AND WARRANTIES WERE GENERALLY USED FOR THE PURPOSE OF ALLOCATING RISK BETWEEN THE

PARTIES RATHER THAN ESTABLISHING MATTERS AS FACTS.

**No Survival of Representations and Warranties**

The representations and warranties in the Merger Agreement of each of Actavis and Allergan on behalf of itself and its subsidiaries will not survive the consummation of the Merger.

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**Table of Contents**

**Covenants and Agreements**

***Conduct of Business Pending the Closing Date***

At all times from the execution of the Merger Agreement until the effective time of the Merger, and subject to certain exceptions, except as required by law, expressly contemplated or permitted by the Merger Agreement or with the prior written consent of the other party (such consent not to be unreasonably withheld, delayed or conditioned), each of Actavis and Allergan have agreed to, and have agreed to cause their respective subsidiaries to, conduct their respective businesses in all material respects in the ordinary course of business consistent with past practice.

At all times from the execution of the Merger Agreement until the effective time of the Merger, except as required by law, expressly contemplated or permitted by the Merger Agreement or with the prior written consent of the other party (such consent not to be unreasonably withheld, delayed or conditioned), subject to certain exceptions, Allergan has generally agreed not to, and agreed not to allow its subsidiaries to:

authorize or pay any dividend or distribution with respect to outstanding shares other than dividends and distributions paid by a subsidiary on a pro rata basis in the ordinary course consistent with past practice or by a wholly owned subsidiary of Allergan to Allergan or another wholly owned subsidiary of Allergan, except for the payment of quarterly cash dividends of \$0.05 per share of Allergan common stock consistent with past practice, including as to record and payment dates;

split, combine, reduce or reclassify any of its capital stock, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for, shares of its capital stock, except for any such transaction by a wholly owned subsidiary of Allergan which remains a wholly owned subsidiary of Allergan after consummation of such transaction;

except as required by applicable law or the terms and conditions of any Allergan benefit plan in existence as of the date of the Merger Agreement and subject to certain exceptions, (i) increase the compensation or benefits payable or to become payable to any of its directors, officers, employees or individual independent contractors, other than increases in base salaries and target cash incentive compensation at times and in amounts in the ordinary course of business consistent with past practice, provided that in no event will Allergan increase (x) the target cash incentive compensation or the base salary of any executive officer of Allergan and/or its subsidiaries that are subject to the reporting requirements of Section 16(a) of the Exchange Act (each referred to in this section of this joint proxy statement/prospectus as a Section 16 Officer ), other than, with respect to each Section 16 Officer, an ordinary course base salary increase of up to 3% or (y) the base salary of any employee, other than a Section 16 Officer, whose principal place of employment is in the United States by more than 5%, (ii) grant to any of its directors, officers, employees or individual independent contractors any increase in severance or termination pay other than increases in severance or termination pay for new-hires and promoted employees in the ordinary course of business consistent with past practice and permitted in clause (iv) below, (iii) pay or award, or commit to pay or award, any bonuses or incentive compensation other than, (x) annual cash bonuses for the 2014 and 2015 fiscal years in accordance with the terms of the Bonus Plans and Allergan cash incentive plans as operated in the ordinary course of business consistent with past practice pursuant to the Bonus Plans, if the Merger closes during the 2015 fiscal year, the performance under the 2015 Bonus Plans will be deemed achieved at

the greater of 100% of the performance objectives or actual prorated year-to-date performance, (y) cash incentive bonuses under a retention bonus pool of up to \$20 million to be established for key employees of Allergan with the terms and participants to be jointly agreed upon by Allergan and Actavis in reasonable consultation with one another, and (z) annual equity awards for the 2015 fiscal year employees, other than the executive officers, who were eligible for the annual equity grant in 2014 or who are eligible new hires or eligible promoted employees and off-cycle equity grants to new hires and promoted employees in the ordinary course of business consistent with past practice, (iv) enter into any employment, severance, change in control or retention agreement (excluding offer letters that provide for no severance, change in control or retention benefits) with any of its directors, officers, employees

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**Table of Contents**

or individual independent contractors, subject to certain exceptions; provided further, that with respect to new hires and promoted employees (other than Section 16 Officers), Allergan may enter into employment, severance, change in control or retention agreements that provide for severance, change in control or retention benefits provided to similarly situated employees under Allergan benefit plans in the ordinary course of business consistent with past practice, (v) other than those employees of Allergan and its subsidiaries who are formal participants, as of the date of the Merger Agreement, in the CIC Policy, allow any additional employees of Allergan or any of its subsidiaries to participate in the CIC Policy, except with respect to new-hires and promoted employees in the ordinary course of business consistent with past practice, (vi) establish, adopt, enter into, amend or terminate any collective bargaining agreement or Allergan benefit plan except as otherwise permitted by the terms of the Merger Agreement or any amendments or terminations in the ordinary course of business consistent with past practice that do not contravene the other covenants set forth in this clause or materially increase the cost to Allergan, in the aggregate, of maintaining such Allergan benefit plan, (vii) take any action to accelerate any payment or benefit, or the funding of any payment or benefit, payable or to become payable to any of its directors, officers, employees or individual independent contractors, (viii) terminate the employment of any member of the Allergan executive team, other than for cause, or (ix) hire any employee or individual independent contractor having total annual cash compensation in excess of \$300,000;

make any change in financial accounting policies, principles, practices or procedures or any of its methods of reporting income, deductions or other material items for financial accounting purposes, except as required by GAAP, applicable law or SEC policy;

authorize, announce an intention to authorize or enter into agreements with respect to any acquisitions of an equity interest in or a substantial portion of the assets of any person or any business or division thereof, in each case whether by merger, consolidation, business combination, acquisition of stock or assets, license or formation of a joint venture or otherwise, except for (i) such transactions for consideration (including assumption of liabilities) that does not exceed \$50 million in the aggregate or (ii) transactions between Allergan and a wholly owned subsidiary of Allergan or between wholly owned subsidiaries of Allergan;

amend the certificate of incorporation or bylaws of Allergan or permit any significant subsidiary (within the meaning of Rule 1-02 of Regulation S-X promulgated under the Securities Act) of Allergan to adopt amendments to its governing documents;

other than in accordance with the Rights Plan, issue, deliver, grant, sell, pledge, dispose of or encumber, or authorize the issuance, delivery, grant, sale, pledge, disposition or encumbrance of, any shares in its capital stock, voting securities or other equity interest in Allergan or any subsidiary of Allergan or any securities convertible into or exchangeable for any such shares, voting securities or equity interest, or any rights, warrants or options to acquire any such shares in its capital stock, voting securities or equity interest or any phantom stock, phantom stock rights, stock appreciation rights or stock based performance units or take any action to cause to be exercisable any otherwise unexercisable Allergan equity award under any existing Allergan equity plan (except as otherwise required by the express terms of any Allergan equity award outstanding on the date of the Merger Agreement), other than (i) issuances of Allergan common stock in respect of any exercise of Allergan stock options or the vesting or settlement of Allergan equity awards

outstanding on the date of the Merger Agreement and in accordance with their respective present terms, (ii) transactions between Allergan and a wholly owned subsidiary of Allergan or between wholly owned subsidiaries of Allergan, and (iii) grants of equity awards to eligible employees as described above;

purchase, redeem or otherwise acquire any shares in its capital or any rights, warrants or options to acquire any such shares in its capital, except for (i) acquisitions of Allergan common stock (and associated Allergan preferred share purchase rights) tendered by holders of Allergan equity awards in order to satisfy obligations to pay the exercise price and/or tax withholding obligations with respect

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**Table of Contents**

thereto, (ii) the acquisition by Allergan of Allergan equity awards in connection with the forfeiture of such awards and (iii) transactions between Allergan and a wholly owned subsidiary of Allergan or between wholly owned subsidiaries of Allergan;

redeem, repurchase, prepay (other than prepayments of revolving loans in the ordinary course of business), defease, incur, assume, endorse, guarantee or otherwise become liable for or modify in any material respect the terms of any indebtedness for borrowed money or issue or sell any debt securities or calls, options, warrants or other rights to acquire any debt securities (directly, contingently or otherwise), except for (i) any indebtedness for borrowed money among Allergan and its wholly owned subsidiaries or among wholly owned subsidiaries of Allergan, (ii) indebtedness for borrowed money incurred to replace, renew, extend, refinance or refund any existing indebtedness for borrowed money of Allergan or any of its subsidiaries maturing on or prior to the six-month anniversary of the date of such refinancing, in each case in an amount not to exceed the amount of the indebtedness replaced, renewed, extended, refinanced or refunded and on terms that are no less favorable to Allergan or such Allergan subsidiary than the terms of the indebtedness replaced, renewed, extended, refinanced or refunded, (iii) guarantees by Allergan of indebtedness for borrowed money of its wholly owned subsidiaries or guarantees by wholly owned subsidiaries of Allergan of indebtedness for borrowed money of Allergan or any of its wholly owned subsidiaries, which indebtedness is incurred in compliance with the foregoing clause (i), (iv) transactions at the stated maturity of such indebtedness and required amortization or mandatory prepayments and (v) indebtedness for borrowed money not to exceed \$50 million in aggregate incurred by Allergan or any of its subsidiaries other than in accordance with clauses (i) through (iv), inclusive; provided that the making of guarantees or obtaining letters of credit or surety bonds for the benefit of commercial counterparties in the ordinary course of business consistent with past practice will be permitted;

make any loans to any other person, except for loans among Allergan and its wholly owned subsidiaries or among Allergan's wholly owned subsidiaries;

sell, lease, license, transfer, exchange, swap or otherwise dispose of, or subject to any lien, any of its material properties or assets (including shares of capital stock or other equity interests of Allergan or any of its subsidiaries), except (i) pursuant to existing agreements, (ii) liens for permitted indebtedness, (iii) sales of inventory, or dispositions of obsolete or worthless equipment, in each case, in the ordinary course of business consistent with past practice, (iv) licenses of non-material intellectual property in the ordinary course of business consistent with past practice or in connection with a settlement permitted by the covenant described in the next bullet, (v) such transactions with neither a fair market value of the assets or properties nor an aggregate purchase price that exceeds \$30 million in the aggregate or (vi) for transactions among Allergan and its wholly owned subsidiaries or among wholly owned subsidiaries of Allergan;

(x) compromise or settle any material claim, litigation, investigation or proceeding pending against Allergan or any of its subsidiaries, or any of their employees, officers or directors in their capacities as such, other than settlements that (i) are for an amount not to exceed, individually or in the aggregate, \$25 million, (ii) does not involve an admission of guilt or impose any injunctive relief or material restriction on Allergan or any of its subsidiaries and (iii) does not provide for the license of any material intellectual property of Allergan or (y) commence any material claim, litigation, investigation or proceeding, other than in the ordinary course of business consistent with past practice;



make or change any material tax election, change any tax accounting period for purposes of a material tax or material method of tax accounting, file any material amended tax return, settle or compromise any audit or proceeding relating to a material amount of taxes, except in the ordinary course of business consistent with past practice agree to an extension or waiver of the statute of limitations with respect to a material amount of taxes, enter into any closing agreement within the meaning of Section 7121 of the Code (or any similar provision of state, local, or non-U.S. law) with respect to any material tax, surrender any right to claim a material tax refund, or take any action that would require the filing of a

**Table of Contents**

gain recognition agreement (within the meaning of the Treasury Regulations promulgated under Section 367 of the Code) to avoid current recognition of a material amount of income or gain for U.S. federal income tax purposes;

except for capital expenditures incurred in the ordinary course of business consistent with past practice in accordance with Allergan's budget plan provided to Actavis prior to the execution of the Merger Agreement, make any new capital expenditures;

except in the ordinary course of business consistent with past practice or in connection with any transaction to the extent specifically permitted by the terms of the Merger Agreement, enter into a material contract, or materially amend, modify or terminate any existing material contract or waive, release or assign any material rights or claims thereunder; or

agree, in writing or otherwise, to take any of the foregoing actions.

At all times from the execution of the Merger Agreement until the effective time of the Merger, except as required by law, expressly contemplated or permitted by the Merger Agreement or with the prior written consent of Allergan (such consent not to be unreasonably withheld, delayed or conditioned), subject to certain exceptions, Actavis has generally agreed not to, and agreed not to allow its subsidiaries to:

authorize or pay any dividend or distribution with respect to outstanding shares other than dividends and distributions paid by a subsidiary on a pro rata basis in the ordinary course consistent with past practice or by a wholly owned subsidiary of Actavis to Actavis or another wholly owned subsidiary of Actavis;

split, combine, reduce or reclassify any of its issued or unissued shares, or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for, shares in its capital, except for any such transaction by a wholly owned subsidiary of Actavis which remains a wholly owned subsidiary of Actavis after consummation of such transaction;

authorize, announce an intention to authorize or enter into agreements with respect to any acquisitions of a substantial equity interest in or a substantial portion of the assets of any person or entity or any business or division thereof, in each case whether by merger, consolidation, combination, acquisition of stock or assets or formation of a joint venture or otherwise that would reasonably be expected to prevent or materially delay or impede the consummation of the transactions contemplated by the Merger Agreement;

amend the articles of association or the memorandum of association of Actavis or permit Merger Sub or any significant subsidiary to adopt any amendments to its governing documents;

issue, deliver, grant, sell, pledge, dispose of or encumber, or authorize the issuance, delivery, grant, sale, pledge, disposition or encumbrance of, any shares in its capital stock, voting securities or other equity

interest in Actavis or any subsidiary of Actavis or any securities convertible into or exchangeable for any such shares, voting securities or equity interest, or any rights, warrants or options to acquire any such shares in its capital stock, voting securities or equity interest or any phantom stock, phantom stock rights, stock appreciation rights or stock based performance units, other than (i) issuances of Actavis ordinary shares in respect of any exercise of Actavis stock options or the vesting or settlement of Actavis equity awards, (ii) transactions between Actavis and a wholly owned subsidiary of Actavis or between wholly owned subsidiaries of Actavis, (iii) issuance of Actavis equity awards, (iv) other issuances of Actavis ordinary shares for an amount not exceeding \$100 million in the aggregate and (v) other than in connection with the Debt Financing;

purchase, redeem or otherwise acquire any shares in its capital or any rights, warrants or options to acquire any such shares in its capital, except for (i) acquisitions of Actavis ordinary shares tendered by holders of Actavis equity awards in order to satisfy obligations to pay the exercise price and/or tax withholding obligations with respect thereto, (ii) the acquisition by Actavis of Actavis equity awards in connection with the forfeiture of such awards, (iii) transactions between Actavis and a wholly owned

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**Table of Contents**

subsidiary of Actavis or between wholly owned subsidiaries of Actavis and (iv) other acquisitions of Actavis ordinary shares for an amount not exceeding \$100 million in the aggregate;

make or change any material tax election, change any method of tax accounting, file any amended tax return, settle or compromise any audit or proceeding relating to a material amount of taxes, except in the ordinary course of business consistent with past practice agree to an extension or waiver of the statute of limitations with respect to a material amount of taxes, enter into any closing agreement within the meaning of Section 7121 of the Code (or any similar provision of state, local, or non-U.S. law) with respect to any material tax or surrender any right to claim a material tax refund;

convene any meeting of the holders of Actavis ordinary shares for the purpose of revoking or varying authority of the directors of Actavis to allot Actavis ordinary shares; or

agree, in writing or otherwise, to take any of the foregoing actions.

***Employee Matters***

The Merger Agreement provides that Actavis will, or will cause the Surviving Corporation to, assume, honor and fulfill all of Allergan's benefit plans in accordance with their terms as in effect immediately prior to the date of the Merger Agreement or as subsequently amended as permitted pursuant to the terms of such benefit plans. The Merger Agreement further provides that effective as of the effective time of the Merger, Actavis will provide, or will cause the Surviving Corporation to provide, each Continuing Employee with the following:

for the one year period immediately following the effective time of the Merger, base salary (or wages) that is not less favorable than the base salary (or wages) provided by Allergan immediately prior to the effective time of the Merger; and

from the effective time of the Merger through December 31, 2015 (x) annual cash bonus opportunities and (y) employee benefits (excluding equity-based compensation) in the aggregate, that are, in each of (x) and (y), no less favorable than those provided by Allergan immediately prior to the effective time of the Merger.

In addition, the Merger Agreement provides that effective as of the effective time of the Merger and thereafter Actavis will provide, or will cause the Surviving Corporation to provide, that periods of employment with Allergan (including any current or former affiliate of Allergan or any predecessor of Allergan to the extent recognized by Allergan) will be taken into account for all purposes under all employee benefit plans maintained by Actavis or an affiliate of Actavis for the benefit of the Continuing Employees, including vacation or other paid-time-off plans or arrangements, 401(k), pension or other retirement plans and any severance or health or welfare plans (other than for purposes of determining any accrued benefit under any defined benefit pension plan or as would result in a duplication of benefits).

Effective as of the effective time of the Merger and thereafter, Actavis will, and will cause the Surviving Corporation to, (i) ensure that no eligibility waiting periods, actively-at-work requirements or pre-existing condition limitations or exclusions will apply with respect to the Continuing Employees under the applicable health and welfare benefit plans of Actavis or any affiliate of Actavis (except to the extent applicable under any Allergan benefit plans immediately prior to the effective time of the Merger), (ii) waive any and all evidence of insurability requirements with respect to

such Continuing Employees to the extent such evidence of insurability requirements were not applicable to the Continuing Employees under the Allergan benefit plans immediately prior to the effective time of the Merger, and (iii) credit each Continuing Employee with all deductible payments, out-of-pocket or other co-payments paid by such employee under the Allergan benefit plans prior to the Closing Date during the year in which the closing of the Merger occurs for the purpose of determining the extent to which any such employee has satisfied his or her deductible and whether he or she has reached the out-of-pocket maximum under any health benefit plan of Actavis or an affiliate of Actavis for such year.

If requested by Actavis in writing delivered to Allergan not less than 10 business days before the Closing Date, the Allergan board of directors (or the appropriate committee thereof) will adopt resolutions and take such

## **Table of Contents**

corporate action as is necessary to terminate any 401(k) plans maintained by Allergan or any of its subsidiaries (referred to collectively in this section of this joint proxy statement/prospectus as the "401(k) Plans"), effective as of the day prior to the Closing Date. Following the effective time of the Merger and as soon as practicable following receipt of a favorable determination letters from the IRS on the termination of the 401(k) Plans, the assets thereof will be distributed to the participants, and Actavis or the Surviving Corporation will, to the extent permitted by Actavis or the Surviving Corporation's applicable 401(k) plan (referred to collectively in this section of this joint proxy statement/prospectus as the "Actavis 401(k) Plan"), permit the Continuing Employees who are then actively employed to make rollover contributions of "eligible rollover distributions" in the form of cash in an amount equal to the full account balance (excluding loans) distributed to such Continuing Employees from the 401(k) Plans to the Actavis 401(k) Plan.

Actavis' obligations with respect to the employee benefit matters are for the sole benefit of Allergan and do not create any rights for any Continuing Employees, including any rights to any continued employment with Actavis or any of its affiliates, or restrict in any way the right of Actavis or its affiliates to terminate the services of any Continuing Employee.

### ***Litigation Relating to the Transaction***

The Merger Agreement requires each party to provide the other party prompt oral notice (but in any event within 24 hours of any litigation brought or threatened by any shareholder or stockholder of that party against such party, any of its subsidiaries and/or any of their respective directors or officers relating to the Merger, the Merger Agreement or any of the transactions. Unless, in the case of such litigation with respect to Allergan, the Allergan board of directors has made a change of recommendation, Allergan will give Actavis the opportunity to participate (at Actavis' expense) in the defense, prosecution or settlement of any such litigation, and Allergan will not offer to settle any such litigation, nor will any such settlement be agreed to without Actavis' prior written consent.

### ***Financing Cooperation***

Actavis will take, or use its reasonable best efforts to cause to be taken all actions, and do, or use its reasonable best efforts to cause to be done, all things necessary to obtain the Debt Financing on or prior to the closing date on the terms and conditions set forth in the Commitment Letter. Actavis will keep Allergan reasonably informed on a reasonably current basis of the status of the Debt Financing.

Allergan and its subsidiaries will use their reasonable best efforts to provide (and use reasonable best efforts to cause their respective personnel and advisors to provide) such assistance with the Debt Financing as is reasonably requested by Actavis.

### ***Board of Directors and Management after the Transaction***

The Merger Agreement requires Actavis to take such actions as are necessary to cause two individuals who are members of the Allergan board of directors as of immediately prior to the effective time of the Merger to become members of the Actavis board of directors immediately after the effective time of the Merger. Any new members appointed to the Actavis board of directors will be selected by the Governance Committee of the Actavis board of directors, after consulting with Allergan, pursuant to the director nomination process set forth in Actavis' proxy statement on Schedule 14A filed with the SEC on March 28, 2014, to serve on the Actavis board of directors, initially, until the next annual meeting of Actavis' shareholders in accordance with the organizational documents of Actavis. The new members will also be nominated by the Actavis board of directors for election (or re-election) to the Actavis board of directors at the next annual meeting of Actavis' shareholders in accordance with the organizational documents

of Actavis, to serve until the next subsequent annual meeting of the Actavis shareholders and until their respective successors are duly elected and qualify.

## **Table of Contents**

### ***Irish Stamp Duty***

Under the terms of the Merger Agreement, Actavis must seek confirmation from the Irish Revenue Commissioners that, on the basis that the Merger and the vesting in the holders of Allergan common stock of the Stock Consideration Portion will occur by operation of the DGCL, no Irish stamp duty shall apply on the issuance to the holders of Allergan common stock of the Stock Consideration Portion pursuant to the Merger.

### ***Shareholder/Stockholder Meetings***

Under the terms of the Merger Agreement, Actavis and Allergan must use their respective reasonable best efforts to hold the Actavis EGM and the Allergan special meeting on the same day and as soon as reasonably practicable after the date of the Merger Agreement.

### ***Recommendation of the Actavis Board of Directors***

The Actavis board of directors has agreed to recommend to and solicit, and use its reasonable best efforts to obtain from, the Actavis shareholders their approval of the Actavis Share Issuance Proposal. In the event that the Actavis board of directors makes an Actavis change in recommendation (which change in recommendation may only be made prior to the Actavis EGM (including any postponement or adjournment thereof) in accordance with the terms of the Merger Agreement), then Allergan will have the right to terminate the Merger Agreement.

### ***Recommendation of the Allergan Board of Directors***

The Allergan board of directors has agreed to recommend to and solicit, and use its reasonable best efforts to obtain from, the Allergan stockholders their approval of the Merger Proposal. In the event that the Allergan board of directors makes an Allergan change in recommendation (which change in recommendation may only be made prior to the Allergan special meeting (including any postponement or adjournment thereof) in accordance with the terms of the Merger Agreement), then Actavis will have the right to terminate the Merger Agreement.

### ***Actavis Extraordinary General Meeting***

Actavis has agreed to take, in accordance with applicable law and its organizational documents, all action necessary to establish a record date for, duly call, give notice of, convene and hold the Actavis EGM as promptly as reasonably practicable following the date of the Merger Agreement. However, Actavis may make one or more successive postponements or adjournments of the Actavis EGM for up to 30 days in the aggregate after the date for which the Actavis EGM was originally scheduled. Once Actavis has established a record date for the Actavis EGM, Actavis may not change the Actavis record date or establish a different record date for the Actavis EGM without Allergan's prior written consent, unless, following consultation with Allergan, required to do so by applicable law or Actavis memorandum and articles of association. Under the Merger Agreement, the Actavis Share Issuance Proposal, matters of procedure (such as the Actavis Adjournment Proposal) and matters required by applicable law to be voted on by the Actavis shareholders at the Actavis EGM are the only matters that Actavis may propose to be acted on by the Actavis shareholders at the Actavis EGM without the consent of Allergan.

### ***Allergan Stockholders Meeting***

Allergan has agreed to take, in accordance with applicable law and its organizational documents, all action necessary to establish a record date for, duly call, give notice of, convene and hold the Allergan special meeting as promptly as reasonably practicable following the date of the Merger Agreement. However, Allergan may make one or more



successive postponements or adjournments of the Allergan special meeting for up to 30 days in the aggregate after the date for which the Allergan special meeting was originally scheduled. Once Allergan has established a record date for the Allergan special meeting, Allergan may not change the Allergan record date or establish a different record date for the Allergan special meeting without Actavis' prior written consent, unless, following consultation with Actavis, required to do so by applicable law or Allergan's certificate of

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**Table of Contents**

incorporation and/or bylaws. Under the Merger Agreement, the Merger Proposal, matters of procedure (such as the Allergan Adjournment Proposal) and matters required by applicable law to be voted on by the Allergan stockholders at the Allergan special meeting (such as the Merger-Related Named Executive Officer Compensation Proposal) are the only matters that Allergan may propose to be acted on by the Allergan stockholders at the Allergan special meeting without the consent of Actavis.

***Reasonable Best Efforts; Regulatory Filings and Other Actions***

Under the terms of the Merger Agreement, Actavis and Allergan have each agreed to cooperate with each other and use their respective reasonable best efforts to take all actions necessary, proper or advisable on their respective parts under the Merger Agreement and applicable laws to consummate and make effective the Merger and the other transactions contemplated by the Merger Agreement as soon as practicable, including preparing and filing as promptly as practicable all documentation to effect all necessary applications, notices, petitions, filings and other documents and to use its reasonable best efforts to obtain as promptly as practicable all waiting period expirations or terminations, consents, clearances, waivers, licenses, orders, registrations, approvals, permits and authorizations necessary or advisable to be obtained by such party from any third party and/or any governmental entities in order to consummate the transactions contemplated by the Merger Agreement.

In addition, subject to certain exceptions specified in the Merger Agreement, each of Actavis and Allergan have agreed to keep each other apprised of the status of matters relating to completion of the transactions contemplated by the Merger Agreement, to permit the other to review in advance any proposed communication with a governmental entity with respect to regulatory filings in connection with the Merger Agreement, to give the other the opportunity to attend and participate in any meeting with a governmental entity, to share any communication with a governmental entity with respect to any antitrust law, and to furnish each other, upon request, with all information concerning itself, its subsidiaries, affiliates, directors, officers and shareholders or stockholders, as applicable, and such other matters as may be reasonably necessary or advisable in connection with any statement, filing, notice or application made by or on behalf of Actavis, Allergan or their respective subsidiaries to any third party and/or governmental entity in connection with the Merger and other transactions contemplated by the Merger Agreement.

Actavis agreed to, and to cause each of its subsidiaries to, negotiate, effect and agree to any sale, divestiture, license, holding separate or other similar arrangement with respect to, or other disposition of or restriction on, any of their respective businesses, product lines, divisions or assets or interests therein, and take such action or actions that would in the aggregate have a similar effect, including, without limitation, agreeing to change or modify any course of conduct regarding their respective future operations or otherwise taking actions that would limit their respective freedom of action with respect to, or ability to retain, one or more of their respective businesses, product lines, divisions or assets or interests therein, in each case, solely to the minimum extent necessary so as to permit and cause the required antitrust clearances condition to consummate the Merger to be satisfied by the Outside Date, except that, in no event will Actavis or any of its subsidiaries be required to consummate any such arrangement or disposition or accept any such restriction or take any such action or actions prior to the closing of the Merger. Actavis also agreed to take any and all actions necessary in order to ensure that (i) no requirement for non-action, a waiver, consent or approval of the FTC, the DOJ, any State Attorney General or other governmental entity, in each case, with respect to any antitrust law, (ii) no decree, judgment, injunction, temporary restraining order or any other order in any suit or proceeding with respect to any antitrust law, and (iii) no other matter relating to any antitrust law, in each case would preclude satisfaction of the required antitrust clearances condition to consummate the Merger by the Outside Date. If, but only if, requested by Actavis so as to permit and cause the required antitrust clearances condition to consummate the Merger to be satisfied as promptly as practicable after the date of the Merger Agreement (but in any event not later than the Outside Date), Allergan has agreed to effect and agree to any sale, divestiture, license, holding separate or other similar arrangement with respect to, or other disposition of or restriction on, any of its businesses, product lines,

divisions or assets or interests therein, and take such action or actions that would in the aggregate have a similar effect if such arrangement, disposition, restriction or action is expressly consented to in writing by Actavis and is conditioned upon, and shall become effective only from and after, the closing of the Merger.

**Table of Contents**

***No Solicitation; Third-Party Acquisition Proposals***

The Merger Agreement contains detailed provisions outlining the circumstances in which Allergan may respond to acquisition proposals received from third parties. Under these provisions, Allergan has agreed that it will not (and that the Allergan board of directors will not and Allergan will cause each of its subsidiaries not to, and that it will cause its directors, officers and employees not to, and that it will use its reasonable best efforts to cause its other representatives not to, directly or indirectly):

solicit, initiate or knowingly encourage or knowingly facilitate (including by way of furnishing information), or engage in any discussions or negotiations regarding, any inquiry, proposal or offer (or amendment or modification of any proposal or offer), or the making, submission, modification or amendment or announcement of any inquiry, proposal or offer (including any inquiry, proposal or offer to its stockholders) which constitutes or would be reasonably expected to lead to a competing acquisition proposal (as defined below);

participate in any negotiations regarding, or furnish to any person or entity any non-public information relating to it or any of its subsidiaries in connection with any inquiry, proposal or offer which constitutes or would be reasonably expected to lead to any competing acquisition proposal;

engage in discussions with any person or entity with respect to any inquiry, proposal or offer which constitutes or would be reasonably expected to lead to any competing acquisition proposal;

except in the event the Allergan board of directors has determined in good faith after consultation with Allergan's outside legal counsel that the failure to take such action would constitute a breach of its fiduciary duties under applicable Delaware law, waive, terminate, modify or release any person or entity (other than Actavis and its affiliates) from any provision of or grant any permission, waiver or request under, or fail to enforce, any standstill or similar agreement or obligation;

approve or recommend, or propose publicly to approve or recommend, or fail to timely recommend against, any competing acquisition proposal;

withdraw, change, amend, modify or qualify, or otherwise propose publicly to withdraw, change, amend, modify or qualify, in a manner adverse to Actavis, the recommendation by the Allergan board of directors to its stockholders to vote in favor of its respective proposals;

enter into any letter of intent or other document or agreement relating to, or any agreement or commitment providing for, any competing acquisition proposal; or

resolve or agree to do any of the foregoing.

In addition, the Merger Agreement requires Allergan to have immediately ceased, and have caused its directors, officers and employees to have ceased, and to use its reasonable best efforts to have caused its other representatives to have immediately ceased, any and all existing discussions or negotiations with any parties (or provision of any non-public information to any parties) conducted theretofore with respect to any competing acquisition proposal or potential competing acquisition proposal. The Merger Agreement also requires Allergan to have, and to have caused its affiliates to, promptly have caused any person or entity that has executed a confidentiality or non-disclosure agreement in connection with any actual or potential competing acquisition proposal that remains in effect as of the date of the Merger Agreement to have returned or destroyed all confidential information in the possession of such person or entity or their respective representatives and to have informed its representatives of these obligations.

Allergan has also agreed not to take any action to exempt any person or entity from the restrictions on business combinations or any similar provision contained in any applicable takeover statute or Allergan's governing documents or otherwise cause such restrictions not to apply or terminate (or permit the termination of subject to certain exceptions), waive or amend the Rights Plan, redeem any of the rights under the Rights Plan or take any action with respect to, or make any determination under, the Rights Plan that would interfere with Actavis consummating the transactions contemplated by the Merger Agreement, in each case without the prior written consent of Actavis, in each case prior to the termination of the Merger Agreement.

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**Table of Contents**

Notwithstanding anything to the contrary contained in the Merger Agreement, Allergan and its subsidiaries and representatives may (i) seek to clarify and understand the terms and conditions of any competing acquisition proposal solely to determine whether such proposal constitutes or would reasonably be expected to lead to a superior proposal and (ii) inform a person or entity that has made a competing acquisition proposal of the non-solicitation provisions of the Merger Agreement, in each case, so long as Allergan, Allergan's subsidiaries and representatives otherwise comply with the non-solicitation provisions of the Merger Agreement in connection therewith.

If Allergan receives prior to obtaining approval of the Merger Proposal, a bona fide, written competing acquisition proposal from any person or entity, which its board of directors determines in good faith after consultation with its outside legal and financial advisors (i) constitutes a superior proposal or (ii) would reasonably be expected to result, after the taking of any of the actions referred to in either of clause (x) or (y) below, in a superior proposal, then in either event (if there has not been a material breach of the provisions of the non-solicitation provisions with respect to or in a manner that otherwise relates to such competing acquisition proposal or person or entity) Allergan may take the following actions: (x) furnish non-public information to the person or entity making such competing acquisition proposal, if, and only if, prior to so furnishing such information, it receives from such person or entity an executed confidentiality agreement with confidentiality terms that are no less favorable in the aggregate to it than those contained in the confidentiality agreement between Actavis and Allergan (except that the confidentiality agreement is not required to contain standstill provisions) and (y) engage in discussions or negotiations with such person or entity with respect to the competing acquisition proposal.

The Merger Agreement permits the Allergan board of directors to comply with Rule 14d-9 and Rule 14e-2(a) under the Exchange Act or make any disclosure to its stockholders if the Allergan board of directors determines in good faith, after consultation with outside counsel, that the failure to do so would constitute a breach of the fiduciary duties of the members of the Allergan board of directors under applicable Delaware law.

*Definition of Competing Acquisition Proposal*

For purposes of the Merger Agreement, the term "competing acquisition proposal" means any proposal or offer made by a person, entity or group (other than a proposal or offer by Actavis or any of its subsidiaries) at any time, including any amendment or modification to any existing proposal or offer, which is structured to permit such person, entity or group to acquire beneficial ownership of at least 20% of the assets of, equity interest in, or businesses of, Allergan (whether pursuant to a merger, consolidation or other business combination, sale of shares of capital stock, sale of assets, tender offer or exchange offer or otherwise, including any single or multi-step transaction or series of related transactions), or a merger, consolidation, recapitalization or other transaction that results in Allergan's stockholders immediately preceding such transaction holding less than 80% of the equity interests of the surviving or resulting entity of such transaction, in each case other than the Merger.

*Definition of Superior Proposal*

For purposes of the Merger Agreement, the term "superior proposal" means a bona fide written competing acquisition proposal (with references to 20% and 80% being deemed to be replaced with references to 50%, which the Allergan board of directors determines in good faith after consultation with its outside legal and financial advisors to be (i) more favorable to its stockholders from a financial point of view than the Merger, taking into account all relevant factors (including all the terms and conditions of such competing acquisition proposal and the Merger Agreement (including any changes to the terms of the Merger Agreement proposed by Actavis in response to such competing acquisition proposal or otherwise)) and (ii) reasonably capable of being completed as proposed on a timely basis, in the case of each of clauses (i) and (ii), taking into account (a) all financial, legal, regulatory and other aspects of such competing acquisition proposal (including any termination



## **Table of Contents**

fees, any expense reimbursement provisions, the conditions to the consummation of such competing acquisition proposal and whether such competing acquisition proposal is fully financed) and (b) the identity of the person or entity making such competing acquisition proposal.

### ***Change of Recommendation***

#### ***Allergan Change of Recommendation***

The Allergan board of directors is entitled to approve or recommend, propose publicly to approve or recommend, or fail to recommend against, any competing acquisition proposal or withdraw, change, amend, modify or qualify its recommendation, in a manner adverse to Actavis, prior to the approval of the Merger Proposal, if and only if:

following receipt of a bona fide, written competing acquisition proposal, which the Allergan board of directors determines in good faith after consultation with its outside legal and financial advisors is a superior proposal, and if and only if (i) neither Allergan nor any of its representatives solicited, encouraged or facilitated such competing acquisition proposal in material breach of, or is otherwise in material breach of, the non-solicitation provisions of the Merger Agreement and (ii) the Allergan board of directors has determined in good faith after consultation with its outside legal counsel that the failure to take such action would constitute a breach of the fiduciary duties of the members of the Allergan board of directors under applicable Delaware law and has first provided Actavis notice of, and an opportunity to respond to, such competing acquisition proposal in accordance with the terms of the Merger Agreement; or

in response to an Effect that was not known to the Allergan board of directors, or the material consequences of which (based on facts known to members of the Allergan board of directors as of the date of the Merger Agreement) were not reasonably foreseeable, as of the date of the Merger Agreement and does not relate to a competing acquisition proposal (referred to in this joint proxy statement/prospectus as an Allergan intervening event ) and if the Allergan board of directors has determined in good faith after consultation with its outside legal counsel that the failure to take such action would constitute a breach of the fiduciary duties of the members of the Allergan board of directors under applicable Delaware law and has first provided Actavis notice of, and an opportunity to address, such Allergan intervening event in accordance with the terms of the Merger Agreement.

Prior to making an acquisition proposal change of recommendation, Allergan must provide Actavis with four business days prior written notice (or a new three business day notice period for a material amendment to the competing acquisition proposal) advising Actavis of the intent to make such a change of recommendation and contemporaneously providing to Actavis a copy of the superior proposal and a copy of any proposed agreements for such superior proposal, including copies of any related financing commitments (or, in each case, if not provided in writing to Allergan or any of its representatives, a written summary of the terms thereof). During such four business day period (or subsequent three business day period), Allergan will negotiate and cause its representatives to negotiate with Actavis and its representatives in good faith (to the extent Actavis wishes to negotiate) to enable Actavis to determine whether to propose revisions to the terms of the Merger Agreement or any other agreement related to the transactions contemplated by the Merger Agreement such that such competing acquisition proposal would no longer constitute a superior proposal and Allergan will consider in good faith any proposal by Actavis to amend the terms and conditions of the Merger Agreement or any other agreement related to the transactions contemplated by the Merger Agreement such that such competing acquisition proposal would no longer constitute a superior proposal.



Prior to making an intervening event change of recommendation, Allergan must provide Actavis with four business days prior written notice advising Actavis of its intent to make such a change of recommendation and specifying, in reasonable detail, the reasons (including the material facts and circumstances related to the applicable Allergan intervening event). During such four business day period, Allergan will negotiate and cause its representatives to negotiate with Actavis and its representatives in good faith (to the extent Actavis wishes to

## **Table of Contents**

negotiate) to enable Actavis to determine whether to propose revisions to the terms of the Merger Agreement such that it would obviate the need for the Allergan board of directors to make a change of recommendation and Allergan will consider in good faith any proposal by Actavis to amend the terms and conditions of the Merger Agreement in a manner that would obviate the need to effect a change of recommendation due to the Allergan intervening event.

### *Actavis Change of Recommendation*

The Actavis board of directors is entitled to withdraw, change, amend, modify or qualify, or otherwise propose publicly to withdraw, change, amend, modify or qualify its recommendation, in a manner adverse to Allergan, prior to the approval of the Actavis Share Issuance Proposal, if in response to a material Effect relating to Actavis that was not known to or reasonably foreseeable by the Actavis board of directors, or the material consequences of which (based on facts known or reasonably expected to be known to members of the Actavis board of directors as of the date of the Merger Agreement) were not reasonably foreseeable, as of the date of the Merger Agreement and does not relate to any competing acquisition proposal for Actavis (referred to in this joint proxy statement/prospectus as an Actavis intervening event ) and if the Actavis board of directors has determined in good faith after consultation with its outside legal counsel that the failure to take such action would constitute a breach of the duties of the members of the Actavis board of directors under applicable law.

Prior to making an Actavis change of recommendation, Actavis must provide Allergan with four business days prior written notice advising Allergan that it intends to make such a change of recommendation and specifying, in reasonable detail, the reasons (including the material facts and circumstances related to the applicable Actavis intervening event), and during such four business day period, Actavis will negotiate and cause its representatives to negotiate with Allergan and its representatives in good faith (to the extent Allergan wishes to negotiate) to enable Allergan to determine whether to propose revisions to the terms of the Merger Agreement such that it would obviate the need for the Actavis board of directors to make an Actavis change of recommendation and Actavis will consider in good faith any proposal by Allergan to amend the terms and conditions of the Merger Agreement in a manner that would obviate the need to make an Actavis change of recommendation due to the Actavis intervening event.

The Merger Agreement also permits the Actavis board of directors to make any disclosure to its shareholders if the Actavis board of directors has reasonably determined in good faith after consultation with Actavis outside legal counsel that the failure to do so would constitute a breach of the duties of the members of the Actavis board of directors under applicable law or that such disclosure is otherwise required under applicable law (but the Actavis board of directors may only make an Actavis change in recommendation as described above).

### *Obligation to Keep Actavis Informed*

Under the terms of the Merger Agreement, Allergan has also agreed that:

it will notify Actavis promptly (but in no event later than 24 hours) after receipt of any competing acquisition proposal, any proposals or inquiries that would reasonably be expected to lead to a competing acquisition proposal, or any inquiry or request for nonpublic information relating to Allergan or any of its subsidiaries by any person or entity who has made or would reasonably be expected to make any competing acquisition proposal;

such notice will be made orally and confirmed in writing, and will indicate the identity of the person or entity making the competing acquisition proposal, inquiry or request or with whom Allergan is engaging in discussions or negotiations, and the material terms and conditions of any such proposal, offer, competing acquisition proposal or the nature of the information requested pursuant to such inquiry or request;

in addition, Allergan will promptly (but in any event within 24 hours) after the receipt thereof, provide to Allergan copies of any written documentation material to understanding a competing acquisition

## **Table of Contents**

proposal or potential competing acquisition proposal which is received by Allergan from any person or entity (or from any representatives of such person or entity) making such competing acquisition proposal or with whom discussions or negotiations would reasonably be expected to lead to a competing acquisition proposal;

it will keep Actavis reasonably informed of the status and material terms and conditions (including any amendments or proposed amendments to such material terms or conditions) of any such competing acquisition proposal or potential competing acquisition proposal and keep Actavis reasonably informed as to the nature of any information requested with respect thereto; and

it will promptly (but in any event within 24 hours) provide to Actavis any material nonpublic information concerning Allergan provided to any other person or entity in connection with any competing acquisition proposal that was not previously provided to Actavis.

Allergan has agreed that neither it nor any of its affiliates will enter into any agreement with any person or entity which prohibits Allergan from providing any information to Actavis in accordance with, or otherwise complying with, the non-solicitation provision of the Merger Agreement.

### ***Certain Additional Covenants***

The Merger Agreement also contains additional covenants, including, among others, covenants relating to the filing of this joint proxy statement/prospectus, access to information of the other company, public announcements with respect to the transactions, exemptions from takeover laws, obligations of Merger Sub, Rule 16b-3 exemptions, the delisting of Allergan common stock and the listing of Actavis ordinary shares issued in connection with the Merger, the resignation of Allergan directors and certain tax matters.

### **Conditions to the Completion of the Merger**

Under the Merger Agreement, the respective obligations of each party to effect the Merger are subject to the satisfaction or, to the extent permitted by applicable law, waiver at the effective time of the Merger of each of the following conditions:

*Actavis Shareholder Approval.* The Actavis Share Issuance Proposal must have been approved by an affirmative vote of the holders of a majority of the votes cast by holders of outstanding Actavis ordinary shares on such a proposal at the Actavis EGM.

*Allergan Stockholder Approval.* The Merger Proposal must have been approved by an affirmative vote of the holders of a majority of the outstanding shares of Allergan common stock entitled to vote thereon at the Allergan special meeting.

*Registration Statement.* The registration statement on Form S-4 of which this joint proxy statement/prospectus forms a part must have become effective in accordance with the provisions of the

Securities Act and no stop order suspending the effectiveness of such registration statement has been issued by the SEC and remain in effect and no proceeding to that effect will have been commenced or threatened unless subsequently withdrawn.

*No Adverse Laws or Order.* The absence of (i) any statute, rule, regulation or other law (other than any antitrust law) enacted or promulgated by any governmental entity of competent jurisdiction which prohibits or makes illegal the consummation of the Merger, or (ii) any order or injunction of any governmental entity preventing the consummation of the Merger.

*Required Antitrust Clearances.* All applicable waiting periods (or extensions thereof) relating to the Merger under the HSR Act and the antitrust laws of certain foreign jurisdictions must have expired or been terminated, and all pre-closing approvals or clearances reasonably required thereunder must have been obtained. In addition, no order, judgment or decree is issued by, and no legal proceeding has been threatened in writing by or is pending before, a governmental entity under any antitrust law of the

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**Table of Contents**

United States or certain foreign jurisdictions, in each case against Allergan, Actavis, or Merger Sub that is reasonably likely to temporarily or permanently enjoin, restrain or prevent the consummation of the Merger.

*Listing.* The Actavis ordinary shares to be issued in the Merger must have been approved for listing on the NYSE, subject to official notice of issuance.

Under the Merger Agreement, the respective obligations of Actavis and Merger Sub to effect the Merger are also subject to the satisfaction or waiver at the effective time of the Merger of the following additional conditions:

*Representations and Warranties.* (i) The representations and warranties of Allergan regarding the absence of a material adverse effect on Allergan from December 31, 2013 through the date of the Merger Agreement must be true and correct in all respects, (ii) the representations and warranties of Allergan regarding its qualification, organization, subsidiaries, capitalization, absence of encumbrances or preemptive or other outstanding rights on its capital stock, corporate authority, required vote, state takeover statutes and finders and brokers (without giving effect to any qualification as to materiality or material adverse effect contained therein) must be true and correct in all material respects as of the date of the Merger Agreement and as of the date of the completion of the Merger (except that representations and warranties that by their terms speak specifically as of the date of the Merger Agreement or another date shall be true and correct in all material respects as of such date) and (iii) the other representations and warranties of Allergan must be true and correct as of the date of the Merger Agreement and the date of the closing of the Merger (except that representations and warranties that by their terms speak specifically as of the date of the Merger Agreement or another date shall be true and correct as of such date), except where any failures to be true and correct (without giving effect to any qualification as to materiality or material adverse effect contained therein) would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Allergan; and Actavis must have received a certificate signed on behalf of Allergan by a duly authorized executive officer of Allergan to such effect.

*Performance of Obligations of Allergan.* Allergan must have performed or complied in all material respects with the covenants and agreements required to be performed or complied with by it under the Merger Agreement at or prior to the effective time of the Merger; and Actavis must have received a certificate signed on behalf of Allergan by a duly authorized executive officer of Allergan to such effect.

*No Material Adverse Effect.* Since the date of the Merger Agreement, there must not have occurred a material adverse effect (as defined above) with respect to Allergan, which is continuing.

Under the Merger Agreement, the obligation of Allergan to effect the Merger is also subject to the satisfaction or waiver at the Effective Time of the Merger of the following additional conditions:

*Representations and Warranties.* (i) The representations and warranties of Actavis regarding the absence of a material adverse effect on Actavis from December 31, 2013 through the date of the Merger Agreement must be true and correct in all respects, (ii) the representations and warranties of Actavis regarding its qualification, organization, subsidiaries, capitalization, absence of encumbrances or preemptive or other outstanding rights on its capital stock, corporate authority, required vote and finders and brokers (without

giving effect to any qualification as to materiality or material adverse effect contained therein) must be true and correct in all material respects as of the date of the Merger Agreement and as of the date of the closing of the Merger (except that representations and warranties that by their terms speak specifically as of the date of the Merger Agreement or another date shall be true and correct in all material respects as of such date) and (iii) the other representations and warranties of Actavis must be true and correct as of the date of the Merger Agreement and the date of the completion of the Merger (except that representations and warranties that by their terms speak specifically as of the date of this Agreement or another date shall be true and correct as of such date), except where any failures to be true

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**Table of Contents**

and correct (without giving effect to any qualification as to materiality or material adverse effect contained therein) would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Actavis; and Allergan must have received a certificate signed on behalf of Actavis by a duly authorized executive officer of Actavis to such effect.

*Performance of Obligations of Actavis and Merger Sub.* Actavis and Merger Sub must have performed or complied in all material respects with the covenants and agreements required to be performed or complied with by it under the Merger Agreement at or prior to the effective time of the Merger; and Allergan must have received a certificate signed on behalf of Actavis by a duly authorized executive officer of Actavis to such effect.

*No Material Adverse Effect.* Since the date of the Merger Agreement, there must not have occurred a material adverse effect (as defined above) with respect to Actavis, which is continuing.

**Termination of the Merger Agreement; Termination Fees; Expense Reimbursement**

***Termination of the Merger Agreement***

The Merger Agreement may be terminated and the Merger and the other transactions abandoned as follows:

by mutual written consent of Actavis and Allergan;

by either Actavis or Allergan, prior to the effective time of the Merger, if there has been a breach by Allergan, on the one hand, or Actavis or Merger Sub, on the other hand, of any representation, warranty, covenant or agreement set forth in the Merger Agreement, which breach would result in certain of the conditions to the other party's obligation to consummate the Merger not being satisfied (and such breach is not curable prior to the Outside Date, or if curable prior to the Outside Date, has not been cured within the earlier of (i) 30 calendar days after the receipt of notice thereof by the breaching party from the non-breaching party and (ii) three business days before the Outside Date). However, the Merger Agreement may not be terminated by any party if such party is then in material breach of any representation, warranty, covenant or agreement set forth in the Merger Agreement;

by either Actavis or Allergan, if the effective time of the Merger has not occurred by 5:00 p.m. (U.S. Eastern Time), on September 30, 2015, except that if on such date all of the conditions to the consummation of the Merger have been satisfied or waived (other than the conditions regarding required antitrust clearances and those conditions that by their nature can only be satisfied at the closing of the Merger), then the Outside Date will be extended to 5:00 p.m. (U.S. Eastern Time) on the first anniversary of the date of the Merger Agreement. However, this right to terminate the Merger Agreement may not be exercised by a party whose breach of any representation, warranty, covenant or agreement in the Merger Agreement is the cause of, or resulted in the effective time of the Merger not occurring prior to such date;



by Actavis, if, at any time prior to receipt of the Allergan stockholders' approval of the Merger Proposal, the Allergan board of directors makes a change of recommendation. This termination right expires at 5:00 p.m. (U.S. Eastern Time) on the 20<sup>th</sup> business day following the date on which such change of recommendation occurs;

by Allergan, if, at any time prior to receipt of the Actavis shareholders' approval of the Actavis Share Issuance Proposal, the Actavis board of directors makes a change of recommendation. This termination right expires at 5:00 p.m. (U.S. Eastern Time) on the 20<sup>th</sup> business day following the date on which such change of recommendation occurs;

by either Actavis or Allergan if a governmental entity of competent jurisdiction has issued a final, non-appealable order, injunction, decree, ruling or law in each case permanently restraining, enjoining or otherwise prohibiting the consummation of the Merger;

**Table of Contents**

by either Actavis or Allergan, if the approval of the Merger Proposal has not been obtained at the Allergan special meeting or at any adjournment or postponement thereof, in each case at which a vote on such approval was taken;

by either Actavis or Allergan, if the approval of the Actavis Share Issuance Proposal has not been obtained at the Actavis EGM or at any adjournment or postponement thereof, in each case at which a vote on such approval was taken; or

by Allergan, if, at any time prior to receipt of the Allergan stockholders' approval of the Merger Proposal, the Allergan board of directors effects an acquisition proposal change of recommendation in order to accept a superior proposal, enters into an acquisition agreement with respect to such superior proposal concurrently with the termination of the Merger Agreement and pays the applicable termination fee (described below) to Actavis.

***Termination Fees***

***Termination Fees Payable by Actavis***

The Merger Agreement requires Actavis to pay Allergan a termination fee of \$2.1 billion if:

(i) Actavis or Allergan terminates the Merger Agreement due to the failure of the Merger to occur by the Outside Date, (ii) (x) all of the conditions to the consummation of the Merger have been satisfied or waived (other than the conditions regarding required antitrust clearances and those conditions that by their nature can only be satisfied at the closing of the Merger) or (y) a governmental entity of competent jurisdiction has issued a final, non-appealable order, injunction, decree, ruling or law in each case permanently restraining, enjoining or otherwise prohibiting the consummation of the Merger arising under the HSR Act or antitrust laws of certain required jurisdictions and (iii) Allergan is not otherwise in material breach of the Merger Agreement; or

Allergan terminates the Merger Agreement because the Actavis board of directors effects an Actavis change of recommendation prior to receipt of the Actavis shareholders' approval of the Actavis Share Issuance Proposal.

The Merger Agreement requires Actavis to pay Allergan a termination fee of \$1.3 billion if either Actavis or Allergan terminates the Merger Agreement because the Actavis Share Issuance Proposal is not approved by the Actavis shareholders at the Actavis EGM, or at any adjournment or postponement thereof, in each case at which a vote on such approval was taken.

***Termination Fees Payable by Allergan***

The Merger Agreement requires Allergan to pay Actavis a termination fee of \$2.1 billion if:

Actavis or Allergan terminates the Merger Agreement (i) due to (x) the failure of the Merger to occur by the Outside Date or (y) the failure to obtain the approval of the Merger Proposal, (ii) an acquisition proposal for Allergan by a third party has been publicly disclosed and not publicly, irrevocably withdrawn prior to the date of termination, in the case of a failure of the Merger to occur by the Outside Date, or prior to the date of the Allergan special meeting, in the case of the failure of Allergan to obtain the approval of the Merger Proposal, and (iii)(x) an acquisition proposal is consummated within 12 months of such termination or (y) Allergan enters into a definitive agreement providing for any acquisition proposal within 12 months of such termination and such acquisition proposal is subsequently consummated;

Allergan terminates the Merger Agreement and concurrently enters into a superior proposal acquisition agreement; or

Actavis terminates the Merger Agreement because the Allergan board of directors effects a change of recommendation prior to the approval of the Merger Proposal.

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**Table of Contents**

***Expense Reimbursement Payable by Allergan***

The Merger Agreement also requires Allergan to pay Actavis the Actavis Expenses (as defined below) not to exceed \$680 million if either Actavis or Allergan terminates the Merger Agreement because the Merger Proposal is not approved by the Allergan stockholders at the Allergan special meeting, or at any adjournment or postponement thereof, in each case at which a vote on such approval was taken. The Actavis Expenses means all documented fees and expenses (including all fees and expenses of counsel, accountants, consultants, financial advisors, financing sources, investment bankers and other representatives of Actavis or its affiliates) incurred by Actavis or on its behalf in connection with or related to the evaluation, authorization, preparation, negotiation, execution or performance of the Merger Agreement or any other matter related to the transactions contemplated by the Merger Agreement, including the Debt Financing. To the extent Allergan pays Actavis for such expenses and Allergan thereafter becomes obligated to pay a termination fee to Actavis, the amount of Actavis Expenses paid by Allergan will be credited against, and will reduce, the amount of the termination fee payable by Allergan.

**Limitation on Remedies**

In the event of the termination of the Merger Agreement pursuant to the provisions described under Termination Rights above, written notice must be given to the other party or parties specifying the provision pursuant to which such termination is made, and the Merger Agreement will become null and void and there will be no liability on the part of Actavis, Merger Sub or Allergan, except that the confidentiality agreement, the sections of the Merger Agreement relating to the termination thereof and certain sections in Article IX of the Merger Agreement will survive such termination. However, no such termination will relieve any party from liability for a willful breach of its representations, warranties, covenants or agreements in the Merger Agreement prior to such termination (which the parties have acknowledged and agreed will not be limited to reimbursement of expenses or out-of-pocket costs, and may, if proven by the relevant party and awarded by court, include the benefit of the bargain lost by (i) Allergan or its stockholders (taking into consideration relevant matters, including the total amount payable to such stockholders under the Merger Agreement and the time value of money), which will be deemed in such event, if proven by Allergan and awarded by the court, to be damages of Allergan, or (ii) Actavis, taking into consideration relevant matters, including the time value of money, as applicable).

**Fees and Expenses**

Except as otherwise expressly provided in the Merger Agreement, all out-of-pocket expenses (including fees and expenses of counsel, accountants, investment bankers, experts and consultants) incurred by or on behalf of a party to the Merger Agreement in connection with the Merger Agreement and the transactions contemplated thereby will be paid by the party incurring the expense.

**Indemnification; Directors and Officers Insurance**

The parties to the Merger Agreement have agreed that, for a period of not less than six years from and after the effective time of the Merger, Actavis will, and will cause the Surviving Corporation to, indemnify and hold harmless (and advance expenses to) all past and present directors and officers of Allergan and its subsidiaries, for acts or omissions occurring at or prior to the completion of the Merger, to the same extent as these individuals had rights to indemnification and advancement of expenses as of the date of the Merger Agreement and to the fullest extent permitted by law.

In addition, for an aggregate period of not less than six years following the effective time of the Merger, Actavis will cause the Surviving Corporation to provide Allergan's current directors and officers an insurance and indemnification

policy that provides coverage for events occurring prior to the effective time of the Merger that is no less favorable than Allergan's existing policy as of the date of the Merger Agreement or, if insurance coverage that is no less favorable is unavailable, the best available coverage, subject to the limitation that the Surviving Corporation will not be required to spend in any one year more than 300% of the last annual premium

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**Table of Contents**

paid prior to the date of the Merger Agreement or, if less, the cost of a policy providing coverage on the same terms as Allergan's existing policy as of the date of the Merger Agreement. Instead, Allergan may, at its option prior to the effective time of the Merger, purchase a tail prepaid policy, provided that the amount paid for such policy does not exceed 300% of the last annual premium paid prior to the date of the Merger Agreement.

**Amendment and Waiver**

The parties may amend the Merger Agreement by their written agreement at any time either before or after the approval of the Merger Agreement and the transactions contemplated thereby by the Actavis shareholders and the Allergan stockholders, as applicable. However, after the approval of the Actavis shareholders or the Allergan stockholders, no amendment may be made which requires further approval by such shareholders or stockholders, as applicable, under applicable law unless such further approval is obtained.

Prior to the effective time of the Merger, the parties may, to the extent permitted by applicable laws and under the terms of the Merger Agreement, (i) extend the time for the performance of any of the obligations or other acts of the other party, (ii) waive any inaccuracies in the representations and warranties made to Actavis or Allergan, as applicable, contained in the Merger Agreement, and (iii) waive compliance with any of the agreements or conditions for the benefit of any party, as applicable, under the Merger Agreement. Any agreement by a party to such extension or waiver must be in a writing signed by the applicable party. Any delay in exercising any right under the Merger Agreement does not constitute a waiver of such right.

**Specific Performance**

The parties to the Merger Agreement have agreed that irreparable injury would occur if any provisions of the Merger Agreement are not performed in accordance with their specific terms or are otherwise breached. The parties agreed that, prior to the termination of the Merger Agreement pursuant to the provisions described under *Limitation on Remedies* beginning on page 157 of this joint proxy statement/prospectus, each party is entitled to an injunction or injunctions to prevent or remedy any breaches or threatened breaches of the Merger Agreement by any other party, to a decree or order of specific performance to specifically enforce the terms and provisions of the Merger Agreement and to any further equitable relief. The parties agreed to waive any objections to any of the foregoing remedies (including any objection on the basis that there is an adequate remedy at law or that an award of such remedy is not an appropriate remedy for any reason at law or equity). In the event Actavis or Allergan seeks any of the foregoing remedies, such party is not required to obtain, furnish, post or provide any bond or other security in connection with or as a condition to obtaining any such remedy.

In the event of a breach of the Merger Agreement by Actavis or Merger Sub, Allergan's sole and exclusive remedy will be to seek specific performance or other equitable remedies in accordance with the enforcement and remedies provisions in the Merger Agreement, unless specific performance or such other equitable remedies have been determined by a court of competent jurisdiction to be unavailable or an inappropriate remedy for such breach, in which case Allergan may seek money damages for such breach in accordance with the terms of the Merger Agreement.

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**Table of Contents**

**CERTAIN TAX CONSEQUENCES OF THE MERGER**

**U.S. Federal Income Tax Considerations**

The following discussion summarizes the material U.S. federal income tax consequences of the Merger to U.S. holders and non-U.S. holders (each as defined below) of Allergan common stock and of the ownership and disposition of Actavis ordinary shares received by such holders at the effective time of the Merger. The discussion set forth below with respect to U.S. holders is applicable only to U.S. holders (i) who are residents of the United States for purposes of the current income tax treaty between Ireland and the United States (referred to in this joint proxy statement/prospectus as the Tax Treaty ), (ii) whose Allergan common stock or Actavis ordinary shares are not, for purposes of the Tax Treaty, attributable to such U.S. holder's permanent establishment in Ireland and (iii) who otherwise qualify for the full benefits of the Tax Treaty. The discussion is based on and subject to the Code, the Treasury regulations promulgated thereunder, administrative rulings and court decisions in effect on the date hereof, all of which are subject to change, possibly with retroactive effect, and to differing interpretations. The discussion assumes that Allergan stockholders hold their Allergan common stock, and will hold their Actavis ordinary shares, as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). The discussion does not constitute tax advice and does not address all aspects of U.S. federal income taxation that may be relevant to particular Allergan stockholders in light of their personal circumstances, including any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, or to stockholders subject to special treatment under the Code, including:

banks, thrifts, mutual funds and other financial institutions;

regulated investment companies;

traders in securities who elect to apply a mark-to-market method of accounting;

broker-dealers;

tax-exempt organizations and pension funds;

insurance companies;

dealers or brokers in securities or foreign currency;

individual retirement and other deferred accounts;

U.S. holders whose functional currency is not the U.S. dollar;

U.S. expatriates;

non-U.S. holders of Actavis ordinary shares who, immediately after the Merger, own, actually or constructively, at least 5% of the Actavis ordinary shares;

passive foreign investment companies or controlled foreign corporations ;

persons liable for the alternative minimum tax;

holders who hold their shares as part of a straddle, hedging, conversion, constructive sale or other risk reduction transaction;

partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes; and

holders who received their shares through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan.



## **Table of Contents**

The discussion does not address any non-income tax considerations or any foreign, state or local tax consequences. For purposes of this discussion, a U.S. holder means a beneficial owner of Allergan common stock, or of Actavis ordinary shares after the Merger, who is:

an individual who is a citizen or resident of the United States;

a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in the United States or under the laws of the United States, any state thereof, or the District of Columbia;

an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or

a trust if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (ii) the trust has a valid election in effect under applicable Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes.

For purposes of this discussion, a non-U.S. holder means a beneficial owner of Allergan common stock, or of Actavis ordinary shares after the Merger, that is neither a U.S. holder nor a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes).

This discussion does not purport to be a comprehensive analysis or description of all potential U.S. federal income tax consequences of the Merger. Each Allergan stockholder should consult with its tax advisor with respect to the particular tax consequences of the Merger to such stockholder.

If a partnership, including for this purpose any entity or arrangement that is treated as a partnership for U.S. federal income tax purposes, holds Allergan common stock or Actavis ordinary shares after the Merger, the tax treatment of a partner in such partnership will generally depend upon the status of the partner and the activities of the partnership. A holder that is a partnership and the partners in such partnership should consult their tax advisors about the U.S. federal income tax consequences of the Merger and the ownership and disposition of Actavis ordinary shares.

**ALLERGAN STOCKHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THE MERGER AND OF THE OWNERSHIP AND DISPOSITION OF ACTAVIS ORDINARY SHARES AFTER THE MERGER TO THEM, INCLUDING THE EFFECTS OF U.S. FEDERAL, STATE AND LOCAL, AND OTHER TAX LAWS AND ANY APPLICABLE INFORMATION REPORTING OBLIGATIONS.**

### ***U.S. Federal Income Tax Consequences of the Merger***

#### **Tax Consequences to Actavis**

Following the acquisition of a U.S. corporation by a foreign corporation, Section 7874 can limit the ability of the acquired U.S. corporation and its U.S. affiliates to utilize certain U.S. tax attributes, such as net operating losses, to

offset U.S. taxable income resulting from certain transactions. These limitations generally apply if, after the acquisition:

at least 60% of the acquiring foreign corporation's stock (by vote or value) is considered to be held by former stockholders of the acquired U.S. corporation by reason of holding stock of such U.S. corporation; and

the expanded affiliated group, which includes the acquiring foreign corporation does not have substantial business activities in the country in which the acquiring foreign corporation is created or organized.

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**Table of Contents**

If these requirements are met, Section 7874 would generally impose a minimum level of tax on any inversion gain of the U.S. corporation and related U.S. persons (within the meaning of Section 7874) after the acquisition. Generally, inversion gain is defined as (i) the income or gain recognized by reason of the transfer of property to a foreign related person during the 10-year period following the Merger, and (ii) any income received or accrued during such period by reason of a license of any property by the U.S. corporation and related U.S. persons to a foreign related person. In general, the effect of this provision is to deny the use of net operating losses, foreign tax credits or other tax attributes to offset the inversion gain.

Although Section 7874 is not expected to apply to the Merger because the former Allergan stockholders are not expected to hold more than 60% of the Actavis ordinary shares (by vote or value) by reason of holding Allergan common stock, Actavis believes that the ability of the Actavis group to utilize certain tax attributes to offset its inversion gain, if any, is already limited as a result of the Warner Chilcott Transaction. In the Warner Chilcott Transaction, the Actavis, Inc. shareholders received more than 60% (but less than 80%) of the vote and value of the Actavis ordinary shares by reason of holding shares in Actavis, Inc., and, based on the limited guidance available, Actavis does not believe that the substantial business activities test was satisfied at the time of the Warner Chilcott Transaction. Accordingly, Actavis believes that this limitation applies to Actavis and its U.S. affiliates following the Warner Chilcott Transaction and, as a result, Actavis currently does not expect that it or its U.S. affiliates (including Allergan and its U.S. affiliates after the Merger) will be able to utilize certain U.S. tax attributes of Allergan and its U.S. affiliates to offset their U.S. taxable income, if any, resulting from certain specified taxable transactions.

Section 7874 also provides that if, following an acquisition of a U.S. corporation by a foreign corporation, at least 80% of the acquiring foreign corporation's stock (by vote or value) is considered to be held by former stockholders of the U.S. corporation by reason of holding stock of such U.S. corporation and the expanded affiliated group, which includes the acquiring foreign corporation does not have substantial business activities in the country in which the acquiring foreign corporation is created or organized, then the foreign corporation would be treated as a U.S. corporation for U.S. federal tax purposes, even though it is a corporation created and organized outside the United States. Although the Allergan stockholders are expected to receive less than 80% (by both vote and value) of the shares in Actavis by reason of their ownership of Allergan common stock, Actavis would nevertheless be treated as a U.S. corporation for U.S. federal tax purposes under Section 7874 following the Merger if the Merger were integrated with the Warner Chilcott Transaction and the Forest Transaction.

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

Actavis believes that, in the Warner Chilcott Transaction, the Actavis, Inc. shareholders received less than 80% (by both vote and value) of the shares of Actavis and consequently that the test set forth above to treat Actavis as a foreign corporation was satisfied. However, the law and Treasury regulations promulgated under Section 7874 are relatively new and somewhat unclear, and the IRS may not agree that the ownership requirements to treat Actavis as a foreign corporation were met in the Warner Chilcott Transaction. Moreover, even if the ownership requirements were met in the Warner Chilcott Transaction and the Forest Transaction, the IRS may assert that, even though the Merger is a separate transaction from the Warner Chilcott Transaction and the Forest Transaction, the Merger should be integrated with the Warner Chilcott Transaction and the Forest Transaction as a single transaction. In the event the IRS were to prevail with such assertion, Actavis would be treated as a U.S. corporation for U.S. federal tax purposes and significant adverse tax consequences would result for Actavis.



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## **Table of Contents**

Holders should consult their tax advisors regarding the potential tax consequences to Actavis under Section 7874 as a result of the Merger and their potential impact on an investment in Actavis ordinary shares.

### **Tax Consequences to U.S. Holders**

For U.S. federal income tax purposes, the exchange of Allergan common stock for Actavis ordinary shares and cash in the Merger will be a taxable transaction. A U.S. holder who receives Actavis ordinary shares and cash in the Merger will generally recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between (i) the sum of (x) the fair market value of Actavis ordinary shares received by such holder in the Merger, and (y) the amount of cash received by such holder in the Merger, including any cash received in lieu of fractional shares of Actavis ordinary shares, and (ii) the U.S. holder's tax basis in Allergan common stock surrendered. A U.S. holder's tax basis will generally equal the price the U.S. holder paid for such Allergan common stock. Such gain or loss will be long-term capital gain or loss if a U.S. holder's holding period for such Allergan common stock is more than one year at the effective time of the Merger. Long-term capital gains of certain non-corporate U.S. holders (including individuals) may be taxable at preferential rates. The deductibility of capital losses is subject to limitations. A U.S. holder's aggregate tax basis in its Actavis ordinary shares received in the Merger will equal the fair market value of such stock at the effective time of the Merger, and the holder's holding period for such stock will begin on the day after the Merger.

For a U.S. holder that acquired different blocks of Allergan common stock at different times and at different prices, realized gain or loss generally must be calculated separately for each identifiable block of shares exchanged in the Merger. If a U.S. holder has differing bases or holding periods in respect of Allergan common stock, the U.S. holder should consult its tax advisor prior to the exchange with regard to determining the amount of any gain recognized in the Merger. U.S. holders should consult their tax advisors regarding all aspects of the U.S. federal income tax consequences of the Merger.

Information reporting and backup withholding may also apply as described in more detail below. See *Ownership and Disposition of Actavis Ordinary Shares* and *Information Reporting and Backup Withholding* beginning on pages 163 and 166, respectively, of this joint proxy statement/prospectus.

### **Tax Consequences to Non-U.S. Holders**

A non-U.S. holder generally will not be subject to U.S. federal income tax on any gain recognized in the Merger unless:

- the recognized gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States, and if required by an applicable tax treaty, attributable to a permanent establishment maintained by the non-U.S. holder in the United States; or

- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the sale or disposition, and certain other requirements are met.

Unless an applicable treaty provides otherwise, the recognized gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis in the same manner as if such non-U.S. holder were a U.S. person (see *Tax Consequences to U.S. Holders* above). A non-U.S. holder that is a corporation also may be subject to a branch profits tax equal to 30% (or such lower rate specified by an applicable tax treaty) of its effectively

connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Recognized gain described in the second bullet point above generally will be subject to U.S. federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by U.S.

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**Table of Contents**

source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

Information reporting and backup withholding may also apply as described in more detail below. See *Ownership and Disposition of Actavis Ordinary Shares* and *Information Reporting and Backup Withholding* beginning on pages 163 and 166, respectively, of this joint proxy statement/prospectus.

***Ownership and Disposition of Actavis Ordinary Shares***

The following discussion is a summary of certain material U.S. federal income tax consequences of the ownership and disposition of Actavis ordinary shares to Allergan stockholders who receive such Actavis ordinary shares pursuant to the Merger and assumes that Actavis will be treated as a foreign corporation for U.S. federal income tax purposes.

**Tax Consequences to U.S. Holders**

**Taxation of Dividends**

The gross amount of cash distributions on Actavis ordinary shares (including any withheld Irish taxes) will be taxable as dividends to the extent paid out of Actavis' current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Such income (including any withheld Irish taxes) will be includable in the gross income of a U.S. holder as ordinary income on the day actually or constructively received by such holder. Distributions on Actavis ordinary shares (including any withheld Irish taxes) that are treated as dividends for U.S. federal income tax purposes will not be eligible for the dividends received deduction allowed to corporations under the Code.

With respect to non-corporate U.S. holders (including individuals), subject to the following discussion of special rules applicable to Passive Foreign Investment Companies (referred to in this joint proxy statement/prospectus as "PFICs"), certain dividends received from a qualified foreign corporation may be subject to reduced rates of taxation. A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of a comprehensive income tax treaty with the United States, which the U.S. Treasury Department determines to be satisfactory for these purposes and which includes an exchange of information provision. The U.S. Treasury Department has determined that the Tax Treaty meets these requirements. In addition, a foreign corporation is also treated as a qualified foreign corporation with respect to dividends paid by that corporation on shares that are readily tradable on an established securities market in the United States. U.S. Treasury Department guidance indicates that the Actavis ordinary shares, which are currently listed on the NYSE, are considered readily tradable on an established securities market in the United States. There can be no assurance that the Actavis ordinary shares will be considered readily tradable on an established securities market in later years. Non-corporate holders that do not meet a minimum holding period requirement during which they are not protected from the risk of loss or that elect to treat the dividend income as investment income pursuant to Section 163(d)(4) of the Code (dealing with the deduction for investment interest expense) will not be eligible for the reduced rates of taxation regardless of Actavis' status as a qualified foreign corporation. In addition, the rate reduction will not apply to dividends if the recipient of the dividends is obligated to make related payments with respect to positions in substantially similar or related property. This disallowance applies even if the minimum holding period has been met.

**Table of Contents**

Subject to certain conditions and limitations, Irish withholding taxes, if any, on dividends paid on Actavis ordinary shares may be credited against a U.S. holder's U.S. federal income tax liability. For purposes of calculating the foreign tax credit, dividends paid on Actavis ordinary shares will, subject to the discussion below regarding foreign corporations that are at least 50% owned by U.S. persons, be treated as income from sources outside the United States and will generally constitute passive category income. Further, in certain circumstances, if a U.S. holder:

has held Actavis ordinary shares for less than a specified minimum period during which the U.S. holder is not protected from risk of loss; or

is obligated to make payments related to the dividends, the U.S. holder will not be allowed a foreign tax credit for foreign taxes imposed on dividends paid on Actavis ordinary shares. The rules governing the foreign tax credit are complex. U.S. holders should consult their tax advisors regarding the availability of the foreign tax credit under the holder's particular circumstances and the requirements for claiming such credit.

To the extent that the amount of any distribution exceeds Actavis' current and accumulated earnings and profits for a taxable year, as determined under U.S. federal income tax principles, the distribution will first be treated as a tax-free return of capital, causing a reduction in the adjusted tax basis of a U.S. holder's Actavis ordinary shares, and to the extent the amount of the distribution exceeds the U.S. holder's tax basis, the excess will be taxed as capital gain recognized on a sale or exchange as described below under *Sale, Exchange or Other Taxable Disposition* beginning on page 165 of this joint proxy statement/prospectus.

Distributions of Actavis ordinary shares or rights to subscribe for Actavis ordinary shares that are received as part of a pro rata distribution to all Actavis shareholders generally will not be subject to U.S. federal income tax. Consequently, such distributions generally will not give rise to foreign source income, and U.S. holders will not be able to claim a foreign tax credit for any Irish withholding tax imposed on such distributions, unless such credit can be applied (subject to applicable limitations) against U.S. federal income tax due on other income derived from foreign sources.

It is possible that Actavis is, or at some future time will be, at least 50% owned by U.S. persons. Dividends paid by a foreign corporation that is at least 50% owned by U.S. persons may be treated as U.S. source income (rather than foreign source income) for foreign tax credit purposes to the extent the foreign corporation has more than an insignificant amount of U.S. source income. The effect of this rule may be to treat a portion of any dividends paid by Actavis as U.S. source income. Treatment of the dividends as U.S. source income in whole or in part may limit a U.S. holder's ability to claim a foreign tax credit for any Irish withholding taxes payable in respect of the dividends. The Code permits a U.S. holder entitled to benefits under the Tax Treaty to elect to treat any dividends from such a corporation as foreign source income for foreign tax credit purposes if the dividend income is separated from other income items for purposes of calculating the U.S. holder's foreign tax credit. U.S. holders should consult their own tax advisors about the desirability of making, and the method of making, such an election.

The amount of any dividend paid in foreign currency will be the U.S. dollar value of the foreign currency distributed by Actavis, calculated by reference to the exchange rate in effect on the date the dividend is includible in the U.S. holder's income, regardless of whether the payment is in fact converted into U.S. dollars on the date of receipt. Generally, a U.S. holder should not recognize any foreign currency gain or loss if the foreign currency is converted into U.S. dollars on the date the payment is received. However, any gain or loss resulting from currency exchange fluctuations during the period from the date the U.S. holder includes the dividend payment in income to the date such U.S. holder actually converts the payment into U.S. dollars will be treated as ordinary income or loss. That currency exchange income or loss (if any) generally will be income or loss from U.S. sources for foreign tax credit limitation



purposes.

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**Table of Contents****Sale, Exchange or Other Taxable Disposition**

For U.S. federal income tax purposes, subject to the following discussion of special rules applicable to PFICs, a U.S. holder will recognize taxable gain or loss on any sale, exchange or other taxable disposition of an Actavis ordinary share in an amount equal to the difference between the amount realized for the share and such U.S. holder's tax basis in the share. For U.S. holders of Allergan common stock that received Actavis ordinary shares in the Merger, such holder's tax basis in the Actavis ordinary shares will be their fair market value at the effective time of the Merger. The gain or loss recognized by a U.S. holder on the sale, exchange or other taxable disposition of Actavis ordinary shares will generally be capital gain or loss. Capital gains of non-corporate U.S. holders (including individuals) currently are eligible for the preferential U.S. federal income tax rates applicable to long-term capital gains if such holder has held the Actavis ordinary shares for more than one year as of the date of the sale, exchange or other taxable disposition. The deductibility of capital losses is subject to limitations. Any gain or loss recognized by a U.S. holder on the sale or exchange of Actavis ordinary shares will generally be treated as U.S. source gain or loss.

**Passive Foreign Investment Company Considerations**

A PFIC is any foreign corporation if, after the application of certain look-through rules, (a) at least 75% of its gross income is passive income as that term is defined in the relevant provisions of the Code, or (b) at least 50% of the average value of its assets produce passive income or are held for the production of passive income. It is expected that the Actavis ordinary shares should not be treated as stock of a PFIC for U.S. federal income tax purposes, but this conclusion is a factual determination that is made annually and thus may be subject to change. With certain exceptions, the Actavis ordinary shares would be treated as stock in a PFIC if Actavis were a PFIC at any time during a U.S. holder's holding period in such U.S. holder's Actavis ordinary shares. There can be no assurance that Actavis will not be treated as a PFIC during a U.S. holder's holding period. If Actavis were to be treated as a PFIC, then, unless a U.S. holder elects to be taxed annually on a mark-to-market basis with respect to the Actavis ordinary shares, gain realized on any sale or exchange of the Actavis ordinary shares and certain distributions with respect to Actavis ordinary shares could be subject to additional U.S. federal income taxes, plus an interest charge on certain taxes treated as having been deferred under the PFIC rules. In addition, dividends that a U.S. holder receives from Actavis with respect to Actavis ordinary shares would not be eligible for the reduced tax rates applicable to qualified dividend income if Actavis is treated as a PFIC with respect to such U.S. holder either in the taxable year of the distribution or the preceding taxable year, but instead would be subject to regular U.S. federal income tax rates applicable to ordinary income.

**Tax Consequences to Non-U.S. Holders**

In general, a non-U.S. holder of Actavis ordinary shares will not be subject to U.S. federal income tax or, subject to the discussion below under *Information Reporting and Backup Withholding* beginning on page 166 of this joint proxy statement/prospectus, U.S. federal withholding tax on any dividends received on Actavis ordinary shares or any gain recognized on a sale or other disposition of Actavis ordinary shares (including any distribution to the extent it exceeds the adjusted tax basis in the non-U.S. holder's Actavis ordinary shares) unless:

the dividend or gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States, and if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States; or

in the case of gain only, the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the sale or disposition, and certain other requirements are met. A non-U.S. holder that is a corporation may also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable tax treaty) on the repatriation from the United States of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

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**Table of Contents*****Information Reporting and Backup Withholding***

In general, information reporting requirements will apply to cash consideration received by U.S. holders of Allergan common stock in the Merger (including cash in lieu of fractional Actavis ordinary shares received by such U.S. holders), dividends received by U.S. holders of Actavis ordinary shares and the proceeds received on the disposition of Actavis ordinary shares effected within the United States (and, in certain cases, outside the United States), in each case, other than U.S. holders that are exempt recipients (such as corporations). Backup withholding (currently at a rate of 28%) may apply to such amounts if the U.S. holder fails to provide an accurate taxpayer identification number (generally on an IRS Form W-9 provided to the paying agent or the U.S. holder's broker) or is otherwise subject to backup withholding.

Certain U.S. holders holding specified foreign financial assets with an aggregate value in excess of the applicable dollar threshold are required to report information to the IRS relating to Actavis ordinary shares, subject to certain exceptions (including an exception for Actavis ordinary shares held in accounts maintained by U.S. financial institutions), by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets, with their tax return, for each year in which they hold Actavis ordinary shares. Such U.S. holders should consult their own tax advisors regarding information reporting requirements relating to their ownership of Actavis ordinary shares.

Information returns may be filed with the IRS in connection with, and a non-U.S. holder may be subject to backup withholding on, cash consideration received by the non-U.S. holder in the Merger (including cash received in lieu of fractional Actavis ordinary shares received in the Merger), unless the non-U.S. holder furnishes to the applicable withholding agent the required certification as to its non-U.S. status, such as by providing a valid IRS Form W-8BEN, W-8BEN-E, or IRS Form W-8ECI, or otherwise establishes an exemption. Dividends paid with respect to Actavis ordinary shares and proceeds from the sale or other disposition of Actavis ordinary shares received in the United States by a non-U.S. holder or through certain U.S.-related financial intermediaries may be subject to information reporting and backup withholding unless such non-U.S. holder provides proof of an applicable exemption or complies with certain certification procedures described above, and otherwise complies with the applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or credit on a holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

***Foreign Accounts***

Withholding taxes may be imposed under the Foreign Account Tax Compliance Act (referred to in this joint proxy statement/prospectus as "FATCA") on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or gross proceeds from the sale or other disposition of, Actavis ordinary shares paid to a foreign financial institution or a non-financial foreign entity (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any substantial United States owners (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring that it undertake to identify accounts held by certain specified United States persons or United States-owned foreign entities (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in

jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

## **Table of Contents**

Under the applicable Treasury regulations and subsequent guidance, withholding under FATCA may, under certain circumstances, apply to payments of dividends on Actavis ordinary shares made on or after July 1, 2014 and to payments of gross proceeds from the sale or other disposition of Actavis ordinary shares on or after January 1, 2017.

Holders should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in Actavis ordinary shares.

## **Irish Tax Considerations**

### ***Scope of Discussion***

The following is a summary of the material Irish tax consequences of the Merger to certain beneficial owners of Allergan common stock and the ownership and disposal of Actavis ordinary shares received by such holders upon the consummation of the Merger. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to each of the stockholders or shareholders. The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this joint proxy statement/prospectus and correspondence with the Irish Revenue Commissioners. Changes in law and/or administrative practice may result in alteration of the tax considerations described below, possibly with retrospective effect.

The summary does not constitute tax advice and is intended only as a general guide. The summary is not exhaustive and stockholders or shareholders should consult their tax advisors about the Irish tax consequences (and tax consequences under the laws of other relevant jurisdictions) of the transactions and of the acquisition, ownership and disposal of Actavis ordinary shares. The summary applies only to stockholders or shareholders who hold their shares of Allergan common stock, and will own Actavis ordinary shares, as capital assets and does not apply to other categories of stockholders or shareholders, such as dealers in securities, trustees, insurance companies, collective investment schemes and stockholders or shareholders who acquired their shares of Allergan common stock or who have, or who are deemed to have, acquired their Actavis ordinary shares by virtue of an Irish office or employment (performed or carried on in Ireland).

### ***Irish Tax on Chargeable Gains***

The current rate of tax on chargeable gains (where applicable) in Ireland is 33%.

### **Non-Resident Shareholders or Stockholders**

Allergan stockholders that are not resident or ordinarily resident in Ireland for Irish tax purposes and do not hold their shares of Allergan common stock in connection with a trade carried on by such stockholders through an Irish branch or agency will not be within the charge to Irish tax on chargeable gains on the cancellation of their shares of Allergan common stock, or on the receipt of Actavis ordinary shares and cash pursuant to the Merger.

Any subsequent disposal of Actavis ordinary shares will not be within the charge to Irish CGT provided the holder of such shares is not resident or ordinarily resident in Ireland for Irish tax purposes and does not hold his or her shares in connection with a trade carried on by such shareholder through an Irish branch or agency.

### **Irish Resident Shareholders or Stockholders**

Allergan stockholders that are resident or ordinarily resident in Ireland for Irish tax purposes, or Allergan stockholders that hold their shares of Allergan common stock in connection with a trade carried on by such persons through an Irish branch or agency, will, subject to the availability of any exemptions and reliefs, generally be within the charge to Irish tax on chargeable gains arising on the cancellation of their shares of Allergan common stock pursuant to the Merger.

## **Table of Contents**

On the basis that the Merger is treated as a scheme of reconstruction or amalgamation for Irish CGT purposes, being a scheme for the amalgamation of any two or more companies, is effected for bona fide commercial reasons and does not form part of any arrangement or scheme of which the main purpose or one of the main purposes is the avoidance of liability to tax, the following treatment should apply: the receipt by such a Allergan stockholder of Actavis ordinary shares and cash (including any cash received in lieu of a fractional Actavis ordinary share) will be treated as a part disposal of his or her shares of Allergan common stock for Irish CGT purposes in respect of the cash consideration received. This may, subject to the availability of any exemptions and reliefs, give rise to a chargeable gain (or allowable loss) for the purposes of Irish CGT in respect of the cash received. The Actavis ordinary shares received should be treated as the same asset as the cancelled shares of Allergan common stock and as acquired at the same time and for the same consideration as those cancelled shares of Allergan common stock as adjusted for the part of the consideration attributable to the part disposal in respect of the receipt of cash.

A subsequent disposal of Actavis ordinary shares by a shareholder who is resident or ordinarily resident in Ireland for Irish tax purposes or who holds his or her shares in connection with a trade carried on by such person through an Irish branch or agency will, subject to the availability of any exemptions and reliefs, generally be within the charge to Irish CGT.

On the basis of the treatment described above on the receipt of Actavis ordinary shares in exchange for shares of Allergan common stock, a former Allergan stockholder's base cost in the Actavis ordinary shares received for Irish CGT purposes will be the consideration paid by such shareholder for the shares of Allergan common stock when they were first acquired by that shareholder as adjusted, if applicable, for the part of the consideration attributable to the part disposal on the receipt of cash. Consequently, any chargeable gain (or allowable loss) on a subsequent disposal or part disposal of the Actavis ordinary shares should be calculated by reference to this allocated base cost. Specific tax rules apply to the calculation of this allocated base cost.

A shareholder of Actavis who is an individual and who is temporarily not resident in Ireland may, under Irish anti-avoidance legislation, still be liable to Irish tax on any chargeable gain realized upon a subsequent disposal of the Actavis ordinary shares during the period in which such individual is a non-resident.

## ***Stamp Duty***

The rate of stamp duty (where applicable) on transfers of shares of Irish incorporated companies is 1% of the price paid or the market value of the shares acquired, whichever is greater. Where Irish stamp duty arises it is generally a liability of the transferee.

No stamp duty will be payable on the cancellation of the Allergan common stock or the issue of Actavis ordinary shares pursuant to the Merger.

Irish stamp duty may, depending on the manner in which the ordinary shares in Actavis are held, be payable in respect of transfers of Actavis ordinary shares.

## **Shares Held Through DTC**

A transfer of Actavis ordinary shares effected by means of the transfer of book-entry interests in DTC will not be subject to Irish stamp duty. On the basis that most ordinary shares in Actavis are held through DTC, most transfers of ordinary shares will be exempt from Irish stamp duty.

## **Shares Held Outside of DTC or Transferred Into or Out of DTC**



A transfer of Actavis ordinary shares where any party to the transfer holds such shares outside of DTC may be subject to Irish stamp duty. Shareholders wishing to transfer their shares into (or out of) DTC may do so without giving rise to Irish stamp duty, provided that:

there is no change in the ultimate beneficial ownership of such shares as a result of the transfer; and

## **Table of Contents**

the transfer into (or out of) DTC is not effected in contemplation of a subsequent sale of such shares by a beneficial owner to a third party.

Due to the potential Irish stamp charge on transfers of Actavis ordinary shares held outside of DTC, it is strongly recommended that those Allergan stockholders who do not hold their shares of Allergan common stock through DTC (or through a broker who in turn holds such shares through DTC) should arrange for the transfer of their shares of Allergan common stock into DTC as soon as possible and before the transactions are consummated.

### ***Withholding Tax on Dividends (DWT)***

Distributions made by Actavis will, in the absence of one of many exemptions, be subject to DWT currently at a rate of 20%.

For DWT and Irish income tax purposes, a distribution includes any distribution that may be made by Actavis to its shareholders, including cash dividends, non-cash dividends and additional stock taken in lieu of a cash dividend. Where an exemption from DWT does not apply in respect of a distribution made to a particular shareholder, Actavis is responsible for withholding DWT prior to making such distribution.

### **General Exemptions**

Irish domestic law provides that a non-Irish resident Actavis shareholder is not subject to DWT on dividends received from Actavis if such shareholder is beneficially entitled to the dividend and is either:

a person (not being a company) resident for tax purposes in a Relevant Territory (including the United States) and is neither resident nor ordinarily resident in Ireland (for a list of Relevant Territories for DWT purposes, please see Annex F to this joint proxy statement/prospectus);

a company resident for tax purposes in a Relevant Territory, provided such company is not under the control, whether directly or indirectly, of a person or persons who is or are resident in Ireland;

a company that is controlled, directly or indirectly, by persons resident in a Relevant Territory and who is or are (as the case may be) not controlled by, directly or indirectly, persons who are not resident in a Relevant Territory;

a company whose principal class of shares (or those of its 75% direct or indirect parent) is substantially and regularly traded on a stock exchange in Ireland, on a recognized stock exchange either in a Relevant Territory or on such other stock exchange approved by the Irish Minister for Finance; or

a company that is wholly owned, directly or indirectly, by two or more companies where the principal class of shares of each of such companies is substantially and regularly traded on a stock exchange in Ireland, a recognized stock exchange in a Relevant Territory or on such other stock exchange approved by the Irish Minister for Finance.

and provided, in all cases noted above (but subject to *Shares Held by U.S. Resident Shareholders* below), Actavis or, in respect of Actavis shares held through DTC, any qualifying intermediary appointed by Actavis, has received from the shareholder, where required, the relevant DWT Forms prior to the payment of the dividend. In practice, in order to ensure sufficient time to process the receipt of relevant DWT Forms, the Actavis shareholder where required should furnish the relevant DWT Form to:

its broker (and the relevant information is further transmitted to any qualifying intermediary appointed by Actavis) before the record date for the dividend (or such later date before the dividend payment date as may be notified to the shareholder by the broker) if its shares are held through DTC; or

Actavis transfer agent at least seven business days before the record date for the dividend if its shares are held outside of DTC.

## **Table of Contents**

Links to the various DWT Forms are available at:

<http://www.revenue.ie/en/tax/dwt/forms/index.html>.

The information on such website does not constitute a part of, and is not incorporated by reference into, this joint proxy statement/prospectus.

For non-Irish resident Actavis shareholders that cannot avail themselves of one of Ireland's domestic law exemptions from DWT, it may be possible for such shareholders to rely on the provisions of a double tax treaty to which Ireland is party to reduce the rate of DWT.

### **Shares Held by U.S. Resident Shareholders**

Dividends paid in respect of Actavis ordinary shares that are owned by a U.S. resident and held through DTC will not be subject to DWT provided the address of the beneficial owner of such shares in the records of the broker holding such shares is in the United States (and such broker has further transmitted the relevant information to a qualifying intermediary appointed by Actavis). It is strongly recommended that such shareholders, including Allergan stockholders who are U.S. residents and who receive Actavis ordinary shares pursuant to the transactions, ensure that their information is properly recorded by their brokers (so that such brokers can further transmit the relevant information to a qualifying intermediary appointed by Actavis).

Dividends paid in respect of Actavis ordinary shares that are held outside of DTC and are owned by a former Allergan stockholder who is a resident of the United States will not be subject to DWT if such shareholder provides a completed IRS Form 6166 or a valid DWT Form to Actavis' transfer agent to confirm its U.S. residence and claim an exemption. It is strongly recommended that Allergan stockholders who are U.S. residents and who receive Actavis ordinary shares pursuant to the transactions (which are to be held outside of DTC) provide the appropriate completed IRS Form 6166 or DWT Form to Actavis' transfer agent as soon as possible after receiving their Actavis ordinary shares.

If any shareholder that is resident in the United States receives a dividend from which DWT has been withheld, the shareholder should generally be entitled to apply for a refund of such DWT from the Irish Revenue Commissioners, provided the shareholder is beneficially entitled to the dividend.

### **Shares Held by Residents of Relevant Territories Other Than the United States**

Shareholders who are residents of Relevant Territories, other than the United States, must satisfy the conditions of one of the exemptions referred to above under the heading *General Exemptions* beginning on page 169 of this joint proxy statement/prospectus, including the requirement to furnish valid DWT Forms, in order to receive dividends without suffering DWT. If such shareholders hold their shares through DTC, they must provide the appropriate DWT Forms to their brokers (so that such brokers can further transmit the relevant information to a qualifying intermediary appointed by Actavis) before the record date for the dividend (or such later date before the dividend payment date as may be notified to the shareholder by the broker). If such shareholders hold their shares outside of DTC, they must provide the appropriate DWT Forms to Actavis' transfer agent at least seven business days before the record date for the dividend. It is strongly recommended that such shareholders including Allergan stockholders who are residents of Relevant Territories other than the United States and who receive Actavis ordinary shares pursuant to the transactions complete the appropriate DWT Forms and provide them to their brokers or Actavis' transfer agent, as the case may be, as soon as possible after receiving their shares.

If any shareholder who is resident in a Relevant Territory receives a dividend from which DWT has been withheld, the shareholder may be entitled to a refund of DWT from the Irish Revenue Commissioners provided the shareholder is beneficially entitled to the dividend.

## **Table of Contents**

### **Shares Held by Residents of Ireland**

Most Irish tax resident or ordinarily resident shareholders (other than Irish resident companies that have completed the appropriate DWT Forms) will be subject to DWT in respect of dividends paid on their Actavis ordinary shares.

Shareholders that are residents of Ireland, but are entitled to receive dividends without DWT, must complete the appropriate DWT Forms and provide them to their brokers (so that such brokers can further transmit the relevant information to a qualifying intermediary appointed by Actavis) before the record date for the dividend (or such later date before the dividend payment date as may be notified to the shareholder by the broker) (in the case of shares held through DTC), or to Actavis' transfer agent at least seven business days before the record date for the dividend (in the case of shares held outside of DTC).

### **Shares Held by Other Persons**

Actavis shareholders that do not fall within any of the categories specifically referred to above may nonetheless fall within other exemptions from DWT. If any shareholders are exempt from DWT, but receive dividends subject to DWT, such shareholders may apply for refunds of such DWT from the Irish Revenue Commissioners.

Dividends paid in respect of Actavis ordinary shares held through DTC that are owned by a partnership formed under the laws of a Relevant Territory and where all the underlying partners are resident in a Relevant Territory will be entitled to exemption from DWT if all of the partners complete the appropriate DWT Forms and provide them to their brokers (so that such brokers can further transmit the relevant information to a qualifying intermediary appointed by Actavis) before the record date for the dividend (or such later date before the dividend payment date as may be notified to the shareholder by the broker). If any partner is not a resident of a Relevant Territory, no part of the partnership's position is entitled to exemption from DWT.

### **Qualifying Intermediary**

Prior to paying any dividend, Actavis will put in place an agreement with an entity that is recognized by the Irish Revenue Commissioners as a qualifying intermediary, which will provide for certain arrangements relating to distributions in respect of shares of Actavis that are held through DTC, which are referred to as the Deposited Securities. The agreement will provide that the qualifying intermediary shall distribute or otherwise make available to Cede & Co., as nominee for DTC, any cash dividend or other cash distribution with respect to the Deposited Securities after Actavis delivers or causes to be delivered to the qualifying intermediary the cash to be distributed.

Actavis will rely on information received directly or indirectly from its qualifying intermediary, brokers and its transfer agent in determining where Actavis shareholders reside, whether they have provided the required U.S. tax information and whether they have provided the required DWT Forms. Actavis shareholders that are required to file DWT Forms in order to receive dividends free of DWT should note that such forms are generally valid, subject to a change in circumstances, until December 31 of the fifth year after the year in which such forms were completed.

### ***Income Tax on Dividends Paid on Actavis Ordinary Shares***

Irish income tax may arise for certain persons in respect of distributions received from Irish resident companies.

An Actavis shareholder that is not resident or ordinarily resident in Ireland and that is entitled to an exemption from DWT generally has no liability to Irish income tax or the universal social charge on a dividend from Actavis. An exception to this position may apply where such shareholder holds Actavis ordinary shares through a branch or agency

in Ireland through which a trade is carried on.

## Table of Contents

An Actavis shareholder that is not resident or ordinarily resident in Ireland and that is not entitled to an exemption from DWT generally has no additional Irish income tax liability or liability to the universal social charge. The DWT deducted by Actavis discharges the liability to income tax and the universal social charge. An exception to this position may apply where the shareholder holds Actavis ordinary shares through a branch or agency in Ireland through which a trade is carried on.

Irish resident or ordinarily resident Actavis shareholders may be subject to Irish tax and (in the case of an individual) the universal social charge on dividends received from Actavis.

### *Capital Acquisitions Tax (CAT)*

CAT comprises principally gift tax and inheritance tax. CAT could apply to a gift or inheritance of Actavis ordinary shares irrespective of the place of residence, ordinary residence or domicile of the parties. This is because Actavis ordinary shares are regarded as property situated in Ireland for Irish CAT purposes, as the share register of Actavis must be held in Ireland. The person who receives the gift or inheritance has primary liability for CAT.

CAT is currently levied at a rate of 33% above certain tax-free thresholds. The appropriate tax-free threshold is dependent upon (i) the relationship between the donor and the donee and (ii) the aggregation of the values of previous gifts and inheritances received by the donee from persons within the same group threshold. Gifts and inheritances passing between spouses are exempt from CAT. Children have a tax-free threshold of 225,000 in respect of taxable gifts or inheritances received from their parents. Actavis shareholders should consult their own tax advisors as to whether CAT is creditable or deductible in computing any domestic tax liabilities.

There is also a small gift exemption from CAT whereby the first 3,000 of the taxable value of all taxable gifts taken by a donee from any one donor, in each calendar year, is exempt from CAT and is also excluded from any future aggregation. This exemption does not apply to an inheritance.

**THE IRISH TAX CONSIDERATIONS SUMMARIZED ABOVE ARE FOR GENERAL INFORMATION ONLY. EACH ALLERGAN STOCKHOLDER AND ACTAVIS SHAREHOLDER SHOULD CONSULT WITH THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THE TRANSACTION AND OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF ACTAVIS ORDINARY SHARES.**



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**Table of Contents**

**UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION**

The following unaudited pro forma combined financial information is presented to illustrate the estimated effects of (i) the pending acquisition of Allergan by Actavis, which was announced on November 17, 2014, (ii) the Forest Transaction, (iii) the acquisition of Aptalis Holdings Inc. (referred to in this joint proxy statement/prospectus as Aptalis ) by Forest, which closed on January 31, 2014 (referred to in this joint proxy statement/prospectus as the Aptalis Transaction ), (iv) the Warner Chilcott Transaction and (v) the related financings and assumed financings to fund the acquisitions based on the historical financial position and results of operations of Actavis.

The following unaudited pro forma combined balance sheet as of September 30, 2014 is based upon and derived from the historical unaudited financial information of Actavis and Allergan.

The fiscal years of Actavis, Allergan, and Warner Chilcott plc ended on December 31. The fiscal years of Forest and Aptalis ended on March 31 and September 30, respectively. The following unaudited pro forma combined statement of operations for the 12 months ended December 31, 2013 was prepared based on (i) the historical consolidated statement of operations of Actavis for the 12 months ended December 31, 2013, (ii) the historical consolidated statement of operations of Allergan for the 12 months ended December 31, 2013, (iii) the historical consolidated statement of operations of Forest for the 12 months ended December 31, 2013, which was derived by adding the consolidated statement of operations for the nine months ended December 31, 2013 and subtracting the consolidated statement of operations for the nine months ended December 31, 2012 to and from the consolidated statement of operations for the fiscal year ended March 31, 2013, (iv) the historical consolidated statement of operations of Aptalis for the 12 months ended December 31, 2013, which was derived by adding the consolidated statement of operations for the three months ended December 31, 2013 and subtracting the consolidated statement of operations for the three months ended December 31, 2012 to and from the consolidated statement of operations for the fiscal year ended September 30, 2013, and (v) the historical consolidated statement of operations of Warner Chilcott plc for the nine months ended September 30, 2013. The following unaudited pro forma combined statement of operations for the nine months ended September 30, 2014 was prepared based on (i) the historical consolidated statement of operations of Actavis for the nine months ended September 30, 2014, (ii) the historical consolidated statement of operations of Allergan for the nine months ended September 30, 2014, (iii) the historical consolidated statement of operations of Forest for the six months ended June 30, 2014, which was derived by subtracting the consolidated statement of operations for the nine months ended December 31, 2013 and adding the consolidated statement of operations for the fiscal year ended March 31, 2014 from and to the consolidated statement of operations for the three months ended June 30, 2014, and (iv) the historical consolidated statement of operations of Aptalis for the one month ended January 31, 2014.

The Merger, the Forest Transaction, the Aptalis Transaction and the Warner Chilcott Transaction have been accounted for as business combinations using the acquisition method of accounting under the provisions of Accounting Standards Codification (referred to in this joint proxy statement/prospectus as ASC ) 805, Business Combinations, (referred to in this joint proxy statement/prospectus as ASC 805 ). The unaudited pro forma combined financial information set forth below primarily give effect to the following:

Effect of application of the acquisition method of accounting in connection with the acquisitions;

Effect of repayment of certain existing debt facilities and new or assumed borrowings under new debt facilities to fund the acquisitions;

Effect of issuing new equity to fund the Merger; and

Effect of transaction costs in connection with the acquisitions and financings.

The pro forma adjustments are preliminary and are based upon available information and certain assumptions, described in the accompanying notes to the unaudited pro forma combined financial information that Actavis management believes are reasonable under the circumstances. Actual results and valuations may

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**Table of Contents**

differ materially from the assumptions within the accompanying unaudited pro forma combined financial information. Under ASC 805, assets acquired and liabilities assumed are recorded at fair value. The fair value of identifiable tangible and intangible assets acquired and liabilities assumed from the planned acquisition of Allergan are based on a preliminary estimate of fair value as of September 30, 2014. Any excess of the purchase price over the fair value of identified assets acquired and liabilities assumed will be recognized as goodwill. Significant judgment is required in determining the estimated fair values of in-process research and development (referred to in this joint proxy statement/prospectus as IPR&D ), identifiable intangible assets and certain other assets and liabilities. Such a valuation requires estimates and assumptions including, but not limited to, determining the timing and estimated costs to complete each in-process project, projecting the timing of regulatory approvals, estimating future cash flows and direct costs in addition to developing the appropriate discount rates and current market profit margins. Actavis management believes the fair values recognized for the assets to be acquired and the liabilities to be assumed are based on reasonable estimates and assumptions. Preliminary fair value estimates may change as additional information becomes available.

The unaudited pro forma combined statements of operations for the fiscal year ended December 31, 2013 and the nine months ended September 30, 2014 assume the transactions were completed on January 1, 2013. The unaudited pro forma combined balance sheet as of September 30, 2014 assumes the transactions occurred on September 30, 2014, except for the acquisitions of Warner Chilcott plc, Forest and Aptalis and their related financings, which are already reflected in Actavis historical balance sheet as of September 30, 2014. The unaudited pro forma combined financial information has been prepared by Actavis management in accordance with SEC Regulation S-X Article 11 for illustrative purposes only and is not necessarily indicative of the combined financial position or results of operations that would have been realized had the transactions been completed as of the dates indicated, nor is it meant to be indicative of any anticipated combined financial position or future results of operations that Actavis will experience after the transactions. In addition, the accompanying unaudited pro forma combined statements of operations do not include any pro forma adjustments to reflect expected cost savings or restructuring actions which may be achievable or the impact of any non-recurring activity and one-time transaction related costs.

Certain financial information of Allergan, Forest, Aptalis and Warner Chilcott plc, as presented in their respective consolidated financial statements, has been reclassified to conform to the historical presentation in Actavis consolidated financial statements for purposes of preparation of the unaudited pro forma combined financial information.

This unaudited pro forma combined financial information was derived from and should be read in conjunction with the accompanying notes as well as the historical consolidated financial statements and related notes of Actavis, Allergan, Forest, Aptalis and Warner Chilcott plc that are incorporated by reference into this joint proxy statement/prospectus. For more information regarding such historical consolidated financial statements and related notes, see *Where You Can Find More Information* beginning on page 262 of this joint proxy statement/prospectus.

**Table of Contents****Actavis plc****Unaudited Pro Forma Combined Balance Sheet****As of September 30, 2014**

(In millions)	<b>Historical Allergan</b>		<b>Merger Adjustments</b>	<b>Financing Adjustments</b>	<b>Footnote Reference</b>	<b>Pro Forma</b>
	<b>Historical (after conforming Actavis reclassifications)</b>					
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ 339.4	\$ 3,910.8	\$ (38,588.9)	\$ 34,338.7	8h,8l	\$
Marketable securities	1.0	274.6				275.6
Accounts receivable, net	2,229.3	967.4				3,196.7
Inventories, net	2,627.3	297.7	977.6		8c	3,902.6
Prepaid expenses and other current assets	652.1	367.3				1,019.4
Current assets held for sale	124.7					124.7
Deferred tax assets	278.5	288.8				567.3
Total current assets	6,252.3	6,106.6	(37,611.3)	34,338.7		9,086.3
Property, plant and equipment, net	1,704.3	1,005.3				