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WARNER CHILCOTT PLC

FORM 10-Q
(Quarterly Report)

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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2011

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 0-53772

WARNER CHILCOTT PUBLIC LIMITED COMPANY

(Exact name of registrant as specified in its charter)

Ireland **(State or other jurisdiction of incorporation or organization)**	**98-0626948** **(I.R.S. Employer Identification No.)**

1 Grand Canal Square, Docklands
Dublin 2, Ireland
(Address of principal executive offices)

+353.1.897.2000
(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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

Large accelerated filer ☒ Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

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

As of July 25, 2011, the registrant had 254,075,621 ordinary shares outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (unaudited)

WARNER CHILCOTT PUBLIC LIMITED COMPANY

CONDENSED CONSOLIDATED BALANCE SHEETS
(All amounts in thousands except share amounts)
(Unaudited)

	As of June 30, 2011	As of December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	$ 262,357	$ 401,807
Accounts receivable, net	327,092	368,537
Inventories, net	123,152	119,497
Prepaid income taxes, net	21,458	49,385
Prepaid expenses and other current assets	196,542	237,814
Total current assets	930,601	1,177,040
Other assets:		
Property, plant and equipment, net	223,996	235,709
Intangible assets, net	2,722,621	3,016,741
Goodwill	1,028,550	1,028,550
Other non-current assets	148,727	193,949
Total assets	$ 5,054,495	$ 5,651,989
LIABILITIES		
Current liabilities:		
Accounts payable	$ 45,897	$ 98,525
Accrued expenses and other current liabilities	725,183	730,830
Income taxes	1,211	24,176
Current portion of long-term debt	156,263	269,911
Total current liabilities	928,554	1,123,442
Other liabilities:		
Long-term debt, excluding current portion	3,917,165	4,408,753
Other non-current liabilities	181,276	185,436
Total liabilities	5,026,995	5,717,631
Commitments and contingencies	—	—
SHAREHOLDERS' EQUITY / (DEFICIT)		
Ordinary shares, par value $0.01 per share; 500,000,000 shares authorized; 254,035,539 and 252,527,004 shares issued and outstanding	2,540	2,525
Additional paid-in capital	26,030	9,805
Accumulated deficit	(14,536)	(62,327)
Accumulated other comprehensive income / (loss)	13,466	(15,645)
Total shareholders' equity / (deficit)	27,500	(65,642)
Total liabilities and shareholders' equity / (deficit)	$ 5,054,495	$ 5,651,989

See accompanying notes to the unaudited condensed consolidated financial statements.

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WARNER CHILCOTT PUBLIC LIMITED COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(All amounts in thousands except per share amounts)
(Unaudited)

	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
REVENUE				
Net sales	$ 648,100	$ 763,737	$ 1,378,847	$ 1,473,193
Other revenue	22,194	51,873	47,976	103,719
Total revenue	670,294	815,610	1,426,823	1,576,912
COSTS, EXPENSES AND OTHER				
Cost of sales (excludes amortization of intangible assets)	76,349	108,756	199,260	326,192
Selling, general and administrative	246,423	280,798	499,590	600,855
Restructuring costs	16,151	—	59,070	—
Research and development	25,425	51,256	56,339	82,404
Amortization of intangible assets	147,679	157,159	295,324	318,071
Interest expense, net	65,179	43,103	220,204	115,501
INCOME BEFORE TAXES	93,088	174,538	97,036	133,889
Provision for income taxes	21,240	59,285	49,245	35,879
NET INCOME	$ 71,848	$ 115,253	$ 47,791	$ 98,010
Earnings per share:				
Basic	$ 0.28	$ 0.46	$ 0.19	$ 0.39
Diluted	$ 0.28	$ 0.46	$ 0.19	$ 0.39

See accompanying notes to the unaudited condensed consolidated financial statements.

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WARNER CHILCOTT PUBLIC LIMITED COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 47,791	$ 98,010
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	19,152	14,641
Write-down of property, plant and equipment	23,082	—
Amortization of intangible assets	295,324	318,071
Write-off of fair value step-up on acquired inventories	—	105,504
Amortization of deferred loan costs	95,190	34,446
Stock-based compensation expense	12,405	10,339
Changes in assets and liabilities:		
Decrease / (increase) in accounts receivable, prepaid expenses and other current assets	70,759	(21,730)
Decrease in inventories	11,091	13,832
(Decrease) in accounts payable, accrued expenses and other current liabilities	(31,913)	(124,047)
(Decrease) in income taxes and other, net	(10,782)	(83,968)
Net cash provided by operating activities	532,099	365,098
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of intangible assets	—	(2,900)
Capital expenditures	(27,583)	(55,305)
Net cash (used in) investing activities	(27,583)	(58,205)
CASH FLOWS FROM FINANCING ACTIVITIES		
Term borrowings under New Senior Secured Credit Facilities	3,000,000	—
Redemption of 8.75% senior subordinated notes due 2015 (“8.75% Notes”)	—	(89,460)
Payments for loan costs, including refinancing premium	(50,976)	—
Term repayments under Prior Senior Secured Credit Facilities	(3,418,980)	(458,747)
Term repayments under New Senior Secured Credit Facilities	(185,625)	—
Proceeds from the exercise of non-qualified options to purchase ordinary shares	3,836	3,990
Other	(168)	(87)
Net cash (used in) financing activities	(651,913)	(544,304)
Effect of exchange rates on cash and cash equivalents	7,947	(4,867)
Net (decrease) in cash and cash equivalents	(139,450)	(242,278)
Cash and cash equivalents, beginning of period	401,807	539,006
Cash and cash equivalents, end of period	$ 262,357	$ 296,728
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for income taxes	$ 47,171	$ 74,535

See accompanying notes to the unaudited condensed consolidated financial statements.

WARNER CHILCOTT PUBLIC LIMITED COMPANY
Notes to the Condensed Consolidated Financial Statements (unaudited)
(All amounts in thousands except share amounts, per share amounts or unless otherwise noted)

1. General

The accompanying unaudited interim condensed consolidated financial statements have been prepared pursuant to the rules and regulations for reporting on Form 10-Q. Accordingly, certain information and disclosures required by accounting principles generally accepted in the United States ("U.S. GAAP") for complete consolidated financial statements have been condensed or are not included herein. The interim statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2010 (the "Annual Report").

The results of operations of any interim period are not necessarily indicative of the results of operations for the full year. The unaudited interim condensed consolidated financial information presented herein reflects all normal adjustments that are, in the opinion of management, necessary for a fair statement of the financial position, results of operations and cash flows for the periods presented. The Company is responsible for the unaudited interim condensed consolidated financial statements included in this report. The Company has made certain reclassifications to prior period information to conform to the current period presentation. All intercompany transactions and balances have been eliminated in consolidation.

2. Summary of Significant Accounting Policies

The following are interim updates to certain of the policies described in "Note 2" of the notes to the Company's audited consolidated financial statements for the year ended December 31, 2010 included in the Annual Report.

Revenue Recognition

Revenue from product sales is recognized when title and risk of loss to the product transfers to the customer, which is based on the transaction shipping terms. Product sales are recorded net of all sales-related deductions including, but not limited to: trade discounts, sales returns and allowances, commercial and government rebates, customer loyalty programs and fee for service arrangements with certain distributors. The Company establishes accruals for its sales-related deductions in the same period that it recognizes the related gross sales based on select criteria for estimating such contra revenues including, but not limited to: estimated utilization or redemption rates, contract terms, costs related to the programs and other historical data. These reserves reduce revenues and are included as either a reduction of accounts receivable or as a component of accrued expenses. No revisions were made to the methodology used in determining these reserves during the quarter and six months ended June 30, 2011.

As of June 30, 2011 and December 31, 2010, the amounts related to all sales-related deductions included as a reduction of accounts receivable were $28,312 and $30,274, respectively. The amounts included in accrued liabilities were $452,182 and $455,041 (of which $132,477 and $129,621 related to reserves for product returns) as of June 30, 2011 and December 31, 2010, respectively. The provisions recorded to reduce gross sales to net sales were $220,968 and $200,000 in the quarters ended June 30, 2011 and 2010, respectively, and were $423,939 and $418,417 in the six months ended June 30, 2011 and 2010, respectively.

Total other revenue for the quarters ended June 30, 2011 and 2010 was $22,194 and $51,873, respectively, and for the six months ended June 30, 2011 and 2010 was $47,976 and $103,719, respectively. Primarily as a result of the ENABLEX Acquisition (as defined in "Note 4"), the Company expects other revenue to decline in 2011 and product net sales to increase with respect to ENABLEX, as compared to the prior year periods.

Deferred Loan Costs

Expenses associated with the issuance of indebtedness are capitalized and amortized as a component of interest expense over the term of the respective financing arrangements using the effective interest method. In the event that long-term debt is prepaid, the deferred loan costs associated with such indebtedness are expensed as a component of interest expense in the period in which such prepayment is made. Interest expense resulting from the amortization and write-offs of deferred loan costs amounted to $9,840 and $6,934 for the quarters ended June 30, 2011 and 2010, respectively, and $95,190 and $34,446 in the six months ended June 30, 2011 and 2010, respectively. The increase in the six months ended June 30, 2011 compared to the prior year period was due primarily to the write-offs of deferred loan costs in connection with the termination of the Company's Prior Senior Secured Credit Facilities (as defined in "Note 11"). During the six months ended June 30, 2011, the Company paid $50,976 in connection with the incurrence of new indebtedness under its New Senior Secured Credit Facilities, as further discussed in "Note 11". Aggregate deferred loan costs were $115,032 and $159,188 as of June 30, 2011 and December 31, 2010, respectively, and were included in other non-current assets in the condensed consolidated balance sheet.

Restructuring Costs

The Company records liabilities for costs associated with exit or disposal activities in the period in which the liability is incurred. In accordance with existing benefit arrangements, employee severance costs are accrued when the restructuring actions are

probable and estimable. Costs for one-time termination benefits in which the employee is required to render service until termination in order to receive the benefits are recognized ratably over the future service period. See “Note 3” for more information.

Recent Accounting Pronouncements

In June 2011, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2011-05 “Presentation of Comprehensive Income” (“ASU 2011-05”), which is effective for fiscal years beginning after December 15, 2011. ASU 2011-05 revises the manner in which entities present comprehensive income in their financial statements. This standard removes the presentation options in Accounting Standards Codification (“ASC”) 220 and requires entities to report components of comprehensive income in either (1) a continuous statement of comprehensive income or (2) two separate but consecutive statements. Since ASU 2011-05 only changes the presentation of comprehensive income in the financial statements, the adoption of ASU 2011-05 will not affect the Company’s condensed consolidated financial position or results of operations.

3. Strategic Initiatives

Western European Restructuring

In April 2011, the Company announced a plan to restructure its operations in Belgium, the Netherlands, France, Germany, Italy, Spain, Switzerland and the United Kingdom. The restructuring will not impact the Company’s operations at its headquarters in Dublin, Ireland, its facilities in Dundalk, Ireland, Larne, Northern Ireland or Weiterstadt, Germany or its commercial operations in the United Kingdom. The Company determined to proceed with the restructuring following the completion of a strategic review of its operations in its Western European markets where its product ACTONEL lost exclusivity in late 2010. ACTONEL accounted for approximately 70% of the Company’s Western European revenues in the year ended December 31, 2010. In connection with the restructuring, the Company is in the process of moving to a wholesale distribution model in the affected jurisdictions to minimize operational costs going forward. The Company currently expects to complete the restructuring by the middle of 2012. The implementation of the restructuring plan, which is expected to impact approximately 500 employees, and the aggregate amounts to be expensed, remain subject to consultation with local works councils in certain European jurisdictions. Severance costs of $15,490 and $58,409 were recorded in the quarter and six months ended June 30, 2011, respectively, and were included as a component of restructuring costs in the condensed consolidated statement of operations. Also included as restructuring costs in the condensed consolidated statement of operations were certain contract termination expenses of $661 in the quarter and six months ended June 30, 2011. Severance related costs are expected to be settled in cash within the next twelve months. The Western European restructuring costs were recorded in the Company’s ROW operating segment (as defined in “Note 16”).

Manati Facility

In April 2011, the Company announced a plan to repurpose its Manati, Puerto Rico manufacturing facility. Going forward this facility will serve as a warehouse and distribution center. As a result of the repurposing, the Company recorded charges of $2,193 and $23,082 in the quarter and six months ended June 30, 2011, respectively, for the write-down of certain property, plant and equipment. Additionally, severance costs of $1,115 and $7,858 were recorded in the quarter and six months ended June 30, 2011, respectively. The majority of severance costs relating to the Manati repurposing were settled in cash during the quarter ended June 30, 2011. The expenses related to the Manati repurposing were recorded in the Company’s North American operating segment (as defined in “Note 16”) as a component of cost of sales.

Severance Accruals

The following table summarizes the activity in the Company’s aggregate severance accruals during the quarter and six months ended June 30, 2011:

Balance, December 31, 2010	$ 5,975
Severance charges expensed during the period	49,662
Other	633
Cash payments during the period	(941)
Balance, March 31, 2011	**$55,329**
Severance charges expensed during the period	16,605
Other	427
Cash payments during the period	(8,108)
Foreign currency translation adjustments	1,224
Balance, June 30, 2011	**$65,477**

4. Acquisitions

Enablex

The Company and Novartis Pharmaceuticals Corporation ("Novartis") were parties to an agreement to co-promote ENABLEX, developed by Novartis, in the U.S. The Company shared development and promotional expenses with Novartis pursuant to the agreement and those costs were included within selling, general and administrative ("SG&A") expenses. The Company received a contractual percentage of Novartis' sales of ENABLEX, which was recorded, on a net basis, in other revenue. For the quarter and six months ended June 30, 2010, the Company recognized other revenue related to ENABLEX of $21,300 and $39,480, respectively.

On October 18, 2010, the Company acquired the U.S. rights to ENABLEX from Novartis for an upfront payment of $400,000 in cash at closing, plus future milestone payments of up to $20,000 in the aggregate based on 2011 and 2012 net sales of ENABLEX (the "ENABLEX Acquisition"). Concurrent with the closing of the ENABLEX Acquisition, the Company and Novartis terminated their existing co-promotion agreement, and the Company assumed full control of sales and marketing of ENABLEX in the U.S. market.

PGP

On October 30, 2009, the Company acquired the global branded prescription pharmaceutical business ("PGP") of The Procter & Gamble Company ("P&G") for $2,919,261 in cash and the assumption of certain liabilities (the "PGP Acquisition"). Under the terms of the purchase agreement pursuant to which the Company acquired PGP, the Company acquired P&G's portfolio of branded pharmaceutical products, prescription drug pipeline, manufacturing facilities in Puerto Rico and Germany and a net receivable owed from P&G of approximately $60,000. The total purchase price of $2,919,261 was allocated to the fair value of the assets acquired and liabilities assumed as of the acquisition date. In the six months ended June 30, 2010, the Company recorded an expense, as a component of its cost of sales, of $105,504 as a result of the purchase accounting fair value step-up on inventories acquired in the PGP Acquisition as such inventories were sold to its customers. No such expense was recorded in the six months ended June 30, 2011.

5. LEO Transaction

On September 23, 2009, the Company entered into a definitive asset purchase agreement (the "LEO Transaction Agreement") with LEO Pharma A/S ("LEO") pursuant to which LEO paid the Company $1,000,000 in cash in order to terminate the Company's exclusive license to distribute LEO's DOVONEX and TACLONEX products (including all dermatology products in LEO's development pipeline) in the United States and to acquire certain assets related to the Company's distribution of DOVONEX and TACLONEX products in the United States (the "LEO Transaction"). The Company recognized a gain on the sale of assets of $393,095 as a result of the LEO Transaction. The LEO Transaction closed simultaneously with the execution of the LEO Transaction Agreement. In connection with the LEO Transaction, the Company entered into a distribution agreement with LEO pursuant to which the Company agreed to, among other things, (1) continue to distribute DOVONEX and TACLONEX on behalf of LEO, for a distribution fee, through September 23, 2010 and (2) purchase inventories of DOVONEX and TACLONEX from LEO. In addition, the Company agreed to provide certain transition services for LEO for a period of up to one year after the closing. On June 30, 2010, LEO assumed responsibility for its own distribution services and on July 15, 2010 the parties formally terminated the distribution agreement.

During the quarter ended September 30, 2009, in connection with the distribution agreement mentioned above, the Company recorded a deferred gain of $68,919 relating to the sale of certain inventories in connection with the LEO Transaction. Pursuant to FASB ASC Sub Topic 605-25, "Revenue Recognition—Multiple-Element Arrangements", separate contracts with the same entity that are entered into at or near the same time are presumed to have been negotiated as a package and should be evaluated as a single arrangement. The LEO Transaction and distribution agreement contained (i) multiple deliverables, (ii) a delivered element with stand-alone value (intangible asset), and (iii) objective and reliable evidence of the undelivered item's fair value. For the undelivered element, inventory, the Company retained title and the risks and rewards of ownership. The total arrangement consideration (or purchase price) of $1,000,000 was allocated among the units of accounting as set forth in ASC Sub Topic 605-25 "Revenue Recognition—Multiple-Element Arrangements" paragraph 30-1, and the portion of the gain in the amount of $68,919 on the undelivered product inventory at fair value, was deferred as of September 30, 2009.

The Company subsequently sold the inventory on behalf of LEO to its trade customers in the normal course of business and recognized revenues of approximately $76,762, $62,530 and $26,255, and cost of sales of approximately $42,578, $37,419 and $16,631 during the quarters ended December 31, 2009, March 31, 2010 and June 30, 2010, respectively. The amounts were recognized as sales and cost of sales in the Company's condensed consolidated statement of operations when the earnings process was culminated as the goods were delivered to the Company's trade customers.

6. Earnings Per Share

The Company accounts for earnings per share ("EPS") in accordance with ASC Topic 260, "Earnings Per Share" and related guidance, which requires two calculations of EPS to be disclosed: basic and diluted. The numerator in calculating basic and diluted EPS is an amount equal to the consolidated net income for the periods presented. The denominator in calculating basic EPS is the weighted average shares outstanding for the respective periods. The denominator in calculating diluted EPS is the weighted

average shares outstanding, plus the dilutive effect of stock option grants, unvested restricted share grants and their equivalent for the respective periods. The following sets forth the basic and diluted calculations of EPS for the quarters and six months ended June 30, 2011 and 2010, respectively:

	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Net income available to ordinary shareholders	$ 71,848	$ 115,253	$ 47,791	$ 98,010
Weighted average number of ordinary and potential ordinary shares outstanding:				
Basic number of ordinary shares outstanding	252,296,178	251,243,674	252,117,696	251,113,794
Dilutive effect of grants of stock options, unvested restricted shares and their equivalent	2,813,068	1,739,471	2,703,111	1,807,125
Diluted number of ordinary and potential ordinary shares outstanding	255,109,246	252,983,145	254,820,807	252,920,919
Earnings per ordinary share:				
Basic	$ 0.28	$ 0.46	$ 0.19	$ 0.39
Diluted	$ 0.28	$ 0.46	$ 0.19	$ 0.39
Amounts not included in the calculation of diluted EPS as their impact was anti-dilutive under the treasury stock method including implied shares to be repurchased as defined by ASC Topic 260:				
Stock options to purchase ordinary shares	5,301,724	6,594,520	5,352,426	6,579,607
Unvested restricted shares and equivalent	1,344,574	622,448	1,582,311	699,586

7. Sanofi Collaboration Agreement

The Company and Sanofi-Aventis U.S. LLC ("Sanofi") are parties to an agreement to co-promote ACTONEL on a global basis, excluding Japan (as amended, the "Collaboration Agreement"). ATELVIA, the Company's next generation risedronate sodium delayed-release product approved by the U.S. Food and Drug Administration ("FDA") in October 2010, is also marketed in the United States pursuant to the Collaboration Agreement. The Company's and Sanofi's rights and obligations are specified by geographic market. In certain geographic markets, the Company and Sanofi share selling and advertising and promotion ("A&P") costs as well as product profits based on contractual percentages. In the geographic markets where the Company is deemed to be the principal in transactions with customers, the Company recognizes all revenues from sales of the product along with the related product costs. In geographic markets where the Company is not the principal in transactions with customers, revenue is recognized on a net basis, in other revenue for amounts earned based on Sanofi's sale transactions with its customers. The Company's share of selling, A&P and contractual profit sharing expenses are recognized in SG&A expenses. For the quarter ended June 30, 2011, the Company recognized net sales and other revenue related to ACTONEL of $173,654 and $19,416, respectively, net sales of ATELVIA of $8,058 and co-promotion expenses of $56,405 were recognized in SG&A expense. For the quarter ended June 30, 2010, the Company recognized net sales and other revenue related to ACTONEL of $238,089 and $25,546, respectively, and co-promotion expenses of $61,143 were recognized in SG&A expense. For the six months ended June 30, 2011, the Company recognized net sales and other revenue related to ACTONEL of $383,144 and $41,577, respectively, net sales of ATELVIA of $9,033 and co-promotion expenses of $115,281 were recognized in SG&A expense. For the six months ended June 30, 2010, the Company recognized net sales and other revenue related to ACTONEL of $473,811 and $52,132, respectively, and co-promotion expenses of $168,237 were recognized in SG&A expense. In June 2011, the Company received notice from Sanofi that it was exercising its contractual right under the Collaboration Agreement to audit the relevant financial books and records of the Company with respect to certain prior periods.

In April 2010, the Company and Sanofi entered into an amendment to the Collaboration Agreement. Under the terms of the amendment, the Company took full operational control over the promotion, marketing and research and development ("R&D") decisions for ACTONEL and, since the Company commenced its promotional efforts in early 2011, ATELVIA in the United States and Puerto Rico, and assumed responsibility for all associated costs and expenses relating to those activities. Prior to the amendment, the Company shared such costs with Sanofi in these territories. The Company remained the principal in transactions with customers in the United States and Puerto Rico and continues to invoice all sales in these jurisdictions. In return, it was agreed that Sanofi would receive, as part of the global collaboration agreement between the parties, payments from the Company based on an agreed upon percentage of U.S. and Puerto Rico net sales for the remainder of the term of the Collaboration Agreement.

In connection with the Collaboration Agreement, the Company is also party to two related supply agreements, including a tablet supply agreement pursuant to which a portion of the Company's ACTONEL product requirements are manufactured and supplied by Sanofi. The Company exercised its right to terminate the tablet supply agreement with Sanofi, effective May 2012. On March 2, 2011, the Company's subsidiary, Warner Chilcott Company, LLC ("WCCL"), and Sanofi each filed a separate demand for arbitration

with the American Arbitration Association pursuant to the dispute resolution provisions of the Collaboration Agreement. The WCCL demand sought declaratory relief that the termination of the tablet supply agreement with Sanofi would accelerate the termination date of the Collaboration Agreement to May 2012. The Sanofi demand, by contrast, sought declaratory relief that the termination of the tablet supply agreement would not result in the cross termination of the Collaboration Agreement and that WCCL's assertion of the cross termination violated a covenant of good faith and fair dealing contained in the Collaboration Agreement, as well as unspecified monetary damages. On July 14, 2011, the arbitration panel rendered its decision and (i) found that the Collaboration Agreement will terminate on January 1, 2015, the original expiration date of the Collaboration Agreement, (ii) denied Sanofi's claim that WCCL's assertion of the cross-termination violated a covenant of good faith and fair dealing, and (iii) determined that Sanofi was entitled to reimbursement from WCCL for its share of the fees and expenses of the arbitrators and the American Arbitration Association pursuant to the terms of the Collaboration Agreement. The decision does not affect the commercial terms of the collaboration in any way. The Company and Sanofi will continue to promote ACTONEL and ATELVIA products as described above until January 1, 2015, at which time all of Sanofi's rights under the Collaboration Agreement will revert to the Company. Thereafter, the Company will have the sole right to market and promote ACTONEL and ATELVIA on a global basis, excluding Japan.

8. Inventories

Inventories consisted of the following:

	As of June 30, 2011	As of December 31, 2010
Finished goods	$ 67,484	$ 64,891
Work-in-progress / Bulk	34,580	27,602
Raw materials	21,088	27,004
Total	$ 123,152	$ 119,497

Total inventories above are net of $15,707 and $8,470 related to inventory obsolescence reserves as of June 30, 2011 and December 31, 2010, respectively.

Product samples are stated at cost ($11,683 and $7,427 as of June 30, 2011 and December 31, 2010, respectively) and are included in prepaid expenses and other current assets.

9. Goodwill and Intangible Assets

The Company's goodwill and a trademark have been deemed to have indefinite lives and are not amortized. The Company's acquired intellectual property, licensing agreements and certain trademarks that do not have indefinite lives are being amortized on either an economic benefit model, which typically results in accelerated amortization, or a straight-line basis over their useful lives not to exceed 15 years. Components of the Company's intangible assets as of June 30, 2011, consisted of the following:

	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Definite-lived intangible assets			
ASACOL	$1,848,702	$ 398,275	$1,450,427
ENABLEX	505,731	95,254	410,477
ACTONEL	525,205	280,281	244,924
ATELVIA	241,447	1,893	239,554
ESTRACE Cream	411,000	278,035	132,965
DORYX	331,300	205,583	125,717
FEMHRT product family	318,500	310,565	7,935
Other products intellectual property	836,716	756,094	80,622
Total Definite-lived intangible assets	5,018,601	2,325,980	2,692,621
Indefinite-lived intangible assets			
Trademark	30,000	—	30,000
Total intangible assets, net	$5,048,601	$2,325,980	$2,722,621

Aggregate amortization expense related to intangible assets was $147,679 and $157,159 for the quarters ended June 30, 2011 and 2010, respectively, and was $295,324 and $318,071 in the six months ended June 30, 2011 and 2010, respectively. The Company continuously reviews its products' remaining useful lives based on each product's estimated future cash flows.

As of June 30, 2011 estimated amortization expense based on current forecasts (excluding indefinite-lived intangible assets) for the remainder of 2011 and for each of the next five years is as follows:

	Amortization
2011	$ 295,352
2012	498,044
2013	444,527
2014	375,556
2015	333,029
2016	219,651
Thereafter	526,462
	2,692,621

10. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	As of June 30, 2011	As of December 31, 2010
Product rebate accruals (commercial and government)	$ 297,792	$ 254,662
Sales return reserves	132,477	129,621
Severance accruals	65,477	5,975
Payroll, commissions, and employee costs	45,835	35,513
Interest payable	28,847	35,826
ACTONEL co-promotion liability	26,669	84,652
Customer loyalty and coupon programs	21,913	70,758
Professional fees	16,574	20,081
Contractual obligations	15,880	15,880
Withholding taxes	11,673	11,621
Uncertain tax positions (1)	9,526	9,526
Research and development expense accruals	8,635	11,313
Obligations under product licensing and distribution agreements	7,831	9,094
Deferred income	3,398	2,460
Advertising and promotion	2,297	5,876
Value-added tax liabilities	615	6,434
Other	29,744	21,538
Total	$ 725,183	$ 730,830

(1) As of June 30, 2011 and December 31, 2010, all income tax liabilities were related to reserves recorded under ASC Topic 740 “Accounting for Income Taxes,” (“ASC 740”). In addition, reserves included as a component of other non-current liabilities as of June 30, 2011 and December 31, 2010 totaled $72,939 and $77,289, respectively.

11. Indebtedness

New Senior Secured Credit Facilities

On March 17, 2011, Warner Chilcott Holdings Company III, Limited (“Holdings III”), WC Luxco S.à r.l. (the “Luxco Borrower”), Warner Chilcott Corporation (“WCC” or the “US Borrower”) and WCCL (the “PR Borrower”, and together with the Luxco Borrower and the US Borrower, the “Borrowers”) entered into a new credit agreement (the “Credit Agreement”) with a syndicate of lenders (the “Lenders”) and Bank of America, N.A. as administrative agent in order to refinance the Company’s Prior Senior Secured Credit Facilities (as defined below). Pursuant to the Credit Agreement, the Lenders provided senior secured credit facilities (the “New Senior Secured Credit Facilities”) in an aggregate amount of $3,250,000 comprised of (i) $3,000,000 in aggregate term loan facilities and (ii) a $250,000 revolving credit facility available to all Borrowers. The term loan facilities are comprised of (i) a $1,250,000 Term A Loan Facility (the “Term A Loan”) and (ii) a $1,750,000 Term B Loan Facility consisting of an $800,000 Term B-1 Loan, a $400,000 Term B-2 Loan and a $550,000 Term B-3 Loan (together, the “Term B Loans”). The proceeds of these new term loans, together with approximately $279,000 of cash on hand, were used to repay $3,218,980 in aggregate term loans outstanding under the Prior Senior Secured Credit Facilities, terminate the Prior Senior Secured Credit Facilities and pay certain related fees, expenses and accrued interest.

The Term A Loan matures on March 17, 2016 and bears interest at LIBOR plus 3.00%, with a LIBOR floor of 0.75%, and each of the Term B Loans matures on March 15, 2018 and bears interest at LIBOR plus 3.25%, with a LIBOR floor of 1.00%. The

revolving credit facility matures on March 17, 2016 and includes a $20,000 sublimit for swing line loans and a $50,000 sublimit for the issuance of standby letters of credit. Any swing line loans and letters of credit would reduce the available commitment under the revolving credit facility on a dollar-for-dollar basis. Loans drawn and letters of credit issued under the revolving credit facility bear interest at LIBOR plus 3.00%. The Borrowers are also required to pay a commitment fee on the unused commitments under the revolving credit facility at a rate of 0.75% per annum, subject to a leverage-based step-down.

The loans and other obligations under the New Senior Secured Credit Facilities (including in respect of hedging agreements and cash management obligations) are (i) guaranteed by Holdings III and substantially all of its subsidiaries (subject to certain exceptions and limitations) and (ii) secured by substantially all of the assets of the Borrowers and each guarantor (subject to certain exceptions and limitations). The Company made optional prepayments of $150,000 in the quarter ended June 30, 2011 of term loans under its New Senior Secured Credit Facilities. As of June 30, 2011, there were letters of credit totaling $1,500 outstanding. As a result, the Company had $248,500 available under the revolving credit facility as of June 30, 2011.

The carrying amounts reported in the condensed consolidated balance sheets as of June 30, 2011 for the Company's debt outstanding under its New Senior Secured Credit Facilities approximates fair value as interest is at variable rates and it re-prices frequently.

Prior Senior Secured Credit Facilities

On October 30, 2009 in connection with the PGP Acquisition, Holdings III and its subsidiaries, the Luxco Borrower, WCC and WCCL entered into a credit agreement with Credit Suisse AG, Cayman Islands Branch as administrative agent and lender, and the other lenders and parties thereto pursuant to which the lenders provided senior secured credit facilities in an aggregate amount of $3,200,000 (the "Prior Senior Secured Credit Facilities"). The Prior Senior Secured Credit Facilities initially consisted of $2,950,000 of term loans, a $250,000 revolving credit facility and a $350,000 delayed-draw term loan facility. On December 16, 2009, the Borrowers entered into an amendment pursuant to which the Lenders agreed to provide additional term loans of $350,000, and the delayed-draw term loan facility was terminated. The additional term loans were used to finance, together with cash on hand, the repurchase or redemption of any and all of the Company's then-outstanding 8.75% senior subordinated notes due 2015. On August 20, 2010, Holdings III and the Borrowers entered into a subsequent amendment pursuant to which the Lenders provided additional term loans in an aggregate principal amount of $1,500,000 which, together with the proceeds from the issuance of $750,000 aggregate principal amount of the Company's 7.75% Notes (defined below), were used to fund a special cash dividend to shareholders in the amount of $8.50 per share, or $2,144,321 in the aggregate (the "Special Dividend") and to pay related fees and expenses. In January 2011, the Company made an optional prepayment of $200,000 of its term loan indebtedness under the Prior Senior Secured Credit Facilities.

7.75% Notes

On August 20, 2010, the Company and certain of the Company's subsidiaries entered into an indenture (the "Indenture") with Wells Fargo Bank, National Association, as trustee, in connection with the issuance by WCCL and Warner Chilcott Finance LLC (together, the "Issuers") of $750,000 aggregate principal amount of 7.75% senior notes due 2018 (the "Initial 7.75% Notes"). The Initial 7.75% Notes are unsecured senior obligations of the Issuers, guaranteed on a senior basis by the Company and its subsidiaries that guarantee obligations under the New Senior Secured Credit Facilities, subject to certain exceptions. The Initial 7.75% Notes will mature on September 15, 2018. Interest on the Initial 7.75% Notes is payable on March 15 and September 15 of each year, and the first payment was made on March 15, 2011.

On September 29, 2010, the Issuers issued an additional $500,000 aggregate principal amount of 7.75% senior notes due 2018 at a premium of $10,000 (the "Additional 7.75% Notes" and, together with the Initial 7.75% Notes, the "7.75% Notes"). The proceeds from the issuance of the Additional 7.75% Notes were used by the Company to fund its $400,000 upfront payment in connection with the ENABLEX Acquisition, which closed on October 18, 2010, and for general corporate purposes. The Additional 7.75% Notes constitute a part of the same series as the Initial 7.75% Notes. The Issuers' obligations under the Additional 7.75% Notes are guaranteed by the Company and by its subsidiaries that guarantee obligations under the New Senior Secured Credit Facilities, subject to certain exceptions. The $10,000 premium received was added to the face value of the 7.75% Notes and is being amortized over the life of the 7.75% Notes as a reduction to reported interest expense.

The Indenture contains restrictive covenants that limit, among other things, the ability of each of Holdings III, and certain of Holdings III's subsidiaries, to incur additional indebtedness, pay dividends and make distributions on common and preferred stock, repurchase subordinated debt and common and preferred stock, make other restricted payments, make investments, sell certain assets, incur liens, consolidate, merge, sell or otherwise dispose of all or substantially all of its assets and enter into certain transactions with affiliates. The Indenture also contains customary events of default which would permit the holders of the 7.75% Notes to declare those 7.75% Notes to be immediately due and payable if not cured within applicable grace periods, including the failure to make timely payments on the 7.75% Notes or other material indebtedness, the failure to satisfy covenants, and specified events of bankruptcy and insolvency.

As of June 30, 2011, the fair value of the Company's outstanding 7.75% Notes, based on available market quotes, was $1,271,875 ($1,250,000 book value).

Components of Indebtedness

As of June 30, 2011, the Company's outstanding debt included the following:

	Current Portion as of June 30, 2011	Long-Term Portion as of June 30, 2011	Total Outstanding as of June 30, 2011
Revolving credit facility	$ —	$ —	$ —
Term loans under the New Senior Secured Credit Facilities	155,000	2,659,375	2,814,375
7.75% Notes (including $9,053 unamortized premium)	1,263	1,257,790	1,259,053
Total	$ 156,263	$3,917,165	$ 4,073,428

As of June 30, 2011, mandatory principal repayments of long-term debt for the remainder of 2011 and each of the five years ending December 31, 2012 through 2016 and thereafter were as follows:

Year Ending December 31,	Aggregate Maturities
2011	$ 63,750
2012	210,000
2013	237,500
2014	237,500
2015	320,000
2016	96,250
Thereafter	2,899,375
Total long-term debt to be settled in cash	$4,064,375
7.75% Notes unamortized premium	9,053
Total long-term debt	$4,073,428

12. Stock-Based Compensation Plans

The Company's stock-based compensation, including grants of non-qualified time-based vesting options to purchase ordinary shares and grants of time-based and performance-based vesting restricted ordinary shares and their equivalents, is measured at fair value on the date of grant and is recognized in the statement of operations as compensation expense over the applicable vesting periods. For purposes of computing the amount of stock-based compensation attributable to time-based vesting options and time-based vesting restricted ordinary shares (and their equivalents) expensed in any period, the Company treats such equity grants as serial grants with separate vesting dates. This treatment results in accelerated recognition of share-based compensation expense whereby 52% of the compensation is recognized in year one, 27% is recognized in year two, 15% is recognized in year three, and 6% is recognized in the final year of vesting. The Company treats performance-based vesting restricted ordinary share grants as vesting evenly over a four year vesting period, subject to the achievement of annual performance targets.

Total stock-based compensation expense recognized for the quarters ended June 30, 2011 and 2010 was $6,829 and $5,656, respectively, and was $12,405 and $10,339 for the six months ended June 30, 2011 and 2010, respectively. Unrecognized future stock-based compensation expense was $40,082 as of June 30, 2011, which will be recognized as an expense over a remaining weighted average period of 1.25 years.

In establishing the value of the options on each grant date, the Company uses its actual historical volatility for its ordinary shares to estimate the expected volatility at each grant date. The fair value of options is determined on the applicable grant date using the Black-Scholes method of valuation and that amount is recognized as an expense over the four year vesting period. The options have a term of ten years. The Company assumes that the options will be exercised, on average, in six years. The Special Dividend paid in 2010 did not impact the dividend yield assumption for any grants. Using the Black-Scholes valuation model, the fair value of the options is based on the following assumptions:

	2011 Grants	2010 Grants
Dividend yield	None	None
Expected volatility	35.00%	35.00%
Risk-free interest rate	3.12 – 3.57%	2.52 – 3.83%
Expected term (years)	6.00	6.00

The weighted average remaining contractual term of all outstanding options to purchase ordinary shares granted is 7 years.

The following is a summary of equity award activity for unvested restricted ordinary shares, and their equivalent, in the period from December 31, 2010 through June 30, 2011:

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(in thousands except per share amounts)	Restricted Share Grants (and their equivalent) Shares	Weighted Average Fair Value per share on Grant Date
Unvested restricted ordinary shares, and their equivalent, at December 31, 2010	918	$ 19.91
Granted shares	1,305	24.68
Vested shares	(280)	18.87
Forfeited shares	(92)	23.66
Unvested restricted ordinary shares, and their equivalent, at June 30, 2011	1,851	$ 23.24

The following is a summary of equity award activity for non-qualified options to purchase ordinary shares in the period from December 31, 2010 through June 30, 2011:

(in thousands except per option amounts)	Options to Purchase Ordinary Shares Options	Weighted Average Fair Value per Option on Grant Date	Weighted Average Exercise Price per Option
Balance at December 31, 2010	7,473	$ 5.57	$ 11.94
Granted options	655	10.07	24.92
Exercised options	(469)	6.79	8.17
Forfeited options	(170)	8.41	14.10
Balance at June 30, 2011	7,489	$ 5.82	$ 13.26
Vested and exercisable at June 30, 2011	4,069	$ 3.74	$ 12.01

The intrinsic value of non-qualified options to purchase ordinary shares is calculated as the difference between the closing price of the Company's ordinary shares and the exercise price of the non-qualified options to purchase ordinary shares that had a strike price below the closing price. The total intrinsic value for the non-qualified options to purchase ordinary shares that are "in-the-money" as of June 30, 2011 was as follows:

(in thousands except per share and per option amounts)	Number of Options	Weighted Average Exercise Price per Option	Closing Stock Price per Share	Total Intrinsic Value
Balance outstanding at June 30, 2011	6,854	$ 12.18	$ 24.13	$81,905
Vested and exercisable at June 30, 2011	4,068	$ 12.00	$ 24.13	$49,345

13. Commitments and Contingencies

Product Development Agreements

In June 2006, PGP entered into an agreement with Watson Pharmaceuticals, Inc. (together with its subsidiaries, "Watson") under which PGP acquired the rights to certain products under development relating to transdermal delivery systems for testosterone for use in females. Under the product development agreement, which the Company acquired in connection with the PGP Acquisition, the Company may be required to make additional payments to Watson upon the achievement of various developmental milestones that could aggregate up to $25,000. Further, the Company agreed to pay a supply fee and royalties to Watson on the net sales of those products, if any.

In July 2007, the Company entered into an agreement with Paratek Pharmaceuticals Inc. ("Paratek") under which it acquired certain rights to novel tetracyclines under development for the treatment of acne and rosacea. The Company paid an up-front fee of $4,000 and agreed to reimburse Paratek for R&D expenses incurred during the term of the agreement. In September 2010, the Company made a $1,000 milestone payment to Paratek upon the achievement of a developmental milestone. The Company may make additional payments to Paratek upon the achievement of certain developmental milestones that could aggregate up to $23,500. In addition, the Company agreed to pay royalties to Paratek based on the net sales, if any, of the products covered under the agreement.

In December 2008, the Company signed an agreement (the "Dong-A Agreement") with Dong-A PharmTech Co. Ltd. ("Dong-A"), to develop and, if approved, market its orally-administered udenafil product, a PDE5 inhibitor, for the treatment of erectile

dysfunction ("ED") in the United States. The Company paid $2,000 in connection with signing the Dong-A Agreement. In March 2009, the Company paid $9,000 to Dong-A upon the achievement of a developmental milestone related to the ED product under the Dong-A Agreement. The Company agreed to pay for all development costs incurred during the term of the Dong-A Agreement with respect to development of the ED product for the United States and may make additional payments to Dong-A of up to $13,000 upon the achievement of contractually-defined milestones in relation to the ED product. In addition, the Company agreed to pay a profit-split to Dong-A based on operating profit (as defined in the Dong-A Agreement), if any, resulting from the commercial sale of the ED product.

In February 2009, the Company acquired the U.S. rights to Apricus Biosciences, Inc.'s (formerly NexMed, Inc.) ("Apricus") topically applied alprostadil cream for the treatment of ED and a prior license agreement between the Company and Apricus relating to the product was terminated. Under the terms of the acquisition agreement, the Company paid Apricus an up-front payment of $2,500, and agreed to pay a milestone payment of $2,500 to Apricus upon the FDA's approval of the product's New Drug Application. The Company is currently working to prepare its response to the non-approvable letter that the FDA delivered to Apricus in July 2008 with respect to the product.

In April 2010, the Company amended the Dong-A Agreement to add the right to develop, and if approved, market in the U.S. and Canada, Dong-A's udenafil product for the treatment of lower urinary tract symptoms associated with Benign Prostatic Hyperplasia ("BPH"). As a result of this amendment, the Company made an up-front payment to Dong-A of $20,000 in April 2010, which was included in R&D expense for the quarter and six months ended June 30, 2010. Under the amendment, the Company may make additional payments to Dong-A in an aggregate amount of up to $25,000 upon the achievement of contractually-defined milestones in relation to the BPH product. These payments would be in addition to the potential milestone payments in relation to the ED product described above. The Company also agreed to pay Dong-A a percentage of net sales of the BPH product in the U.S. and Canada, if any.

In August 2010, the Company and TaiGen Biotechnology Co. Ltd ("TaiGen") amended their existing license agreement in connection with the completion of Phase II clinical trials to provide for the cross-licensing of the parties' respective patent rights relating to NEMONOXACIN and the transfer of TaiGen's related Investigational New Drug Application. Under the amended agreement, TaiGen has exclusive development, manufacture and commercialization rights in certain Asian countries, and the Company has development, manufacture and commercialization rights in all other markets, including the United States, Europe and Japan. As a result of the amendment, the Company made an up-front payment to TaiGen of $5,000 in August 2010. Under the terms of the amended agreement, the Company may make additional payments to TaiGen in an aggregate amount of up to $25,000 upon the achievement of contractually-defined milestones, and the Company also agreed to pay TaiGen a royalty on its net sales of NEMONOXACIN, if any.

The Company and Sanofi are parties to the Collaboration Agreement pursuant to which they co-promote ACTONEL on a global basis, excluding Japan. ATELVIA, the Company's next generation risedronate sodium delayed-release product approved by the FDA in October 2010, is also marketed in the United States pursuant to the Collaboration Agreement. See "Note 7" for additional information related to the Collaboration Agreement.

14. Legal Proceedings

General Matters

The Company is involved in various legal proceedings in the normal course of its business, including product liability litigation, intellectual property litigation, employment litigation, such as unfair dismissal and federal and state fair labor and minimum wage law suits, and other litigation. The outcome of such litigation is uncertain, and the Company may from time to time enter into settlements to resolve such litigation that could result, among other things, in the sale of generic versions of the Company's products prior to the expiration of its patents.

The Company records reserves related to legal matters when losses related to such litigation or contingencies are both probable and reasonably estimable. The Company maintains insurance with respect to potential litigation in the normal course of its business based on its consultation with its insurance consultants and outside legal counsel, and in light of current market conditions, including cost and availability. In addition, the Company self-insures for certain liabilities not covered under its litigation insurance based on estimates of potential claims developed in consultation with its insurance consultants and outside legal counsel.

The following discussion is limited to the Company's material on-going legal proceedings:

Hormone Therapy Product Liability Litigation

Approximately 721 product liability suits, including some with multiple plaintiffs, have been filed against, or tendered to, the Company related to its hormone therapy ("HT") products, FEMHRT, ESTRACE, ESTRACE Cream and medroxyprogesterone

acetate. Under the purchase and sale agreement pursuant to which the Company acquired FEMHRT from Pfizer Inc. ("Pfizer") in 2003, the Company agreed to assume certain product liability exposure with respect to claims made against Pfizer after March 5, 2003 and tendered to the Company relating to FEMHRT products. The cases are in the early stages of litigation and the Company is in the process of analyzing and investigating the individual complaints.

The lawsuits were likely triggered by the July 2002 and March 2004 announcements by the National Institute of Health ("NIH") of the terminations of two large-scale randomized controlled clinical trials, which were part of the Women's Health Initiative ("WHI"), examining the long-term effect of HT on the prevention of coronary heart disease and osteoporotic fractures, and any associated risk for breast cancer in postmenopausal women. In the case of the trial terminated in 2002, which examined combined estrogen and progestogen therapy (the "E&P Arm of the WHI Study"), the safety monitoring board determined that the risks of long-term estrogen and progestogen therapy exceeded the benefits, when compared to a placebo. WHI investigators found that combined estrogen and progestogen therapy did not prevent heart disease in the study subjects and, despite a decrease in the incidence of hip fracture and colorectal cancer, there was an increased risk of invasive breast cancer, coronary heart disease, stroke, blood clots and dementia. In the trial terminated in 2004, which examined estrogen therapy, the trial was ended one year early because the NIH did not believe that the results were likely to change in the time remaining in the trial and that the increased risk of stroke could not be justified for the additional data that could be collected in the remaining time. As in the E&P Arm of the WHI study, WHI investigators again found that estrogen only therapy did not prevent heart disease and, although study subjects experienced fewer hip fractures and no increase in the incidence of breast cancer compared to subjects randomized to placebo, there was an increased incidence of stroke and blood clots in the legs. The estrogen used in the WHI Study was conjugated equine estrogen and the progestin was medroxyprogesterone acetate, the compounds found in Premarin ® and Prempro ®, products marketed by Wyeth (now a part of Pfizer). Numerous lawsuits were filed against Wyeth, as well as against other manufacturers of HT products, after the publication of the summary of the principal results of the E&P Arm of the WHI Study.

Approximately 80% of the complaints filed against, or tendered to, the Company did not specify the HT drug alleged to have caused the plaintiff's injuries. These complaints broadly allege that the plaintiff suffered injury as a result of an HT product. The Company has sought the dismissal of lawsuits that, after further investigation, do not involve any of its products. The Company has successfully reduced the number of HT suits it will have to defend. Of the approximately 721 suits that were filed against, or tendered to, the Company, 486 have been dismissed and 94 involving ESTRACE have been successfully tendered to Bristol-Myers pursuant to an indemnification provision in the asset purchase agreement pursuant to which the Company acquired ESTRACE. The purchase agreement included an indemnification agreement whereby Bristol-Myers indemnified the Company for product liability exposure associated with ESTRACE products that were shipped prior to July 2001. The Company has forwarded agreed upon dismissal notices in another 13 cases to plaintiffs' counsel. Although it is impossible to predict with certainty the outcome of any litigation, an unfavorable outcome in these proceedings is not anticipated. An estimate of the range of potential loss, if any, to the Company relating to these proceedings is not possible at this time.

ACTONEL Product Liability Litigation

The Company is a defendant in approximately 108 cases and a potential defendant with respect to approximately 86 unfiled claims involving a total of approximately 201 plaintiffs and potential plaintiffs relating to the Company's bisphosphonate prescription drug ACTONEL. The claimants allege, among other things, that ACTONEL caused them to suffer osteonecrosis of the jaw ("ONJ"), a rare but serious condition that involves severe loss or destruction of the jawbone, and/or atypical fractures of the femur. All of the cases have been filed in either federal or state courts in the United States. The Company is in the initial stages of discovery in these litigations. The 86 unfiled claims involve potential plaintiffs that have agreed, pursuant to a tolling agreement, to postpone the filing of their claims against the Company in exchange for the Company's agreement to suspend the statutes of limitations relating to their potential claims. In addition, the Company is aware of four purported product liability class actions that were brought against the Company in provincial courts in Canada alleging, among other things, that ACTONEL caused the plaintiffs and the proposed class members who ingested ACTONEL to suffer atypical fractures or other side effects. It is expected that these plaintiffs will seek class certification. The Company is reviewing these lawsuits and potential claims and intends to defend these claims vigorously.

Sanofi, which co-promotes ACTONEL with the Company on a global basis pursuant to the Collaboration Agreement, is a defendant in many of the Company's ACTONEL product liability cases. In some of the cases, manufacturers of other bisphosphonate products are also named as defendants. Plaintiffs have typically asked for unspecified monetary and injunctive relief, as well as attorney's fees. The Company cannot at this time predict the outcome of these lawsuits and claims or their financial impact. Under the Collaboration Agreement, Sanofi has agreed to indemnify the Company, subject to certain limitations, for 50% of the losses from any product liability claims in Canada relating to ACTONEL and for 50% of the losses from any product liability claims in the U.S. and Puerto Rico relating to ACTONEL brought prior to April 1, 2010, which would include ONJ-related claims that were pending as of March 31, 2010. Pursuant to the April 2010 amendment to the Collaboration Agreement, the Company will be fully responsible for any product liability claims in the U.S. and Puerto Rico relating to ACTONEL brought on or after April 1, 2010. The Company may be liable for product liability, warranty or similar claims in relation to PGP products, including ONJ-related claims that were pending

as of the closing of the PGP Acquisition. The Company's agreement with P&G provides that P&G will indemnify the Company for 50% of the Company's losses from any such claims pending as of October 30, 2009, subject to certain limits.

The Company currently maintains product liability insurance coverage for claims between $25 million and $170 million, subject to certain exclusions, and otherwise is self-insured. The Company's insurance may not apply to, among other things, damages or defense costs related to the above mentioned HT or ACTONEL-related claims, including any claim arising out of HT or ACTONEL products with labeling that does not conform completely to FDA approved labeling. Although it is impossible to predict with certainty the outcome of any litigation, an unfavorable outcome in these proceedings is not anticipated. An estimate of the range of potential loss, if any, to the Company relating to these proceedings is not possible at this time.

ASACOL 400 mg Patent Matters

In September 2007, PGP and Medeva Pharma Suisse AG ("Medeva") received a Paragraph IV certification notice letter from Roxane Laboratories, Inc. ("Roxane"), a subsidiary of Boehringher Ingelheim Corporation, indicating that Roxane had submitted to the FDA an Abbreviated New Drug Application ("ANDA") seeking approval to manufacture and sell a generic version of PGP's ASACOL 400 mg product ("ASACOL 400"). The notice letter contended that Medeva's U.S. Patent No. 5,541,170 (the "'170 Patent") and U.S. Patent No. 5,541,171 (the "'171 Patent"), formulation and method patents which PGP exclusively licensed from Medeva covering ASACOL 400, were invalid and not infringed. The '170 Patent and '171 Patent expire in July 2013. In October 2007, Medeva and PGP filed a patent lawsuit against Roxane in the U.S. District Court for the District of New Jersey alleging infringement of the '170 Patent. The Company has elected not to bring an infringement action with respect to the '171 Patent. The lawsuit resulted in a 30-month stay of FDA approval of Roxane's ANDA until March 2010. The trial, which was previously scheduled for July 2011, has been cancelled by the Court, and a new trial date has not yet been set. In addition, Roxane has agreed not to launch a generic version of ASACOL 400 before December 31, 2011. While the Company and Medeva intend to vigorously defend the '170 Patent and pursue their legal rights, the Company can offer no assurance as to when the lawsuit will be decided, whether the lawsuit will be successful or that a generic equivalent of ASACOL 400 will not be approved and enter the market prior to the expiration of the '170 Patent in 2013.

In June 2010, the Company and Medeva received a Paragraph IV certification notice letter from Par Pharmaceutical, Inc. ("Par") indicating that Par had submitted to the FDA an ANDA seeking approval to manufacture and sell a generic version of ASACOL 400. The notice letter contended that the '170 Patent and '171 Patent were invalid and not infringed. In August 2010, the Company and Medeva filed a patent lawsuit against Par and EMET Pharmaceuticals LLC ("EMET") in the U.S. District Court for the District of New Jersey alleging infringement of the '170 Patent. The Company has elected not to bring an infringement action with respect to the '171 Patent. EMET was the original filer of the ANDA according to Par's notice letter, and assigned and transferred all right, title and interest in the ANDA to Par in June 2010. The lawsuit resulted in a stay of FDA approval of Par's ANDA until December 2012, subject to prior resolution of the matter before the court. While the Company and Medeva intend to vigorously defend the '170 Patent and pursue their legal rights, the Company can offer no assurance as to when the lawsuit will be decided, whether the lawsuit will be successful or that a generic equivalent of ASACOL 400 will not be approved and enter the market prior to the expiration of the '170 Patent in 2013.

ACTONEL Patent Matters

In July 2004, PGP received a Paragraph IV certification notice letter from a subsidiary of Teva Pharmaceutical Industries, Ltd. (together with its subsidiaries "Teva") indicating that Teva had submitted to the FDA an ANDA seeking approval to manufacture and sell a generic version of PGP's ACTONEL product. The notice letter contended that PGP's U.S. Patent No. 5,583,122 (the "'122 Patent"), a new chemical entity patent expiring in June 2014 (including a 6-month pediatric extension of regulatory exclusivity), was invalid, unenforceable or not infringed. In August 2004, PGP filed a patent lawsuit against Teva in the U.S. District Court for the District of Delaware charging Teva with infringement of the '122 Patent. In January 2006, Teva admitted patent infringement but alleged that the '122 Patent was invalid and, in February 2008, the District Court decided in favor of PGP and upheld the '122 Patent as valid and enforceable. In May 2009, the U.S. Court of Appeals for the Federal Circuit unanimously upheld the decision of the District Court.

In August 2008, December 2008 and January 2009, PGP and Hoffman-La Roche Inc. ("Roche") received Paragraph IV certification notice letters from Teva, Sun Pharma Global, Inc. ("Sun") and Apotex Inc. and Apotex Corp. (together "Apotex") indicating that each such company had submitted to the FDA an ANDA seeking approval to manufacture and sell generic versions of the once-a-month ACTONEL product ("ACTONEL OaM"). The notice letters contended that Roche's U.S. Patent No. 7,192,938 (the "'938 Patent"), a method patent expiring in November 2023 (including a 6-month pediatric extension of regulatory exclusivity) which Roche licensed to PGP with respect to ACTONEL OaM, was invalid, unenforceable or not infringed. PGP and Roche filed patent infringement suits against Teva (which delivered the first Paragraph IV certification notice letter) in September 2008, Sun in January 2009 and Apotex in March 2009 in the U.S. District Court for the District of Delaware charging each with infringement of the '938 Patent. The lawsuits result in a stay of FDA approval of each defendant's ANDA for 30 months from the date of PGP's and Roche's

receipt of notice, subject to the prior resolution of the matters before the court. The stay of approval of Teva's ANDA has expired. ACTONEL OaM had FDA exclusivity through April 2011 and the underlying '122 Patent, which covers all of the Company's ACTONEL products, expires in June 2014 (including a 6-month pediatric extension of regulatory exclusivity).

On December 1, 2009, the Company received a Paragraph IV certification notice letter from Aurobindo Pharma Limited ("Aurobindo") regarding the Company's ACTONEL 5, 30 and 35 mg dosage strength tablets ("ACTONEL Tablets"), which are covered by the Company's U.S. Patent No. 6,165,513 (the "'513 Patent"), as well as U.S. Patent Nos. 5,994,329, 6,015,801, 6,432,932 and 6,465,443, owned by Merck & Co., Inc. ("Merck") and licensed by the Company (the "Merck Patents"). The Paragraph IV certification notice letter advised the Company of the filing of an ANDA with the FDA requesting approval to manufacture and sell a generic version of ACTONEL Tablets prior to the expiration of the '513 Patent in 2018 and the Merck Patents in 2019. Merck did not assert the Merck Patents in any of the prior ACTONEL patent litigation. The Company has elected not to bring an infringement action with respect to this ANDA. In addition, Aurobindo did not certify against the '122 Patent, which expires in June 2014 (including a 6-month pediatric extension of regulatory exclusivity) and covers all of the Company's ACTONEL products (including the ACTONEL Tablets). As a result, the Company does not believe that Aurobindo will be permitted to market its proposed ANDA product prior to the expiration of Teva's 180-day period of marketing exclusivity following the June 2014 expiration (including a 6-month pediatric extension of regulatory exclusivity) of the '122 Patent.

In February 2010 and June 2010, the Company received Paragraph IV certification notice letters from Mylan Pharmaceuticals Inc. (together with its affiliates, "Mylan") and Aurobindo, respectively, regarding the Company's ACTONEL with Calcium Tablets (Copackaged) ("ACTONEL/Calcium"), which are covered by the Company's '513 Patent, as well as the Merck Patents owned by Merck and licensed by the Company. Each of the Paragraph IV certification letters advised the Company of the filing of an ANDA with the FDA requesting approval to manufacture and sell a generic version of ACTONEL/Calcium prior to the expiration of the '513 Patent in 2018 and the Merck Patents in 2019. The certification notice letters set forth allegations of non-infringement and/or the invalidity of the '513 and Merck Patents. Merck did not assert the Merck Patents in any of the prior ACTONEL patent litigation. The Company previously discontinued sales of ACTONEL/Calcium in the U.S. and has elected not to bring infringement actions with respect to either of these ANDAs. In addition, neither Mylan nor Aurobindo certified against the '122 Patent which expires in June 2014 (including a 6-month pediatric extension of regulatory exclusivity) and covers all of the Company's ACTONEL products (including ACTONEL/Calcium). As a result, the Company does not believe that Mylan and Aurobindo will be permitted to market their proposed ANDA products prior to the expiration of Teva's 180-day period of marketing exclusivity following the June 2014 expiration (including a 6-month pediatric extension of regulatory exclusivity) of the '122 Patent.

On February 24, 2010, the Company and Roche received a Paragraph IV certification notice letter from Mylan indicating that it had submitted to the FDA an ANDA seeking approval to manufacture and sell generic versions of the Company's 5, 30, 35 and 75 mg dosage strength ACTONEL tablets, as well as ACTONEL OaM tablets. The notice letter contends that the '513 Patent, the Merck Patents and the '938 Patent which cover the products are invalid and/or will not be infringed. The Company and Roche filed a patent suit against Mylan in April 2010 in the U.S. District Court for the District of Delaware charging Mylan with infringement of the '938 Patent based on its proposed generic version of ACTONEL OaM tablets. The lawsuit results in a stay of FDA approval of Mylan's ANDA for 30 months from the date of the Company's and Roche's receipt of notice, subject to prior resolution of the matter before the court. Additionally, ACTONEL OaM had FDA exclusivity through April 2011, and Mylan did not certify against the underlying '122 Patent which expires in June 2014 (including a 6-month pediatric extension of regulatory exclusivity) and covers all of the Company's ACTONEL products. As a result, the Company does not believe that Mylan will be permitted to market its proposed ANDA products prior to the expiration of Teva's 180-day period of marketing exclusivity following the June 2014 expiration of the '122 Patent (including a 6-month pediatric extension of regulatory exclusivity). In addition, the '938 Patent covering ACTONEL OaM expires in 2023.

In October, November and December 2010 and February 2011, the Company and Roche received Paragraph IV certification notice letters from Sun, Apotex, Teva and Mylan, respectively, indicating that each such company had amended its existing ANDA covering generic versions of ACTONEL OaM to include Roche's new U.S. Patent No. 7,718,634 (the "'634 Patent"). The notice letters contended that the '634 Patent, a method patent expiring in November 2023 (including a 6-month pediatric extension of regulatory exclusivity) which Roche licensed to PGP with respect to ACTONEL OaM, was invalid, unenforceable or not infringed. The Company and Roche filed patent infringement suits against Sun and Apotex in December 2010, against Teva in January 2011 and against Mylan in March 2011 in the U.S. District Court for the District of Delaware charging each with infringement of the '634 Patent. We believe that no additional 30-month stay is available in these matters because the '634 Patent was listed in the FDA's Orange Book subsequent to the date on which Sun, Apotex, Teva and Mylan filed their respective ANDAs with respect to ACTONEL OaM. ACTONEL OaM had FDA exclusivity through April 2011, and the underlying '122 Patent, which covers all of the Company's ACTONEL products, expires in June 2014 (including a 6-month pediatric extension of regulatory exclusivity).

The Company and Roche's actions against Teva, Apotex, Sun and Mylan for infringement of the '938 Patent and the '634 Patent arising from each such party's proposed generic version of ACTONEL OaM have been consolidated for pretrial purposes. Trial for the suits relating to the '938 Patent has been scheduled for July 2012. No trial date has been set for the suits relating to the '634

Patent. While the Company and Roche intend to vigorously defend the ‘938 Patent and the ‘634 Patent and protect their legal rights, the Company can offer no assurance as to when the lawsuits will be decided, whether the lawsuits will be successful or that a generic equivalent of ACTONEL OaM will not be approved and enter the market prior to the expiration of the ‘938 Patent and the ‘634 Patent in 2023.

DORYX Patent Matters

As a result of the enactment of the QI Program Supplemental Funding Act of 2008 (the “QI Act”) on October 8, 2008, Mayne Pharma International Pty. Ltd.’s (“Mayne”) U.S. Patent No. 6,958,161 (the “‘161 Patent”) covering the Company’s DORYX product was submitted to the FDA for listing in the FDA’s Orange Book and potential generic competitors that had filed an ANDA prior to the listing of the ‘161 Patent were permitted to certify to the listed patent within 120 days of the enactment of the QI Act. In November and December 2008, and January 2009, the Company and Mayne received Paragraph IV certification notice letters from Actavis Elizabeth LLC (“Actavis”), Mutual Pharmaceutical Company, Inc. (“Mutual”), Mylan, Impax Laboratories, Inc. (“Impax”) and Sandoz Inc. (“Sandoz”) indicating that each had submitted to the FDA an ANDA seeking approval to manufacture and sell generic versions of DORYX 100 and 75 mg delayed-release tablets (“DORYX 100 and 75”). Those notice letters contend that the ‘161 Patent is invalid, unenforceable or not infringed. In December 2008 and January 2009, the Company and Mayne filed lawsuits against each of the potential generic competitors in the United States District Court for the District of New Jersey, charging them with infringement of the ‘161 Patent. In March 2009, the Company received the FDA’s response to a citizen petition that it had submitted requesting that the FDA impose a 30-month stay of approval on ANDAs referencing DORYX 100 and 75 that were filed prior to the listing of the ‘161 Patent under the transition rules of the QI Act. In its joint response to the citizen petitions of the Company and several other petitioners, the FDA took the position that a 30-month stay would not apply to approvals for such ANDAs. On November 9, 2009, pursuant to an agreement among the Company, Mayne and Mutual, the District Court dismissed the lawsuit against Mutual concerning generic versions of DORYX 100 and 75 following Mutual’s agreement to withdraw its ANDA with respect to such products. In March 2011, the Company entered into a settlement agreement with Actavis pursuant to which Actavis agreed, among other things, not to market or sell a generic equivalent of DORYX 100 and 75 until December 15, 2016, subject to certain exceptions and conditions. In April 2011, the Company’s action against Actavis was dismissed without prejudice.

In March 2009, the Company and Mayne received Paragraph IV certification notice letters from Impax and Mylan indicating that each had submitted to the FDA an ANDA seeking approval to manufacture and sell a generic version of DORYX 150 mg delayed-release tablets (“DORYX 150”). The notice letters contend that the ‘161 Patent is not infringed. In March 2009, the Company and Mayne filed a lawsuit against Impax in the United States District Court for the District of New Jersey, charging Impax with infringement of the ‘161 Patent. In May 2009, the Company and Mayne filed a lawsuit against Mylan in the United States District Court for the District of New Jersey charging Mylan with infringement of the ‘161 Patent. Based on the FDA’s March 2009 response, the Company believes that because each of Impax’s and Mylan’s ANDAs with respect to generic versions of DORYX 150 were submitted after the listing of the ‘161 Patent in the FDA’s Orange Book, that the FDA will stay approval of these generic versions of the product for up to 30 months, subject to the prior resolution of the matter before the District Court.

In January 2010, the Company and Mayne received a Paragraph IV certification notice letter from Sandoz indicating that it had amended its ANDA previously submitted to the FDA requesting approval to manufacture and sell generic versions of DORYX 100 and 75 to include a generic version of DORYX 150. The notice letter contends that the ‘161 Patent is invalid, unenforceable or not infringed. In January 2010, the Company and Mayne filed a lawsuit against Sandoz in the United States District Court for the District of New Jersey charging Sandoz with infringement of the ‘161 Patent with respect to DORYX 150. While the Company can give no assurance, it believes that under current law, the FDA may not approve Sandoz’s amended ANDA with respect to DORYX 150 until 180 days following the date on which the “first filer” of an ANDA with respect to DORYX 150 enters the market, unless the first filer transfers or forfeits its first filer rights, for example by failing to timely receive tentative approval of its product or begin marketing its product in a timely manner.

In February 2010, the Company and Mayne received a Paragraph IV certification notice letter from Heritage Pharmaceuticals Inc. (“Heritage”) indicating that it had submitted to the FDA an ANDA seeking approval to manufacture and sell a generic version of DORYX 100 and 75 and DORYX 150. In March 2010, the Company and Mayne filed a lawsuit against Heritage in the United States District Court for the District of New Jersey charging Heritage with infringement of the ‘161 Patent. In December 2010, the Company entered into a settlement agreement with Heritage pursuant to which Heritage agreed, among other things, not to market or sell generic equivalents of DORYX 100 and 75 and DORYX 150 until December 15, 2016, subject to certain exceptions and conditions. In February 2011, the Company’s action against Heritage was dismissed without prejudice.

All of the actions against Mylan, Impax and Sandoz have been consolidated for discovery purposes. No trial dates have been set by the District Court. In December 2010, the FDA approved Impax’s and Mylan’s ANDAs with respect to generic versions of DORYX 100 and 75, and the Company believes that generic versions of these products were launched “at-risk” in January 2011. DORYX 100 and 75 represent less than 5% of the Company’s DORYX franchise based on total prescriptions according to IMS

Health, Inc., while DORYX 150 currently represents the remainder of the DORYX franchise. In June 2011, the FDA tentatively approved Mylan's ANDA with respect to DORYX 150. If either Impax or Mylan's ANDAs with respect to DORYX 150 receives final approval from the FDA, and Impax or Mylan elects to launch a generic equivalent of DORYX 150 "at-risk" following the expiration of the applicable 30-month stay in September 2011, a generic equivalent of DORYX 150 could also enter the market prior to the expiration of the '161 Patent in 2022. While the Company and Mayne intend to vigorously defend the '161 Patent and pursue all of their legal rights, including their right to any monetary damages, the Company can offer no assurance as to when the lawsuits will be decided, whether the lawsuits will be successful or that additional generic equivalents of DORYX 100 or 75, or any generic equivalent of DORYX 150, will not be approved and enter the market prior to the expiration of the '161 Patent in 2022.

Oral Contraceptive Patent Matters

In April 2011, the Company received a Paragraph IV certification notice letter from Mylan, as U.S. agent for Famy Care Ltd. ("Famy Care"), indicating that Famy Care had submitted to the FDA an ANDA seeking approval to manufacture and sell a generic version of the Company's oral contraceptive, LOESTRIN 24 FE. The notice letter contends that the Company's U.S. Patent No. 5,552,394 (the "'394 Patent"), which covers LOESTRIN 24 FE and expires in 2014, is invalid, unenforceable or not infringed. In June 2011, the Company filed a lawsuit against Famy Care and Mylan in the United States District Court for the District of New Jersey charging each with infringement of the '394 Patent. The lawsuit results in a stay of FDA approval of Famy Care's ANDA for 30 months from the date of the Company's receipt of the Famy Care notice letter, subject to the prior resolution of the matter before the court. In January 2009, the Company entered into a settlement and license agreement with Watson to resolve patent litigation related to the '394 Patent. Under the agreement, Watson agreed, among other things, not to commence marketing its generic equivalent product until the earliest of (i) January 22, 2014, (ii) 180 days prior to a date on which the Company has granted rights to a third party to market a generic version of LOESTRIN 24 FE in the U.S. or (iii) the date on which a third party enters the market with a generic version of LOESTRIN 24 FE in the U.S. without authorization from the Company. In addition, under current law, unless Watson forfeits its "first filer" status, the FDA may not approve later-filed ANDAs until 180 days following the date on which Watson enters the market. However, the Company believes Watson may have forfeited its "first filer" status as a result of its failure to obtain approval by the FDA of its ANDA within the requisite period. In October 2010, the Company also entered into a settlement and license agreement with Lupin Ltd. and its U.S. subsidiary, Lupin Pharmaceuticals, Inc. (collectively "Lupin"), to resolve patent litigation related to the '394 Patent. Under that agreement, Lupin and its affiliates agreed, among other things, not to market or sell a generic equivalent product until the earlier of July 22, 2014 or the date of an "at-risk" entry into the U.S. market by a third party generic version of LOESTRIN 24 FE. While the Company intends to vigorously defend the '394 Patent and pursue its legal rights, it can offer no assurance that a generic equivalent of LOESTRIN 24 FE will not be approved and enter the market prior to the expiration of the '394 Patent in 2014.

In July 2011, the Company received a Paragraph IV certification notice letter from Lupin indicating that Lupin had submitted to the FDA an ANDA seeking approval to manufacture and sell a generic version of the Company's oral contraceptive, LO LOESTRIN FE. The notice letter contends that the '394 Patent and U.S. Patent No. 7,704,984 (the "'984 Patent"), which cover LO LOESTRIN FE and expire in 2014 and 2029, respectively, are invalid or not infringed. The Company is currently reviewing the notice letter and expects to file an infringement lawsuit against Lupin within 45 days of its receipt of the Paragraph IV certification notice letter. If the Company files suit against Lupin within 45 days, the FDA will be prohibited from approving Lupin's ANDA for 30 months from the date of the Company's receipt of the Lupin notice letter, subject to the prior resolution of the matter before the court. While the Company intends to vigorously defend the '394 Patent and the '984 Patent and pursue its legal rights, it can offer no assurance that a generic equivalent of LO LOESTRIN FE will not be approved and enter the market prior to the expiration of the '394 Patent in 2014 and/or the '984 Patent in 2029.

False Claims Act Litigation

In December 2009, an affiliate of the Company was served with a civil complaint brought by an individual plaintiff, purportedly on behalf of the United States, alleging that such defendant and over 20 other pharmaceutical manufacturers violated the False Claims Act ("FCA"), 31 U.S.C. § 3729(a)(1)(A), (B), by submitting false records or statements to the federal government, thereby causing Medicaid to pay for unapproved or ineffective drugs. The plaintiff's original complaint was filed under seal in 2002, but was not served on the defendant until 2009. The complaint alleges that the defendant submitted to the Centers for Medicare and Medicaid Services ("CMS") false information regarding the safety and effectiveness of certain nitroglycerin transdermal products. The plaintiff alleges that CMS included these products in its list of reimbursable prescription drugs and that, as a consequence federal Medicaid allegedly reimbursed state Medicaid programs for a portion of the cost of such products. The plaintiff asserts that from 1996 until 2003 the federal Medicaid program paid approximately $9.8 million to reimburse the states for such nitroglycerin transdermal products. The complaint seeks, among other things, treble damages; a civil penalty of up to ten thousand dollars for each alleged false claim; and costs, expenses and attorneys' fees.

The defendant expects to file its response to the complaint in the third quarter of 2011. The defendant intends to defend this action vigorously and currently believes that the complaint lacks merit. The defendant has a number of defenses to the allegations in the complaint and anticipates filing a motion to dismiss the action. In addition, the United States has declined to intervene in this action with respect to the defendant. Although it is impossible to predict with certainty the outcome of any litigation, an unfavorable outcome in these proceedings is not anticipated. An estimate of the range of potential loss to the Company, if any, relating to these proceedings is not possible at this time.

Fair Labor Standards Act and Related Litigation

In August 2010, an affiliate of the Company was served with a complaint in a class and collective action brought under the Fair Labor Standards Act and the Illinois Minimum Wage Law. The lawsuit was filed in the United States District Court for the Northern District of Illinois by a former pharmaceutical sales representative of defendant, on behalf of herself and other sales representatives. The suit alleges that defendant improperly categorized its pharmaceutical sales representatives as “exempt” rather than “non-exempt” employees and as a result, wrongfully denied them overtime compensation. Plaintiff is seeking damages for unpaid overtime, including back pay, liquidated damages, penalties, interest, and attorneys’ fees. Other pharmaceutical companies have been the subject of similar lawsuits. Defendant believes it has meritorious defenses and intends to defend this action vigorously. This case is in the early stages of litigation, and an estimate of the range of potential losses to the Company, if any, relating to these proceedings is not possible at this time.

15. Income Taxes

The Company operates in many tax jurisdictions including: the Republic of Ireland, the United States, the United Kingdom, Puerto Rico, Canada, Germany, Switzerland and other Western European countries. The Company’s effective tax rate for the quarter and six months ended June 30, 2011 was 23% and 51%, respectively. The Company’s effective tax rate for the quarter and six months ended June 30, 2010 was 34% and 27%, respectively. The effective income tax rate for interim reporting periods reflects the changes in income mix among the various tax jurisdictions in which the Company operates, the impact of discrete items, as well as the overall level of consolidated income before income taxes. In the quarter and six months ended June 30, 2011 the discrete items included valuation allowances related to the announced restructuring of certain of the Company’s Western European operations. The Company’s estimated annual effective tax rate for all periods includes the impact of changes in income tax liabilities related to reserves recorded under ASC Topic 740.

16. Segment Information

The Company’s business is organized into two reportable segments, North America (which includes the U.S., Canada and Puerto Rico) and the Rest of the World (“ROW”) consistent with how it manages its business and views the markets it serves. The Company manages its businesses separately in North America and ROW as components of an enterprise for which separate information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assess performance. In addition to managing the Company’s results of operations in the two reportable segments, the Company manages revenues at a brand level.

An operating segment’s performance is primarily evaluated based on segment operating profit, which excludes interest expense, and is used by the chief operating decision maker to evaluate the success of a specific region. The Company believes that segment operating profit is an appropriate measure for evaluating the operating performance of its segments. However, this measure should be considered in addition to, not a substitute for, or superior to, income from operations or other measures of financial performance prepared in accordance with U.S. GAAP.

The following represents the Company’s segment operating profit and a reconciliation to its consolidated income before taxes for the quarters and six months ended June 30, 2011 and 2010:

	North America	ROW	Eliminations(1)	Total Company
Quarter Ended June 30, 2011				
Total revenue	$1,000,838	$203,102	$ (533,646)	$670,294
Segment operating profit	$ 220,596	$ 7,809	$ (69,220)	$159,185
Corporate expenses				(918)
Interest (expense), net				(65,179)
Income before taxes				$ 93,088
Quarter Ended June 30, 2010				
Total revenue	$1,151,841	$173,568	$ (509,799)	$815,610

	North America	ROW	Eliminations(1)	Total Company
Segment operating profit	$ 339,161	$ 4,131	$ (121,882)	$ 221,410
Corporate expenses				(3,769)
Interest (expense), net				(43,103)
Income before taxes				$ 174,538
Six Months Ended June 30, 2011				
Total revenue	$2,324,200	$406,474	$ (1,303,851)	$1,426,823
Segment operating profit	$ 646,737	$ 17,332	$ (344,146)	$ 319,923
Corporate expenses				(2,683)
Interest (expense), net				(220,204)
Income before taxes				$ 97,036
Six Months Ended June 30, 2010				
Total revenue	$1,946,609	$383,393	$ (753,090)	$1,576,912
Segment operating profit	$ 403,453	$ 39,476	$ (183,925)	$ 259,004
Corporate expenses				(9,614)
Interest (expense), net				(115,501)
Income before taxes				$ 133,889

(1) Eliminations represent inter-segment revenues and related cost of sales.

The following table presents total revenues by product for the quarters and six months ended June 30, 2011 and 2010:

	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Revenue breakdown by product:				
ACTONEL(1)	$ 193,070	$ 263,635	$ 424,721	$ 525,943
ASACOL	187,934	192,495	375,261	357,515
LOESTRIN 24 FE	102,120	89,148	221,392	167,899
DORYX	32,146	51,029	98,074	101,929
ENABLEX	40,443	21,300	85,747	39,480
ESTRACE Cream	37,948	33,634	72,501	63,392
LO LOESTRIN FE	11,003	—	18,961	—
FEMHRT	5,438	16,064	13,328	25,357
ATELVIA	8,058	—	9,033	—
DOVONEX	—	36,794	—	74,598
TACLONEX	—	39,203	—	74,109
Other Women’s Healthcare	18,576	15,572	34,222	31,464
Other Hormone Therapy	6,386	7,429	12,754	14,827
Other Oral Contraceptives	1,954	19,400	12,083	37,468
Other products	15,620	20,909	32,740	41,724
Contract manufacturing product sales	6,695	3,972	9,597	9,101
Other revenue	2,903	5,026	6,409	12,106
Total revenue	$ 670,294	$ 815,610	$ 1,426,823	$ 1,576,912

(1) Other revenue related to ACTONEL is combined with its product net sales for purposes of presenting revenue by product and segment reporting.

The following tables present additional segment information for the quarters and six months ended June 30, 2011 and 2010:

	North America	ROW	Total Company
Quarter Ended June 30, 2011			
Capital expenditures	$ 7,274	$ 8,252	$ 15,526
Amortization of intangible assets	146,258	1,421	147,679
Depreciation expense	5,717	2,916	8,633
Write-down of property, plant and equipment	2,193	—	2,193
Quarter Ended June 30, 2010			
Capital expenditures	$ 35,401	$ 4,442	$ 39,843
Amortization of intangible assets	147,961	9,198	157,159
Depreciation expense	5,136	2,014	7,150
Six Months Ended June 30, 2011			
Capital expenditures	$ 15,235	$12,348	$ 27,583
Amortization of intangible assets	292,508	2,816	295,324
Depreciation expense	12,457	6,695	19,152
Write-down of property, plant and equipment	23,082	—	23,082
Six Months Ended June 30, 2010			
Capital expenditures	$ 45,516	$ 9,789	$ 55,305
Amortization of intangible assets	285,173	32,898	318,071
Depreciation expense	11,180	3,461	14,641

The following table presents total revenue by significant country of domicile for the quarters and six months ended June 30, 2011 and 2010:

	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
US	$ 522,643	$ 640,711	$ 1,141,454	$ 1,203,097
France	32,173	39,221	63,663	79,614
Canada	26,782	28,628	47,849	69,185
Puerto Rico	17,027	5,910	30,166	13,727
UK / Republic of Ireland	15,286	26,220	28,026	51,213
Italy	13,079	20,800	25,566	38,020
Other	43,304	54,120	90,099	122,056
Total	$ 670,294	$ 815,610	$ 1,426,823	$ 1,576,912

17. Reliance on Significant Suppliers

In the event that a significant supplier (including a third-party manufacturer or supplier of certain active pharmaceutical ingredients, or "API") suffers an event that causes it to be unable to manufacture the Company's product or meet the Company's API requirements for a sustained period and the Company is unable to obtain the product or API from an alternative supplier, the resulting shortages of inventory could have a material adverse effect on the business of the Company. The following table shows revenue generated from products by significant supplier as a percentage of total revenues.

	Quarter Ended June 30,		Six Months Ended June 30,	
	2011	2010	2011	2010
Lonza Inc	30%	32%	30%	33%
Cambrex Corporation	26%	21%	25%	20%
Bayer	19%	15%	19%	15%

18. Comprehensive Income

ASC Topic 220, "Comprehensive Income", requires foreign currency translation adjustments and certain other items, which were reported in shareholders' equity / (deficit) to be separately disclosed as other comprehensive income / (loss). Comprehensive income / (loss) is comprised of net income / (loss) plus the period activity within accumulated other comprehensive income / (loss). Comprehensive income was $81,372 and $105,058 for the quarters ended June 30, 2011 and 2010, respectively, and $76,902 and $76,133 for the six months ended June 30, 2011 and 2010, respectively.

The components of accumulated other comprehensive income / (loss) consist of:

	As of June 30, 2011	As of December 31, 2010
Cumulative translation adjustment	$ 5,446	$ (23,829)
Actuarial gains related to defined benefit plans (net of tax)	8,020	8,184
Total	$ 13,466	$ (15,645)

19. Retirement Plans

The Company has defined benefit retirement pension plans covering certain employees in Western Europe. Retirement benefits are generally based on an employee's years of service and compensation. Funding requirements are determined on an individual country and plan basis and are subject to local country practices and market circumstances. The Swiss plan is partially employee funded, but the employee contributions were not material.

The net periodic benefit cost of the Company's non-U.S. defined benefit plans for the six months ended June 30, 2011 and 2010 were as follows:

	Six Months Ended June 30,	
	2011	2010
Service cost	$ 1,167	$ 976
Interest cost	2,240	1,920
Expected return on plan assets	(2,185)	(1,581)
Amortization of:		
Actuarial losses	(164)	—
Prior service costs	—	—
Net periodic benefit cost	$ 1,058	$ 1,315

Company Contributions

For the six months ended June 30, 2011, the Company contributed $2,293 to non-U.S. retirement plans.

20. Subsequent Event

As a result of agreements reached with certain local European works councils subsequent to June 30, 2011, the Company will record a severance charge of approximately $30,000 in its condensed consolidated statement of operations in the quarter ended September 30, 2011 as a component of restructuring expenses.

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

You should read the following discussion together with our condensed consolidated financial statements and the related notes included elsewhere in this Form 10-Q and our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2010 ("Annual Report"). This discussion contains forward-looking statements, which involve risks and uncertainties. Our actual results may differ materially from those we currently anticipate as a result of many factors, including the factors we describe under "Risk Factors" in our Annual Report and elsewhere in this Form 10-Q.

Summary

The following are certain significant events that occurred in the six months ended June 30, 2011:

- During the six months ended June 30, 2011, we made optional prepayments aggregating $350 million of our term loan indebtedness, including $200 million in January 2011 under our Prior Senior Secured Credit Facilities (as defined below) and $150 million in June 2011 under our New Senior Secured Credit Facilities (as defined below);
- In March 2011, we successfully completed the refinancing of our senior secured indebtedness. We used the proceeds of our term loan borrowings under our New Senior Secured Credit Facilities (as defined below), as well as approximately $279 million of cash on hand, to repay and terminate our Prior Senior Secured Credit Facilities (defined below) and to pay related fees, expenses and accrued interest. The refinancing had the effect of extending the maturity profile of our senior secured indebtedness and reducing certain LIBOR floors and interest margins;
- In April 2011, we announced a plan to restructure our operations in Belgium, the Netherlands, France, Germany, Italy, Spain, Switzerland and the United Kingdom. The restructuring will not impact our operations at our headquarters in Dublin, Ireland, our facilities in Dundalk, Ireland, Larne, Northern Ireland or Weiterstadt, Germany or our commercial operations in the United Kingdom. We determined to proceed with the restructuring following the completion of a strategic review of our operations in our Western European markets where our product ACTONEL lost exclusivity in late 2010. ACTONEL accounted for approximately 70% of our Western European revenues in 2010. In connection with the restructuring, we are in the process of moving to a wholesale distribution model in the affected jurisdictions to minimize operational costs going forward. The implementation of the restructuring plan is expected to impact approximately 500 employees and remains subject to consultation with local works councils in certain European jurisdictions. In connection with the restructuring, pre-tax severance costs of $15 million and $58 million were recorded in the quarter and six months ended June 30, 2011, respectively. In addition, we recognized contract termination expenses of $1 million in the quarter and six months ended June 30, 2011.
- In April 2011, we announced a plan to repurpose our Manati, Puerto Rico manufacturing facility. Going forward this facility will serve as a warehouse and distribution center. In connection with the repurposing, we recorded $1 million and $8 million in severance charges and $2 million and $23 million in non-cash charges relating to the write-down of certain property, plant and equipment in the quarter and six months ended June 30, 2011, respectively as a component of cost of sales;
- Our revenue for the quarter ended June 30, 2011 was $670 million and our net income was $72 million;
- Our revenue for the six months ended June 30, 2011 was $1,427 million and our net income was $48 million.

2011 Strategic Transactions

During the six months ended June 30, 2011, the following events impacted our results of operations and will continue to have an impact on our future operations.

Refinancing of Senior Secured Indebtedness

On March 17, 2011, our subsidiaries, Warner Chilcott Holdings Company III, Limited ("Holdings III"), WC Luxco S.à r.l. (the "Luxco Borrower"), Warner Chilcott Corporation ("WCC" or the "US Borrower") and Warner Chilcott Company, LLC ("WCCL" or the "PR Borrower", and together with the Luxco Borrower and the US Borrower, the "Borrowers") entered into a new credit agreement (the "Credit Agreement") with a syndicate of lenders (the "Lenders") and Bank of America, N.A. as administrative agent in order to refinance our Prior Senior Secured Credit Facilities (as defined below). Pursuant to the Credit Agreement, the Lenders provided senior secured credit facilities (the "New Senior Secured Credit Facilities") in an aggregate amount of $3,250 million comprised of $3,000 million in aggregate term loan facilities and a $250 million revolving credit facility available to all Borrowers. At the closing, we borrowed a total of $3,000 million under the new term loan facilities and made no borrowings under the revolving credit facility. The proceeds of the new term loans, together with approximately $279 million of cash on hand, were used to repay $3,219 million in aggregate term loans outstanding under our Prior Senior Secured Credit Facilities, terminate the Prior Senior Secured Credit Facilities and pay certain related fees, expenses and accrued interest.

Western European Restructuring

In April 2011, we announced a plan to restructure our operations in Belgium, the Netherlands, France, Germany, Italy, Spain, Switzerland and the United Kingdom. The restructuring will not impact our operations at our headquarters in Dublin, Ireland, our facilities in Dundalk, Ireland, Larne, Northern Ireland or Weiterstadt, Germany or our commercial operations in the United Kingdom. We determined to proceed with the restructuring following the completion of a strategic review of our operations in our Western European markets where our product ACTONEL lost exclusivity in late 2010. ACTONEL accounted for approximately 70% of our Western European revenues in the year ended December 31, 2010. In connection with the restructuring, we are in the process of moving to a wholesale distribution model in the affected jurisdictions to minimize operational costs going forward. We currently expect to complete the restructuring by the middle of 2012. The implementation of the restructuring plan, which is expected to impact approximately 500 employees, and the aggregate amounts to be expensed, remain subject to consultation with local works councils in certain European jurisdictions. Severance costs of $15 million and $58 million were recorded in the quarter and six months ended June 30, 2011, respectively, and were included as a component of restructuring costs in our condensed consolidated statement of operations. Also included as restructuring costs in our condensed consolidated statement of operations were contract termination expenses of $1 million in the quarter and six months ended June 30, 2011. Severance related costs are expected to be settled in cash within the next twelve months.

Manati Facility

In April 2011, we announced a plan to repurpose our Manati, Puerto Rico manufacturing facility. Going forward this facility will serve as a warehouse and distribution center. As a result of the repurposing, we recorded charges of $2 million and $23 million in the quarter and six months ended June 30, 2011, respectively, for the write-down of certain property, plant and equipment. Additionally, severance costs of $1 million and $8 million were recorded in the quarter and six months ended June 30, 2011, respectively. These expenses were included as a component of cost of sales. The majority of severance costs relating to the Manati repurposing were settled in cash during the quarter ended June 30, 2011.

2010 Strategic Transactions

During 2010, we completed three strategic transactions that impacted our results of operations and will continue to have an impact on our future operations.

Amendment of the Sanofi Collaboration Agreement

In April 2010, we and Sanofi-Aventis U.S. LLC (“Sanofi”) entered into an amendment to our global collaboration agreement pursuant to which we co-develop and market ACTONEL products on a global basis, excluding Japan (as amended, the “Collaboration Agreement”). Under the terms of the amendment, we took full operational control over the promotion, marketing and research and development (“R&D”) decisions for ACTONEL products, and now ATELVIA, in the United States and Puerto Rico, and assumed responsibility for all associated costs relating to those activities. Prior to the amendment, we shared such costs with Sanofi in these territories. We remained the principal in transactions with customers in the United States and Puerto Rico and continue to invoice all sales in these territories. In return, it was agreed that Sanofi would receive, as part of the global collaboration agreement between the parties, payments from us based on an agreed percentage of U.S. and Puerto Rico net sales for the remainder of the term of the Collaboration Agreement. For a further description of the Collaboration Agreement see “Note 7” to our notes to the condensed consolidated financial statements.

Special Dividend Transaction

On September 8, 2010, we paid a special cash dividend of $8.50 per share, or $2,144 million in the aggregate, to shareholders of record on August 30, 2010 (the “Special Dividend”). In order to fund the Special Dividend and pay related fees and expenses, on August 20, 2010, we incurred $1,500 million aggregate principal amount of new term loan indebtedness in connection with an amendment to our Prior Senior Secured Credit Facilities and issued $750 million aggregate principal amount of 7.75% senior notes due 2018 (the “Initial 7.75% Notes”). The incurrence of this indebtedness and the indebtedness incurred in connection with the ENABLEX Acquisition (as defined below) impacted our interest expense during the quarter and six months ended June 30, 2011.

ENABLEX Acquisition

On October 18, 2010, we acquired the U.S. rights to Novartis Pharmaceuticals Corporation’s (“Novartis”) ENABLEX product for an upfront payment of $400 million in cash at closing, plus future milestone payments of up to $20 million in the aggregate based on 2011 and 2012 net sales of ENABLEX (the “ENABLEX Acquisition”). Concurrent with the closing of the ENABLEX Acquisition, we and Novartis terminated our existing co-promotion agreement, and we assumed full control of sales and marketing of ENABLEX in the U.S. market. We issued an additional $500 million aggregate principal amount of 7.75% senior notes due 2018 (the “Additional 7.75% Notes” and, together with the Initial 7.75% Notes, the “7.75% Notes”) on September 29, 2010 in order to fund the ENABLEX Acquisition and for general corporate purposes.

Operating Results for the quarters and six months ended June 30, 2011 and 2010

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Revenue

The following table sets forth our revenue for the quarters and six months ended June 30, 2011 and 2010, with the corresponding dollar and percentage changes:

(dollars in millions)	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	Increase (decrease) Dollars	Increase (decrease) Percent	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	Increase (decrease) Dollars	Increase (decrease) Percent
Women's Healthcare:								
Osteoporosis								
ACTONEL [1]	$ 193	$ 264	$ (71)	(27)%	$ 425	$ 526	$ (101)	(19)%
ATELVIA	8	—	8	100%	9	—	9	100%
Total osteoporosis	201	264	(63)	(24)%	434	526	(92)	(18)%
Oral Contraceptives								
LOESTRIN 24 FE	102	89	13	15%	221	168	53	32%
LO LOESTRIN FE	11	—	11	100%	19	—	19	100%
Other Oral Contraceptives	2	20	(18)	(90)%	12	38	(26)	(68)%
Total oral contraceptives	115	109	6	6%	252	206	46	23%
Hormone Therapy								
ESTRACE Cream	38	34	4	13%	73	64	9	14%
FEMHRT	5	16	(11)	(66)%	13	25	(12)	(47)%
Other Hormone Therapy	6	7	(1)	(14)%	13	14	(1)	(14)%
Total hormone therapy	49	57	(8)	(13)%	99	103	(4)	(5)%
Other women's healthcare products	19	16	3	19%	34	32	2	9%
Total Women's Healthcare	384	446	(62)	(14)%	819	867	(48)	(5)%
Gastroenterology:								
ASACOL	188	192	(4)	(2)%	375	357	18	5%
Dermatology:								
DORYX	32	51	(19)	(37)%	98	102	(4)	(4)%
TACLONEX [2]	—	39	(39)	(100)%	—	74	(74)	(100)%
DOVONEX [2]	—	37	(37)	(100)%	—	75	(75)	(100)%
Total Dermatology	32	127	(95)	(75)%	98	251	(153)	(61)%
Urology:								
ENABLEX [3]	40	21	19	90%	86	39	47	117%
Other:								
Other products net sales	16	21	(5)	(25)%	33	42	(9)	(22)%
Contract manufacturing product sales	7	4	3	69%	10	9	1	5%
Other revenue [4]	3	5	(2)	(42)%	6	12	(6)	(47)%
Total Revenue	$ 670	$ 816	$ (146)	(18)%	$1,427	$1,577	$ (150)	(10)%

(1) Includes "other revenue" of $19 million and $26 million for the quarters ended June 30, 2011 and 2010, respectively, and $42 million and $52 million for the six months ended June 30, 2011 and 2010, respectively, as reported in our condensed consolidated statement of operations, resulting from the Collaboration Agreement with Sanofi.

(2) Represents 2010 revenues from our distribution agreement with LEO Pharma A/S ("LEO"). On September 23, 2009, we entered into a definitive asset purchase agreement with LEO pursuant to which LEO paid us $1,000 million in cash in order to terminate our exclusive license to distribute LEO's DOVONEX and TACLONEX products (including all products in LEO's development pipeline) in the United States and to acquire certain assets related to our distribution of DOVONEX and TACLONEX products in the United States (the "LEO Transaction"). In connection with the LEO Transaction, we entered into a distribution agreement with LEO pursuant to which we agreed to, among other things, (1) continue to distribute DOVONEX and TACLONEX on behalf of LEO, for a distribution fee, through September 23, 2010 and (2) purchase inventories of DOVONEX and TACLONEX from LEO. As a result of the distribution agreement with LEO, we continued to record net sales of DOVONEX and TACLONEX following the closing of the LEO Transaction until June 30, 2010. On June 30, 2010, LEO assumed responsibility for its own distribution services, and on July 15, 2010 the parties formally terminated the distribution agreement.

(3) Includes "other revenue" of $21 million and $39 million for the quarter and six months ended June 30, 2010, respectively, reported in our condensed consolidated statement of operations resulting from the contractual percentage we received of Novartis' sales of ENABLEX. Effective October 18, 2010, we began to record sales of ENABLEX on a gross basis as we became the principal in the sales transactions.

(4) Excludes "other revenue" of $19 million and $47 million for the quarters ended June 30, 2011 and 2010, respectively, and $42 million and $91 million for the six months ended June 30, 2011 and 2010, respectively, reported in our condensed consolidated statement of operations and disclosed above pursuant to footnotes 1 and 3 above.

Total revenue in the quarter ended June 30, 2011 was $670 million, a decrease of $146 million, or 18%, compared to the same quarter in the prior year. Total revenue in the six months ended June 30, 2011 was $1,427 million, a decrease of $150 million, or 10%,

compared to the same period in the prior year. For the quarter ended June 30, 2011, the decrease in revenues as compared to the prior year quarter was primarily driven by a decrease in DOVONEX and TACLONEX net sales of $76 million, as a result of our continued distribution of the products through June 30, 2010 under a distribution agreement entered into in 2009 in connection with the LEO Transaction, as well as, a decrease in ACTONEL revenues of $71 million due, in large part, to the loss of exclusivity in Western Europe. For the six months ended June 30, 2011 a decrease in DOVONEX and TACLONEX net sales of $149 million and declines in ACTONEL revenues of $101 million were offset, in part, by revenue growth in certain other products, primarily LOESTRIN 24 FE and ENABLEX, as compared to the prior year period. In addition to transactions such as the LEO Transaction and ENABLEX Acquisition, period over period changes in the net sales of our products are a function of a number of factors including changes in: market demand, gross selling prices, sales-related deductions from gross sales to arrive at net sales and the levels of pipeline inventories of our products held by our direct and indirect customers. We use IMS Health, Inc. (“IMS”) estimates of filled prescriptions for our products as a proxy for market demand in the U.S.

Revenues of our osteoporosis products decreased $63 million, or 24%, in the quarter ended June 30, 2011, and $92 million, or 18%, in the six months ended June 30, 2011, compared with the prior year periods. Global revenues of ACTONEL were $193 million and $425 million, in the quarter and six months ended June 30, 2011, respectively, compared to $264 million and $526 million, respectively, in the prior year periods. The 27% and 19% decreases in ACTONEL global revenues in the quarter and six months ended June 30, 2011, respectively, relative to the prior year periods, were attributable in large part to the loss of exclusivity in Western Europe which began in the fourth quarter of 2010. ACTONEL revenues outside of North America, or rest of world (“ROW”), were $65 million in the quarter ended June 30, 2011, down 35% from $101 million in the prior year quarter, and $134 million in the six months ended June 30, 2011, down 36% from $209 million in the prior year period. Revenues of ACTONEL in North America for the quarters ended June 30, 2011 and 2010 were $128 million and $163 million, respectively, including $106 million and $144 million, respectively in the U.S. In the United States, ACTONEL revenues decreased $38 million compared to the prior year quarter primarily due to a decrease in filled prescriptions of 31%, offset, in part by higher average selling prices, as compared to the prior year quarter. Revenues of ACTONEL in North America were $291 million and $317 million, respectively, including $250 million and $264 million, respectively in the U.S., for the six months ended June 30, 2011 and 2010. In the United States, ACTONEL revenues decreased $14 million in the six months ended June 30, 2011 compared to the prior year period primarily due to a decrease in filled prescriptions of 29%, offset, in part by a decrease in sales-related deductions, higher average selling prices and an expansion of pipeline inventories relative to the prior year period. In the U.S., ACTONEL continues to face market share declines due to the impact of managed care initiatives that encourage the use of generic versions of other products, such as Fosamax, as well as declines in filled prescriptions within the overall oral bisphosphonate market. While we expect to continue to experience significant declines in global ACTONEL revenues throughout the remainder of 2011 relative to 2010, we expect revenues from our new product ATELVIA will grow and partially offset some of those declines in the U.S. market. ATELVIA, which we began to promote in the U.S. in early 2011, generated net sales of $8 million and $9 million, in the quarter and six months ended June 30, 2011, respectively.

Net sales of our oral contraceptive products increased $6 million, or 6%, in the quarter ended June 30, 2011 and $46 million, or 23%, in the six months ended June 30, 2011, compared with the prior year periods. LOESTRIN 24 FE generated revenues of $102 million in the quarter ended June 30, 2011, an increase of 15%, compared with $89 million in the prior year quarter. During the six months ended June 30, 2011, LOESTRIN 24 FE generated revenues of $221 million, an increase of 32%, compared with $168 million in the prior year period. The increase in LOESTRIN 24 FE net sales in the quarter ended June 30, 2011 as compared to the prior year quarter was primarily due to a decrease in sales-related deductions and higher average selling prices, offset in part by a contraction of pipeline inventories relative to the prior year quarter as well as a decrease in filled prescriptions of 1%. The increase in LOESTRIN 24 FE net sales in the six months ended June 30, 2011 as compared to the prior year period was primarily due to a reduction in sales-related deductions, higher average selling prices and an increase in filled prescriptions of 9%, offset, in part by a contraction of pipeline inventories relative to the prior year period. LO LOESTRIN FE, which we began to promote in the U.S. in early 2011, generated net sales of $11 million and $19 million, in the quarter and six months ended June 30, 2011, respectively. In March 2011, as expected, Teva Pharmaceuticals Industries, Ltd. launched a generic version of our FEMCON FE product. FEMCON FE revenues in the quarter ended June 30, 2011, which we report in “Other Oral Contraceptive” revenues, were negatively impacted by the new generic competition. We anticipate net sales of FEMCON FE will continue to decline during 2011 as compared to the prior year periods as a result of generic competition.

Net sales of our hormone therapy products decreased $8 million, or 13%, in the quarter ended June 30, 2011 and $4 million, or 5%, in the six months ended June 30, 2011, as compared with the prior year periods. Net sales of FEMHRT declined during the quarter and six months ended June 30, 2011, as compared to the prior year periods as a result of generic competition. Net sales of ESTRACE Cream increased $4 million, or 13%, and $9 million, or 14%, in the quarter and six months ended June 30, 2011, respectively, as compared to the prior year periods. The increase in both periods was primarily due to higher average selling prices and a 9% increase in filled prescriptions in the quarter and six months ended June 30, 2011, as compared to the prior year periods.

Net sales of ASACOL were $188 million in the quarter ended June 30, 2011, a decrease of 2%, compared with $192 million in the prior year quarter. Net sales of ASACOL were $375 million in the six months ended June 30, 2011, an increase of 5%, compared with $357 million in the prior year period. ASACOL revenues in North America in the quarters ended June 30, 2011 and 2010 totaled $175 million and $179 million, respectively, including revenues in the United States of $168 million and $174 million, respectively. The decrease in ASACOL net sales in the United States was primarily due to an increase in sales-related deductions, offset, in part, by higher average selling prices, as compared to the prior year quarter. ASACOL revenues in North America in the six months ended June 30, 2011 and 2010 totaled $353 million and $331 million, respectively, including revenues in the United States of $341 million and $321 million, respectively. The increase in ASACOL net sales in the United States was primarily due to higher average selling prices and an expansion of pipeline inventories as compared to the prior year period, offset in part by an increase in sales-related deductions. In October 2007, we and Medeva Pharma Suisse AG ("Medeva"), the owner of the formulation and method patent for the ASACOL 400 mg product, filed a patent infringement suit against Roxane Laboratories, Inc. ("Roxane"), a subsidiary of Boehringher Ingelheim Corporation, with respect to Roxane's Abbreviated New Drug Application ("ANDA") for a generic version of the ASACOL 400 mg product. See "Note 14" to the notes to the condensed consolidated financial statements included elsewhere in this quarterly report on Form 10-Q for more information. Our ASACOL 800 mg product (known as ASACOL HD in the U.S.) was launched in the United States in June 2009 and has protection under a separate formulation patent until 2021, which is not currently subject to litigation. This patent does not protect the ASACOL 400 mg product. The ASACOL 400 mg product accounted for the substantial majority of our total ASACOL net sales in the quarters and six months ended June 30, 2011 and 2010.

Net sales of our dermatology products decreased $95 million, or 75%, in the quarter ended June 30, 2011, as compared to the prior year quarter, and $153 million, or 61%, in the six months ended June 30, 2011, as compared to the prior year period. The decrease in the quarter and six months ended June 30, 2011, relative to the prior year periods was primarily due to a decrease in net sales of DOVONEX and TACLONEX of $76 million and $149 million, respectively, resulting from LEO's assumption of responsibility for the distribution of DOVONEX and TACLONEX on June 30, 2010. From the closing of the LEO Transaction in September 2009 until June 30, 2010, we recorded net sales (and cost of sales) for all DOVONEX and TACLONEX products sold in the United States at nominal distributor margins pursuant to the distribution agreement executed in connection with the LEO Transaction. We did not record any net sales of DOVONEX or TACLONEX in the quarter and six months ended June 30, 2011. Net sales of DORYX decreased $19 million, or 37%, and $4 million, or 4%, in the quarter and six months ended June 30, 2011, compared to the prior year periods. The decrease in DORYX net sales in the quarter ended June 30, 2011 was primarily due to a decrease in filled prescriptions of 46% and a contraction of pipeline inventories relative to the prior year period, offset, in part by a decrease in sales-related deductions and higher average selling prices. The decrease in DORYX net sales in the six months ended June 30, 2011 was primarily due to a decrease in filled prescriptions of 34% and a contraction of pipeline inventories relative to the prior year period, offset, in part by a decrease in sales-related deductions and higher average selling prices. The decrease in sales-related deductions in the quarter and six months ended June 30, 2011 compared with the prior year periods was primarily a result of changes to our loyalty card program in early 2011 which reduced the rebate offered to patients on DORYX 150 mg. As expected, the reduction in the rebate resulted in decreased usage of our customer loyalty card for DORYX 150 mg and a meaningful decline in filled prescriptions of DORYX 150 mg relative to the prior year periods. Offsetting the decline in filled prescriptions were significantly higher average net sales values per prescription for DORYX 150 mg. We and Mayne Pharma International Pty. Ltd. ("Mayne") have filed infringement lawsuits against Mylan Pharmaceuticals Inc. ("Mylan"), Impax Laboratories, Inc. ("Impax") and Sandoz Inc. ("Sandoz") arising from their respective ANDAs with respect to DORYX 150 mg. In June 2011, the FDA tentatively approved Mylan's ANDA with respect to DORYX 150 mg. If either Impax or Mylan's ANDAs with respect to DORYX 150 mg receives final approval from the FDA, and Impax or Mylan elects to launch a generic equivalent of DORYX 150 mg "at-risk" following the expiration of the applicable 30-month stay in September 2011, a generic equivalent of DORYX 150 mg could enter the market prior to the expiration of the DORYX patent in 2022. In addition, while we can give no assurance, we believe that under current law, the FDA may not approve Sandoz's amended ANDA with respect to DORYX 150 mg until 180 days following the date on which the "first filer" of an ANDA with respect to DORYX 150 mg enters the market, unless the first filer transfers or forfeits its first filer rights, for example, by failing to receive tentative approval of its product or begin marketing its product in a timely manner. See "Note 14" to the notes to the condensed consolidated financial statements included elsewhere in this quarterly report on Form 10-Q for more information.

Revenues of ENABLEX in the quarter ended June 30, 2011 were $40 million, an increase of 90%, compared to $21 million in the prior year quarter. Revenues of ENABLEX in the six months ended June 30, 2011 were $86 million, an increase of 117%, compared to $39 million in the prior year period. The increase in ENABLEX revenues in the quarter and six months ended June 30, 2011 relative to the prior year periods was primarily attributable to the ENABLEX Acquisition in October 2010 pursuant to which we acquired the U.S. rights to ENABLEX. As a result of the ENABLEX Acquisition, we began to record sales of ENABLEX in product net sales on a gross basis as we became the principal in the sales transactions. During periods prior to the ENABLEX Acquisition, including the quarter and six months ended June 30, 2010, we recorded ENABLEX revenue based on the contractual percentage we received of Novartis' net sales pursuant to our co-promotion agreement with Novartis. Filled prescriptions of ENABLEX in the U.S. decreased 8% and 5% in the quarter and six months ended June 30, 2011, respectively, as compared to the prior year periods.

Cost of Sales (excluding amortization of intangible assets)

The table below shows the calculation of cost of sales and cost of sales percentage for the quarters and six months ended June 30, 2011 and 2010:

(dollars in millions)	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	$ Change	Percent Change
Product net sales	$ 648	$ 764	$ (116)	(15)%
Cost of sales (excluding amortization)	76	109	(33)	(30)%
Cost of sales percentage	12%	14%		

(dollars in millions)	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	$ Change	Percent Change
Product net sales	$ 1,379	$ 1,473	$ (94)	(6)%
Cost of sales (excluding amortization)	199	326	(127)	(39)%
Cost of sales percentage	14%	22%		

Cost of sales (excluding amortization) decreased $33 million, or 30%, in the quarter ended June 30, 2011, compared with the prior year quarter. The quarter ended June 30, 2011 included $3 million in costs related to the repurposing of our Manati facility. Included in the quarter ended June 30, 2010 was approximately $76 million of costs related to DOVONEX and TACLONEX products distributed at nominal distributor margins under the LEO distribution agreement. These costs in the quarter ended June 30, 2010 were offset, in part, by a gain of $10 million relating to the sale of certain inventories in connection with the LEO Transaction. Also included in cost of sales in the quarter ended June 30, 2010 was an $18 million reduction in cost of sales as a result of the reversal of a contingent liability relating to the termination of a contract. Excluding the impact of the items mentioned above, our cost of sales percentage increased in the quarter ended June 30, 2011 relative to the prior year quarter from 9% to 11% primarily due to the mix of products sold and the fact that there were no costs of sales associated with our ENABLEX revenue in the prior year quarter.

Cost of sales (excluding amortization) decreased $127 million, or 39%, in the six months ended June 30, 2011, compared with the prior year period. The six months ended June 30, 2011 included $31 million in costs related to the repurposing of our Manati facility. Included in the six months ended June 30, 2010 was the impact of the purchase accounting inventory step-up of $106 million resulting from the acquisition of The Procter & Gamble Company's global branded pharmaceutical business (the "PGP Acquisition"). Also included in the six months ended June 30, 2010 was approximately $149 million of costs related to DOVONEX and TACLONEX products distributed at nominal distributor margins under the LEO distribution agreement. These costs in the six months ended June 30, 2010 were offset, in part, by a gain of $35 million relating to the sale of certain inventories in connection with the LEO Transaction. Also included in cost of sales in the six months ended June 30, 2010 was an $18 million reduction in cost of sales as a result of the reversal of a contingent liability relating to the termination of a contract. Excluding the impact of the items mentioned above, our cost of sales percentage increased in the six months ended June 30, 2011 relative to the prior year period from 9% to 12% primarily due to the mix of products sold and the fact that there were no costs of sales associated with our ENABLEX revenue in the prior year period.

Selling, General & Administrative ("SG&A") Expenses

Our SG&A expenses were comprised of the following for the quarters and six months ended June 30, 2011 and 2010:

(dollars in millions)	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	$ Change	Percent Change
Advertising & Promotion ("A&P")	$ 36	$ 26	$ 10	36%
Selling and Distribution	134	137	(3)	(2)%
General, Administrative and Other ("G&A")	76	118	(42)	(35)%
Total	$ 246	$ 281	$ (35)	(12)%

(dollars in millions)	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	$ Change	Percent Change
A&P	$ 86	$ 57	$ 29	50%
Selling and Distribution	262	305	(43)	(14)%
G&A	152	239	(87)	(37)%
Total	$ 500	$ 601	$ (101)	(17)%

SG&A expenses for the quarter ended June 30, 2011 were $246 million, a decrease of $35 million, or 12%, from $281 million in the prior year quarter. SG&A expenses for the six months ended June 30, 2011 were $500 million, a decrease of $101 million, or 17%, from $601 million in the prior year period. A&P expenses increased $10 million, or 36%, and $29 million, or 50%, in the quarter and six months ended June 30, 2011, respectively, as compared to the prior year periods, primarily due to advertising and other

promotional expenses attributable to the U.S. launches of ATELVIA and LO LOESTRIN FE. Selling and distribution expenses decreased $3 million, or 2%, in the quarter ended June 30, 2011 as compared to the prior year quarter, primarily due to the decrease in Sanofi co-promotion expense of $5 million as a result of decreased ACTONEL revenues in Western Europe. The decrease was offset, in part, by increases in promotional spending related to the U.S. launches of ATELVIA and LO LOESTRIN FE. Selling and distribution expenses decreased $43 million, or 14%, in the six months ended June 30, 2011 as compared to the prior year period, primarily due to the decrease in Sanofi co-promotion expense of $53 million as a result of decreased ACTONEL revenues in Western Europe and the April 2010 amendment to the Collaboration Agreement. The decrease was offset, in part, by increases in promotional spending related to the U.S. launches of ATELVIA and LO LOESTRIN FE. G&A expenses decreased $42 million, or 35%, and $87 million, or 37%, in the quarter and six months ended June 30, 2011, respectively, as compared to the prior year periods, primarily due to the following charges which were included in G&A expenses in the quarter and six months ended June 30, 2010: (i) $8 million and $20 million, respectively, of legal, consulting and other professional fees relating primarily to the PGP Acquisition, (ii) $16 million and $39 million, respectively, of expenses payable to P&G under the transition services agreement entered into in connection with the PGP Acquisition, (iii) $12 million and $12 million, respectively, of other integration expenses and (iv) $2 million and $15 million, respectively, of severance costs.

R&D

Our R&D expenses were comprised of the following for the quarters and six months ended June 30, 2011 and 2010:

(dollars in millions)	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	$ Change	Percent Change
Unallocated overhead expenses	$ 15	$ 15	$ —	— %
Expenses allocated to specific projects	9	15	(6)	(42)%
Milestone payments to third parties	—	20	(20)	(100)%
Regulatory fees	1	1	—	— %
Total	$ 25	$ 51	$ (26)	(50)%

(dollars in millions)	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	$ Change	Percent Change
Unallocated overhead expenses	$ 33	$ 31	$ 2	6%
Expenses allocated to specific projects	21	29	(8)	(28)%
Milestone payments to third parties	—	20	(20)	(100)%
Regulatory fees	2	2	—	— %
Total	$ 56	$ 82	$ (26)	(32)%

Our investment in R&D decreased $26 million, or 50%, and $26 million, or 32%, in the quarter and six months ended June 30, 2011, respectively, as compared to the prior year periods. The decrease in both periods was primarily due to the $20 million up-front payment to Dong-A PharmaTech Co. Ltd. (“Dong-A”), resulting from the amendment of our agreement to add the right to develop, and if approved, market, in the U.S. and Canada, Dong-A’s udenafil product for the treatment of lower urinary tract symptoms associated with Benign Prostatic Hyperplasia (“BPH”), which was included in R&D expenses in the quarter and six months ended June 30, 2010. Our R&D expenses consist of our internal development costs, fees paid to contracted development groups and license fees paid to third parties. R&D expenditures are subject to fluctuation due to the stage and timing of our R&D projects. Project related costs in the quarters and six months ended June 30, 2011 primarily related to project spend within our urology, women’s healthcare and dermatology therapeutic categories. Project related costs in the quarters and six months ended June 30, 2010 primarily related to project spend within our urology, women’s healthcare and gastroenterology therapeutic categories.

Amortization of Intangible Assets

Amortization of intangible assets in the quarters ended June 30, 2011 and 2010 was $148 million and $157 million, respectively. Amortization of intangible assets in the six months ended June 30, 2011 and 2010 was $295 million and $318 million, respectively. Our amortization methodology is calculated on either an economic benefit model or a straight-line basis to match the expected useful life of the asset, with identifiable assets assessed individually or by product family. The economic benefit model is based on expected future cash flows and typically results in accelerated amortization for most of our products. We regularly review the remaining useful lives of our identified intangible assets based on each product family’s estimated future cash flows. In the event that we do not achieve the expected cash flows from any of our products or lose market exclusivity for any of our products as a result of the expiration of a patent, the expiration of FDA exclusivity or due to an at-risk launch of a competing generic product, we may record an impairment charge and write-down the value of the related intangible asset. We expect our 2011 amortization expense to decline compared to 2010 as most of our intangible assets are amortized on an accelerated basis. This decline in 2011 is expected to be offset, in part, by amortization expense associated with certain of our new products, such as ATELVIA, and as a result of the ENABLEX Acquisition.

Net interest expense

Our net interest expense was comprised of the following for the quarters and six months ended June 30, 2011 and 2010:

(dollars in millions)	Quarter Ended June 30, 2011	Quarter Ended June 30, 2010	$ Change	Percent Change
Interest expense on outstanding indebtedness, net of interest income	$ 55	$ 36	$ 19	53%
Amortization of deferred loan costs	6	7	(1)	(14)%
Write-offs of deferred loan costs resulting from debt prepayments, including refinancing premium	4	—	4	100%
Total	$ 65	$ 43	$ 22	51%

(dollars in millions)	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010	$ Change	Percent Change
Interest expense on outstanding indebtedness, net of interest income	$ 125	$ 81	$ 44	54%
Amortization of deferred loan costs	14	15	(1)	(3)%
Write-offs of deferred loan costs resulting from debt prepayments, including refinancing premium	81	20	61	312%
Total	$ 220	$ 116	$ 104	91%

Net interest expense for the quarter ended June 30, 2011 was $65 million, an increase of $22 million, or 51%, from $43 million in the prior year quarter. Net interest expense for the six months ended June 30, 2011 was $220 million, an increase of $104 million, or 91%, from $116 million in the prior year period. The increase in net interest expense in the quarter and six months ended June 30, 2011 was due in large part to an increase in our average outstanding indebtedness relative to the same periods in 2010, offset in part, by lower interest rates in the 2011 periods. The increase in our average outstanding indebtedness in the quarter and six months ended June 30, 2011 as compared to the prior year periods was due primarily to the timing of the incurrence of indebtedness during 2010 in connection with the Special Dividend and the ENABLEX Acquisition.

Included in net interest expense in the six months ended June 30, 2011 was $81 million relating to the write-off of deferred loan costs associated with optional prepayments of debt and the repayment of the outstanding balance in connection with the refinancing of our senior secured indebtedness in March 2011. Included in net interest expense for the six months ended June 30, 2010 was $20 million relating to the write-off of deferred loan costs associated with the purchase and redemption of the remaining portion of our 8.75% senior subordinated notes due 2015 (“8.75% Notes”) and with the optional prepayment of $400 million of indebtedness under our Prior Senior Secured Credit Facilities.

Provision / (Benefit) for Income Taxes

We operate in many tax jurisdictions including: the Republic of Ireland, the United States, the United Kingdom, Puerto Rico, Canada, Germany, Switzerland and other Western European countries. Our effective tax rate for the quarter and six months ended June 30, 2011 was 23% and 51%, respectively. Our effective tax rate for the quarter and six months ended June 30, 2010 was 34% and 27%, respectively. The effective income tax rate for interim reporting periods reflects the changes in income mix among the various tax jurisdictions in which we operate, the impact of discrete items, as well as the overall level of consolidated income before income taxes. In the quarter and six months ended June 30, 2011 the discrete items included valuation allowances related to the announced restructuring of certain of our Western European operations. Our estimated annual effective tax rate for all periods includes the impact of changes in income tax liabilities related to reserves recorded under ASC Topic 740 “Accounting for Income Taxes” (“ASC 740”).

Net Income

Due to the factors described above, we reported net income of $72 million and $115 million in the quarters ended June 30, 2011 and 2010, respectively, and $48 million and $98 million in the six months ended June 30, 2011 and 2010, respectively.

Operating Results by Segment

Our business is organized into two reportable segments, North America (which includes the U.S., Canada and Puerto Rico) and the ROW consistent with how we manage our business and view the markets we serve. We manage our business separately in North America and ROW as components of an enterprise for which separate information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assess performance.

We measure an operating segment's performance primarily based on segment operating profit, which excludes interest, and is used by the chief operating decision maker to evaluate the success of a specific region.

In the quarters and six months ended June 30, 2011 and 2010, revenues in North America were $1,001 million and $1,152 million, respectively, and $2,324 million and $1,947 million, respectively. Revenues in ROW in the quarters and six months ended June 30, 2011 and 2010 were $203 million and $174 million, respectively, and $406 million and $383 million, respectively. Our revenues by segment fluctuate from period to period primarily due to the timing of our inter-segment revenues.

Segment operating profit in North America was $221 million and $339 million in the quarters ended June 30, 2011 and 2010, respectively, and $647 million and $403 million in the six months ended June 30, 2011 and 2010, respectively. ROW segment operating profit was $8 million and $4 million in the quarters ended June 30, 2011 and 2010, respectively, and $17 million and $39 million in the six months ended June 30, 2011 and 2010, respectively. Segment operating profit in North America grew as a result of the factors described above.

Financial Condition, Liquidity and Capital Resources

Cash

At June 30, 2011, our cash on hand was $262 million, as compared to $402 million at December 31, 2010. As of June 30, 2011 our total outstanding debt was $4,073 million and consisted of $2,814 million of term loan borrowings under our New Senior Secured Credit Facilities (as defined below), $1,250 million aggregate principal amount of 7.75% Notes, and $9 million of unamortized premium attributable to the 7.75% Notes.

The following table summarizes our net change in cash and cash equivalents for the periods presented:

(dollars in millions)	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Net cash provided by operating activities	$ 532	$ 365
Net cash (used in) investing activities	(28)	(58)
Net cash (used in) financing activities	(652)	(544)
Effect of exchange rates on cash and cash equivalents	8	(5)
Net (decrease) in cash and cash equivalents	$ (140)	$ (242)

Our net cash provided by operating activities for the six months ended June 30, 2011 increased $167 million compared with the prior year period. We reported net income of $48 million in the six months ended June 30, 2011 as compared to $98 million in the six months ended June 30, 2010. Included in net income in the six months ended June 30, 2011 were $23 million of non-cash charges relating to the Manati repurposing, $56 million of restructuring costs that were not settled in cash during the period as well as non-cash interest charges of $95 million. Included in net income for the six months ended June 30, 2010 was a non-cash charge of $106 million relating to the write-off of the fair value step-up of inventories acquired in the PGP Acquisition as such inventories were sold. Also impacting our cash flows from operations in the six months ended June 30, 2010 were (i) a decrease of $87 million in the ACTONEL co-promotion liability resulting from the timing of payments related to the April 2010 amendment to the Collaboration Agreement, (ii) the temporary extension of payment terms on our accounts receivable, primarily in the U.S., for our largest customers in connection with the PGP integration activities and (iii) the timing of our cash paid for income taxes. Our liability for unrecognized tax benefits (including interest) under ASC 740 which is expected to settle within the next twelve months is $10 million. Our liability for unrecognized tax benefits (including interest) which is expected to settle after twelve months is $73 million.

Our net cash used in investing activities during the six months ended June 30, 2011 totaled $28 million, and consisted of capital expenditures. Our cash used in investing activities in the six months ended June 30, 2010 totaled $58 million and consisted of $3 million of contingent purchase consideration paid to Pfizer Inc. in connection with the 2003 acquisition of FEMHRT and $55 million relating to capital expenditures, including the purchase of a corporate aircraft. We expect our investments in capital expenditures in 2011 to decrease relative to our 2010 levels.

Our net cash used in financing activities in the six months ended June 30, 2011 was $652 million, principally consisting of $3,000 million of borrowings under our New Senior Secured Credit Facilities, offset by prepayments and repayments in an aggregate amount of $3,419 million of term debt under our Prior Senior Secured Credit Facilities, prepayments and repayments of $186 million of term debt under our New Senior Secured Credit Facilities and the payment of loan costs of $51 million. We currently intend to use future cash flows provided by operating activities, net of cash used in investing activities, to make optional prepayments of our long-

term debt or purchases of such debt in privately negotiated or open market transactions, by tender offer or otherwise. Our net cash used in financing activities in the six months ended June 30, 2010 principally consisted of payments of $459 million of principal indebtedness under the Prior Senior Secured Credit Facilities and $89 million for the repurchase and redemption of the remaining aggregate principal amounts of our 8.75% Notes.

New Senior Secured Credit Facilities

On March 17, 2011, the Borrowers entered into the Credit Agreement with the Lenders and Bank of America, N.A. as administrative agent in order to refinance our Prior Senior Secured Credit Facilities (as defined below). Pursuant to the Credit Agreement, the Lenders provided the New Senior Secured Credit Facilities in an aggregate amount of $3,250 million comprised of (i) $3,000 million in aggregate term loan facilities and (ii) a $250 million revolving credit facility available to all Borrowers. The term loan facilities are comprised of (i) a $1,250 million Term A Loan Facility (the "Term A Loan") and (ii) a $1,750 million Term B Loan Facility consisting of an $800 million Term B-1 Loan, a $400 million Term B-2 Loan and a $550 million Term B-3 Loan (together, the "Term B Loans"). The proceeds of these new term loans, together with approximately $279 million of cash on hand, were used to repay $3,219 million in aggregate term loans outstanding under the Prior Senior Secured Credit Facilities, terminate the Prior Senior Secured Credit Facilities and pay certain related fees, expenses and accrued interest.

The Term A Loan matures on March 17, 2016 and bears interest at LIBOR plus 3.00%, with a LIBOR floor of 0.75%, and each of the Term B Loans matures on March 15, 2018 and bears interest at LIBOR plus 3.25%, with a LIBOR floor of 1.00%. The revolving credit facility matures on March 17, 2016 and includes a $20 million sublimit for swing line loans and a $50 million sublimit for the issuance of standby letters of credit. Any swing line loans and letters of credit would reduce the available commitment under the revolving credit facility on a dollar-for-dollar basis. Loans drawn and letters of credit issued under the revolving credit facility bear interest at LIBOR plus 3.00%. The Borrowers are also required to pay a commitment fee on the unused commitments under the revolving credit facility at a rate of 0.75% per annum, subject to a leverage-based step-down.

The loans and other obligations under the New Senior Secured Credit Facilities (including in respect of hedging agreements and cash management obligations) are (i) guaranteed by Holdings III and substantially all of its subsidiaries (subject to certain exceptions and limitations) and (ii) secured by substantially all of the assets of the Borrowers and each guarantor (subject to certain exceptions and limitations). We made optional prepayments of $150 million in the quarter ended June 30, 2011 of term loans under our New Senior Secured Credit Facilities. As of June 30, 2011, there were letters of credit totaling $2 million outstanding. As a result, we had $248 million available under the revolving credit facility as of June 30, 2011.

The carrying amounts reported in the condensed consolidated balance sheets as of June 30, 2011 for our debt outstanding under our New Senior Secured Credit Facilities approximates fair value as interest is at variable rates and it re-prices frequently.

Prior Senior Secured Credit Facilities

On October 30, 2009 in connection with the PGP Acquisition, Holdings III and its subsidiaries, Luxco Borrower, WCC and WCCL, entered into a credit agreement with Credit Suisse AG, Cayman Islands Branch as administrative agent and lender, and the other lenders and parties thereto, pursuant to which the lenders provided senior secured credit facilities in an aggregate amount of $3,200 million (the "Prior Senior Secured Credit Facilities"). The Prior Senior Secured Credit Facilities initially consisted of $2,950 million of term loans, a $250 million revolving credit facility and a $350 million delayed-draw term loan facility. On December 16, 2009, the Borrowers entered into an amendment pursuant to which the lenders agreed to provide additional term loans of $350 million, and the delayed-draw term loan facility was terminated. The additional term loans were used to finance, together with cash on hand, the repurchase or redemption of any and all of our then-outstanding 8.75% Notes. On August 20, 2010, Holdings III and the Borrowers entered into a second amendment pursuant to which the Lenders provided additional term loans in an aggregate principal amount of $1,500 million which, together with the proceeds from the issuance of $750 million aggregate principal amount of the 7.75% Notes (defined below), were used to fund the Special Dividend and to pay related fees and expenses. In January 2011, we made an optional prepayment of $200 million of our term loan indebtedness under the Prior Senior Secured Credit Facilities.

7.75% Notes

On August 20, 2010, we and certain of our subsidiaries entered into an indenture (the "Indenture") with Wells Fargo Bank, National Association, as trustee, in connection with the issuance by WCCL and Warner Chilcott Finance LLC (together, the "Issuers") of $750 million aggregate principal amount of 7.75% senior notes due 2018 (the "Initial 7.75% Notes"). The Initial 7.75% Notes are unsecured senior obligations of the Issuers, guaranteed on a senior basis by us and our subsidiaries that guarantee obligations under the New Senior Secured Credit Facilities, subject to certain exceptions. The Initial 7.75% Notes will mature on September 15, 2018. Interest on the Initial 7.75% Notes will be payable on March 15 and September 15 of each year, with the first payment made on March 15, 2011.

On September 29, 2010, the Issuers issued an additional $500 million aggregate principal amount of 7.75% senior notes due 2018 at a premium of $10 million (the "Additional 7.75% Notes" and, together with the Initial 7.75% Notes, the "7.75% Notes"). The

proceeds from the issuance of the Additional 7.75% Notes were used by us to fund our $400 million upfront payment in connection with the ENABLEX Acquisition, which closed on October 18, 2010, and for general corporate purposes. The Additional 7.75% Notes constitute a part of the same series as the Initial 7.75% Notes. The Issuers' obligations under the Additional 7.75% Notes are guaranteed by us and by our subsidiaries that guarantee obligations under the New Senior Secured Credit Facilities, subject to certain exceptions. The $10 million premium received was added to the face value of the 7.75% Notes and is being amortized over the life of the 7.75% Notes as a reduction to reported interest expense.

The Indenture contains restrictive covenants that limit, among other things, the ability of each of Holdings III, and certain of Holdings III's subsidiaries, to incur additional indebtedness, pay dividends and make distributions on common and preferred stock, repurchase subordinated debt and common and preferred stock, make other restricted payments, make investments, sell certain assets, incur liens, consolidate, merge, sell or otherwise dispose of all or substantially all of its assets and enter into certain transactions with affiliates. The Indenture also contains customary events of default which would permit the holders of the 7.75% Notes to declare those 7.75% Notes to be immediately due and payable if not cured within applicable grace periods, including the failure to make timely payments on the 7.75% Notes or other material indebtedness, the failure to satisfy covenants, and specified events of bankruptcy and insolvency.

As of June 30, 2011, the fair value of our outstanding 7.75% Notes, based on available market quotes, was $1,272 million ($1,250 million book value).

Components of Indebtedness

As of June 30, 2011, our outstanding debt included the following:

(dollars in millions)	Current Portion as of June 30, 2011	Long-Term Portion as of June 30, 2011	Total Outstanding as of June 30, 2011
Revolving credit facility	$ —	$ —	$ —
Term loans under the New Senior Secured Credit Facilities	155	2,659	2,814
7.75% Notes (including $9 unamortized premium)	1	1,258	1,259
Total	$ 156	$ 3,917	$ 4,073

As of June 30, 2011, mandatory principal repayments of long-term debt in the remainder of 2011 and each of the five years ending December 31, 2012 through 2016 and thereafter were as follows:

Year Ending December 31,	Aggregate Maturities (in millions)
2011	$ 64
2012	210
2013	238
2014	238
2015	320
2016	95
Thereafter	2,899
Total long-term debt to be settled in cash	$ 4,064
7.75% Notes unamortized premium	9
Total long-term debt	$ 4,073

Our ability to make scheduled payments of principal, or to pay the interest or additional interest, on, or to refinance our indebtedness, or to fund planned capital expenditures will depend on our future performance, which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. Based on the current level of operations, we believe that cash flows from the operations for each of our significant subsidiaries, available cash and short-term investments, together with borrowings available under our New Senior Secured Credit Facilities, will be adequate to meet our future liquidity needs for the next twelve months. We note that future cash flows from operating activities may be adversely impacted by the settlement of contingent liabilities and could fluctuate significantly from quarter-to-quarter based on the timing of certain working capital components and capital expenditures. In addition, our cash flows from operating activities will be significantly impacted by the total cash required for the restructuring of our Western European operations. To the extent we generate excess cash flow from operations, net of cash flows from investing activities, we intend to make optional prepayments of our long-term debt or purchases of such debt in privately negotiated open market transactions or pursue compelling strategic alternatives. As a result of the above mentioned prepayments of long-term debt, we may recognize non-cash expenses for the write-off of applicable deferred loan costs which is a component of interest expense. Our assumptions with respect to future costs may not be correct, and funds available to us from the sources discussed above may not be sufficient to enable us to service our indebtedness under the New Senior Secured Credit Facilities and 7.75% Notes or to cover any shortfall in funding for any unanticipated expenses. In addition, to the extent we in the future engage in strategic business transactions such as acquisitions or joint ventures or pay a special dividend, we may require new sources of funding including additional debt, or equity financing or some combination thereof. We may not be able to secure additional sources of funding on favorable terms or at all. We also regularly evaluate our capital structure and, when we deem prudent, will take steps to reduce our cost of capital through refinancings of our existing debt, equity issuances or repricing amendments to our existing facilities.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The principal market risks (i.e., the risk of loss arising from adverse changes in market rates and prices) to which we are exposed are interest rates on debt and movements in exchange rates among foreign currencies. We had neither foreign currency option contracts nor any interest rate hedges at June 30, 2011.

The following risk management discussion and the estimated amounts generated from analytical techniques are forward-looking statements of market risk assuming certain market conditions occur. Actual results in the future may differ materially from these projected results due to actual developments in the global financial markets.

Interest Rate Risk

We manage debt and overall financing strategies centrally using a combination of short- and long-term loans with either fixed or variable rates. Based on variable rate debt levels of $2,814 million as of June 30, 2011, a 1.0% increase in interest rates above our LIBOR floors, would impact net interest expense by approximately $7 million per quarter.

Foreign Currency Risk

A portion of our earnings and net assets are in foreign jurisdictions where transactions are denominated in currencies other than the U.S. dollar (primarily the Euro and British pound). In addition we have intercompany financing arrangements between our entities, certain of which may be denominated in a currency other than the entities' functional currency. Depending on the direction of change relative to the U.S. dollar, foreign currency values can increase or decrease the reported dollar value of our net assets and results of operations. Our international-based revenues, as well as our international net assets, expose our revenues and earnings to foreign currency exchange rate fluctuations.

We may enter into hedging and other foreign exchange management arrangements to reduce the risk of foreign currency exchange rate fluctuations to the extent that cost-effective derivative financial instruments or other non-derivative financial instrument approaches are available. As of June 30, 2011, we had not entered into any derivative financial instruments. Derivative financial instruments are not expected to be used for speculative purposes. The intent of gains and losses on hedging transactions is to offset the respective gains and losses on the underlying exposures being hedged. Although we may decide to mitigate some of this risk with hedging and other activities, our business will remain subject to foreign exchange risk from foreign currency transaction and translation exposures that we will not be able to manage through effective hedging or the use of other financial instruments.

Inflation

Inflation did not have a material impact on our operations during the quarters and six months ended June 30, 2011 and 2010.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures.

The Company maintains disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) of the Securities Exchange Act, as amended (the "Exchange Act")) designed to provide reasonable assurance that the information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. These include controls and procedures designed to ensure that this information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Management, with the participation of the Chief Executive and Chief Financial Officers, evaluated the effectiveness of the Company's disclosure controls and procedures as of June 30, 2011. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of June 30, 2011 at the reasonable assurance level.

Changes in Internal Control over Financial Reporting.

There were no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the quarter ended June 30, 2011, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in various legal proceedings of a nature considered normal to our business, including product liability litigation, intellectual property litigation, employment litigation, such as unfair dismissal and Federal and State fair labor and minimum wage law suits, and other litigation and contingencies. We record reserves related to legal matters when losses related to such litigation or contingencies are both probable and reasonably estimable. We maintain insurance with respect to potential litigation in the normal course of our business based on our consultation with our insurance consultants and outside legal counsel, and in light of current market conditions, including cost and availability. In addition, we self-insure for certain liabilities not covered under our litigation insurance based on estimates of potential claims developed in consultation with our insurance consultants and outside legal counsel.

See "Note 14" to our Notes to the condensed consolidated financial statements for the quarter ended June 30, 2011 included in this quarterly report on Form 10-Q for a description of our significant legal proceedings.

Item 1A. Risk Factors

In addition to the other information in this report, the factors discussed in "Risk Factors" in our periodic filings, including our Annual Report on Form 10-K for the year ended December 31, 2010 ("Annual Report"), should be carefully considered in evaluating the Company and its businesses. The risks and uncertainties described in our periodic reports are not the only ones facing the Company and its subsidiaries. Additional risks and uncertainties, not presently known to us or otherwise, may also impair our business operations. If any of the risks described in our periodic filings or such other risks actually occur, our business, financial condition or results of operations could be materially and adversely affected.

Item 5. Other Information

In connection with the realignment of our sales organization, on August 5, 2011, we announced that Carl Reichel, our President, Pharmaceuticals, will be leaving the Company at year end to pursue other interests. Effective immediately, Marinus Johannes "Hans" van Zoonen, currently our President, Europe/International & Marketing, will assume the duties for which Mr. Reichel was formerly responsible. In light of Mr. Reichel's anticipated departure, we amended and restated his employment agreement, effective August 5, 2011. Under the terms of the amended and restated agreement, Mr. Reichel will receive the following benefits, in addition to his accrued rights, following the termination of his employment: a cash severance amount of $1,794,494; accelerated vesting of a portion of his outstanding equity awards scheduled to vest in the first quarter of 2012; up to 24 months of continued health benefits at our expense and continued life insurance coverage until December 31, 2013. In addition, at the discretion of our Compensation Committee, Mr. Reichel may be eligible to receive a payment in respect of his 2011 annual incentive award. Mr. Reichel will be restricted from soliciting any of our employees for 24 months following his termination of employment.

In addition, effective August 4, 2011, we amended the employment agreements we have in place with our named executive officers, other than Mr. Reichel and Mr. van Zoonen, in order to reflect our name change to Warner Chilcott plc as a result of our 2009 redomestication, delete inoperative provisions and bring the agreements into compliance with recent guidance under Section 409A of the Internal Revenue Code of 1986. None of the modifications alter our rights or obligations or the rights or obligations of the executives under these agreements.

The amended and restated agreements covering the above mentioned named executive officers have been filed as exhibits to this quarterly report on Form 10-Q.

Item 6. Exhibits

10.1 Fourth Amended and Restated Employment Agreement, dated as of August 4, 2011, between Warner Chilcott (US), LLC and Roger M. Boissonneault.

10.2 Third Amended and Restated Employment Agreement, dated as of August 4, 2011, between Warner Chilcott (US), LLC and Anthony D. Bruno.

10.3	Second Amended and Restated Employment Agreement, dated as of August 4, 2011, between Warner Chilcott (US), LLC and Paul Herendeen.
10.4	Third Amended and Restated Employment Agreement, dated as of August 5, 2011, between Warner Chilcott (US), LLC and W. Carl Reichel.
31.1	Certification of the Chief Executive Officer under Rule 13a-14(a) of the Securities Exchange Act, as amended, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer under Rule 13a-14(a) of the Securities Exchange Act, as amended, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from our Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, formatted in eXtensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Balance Sheets (Unaudited), (ii) the Condensed Consolidated Statements of Operations (Unaudited), (iii) the Condensed Consolidated Statements of Cash Flows (Unaudited), and (iv) Notes to the Condensed Consolidated Financial Statements (Unaudited).

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WARNER CHILCOTT PUBLIC LIMITED COMPANY

Date: August 5, 2011

By: /s/ Roger M. Boissonneault
Name: **Roger M. Boissonneault**
Title: **President and Chief Executive Officer**

Date: August 5, 2011

By: /s/ Paul Herendeen
Name: **Paul Herendeen**
Title: **Executive Vice President and Chief Financial Officer**

Exhibit 10.1

FOURTH AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS FOURTH AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the " Agreement ") is made as of August 4, 2011, between WARNER CHILCOTT (US), LLC (the " Company "), and Roger M. Boissonneault (" Executive ").

RECITALS

WHEREAS, Executive and the Company are currently parties to that certain Third Amended and Restated Employment Agreement between Executive and the Company, dated as of November 7, 2008 (the " Prior Agreement "); and

WHEREAS, Executive and the Company now desire to enter into this Agreement, which Agreement will amend, restate and supersede the Prior Agreement, and will set forth the terms and conditions upon which Executive will serve as the President and Chief Executive Officer of the Company's ultimate parent company, Warner Chilcott plc, an Irish public limited company, or any successor thereto (" Warner Chilcott ").

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment.

(a) Executive shall continue to be employed by the Company and will have the title of President and Chief Executive Officer of Warner Chilcott and the Company. Executive shall have authority, duties and responsibilities as are commensurate with Executive's position. Executive agrees to render full-time services under this Agreement in performing such duties and responsibilities.

(b) Executive shall perform substantially all of his duties under this Agreement at the Company's Rockaway, New Jersey office; provided , however , that Executive may be required to perform incidental services outside the United States from time to time. Executive may from time to time be required to perform duties commensurate with Executive's position on behalf of any of Warner Chilcott or any of its direct or indirect subsidiaries (collectively, the " Group Companies ") in addition to the duties described in Section 1(a), and Executive may be appointed an officer or officers (including Chief Executive Officer) of one or more Group Companies in addition to his title described in Section 1(a). Such duties shall be performed, and such appointments accepted, by Executive without additional compensation or remuneration.

(c) Executive accepts such continued employment and agrees to continue to render the services described above to the best of his abilities in a diligent, trustworthy, businesslike and efficient manner. It shall not be a violation

of this Agreement for Executive to serve on civic or charitable boards or committees so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement. With the prior written consent of Warner Chilcott's Board of Directors (the " Board "), which consent shall not be unreasonably refused or delayed, and so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement, Executive may serve on corporate boards or committees.

(d) During the Employment Period (as defined in Section 2 below), Executive shall be included in any slate of nominees proposed by Warner Chilcott for election to the Board. Executive shall also be a member of the Board of Directors of the Company and such other Group Companies as the Board and Executive shall mutually determine from time to time. Executive shall serve as a director of Warner Chilcott, the Company and any other Group Companies for no additional compensation from the Company, Warner Chilcott or any of such other Group Companies. Upon termination of Executive's employment under this Agreement for any reason, or the expiration of this Agreement, Executive shall immediately submit his resignation from the Board and from the boards of directors of all other Group Companies with respect to which Executive is a member. During his employment hereunder, Executive shall report to the Board.

2. Term of Employment. Executive's employment by the Company commenced on September 29, 2000, and shall continue unless terminated as hereinafter provided pursuant to Section 4 (the " Employment Period ").

3. Base Salary and Benefits.

(a) Base Salary . Commencing as of January 1, 2005, and thereafter during the Employment Period, Executive's base salary shall be $800,000 per annum (as adjusted from time to time, the " Base Salary "). The Base Salary may be adjusted from time to time as set forth in Section 3(e). The Base Salary shall be payable in regular installments in accordance with the Company's general payroll practices and shall be subject to customary withholding.

(b) Business Expenses . The Company shall reimburse Executive for all reasonable expenses incurred by him during the Employment Period in the course of performing his duties under this Agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses. The parties agree that such expenses shall include, by way of example and not limitation, cellular telephone service and home fax machine and telephone line.

(c) Employee Benefits . Except as specifically set forth herein, Executive shall be entitled to participate, on a basis comparable to other key executives of the Company, in any benefit plan, incentive compensation plan or program of any Group Company for which key executives of the Company are or

shall become eligible, including without limitation, pension, 401(k), life and disability insurance and share plans, subject to the approval of the Compensation Committee of the Board (or, if there is no such committee, subject to the approval of the Board), and the terms and conditions of such plans and programs.

(d) Annual Bonus . Effective January 1, 2005, Executive shall be eligible during the Employment Period to receive an annual cash bonus (the " Cash Bonus ") in such amount, if any, as is determined in the sole discretion of the Board, in a target amount equal to 85% of his then-current Base Salary (the " Target Bonus ") and a maximum amount equal to 100% of his then-current Base Salary (the " Maximum Bonus "), in each case based on the achievement of performance goals established by the Board.

(e) Annual Review of Base Salary and Cash Bonus . The Compensation Committee of the Board (or, if no such committee exists, the Board) shall review each year (including 2005) the Base Salary, Target Bonus and Maximum Bonus in accordance with the compensation policies and practices of Warner Chilcott and/or the Company; provided that in no event shall Executive's Base Salary be reduced below $800,000, in no event shall the Target Bonus and Maximum Bonus be reduced and in no event shall the Company, the Compensation Committee of the Board or the Board be obligated to increase the Base Salary, Target Bonus or Maximum Bonus.

(f) Vacation . Executive shall be entitled to vacation time with compensation of twenty days per annum during the Employment Period. Executive shall also be entitled to all paid holidays given by the Company to its key officers.

4. Termination. The Employment Period and Executive's employment hereunder may be terminated by either the Company or Executive at any time and for any reason; provided that Executive will be required to give at least 90 days' advance written notice to the Company of any resignation of Executive's employment. Notwithstanding any other provision of this Agreement, the provisions of this Section 4 shall exclusively govern Executive's rights upon termination of employment hereunder.

(a) Death . If Executive shall die during the Employment Period, the Employment Period and Executive's employment hereunder shall terminate effective as of the date of Executive's death, except that:

(i) Executive's surviving spouse and dependents or, if none, his estate shall be entitled to receive (x) earned but unpaid Base Salary accrued through the effective date of termination, payable at the time such payment is otherwise due and payable hereunder and (y) all other amounts and benefits to which Executive is entitled, including without limitation, vacation pay and expense reimbursement amounts accrued to the effective date of termination and amounts and benefits owing under the terms of any benefit plan of any Group

Company in which Executive participates, which amounts and benefits will be paid in accordance with the terms of the applicable plans, policies and arrangements (the amounts in (x) and (y), collectively, the " Accrued Rights "); and

(ii) Executive's surviving spouse and dependents shall be entitled to continued participation in the health and welfare plans of any Group Company in which Executive was participating immediately prior to such termination, to the extent, and in the manner, provided for pursuant to such health and welfare plans, at the Company's expense, for a period of 12 months following such termination of employment (the " Continued Welfare Benefits "); provided , however , that if such benefits cannot be provided under the applicable plan, Executive's surviving spouse or dependents shall receive the cash value thereof plus an appropriate tax gross-up in equal monthly installments during the 12 months following such termination of employment.

(b) Disability . At the sole discretion of the Board, the Employment Period and Executive's employment hereunder may be terminated if Executive is disabled (as defined below) and therefore shall have been unable for a period of 180 consecutive days, or for an aggregate of nine months in any 24-month period, to substantially perform Executive's duties hereunder, and, within 30 days after written notice by the Company to do so, Executive shall not have returned to the performance of his duties hereunder. In the event of such termination, Executive shall be entitled to receive:

(i) the Accrued Rights; and,

(ii) subject to any delay required pursuant to Section 23, commencing on the 60th day following Executive's termination of employment (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to such date),

(1) the payments set forth in Section 4(d)(ii)(1) below in the manner set forth in Section 4(d)(ii)(1), except that the proviso in Section 4(d)(ii)(1) shall not apply; and

(2) the Continued Welfare Benefits (including for Executive's spouse and dependents to the extent, and in the manner, provided for pursuant to the applicable Group Company health and welfare plans); provided , however , that if such benefits cannot be provided under the applicable plan, Executive shall receive the cash value thereof plus an appropriate tax gross-up in equal monthly installments during the 12 months following termination of employment.

As used herein, the term " disabled " shall (x) mean that Executive is unable, as a result of a medically determinable physical or mental impairment, to perform the duties and services of his position, or (y) have the meaning specified in any disability insurance policy maintained by the Company, whichever is more favorable to Executive.

(c) By the Company for Cause . The Company may, by written notice to Executive, terminate the Employment Period and Executive's employment hereunder for Cause. As used herein, " Cause " shall mean (i) the conviction of Executive of a felony (other than a violation of a motor vehicle or moving violation law) or conviction of a misdemeanor if such misdemeanor involves moral turpitude; or (ii) Executive's voluntary engagement in conduct constituting larceny, embezzlement, conversion or any other act involving the misappropriation of any Group Company funds in the course of his employment; or (iii) Executive's willful refusal to carry out specific directions of the Board, the managing member of the Company or the board of directors or managing member, as applicable, of any other Group Company of which Executive is an officer, which directions shall be consistent with the provisions hereof; or (iv) Executive's committing any act of gross negligence or intentional misconduct in the performance or non-performance of his duties hereunder; or (v) any material breach by Executive of any material provision of this Agreement (other than for reasons related only to the business performance of the Company or business results achieved by Executive). For purposes of this Section 4(c), no act or failure to act on Executive's part shall be considered to be reason for termination for Cause if done, or omitted to be done, by Executive in good faith and with the reasonable belief that the action or omission was in the best interests of the Company, and no event described in clauses (iii), (iv) or (v) shall constitute Cause unless Executive has failed to cure such event within 15 days after receiving written notice thereof from the Company. Upon the termination of Executive's employment for Cause, the Company shall pay to Executive the Accrued Rights, and Executive shall not be entitled to any severance payments.

(d) By the Company Without Cause or by Executive Resignation With Good Reason . Executive and the Company agree that the Company in its absolute discretion may terminate the Employment Period and Executive's employment hereunder without Cause on advance written notice, and the Employment Period and Executive's employment hereunder may be terminated by Executive's resignation with Good Reason on 90 days' advance written notice by Executive to the Company. For purposes of this Agreement, " Good Reason " shall mean: (A) the assignment to Executive of duties materially inconsistent with Executive's position (including status, offices, titles and reporting requirements), or any other action by the Company or Warner Chilcott which results in a diminution in Executive's position, authority, duties or responsibilities as contemplated by Section 1(a) hereof; (B) any failure by the Company to comply with any of the provisions of Section 3 hereof; (C) the Company's requiring Executive to be based at any office or location other than as provided in

Section 1(b); (D) any purported termination by the Company of Executive's employment otherwise than as expressly permitted by this Agreement; or (E) any failure by the Company to obtain an express assumption of this Agreement by a successor as required pursuant to Section 16 hereof; provided that such events described in clauses (A) through (D) of this Section 4(d) shall constitute Good Reason only if the Company or Warner Chilcott, as applicable, fails to cure such event within 30 days after the Company's receipt from Executive of written notice of the event which constitutes Good Reason; provided further , that "Good Reason" shall cease to exist for an event on the 90th day following the later of its occurrence or Executive's knowledge thereof, unless Executive has given the Company written notice thereof prior to such date.

Upon termination of Executive's employment by the Company without Cause or by Executive for Good Reason, Executive shall be entitled to receive:

(i) the Accrued Rights; and,

(ii) subject to any delay required pursuant to Section 23, commencing on the 60th day following Executive's termination of employment (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to such date),

(1) an amount equal to (x) 200% of Executive's Base Salary in effect as of the date Executive's employment with the Company is terminated plus (y) 200% of the Cash Bonus paid (or payable in the event the full amount has not then been paid) to Executive with respect to the calendar year immediately preceding the year in which Executive's employment with the Company terminated, payable in 24 equal monthly installments, except that an amount equal to the sum of the first two such installments shall be paid as a lump sum on the date payments commence in accordance with this Section 4(d)(ii) and the remainder shall be paid monthly beginning on the Company's first regularly scheduled payroll payment date in the first calendar month following the month in which payments commenced; provided , however , that if such termination occurs in connection with or within two years of a Change of Control, then such amount shall be payable as a lump sum cash payment within 10 days after Executive's last day of active employment; and

(2) the Continued Welfare Benefits (including for Executive's spouse and dependents to the extent,

and in the manner, provided for pursuant to the applicable Group Company health and welfare plans).

(e) By Executive Resignation Without Good Reason (including Retirement) . The Employment Period and Executive's employment hereunder may be terminated by Executive's resignation without Good Reason (including retirement) on 90 days' advance written notice by Executive to the Company. If Executive resigns without Good Reason, the Employment Period and Executive's employment hereunder shall terminate as of the effective date of Executive's resignation and thereupon Executive shall be entitled solely to the Accrued Rights.

5. Gross-Up Payment.

(a) Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined that: (i) any payment or consideration received by Executive from a Group Company in connection with the 2005 Acquisition, or (ii) any payment or consideration received by Executive from a Group Company (or any Person whose actions result in a change in ownership or effective control or in the ownership of a substantial portion of assets of the Group Companies covered by Section 280G(b)(2) of the Internal Revenue Code of 1986 of the United States, as amended (the " Code "), or any Person affiliated with any Group Company or any such Person) in connection with a Change of Control or any other change in ownership or control or in the ownership of a substantial portion of assets for purposes of Section 280G (in each case whether paid or payable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 5(a)) (any such payment or consideration described in such clauses (i) or (ii), a " Payment ") would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by Executive with respect to such excise tax (such excise tax, together with any such interest and penalties are hereinafter collectively referred to as the " Excise Tax "), the Company shall pay to Executive at the time specified in Section 5(e) below an additional amount (a " Gross-Up Payment ") such that the net amount of the Gross-Up Payment retained by Executive, after deduction of all federal, state and local income tax (and any interest and penalties imposed with respect thereto), employment tax and Excise Tax on the Gross-Up Payment, shall be equal to the amount of the Excise Tax imposed on such Payment.

(b) For purposes of the foregoing Section 5(a), the proper amounts, if any, of the Excise Tax and the Gross-Up Payment shall be determined in the first instance by the Company. Such determination by the Company shall be promptly communicated in writing by the Company to Executive. Within 10 days of being provided with written notice of any such determination, Executive may provide written notice to the Compensation Committee of the Board (or, if there is no such Compensation Committee, the Board) of any disagreement, in which event the amounts, if any, of the Excise Tax and the Gross-Up Payment shall be

determined by an independent accounting firm mutually selected by the Company and Executive in which event the Company shall bear the costs of retaining such independent accounting firm. The determination of the Company (or in the event of disagreement, the accounting firm selected) shall be final and nonreviewable.

(c) For purposes of determining whether any of the Payments will be subject to the Excise Tax and the amount of such Excise Tax under Section 5(a), any payments or benefits received or to be received by Executive in connection with a termination of employment shall be treated as "parachute payments" within the meaning of Section 280G(b)(2) of the Code, and all "excess parachute payments" within the meaning of Section 280G(b)(1) of the Code shall be treated as subject to the Excise Tax unless the Company or the accounting firm selected above, as applicable, determines, based on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, with substantial authority (within the meaning of Section 6662 of the Code), that such payments or benefits (in whole or in part) do not constitute parachute payments, or that such excess parachute payments (in whole or in part) represent reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code in excess of the base amount within the meaning of Section 280G(b)(3) of the Code.

(d) For purposes of determining the amount of the Gross-Up Payment, Executive shall be deemed to pay federal income taxes at the highest marginal rate of tax in the calendar year in which the Gross-Up Payment is to be made and state and local income taxes at the highest marginal rate of tax in the state and locality of Executive's residence on the date of termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes; provided , however , that to the extent (but only to the extent) required to comply with Regulation §409A-3(i)(l)(v) under the Code, the amount of the Gross-Up Payment shall be equal to all of the federal, state and local taxes imposed on Executive as a result of the Excise Tax and Gross-Up Payment.

(e) The Gross-Up Payment provided for in Section 5(a) shall be made in a cash, lump-sum payment to Executive (or the appropriate taxing authority on Executive's behalf) when due but in no event later than the end of the year following the year in which Executive remits the Excise Tax. Any Gross-Up Payment required hereunder that is not made in a timely manner shall bear interest at a rate equal to the prime rate quoted on the date the payment is first overdue by Citibank N.A., New York, New York plus two percent until paid.

(f) As a result of the uncertainty in the application of Section 280G of the Code at the time of a determination hereunder, it is possible that payments will be made by the Company which should not have been made under Section 5(a) (" Overpayment ") or that additional payments which are not made by the Company pursuant to Section 5(a) should have been made (" Underpayment "). In the event that there is a final determination by the Internal Revenue Service, or a final determination by a court of competent jurisdiction, that an Overpayment

has been made, any such Overpayment shall be promptly reimbursed by Executive to the Company. In the event there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Agreement, any such Underpayment shall be promptly paid by the Company to Executive, together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code.

6. Confidential Information.

(a) Executive acknowledges and agrees that the information, observations and data obtained by him concerning any Group Company while employed by the Company or any other Group Company (" Confidential Information ") are the property of Warner Chilcott and/or the relevant Group Company (as appropriate). Therefore, Executive agrees to keep secret and retain in the strictest confidence all Confidential Information, including without limitation, trade "know-how" secrets, customer lists, pricing policies, operational methods, technical processes, formulae, inventions and research projects and other business affairs of any Group Company, learned by him prior to or after the date of this Agreement, and not to disclose them to anyone outside the Group Companies, either during or after his employment with the Company, except: (i) in the course of performing his duties hereunder; (ii) with Warner Chilcott's express written consent; (iii) to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions; or (iv) where required to be disclosed by court order, subpoena or other government process. If Executive shall be required to make disclosure pursuant to the provisions of clause (iv) of the preceding sentence, Executive promptly, but in no event more than 48 hours after learning of such subpoena, court order or other governmental process, shall notify the Company, by personal delivery or fax (pursuant to Section 11 hereof), and, at the Company's expense, shall take all reasonably necessary steps requested by the Company to defend against the enforcement of such subpoena, court order or other governmental process and permit any Group Company to intervene and participate with counsel of its own choice in any related proceeding.

(b) Executive shall deliver to the Company at the termination of his employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Company or any other Group Company which he may then possess or have under his control.

7. Inventions and Patents. Executive acknowledges that all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patents, patent applications and all similar or related information (whether or not patentable) which relate to a Group Company's actual or anticipated business, research and development or existing or future products or services and

which are conceived, developed or made by Executive while employed by the Company or any other Group Company (" Work Product ") belong to the applicable Group Company. Executive shall promptly disclose such Work Product to the Board and perform all actions reasonably requested by the Board (whether during or after his employment) to seek and obtain intellectual property protection on behalf of the applicable Group Company and establish and confirm the applicable Group Company's ownership (including, without limitation, assignments, consents, powers of attorney and other instruments).

8. Indemnification. The Company will indemnify Executive and his legal representatives to the fullest extent permitted by applicable law and the existing organizational documents of the Company or any other applicable laws or the provisions of any other corporate document of the Company, and Executive shall be entitled to the protection of any insurance policies the Company may elect to obtain generally for the benefit of its directors and officers against all costs, charges and expenses whatsoever incurred or sustained by him or his legal representatives in connection with any action, suit or proceeding to which he or his legal representatives may be made a party by reason of him being or having been a director or officer of the Company or any other Group Company or actions taken purportedly on behalf of the Company or any other Group Company. The Company shall advance to Executive the amount of his expenses incurred in connection with any proceeding relating to such service or function to the fullest extent legally permissible under applicable law. The indemnification and expense reimbursement obligations of the Company in this Section 8 will continue as to Executive after he ceases to be an officer of the Company and shall inure to the benefit of his heirs, executors and administrators.

9. Non-Compete; Non-Solicitation.

(a) Subject to Section 1(c) hereof, Executive covenants and agrees that, during the Employment Period and for the following periods after the termination of this Agreement howsoever arising, except with the prior written consent of the Board, which shall not be unreasonably refused or delayed, directly or indirectly, either alone or jointly with or on behalf of any person, firm, company or entity and whether on his own account or as principal, partner, shareholder, director, employee, consultant or in any other capacity whatsoever, Executive shall not:

(i) for the Applicable Period following termination, in the Relevant Territory (as defined in Section 9(b) below), and in competition with the Company or any of the Relevant Group Companies, engage, assist or be interested in any undertaking which provides services or products similar to those provided by the Company or any of the Relevant Group Companies;

(ii) for the Applicable Period following termination, in the Relevant Territory, solicit or interfere with or endeavor to entice away from the Company or any of the Relevant Group Companies any Person who is a customer or Potential Customer of the Company or any of the Relevant Group Companies;

(iii) for the Applicable Period following termination, in the Relevant Territory, be concerned with the supply of services or products to any Person which is a customer or Potential Customer of the Company or any of the Relevant Group Companies where such services or products are in competition with those services or products supplied by the Company or any of the Relevant Group Companies;

(iv) for the Applicable Period following termination, offer to employ, or engage or solicit the employment or engagement of, any Person who immediately prior to the date of termination was an employee, contractor or director of the Company or any of the Relevant Group Companies (whether or not such Person would commit any breach of their contract of employment or engagement by reason of leaving the service of such company).

(b) For the purposes of this Agreement:

(i) "Applicable Period" means:

(1) 24 months in the event of a termination of Executive's employment hereunder pursuant to Section 4(b) hereof (termination as a result of disability of Executive) or Section 4(d) hereof (termination by Company without Cause or by Executive resignation with Good Reason);

(2) 6 months in the event of a termination of Executive's employment hereunder pursuant to Section 4(e) hereof (Executive resignation without Good Reason); provided that such 6-month period shall be increased to a 12-month period if the Company elects, in its sole discretion, to pay Executive an amount equal to (x) 100% of Executive's Base Salary in effect as of the date Executive's employment with the Company is terminated plus (y) 100% of the Cash Bonus paid (or payable in the event the full amount has not then been paid) to Executive with respect to the calendar year immediately preceding the year in which Executive's employment with the Company terminated, such amount payable during the 12-month period after Executive's last day of active employment in equal monthly installments in accordance with the Company's customary payroll practices; and

(3) 6 months in the event of a termination of Executive's employment hereunder pursuant to

Section 4(c) hereof (termination by Company for Cause).

(ii) " Person " means an individual, partnership, limited liability company, corporation, trust or any other entity.

(iii) " Potential Customer " means any Person from whom the Company or any of the Relevant Group Companies has actively solicited business during the 12-month period prior to Executive's termination of employment.

(iv) A " Relevant Group Company " means the Company, Warner Chilcott and all direct and indirect subsidiaries thereof and, if applicable, their predecessors in business.

(v) " Relevant Territory " means the area constituting the market of the Company or any of the Relevant Group Companies for products and services with which Executive shall have been concerned during the term of his employment with any Group Company.

(c) Nothing contained in Section 9(a) shall prohibit Executive from holding shares or securities of a company any of whose shares or securities are quoted or traded on any recognized investment or stock exchange; provided that any such holding shall not exceed three percent of the issued share capital of such company and is held passively by way of bona fide investment only.

(d) If, at the time of enforcement of this Section 9, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Executive agrees that the restrictions contained in this Section 9 are reasonable.

(e) In the event of the breach or a threatened breach by Executive of any of the provisions of this Section 9, the Company, in addition and supplementary to other rights and remedies existing in its favor, may apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting of any bond).

10. Executive's Representations. Executive hereby represents and warrants to the Company that (a) the execution, delivery and performance of this Agreement by Executive do not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he is bound; and (b) upon the execution and delivery of this Agreement by the parties, this Agreement will be the valid and binding obligation of Executive, enforceable in accordance with its

terms. **Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel regarding his rights and obligations under this Agreement and that he fully understands the terms and conditions contained herein.**

11. Notices. Any notice provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally (whether by overnight courier or otherwise) with receipt acknowledged or sent by registered or certified mail or equivalent, if available, postage prepaid, or by fax (which shall be confirmed by a writing sent by registered or certified mail or equivalent on the same day that such fax was sent), addressed to the parties at the following addresses or to such other address as such party shall hereafter specify by notice to the other:

Notices to Executive :	At the address for Executive on file with the Company as of the date of the relevant notice
Notices to the Company :	Warner Chilcott (US), LLC Rockaway 80 Corporate Center 100 Enterprise Drive Rockaway, NJ 07866 (973) 442-3200 (Phone) (973) 442-3316 (Fax) Attention: General Counsel

12. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction (except with respect to Section 9, for which Section 9(d) shall apply), such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

13. Complete Agreement. This Agreement, together with any other agreements referred to herein (other than the Prior Agreement) (and any exhibits, schedules or other documents referred to herein or therein), constitutes the complete agreement and understanding among the parties and supersedes and preempts any prior understandings, agreements or representations, whether in term sheets, presentations or otherwise, by or among the parties, written or oral, which may have related to the subject matter hereof in any way, including, without limitation, the Prior Agreement.

14. No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

15. Counterparts. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

16. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company and their respective heirs, successors and assigns, except that Executive may not assign his rights or delegate his obligations hereunder without the prior written consent of the Company. The Company will require any successor to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

17. Choice of Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the State of New Jersey.

18. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

19. Arbitration. Any controversy or claim arising out of or relating to this Agreement or the making, interpretation or the breach thereof, other than (a) a claim solely for injunctive relief for any alleged breach of the provisions of Sections 6, 7 and/or 9 as to which the parties shall have the right to apply for specific performance to any court having equity jurisdiction; and (b) the determination of Excise Tax and any Gross-Up Payment pursuant to Section 5 hereof, shall be settled by arbitration in New York City by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof, and any party to the arbitration may, if he or it elects, institute proceedings in any court having jurisdiction for the specific performance of any such award. The powers of the arbitrator shall include, but not be limited to, the awarding of injunctive relief.

20. Legal Fees and Expenses. The Company agrees to pay, as incurred, to the full extent permitted by law, all reasonable legal fees and expenses which Executive may reasonably incur as a result of (a) review and/or any claims made

regarding the Company's determination of Excise Tax and any Gross-Up Payment pursuant to Section 5 hereof; or (b) any contest brought in good faith (regardless of the outcome thereof) by the Company, Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement (including as a result of any contest by Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

21. No Mitigation or Set-Off. The provisions of this Agreement are not intended, nor shall they be construed, to require that Executive mitigate the amount of any payment provided for in this Agreement by seeking or accepting other employment, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by Executive as a result of his employment by another employer or otherwise. The Company's obligations to make the payments to Executive required under this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action that the Company may have against Executive.

22. Tax Withholding. The parties agree to treat all amounts paid to Executive hereunder as compensation for services. Accordingly, the Company may withhold from any amount payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

23. Code Section 409A. Executive and the Company agree that it is the intent of the parties that this Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Code, and that to the extent any provisions of this Agreement do not comply with Section 409A of the Code, the parties will make such changes as are mutually agreed upon in order to comply with Section 409A of the Code. Notwithstanding any other provision with respect to the timing of payments under this Agreement, if, at the time of Executive's termination of employment, Executive is deemed to be a "specified employee" of the Company within the meaning of Section 409A(a)(2)(B)(i) of the Code, then only to the extent necessary to comply with the requirements of Section 409A of the Code, any payments to which Executive may become entitled under this Agreement which are subject to Section 409A of the Code (and not otherwise exempt from its application) that are payable (a) in a lump sum within six months following the date of termination will be withheld until the first business day after the six-month anniversary of the date of termination, at which time Executive shall be paid the amount of such lump sum payments in a lump sum and (b) in installments within six months following the date of termination, will be withheld until the first business day after the six-month anniversary of the date of termination, at which time Executive shall be paid the aggregate amount of such installment payments in a lump sum, and after the first business day of the seventh month following the date of termination and continuing each month

thereafter, Executive shall be paid the regular payments otherwise due to Executive in accordance with the payment terms and schedule set forth herein.

24. Certain Definitions. The following terms, as used in this Agreement, have the following meanings:

(a) "2005 Acquisition" means the acquisition of all of the ordinary shares of Warner Chilcott PLC by Warner Chilcott Acquisition Limited, a United Kingdom private limited company.

(b) " Change of Control " has the meaning ascribed to such term in the Management Shareholders Agreement.

(c) " Management Shareholders Agreement " means that certain Management Shareholders Agreement dated as of March 28, 2005, as may have been amended from time to time, by and among Warner Chilcott, Warner Chilcott Limited, Warner Chilcott Holdings Company II, Limited, Warner Chilcott Holdings Company III, Limited, Executive and the other parties thereto.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WARNER CHILCOTT (US), LLC

/s/ Anthony D. Bruno
Name: Anthony D. Bruno

Title: Executive Vice President,
Corporate Development

EXECUTIVE

/s/ Roger M. Boissonneault
Roger M. Boissonneault

Exhibit 10.2

THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the " Agreement ") is made as of August 4, 2011, between WARNER CHILCOTT (US), LLC (the " Company "), and Anthony Bruno (" Executive ").

RECITALS

WHEREAS, Executive and the Company are currently parties to that certain Second Amended and Restated Employment Agreement between Executive and the Company, dated as of November 7, 2008 (the " Prior Agreement "); and

WHEREAS, Executive and the Company now desire to enter into this Agreement, which Agreement will amend, restate and supersede the Prior Agreement, and will set forth the terms and conditions upon which Executive will serve as the Executive Vice President, Corporate Development of the Company's ultimate parent company, Warner Chilcott plc, an Irish public limited company, or any successor thereto (" Warner Chilcott ").

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment.

(a) Executive shall continue to be employed by the Company and will have the title of Executive Vice President, Corporate Development of the Company and Warner Chilcott. Executive shall have authority, duties and responsibilities as are commensurate with Executive's position. Executive agrees to render full-time services under this Agreement in performing such duties and responsibilities.

(b) Executive shall perform substantially all of his duties under this Agreement at the Company's Rockaway, New Jersey office; provided , however , that Executive may be required to perform incidental services outside the United States from time to time. Executive may from time to time be required to perform duties commensurate with Executive's position on behalf of any of Warner Chilcott or any of its direct or indirect subsidiaries (collectively, the " Group Companies ") in addition to the duties described in Section 1(a), and Executive may be appointed an officer or officers of one or more Group Companies in addition to his titles described in Section 1(a). Such duties shall be

performed, and appointments accepted, by Executive without additional compensation or remuneration.

(c) Executive accepts such continued employment and agrees to continue to render the services described above to the best of his abilities in a diligent, trustworthy, businesslike and efficient manner. It shall not be a violation of this Agreement for Executive to serve on civic or charitable boards or committees so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement. With the prior written consent of Warner Chilcott's Board of Directors (the " Board "), which consent shall not be unreasonably refused or delayed, and so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement, Executive may serve on corporate boards or committees.

2. **Term of Employment.** Executive's employment by the Company commenced on March 1, 2001 and shall continue unless terminated as hereinafter provided pursuant to Section 4 (the " Employment Period "). Executive may terminate his employment during the Employment Period with three months written notice to the Company. If the Company gives Executive notice of termination without Cause (as defined below), Executive shall be entitled to the severance payments provided in Section 4(d) hereof.

3. Base Salary and Benefits.

(a) Base Salary . Commencing as of January 1, 2005, and thereafter during the Employment Period, Executive's base salary shall be $375,000.00 per annum (as adjusted from time to time, the " Base Salary "). The Base Salary may be adjusted from time to time as set forth in Section 3(e). The Base Salary shall be payable in regular installments in accordance with the Company's general payroll practices and shall be subject to customary withholding.

(b) Business Expenses . The Company shall reimburse Executive for all reasonable expenses incurred by him during the Employment Period in the course of performing his duties under this Agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses. The parties agree that such expenses shall include, by way of example and not limitation, cellular telephone service and home fax machine and telephone line.

(c) Employee Benefits . Except as specifically set forth herein, Executive shall be entitled to participate, on a basis comparable to other key executives of the Company, in any benefit plan, incentive compensation plan or program of any Group Company for which key executives of the Company are or shall become eligible, including without limitation, pension, 401(k), life and

disability insurance and share plans, subject to the approval of the Compensation Committee of the Board (or, if there is no such committee, subject to the approval of the Board), and the terms and conditions of such plans and programs.

(d) Annual Bonus . Effective January 1, 2005, Executive shall be eligible during the Employment Period to receive an annual cash bonus (the " Cash Bonus ") in such amount, if any, as is determined in the sole discretion of the Board, in a target amount equal to 50% of his then-current Base Salary (the " Target Bonus "). Such bonus shall be provided on such terms and in such amounts, if any, as the Board may deem appropriate in its sole discretion.

(e) Annual Review of Base Salary and Cash Bonus . The Compensation Committee of the Board (or, if no such committee exists, the Board) shall review each year (including 2005) the Base Salary and Target Bonus in accordance with the compensation policies and practices of Warner Chilcott and/or the Company; provided that in no event shall Executive's Base Salary be reduced below $375,000.00, in no event shall the Target Bonus be reduced and in no event shall the Company, the Compensation Committee of the Board or the Board be obligated to increase the Base Salary or Target Bonus.

(f) Vacation . Executive shall be entitled to vacation time with compensation of 20 days per annum during the Employment Period. Executive shall also be entitled to all paid holidays given by the Company to its key officers.

4. Termination.

(a) Death . If Executive shall die during the Employment Period, Executive's employment hereunder shall terminate effective as of the date of Executive's death, except that Executive's surviving spouse and dependents or, if none, his estate shall be entitled to receive (i) an amount equal to Executive's then-current Base Salary for a period of 12 months, such payments to be payable during the 12-month period after Executive's last day of active employment in equal monthly installments, plus (ii) all other amounts and benefits to which Executive is entitled, including without limitation, vacation pay and expense reimbursement amounts accrued to the effective date of termination and amounts and benefits owing under the terms of any benefit plan of any Group Company in which Executive participates (collectively, the " Accrued Rights "). In addition, Executive's surviving spouse and dependents shall be entitled to continued participation in the health and welfare plans in which Executive was participating immediately prior to such termination, to the extent, and in the manner, provided for pursuant to such health and welfare plans, at the Company's expense, for a period of 12 months following such termination of employment; provided that if such benefits cannot be provided under the applicable plan, Executive's surviving spouse or dependents shall receive the cash value thereof plus an appropriate tax gross-up in equal monthly installments during the 12 months following such termination of employment.

(b) Disability . At the sole discretion of the Board, Executive's employment hereunder may be terminated by the Company if Executive is disabled (as defined below) and shall have been absent from his duties with the Company on a full-time basis for 180 consecutive days, and, within 30 days after written notice by the Company to do so, Executive shall not have returned to the performance of his duties hereunder on a full-time basis. In the event of such termination, Executive shall be entitled to receive (i) the Accrued Rights and, (ii) subject to any delay required pursuant to Section 22, commencing on the 60th day following Executive's termination of employment (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to such date), the payments set forth in Section 4(d)(ii) below, provided that, for the avoidance of doubt, the proviso at the end of Section 4(d)(ii) shall not apply to payments pursuant to this Section 4(b). As used herein, the term " disabled " shall (x) mean that Executive is unable, as a result of a medically determinable physical or mental impairment, to perform the duties and services of his position, or (y) have the meaning specified in any disability insurance policy maintained by the Company, whichever is more favorable to Executive.

(c) By the Company for Cause. The Company may, by notice to Executive, terminate Executive's employment hereunder for Cause. As used herein, " Cause " shall mean (i) the conviction of Executive of a felony (other than a violation of a motor vehicle or moving violation law) or conviction of a misdemeanor if such misdemeanor involves moral turpitude; or (ii) Executive's voluntary engagement in conduct constituting larceny, embezzlement, conversion or any other act involving the misappropriation of any Group Company funds in the course of his employment; or (iii) Executive's willful refusal (following written notice) to carry out specific directions of the Board, the managing member of the Company or the board of directors or managing member, as applicable, of any other Group Company of which Executive is an officer, which directions shall be consistent with the provisions hereof; or (iv) Executive's committing any act of gross negligence or intentional misconduct in the performance or non-performance of his duties hereunder; or (v) any material breach by Executive of any material provision of this Agreement (other than for reasons related only to the business performance of the Company or business results achieved by Executive). For purposes of this Section 4(c), no act or failure to act on Executive's part shall be considered to be reason for termination for Cause if done, or omitted to be done, by Executive in good faith and with the reasonable belief that the action or omission was in the best interests of the Company. Upon the termination of Executive's employment for Cause, the Company shall pay to Executive (x) his Base Salary accrued through the effective date of termination, payable at the time such payment is otherwise due and payable hereunder, and (y) the Accrued Rights, and Executive shall not be entitled to any severance payments.

(d) By the Company Without Cause . Executive and the Company agree that the Company in its absolute discretion, may terminate

Executive's employment hereunder without Cause, provided , however , that in such event Executive shall be entitled to receive (i) the Accrued Rights and, (ii) subject to any delay required pursuant to Section 22, commencing on the 60th day following Executive's termination of employment (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to such date), an amount equal to (x) 200% of Executive's Base Salary in effect as of the date Executive's employment with the Company is terminated plus (y) 200% of the Cash Bonus paid (or payable in the event the full amount has not then been paid) to Executive with respect to the calendar year immediately preceding the year in which Executive's employment with the Company terminated, payable in 24 equal monthly installments, except that an amount equal to the first two such installments shall be paid as a lump sum on the date payments commence in accordance with this Section 4(d)(ii) and the remainder shall be paid monthly beginning on the Company's first regularly scheduled payroll payment date in the first calendar month following the month in which payments commenced; provided , however , that if such termination occurs in connection with or within two years of a Change of Control, then such amounts shall be payable as a lump sum cash payment within 10 days after Executive's last day of active employment.

(e) Executive Resignation . Executive's employment may be terminated by Executive,

(i) for Good Reason. For purposes of this Agreement, " Good Reason " shall mean (A) the assignment to Executive of duties materially inconsistent with Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by Section 1(a) hereof, or any other action by the Company or Warner Chilcott which results in a diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company or Warner Chilcott promptly after receipt of notice thereof given by Executive; (B) any failure by the Company to comply with any of the provisions of Section 3 hereof, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by Executive; (C) the Company's requiring Executive to be based at any office or location other than as provided in Section 1(b); (D) any purported termination by the Company of Executive's employment otherwise than as expressly permitted by this Agreement; or (E) any failure by the Company to obtain an express assumption of this Agreement by a successor as required pursuant to Section 15 hereof. Upon any termination pursuant to this Section 4(e)(i), Executive shall be entitled to the payments specified in Section 4(d) paid in the manner set forth therein.

(ii) by resignation or retirement other than for Good Reason. If Executive resigns or retires other than for Good Reason, this Agreement shall terminate as of the effective date of Executive's retirement or resignation and Executive shall be entitled solely to the payments and benefits set forth in Sections 4(c) and 1.

(f) Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined that any payment or consideration received by Executive from a Group Company (or any Person whose actions result in a change in ownership or effective control or in the ownership of a substantial portion of assets of the Group Companies covered by Section 280G(b)(2) of the Internal Revenue Code of 1986 of the United States, as amended (the " Code "), or any Person affiliated with any Group Company or any such Person) in connection with a Change of Control or any other change in ownership or control or in the ownership of a substantial portion of assets for purposes of Section 280G (in each case whether paid or payable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 4(f)) (any such payment or consideration, a " Payment ") would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by Executive with respect to such excise tax (such excise tax, together with any such interest and penalties are hereinafter collectively referred to as the " Excise Tax "), the Company shall pay to Executive at the time specified in Section 4(j) below an additional amount (a " Gross-Up Payment ") such that the net amount of the Gross-Up Payment retained by Executive, after deduction of all federal, state and local income tax (and any interest and penalties imposed with respect thereto), employment tax and Excise Tax on the Gross-Up Payment, shall be equal to the amount of the Excise Tax imposed on such Payment.

(g) For purposes of the foregoing Section 4(f), the proper amounts, if any, of the Excise Tax and the Gross-Up Payment shall be determined in the first instance by the Company. Such determination by the Company shall be promptly communicated in writing by the Company to Executive. Within 10 days of being provided with written notice of any such determination, Executive may provide written notice to the Compensation Committee of the Board (or, if there is no such Compensation Committee, the Board) of any disagreement, in which event the amounts, if any, of the Excise Tax and the Gross-Up Payment shall be determined by an independent accounting firm mutually selected by the Company and Executive in which event the Company shall bear the costs of retaining such independent accounting firm. The determination of the Company (or in the event of disagreement, the accounting firm selected) shall be final and nonreviewable.

(h) For purposes of determining whether any of the Payments will be subject to the Excise Tax and the amount of such Excise Tax under Section 4(f), any payments or benefits received or to be received by Executive in connection with a termination of employment shall be treated as "parachute payments" within the meaning of Section 280G(b)(2) of the Code, and all "excess

parachute payments" within the meaning of Section 280G(b)(1) of the Code shall be treated as subject to the Excise Tax unless the Company or the accounting firm selected above, as applicable, determines, based on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, with substantial authority (within the meaning of Section 6662 of the Code), that such payments or benefits (in whole or in part) do not constitute parachute payments, or that such excess parachute payments (in whole or in part) represent reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code in excess of the base amount within the meaning of Section 280G(b)(3) of the Code.

(i) For purposes of determining the amount of the Gross-Up Payment, Executive shall be deemed to pay federal income taxes at the highest marginal rate of tax in the calendar year in which the Gross-Up Payment is to be made and state and local income taxes at the highest marginal rate of tax in the state and locality of Executive's residence on the date of termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes; provided , however , that to the extent (but only to the extent) required to comply with Regulation §409A-3(i)(l)(v) under the Code, the amount of the Gross-Up Payment shall be equal to all of the federal, state and local taxes imposed on Executive as a result of the Excise Tax and Gross-Up Payment.

(j) The Gross-Up Payment provided for in Section 4(f) shall be made in a cash, lump-sum payment to Executive (or the appropriate taxing authority on Executive's behalf) when due but in no event later than the end of the year following the year in which Executive remits the Excise Tax, net of any required tax withholdings, upon the later of (i) the fifth business day following the effective date of termination, or (ii) the calculation of the amount of the Gross-Up Payment under Section 4(g). Any Gross-Up Payment required hereunder that is not made in a timely manner shall bear interest at a rate equal to the prime rate quoted on the date the payment is first overdue by Citibank N.A., New York, New York plus two percent until paid.

(k) As a result of the uncertainty in the application of Section 280G of the Code at the time of a determination hereunder, it is possible that payments will be made by the Company which should not have been made under Section 4(f) (" Overpayment ") or that additional payments which are not made by the Company pursuant to Section 4(f) should have been made (" Underpayment "). In the event that there is a final determination by the Internal Revenue Service, or a final determination by a court of competent jurisdiction, that an Overpayment has been made, any such Overpayment shall be promptly reimbursed by Executive to the Company. In the event there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Agreement, any such Underpayment

shall be promptly paid by the Company to Executive, together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code.

(l) Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or in any contract or agreement with the Company or any other Group Company at or subsequent to the date of termination of Executive's employment for any reason shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

5. Confidential Information.

(a) Executive acknowledges and agrees that the information, observations and data obtained by him concerning any Group Company while employed by the Company or any other Group Company (" Confidential Information ") are the property of Warner Chilcott and/or the relevant Group Company (as appropriate). Therefore, Executive agrees to keep secret and retain in the strictest confidence all Confidential Information, including without limitation, trade "know-how" secrets, customer lists, pricing policies, operational methods, technical processes, formulae, inventions and research projects and other business affairs of any Group Company, learned by him prior to or after the date of this Agreement, and not to disclose them to anyone outside the Group Companies, either during or after his employment with the Company, except: (i) in the course of performing his duties hereunder; (ii) with Warner Chilcott's express written consent; (iii) to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions; or (iv) where required to be disclosed by court order, subpoena or other government process. If Executive shall be required to make disclosure pursuant to the provisions of clause (iv) of the preceding sentence, Executive promptly, but in no event more than 48 hours after learning of such subpoena, court order or other governmental process, shall notify the Company, by personal delivery or fax (pursuant to Section 10 hereof), and, at the Company's expense, shall take all reasonably necessary steps requested by the Company to defend against the enforcement of such subpoena, court order or other governmental process and permit any Group Company to intervene and participate with counsel of its own choice in any related proceeding.

(b) Executive shall deliver to the Company at the termination of his employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Company or any other Group Company which he may then possess or have under his control.

6. Inventions and Patents. Executive acknowledges that all inventions, innovations, improvements, developments, methods, designs, analyses,

drawings, reports, patents, patent applications and all similar or related information (whether or not patentable) which relate to a Group Company's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by Executive while employed by the Company or any other Group Company (" Work Product ") belong to the applicable Group Company. Executive shall promptly disclose such Work Product to the Board and perform all actions reasonably requested by the Board (whether during or after his employment) to seek and obtain intellectual property protection on behalf of the applicable Group Company and establish and confirm the applicable Group Company's ownership (including, without limitation, assignments, consents, powers of attorney and other instruments).

7. Indemnification. The Company will indemnify Executive and his legal representatives to the fullest extent permitted by applicable law and the existing organizational documents of the Company or any other applicable laws or the provisions of any other corporate document of the Company, and Executive shall be entitled to the protection of any insurance policies the Company may elect to obtain generally for the benefit of its directors and officers against all costs, charges and expenses whatsoever incurred or sustained by him or his legal representatives in connection with any action, suit or proceeding to which he or his legal representatives may be made a party by reason of him being or having been a director or officer of the Company or any other Group Company or actions taken purportedly on behalf of the Company or any other Group Company. The Company shall advance to Executive the amount of his expenses incurred in connection with any proceeding relating to such service or function to the fullest extent legally permissible under applicable law. The indemnification and expense reimbursement obligations of the Company in this Section 7 will continue as to Executive after he ceases to be an officer of the Company and shall inure to the benefit of his heirs, executors and administrators. The Company shall not, without Executive's written consent, cause or permit any amendment of the Company's governing documents which would adversely affect Executive's rights to indemnification and expense reimbursement thereunder.

8. Non-Compete; Non-Solicitation.

(a) Subject to Section 1(c) hereof, Executive covenants and agrees that, during the Employment Period and for the following periods after the termination of this Agreement howsoever arising, except with the prior written consent of the Board, which shall not be unreasonably refused or delayed, directly or indirectly, either alone or jointly with or on behalf of any person, firm, company or entity and whether on his own account or as principal, partner, shareholder, director, employee, consultant or in any other capacity whatsoever, Executive shall not:

(i) for the Applicable Period following termination, in the Relevant Territory (as defined in Section 8(b)

below), and in competition with the Company or any of the Relevant Group Companies, engage, assist or be interested in any undertaking which provides services or products similar to those provided by the Company or any of the Relevant Group Companies;

(ii) for the Applicable Period following termination, in the Relevant Territory, solicit or interfere with or endeavor to entice away from the Company or any of the Relevant Group Companies any Person who is a customer or Potential Customer of the Company or any of the Relevant Group Companies;

(iii) for the Applicable Period following termination, in the Relevant Territory, be concerned with the supply of services or products to any Person which is a customer or Potential Customer of the Company or any of the Relevant Group Companies where such services or products are in competition with those services or products supplied by the Company or any of the Relevant Group Companies;

(iv) for the Applicable Period following termination, offer to employ, or engage or solicit the employment or engagement of, any Person who immediately prior to the date of termination was an employee, contractor or director of the Company or any of the Relevant Group Companies (whether or not such Person would commit any breach of their contract of employment or engagement by reason of leaving the service of such company); or

(v) represent himself as being in any way connected with or interested in the business of the Company or any of the Relevant Group Companies other than, if applicable, in his capacity as a shareholder of Warner Chilcott.

(b) For the purposes of this Agreement:

(i) “Applicable Period” means

(1) 24 months in the event of a termination of Executive’s employment hereunder pursuant to Section 4(b) hereof (termination as a result of disability of Executive), Section 4(d) hereof (termination by Company without Cause) or Section 4(e)(i) hereof (termination by Executive resignation with Good Reason);

(2) 6 months in the event of a termination of Executive’s employment hereunder pursuant to Section 4(e)(ii) hereof (Executive

resignation or retirement other than for Good Reason); provided that such 6-month period shall be increased to a 12-month period if the Company elects, in its sole discretion, to pay Executive an amount equal to (x) 100% of Executive's Base Salary in effect as of the date Executive's employment with the Company is terminated plus (y) 100% of the Cash Bonus paid (or payable in the event the full amount has not then been paid) to Executive with respect to the calendar year immediately preceding the year in which Executive's employment with the Company terminated, such amount payable during the 12-month period after Executive's last day of active employment in equal monthly installments; and

(3) 6 months in the event of a termination of Executive's employment hereunder pursuant to Section 4(c) hereof (termination by Company for Cause).

(ii) " Person " means an individual, partnership, limited liability company, corporation, trust or any other entity.

(iii) " Potential Customer " means any Person from whom the Company or any of the Relevant Group Companies has actively solicited business during the 12-month period prior to Executive's termination of employment.

(iv) A " Relevant Group Company " means the Company, Warner Chilcott and all direct and indirect subsidiaries thereof and, if applicable, their predecessors in business.

(v) " Relevant Territory " means the area constituting the market of the Company or any of the Relevant Group Companies for products and services with which Executive shall have been concerned during the term of his employment with any Group Company.

(c) Nothing contained in Section 8(a) shall prohibit Executive from holding shares or securities of a company any of whose shares or securities are quoted or traded on any recognized investment or stock exchange; provided that any such holding shall not exceed three percent of the issued share capital of such company and is held passively by way of bona fide investment only.

(d) If, at the time of enforcement of this Section 8, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Executive agrees that the restrictions contained in this Section 8 are reasonable.

(e) In the event of the breach or a threatened breach by Executive of any of the provisions of this Section 8, the Company, in addition and supplementary to other rights and remedies existing in its favor, may apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting of any bond).

9. Executive's Representations. Executive hereby represents and warrants to the Company that (a) the execution, delivery and performance of this Agreement by Executive do not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he is bound; and (b) upon the execution and delivery of this Agreement by the parties, this Agreement will be the valid and binding obligation of Executive, enforceable in accordance with its terms. **Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel regarding his rights and obligations under this Agreement and that he fully understands the terms and conditions contained herein.**

10. Notices. Any notice provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally (whether by overnight courier or otherwise) with receipt acknowledged or sent by registered or certified mail or equivalent, if available, postage prepaid, or by fax (which shall be confirmed by a writing sent by registered or certified mail or equivalent on the same day that such fax was sent), addressed to the parties at the following addresses or to such other address as such party shall hereafter specify by notice to the other:

Notices to Executive:	At the address for Executive on file with the Company at the time of the relevant notice
Notices to the Company:	Warner Chilcott (US), LLC Rockaway 80 Corporate Center 100 Enterprise Drive Rockaway, NJ 07866 (973) 442-3200 (Phone)

(973) 442-3316 (Fax)
Attention: General Counsel

11. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction (except with respect to Section 8, for which Section 8(d) shall apply), such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

12. Complete Agreement. This Agreement, together with any other agreements referred to herein (other than the Prior Agreement) (and any exhibits, schedules or other documents referred to herein or therein), constitutes the complete agreement and understanding among the parties and supersedes and preempts any prior understandings, agreements or representations, by or among the parties, written or oral, whether in term sheets, presentations or otherwise, which may have related to the subject matter hereof in any way, including without limitation, the Prior Agreement.

13. No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

14. Counterparts. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

15. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company and their respective heirs, successors and assigns, except that Executive may not assign his rights or delegate his obligations hereunder without the prior written consent of the Company. The Company will require any successor to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

16. Choice of Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the State of New Jersey.

17. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

18. Arbitration. Any controversy or claim arising out of or relating to this Agreement or the making, interpretation or the breach thereof, other than (a) a claim solely for injunctive relief for any alleged breach of the provisions of Sections 5, 6 and/or 8 as to which the parties shall have the right to apply for specific performance to any court having equity jurisdiction; and (b) the determination of Excise Tax and any Gross-Up Payment pursuant to Section 4 hereof, shall be settled by arbitration in New York City by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof, and any party to the arbitration may, if he or it elects, institute proceedings in any court having jurisdiction for the specific performance of any such award. The powers of the arbitrator shall include, but not be limited to, the awarding of injunctive relief.

19. Legal Fees and Expenses. The Company agrees to pay, as incurred, to the full extent permitted by law, all reasonable legal fees and expenses which Executive may reasonably incur as a result of (a) review and/or any claims made regarding the Company's determination of Excise Tax and Gross-Up Payment pursuant to Section 4 hereof; or (b) any contest brought in good faith (regardless of the outcome thereof) by the Company, Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement (including as a result of any contest by Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

20. No Mitigation or Set-Off. The provisions of this Agreement are not intended, nor shall they be construed, to require that Executive mitigate the amount of any payment provided for in this Agreement by seeking or accepting other employment, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by Executive as a result of his employment by another employer or otherwise. The Company's obligations to make the payments to Executive required under this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action that the Company may have against Executive.

21. Tax Withholding. The parties agree to treat all amounts paid to Executive hereunder as compensation for services. Accordingly, the Company may withhold from any amount payable under this Agreement such federal, state

or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

22. Code Section 409A. Executive and the Company agree that it is the intent of the parties that this Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Code, and that to the extent any provisions of this Agreement do not comply with Section 409A of the Code, the parties will make such changes as are mutually agreed upon in order to comply with Section 409A of the Code. Notwithstanding any other provision with respect to the timing of payments under this Agreement, if, at the time of Executive's termination of employment, Executive is deemed to be a "specified employee" of the Company within the meaning of Section 409A(a)(2)(B)(i) of the Code, then only to the extent necessary to comply with the requirements of Section 409A of the Code, any payments to which Executive may become entitled under this Agreement which are subject to Section 409A of the Code (and not otherwise exempt from its application) that are payable (a) in a lump sum within six months following the date of termination will be withheld until the first business day after the six-month anniversary of the date of termination, at which time Executive shall be paid the amount of such lump sum payments in a lump sum and (b) in installments within six months following the date of termination will be withheld until the first business day after the six-month anniversary of the date of termination, at which time Executive shall be paid the aggregate amount of such installment payments in a lump sum, and after the first business day of the seventh month following the date of termination and continuing each month thereafter, Executive shall be paid the regular payments otherwise due to Executive in accordance with the payment terms and schedule set forth herein.

23. Certain Definitions. The following terms, as used in this Agreement, have the following meanings:

(a) " Change of Control " has the meaning ascribed to such term in the Management Shareholders Agreement.

(b) " Management Shareholders Agreement " means that certain Management Shareholders Agreement dated as of March 28, 2005, as may have been amended from time to time, by and among Warner Chilcott, Warner Chilcott Limited, Warner Chilcott Holdings Company II, Limited, Warner Chilcott Holdings Company III, Limited, Executive and the other parties thereto.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WARNER CHILCOTT (US), LLC

/s/ Roger M. Boissonneault
Name: Roger M. Boissonneault
Title: Chief Executive Officer

EXECUTIVE

/s/ Anthony D. Bruno
Anthony D. Bruno

Exhibit 10.3

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the " Agreement ") is made as of August 4, 2011, between WARNER CHILCOTT (US), LLC (the " Company "), and Paul Herendeen (" Executive ").

RECITALS

WHEREAS, Executive and the Company are currently parties to that certain Amended and Restated Employment Agreement between Executive and the Company, dated as of November 7, 2008 (the " Prior Agreement "); and

WHEREAS, Executive and the Company now desire to enter into this Agreement, which Agreement will amend, restate and supersede the Prior Agreement, and will set forth the terms and conditions upon which Executive will serve as the Executive Vice President and Chief Financial Officer of the Company's ultimate parent company, Warner Chilcott plc, an Irish public limited company, or any successor thereto (" Warner Chilcott ").

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment.

(a) Executive shall continue to be employed by the Company and will have the title of Executive Vice President and Chief Financial Officer of the Company and Warner Chilcott. Executive shall have authority, duties and responsibilities as are commensurate with Executive's position. Executive agrees to render full-time services under this Agreement in performing such duties and responsibilities.

(b) Executive shall perform substantially all of his duties under this Agreement at the Company's Rockaway, New Jersey office; provided , however , that Executive may be required to perform incidental services outside the United States from time to time. Executive may from time to time be required to perform duties commensurate with Executive's position on behalf of any of Warner Chilcott or any of its direct or indirect subsidiaries (collectively, the " Group Companies ") in addition to the duties described in Section 1(a), and Executive may be appointed an officer or officers of one or more Group Companies in addition to his titles described in Section 1(a). Such duties shall be performed, and appointments accepted, by Executive without additional compensation or remuneration.

(c) Executive accepts such continued employment and agrees to continue to render the services described above to the best of his abilities in a diligent, trustworthy, businesslike and efficient manner. It shall not be a violation of this Agreement for Executive to serve on civic or charitable boards or committees so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement. With the prior written consent of Warner Chilcott's Board of Directors (the " Board "), which consent shall not be unreasonably refused or delayed, and so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement, Executive may serve on corporate boards or committees.

2. Term of Employment. Executive's employment by the Company commenced on April 1, 2005, and shall continue unless terminated as hereinafter provided pursuant to Section 4 (the " Employment Period "). Executive may terminate his employment during the Employment Period with twelve months written notice to the Company. If the Company gives Executive notice of termination without Cause (as defined below), Executive shall be entitled to the severance payments provided in Section 4(d) hereof.

3. Base Salary and Benefits.

(a) Base Salary . Commencing as of April 1, 2005, and thereafter during the Employment Period, Executive's base salary shall be $375,000.00 per annum (as adjusted from time to time, the " Base Salary "). The Base Salary may be adjusted from time to time as set forth in Section 3(e). The Base Salary shall be payable in regular installments in accordance with the Company's general payroll practices and shall be subject to customary withholding.

(b) Business Expenses . The Company shall reimburse Executive for all reasonable expenses incurred by him during the Employment Period in the course of performing his duties under this Agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses. The parties agree that such expenses shall include, by way of example and not limitation, cellular telephone service and home fax machine and telephone line.

(c) Employee Benefits . Except as specifically set forth herein, Executive shall be entitled to participate, on a basis comparable to other key executives of the Company, in any benefit plan, incentive compensation plan or program of any Group Company for which key executives of the Company are or shall become eligible, including without limitation, pension, 401(k), life and disability insurance and share plans, subject to the approval of the Compensation Committee of the Board (or, if there is no such committee, subject to the approval of the Board), and the terms and conditions of such plans and programs.

(d) Annual Bonus . Effective April 1, 2005, Executive shall be eligible during the Employment Period to receive an annual cash bonus (the " Cash Bonus ") in such amount, if any, as is determined in the sole discretion of the Board, in a target amount equal to 50% of his then-current Base Salary (the " Target Bonus "). Such bonus shall be provided on such terms and in such amounts, if any, as the Board may deem appropriate in its sole discretion.

(e) Annual Review of Base Salary and Cash Bonus . The Compensation Committee of the Board (or, if no such committee exists, the Board) shall review each year (including 2005) the Base Salary and Target Bonus in accordance with the compensation policies and practices of Warner Chilcott and/or the Company; provided that in no event shall Executive's Base Salary be reduced below $375,000.00, in no event shall the Target Bonus be reduced and in no event shall the Company, the Compensation Committee of the Board or the Board be obligated to increase the Base Salary or Target Bonus.

(f) Vacation . Executive shall be entitled to vacation time with compensation of 20 days per annum during the Employment Period. Executive shall also be entitled to all paid holidays given by the Company to its key officers.

4. Termination.

(a) Death . If Executive shall die during the Employment Period, Executive's employment hereunder shall terminate effective as of the date of Executive's death, except that Executive's surviving spouse and dependents or, if none, his estate shall be entitled to receive (i) an amount equal to Executive's then-current Base Salary for a period of 12 months, such payments to be payable during the 12-month period after Executive's last day of active employment in equal monthly installments, plus (ii) all other amounts and benefits to which Executive is entitled, including without limitation, vacation pay and expense reimbursement amounts accrued to the effective date of termination and amounts and benefits owing under the terms of any benefit plan of any Group Company in which Executive participates (collectively, the " Accrued Rights "). In addition, Executive's surviving spouse and dependents shall be entitled to continued participation in the health and welfare plans in which Executive was participating immediately prior to such termination, to the extent, and in the manner, provided for pursuant to such health and welfare plans, at the Company's expense, for a period of 12 months following such termination of employment; provided that if such benefits cannot be provided under the applicable plan, Executive's surviving spouse or dependents shall receive the cash value thereof plus an appropriate tax gross-up in equal monthly installments during the 12 months following such termination of employment.

(b) Disability . At the sole discretion of the Board, Executive's employment hereunder may be terminated by the Company if Executive is disabled (as defined below) and shall have been absent from his duties with the Company on a full-time basis for 180 consecutive days, and, within 30 days after

written notice by the Company to do so, Executive shall not have returned to the performance of his duties hereunder on a full-time basis. In the event of such termination, Executive shall be entitled to receive (i) the Accrued Rights and, (ii) subject to any delay required pursuant to Section 22, commencing on the 60th day following Executive's termination of employment (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to such date), the payments set forth in Section 4(d)(ii) below, provided that, for the avoidance of doubt, the proviso at the end of Section 4(d)(ii) shall not apply to payments pursuant to this Section 4(b). As used herein, the term " disabled " shall (x) mean that Executive is unable, as a result of a medically determinable physical or mental impairment, to perform the duties and services of his position, or (y) have the meaning specified in any disability insurance policy maintained by the Company, whichever is more favorable to Executive.

(c) By the Company for Cause . The Company may, by notice to Executive, terminate Executive's employment hereunder for Cause. As used herein, " Cause " shall mean (i) the conviction of Executive of a felony (other than a violation of a motor vehicle or moving violation law) or conviction of a misdemeanor if such misdemeanor involves moral turpitude; or (ii) Executive's voluntary engagement in conduct constituting larceny, embezzlement, conversion or any other act involving the misappropriation of any Group Company funds in the course of his employment; or (iii) Executive's willful refusal (following written notice) to carry out specific directions of the Board, the managing member of the Company or the board of directors or managing member, as applicable, of any other Group Company of which Executive is an officer, which directions shall be consistent with the provisions hereof; or (iv) Executive's committing any act of gross negligence or intentional misconduct in the performance or non-performance of his duties hereunder; or (v) any material breach by Executive of any material provision of this Agreement (other than for reasons related only to the business performance of the Company or business results achieved by Executive). For purposes of this Section 4(c), no act or failure to act on Executive's part shall be considered to be reason for termination for Cause if done, or omitted to be done, by Executive in good faith and with the reasonable belief that the action or omission was in the best interests of the Company. Upon the termination of Executive's employment for Cause, the Company shall pay to Executive (x) his Base Salary accrued through the effective date of termination, payable at the time such payment is otherwise due and payable hereunder, and (y) the Accrued Rights, and Executive shall not be entitled to any severance payments.

(d) By the Company Without Cause . Executive and the Company agree that the Company in its absolute discretion, may terminate Executive's employment hereunder without Cause, provided , however , that in such event Executive shall be entitled to receive (i) the Accrued Rights and, (ii) subject to any delay required pursuant to Section 22, commencing on the 60th day following Executive's termination of employment (so long as Executive

executes, delivers and does not revoke the Company's standard form of release prior to such date), an amount equal to (x) 200% of Executive's Base Salary in effect as of the date Executive's employment with the Company is terminated plus (y) 200% of the Cash Bonus paid (or payable in the event the full amount has not then been paid) to Executive with respect to the calendar year immediately preceding the year in which Executive's employment with the Company terminated, payable in 24 equal monthly installments, except that an amount equal to the first two such installments shall be paid as a lump sum on the date payments commence in accordance with this Section 4(d)(ii) and the remainder shall be paid monthly beginning on the Company's first regularly scheduled payroll payment date in the first calendar month following the month in which payments commenced; provided , however , that if such termination occurs in connection with or within two years of a Change of Control, then such amounts shall be payable as a lump sum cash payment within 10 days after Executive's last day of active employment.

(e) Executive Resignation . Executive's employment may be terminated by Executive,

(i) for Good Reason. For purposes of this Agreement, " Good Reason " shall mean (A) the assignment to Executive of duties materially inconsistent with Executive's position (including status, offices, titles and reporting requirements), authority, duties or responsibilities as contemplated by Section 1(a) hereof, or any other action by the Company or Warner Chilcott which results in a diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company or Warner Chilcott promptly after receipt of notice thereof given by Executive; (B) any failure by the Company to comply with any of the provisions of Section 3 hereof, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by Executive; (C) the Company's requiring Executive to be based at any office or location other than as provided in Section 1(b); (D) any purported termination by the Company of Executive's employment otherwise than as expressly permitted by this Agreement; or (E) any failure by the Company to obtain an express assumption of this Agreement by a successor as required pursuant to Section 15 hereof. Upon any termination pursuant to this Section 4(e)(i), Executive shall be entitled to the payments specified in Section 4(d) paid in the manner set forth therein.

(ii) by resignation or retirement other than for Good Reason. If Executive resigns or retires other than for Good Reason, this Agreement shall terminate as of the effective date of Executive's retirement or resignation and Executive shall be entitled solely to the payments and benefits set forth in Sections 4(c) and 1.

(f) Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined that any payment or consideration received by Executive from a Group Company (or any Person whose actions result in a change in ownership or effective control or in the ownership of a substantial portion of assets of the Group Companies covered by Section 280G(b)(2) of the Internal Revenue Code of 1986 of the United States, as amended (the " Code "), or any Person affiliated with any Group Company or any such Person) in connection with a Change of Control or any other change in ownership or control or in the ownership of a substantial portion of assets for purposes of Section 280G (in each case whether paid or payable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 4(f)) (any such payment or consideration, a " Payment ") would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by Executive with respect to such excise tax (such excise tax, together with any such interest and penalties are hereinafter collectively referred to as the " Excise Tax "), the Company shall pay to Executive at the time specified in Section 4(j) below an additional amount (a " Gross-Up Payment ") such that the net amount of the Gross-Up Payment retained by Executive, after deduction of all federal, state and local income tax (and any interest and penalties imposed with respect thereto), employment tax and Excise Tax on the Gross-Up Payment, shall be equal to the amount of the Excise Tax imposed on such Payment.

(g) For purposes of the foregoing Section 4(f), the proper amounts, if any, of the Excise Tax and the Gross-Up Payment shall be determined in the first instance by the Company. Such determination by the Company shall be promptly communicated in writing by the Company to Executive. Within 10 days of being provided with written notice of any such determination, Executive may provide written notice to the Compensation Committee of the Board (or, if there is no such Compensation Committee, the Board) of any disagreement, in which event the amounts, if any, of the Excise Tax and the Gross-Up Payment shall be determined by an independent accounting firm mutually selected by the Company and Executive in which event the Company shall bear the costs of retaining such independent accounting firm. The determination of the Company (or in the event of disagreement, the accounting firm selected) shall be final and nonreviewable.

(h) For purposes of determining whether any of the Payments will be subject to the Excise Tax and the amount of such Excise Tax under Section 4(f), any payments or benefits received or to be received by Executive in connection with a termination of employment shall be treated as "parachute payments" within the meaning of Section 280G(b)(2) of the Code, and all "excess parachute payments" within the meaning of Section 280G(b)(1) of the Code shall be treated as subject to the Excise Tax unless the Company or the accounting firm selected above, as applicable, determines, based on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, with substantial authority (within the meaning of Section 6662 of the Code), that

such payments or benefits (in whole or in part) do not constitute parachute payments, or that such excess parachute payments (in whole or in part) represent reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code in excess of the base amount within the meaning of Section 280G(b)(3) of the Code.

(i) For purposes of determining the amount of the Gross-Up Payment, Executive shall be deemed to pay federal income taxes at the highest marginal rate of tax in the calendar year in which the Gross-Up Payment is to be made and state and local income taxes at the highest marginal rate of tax in the state and locality of Executive's residence on the date of termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes; provided , however , that to the extent (but only to the extent) required to comply with Regulation §409A-3(i)(l)(v) under the Code, the amount of the Gross-Up Payment shall be equal to all of the federal, state and local taxes imposed on Executive as a result of the Excise Tax and Gross-Up Payment.

(j) The Gross-Up Payment provided for in Section 4(f) shall be made in a cash, lump-sum payment to Executive (or the appropriate taxing authority on Executive's behalf) when due but in no event later than the end of the year following the year in which Executive remits the Excise Tax, net of any required tax withholdings, upon the later of (i) the fifth business day following the effective date of termination, or (ii) the calculation of the amount of the Gross-Up Payment under Section 4(g). Any Gross-Up Payment required hereunder that is not made in a timely manner shall bear interest at a rate equal to the prime rate quoted on the date the payment is first overdue by Citibank N.A., New York, New York plus two percent until paid.

(k) As a result of the uncertainty in the application of Section 280G of the Code at the time of a determination hereunder, it is possible that payments will be made by the Company which should not have been made under Section 4(f) (" Overpayment ") or that additional payments which are not made by the Company pursuant to Section 4(f) should have been made (" Underpayment "). In the event that there is a final determination by the Internal Revenue Service, or a final determination by a court of competent jurisdiction, that an Overpayment has been made, any such Overpayment shall be promptly reimbursed by Executive to the Company. In the event there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Agreement, any such Underpayment shall be promptly paid by the Company to Executive, together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code.

(l) Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or in

any contract or agreement with the Company or any other Group Company at or subsequent to the date of termination of Executive's employment for any reason shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

5. Confidential Information.

(a) Executive acknowledges and agrees that the information, observations and data obtained by him concerning any Group Company while employed by the Company or any other Group Company (" Confidential Information ") are the property of Warner Chilcott and/or the relevant Group Company (as appropriate). Therefore, Executive agrees to keep secret and retain in the strictest confidence all Confidential Information, including without limitation, trade "know-how" secrets, customer lists, pricing policies, operational methods, technical processes, formulae, inventions and research projects and other business affairs of any Group Company, learned by him prior to or after the date of this Agreement, and not to disclose them to anyone outside the Group Companies, either during or after his employment with the Company, except: (i) in the course of performing his duties hereunder; (ii) with Warner Chilcott's express written consent; (iii) to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions; or (iv) where required to be disclosed by court order, subpoena or other government process. If Executive shall be required to make disclosure pursuant to the provisions of clause (iv) of the preceding sentence, Executive promptly, but in no event more than 48 hours after learning of such subpoena, court order or other governmental process, shall notify the Company, by personal delivery or fax (pursuant to Section 10 hereof), and, at the Company's expense, shall take all reasonably necessary steps requested by the Company to defend against the enforcement of such subpoena, court order or other governmental process and permit any Group Company to intervene and participate with counsel of its own choice in any related proceeding.

(b) Executive shall deliver to the Company at the termination of his employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Company or any other Group Company which he may then possess or have under his control.

6. Inventions and Patents. Executive acknowledges that all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patents, patent applications and all similar or related information (whether or not patentable) which relate to a Group Company's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by Executive while employed by the Company or any other Group Company (" Work Product ") belong to the applicable Group Company. Executive shall promptly disclose such

Work Product to the Board and perform all actions reasonably requested by the Board (whether during or after his employment) to seek and obtain intellectual property protection on behalf of the applicable Group Company and establish and confirm the applicable Group Company's ownership (including, without limitation, assignments, consents, powers of attorney and other instruments).

7. Indemnification. The Company will indemnify Executive and his legal representatives to the fullest extent permitted by applicable law and the existing organizational documents of the Company or any other applicable laws or the provisions of any other corporate document of the Company, and Executive shall be entitled to the protection of any insurance policies the Company may elect to obtain generally for the benefit of its directors and officers against all costs, charges and expenses whatsoever incurred or sustained by him or his legal representatives in connection with any action, suit or proceeding to which he or his legal representatives may be made a party by reason of him being or having been a director or officer of the Company or any other Group Company or actions taken purportedly on behalf of the Company or any other Group Company. The Company shall advance to Executive the amount of his expenses incurred in connection with any proceeding relating to such service or function to the fullest extent legally permissible under applicable law. The indemnification and expense reimbursement obligations of the Company in this Section 7 will continue as to Executive after he ceases to be an officer of the Company and shall inure to the benefit of his heirs, executors and administrators. The Company shall not, without Executive's written consent, cause or permit any amendment of the Company's governing documents which would adversely affect Executive's rights to indemnification and expense reimbursement thereunder.

8. Non-Compete; Non-Solicitation.

(a) Subject to Section 1(c) hereof, Executive covenants and agrees that, during the Employment Period and for the following periods after the termination of this Agreement howsoever arising, except with the prior written consent of the Board, which shall not be unreasonably refused or delayed, directly or indirectly, either alone or jointly with or on behalf of any person, firm, company or entity and whether on his own account or as principal, partner, shareholder, director, employee, consultant or in any other capacity whatsoever, Executive shall not:

(i) for the Applicable Period following termination, in the Relevant Territory (as defined in Section 8(b) below), and in competition with the Company or any of the Relevant Group Companies, engage, assist or be interested in any undertaking which provides services or products similar to those provided by the Company or any of the Relevant Group Companies;

(ii) for the Applicable Period following termination, in the Relevant Territory, solicit or interfere with or endeavor to entice away from the Company or any of the Relevant Group Companies any Person who is a

customer or Potential Customer of the Company or any of the Relevant Group Companies;

(iii) for the Applicable Period following termination, in the Relevant Territory, be concerned with the supply of services or products to any Person which is a customer or Potential Customer of the Company or any of the Relevant Group Companies where such services or products are in competition with those services or products supplied by the Company or any of the Relevant Group Companies;

(iv) for the Applicable Period following termination, offer to employ, or engage or solicit the employment or engagement of, any Person who immediately prior to the date of termination was an employee, contractor or director of the Company or any of the Relevant Group Companies (whether or not such Person would commit any breach of their contract of employment or engagement by reason of leaving the service of such company); or

(v) represent himself as being in any way connected with or interested in the business of the Company or any of the Relevant Group Companies other than, if applicable, in his capacity as a shareholder of Warner Chilcott.

(b) For the purposes of this Agreement:

(i) “Applicable Period” means

(1) 24 months in the event of a termination of Executive’s employment hereunder pursuant to Section 4(b) hereof (termination as a result of disability of Executive), Section 4(d) hereof (termination by Company without Cause) or Section 4(e)(i) hereof (termination by Executive resignation with Good Reason);

(2) 6 months in the event of a termination of Executive’s employment hereunder pursuant to Section 4(e)(ii) hereof (Executive resignation or retirement other than for Good Reason); provided that such 6-month period shall be increased to a 12-month period if the Company elects, in its sole discretion, to pay Executive an amount equal to (x) 100% of Executive’s Base Salary in effect as of the date Executive’s employment with the Company is terminated plus (y) 100% of the Cash Bonus paid (or payable in the event the full amount has not then been paid) to Executive with respect to the calendar year

immediately preceding the year in which Executive's employment with the Company terminated, such amount payable during the 12-month period after Executive's last day of active employment in equal monthly installments; and

(3) 6 months in the event of a termination of Executive's employment hereunder pursuant to Section 4(c) hereof (termination by Company for Cause).

(ii) " Person " means an individual, partnership, limited liability company, corporation, trust or any other entity.

(iii) " Potential Customer " means any Person from whom the Company or any of the Relevant Group Companies has actively solicited business during the 12-month period prior to Executive's termination of employment.

(iv) A " Relevant Group Company " means the Company, Warner Chilcott and all direct and indirect subsidiaries thereof and, if applicable, their predecessors in business.

(v) " Relevant Territory " means the area constituting the market of the Company or any of the Relevant Group Companies for products and services with which Executive shall have been concerned during the term of his employment with any Group Company.

(c) Nothing contained in Section 8(a) shall prohibit Executive from holding shares or securities of a company any of whose shares or securities are quoted or traded on any recognized investment or stock exchange; provided that any such holding shall not exceed three percent of the issued share capital of such company and is held passively by way of bona fide investment only.

(d) If, at the time of enforcement of this Section 8, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Executive agrees that the restrictions contained in this Section 8 are reasonable.

(e) In the event of the breach or a threatened breach by Executive of any of the provisions of this Section 8, the Company, in addition and supplementary to other rights and remedies existing in its favor, may apply to any court of law or equity of competent jurisdiction for specific performance and/or

injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting of any bond).

9. Executive's Representations. Executive hereby represents and warrants to the Company that (a) the execution, delivery and performance of this Agreement by Executive do not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he is bound; and (b) upon the execution and delivery of this Agreement by the parties, this Agreement will be the valid and binding obligation of Executive, enforceable in accordance with its terms. **Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel regarding his rights and obligations under this Agreement and that he fully understands the terms and conditions contained herein.**

10. Notices. Any notice provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally (whether by overnight courier or otherwise) with receipt acknowledged or sent by registered or certified mail or equivalent, if available, postage prepaid, or by fax (which shall be confirmed by a writing sent by registered or certified mail or equivalent on the same day that such fax was sent), addressed to the parties at the following addresses or to such other address as such party shall hereafter specify by notice to the other:

Notices to Executive :	At the address for Executive on file with the Company at the time of the relevant notice
Notices to the Company :	Warner Chilcott (US), LLC Rockaway 80 Corporate Center 100 Enterprise Drive Rockaway, NJ 07866 (973) 442-3200 (Phone) (973) 442-3316 (Fax) Attention: General Counsel

11. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction (except with respect to Section 8, for which Section 8(d) shall apply), such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

12. Complete Agreement. This Agreement, together with any other agreements referred to herein (other than the Prior Agreement) (and any exhibits,

schedules or other documents referred to herein or therein), constitutes the complete agreement and understanding among the parties and supersedes and preempts any prior understandings, agreements or representations, by or among the parties, written or oral, whether in term sheets, presentations or otherwise, which may have related to the subject matter hereof in any way, including without limitation, the Prior Agreement.

13. No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

14. Counterparts. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

15. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company and their respective heirs, successors and assigns, except that Executive may not assign his rights or delegate his obligations hereunder without the prior written consent of the Company. The Company will require any successor to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

16. Choice of Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the State of New Jersey.

17. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

18. Arbitration. Any controversy or claim arising out of or relating to this Agreement or the making, interpretation or the breach thereof, other than (a) a claim solely for injunctive relief for any alleged breach of the provisions of Sections 5, 6 and/or 8 as to which the parties shall have the right to apply for specific performance to any court having equity jurisdiction; and (b) the determination of Excise Tax and any Gross-Up Payment pursuant to Section 4 hereof, shall be settled by arbitration in New York City by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof, and any party to the arbitration

may, if he or it elects, institute proceedings in any court having jurisdiction for the specific performance of any such award. The powers of the arbitrator shall include, but not be limited to, the awarding of injunctive relief.

19. Legal Fees and Expenses. The Company agrees to pay, as incurred, to the full extent permitted by law, all reasonable legal fees and expenses which Executive may reasonably incur as a result of (a) review and/or any claims made regarding the Company's determination of Excise Tax and Gross-Up Payment pursuant to Section 4 hereof; or (b) any contest brought in good faith (regardless of the outcome thereof) by the Company, Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement (including as a result of any contest by Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

20. No Mitigation or Set-Off. The provisions of this Agreement are not intended, nor shall they be construed, to require that Executive mitigate the amount of any payment provided for in this Agreement by seeking or accepting other employment, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by Executive as a result of his employment by another employer or otherwise. The Company's obligations to make the payments to Executive required under this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action that the Company may have against Executive.

21. Tax Withholding. The parties agree to treat all amounts paid to Executive hereunder as compensation for services. Accordingly, the Company may withhold from any amount payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

22. Code Section 409A. Executive and the Company agree that it is the intent of the parties that this Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Code, and that to the extent any provisions of this Agreement do not comply with Section 409A of the Code, the parties will make such changes as are mutually agreed upon in order to comply with Section 409A of the Code. Notwithstanding any other provision with respect to the timing of payments under this Agreement, if, at the time of Executive's termination of employment, Executive is deemed to be a "specified employee" of the Company within the meaning of Section 409A(a)(2)(B)(i) of the Code, then only to the extent necessary to comply with the requirements of Section 409A of the Code, any payments to which Executive may become entitled under this Agreement which are subject to Section 409A of the Code (and not otherwise exempt from its application) that are payable (a) in a lump sum within six months following the date of termination

will be withheld until the first business day after the six-month anniversary of the date of termination, at which time Executive shall be paid the amount of such lump sum payments in a lump sum and (b) in installments within six months following the date of termination will be withheld until the first business day after the six-month anniversary of the date of termination, at which time Executive shall be paid the aggregate amount of such installment payments in a lump sum, and after the first business day of the seventh month following the date of termination and continuing each month thereafter, Executive shall be paid the regular payments otherwise due to Executive in accordance with the payment terms and schedule set forth herein.

23. Certain Definitions . The following terms, as used in this Agreement, have the following meanings:

(a) " Change of Control " has the meaning ascribed to such term in the Management Shareholders Agreement.

(b) " Management Shareholders Agreement " means that certain Management Shareholders Agreement dated as of March 28, 2005, as may have been amended from time to time, by and among Warner Chilcott, Warner Chilcott Limited, Warner Chilcott Holdings Company II, Limited, Warner Chilcott Holdings Company III, Limited, Executive and the other parties thereto, to which Executive became a party by executing a joinder agreement as of April 1, 2005.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

WARNER CHILCOTT (US), LLC

/s/ Roger M. Boissonneault
Name: Roger M. Boissonneault

Title: Chief Executive Officer

EXECUTIVE

/s/ Paul Herendeen
Paul Herendeen

Exhibit 10.4

THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the " Agreement ") is made as of August 5, 2011 (the " Effective Date "), between WARNER CHILCOTT (US), LLC (the " Company "), and W. Carl Reichel (" Executive ").

RECITALS

WHEREAS, Executive and the Company previously entered into that certain Second Amended and Restated Employment Agreement between Executive and the Company, dated as of November 7, 2008 (the " Prior Agreement "), relating to Executive's role as President, Pharmaceuticals of the Company and the Company's ultimate parent company;

WHEREAS, Executive has notified the Company and Warner Chilcott plc, an Irish public limited company (" Warner Chilcott "), of his desire to resign from his role with the Company to pursue other interests effective as of the end of 2011 and, accordingly, Executive has agreed to transition his role and responsibilities with the Company and Warner Chilcott to other personnel between the date hereof and December 31, 2011 (the " Resignation Date ") and resign from his employment with the Company and his roles with the Company and Warner Chilcott as of the Resignation Date;

WHEREAS, Executive and the Company desire to enter into this Agreement in order to set forth the terms and conditions upon which Executive will serve the Company and Warner Chilcott and the terms of Executive's resignation.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the following terms shall apply with respect to Executive's employment with the Company from and after the Effective Date:

1. **Employment** .

(a) Executive shall continue to be employed by the Company and will have the title of President, Pharmaceuticals of the Company and Warner Chilcott. Executive will report to the Chief Executive Officer of Warner Chilcott (the " CEO ") and will perform such duties as deemed appropriate by the CEO from time to time to transition Executive's role, duties and authority to such other personnel as may be identified by the CEO or the Board of Directors of Warner Chilcott (the " Board "), in

anticipation of Executive's resignation as of the Resignation Date. All employees working under Executive shall report to the CEO or such other personnel as may be identified by the CEO or the Board, and Executive shall have no direct reports. Executive agrees to render full-time services under this Agreement in performing his duties and responsibilities hereunder.

(b) Executive shall perform substantially all of his duties under this Agreement at the Company's Rockaway, New Jersey office; provided , however , that Executive may be required to perform incidental services outside the United States from time to time. Executive may from time to time be required to perform duties commensurate with Executive's position on behalf of any of Warner Chilcott or any of its direct or indirect subsidiaries (collectively, the " Group Companies ") in addition to the duties described in Section 1(a), and Executive may be appointed an officer or officers of one or more Group Companies in addition to his titles described in Section 1(a). Such duties shall be performed, and appointments accepted, by Executive without additional compensation or remuneration.

(c) Executive accepts such continued employment and agrees to continue to render the services described above to the best of his abilities in a diligent, trustworthy, businesslike and efficient manner. It shall not be a violation of this Agreement for Executive to serve on civic or charitable boards or committees so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement. With the prior written consent of the Board, which consent shall not be unreasonably refused or delayed, and so long as such activities do not significantly interfere with Executive's commitment to work in accordance with this Agreement, Executive may serve on corporate boards or committees.

2. **Term of Employment** . Executive's employment by the Company shall continue from the Effective Date until the close of business on the Resignation Date unless terminated earlier as hereinafter provided (the " Employment Period "). If the Company gives Executive notice of termination without Cause (as defined below), Executive shall be entitled to the severance payments provided in Section 4(d) hereof.

3. **Base Salary and Benefits** .

(a) Base Salary . During the Employment Period, Executive shall continue to receive base salary at an annualized rate of $498,739 (the " Base Salary "), payable in regular installments in accordance with the Company's general payroll practices and shall be subject to customary withholding.

(b) Business Expenses . The Company shall reimburse Executive for all reasonable expenses incurred by him during the Employment Period in the course of performing his duties under this Agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses. The parties agree that such expenses shall include, by way of example and not limitation, cellular telephone service and home fax machine and telephone line.

(c) Employee Benefits . Except as specifically set forth herein, during the Employment Period, Executive shall be entitled to participate in and receive, on a basis comparable to other key executives of the Company, any general benefits provided by any Group Company for which key executives of the Company are eligible, including, without limitation, the Company's current life and disability insurance provided to Executive and Executive's Company car.

(d) Annual Bonus and Incentive Awards . During the first calendar quarter of 2012, the Company will present to the Compensation Committee of the Board (the " Committee ") the issue of whether Executive shall be eligible to receive any payment in respect of his annual incentive award relating to the fiscal year of the Company ending as of December 31, 2011 (" FY 2011 ") under the Warner Chilcott Management Incentive Plan (" Executive's FY 2011 Bonus "). If the Committee decides to provide any such payment, the maximum payment will be determined by the Committee in accordance with the metrics previously established for Executive's FY 2011 Bonus, and the actual amount of any payment to Executive may be reduced as determined by the Committee. Executive acknowledges and agrees that payment of any amount in respect of Executive's FY 2011 Bonus shall be at the sole discretion of the Committee, and the Company does not guaranty that Executive will be paid any amount in respect of Executive's FY 2011 Bonus. Accordingly, Executive waives any and all rights to Executive's FY 2011 Bonus and any other annual incentive or bonus compensation in respect of Executive's service during FY 2011. Executive further acknowledges and agrees that he shall not be eligible for any additional equity-based grants after the Effective Date, and Executive waives any and all rights to any further equity-based grants. The provisions of this Section 3(d) shall have the effect of amending, as to Executive, the terms of any other agreement, plan, arrangement or communication, to the extent such terms are inconsistent with the provisions above in this Section 3(d).

4. **Termination** .

(a) If Executive shall die during the Employment Period, Executive's employment hereunder shall terminate effective as of the date of Executive's death, except that Executive's surviving spouse and

dependents or, if none, his estate shall be entitled to receive all amounts and benefits to which Executive is entitled, including, without limitation, expense reimbursement amounts accrued to the effective date of termination, amounts and benefits owing under the terms of any benefit plan of any Group Company in which Executive participates and payment with respect to any vacation days accrued but unused by Executive, pursuant to Company vacation policy. In addition, if Executive shall die during the Employment Period:

(i) Executive's surviving spouse or dependents or, if none, his estate shall receive a death benefit amount of $1,794,494 paid in the form of equal monthly installments for the 24-month period following Executive's death; and

(ii) subject to Executive's surviving spouse's election of COBRA coverage under the Company's group medical and dental benefit plans, Company-paid participation in Company's group medical and dental benefit plans for the 24-month period following Executive's death, plus a payment equal to one-half of the COBRA cost of such medical and dental coverage to defray expenses not covered by the medical coverage provided.

(b) At the sole discretion of the Board, Executive's employment hereunder may be terminated by the Company if Executive is disabled (as defined below) and shall have been absent from his duties with the Company on a full-time basis for 180 consecutive days, and, within 30 days after written notice by the Company to do so, Executive shall not have returned to the performance of his duties hereunder on a full-time basis. In the event of such termination, Executive shall be entitled to receive, subject to any delay required pursuant to Section 24, commencing on the 60th day following Executive's termination of employment (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to such date), an amount equal to the amount set forth in Section 4(d)(i) below, plus all other amounts and benefits to which Executive is entitled, including, without limitation, expense reimbursement amounts accrued to the effective date of termination and amounts and benefits owing under the terms of any benefit plan of any Group Company in which Executive participates, all such payments to be payable during the 24-month period after Executive's last day of active employment in equal monthly installments; provided that, for the avoidance of doubt, the proviso at the end of Section 4 (d)(i) shall not apply to payments pursuant to this Section 4(b). As used herein, the term " disabled " shall (i) mean that Executive is unable, as a result of a medically determinable physical or mental impairment, to perform the duties and services of his position, or (ii) have the meaning specified in any disability insurance policy maintained by the Company, whichever is more favorable to Executive.

(c) The Company may, by notice to Executive, terminate Executive's employment hereunder for Cause. As used herein, " Cause " shall mean (i) the conviction of Executive of a felony (other than violation of a motor vehicle or moving violation law) or conviction of a misdemeanor if such misdemeanor involves moral turpitude; or (ii) Executive's voluntary engagement in conduct constituting larceny, embezzlement, conversion or any other act involving the misappropriation of any Group Company funds in the course of his employment; or (iii) Executive's willful refusal (following written notice) to carry out specific directions of the Board, the managing member of the Company or the board of directors or managing member, as applicable, of any other Group Company of which Executive is an officer, which directions shall be consistent with the provisions hereof; or (iv) Executive's committing any act of gross negligence or intentional misconduct in the performance or non-performance of his duties hereunder; or (v) any material breach by Executive of any material provision of this Agreement (other than for reasons related only to the business performance of the Company or business results achieved by Executive). For purposes of this Section 4(c), no act or failure to act on Executive's part shall be considered to be reason for termination for Cause if done, or omitted to be done, by Executive in good faith and with the reasonable belief that the action or omission was in the best interests of the Company. Upon the termination of Executive's employment for Cause, the Company shall pay to Executive (x) his Base Salary accrued through the effective date of termination, payable at the time such payment is otherwise due and payable hereunder, and (y) all other amounts and benefits to which Executive is entitled, including, without limitation, vacation pay and expense reimbursement amounts accrued to the effective date of termination and amounts and benefits owing under the terms of any benefit plan of any Group Company in which Executive participates and Executive shall not be entitled to any severance payments.

(d) Executive and the Company agree that the Company in its absolute discretion, may terminate Executive's employment hereunder without Cause; provided , however , that in such event Executive shall be entitled to receive: (i) subject to any delay required pursuant to Section 24, commencing on the 60th day following Executive's termination of employment (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to such date), an amount equal to (x) 200% of Executive's Base Salary in effect as of the date Executive's employment with the Company is terminated plus (y) 200% of the Cash Bonus paid (or payable in the event the full amount has not then been paid) to Executive with respect to the calendar year immediately preceding the year in which Executive's employment with the Company terminated, payable in 24 equal monthly installments, except that an amount equal to the first two such installments shall be paid as a lump sum on the date payments commence in accordance with this Section 4(d) and

the remainder shall be paid monthly beginning on the Company's first regularly scheduled payroll payment date in the first calendar month following the month in which payments commenced; provided , however , that if such termination occurs in connection with or following a Change of Control, then such amounts shall be payable as a lump sum cash payment within 10 days after Executive's last day of active employment; and (ii) all other amounts and benefits to which Executive is entitled, including, without limitation, expense reimbursement amounts accrued to the effective date of termination and amounts and benefits owing under the terms of any benefit plan of any Group Company in which Executive participates.

(e) Executive's employment may be terminated by Executive with or without reason. Upon any termination pursuant to this Section 4(e), Executive shall be entitled (so long as Executive executes, delivers and does not revoke the Company's standard form of release prior to the 60th day following Executive's termination of employment) to the payments specified in Section 4(d) paid in the manner set forth therein.

5. **Resignation** .

(a) If Executive's employment has not terminated earlier, Executive's employment with the Company shall cease as of the Resignation Date and Executive hereby agrees (A) to voluntarily resign and relinquish all executive positions and other roles with all Group Companies, in each case effective as of the Resignation Date; (B) to sign and deliver the Release Agreement (attached hereto as Exhibit A) (the " Release Agreement ") within 21 days following the Resignation Date, to be effective as of the Resignation Date; and (C) to continue to comply with the provisions of this Agreement, including, without limitation, Sections 7, 8 and 9.

(b) Upon Executive's resignation as of the Resignation Date, and subject to Executive's timely execution of the Release Agreement, Executive shall be entitled to the following payments and benefits:

(i) The Company shall pay to Executive an aggregate amount equal to (x) 200% of Executive's annual base salary in effect as of the date hereof plus (y) 200% of the annual cash bonus paid to Executive with respect to the 2010 calendar year. The aggregate amount of such payments shall be $1,794,494.00. This amount shall be paid in the form of (A) an installment of $448,623.50 (i.e., 25% or 6 month's worth of the aggregate amount) as of the first Company payroll date occurring after June 30, 2012 and (B) $1,345,870.50 (i.e., the remaining 75% or 18 months worth of the aggregate amount) paid in 18 equal monthly installments thereafter;

(ii) Executive's Company equity grants (options, restricted shares and, in 2011, performance restricted shares) received by Executive as of January 20, 2009, January 29, 2010 and February 17, 2011, respectively, shall be treated in accordance with the terms of the award agreements governing each such grant as if Executive's resignation was a termination by the Company without Cause or a resignation by Executive for good reason effective December 31, 2011 and, accordingly, a portion of each such outstanding equity grant shall vest, as set forth in the table below:

Equity Award	Portion to Become Vested Pursuant to Award Terms
Option Award granted January 20, 2009	option to purchase 20,985 shares vests as of Resignation Date
Restricted Share Award granted January 20, 2009	7,959 shares vest as of Resignation Date
Option Award granted January 29, 2010	option to purchase 10,633 shares vests as of Resignation Date
Restricted Share Award granted January 29, 2010	4,306 shares vest as of Resignation Date
Option Award granted February 17, 2011	option to purchase 6,147 shares vests as of Resignation Date
Restricted Share Award granted February 17, 2011	2,561 shares vest as of Resignation Date
Performance Restricted Share Award granted February 17, 2011	up to 2,485 shares eligible to vest subject to actual performance

Any portion of Executive's unvested Company equity awards which does not become vested by its terms shall terminate effective as of the Resignation Date; provided , however , that any portion of Executive's unvested Performance Restricted Share Award granted February 17, 2011 which does not become vested by its terms shall terminate effective as of the date provided in the agreement governing such award. Each of the Company and Executive represents and agrees that the list of equity grants set forth above represents the complete list of equity grants made by the Company to Executive during the period from January 1, 2009 to the date hereof;

(iii) For the 18-month period following the Resignation Date, subject to Executive's election of COBRA coverage under the Company's group medical and dental benefit plans and Executive's payment of cost of coverage contributions of $50 per month, the Company shall (A) provide to Executive continued participation in the Company's group medical benefit and dental plans for Executive and his spouse and dependents, (B) fund the remaining monthly cost of such coverage (i.e., over and above Executive's monthly $50 contribution) (the " Company Medical Subsidy ") and (C) for so long as Executive continues to participate in such coverage, pay or credit to Executive an additional amount equal to one-half of the Company Medical Subsidy to defray expenses not covered by the medical and dental coverage provided;

(iv) For the 6-month period after the 18-month period following the Resignation Date (A)(i) Executive shall seek medical and dental insurance comparable to the benefits provided under the Company's group medical plan through a third-party insurance provider (" Comparable Coverage ") and the Company shall reimburse Executive for the reasonable insurance premiums paid by Executive for individual health policies covering Executive and his spouse and dependents for such 6-month period which provide benefits or (ii) if Executive is unable to obtain such Comparable Coverage for himself or his spouse or dependents, the Company shall pay to Executive a monthly amount during such 6-month period equal to the reasonable premium amount that an insurance company would charge to provide Comparable Coverage to an individual of the age of Executive meeting the minimum underwriting standards of such insurance company and (B) the Company shall pay or credit to Executive an additional amount equal to one-half of the amount paid to Executive by the Company under Section 5(b)(iv)(A) to defray expenses not covered by the medical and dental coverage provided;

(v) Executive's existing Company life insurance coverage shall be continued by the Company until December 31, 2013; and

(vi) The Company shall pay Executive for any vacation days accrued but unused by Executive as of the Resignation Date, pursuant to Company vacation policy.

(c) Notwithstanding anything to the contrary above (A) in lieu of Executive obtaining the third-party coverage and/or receiving the payments described in Section 5(b)(iv), the Company may arrange or provide for benefits providing the coverage described in Section 5 (b)(iv)

and (B) Executive agrees to promptly notify the Company if at any time during the 24-month period following the Resignation Date Executive or his spouse become eligible to participate in any medical benefit plan of a subsequent employer of Executive or his spouse (" Alternative Benefit Eligibility ") and whether or not Executive has provided such notice, as of the date of such Alternative Benefit Eligibility, the benefits provided under Sections 5(b)(iii) and (iv) and, if applicable, clause (A) of this paragraph, shall cease. In addition, notwithstanding anything to the contrary above (A), the Company does not assume any obligations or liabilities other than those explicitly described in this Agreement, and, for the avoidance of doubt, the Company does not provide any guaranty with respect to the availability or level of medical or dental benefits available to Executive or his spouse or dependents or the tax treatment of any benefits provided under this Agreement and the Company shall not be required to indemnify or hold harmless Executive or his spouse or dependents for any potential unavailability of such benefits or any potential taxes imposed on Executive or his spouse or dependents in connection with such benefits and (B) all of the payments and benefits provided under this Section 5 shall be subject to applicable withholdings and customary payroll deductions.

(d) The execution of the Release Agreement is a precondition to Executive's entitlement to the payments and benefits set forth above in this Section 5. The execution of the Release Agreement is intended to establish closure on all matters encompassed by the Release Agreement through and including the Resignation Date. However, separately, by accepting the terms of this Agreement, Executive agrees that he waives and releases all claims and rights he may have against all Group Companies and affiliates of the Group Companies, as of the date hereof, including, without limitation, all claims and rights in respect of his roles with the Group Companies and his agreed resignation from those roles, as described above, but excluding the rights, payments and benefits explicitly provided under this Agreement. Accordingly, by executing this Agreement, in consideration of the payments and benefits set forth above in this Section 5, and in this Agreement generally, Executive hereby unconditionally and irrevocably releases, waives, discharges and gives up, to the full extent permitted by law, any and all claims arising out of Executive's employment with and anticipated resignation from the Company (other than the rights, payments and benefits explicitly provided to Executive under this Agreement) that Executive may have against Warner Chilcott, the Company and all other subsidiaries and affiliates of Warner Chilcott, together with its past, present and future parent organizations, subsidiaries, affiliated entities, related companies and divisions and each of their respective past, present and future officers, directors, executives, shareholders, trustees, members, partners, plan administrators, attorneys, and agents (individually and in their official

capacities), as well as any predecessors, future successors or assigns or estates of any of the foregoing.

6. **Gross-Up Payment** .

(a) Anything in this Agreement to the contrary notwithstanding, in the event that it shall be determined that any payment or consideration received by Executive from a Group Company (or any Person whose actions result in a change in ownership or effective control or in the ownership of a substantial portion of assets of the Group Companies covered by Section 280G(b)(2) of the Internal Revenue Code of 1986 of the United States, as amended (the " Code "), or any Person affiliated with any Group Company or any such Person) in connection with a Change of Control or any other change in ownership or control or in the ownership of a substantial portion of assets for purposes of Section 280G (in each case whether paid or payable pursuant to the terms of this Agreement or otherwise, but determined without regard to any additional payments required under this Section 6(a)) (any such payment or consideration, a " Payment ") would be subject to the excise tax imposed by Section 4999 of the Code, or any interest or penalties are incurred by Executive with respect to such excise tax (such excise tax, together with any such interest and penalties are hereinafter collectively referred to as the " Excise Tax "), the Company shall pay to Executive at the time specified in Section 6(e) below an additional amount (a " Gross-Up Payment ") such that the net amount of the Gross-Up Payment retained by Executive, after deduction of all federal, state and local income tax (and any interest and penalties imposed with respect thereto), employment tax and Excise Tax on the Gross-Up Payment, shall be equal to the amount of the Excise Tax imposed on such Payment.

(b) For purposes of the foregoing Section 6(a), the proper amounts, if any, of the Excise Tax and the Gross-Up Payment shall be determined in the first instance by the Company. Such determination by the Company shall be promptly communicated in writing by the Company to Executive. Within 10 days of being provided with written notice of any such determination, Executive may provide written notice to the Compensation Committee (or, if there is no Compensation Committee, the Board) of any disagreement, in which event the amounts, if any, of the Excise Tax and the Gross-Up Payment shall be determined by an independent accounting firm mutually selected by the Company and Executive in which event the Company shall bear the costs of retaining such independent accounting firm. The determination of the Company (or in the event of disagreement, the accounting firm selected) shall be final and nonreviewable.

(c) For purposes of determining whether any Payment will be subject to the Excise Tax and the amount of such Excise Tax under

Section 6(a), any payments or benefits received or to be received by Executive in connection with a termination of employment shall be treated as “parachute payments” within the meaning of Section 280G(b)(2) of the Code, and all “excess parachute payments” within the meaning of Section 280G(b)(1) of the Code shall be treated as subject to the Excise Tax unless the Company or the accounting firm selected above, as applicable, determines based on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code, with substantial authority (within the meaning of Section 6662 of the Code), that such payments or benefits (in whole or in part) do not constitute parachute payments, or that such excess parachute payments (in whole or in part) represent reasonable compensation for services actually rendered within the meaning of Section 280G(b)(4) of the Code in excess of the base amount within the meaning of Section 280G(b)(3) of the Code.

(d) For purposes of determining the amount of the Gross-Up Payment, Executive shall be deemed to pay federal income taxes at the highest marginal rate of tax in the calendar year in which the Gross-Up Payment is to be made and state and local income taxes at the highest marginal rate of tax in the state and locality of Executive’s residence on the date of termination, net of the maximum reduction in federal income taxes which could be obtained from deduction of such state and local taxes; provided , however , that to the extent (but only to the extent) required to comply with Regulation §409A-3(i)(l)(v) under the Code, the amount of the Gross-Up Payment shall be equal to all of the federal, state and local taxes imposed on Executive as a result of the Excise Tax and Gross-Up Payment.

(e) The Gross-Up Payment provided for in Section 6(a) shall be made in a cash, lump-sum payment to Executive (or the appropriate taxing authority on Executive’s behalf) when due but in no event later than the end of the year following the year in which Executive remits the Excise Tax, net of any required tax withholdings, upon the later of (i) the fifth business day following the effective date of termination, or (ii) the calculation of the amount of the Gross-Up Payment under Section 6(b). Any Gross-Up Payment required hereunder that is not made in a timely manner shall bear interest at a rate equal to the prime rate quoted on the date the payment is first overdue by Citibank N.A., New York, New York plus two percent until paid.

(f) As a result of the uncertainty in the application of Section 280G of the Code at the time of a determination hereunder, it is possible that payments will be made by the Company which should not have been made under Section 6(a) (“ Overpayment ”) or that additional payments which are not made by the Company pursuant to Section 6(a) should have been made (“ Underpayment ”). In the event that there is a final determination by the Internal Revenue Service, or a final determination by

a court of competent jurisdiction, that an Overpayment has been made, any such Overpayment shall be promptly reimbursed by Executive to the Company. In the event there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Agreement, any such Underpayment shall be promptly paid by the Company to Executive, together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code.

(g) Amounts which are vested benefits or which Executive is otherwise entitled to receive under any plan, policy, practice or program of or in any contract or agreement with the Company or any other Group Company at or subsequent to the date of termination of Executive's employment for any reason shall be payable in accordance with such plan, policy, practice or program or contract or agreement except as explicitly modified by this Agreement.

7. **Confidential Information** .

(a) Executive acknowledges and agrees that the information, observations and data obtained by him concerning any Group Company while employed by the Company or any other Group Company (" Confidential Information ") are the property of Warner Chilcott and/or the relevant Group Company (as appropriate). Therefore, Executive agrees to keep secret and retain in the strictest confidence all Confidential Information, including, without limitation, trade "know-how" secrets, customer lists, pricing policies, operational methods, technical processes, formulae, inventions and research projects and other business affairs of any Group Company, learned by him prior to or after the date of this Agreement, and not to disclose them to anyone outside the Group Companies, either during or after his employment with the Company, except: (i) in the course of performing his duties hereunder; (ii) with Warner Chilcott's express written consent; (iii) to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions; or (iv) where required to be disclosed by court order, subpoena or other government process. If Executive shall be required to make disclosure pursuant to the provisions of clause (iv) of the preceding sentence, Executive promptly, but in no event more than 48 hours after learning of such subpoena, court order or other governmental process, shall notify the Company, by personal delivery or fax (pursuant to Section 12 hereof), and, at the Company's expense, shall take all reasonably necessary steps requested by the Company to defend against the enforcement of such subpoena, court order or other governmental process and permit any Group Company to intervene and participate with counsel of its own choice in any related proceeding.

(b) Executive shall deliver to the Company prior to the Resignation Date or, if sooner, upon any earlier termination of his employment, or at any other time the Company may request, all memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies thereof) relating to the Confidential Information, Work Product (as defined below) or the business of the Company or any other Group Company which he may then possess or have under his control.

8. **Inventions and Patents** . Executive acknowledges that all inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patents, patent applications and all similar or related information (whether or not patentable) which relate to a Group Company's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by Executive while employed by the Company or any other Group Company (" Work Product ") belong to the applicable Group Company. Executive shall promptly disclose such Work Product to the Board and perform all actions reasonably requested by the Board (whether during or after his employment) to seek and obtain intellectual property protection on behalf of the applicable Group Company and establish and confirm the applicable Group Company's ownership (including, without limitation, assignments, consents, powers of attorney and other instruments).

9. **Indemnification** . The Company will indemnify Executive and his legal representatives to the fullest extent permitted by applicable laws and the existing organizational documents of the Company or any other applicable laws or the provisions of any other corporate document of the Company, and Executive shall be entitled to the protection of any insurance policies the Company may elect to obtain generally for the benefit of its directors, officers and employees, against all costs, charges and expenses whatsoever incurred or sustained by him or his legal representatives in connection with any action, suit or proceeding to which he or his legal representatives may be made a party by reason of him being or having been a director, officer or employee of the Company or any other Group Company or actions taken purportedly on behalf of the Company or any other Group Company. The Company shall advance to Executive the amount of his expenses incurred in connection with any proceeding relating to such service or function to the fullest extent legally permissible under applicable law. The indemnification and expense reimbursement obligations of the Company in this Section 9 will continue as to Executive after he ceases to be an officer and/or employee of the Company and shall inure to the benefit of his heirs, executors and administrators. The Company shall not, without Executive's written consent, cause or permit any amendment of the Company's governing documents which would adversely affect Executive's rights to indemnification and expense reimbursement thereunder.

10. **Non-Compete; Non-Solicitation** .

(a) Subject to Section 1(c) hereof, Executive covenants and agrees that Executive shall not, directly or indirectly, either alone or jointly with or on behalf of any person, firm, company or entity and whether on his own account or as principal, partner, shareholder, director, employee, consultant or in any other capacity whatsoever:

(i) during the period up to and ending on December 31, 2011, engage, assist or be interested in any undertaking which provides services or products similar to those provided by the Company or any of the Relevant Group Companies, unless prior to the date Executive engages, assists or is interested in any such undertaking Executive notifies the Company in writing that Executive desires to terminate Executive's employment effective immediately pursuant to Section 4(e);

(ii) during the period up to and ending on December 31, 2011, in the Relevant Territory, solicit or interfere with or endeavor to entice away from the Company or any of the Relevant Group Companies any Person who is a customer or Potential Customer of the Company or any of the Relevant Group Companies unless prior to the date Executive solicits, interferes with or endeavors to entice away such customer or Potential Customer, Executive notifies the Company in writing that Executive desires to terminate Executive's employment effective immediately pursuant to Section 4(e);

(iii) during the period commencing as of the Effective Date and ending as of the last day of the 24th full calendar month following Executive's termination of employment with the Company for any reason (including, without limitation, Executive's resignation as of the Resignation Date), offer to employ, or engage or solicit the employment or engagement of, any Person who at such time is an employee, contractor or director of the Company or any of the Relevant Group Companies (whether or not such Person would commit any breach of their contract of employment or engagement by reason of leaving the service of such company); or

(iv) following Executive's termination of employment with the Company, represent himself as being in any way connected with or interested in the business of the Company or any of the Relevant Group Companies other than, if applicable, in his capacity as a shareholder of Warner Chilcott.

(b) For the purposes of this Agreement:

(i) " Person " means an individual, partnership, limited liability company, corporation, trust or any other entity.

(ii) " Potential Customer " means any Person that the Company or any of the Relevant Group Companies has actively solicited business during the 12-month period prior to Executive's termination of employment.

(iii) A " Relevant Group Company " means the Company, Warner Chilcott and all direct and indirect subsidiaries thereof and, if applicable, their predecessors in business.

(iv) " Relevant Territory " means the area constituting the market of the Company or any of the Relevant Group Companies for products and services with which Executive shall have been concerned during the term of his employment with any Group Company.

(c) Nothing contained in Section 10(a) shall prohibit Executive from holding shares or securities of a company any of whose shares or securities are quoted or traded on any recognized investment or stock exchange, provided that any such holding shall not exceed three percent of the issued share capital of such company and is held passively by way of bona fide investment only.

(d) If, at the time of enforcement of this Section 10, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law. Executive agrees that the restrictions contained in this Section 10 are reasonable.

(e) In the event of the breach or a threatened breach by Executive of any of the provisions of this Section 10, the Company, in addition and supplementary to other rights and remedies existing in its favor, may apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive or other relief in order to enforce or prevent any violations of the provisions hereof (without posting of any bond).

11. **Executive's Representations** . Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he is bound, and (ii) upon the

execution and delivery of this Agreement by the parties, this Agreement will be the valid and binding obligation of Executive, enforceable in accordance with its terms. Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel regarding his rights and obligations under this Agreement and that he fully understands the terms and conditions contained herein.

12. **Notices** . Any notice provided for in this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally (whether by overnight courier or otherwise) with receipt acknowledged or sent by registered or certified mail or equivalent, if available, postage prepaid, or by fax (which shall be confirmed by a writing sent by registered or certified mail or equivalent on the same day that such fax was sent), addressed to the parties at the following addresses or to such other address as such party shall hereafter specify by notice to the other:

Notices to Executive:	At the address for Executive on file with the Company at the time of the relevant notice
Notices to the Company:	Warner Chilcott (US), LLC Rockaway 80 Corporate Center 100 Enterprise Drive Rockaway, NJ 07866 (973) 442-3200 (Phone) (973) 442-3316 (Fax) Attention: General Counsel

13. **Severability** . Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction (except with respect to Section 10, for which Section 10(d) shall apply), such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

14. **Complete Agreement** . This Agreement, together with any other agreements referred to herein (other than the Prior Agreement) (and any exhibits, schedules or other documents referred to herein or therein), constitutes the complete agreement and understanding among the parties and supersedes and preempts any prior understandings, agreements or representations, by or among the parties, written or oral, whether in term sheets, presentations or otherwise, which may have related to the subject matter hereof in any way, including, without limitation, the Prior Agreement and the terms of any plan or program which are contrary to any explicit term of this Agreement. Additionally, the

parties represent and agree that any existing restriction in any other agreement between Executive and the Company concerning restrictions on Executives post-termination employment are superseded in full and shall be replaced by those set forth in Section 10 hereof. Executive acknowledges and agrees that he has been given ample opportunity to consider this Agreement and consult with advisers of his choosing regarding his rights generally and the terms of this Agreement, and has used such time as he deems appropriate to review and consider this Agreement prior to his execution of this Agreement.

15. **No Strict Construction** . The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

16. **Counterparts** . This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

17. **Successors and Assigns** . This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company and their respective heirs, successors and assigns, except that Executive may not assign his rights or delegate his obligations hereunder without the prior written consent of the Company. The Company will require any successor to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

18. **Choice of Law** . All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of New Jersey without giving effect to any choice of law or conflict of law rules or provisions that would cause the application of the laws of any jurisdiction other than the State of New Jersey.

19. **Amendment and Waiver** . The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and Executive, and no course of conduct or failure or delay in enforcing the provisions of this Agreement shall affect the validity, binding effect or enforceability of this Agreement.

20. **Arbitration** . Any controversy or claim arising out of or relating to this Agreement or the making, interpretation or the breach thereof, other than (a) a claim solely for injunctive relief for any alleged breach of the provisions of Sections 7, 8 or 10 as to which the parties shall have the right to apply for specific performance to any court having equity jurisdiction and (b) the determination of Excise Tax and any Gross-Up Payment pursuant to Section 6 hereof, shall be settled by arbitration in New York City by one arbitrator in accordance with the Commercial Arbitration Rules of the American Arbitration Association and

judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof and any party to the arbitration may, if he or it elects, institute proceedings in any court having jurisdiction for the specific performance of any such award. The powers of the arbitrator shall include, but not be limited to, the awarding of injunctive relief.

21. **Legal Fees and Expenses** . The Company agrees to pay, as incurred, to the full extent permitted by law, all reasonable legal fees and expenses which Executive may reasonably incur as a result of (a) review and/or any claims made regarding the Company's determination of Excise Tax and Gross-Up Payment pursuant to Section 6 hereof; or (b) any contest brought in good faith (regardless of the outcome thereof) by the Company, Executive or others of the validity, or enforceability of, or liability under, any provision of this Agreement (including as a result of any contest by Executive about the amount of any payment pursuant to this Agreement), plus in each case interest on any delayed payment at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

22. **No Mitigation or Set-Off** . The provisions of this Agreement are not intended, nor shall they be construed, to require that Executive mitigate the amount of any payment provided for in this Agreement by seeking or accepting other employment, nor shall the amount of any payment provided for in this Agreement be reduced by any compensation earned by Executive as a result of his employment by another employer or otherwise (except as provided under Section 5(c) with respect to medical and dental benefits). The Company's obligations to make the payments to Executive required under this Agreement, and otherwise to perform its obligations hereunder, shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action that the Company may have against Executive.

23. **Tax Withholding** . The parties agree to treat all amounts paid to Executive hereunder as compensation for services. Accordingly, the Company may withhold from any amount payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

24. **Code Section 409A** . Executive and the Company agree that it is the intent of the parties that this Agreement not violate any applicable provision of, or result in any additional tax or penalty under, Section 409A of the Code, and that to the extent any provisions of this Agreement do not comply with Section 409A of the Code, the parties will make such changes as are mutually agreed upon in order to comply with Section 409A of the Code. Notwithstanding any other provision with respect to the timing of payments under this Agreement, to the extent necessary to comply with the requirements of Section 409A of the Code, any payments to which Executive may become entitled under this Agreement which are subject to Section 409A of the Code (and not otherwise exempt from its application) that are payable (i) in a lump sum within six months following the date of termination will be withheld until the first business day after the six-month

anniversary of the date of termination, at which time Executive shall be paid the amount of such lump sum payments in a lump sum and (ii) in installments within six months following the date of termination will be withheld until the first business day after the six-month anniversary of the date of termination, at which time Executive shall be paid the aggregate amount of such installment payments in a lump sum, and after the first business day of the seventh month following the date of termination and continuing each month thereafter, Executive shall be paid the regular payments otherwise due to Executive in accordance with the payment terms and schedule set forth herein.

25. **Certain Definitions** . The following terms, as used in this Agreement, have the following meanings:

" Change of Control " has the meaning ascribed to such term in the Management Shareholders Agreement.

" Management Shareholders Agreement " means that certain Management Shareholders Agreement dated as of March 28, 2005, as may have been amended from time to time, by and among Warner Chilcott, Warner Chilcott Limited, Warner Chilcott Holdings Company II, Limited, Warner Chilcott Holdings Company III, Limited, Executive and the other parties thereto.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Warner Chilcott (US), LLC

/s/ Michael Halstead

Name: Michael Halstead
Title: Senior Vice President

EXECUTIVE

/s/ W. Carl Reichel

W. Carl Reichel

EXHIBIT A

RELEASE AGREEMENT

THIS RELEASE AGREEMENT (this " Release Agreement ") is entered into between W. Carl Reichel (" Executive ") and Warner Chilcott (US) LLC, with an address at 100 Enterprise Drive, Rockaway, New Jersey 07866 (the " Company "). The Company, together with its past, present and future parent organizations, subsidiaries, affiliated entities, related companies and divisions and each of their respective past, present and future officers, directors, employees, shareholders, trustees, members, partners, plan administrators, attorneys, and agents (individually and in their official capacities), as well as any predecessors, future successors or assigns or estates of any of the foregoing, is collectively referred to in this Release Agreement as the " Released Parties ."

1. Resignation from Employment . Executive acknowledges and understands that Executive's last day of employment with the Company is December 31, 2011 (the " Resignation Date "). Executive further acknowledges that Executive has received all compensation and benefits to which Executive is entitled as a result of Executive's employment, except as otherwise provided under Section 5 of Executive's Employment Agreement with the Company, dated as of August 5, 2011 (the " Employment Agreement "). Executive understands that, except as otherwise provided under Section 5 of the Employment Agreement, Executive is entitled to nothing further from the Released Parties, including reinstatement by the Company.

2. Executive General Release of Released Parties . In consideration of the payment and benefits provided under the Employment Agreement, Executive hereby unconditionally and irrevocably releases, waives, discharges and gives up, to the full extent permitted by law, any and all Claims (as defined below) that Executive may have against any of the Released Parties, arising on or prior to the date of Executive's execution and delivery of this Release Agreement to the Company. " Claims " means any and all actions, charges, controversies, demands, causes of action, suits, rights, and/or claims whatsoever for debts, sums of money, wages, salary, severance pay, expenses, commissions, fees, bonuses, unvested stock options, vacation pay, sick pay, fees and costs, attorneys' fees, losses, penalties, damages, including damages for pain and suffering and emotional harm, arising, directly or indirectly, out of any promise, agreement, offer letter, contract, understanding, common law, tort, the laws, statutes, and/or regulations of the State of New Jersey or any other state and the United States and Ireland and all other relevant jurisdictions, including, but not limited to, federal and state whistleblower laws, Title VII of the Civil Rights Act of 1964, the Civil Rights Act

of 1991, the Equal Pay Act, the Americans with Disabilities Act, the Family and Medical Leave Act, the Employment Resignation Income Security Act (excluding COBRA), the Vietnam Era Veterans Readjustment Assistance Act, the Fair Credit Reporting Act, the Age Discrimination in Employment Act (" ADEA "), the Older Workers' Benefit Protection Act, the Occupational Safety and Health Act, the Sarbanes-Oxley Act of 2002, the New York State Human Rights Laws, and the New Jersey Law Against Discrimination, the New Jersey Family Leave Act, the New Jersey Civil Rights Act, and the New Jersey Conscientious Executive Protection Act, as each may be amended from time to time, whether arising directly or indirectly from any act or omission, whether intentional or unintentional. This releases all Claims, including those of which Executive is not aware and those not mentioned in this Release Agreement. Executive specifically releases any and all Claims arising out of Executive's employment with the Company or termination therefrom. Executive expressly acknowledges and agrees that, by entering into this Release Agreement, Executive is releasing and waiving any and all Claims, including, without limitation, Claims that Executive may have arising under ADEA, which have arisen on or before the date of Executive's execution and delivery of this Release Agreement to the Company. Notwithstanding the above release terms, this Release Agreement shall not release any claims that Executive has under: (i) the Employment Agreement, and (ii) any plan, option award or equity grant that has been awarded to Executive, including those set forth in Section 5(b) of the Employment Agreement.

3. Representations; Covenant not to Sue . Executive hereby represents and warrants that (A) Executive has not filed, caused or permitted to be filed any pending proceeding (nor has Executive lodged a complaint with any governmental or quasi-governmental authority) against any of the Released Parties, nor has Executive agreed to do any of the foregoing, (B) Executive has not assigned, transferred, sold, encumbered, pledged, hypothecated, mortgaged, distributed, or otherwise disposed of or conveyed to any third party any right or Claim against any of the Released Parties that has been released in this Release Agreement, and (C) Executive has not directly or indirectly assisted any third party in filing, causing or assisting to be filed, any Claim against any of the Released Parties. Except as set forth in Section 10 below, Executive covenants and agrees that Executive shall not encourage or solicit or voluntarily assist or participate in any way in the filing, reporting or prosecution by himself or any third party of a proceeding or Claim against any of the Released Parties, except with respect to enforcing any right under the Employment Agreement or those rights not otherwise released hereunder.

4. Who is Bound . The Company and Executive are bound by this Release Agreement. Anyone who succeeds to Executive's rights and responsibilities, such as the executors of Executive's estate, is bound and anyone who succeeds to the Company's rights and responsibilities, such as its successors and assigns, is also bound.

5. Cooperation With Investigations/Litigation. Executive agrees, upon the Company's request, to reasonably cooperate in any investigation, litigation, arbitration, or regulatory proceeding regarding events that occurred during Executive's tenure with the Company. Executive will make himself reasonably available to consult with the Company's counsel, to provide information, and to appear to give testimony. The Company will reimburse Executive for reasonable out-of-pocket expenses Executive incurs in extending such cooperation, so long as Executive provides advance written notice of Executive's request for reimbursement and provides satisfactory documentation of the expenses.

6. Non-Disparagement and Confidentiality . Executive agrees not to make any defamatory or derogatory statements concerning any of the Released Parties. The Company agrees to direct its employees not to make any defamatory or derogatory statements concerning Executive. Provided inquiries are directed to the Company's Senior Vice President, Corporate Development, the Company shall disclose to prospective employers information limited to Executive's dates of employment and last position held by Executive. Executive confirms and agrees that Executive shall comply with the terms of the Employment Agreement (including, without limitation, Section 7, 8 and 9 of the Employment Agreement) and shall not, directly or indirectly, disclose to any person or entity or use for Executive's own benefit, any confidential information concerning the business, projects, finances or operations of the Company, its affiliates or subsidiaries or any of their respective customers; provided , however , that Executive's obligations under this Section 6 shall not apply to information generally known in the Company's industry through no fault of Executive or the disclosure of which is required by law after reasonable notice has been provided to the Company sufficient to enable the Company to contest the disclosure. Confidential information shall include, without limitation, all trade secrets, know-how, show-how, technical, operating, financial, and other business information and materials, whether or not reduced to writing or other medium and whether or not marked or labeled confidential, proprietary or the like, including, but not limited to, information regarding pricing, margins, customer contact and customer profiles.

7. The Company Property . Executive represents and warrants that he has complied with Section 7(b) of the Employment Agreement and he has returned to the Company all property in his possession, custody or control belonging to the Company, its affiliates or subsidiaries, including, but not limited to, all equipment, computers, pass codes, keys, swipe cards, credit cards, documents or other materials, in whatever form or format, that Executive received, prepared, or helped prepare. Executive represents that Executive has not retained any copies, duplicates, reproductions, computer disks, or excerpts thereof, whether in hard copy or electronic form, of the Company's, its affiliates' or subsidiaries' documents.

8. Remedies . If (i) Executive breaches any material term or condition of this Release Agreement or any material term of the Employment Agreement

and, after being provided with notice of such breach to the extent such breach is curable, fails to cure such breach within 10 business days, or (ii) any material representation made by Executive in this Release Agreement was false when made, then such breach or false representation, as the case may be, shall constitute a material breach of this Release Agreement and in addition to and not instead of the Released Parties' other remedies under law or in equity, Executive shall be required to immediately, upon written notice from the Company, return all payments made to Executive under Section 5 of the Employment Agreement, less $500.00, and Executive shall forfeit all rights granted under Section 5 of the Employment Agreement with respect to any equity awards held by Executive. Executive agrees that if Executive is required to return any amounts and forfeit any rights under the foregoing sentence, this Release Agreement shall continue to be binding on Executive and the Released Parties shall be entitled to enforce the provisions of this Release Agreement as if such amounts and rights had not been repaid or forfeited and the Company shall have no further obligations to Executive under Section 5 of the Employment Agreement. Further, in the event Executive or the Company materially breaches the terms of this Release Agreement, Executive or the Company, as the case may be, agrees to pay all of the Released Parties' or Executive's, as the case may be, attorneys' fees and other costs associated with enforcing this Release Agreement. Notwithstanding the foregoing, it is understood and agreed that Executive shall have no automatic repayment obligations or obligation to pay the Released Parties' attorneys' fees and other costs associated with enforcing the terms of this Release Agreement if Executive were to challenge the ADEA waiver only.

9. Construction of Agreement . In the event that one or more of the provisions contained in this Release Agreement shall for any reason be held unenforceable in any respect under the law of any state of the United States or the United States, such unenforceability shall not affect any other provision of this Release Agreement, but this Release Agreement shall then be construed as if such unenforceable provision or provisions had never been contained herein. If it is ever held that any restriction hereunder is too broad to permit enforcement of such restriction to its fullest extent, such restriction shall be enforced to the maximum extent permitted by applicable law. This Release Agreement and any and all matters arising directly or indirectly herefrom shall be governed under the laws of the State of New Jersey without reference to choice of law rules. The Company and Executive consent to the sole jurisdiction of the federal and state courts of New Jersey. **EMPLOYER AND EMPLOYEE HEREBY WAIVE THEIR RESPECTIVE RIGHT TO TRIAL BY JURY IN ANY ACTION CONCERNING THIS RELEASE AGREEMENT OR ANY AND ALL MATTERS ARISING DIRECTLY OR INDIRECTLY HEREFROM, AND REPRESENT THAT THEY HAVE CONSULTED WITH COUNSEL OF THEIR CHOICE OR HAVE CHOSEN VOLUNTARILY NOT TO DO SO SPECIFICALLY WITH RESPECT TO THIS WAIVER.**

10. Acknowledgments . The Company and Executive acknowledge and agree that:

(a) By entering into this Release Agreement, Executive does not waive any rights or Claims that may arise after the date that Executive executes and delivers this Release Agreement to the Company;

(b) This Release Agreement shall not affect the rights and responsibilities of the Equal Employment Opportunity Commission (the " EEOC ") to enforce applicable laws, and further acknowledge and agree that this Release Agreement shall not be used to justify interfering with Executive's protected right to file a charge or participate in an investigation or proceeding conducted by the EEOC. Accordingly, nothing in this Release Agreement shall preclude Executive from filing a charge with, or participating in any manner in an investigation, hearing or proceeding conducted by, the EEOC, but Executive hereby waives any and all rights to recover under, or by virtue of, any such investigation, hearing or proceeding;

(c) Notwithstanding anything set forth in this Release Agreement to the contrary, nothing in this Release Agreement shall affect or be used to interfere with Executive's protected right to test in any court, under the Older Workers' Benefit Protection Act, or like statute or regulation, the validity of the waiver of rights under ADEA set forth in this Release Agreement; and

(d) Nothing in this Release Agreement shall preclude Executive from exercising Executive's rights, if any, under (i) Section 601-608 of the Employee Retirement Income Security Act of 1974, as amended, popularly known as COBRA, or (ii) the Company's 401(k) Plan.

11. Opportunity For Review .

(a) Executive represents and warrants that Executive (i) has had sufficient opportunity to consider this Release Agreement, (ii) has read this Release Agreement, (iii) understands all the terms and conditions hereof, (iv) is not incompetent or had a guardian, conservator or trustee appointed for Executive, (v) has entered into this Release Agreement of Executive's own free will and volition, (vi) has duly executed and delivered this Release Agreement, (vii) understands that Executive is responsible for Executive's own attorneys' fees and costs, (viii) has had the opportunity to review this Release Agreement with counsel of his choice or has chosen voluntarily not to do so, (ix) has been given twenty-one (21) days to review this Release Agreement before signing this Release Agreement and understands that he is free to use as much or as little of the 21-day period as he wishes or considers necessary before

deciding to sign this Release Agreement, (x) understands that if Executive does not sign and return this Release Agreement to the Company (Attn: Senior Vice President, Corporate Development) on or before January 21, 2012, the Company shall have no obligation to enter into this Release Agreement, Executive shall not be entitled to receive the payments or benefits provided for under Section 5 of the Employment Agreement, and the Resignation Date shall be unaltered; and (xi) understands that this Release Agreement is valid, binding, and enforceable against the parties hereto in accordance with its terms.

(b) This Release Agreement shall be effective and enforceable on the eighth (8th) day after execution and delivery to the Company (Attn: Senior Vice President, Corporate Development) by Executive. The parties hereto understand and agree that Executive may revoke this Release Agreement after having executed and delivered it to the Company (Attn: Senior Vice President, Corporate Development) by delivering notice of revocation to the Company in writing, provided such notice of revocation is received by the Company at the address listed in this Release Agreement above no later than 11:59 p.m. on the seventh (7th) day after Executive's execution and delivery of this Release Agreement to the Company. If Executive revokes this Release Agreement, it shall not be effective or enforceable, Executive shall not be entitled to receive the payments or benefits provided for under Section 5 of the Employment Agreement, and the Resignation Date shall be unaltered.

Agreed to and accepted on this
day of , 2012.

Witness

EXECUTIVE:

W. Carl Reichel

Agreed to and accepted on this
day of , 2012.

EMPLOYER:
WARNER CHILCOTT (US) LLC

By:
Name:
Title:

Exhibit 31.1

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

I, Roger M. Boissonneault, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Warner Chilcott Public Limited Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2011

/s/ Roger M. Boissonneault
Name: Roger M. Boissonneault
Title: President and Chief Executive Officer

Exhibit 31.2

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

I, Paul Herendeen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Warner Chilcott Public Limited Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2011

/s/ Paul Herendeen
Name: Paul Herendeen
Title: Executive Vice President and Chief Financial Officer

Exhibit 32

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT

The certification set forth below is being submitted in connection with Warner Chilcott Public Limited Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2011 (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Roger M. Boissonneault, the Chief Executive Officer and Paul Herendeen, the Chief Financial Officer of Warner Chilcott Public Limited Company, each certifies that, to the best of his knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Warner Chilcott Public Limited Company.

Date: August 5, 2011

/s/ Roger M. Boissonneault
Name: Roger M. Boissonneault
Title: President and Chief Executive Officer

/s/ Paul Herendeen
Name: Paul Herendeen
Title: Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Warner Chilcott Public Limited Company and will be retained by Warner Chilcott Public Limited Company and furnished to the Securities and Exchange Commission or its staff upon request.