



Warner Chilcott Announces 2011 Financial Guidance

DUBLIN, Feb. 15, 2011 /PRNewswire/ -- Warner Chilcott plc (Nasdaq: WCRX) announced today a view of anticipated full year 2011 results.

Total revenues for 2011 are expected to be in the range of \$2.7 to \$2.8 billion. The 2011 revenue expectations reflect, among other things, the expected impact of the loss of exclusivity of ACTONEL (risedronate sodium tablets) in Western European markets as well as the anticipated growth of promoted products in the U.S., including two products launched in early January — ATELVIA (risedronate sodium delayed release tablets) and LO LOESTRIN FE (norethindrone acetate and ethinyl estradiol tablets, ethinyl estradiol tablets and ferrous fumarate tablets).

"We are very excited about the launches of ATELVIA and LO LOESTRIN FE," said Roger Boissonneault, President and Chief Executive Officer of Warner Chilcott. "We believe the dosing of ATELVIA sets it apart from other treatment options for osteoporosis patients. LO LOESTRIN FE offers the lowest dosing of estrogen (10 mcg) in an oral contraceptive currently available in the U.S. market."

Gross profit margin, as a percentage of total revenues, is anticipated to be in the range of 88% to 89% in 2011 based on the forecasted product mix.

Total selling, general and administrative (SG&A) expenses in 2011 are anticipated to be in the range of \$900 to \$950 million. Total R&D spend in 2011 is anticipated to be in the range of \$150 to \$170 million.

Based on the current view, 2011 GAAP net income is expected to be in the range of \$270 to \$296 million. Cash net income in 2011 is anticipated to be in the range of \$883 to \$909 million. Using 256 million ordinary shares, the Company expects GAAP net income per share to be in the range of \$1.05 to \$1.16 and cash net income per share to be in the range of \$3.45 to \$3.55 per share for the full year 2011. The Company defines "cash net income" as the Company's net income adjusted for the after-tax effects of two non-cash items: amortization of intangible assets and amortization (or write-off) of deferred loan costs related to the Company's debt.

This press release contains financial measures such as "cash net income" that have not been prepared in accordance with Generally Accepted Accounting Principles ("non-GAAP financial measures"). The non-GAAP financial measures should not be considered a substitute for financial measures prepared in accordance with Generally Accepted Accounting Principles ("GAAP"). The Company strongly urges you to review the reconciliations of the non-GAAP financial measures, including "cash net income," to GAAP financial measures presented in the footnotes at the end of this press release. The Company also strongly urges you to not rely on any single financial measure to evaluate its business.

For a full view of the Company's 2011 financial guidance, including material assumptions, please refer to the summary at the end of this press release.

Conference Call and Audio Webcast Today

Warner Chilcott will be hosting a conference call and audio webcast on February 15, 2011 at 8:00 a.m. EST to discuss the 2011 Financial Guidance for all interested parties. You may access the conference call by dialing (877) 354-4056 within the U.S. and Canada, and (678) 809-1043 if you are outside the U.S. and Canada. In addition, a live audio webcast of the call will be available at Warner Chilcott's Investor Relations website at <http://ir.wcrx.com/events.cfm>.

A replay of the conference call will be available for two weeks and can be accessed by dialing (800) 642-1687 from within the U.S. or Canada and (706) 645-9291 if you are located outside the U.S. or Canada. The pass code for the replay is 40140054.

The Company

Warner Chilcott is a leading specialty pharmaceutical company currently focused on the women's healthcare, gastroenterology, dermatology and urology segments of the U.S. and Western European pharmaceuticals markets. Warner Chilcott is a fully integrated company with internal resources dedicated to the development, manufacturing and promotion of its products. WCRX-F.

Warner Chilcott's Forward Looking Statements:

This press release contains forward-looking statements, including statements concerning our operations, our anticipated financial performance and financial condition, and our business plans and growth strategy and product development efforts. These statements constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The words "may," "might," "will," "should," "estimate," "project," "plan," "anticipate," "expect," "intend," "outlook," "believe" and other similar expressions are intended to identify forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. These forward-looking statements are based on estimates and assumptions by our management that, although we believe to be reasonable, are inherently uncertain and subject to a number of risks and uncertainties. The following represent some, but not necessarily all, of the factors that could cause actual results to differ from historical results or those anticipated or predicted by our forward-looking statements: our substantial indebtedness, including increases in the LIBOR rates on our variable-rate indebtedness above the applicable floor amounts; competitive factors in the industry in which we operate (including the approval and introduction of generic or branded products that compete with our products); our ability to protect our intellectual property; a delay in qualifying any of our manufacturing facilities that produce our products or production or regulatory problems with either our own manufacturing facilities or third party manufacturers or API suppliers upon whom we may rely for some of our products; pricing pressures from reimbursement policies of private managed care organizations and other third party payors, government sponsored health systems, the continued consolidation of the distribution network through which we sell our products, including wholesale drug distributors and the growth of large retail drug store chains; the loss of key senior management or scientific staff; adverse outcomes in our outstanding litigation or an increase in the number of litigation matters to which we are subject; government regulation, including domestic and foreign health care reform, affecting the development, manufacture, marketing and sale of pharmaceutical products, including our ability and the ability of companies with whom we do business to obtain necessary regulatory approvals; our ability to manage the growth of our business by successfully identifying, developing, acquiring or licensing new products at favorable prices and marketing such new products; our ability to obtain regulatory approval and customer acceptance of new products, and continued customer acceptance of our existing products; changes in tax laws or interpretations that could increase our consolidated liabilities, such as the recently enacted excise tax legislation in Puerto Rico; our ability to realize the anticipated opportunities from the PGP Acquisition; the other risks identified in our periodic filings, including our Annual Report on Form 10-K for the year ended December 31, 2009, and from time-to-time in our other investor communications.

We caution you that the foregoing list of important factors is not exclusive. In addition, in light of these risks and uncertainties, the matters referred to in our forward-looking statements may not occur. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as may be required by law.

Warner Chilcott plc
2011 Full Year Financial Guidance
(U.S. dollars in millions, except per share and percentage information)

	<u>2011 Guidance</u>
Total Revenues (1)	\$2,700 to \$2,800
Gross Margin as a % of Total Revenues (1, 2)	88% to 89%
Total SG&A Expenses (3)	\$900 to \$950
Total R&D Expenses (4)	\$150 to \$170
Total Income Tax Provision (5)	10% - 11% of EBTA
GAAP Net Income (6)	\$270 to \$296
Cash Net Income ("CNI") (7)	\$883 to \$909
CNI per Share (6,7)	\$3.45 to \$3.55

(1) The 2011 guidance assumes (i) that generic equivalents of our DORYX 150 mg, ASACOL 400 mg and ESTRACE CREAM products will not be approved and enter the U.S. market during 2011; (ii) that a generic equivalent of FEMCON FE will be approved and enter the market as early as March 2011; (iii) the expected impact of the loss of exclusivity for ACTONEL in Western European markets and (iv) the growth of our promoted products as compared to the prior year. In

addition our 2011 guidance accounts for revenues expected from the launch of ATELVIA and LO LOESTRIN FE in January 2011. The guidance does not account for the impact of future acquisitions, dispositions, partnerships, in-license transactions or any changes to our exiting partnerships or in-license transactions.

(2) Gross margin percentage excludes the amortization and impairments of intangible assets.

(3) Total SG&A expenses do not include any amount that may be payable in connection with the potential settlement of our outstanding litigations.

(4) Total R&D expenses include \$10 million of anticipated milestone payments in 2011.

(5) The 2011 total income tax provision is estimated as a percentage of earnings before taxes and book amortization (EBTA).

(6) A reconciliation of 2011 expected GAAP net income to expected cash net income adds back the expected after tax impact of the amortization of intangibles (\$560 million) and the after tax impact of deferred loan costs (\$53 million).

(7) Expected cash net income per share is based on 256 million fully diluted ordinary shares.

SOURCE Warner Chilcott plc

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