



## Second Quarter 2016 Conference Call

August 9, 2016

ACRUX DDS PTY LTD  
EXHIBIT 1578  
IPR Petition for

## Forward-Looking Statements

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Certain statements made in this presentation may constitute forward-looking statements, including, but not limited to, statements regarding expected future performance of Valeant Pharmaceuticals International, Inc. (“Valeant” or the “Company”), including guidance with respect to total revenue, Adjusted EPS and Adjusted EBITDA and the assumptions used in connection with such guidance, revenue expectations, expected revenue growth, debt reduction and repayment, the Company’s new business segments and the anticipated growth profile of each, the anticipated approval and launch dates for certain of our pipeline products, the expected impact of the complete response letter for latanoprostene bunod and the related FDA inspection at our Tampa facility, the Company’s plans for future strategic alternatives for certain of its assets, the timing of such strategic alternative transactions and the expected benefits and results of such strategic alternative transactions and the Company’s mission and the plans, goals and strategies related thereto. Forward-looking statements may generally be identified by the use of the words “anticipates,” “expects,” “intends,” “plans,” “should,” “could,” “would,” “may,” “will,” “believes,” “estimates,” “potential,” “target,” or “continue” and variations or similar expressions. These statements are based upon the current expectations and beliefs of management and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, risks and uncertainties discussed in the Company’s most recent annual and quarterly reports and detailed from time to time in Valeant’s other filings with the Securities and Exchange Commission and the Canadian Securities Administrators, which factors are incorporated herein by reference. Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. Valeant undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect actual outcomes, except as required by law.

Note 1: The guidance in this presentation is only effective as of the date given, August 9, 2016, and will not be updated or affirmed unless and until the Company publicly announces updated or affirmed guidance.

## Non-GAAP Information

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To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), the Company presents certain non-GAAP financial measures including (i) Adjusted Earnings per Share ("EPS"), (ii) Adjusted Net Income, (iii) Adjusted EBITDA, (iv) Adjusted Cost of Goods (COGS), (v) Total Gross Margin, (vi) Adjusted R&D Investment (non-GAAP), (vii) Adjusted SG&A, (viii) Adjusted Operating Margin, (ix) Interest Expense (non-GAAP), (x) Tax Expense (non-GAAP), (xi) EBITA Margin/EBITA Growth, (xii) EBITDA and (xiii) Total Revenue (non-GAAP).

The reconciliations of these historic non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP can be found in the appendix to this presentation. Other than with respect to total revenue, the Company only provides guidance on a non-GAAP basis and does not provide reconciliations of such forward-looking non-GAAP measures to GAAP, due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations. In periods where there are not expected to be significant acquisitions or divestitures, the Company believes it might have a basis for forecasting the GAAP equivalent of certain costs, such as amortization, that would otherwise be treated as non-GAAP to calculate projected net income (loss). However, because other deductions (e.g., restructuring gain or loss on extinguishment of debt and litigation settlements) used to calculate projected net income (loss) vary dramatically based on actual events, the Company is not able to forecast on a GAAP basis with reasonable certainty the deductions needed in order to provide a GAAP calculation of projected net income (loss) at this time.

Management uses these non-GAAP measures as key metrics in the evaluation of Company performance and the consolidated financial results and, in part, in the determination of cash bonuses for its executive officers. The Company believes these non-GAAP measures are useful to investors in their assessment of our operating performance and the valuation of our Company. In addition, these non-GAAP measures address questions the Company routinely receives from analysts and investors and, in order to assure that all investors have access to similar data, the Company has determined that it is appropriate to make this data available to all investors. However, non-GAAP financial measures are not prepared in accordance with GAAP, as they exclude certain items as described herein. Therefore, the information is not necessarily comparable to other companies and should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

Please see the Appendix to this presentation for a more detailed description of each non-GAAP financial measure used by the Company herein, including the adjustments reflected in each non-GAAP measure.

## Today's Topics

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Reconfirming Full Year 2016 Guidance

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Q2 2016 Financial Results

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Significant Progress Since Q1

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The New Valeant

## Reconfirming Full Year 2016 Guidance

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	2016 Guidance
Total Revenue	\$9.9B - \$10.1B
Adjusted EPS (non-GAAP) <sup>1</sup>	\$6.60 - \$7.00
Adjusted EBITDA (non-GAAP) <sup>1</sup>	\$4.80B - \$4.95B

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