



Valeant Pharmaceuticals International, Inc.

Q3 2015 Financial Results
October 19, 2015

ACRUX DDS PTY LTD
EXHIBIT 1591
IPR Petition for
U.S. Patent No. 7,214,5



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 marketing efforts, portfolio expansion, debt reduction, future acquisitions and dispositions, share repurchases, future price increases and the volume and price with respect to future growth, the relative mix of the components of our future business, expectations with respect to litigation, government investigations, expected future performance, including guidance with respect to revenue, Cash EPS, adjusted cash flow from operations and organic growth, future inventory levels, and expectations with respect to the timing of and outcome of development programs, regulatory approvals and commercial plans with respect to product candidates. 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 "contingent" 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. The risks and uncertainties include, but are not limited to, risks and uncertainties discussed in the Company's most recent annual or quarterly report as detailed from time to time in Valeant's other filings with the Securities and Exchange Commission and the Canadian Securities Administrator. Factors are incorporated herein by reference. Readers are cautioned not to place undue reliance on any of these forward-looking statements. 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.

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To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), the company uses non-GAAP financial measures that exclude certain items, such as amortization of inventory step-up, amortization of alliance product assets & product plant and equipment step up, stock-based compensation step-up, contingent consideration fair value adjustments, restructuring, integration, acquisition-related and other costs, In-process research and development, impairments and other charges, ("IPR&D"), legal settlements outside the ordinary course of business, the impact of currency fluctuations, amortization including intangible asset impairments and other non-cash charges, amortization and write-down of deferred financing costs, debt discounts and ASC 470-20 (FSP APB 14-1) interest, loss on extinguishment of debt, (gain) loss on assets sold/held for sale/impairment, net, (gain) loss on investments, net, and adjusts tax expense to cash taxes. Management uses non-GAAP financial measures internally for strategic decision making, forecasting future results and evaluating current performance. By disclosing non-GAAP financial measures, management intends to provide investors with a meaningful, consistent comparison of the company's core operating results and trends for the periods presented. Non-GAAP financial measures are not prepared in accordance with GAAP. 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.

Note 1: The guidance in this presentation is only effective as of the date given, October 19, 2015, and will not be updated or affirmed unless and until the Company publicly announces updated or affirmed guidance.



Q3 2015 Highlights

- **Exceeded top line and bottom line Q3 guidance; 5th consecutive quarter of >10% organic growth**
 - Includes negative FX impact of \$172M revenues and \$0.13 Cash EPS
 - Continued outperformance of U.S. businesses, particularly dermatology and contact lens
 - Strong organic growth in China (23%), South Korea (15%), and Mexico (10%)
- **Continued strong Salix performance**
 - IBS-D indication for Xifaxan (including DTC campaign)
 - Salix inventories reduced to 8-10 weeks
- **Addyi launched 10/17**
- **Four deals closed in October**
 - Brodalumab
 - Sprout
 - Synergetics
 - Amoun (expected to close today)
- **Strong cash flow from operations**
 - GAAP cash flow from operations \$737M
 - 90% cash conversion

Q3 2015 Financial Results

	Q3 2015	Q3 2014	Y/Y%	Adjusted Y/Y% ^(a)
Total Revenue	\$2.8 B (guidance \$2.6 – 2.8B)	\$2.1 B	36%	44%
Cash EPS	\$2.74 (guidance \$2.60 – 2.70)	\$2.11	30%	36%
GAAP Cash Flow from Operations	\$737M	\$619M	19%	26%
Adjusted Cash Flow from Operations	\$865M	\$771M	12%	18%

a) Negative FX Y/Y Impact: Revenue \$172M, Cash EPS \$0.13



Q3 2015 Organic Growth

Same Store Sales – Y/Y growth rates for businesses that have been owned for one year or more

	<u>Q3 2015</u>	<u>YTD 2015</u>
Total U.S.	22%	27%
Total Developed	16%	19%
Total Emerging Markets	3%	5%
Total Company	13%	15%

Pro Forma – Y/Y growth rates for entire business, including businesses that have been acquired within the last year

	<u>Q3 2015</u>	<u>YTD 2015</u>
Total U.S.	26%	27%
Total Developed	21%	21%
Total Emerging Markets	4%	5%
Total Company	17%	17%

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