



1Q

19

Financial Results

BAUSCH+Health

Forward-Looking Statements

This presentation contains forward-looking information and statements, within the meaning of applicable securities laws (collectively, "forward-looking statements"), including, but not limited to, statements regarding Bausch Health's future prospects and performance (including the Company's 2019 full-year guidance and targeted three-year CAGR¹ of revenue growth and Adjusted EBITDA (non-GAAP) growth), planned dermatology growth, anticipated revenue from our Significant Seven products, the expected impact on long-term growth of new product approvals, the anticipated submission, approval and launch dates for certain of our pipeline products and R&D programs, the anticipated timing of commencement of studies or other development work of our pipeline products and R&D programs, the anticipated timing of the loss of exclusivity of certain of our products and the expected impact of such loss of exclusivity on our financial condition, expected reported revenue growth and expected revenue generated from the Significant Seven and TRULANCE[®], expected cash generated from operations and the anticipated uses of same, expected growth in R&D investment and the amount of such growth, anticipated continued improvement in operational efficiency (Project CORE) and the expected impact of such efficiencies, management's commitments and expected targets and our ability to achieve the action plan and expected targets in the periods anticipated, the Company's mission (and the elements and timing thereof) and the Company's plans and expectations for 2019 and beyond. Forward-looking statements may generally be identified by the use of the words "anticipates," "expects," "goals," "intends," "plans," "should," "could," "would," "may," "will," "believes," "estimates," "potential," "target," "commit," "tracking," or "continue" and variations or similar expressions, and phrases or statements that certain actions, events or results may, could, should or will be achieved, received or taken or will occur or result, and similar such expressions also identify forward-looking information. These forward-looking statements, including the Company's 2019 full-year guidance and management's expectations and expected targets for 2019 and beyond, are based upon the current expectations and beliefs of management and are provided for the purpose of providing additional information about such expectations and beliefs and readers are cautioned that these statements may not be appropriate for other purposes. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results and events to differ materially from those described in these forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties discussed in the Company's most recent annual and quarterly reports and detailed from time to time in the Company's other filings with the Securities and Exchange Commission and the Canadian

Securities Administrators, which risks and uncertainties are incorporated herein. In addition, certain material factors and assumptions have been applied in our forward-looking statements, including, without limitation, assumptions regarding 2019 full-year guidance with respect to currency impact, adjusted SG&A expense (non-GAAP), the Company's ability to continue to manage such expense in the manner anticipated, the anticipated timing and extent of the Company's R&D expense, the expected impact of loss of exclusivity for certain of our products, expected base performance regarding our newly acquired TRULANCE[®] product and expectations regarding our operations, assumptions respecting our targeted three-year CAGR of revenue growth and Adjusted EBITDA (non-GAAP) growth including, without limitation, expectations on currency and mid-point of 2019 guidance, assumptions regarding our expectations regarding revenue growth in 2019, including, but not limited to, expectations on exchange rate and 2019 guidance, and that the risks and uncertainties outlined above will not occur or events to differ materially from those described in these forward-looking statements. Additional information regarding certain of these material factors and assumptions is found in the Company's filings described above. The Company believes that the risks and assumptions reflected in these forward-looking statements are material under the circumstances, but readers are cautioned not to place undue reliance on our forward-looking statements. These forward-looking statements speak only as of the date of this presentation. Bausch Health 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 changes in circumstances unless required by law.

The guidance in this presentation is only effective as of the date of this presentation, 2019, and will not be updated or affirmed unless and until the Company announces updated or affirmed guidance.

Distribution or reference of this deck following May 6, 2019 does not constitute a Company re-affirming guidance.



Non-GAAP Information

To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses certain non-GAAP financial measures including (i) Adjusted EBITDA, (ii) Adjusted EBITA, (iii) EBITA, (iv) EBITA Margin, (v) Adjusted Gross Profit/Adjusted Gross Margin (vi) Adjusted Selling, A&P, (vii) Adjusted G&A, (viii) Adjusted SG&A, (ix) Total Adjusted Operating Expense, (x) Adjusted Net Income, (xi) Adjusted Tax Rate, (xii) Organic Revenue, Organic Operating Results, Organic Growth, Organic Change and Organic Revenue Decline and (xiii) Constant Currency. Management uses some of 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 the 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, these measures are not prepared in accordance with GAAP nor do they have any standardized meaning under GAAP. In addition, other companies may use similarly titled non-GAAP financial measures that are calculated differently from the way we calculate such measures. Accordingly, our non-GAAP financial measures may not be comparable to such similarly titled non-GAAP measures. We caution investors not to place undue reliance on such non-GAAP measures, but instead to consider them with the most directly comparable GAAP measures. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation. They should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

The reconciliations of these historic non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are shown in the appendix hereto. However, for guidance and expected CAGR¹ purposes, the Company does not provide reconciliations of projected Adjusted EBITDA (non-

GAAP) to projected GAAP net income (loss), due to the inherent difficulty in and quantifying certain amounts that are necessary for such reconciliations where significant acquisitions or divestitures are not expected, the Company might have a basis for forecasting the GAAP equivalent for certain costs, such as amortization, that would otherwise be treated as a non-GAAP adjustment to projected GAAP net income (loss). However, because other deductions (e.g., restructuring, gain or loss on extinguishment of debt and litigation and other) used to calculate projected net income (loss) may vary significantly based on events, the Company is not able to forecast on a GAAP basis with reasonable accuracy all deductions needed in order to provide a GAAP calculation of projected net income (loss) at this time. The amounts of these deductions may be material and, therefore, could result in GAAP net income (loss) being materially different from (including but not materially less than) projected Adjusted EBITDA (non-GAAP).



Today's Topics

1

Opening Remarks & 1Q19 Highlights

2

1Q19 Financial Res

3

FY 2019 Guidance

4

Segment Highlights & 2019 Catalysts

Pivoting to Offense

Highest Quarter of Organic Growth^{1,2} for Total Company Since 3Q15

Core Business Execution

- **5% total Company organic revenue growth^{1,2}** versus 1Q18; **Highest quarter of total Company organic revenue growth^{1,2}** since 3Q15
- **~77% of Bausch Health's total revenue** is generated from the Bausch + Lomb/International and the Salix segments, which saw combined **7% organic revenue growth^{1,2}** during 1Q19 compared to 1Q18³
 - *Highest quarter of Bausch + Lomb/International organic revenue growth^{1,2} since Bausch + Lomb acquisition in 2013*
- **Top 10 products** in aggregate across the Company delivered **11% organic revenue growth^{1,2}** versus 1Q18

Strategic Capital Allocation and Debt Management

- **\$413M of cash generated from operations** during 1Q19
- **Increased R&D investment by ~30% in 1Q19** vs. 1Q18
- **Refinanced \$1.5B of 2021 and 2023 Sr. Unsecured Notes**
- **Reduced debt by >\$100M** in 1Q19 using cash on hand, while still completing the acquisition of certain assets of Synergy Pharmaceuticals

New Product Approvals and Launches

- DUOBRII™ (FDA Approved; Launch Expected)
- BRYHALI™ Launch: Rapid prescription uptake by dermatologists within the first four months of launch
- LOTEMAX® SM (loteprednol etabonate ophthalmic emulsion) 0.38% (FDA Approved and Launched)
- Tangible® Hydra-PEG® custom contact lens technology (FDA Approved and Launched)
- Launch of Thermage FLX® in Asia Pacific

Strategic Transactions

- Completed the acquisition of certain assets of Synergy Pharmaceuticals, which included TRULAND® and investigational compound dolcanatide
- Acquired EM-100⁹: Investigational eye drops for the treatment of itchy eyes associated with allergies
- Entered into license agreement with UCLA to develop and commercialize novel compound for treatment of NAFLD⁶ and NASH⁷
- Entered into exclusive license agreement with Tanabe to develop and commercialize late stage investigational S1P⁸ modulator for the treatment of inflammatory bowel disease

1. See Slide 2 and Appendix for further non-GAAP information.

2. Organic growth, a non-GAAP metric, is defined as an increase on a year-over-year basis in revenues on a constant currency basis (if applicable) excluding the impact of acquisitions, divestitures and discontinuations.

5. University of California.

6. Non-alcoholic fatty liver disease.

7. Non-alcoholic steatohepatitis.

Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.