

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ Please see attached statement.

18 Can any resulting loss be recognized? ▶ Please see attached statement.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Please see attached statement.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ▶ Lisa DeFrancesco Date ▶ 7/14/14

Print your name ▶ Lisa DeFrancesco

Title ▶

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN	
	Brian S. Frey	<u>Brian S. Frey</u>	<u>7/14/14</u>		P01387943	
	Firm's name ▶	PricewaterhouseCoopers LLP			Firm's EIN ▶	13-4008324
	Firm's address ▶	400 Campus Drive, P.O. Box 988, Florham Park NJ Phone no. 973-236-5169				

Form 8937
Actvais plc (NYSE: ACT)
EIN: 98-1114402

Part II

Question 14

On July 1, 2014, Actavis plc (NYSE: ACT; hereinafter referred to as “ACT” or “Actavis”) acquired Forest Laboratories, Inc. (NYSE: FRX; hereinafter referred to as “FRX” or “Forest”) through a series of mergers (the “Mergers”). It is intended that, for U.S. federal income tax purposes, the acquisition will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code. Following the acquisition, FRX common stock was delisted from the New York Stock Exchange (“NYSE”), deregistered under the Exchange Act and ceased to be publicly traded. This Form 8937 is intended to apply to the former U.S. holders of FRX common stock.

Pursuant to the Agreement and Plan of Merger entered into on February 17, 2014 between Actavis, Forest, Tango US Holdings Inc., Tango Merger Sub 1 LLC and Tango Merger Sub 2 LLC (the “Merger Agreement”), Forest stockholders were entitled to elect to receive, (i) 0.3306 of an Actavis ordinary share and \$26.04 in cash, without interest (the “Standard Election Consideration”), (ii) 0.4723 of an Actavis ordinary share, subject to proration and allocation procedures set forth in the Merger Agreement (the “Stock Election Consideration”) or (iii) \$86.81 in cash, without interest, subject to proration and allocation procedures set forth in the Merger Agreement (the “Cash Election Consideration”), in exchange for each share of Forest common stock. The deadline for making this election was 5:00 p.m., New York City time, on June 27, 2014 (the “Election Deadline”).

Based on the final results of the elections and the terms of the Merger Agreement:

- Holders of approximately 13.81% of the outstanding shares of Forest common stock, or approximately 37,487,783 shares of common stock, elected to receive the Standard Election Consideration, with fractions of an Actavis ordinary share being cashed out at \$219.00 per Actavis ordinary share (fractional share value determined per the Merger Agreement).
- Holders of approximately 0.44% of the outstanding shares of Forest common stock, or approximately 1,202,340 shares of common stock, elected to receive the Cash Election Consideration, which entitles each holder to \$86.81 in cash.
- Holders of approximately 72.78% of the outstanding shares of Forest common stock, or approximately 197,607,707 shares of common stock, elected to receive the Stock Election Consideration, which, after giving effect to the prorations, entitles each holder to \$25.67 in cash plus 0.3326 of an Actavis ordinary share, with fractions of an Actavis ordinary share being cashed out at \$219.00 per

Actavis ordinary share (fractional share value determined per the Merger Agreement).

- Holders of approximately 12.97% of the outstanding shares of Forest common stock, or approximately 35,228,456 shares of common stock, failed to make a valid election or did not deliver a valid election form prior to the Election Deadline and will receive the Standard Election Consideration for each Actavis ordinary share, with fractions of an Actavis ordinary share being cashed out at \$219.00 per Actavis ordinary share (fractional share value determined per the Merger Agreement).

Question 15

As a reorganization within the meaning of Section 368(a) of the Code, a U.S. holder of FRX common stock that elected to receive the Standard Election Consideration or the Stock Consideration Election will have an aggregate adjusted tax basis in any ACT shares received (including the basis allocable to any fractional ACT share in lieu of which cash was received) equal to the holder's aggregate adjusted tax basis in the Forest common stock surrendered pursuant to the Mergers, decreased by the amount of any cash received (excluding any cash received in lieu of a fractional ACT ordinary share) and increased by the amount of gain, if any, recognized by such U.S. holder on the exchange or any amount treated as a dividend to such U.S. holder (excluding any gain or loss recognized with respect to a fractional ACT ordinary share). This calculation should be performed separately for each "block" of FRX shares (a block means shares that are acquired on the same date and at the same price).

A U.S. holder of FRX common stock that owns, directly or by attribution, 5% or more of the vote or value of ACT immediately after the Mergers that does not file a gain recognition agreement will recognize gain or loss equal to the difference between the sum of the fair market value of their ACT ordinary shares and any cash received in the Mergers and their tax basis (cost basis) in the FRX common stock surrendered. Such 5% U.S. holder's will have a fair market value basis in any ACT shares received in the Mergers.

As a reorganization within the meaning of Section 368(a) of the Code, a U.S. holder of FRX common stock that elected to receive the Cash Election Consideration will generally be treated as having their new ACT shares redeemed by ACT for the cash received and will recognize a gain or loss equal to the difference between the cash received and their tax basis (cost basis) in their FRX common stock. This calculation should be performed separately for each "block" of FRX shares (a block means shares that are acquired on the same date and at the same price). If a U.S. holder actually or constructively owns ACT ordinary shares immediately after the Mergers, it is possible that the cash received by such U.S. holder pursuant to the Mergers may be treated as a dividend under the tests set forth in Section 302 of the Code. U.S. holders receiving solely cash in the Mergers that actually or constructively own ACT ordinary shares immediately after the Mergers

should consult their own tax advisors regarding the potential application of these rules to them in light of their particular circumstances.

Question 16

Actavis believes that U.S. holders of common stock of FRX may use the closing share price of ACT ordinary shares on the NYSE on June 30, 2014, \$223.05, as a fair market value of stock consideration received in order to value the amount of gain realized on the exchange for purposes of any gain recognition and/or basis calculations. However, fair market value is generally a facts and circumstances determination, and it is possible a different fair market value for ACT ordinary shares could be utilized which would yield a differing result. Shareholders should consult their own tax advisors as to the particular tax consequences to them of the transaction.

Question 17

Generally, Internal Revenue Code Sections 302, 354, 356, 358, 367, 368, 1001 and 1012 are applicable.

Question 18

No loss may be recognized under the applicable Internal Revenue Code sections by U.S. holders of FRX common stock who chose the Standard Election Consideration or the Stock Election Consideration and, thus, received consideration including both ACT ordinary shares and cash (excluding any cash received in lieu of a fractional ACT ordinary share). Loss may be recognized by U.S. holders of FRX common stock that chose the Cash Election Consideration and, thus, receive solely cash as consideration for their shares, or on the receipt of cash in lieu of a fractional ACT ordinary share by U.S. holders of FRX common stock that chose the Standard Election Consideration or the Stock Election Consideration.

Question 19

If a U.S. holder chose the Standard Election Consideration or the Stock Election Consideration and, thus, received a combination of Actavis ordinary shares and cash pursuant to the Mergers, the gain recognized may be treated as a dividend for U.S. federal income tax purposes if the exchange has the effect of the distribution of a dividend. Please see the Actavis plc Form S-4 filed with the Securities and Exchange Commission on May 2, 2014 for further general U.S. tax consequences. Shareholders should consult their own tax advisors as to the particular tax consequences to them of the transaction.