February 18th, 2016

Full Year 2015 Financial Results Ahead of Plan. Guidance for 2016 confirmed.

Period to December 31st	**Q4 2015 $m**	Q4 2014 $m	**% Δ actual FX**	**% Δ constant FX**	**FY 2015 $m**	FY 2014 $m	**% Δ actual FX**	**% Δ constant FX**
Net Revenue	**248**	272	-9	-6	**1,014**	1,115	-9	-6
Operating Profit	**38**	104	-63	-61	**346**	562	-38	-36
Net Income	**37**	77	-52	-52	**228**	403	-43	-42
EPS (cents per share)	**5**	11	-55	-55	**32**	56	-43	-41

Full Year Financial Highlights

- Net revenue at $1,014m (2014: $1,115m) declined 9% versus prior year with strong market growth offset by lower average market share and higher rebates, in connection with formulary access in the US, versus prior year and exchange. Net revenue at constant FX declined by 6%.
- Operating profit of $346m (2014: $562m), reflected lower net revenues, and expected higher operating costs as a standalone PLC, including $31m exceptional costs, $15m arising from the establishment of Indivior PLC plus $16m relating to Nasal Naloxone following its non-approval in November and a decision to discontinue further development of the existing formulation.
- Net income was $228m (2014: $403m) after net financing costs of $61m (2014: $1m) and tax rate of 20% (2014: 28%) including $4m exceptional credit.
- Cash balance at period end of $467m after the buy back of $75m of debt in December. Net debt of $174m (vs. FY 2014: $428m).

Full Year Operating Highlights

- US market growth in FY 2015 continued to be in low double digits. Suboxone® Film average market share was 59% (2014: 62%), ahead of the 2014 exit share but below 2014 on average.
- New product pipeline progress. Ongoing Phase 3 trials of Buprenorphine Monthly Depot and Risperidone Monthly Depot on track; Arbaclofen Placarbil for treatment of alcohol use disorders first patient in Phase 2A trial in September 2015; oral swallowable capsule of Buprenorphine Hemiadipate for opioid dependence treatment, last subject out of Phase 1 trial in December 2015.
- ANDA Litigation. Trial in the lawsuits against Actavis and Par completed in December with ruling expected early in Q2. There are now six ANDA filers seeking FDA approval to market generic Suboxone® Film in the US.

Dividend

- The Board announces a second interim dividend of 9.5 cents a share completing its prospectus indication at the time of the demerger. Following its review of future dividend policy, Indivior PLC does not propose to pay further dividends in the foreseeable future.

Guidance

- Full year 2016 guidance issued in December is confirmed: net revenue of $945m-$975m and net income in a range of $155m-$180m excluding exceptionals and at constant exchange rates assuming; no material change to current market conditions in the US; no disruption to US generic pricing; no generic film entry; and limited impact of branded competition. The guidance also reflects a strategic decision to reinvest up to at least an additional $35m in R&D and pre-commercialisation activity for launch of Buprenorphine Monthly Depot for opioid dependence.

Comment by Shaun Thaxter, CEO of Indivior PLC

"Indivior PLC had an encouraging first year as a public company." commented **Shaun Thaxter**, **CEO of Indivior PLC**. "We significantly outperformed our financial plan for the year while delivering on the commitments we made at the time of the demerger and successfully managing separation from Reckitt Benckiser Group plc ('RB'). This over-delivery allowed us both to reward shareholders with higher than expected profits and dividend, while using a proportion of the over-delivery to reinvest in the long-term organic growth drivers of our business. We made significant strategic progress against our objectives for the year. The treatment market in the US grew by double digits, with many new doctors certified, and more patients in treatment. Suboxone® Film share of 59% in the US demonstrated the resilience of our core business in the face a highly competitive market featuring multiple generic and branded competitors. Our pipeline of potential treatments for addiction made progress. The potentially transformational Monthly Depot of Buprenorphine continues its phase 3 trials, our Monthly Risperidone Depot completed its phase III efficacy trial and is continuing its long-term safety extension study as planned, while we commenced trials for our oral swallowable capsule of Buprenorphine Hemiadipate for opioid dependence treatment, and for Arbaclofen Placarbil for treatment of alcohol use disorder."

"Our belief in the growing medium-term opportunity for Indivior PLC continues to be strong. Clearly, in the short-term, resolving the multiple ANDA challenges to our core business is our critical focus. We continue to believe in the strength of our intellectual property portfolio, but we recognise that early certainty will benefit shareholders and the Company."

"Indivior PLC is otherwise well positioned for 2016. Our priorities for the year are to continue to help expand access to treatment for the chronic relapsing disease of addiction in the US and globally - the focus at government level on addressing opioid misuse in the US suggests that access to treatment will continue to grow; to build on the resilience of our existing franchise with Suboxone® Film in the US; to continue relentless progress in developing our pipeline of potentially transformational treatments for addiction; to seek appropriate diversification of the business into strategically interesting new sources of revenue and cashflow; and to strengthen the Company's financial position. In 2016 we are consciously stepping up investment in R&D and pre-commercialisation projects, and particularly in pre-launch marketing and market preparation for the launch of our Monthly Depot of Buprenorphine. Our financial guidance for 2016 is based on what we believe to be the likeliest market outcome, and would mean another satisfactory year, delivering profit and cash while taking us another year nearer to the launch of the next generation products from our pipeline."

Full Year Operating Review

US Market Update

The market for buprenorphine products continued to grow in 2015, showing volume growth of low double digit percentage in line with expectation. As expected, the market passed the anniversary of the impact of the Affordable Care Act in Q2 and there has been modest slowing in year-on-year market growth as a result. A key driver of growth remains the certification of new physicians to practice addiction medicine as patients look to find treatment. Such certification is running close to record levels.

Suboxone® Film had a market share of 59% on average in 2015, compared to 62% in the same period in 2014. This was slightly ahead of the exit share at the end of 2014, so market share has been more than maintained through the year to date. As in the second half of last year, the Company continues to offer tactical rebates in connection with formulary access for Suboxone® Film, in the face of continuing aggressive discounting by branded competitors although these competitors have made limited market share impact. In addition, the Company increased its coupon for cash paying

patients in 2015; the coupon has had strong uptake, resulting in recovering market share of cash-paying patients but at some marginal cost to net pricing.

While share has been maintained at 59% in 2015, Suboxone® has lost a number of managed Medicaid and one fee for service account (price sensitive payors) to heavily discounted prices from branded competitors which when annualised will more than outweigh the recovery of formulary access at CVS from January 2016. As a result, it is likely that there will be some modest erosion in Suboxone® Film's share over the next six months. However, the lost accounts typically were at higher rebate levels and therefore lower margin than average. At the end of 2015 a fifth generic buprenorphine/naloxone tablet was approved and entered the market, manufactured by Akorn Inc. (formerly Hi-Tech), but so far this has not had a material impact on generic tablet pricing.

Guidance for Full Year 2016

On December 9th, 2015 the Company issued its preliminary financial guidance for 2016. This guidance is confirmed at net revenue in a range of $945m to $975m, an operating margin maintained at or above 30%, and net income in a range of $155m to $180m all at constant exchange.

- This guidance is based on the assumption of no material change to current US market conditions - no disruption to US generic tablet pricing, no generic film entry, and limited impact of branded competition in 2016. The net income guidance excludes exceptional items.
- The guidance also reflects a strategic decision to reinvest an increased portion (currently expected to be at least an additional $35m) of the profit generated in excess of original assumptions; this will be invested in pre-commercialisation activity in preparation for the launch of Buprenorphine Monthly Depot for opioid dependence; and in additional R&D activity to support the existing pipeline including additional clinical trials.
- This additional investment is designed to give pipeline projects a strong start on launch as Indivior will be better prepared in terms of training, market access and sales capability.

Dividend

The Board announces a second interim dividend of 9.5 cents per share. Together with the first interim dividend of 3.2 cents per share paid in October 2015, this brings the total dividend for the year to 12.7 cents per share. This fulfils the Company's indication, at the time of the demerger from RB, that the Company would pay out 40% of net income as a dividend, payable in US$s, for financial year 2015.

The second interim dividend will be paid on July 29th, 2016, to shareholders on the register on June 17th, 2016. The ex-dividend date will be June 16th, 2016. The US$/GB£ exchange rate to be applied will be announced on July 8th, 2016.

Shareholders will be given the option to have dividends reinvested by the Company's Dividend Reinvestment Plan.

Future Dividend Policy

The Board, as indicated in the prospectus for the demerger in November 2014, has considered future dividend policy in the light of the Company's current financial position, strategy and prospects. Given the uncertainties facing the Company, including generic challenges to the intellectual property of Suboxone® film, the level of gross debt together with the associated covenants and the need to seek to diversify the sources of revenue and cash-flow, the Company does not expect to pay ordinary dividends for the foreseeable future.

Financial Performance for twelve months to December 31st, 2015

For full year, total net revenue decline of 9% to $1,014m (2014: $1,115m) at actual exchange rates reflects strong US market growth, lower average market share versus prior year, plus higher rebates to payors in connection with formulary access, and higher coupons for cash-paying patients in the US versus prior year plus the impact of adverse translation into USDs from weaker currencies in Rest of World (Euro, Australian Dollar and Sterling). At constant exchange rates, the decline in net revenue was 6%.

In Q4, total net revenue declined 9% at actual exchange rates to $248m (Q4 2014: $272m). At constant exchange rates the decline in Q4 was 6%.

US net revenue declined in the full year by 6% to $807m (2014: $855m). Volume was ahead of last year reflecting market growth offset by lower average market share compared to prior year. Pricing reflected a combination of channel mix, with lower margin Medicaid sales growing faster than total market, and continuing tactical rebates, in connection with formulary access in both commercial managed care and Medicaid in the face of aggressive discounting by branded competitors, plus the effect of increased coupons for cash-paying patients.

In Q4, net revenue declined by 7% in the US to $194m (Q4 2014: $209m) reflecting less reduction in average market share year-on-year and an improving trend in the year-on-year level of tactical rebates but offset by some slowing in market growth as the anniversary of the Affordable Care Act passed and the increase in couponing for cash-paying patients. Q4 (-7%) was also affected by some timing differences with Q3 (-1%).

For the full year, Rest of World net revenue declined by 20% to $207m (2014: $260m) as reported in USDs but the majority of this decline, 12%, was due to translation into a much stronger USD. At constant exchange, the net revenue decline was 8%, reflecting continuing price constraints from Government austerity measures and forced switching to generics in Europe, offset by continuing growth in Australia. European market share has been resilient, with growth in Suboxone® offsetting slight erosion of Subutex.

In Q4, Rest of World net revenue declined 14% to $54m (Q4 2014: $63m); at constant exchange rates the decline was 4%. Q4 reported sales therefore rebounded following the slight disruption arising from change of trading name in several markets in Q3 (where net revenue was -16% at constant exchange rates).

Gross margin for the full year was 90%, slightly below last year (2014: 91%).

SD&A expenses (excluding exceptional items) for the full year increased by 19% to $408m (2014: $319m). The increase mainly reflects standalone public company costs in line with the guidance given at the time of the demerger plus increased legal expenses. Exceptional costs of $15m were included in SD&A (2014 $24m). These relate to one-off costs arising from the demerger and establishment of Indivior PLC, such as product and company re-registration.

R&D expenses (excluding exceptional items) for the year increased, as planned, by 15% to $132m (2014: $115m), reflecting the level of activity in the Company's clinical development pipeline, which has advanced compared to prior year, and in particular to the fact that there were four pivotal Phase 3 trials running in 2015, together with the commencement of two new clinical trials. R&D expenses in 2015 were more evenly distributed across the year than in 2014 when they were heavily biased to H2, particularly Q4. The level of investment in R&D was consciously increased during the year. R&D expenses as reported of $148m included an exceptional charge of $16m relating to Nasal Naloxone following its non-approval by the FDA in November and where, following a review, Indivior has decided to discontinue further development of the existing formulation other than in support of the French ATU.

Operating profit for the year was $346m, 38% below prior year (2014: $562m) and was 36% lower at constant exchange. Excluding exceptional costs, operating profit was $377m, 36% below prior year.

EBITDA for the full year was $370m (2014: $588m), and excluding the exceptional costs was $401m (2014: $612m).

Operating margin was 34% as reported. Excluding the exceptional costs, the operating margin was 37% (2014: 53%). This margin reflects lower net revenues and higher operating costs, primarily due to the additional costs of operating as a standalone public company compared to the carve-out financials for 2014, as laid out in the prospectus last November.

Finance expenses for the full year were $61m (2014: $1m) being the full all-in cost of interest and amortisation for the $750m borrowing facility. Q4 finance expenses were $14m, reflecting the all-in cost for a full quarter.

The tax charge for the full year was $57m, an effective rate of 20% (2014: 28%) including $4m exceptional tax credit due to the resolution of prior year tax matters and provision for tax contingencies. The underlying tax rate of 22% on the pretax profit for the period reflected the mix of profits in the period plus the benefit of a change in US taxation relating to R&D expenses plus some one-off items. Based on current projections the Group expects our full year 2016 effective tax rate to be around 25% though we are continuing to assess opportunities to optimize our group structure.

Net income for the year was therefore $228m (2014: $403m), a decline of 43% compared to 2014 as reported. At constant exchange rates, the decline was 41%. Excluding exceptional costs, the net income was $246m, a decline of 41%.

EPS for the full year was 32 cents (2014: 56 cents) basic and 31 cents (2014: 56 cents) on a fully diluted basis. On an adjusted basis, excluding the effect of exceptional costs of $31m, basic and fully diluted EPS were both 34 cents.

Cash Flow

Cash generated from operations in the full year was $518m (2014: $523m), a decrease of $5m reflecting a significant improvement in net working capital with a release of cash of $127m partially offsetting $216m lower operating profits in the year compared to 2014. Depreciation, amortization and impairment (non cash items) increased to $40m, partly reflecting the impact of the impairment charge for Nasal Naloxone.

In the full year net cash inflow from operating activities was $320m (2014: $440m) reflecting the slight increase in cash from operating activities plus higher tax payments in the period of $131m (2014: $59m), interest paid of $44m (2014: nil) and transaction costs relating to the loan facility of $23m (2014: $24m).

Tax payments in Q4 were $22m (Q4 2014: $5m).

Full Year investment in property, plant and equipment, primarily related to the development of the Company's ERP system, new equipment in R&D laboratories and building refits was $27m (2014: nil). Purchase of intangible assets of $4m related to the outright purchase of the Nasal Naloxone technology during the year. In 2014, the intangible assets purchases of $26m related to Nasal Naloxone rights and the in-licensing of Arbaclofen Placarbil for the treatment of alcohol use disorders.

In the full year, the Group repaid $112m of its term loan as part of its commitment under the syndicated debt facility. This repayment included the $75m buyback of debt in December announced on December 7th, 2015. The Group also repaid $9m of overdrafts. In the same period in 2014, the Group transferred $349m to its then owners. The interim dividend in 2015 was $23m. In FY 2014, the Group paid a dividend of $500m to its then owners.

The net increase in cash and cash equivalents in the period therefore was $145m, being the sum of the cash inflow from operating activities of $320m, less net cash outflows from investing and financing activities of $31m and $144m respectively. Added to the cash and cash equivalents at the beginning of the period of $331m, and adjusting for exchange differences of $9m, that gave the Group a total cash and cash equivalents balance of $467m at the period end.

The decrease in cash and cash equivalents in Q4 was $85m. This was the result of the buyback of debt ($75m), tax payments in the quarter ($22m) and capex ($15m) offset by operating cash inflow.

Balance Sheet at December 31st, 2015

Non-current assets increased to $216m at the year end (YE 2014: $182m), due to increases in property, plant and equipment (PPE) and deferred tax assets, offset by further amortisation of intangible assets and depreciation of PPE. The impairment of the intangible asset related to Nasal Naloxone is included in the further amortisation of intangible assets.

Inventories increased to $48m (YE 2014: $41m). Trade and other receivables were $206m (YE 2014: $193m). The overall increase in current assets was primarily due to the $136m increase in cash and cash equivalents in the year.

Trade and other payables increased to $528m (YE 2014: $383m), reflecting higher levels of rebates in the US in connection with formulary access and in response to heightened branded competition.

Current tax liabilities decreased to $41m (YE 2014: $62m) following significant tax payments in the year.

Net working capital (inventory plus trade and other receivables, less trade and other payables) was minus $274m at the year end, an improvement of $125m on December 2014. This represents a ratio of minus 27% of annual total net revenue.

Cash and cash equivalents at the period end was $467m, reflecting a net cash increase of $136m in the year. Cash and cash equivalents declined $85m in Q4 due to the buyback of $75m of debt in December, higher capex in the quarter reflecting the costs of SAP implementation, and higher exceptional cost items.

Borrowings, net of issuance costs, were $605m at the year end (YE 2014: $736m).

The net debt of the Group was $174m at the year end (YE 2014: $428m) including the unamortised cost of the debt facility.

At the period end, therefore, the Group had net liabilities of $279m (YE 2014: $475m), consisting of assets of $937m (YE 2014: $747m), and liabilities of $1,216m (YE 2014: $1,222m).

Following the restructuring of the Company's share capital, the capital and reserves consisted of share capital of $72m (YE 2014: $1,437m), other reserves of minus $1,295m (YE 2014: minus $1,295m), foreign currency translation reserve of minus $23m (YE 2014: minus $16m), and retained earnings of $967m (YE 2014: minus $601m).

Demerger Update

Work on separation from Reckitt Benckiser Group plc continues under the Transitional Service Agreements signed in December 2014, and is on track. In April, formal operation of the Fine Chemical Plant in Hull, where Buprenorphine is manufactured for all our Suboxone® and Subutex products, was transferred to Indivior. On July 1st, major operating companies changed their name to Indivior including the USA, the UK and Canada. Australia changed its operating name in February. Subsequent to the company name changes, product packaging and branded materials have been updated. The project to implement a new, company-wide, ERP system is on track with the first countries, including US and UK, operating live successfully in January 2016. It is expected that the whole Company will have transitioned to SAP before the end of 2016.

R&D / Pipeline Update

Developments since Full Year 2014 preliminary results announcement on February 11th, 2015.

Treatment of Opioid Use Disorder

- **Suboxone® Tablet**. *China Efficacy Study (RB-CN-10-0013)*: last subject out (LSO) achieved December 4th, 2015. *Multiple Dose Study (RV-CN-10-0015):* LSO achieved November 29th, 2015.
- **Suboxone® Film.** On September 22nd, 2015 the FDA approved the buccal route of administration for Suboxone® Sublingual Film. Patients may now choose either under-the-tongue (sublingual) or against the cheek (buccal) administration.
- **Suboxone® Film EU Formulation**. This project has been delayed as the prototype formulation for EU has not met its specified bio-equivalency to EU Suboxone® Tablet formulation, although it is bio-equivalent to the existing Suboxone® Film formulation.
- **Suboxone® Film China**. The Clinical Trial Application (CTA) was officially approved by CFDA on November 18th, 2015.
- **RBP-6000, Monthly Depot Buprenorphine**: *Phase 3 Efficacy study (RB-US-13-0001)*; first patient randomized in February 2015, Last Subject In achieved November 17th, 2015. *Phase 3 Safety extension study (RB-US-13-0003)*: study on track, with screening closed on December 23rd, 2015 and last patient in on January 29th, 2016.

  US patent No. 8,975,270 was issued March 10th 2015 with expiry of September 2031, and will be the second listable patent in the Orange Book upon FDA approval.

  RBP-6000 for EU. Final EU clinical path will be confirmed in late 2016 following the outcome of the Phase 3 efficacy trial in the US.
- **RBP-6300, Oral Swallowable Capsule Buprenorphine Hemiadipate**. First subject in to *PK study (RB-EU-14-0001)* in September 2015. LSO achieved on December 1st, 2015.

  Development plans and associated timelines will be confirmed following outcome of the pivotal PK study in first half of 2016.
- **All Marketed Buprenorphine Products.** Proposed changes to the pregnancy and nursing mothers section of the labelling for all buprenorphine products. sNDA submitted to FDA on May 15th, 2015. Approval expected in Q2, 2016.

Overdose Rescue Products

- **Intranasal Naloxone for opioid overdose rescue**: New Drug Application submitted to FDA on May 29th, 2015. NDA application accepted and granted priority review by the FDA on July 28th, 2015. FDA Non approval received in Complete Response letter on November 23rd, 2015.

  In France, Temporary Authorisation for Use (ATU) dossier was approved by ANSM on November 5th, 2015.

  Following the non-approval from the FDA, Indivior has reviewed the future strategy for Intranasal Naloxone. In light of the timeline for reformulation and clinical development, and the existence of an approved competitor in the USA, the decision has been taken to discontinue further development of the existing formula other than supporting the ATU in France. Accordingly the Group has recognised an impairment charge on the intangible asset associated with Nasal Naloxone and provision made for other commitments related to this project.
- **RBP-8000 Cocaine Esterase for treatment of Cocaine Intoxication**. Second type B meeting with FDA scheduled March 16th, 2016.

Treatment of Alcohol Use Disorder

- **Arbaclofen Placarbil**: *Phase 2A study (RB-US-14-0001)*: First patient successfully screened on September 15th, 2015 with all randomized subjects dosed successfully on November 28th, 2015.

Treatment of Schizophrenia

- **RBP-7000, Monthly Depot Risperidone**. *Phase 3 pivotal efficacy study (RB-US-09-0010):* Completed. Preliminary data from pivotal Phase 3 efficacy study were published on May 5th, 2015.

  Phase 3 long-term safety study (RB-US-13-0005) on track with last subject in on August 17th, 2015.

  US Patent Nos. 9,180,197 and 9,186,413 were granted on November 10, 2015 and November 17, 2015 respectively. These patents will be listable in the Orange Book and expire February 2028.

New Peer Reviewed Publications

- Heidbreder C., Johnson RE, Chapleo C, Fudala PJ (2015) Indivior: Pioneering research and development in the treatment of addictions. *Nature*, 522 (7557): Supp. S45-S63. http://www.nature.com/nature/outlook/addiction/pdf/Indivior.pdf
- Liu Y, Li X, Xu A, Nasser AF, Heidbreder C (2015) Simultaneous determination of buprenorphine, norbuprenorphine and naloxone in human plasma by liquid chromatography/tandem mass spectrometry. *J. Pharm. Biomed. Analysis*, 120:142-152. http://dx.doi.org/10.1016/j.jpba.2015.12.008
- Nasser A, Heidbreder C, Liu Y, Fudala PJ (2015) Pharmacokinetics of Sublingual Buprenorphine and Naloxone in Subjects with Mild to Severe Hepatic Impairment (Child-Pugh Classes A, B, and C), in Hepatitis C Virus-Seropositive Subjects, and in Healthy Volunteers. *Clin. Pharmacokinetics*, 54(8): 837-849. http://dx.doi.org/10.1007/s40262-015-0238-6
- Laffont CM, Gomeni R, Heidbreder C, Jones JP 3rd, Nasser AF (2015) Population pharmacokinetic modelling after repeated administrations of RBP-6000, a new, subcutaneously injectable, long-acting, sustained-release formulation of buprenorphine, for the treatment of opioid use disorder. *J. Clin. Pharmacol.* Oct 19th, Electronic publication ahead of print. http://dx.doi.org/10.1002/jcph.665
- Nasser AF, Greenwald MK, Vince B, Fudala PJ, Twumasi-Ankrah P, Liu Y, Jones JP III, Heidbreder C (2016) Sustained-Release Buprenorphine (RBP-6000) Blocks the Effects of Opioid Challenge with Hydromorphone in Subjects with Opioid Use Disorder. *J Clin Psychopharmacol.* 36(1):18-26. http://dx.doi.org/10.1097/JCP.0000000000000434
- Laffont CM, Gomeni R, Zheng B, Heidbreder C, Fudala PJ, Nasser AF (2015) Population pharmacokinetic modeling and simulation to guide dose selection for RBP-7000, a new sustained-release formulation of risperidone. *J. Clin. Pharmacol.,* 55(1):93-103. http://dx.doi.org/10.1002/jcph.366
- Nasser AF, Henderson DC, Fava M, Fudala PJ, Twumasi-Ankrah P, Kouassi A, Heidbreder C (2016) Efficacy, safety and tolerability of RBP-7000 once monthly risperidone for the treatment of acute schizophrenia: An 8-week, randomized, double-blind, placebo-controlled, multicenter Phase 3 study. *J. Clin. Psychopharmacology*, In Press
- Micheli F, Cremonesi S, Semeraro T, Tarsi L, Tomelleri S, Cavanni P, Zonzini L, Feriani A, Braggio S, Heidbreder C (2016) Novel morpholine scaffolds as selective dopamine (DA) D3 receptor antagonists. *Bioorganic & Medicinal Chemistry*, In Press. http://dx.goi.org/10.1016/j.bmcl.2015.12.081

Litigation Update

ANDA Litigation

- Trial in the lawsuits against Actavis and Par involving the Orange Book-listed patents for Suboxone® Film November and December 2015. A decision in these lawsuits will follow post-trial briefing and is expected early in Q2 and prior to any potential generic launch. Actavis' 30 month stay of FDA approval expires February 28th, 2016. Par's 30 month stay of FDA approval expires on September 25th, 2016.
- Trial against Teva, Actavis and Par in the lawsuits involving the two recently granted process patents (US Patent No. 8,906,277 and US Patent No. 8,900,497) scheduled for November 2016.

- Trial against Teva in the lawsuit involving the Orange Book-listed patents for Suboxone® Film scheduled for November 2016, with Teva's 30-month stay of FDA approval on ANDA No. 20-5806 expiring April 17th, 2017. Indivior believes Teva's 30-month stay of FDA approval on ANDA No. 20-5299 also expires on April 17th, 2017, however, Teva disputes the applicability of the stay to this ANDA.
- Trial against Alvogen in the lawsuit involving the Orange Book-listed patents and process patents for Suboxone® Film scheduled for April 2017, with Alvogen's 30-month stay of FDA approval expiring October 29th, 2017.
- Trial against Mylan and Sandoz in the lawsuit involving the Orange Book-listed patents for Suboxone® Film is scheduled for September 25th, 2017, with Mylan's stay expiring March 24, 2018 and Sandoz's stay expiring April 2, 2018.
- Indivior received a Paragraph IV notification from Teva, dated February 8, 2016, indicating that Teva had filed a 505(b)(2) New Drug Application (NDA) for a 16mg/4mg strength of Buprenorphine/naloxone sublingual film. Indivior intends to file suit against Teva within 45 days which will trigger a 30-month stay of approval of Teva's 505(b)(2) NDA.

BDSI Proceedings

- In Indivior's appeal of the Patent Trial and Appeal Board's (PTAB) decision in the *Inter Partes Review* of claims 15-19 of Indivior's US Patent No. 8,475,832 (the '832 Patent) for Suboxone® Sublingual Film, Indivior's opening brief was filed on January 15th, 2016. Following further briefing by both sides, the Court of Appeals for the Federal Circuit will set a date for oral argument.

FTC investigation & Class Action

- The Judge overseeing the legal privilege dispute in the FTC investigation has appointed a Special Master (an independent external lawyer) to investigate the claims of legal privilege and provide a recommendation to the Court on how the documents at issue should be treated. An initial report and recommendation relating to the first tranche of privileged documents reviewed by the Special Master is expected to be finalized in March 2016. Both the Company and the FTC will have an opportunity to file objections to the Special Master's report and the Court ultimately will determine whether to adopt the Special Master's recommendations in whole or in part. The Court's decision then may be subject to appeal in the United States Court of Appeals by either party.
- In August 2015, the Company was informed that a contingent of additional states has initiated a coordinated investigation into the same conduct that is the subject of the FTC investigation and the Class Action litigation. The existing investigation of these same issues by the State of New York has now been incorporated within this multi-state investigation.
- Fact discovery is underway in the Class Action litigation.
- Amneal Pharmaceuticals LLC filed a complaint against the Company in December 2015. Amneal's complaint contains antitrust allegations similar in nature to those set out in the class action complaints, and Amneal has also alleged violations of the Lanham Act.

Department of Justice Investigation

- A federal investigation of Indivior's marketing and promotion practices initiated in December 2013 is continuing. The United States Attorney for the Western District of Virginia has served a number of subpoenas relating to Suboxone® Film, Suboxone® Tablet, Subutex Tablet, Buprenorphine and the Group's competitors, among other issues. Indivior is in the process of responding by producing documents and other information in connection with this ongoing

investigation. It is not possible at this time to predict with any certainty or to quantify the potential impact of this investigation on the Company. Indivior is cooperating fully with the relevant agencies and prosecutors and will continue to do so.

Exchange Rates

The average and period end exchange rates used for the translation of currencies into US dollars that have most significant impact on the Group's results were: -

	FY 2015	**FY 2014**
US $: GB £ period end	1.4736	1.5577
US $: GB £ average rate	1.5285	1.6476
US $: € Euro period end	1.0858	1.2098
US $: € Euro average	1.1097	1.3276

Risk Factors

The Directors have reviewed the principal risks and uncertainties for the financial year 2016.

The assumptions in arriving at the Company's financial guidance for the full year are described on page 3 of this release. To the extent that actual market conditions differ from these assumptions, alternative financial outcomes are possible. However the Company has issued this guidance based on industry analogues and its own estimates at this time.

Therefore, other than in respect of guidance for the full year 2016, the Directors consider that the principal risks and uncertainties which could have a material impact on the Group's performance in 2016 include the following:-

Business operations and business continuity

- The Group's revenues are primarily derived from sales of Suboxone® Film and any decrease in sales due to competition or supply or quality issues could significantly affect the results of operations and prospects.
- Competition for qualified personnel in the biotechnology and pharmaceutical industries is intense and high-performing talent in key positions is a business-critical requirement.
- Failures or disruptions to the Group's systems or the systems of third parties on whom the Group relies, due to any number of causes, particularly if prolonged, could result in a loss of key data and/or affect operations.
- The Group's computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code or cyber threats that could have a security impact. All of these could be costly to remedy and we may be subject to litigation.

Product safety, regulation & litigation

- As an innovative pharmaceutical company, the Group seeks to obtain appropriate intellectual property protection for its products. Its ability to obtain and enforce patents and other proprietary rights particularly for its products, drug formulation and delivery technologies and associated manufacturing processes is critical to business strategy and success. Specifically see disclosures above on p 8-9 under litigation update referring to the current status of ANDA litigation and to the going concern statement on p.17 note 1, which discusses the risks associated with current ANDA litigation, and the contingent liabilities disclosures on p.20, note 7.
- The manufacture of the Group's products is highly exacting and complex due in part to strict regulatory and manufacturing requirements. Active Pharmaceutical Ingredients (API) in many of the Group's products and product candidates are controlled substances that are subject to extensive regulation in all the countries in which the Group markets its products.

- The testing, manufacturing, marketing, and sales of pharmaceutical products entail a risk of product liability claims, product recalls, litigation, and associated adverse publicity, each of which could have a material adverse impact on the business, prospects, results of operations and financial condition.

Product development

- The regulatory approval process for new pharmaceutical products and expansion of existing pharmaceutical products is expensive, time-consuming and uncertain. Even if product candidates are approved there is no guarantee that they will be able to achieve expected market acceptance.

Commercial and Governmental payor account, pricing and reimbursement pressure

- The Group's revenues are partly dependent on the availability and level of coverage provided to the Group by private insurance companies and governmental reimbursement schemes for pharmaceutical products, such as Medicare and Medicaid in the US.
- Changes to governmental policy or practices could adversely affect the Group's revenues, financial condition and results of operations. In addition, the reimbursement of treatment established by healthcare providers, private health insurers and other organizations may be reduced.

Compliance with law and ethical behaviour

- Business practices in the pharmaceutical industry are subject to increasing scrutiny by government authorities. Failure to comply with applicable laws and rules and regulations in any jurisdiction may result in fines, civil and/or criminal legal proceedings.

Acquisitions and business development

- The Group may seek to acquire businesses or products as part of our strategy to enhance our current portfolio.

The Group's annual report for the 2015 financial year will contain additional detail on these principal business risks together with a report on risk appetite.

Forward-Looking Statements – Cautionary Statement

This announcement contains certain statements that are forward-looking and which should be considered, amongst other statutory provisions, in light of the safe harbour provisions of the United States Private Securities Litigation Reform Act of 1995. By their nature, forward-looking statements involve risk and uncertainty as they relate to events or circumstances that will or may occur in the future. Actual results may differ materially from those expressed or implied in such statements because they relate to future events. Forward-looking statements include, among other things, statements regarding the Indivior Group's financial guidance for 2016 and its medium- and long-term growth outlook, its operational goals, its product development pipeline and statements regarding ongoing litigation.

Various factors may cause differences between Indivior's expectations and actual results, including: factors affecting sales of Suboxone® Tablet, Suboxone® Film, Subutex Tablet and any future products; the outcome of research and development activities; decisions by regulatory authorities regarding the Indivior Group's drug applications; the speed with which regulatory authorizations, pricing approvals and product launches may be achieved; the outcome of post-approval clinical trials; competitive developments; difficulties or delays in manufacturing; the impact of existing and future legislation and regulatory provisions on product exclusivity; trends toward managed care and healthcare cost containment; legislation or regulatory action affecting pharmaceutical product pricing, reimbursement or access; claims and concerns that may arise regarding the safety or efficacy of the Indivior Group's products and product candidates; risks related to legal proceedings; the Indivior Group's ability to protect its patents and other intellectual property; the outcome of the Suboxone® Film patent litigation relating to the ongoing ANDA lawsuits; changes in governmental laws and regulations; issues related to the outsourcing of certain operational and staff functions to third parties; uncertainties related to general economic, political, business, industry, regulatory and market conditions; and the impact of acquisitions, divestitures, restructurings, internal reorganizations, product recalls and withdrawals and other unusual items.

This announcement does not constitute an offer to sell, or the solicitation of an offer to subscribe for or otherwise acquire or dispose of shares in the Company to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation.

For Further Information

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www.Indivior.com

Webcast details

There will be a presentation at 12 noon UK time (7am EST in the USA) hosted by Shaun Thaxter, CEO, and Cary Claiborne, CFO, at The Ayres Room, Deutsche Bank, Winchester House, 1 Great Winchester Street, London EC2N 2DB. This will be webcast and audiocast live. The details are below and are available on the Company's website at www.indivior.com.

URL http://edge.media-server.com/m/p/238xs6bz

Participants

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The call will be archived via our website for replay.	www.indivior.com

About Indivior

Indivior is a global specialty pharmaceutical company with a 20-year legacy of leadership in patient advocacy, health policy and evidence-based best practice models that have revolutionized modern addiction treatment. The name is the fusion of the words individual and endeavour, and the tagline "Focus on you" makes the company's commitment clear. Indivior is dedicated to transforming addiction from a global human crisis to a recognized and treated chronic disease. Building on its robust, global opioid dependence portfolio featuring SUBOXONE® (buprenorphine and naloxone) Sublingual Film (CIII), SUBOXONE® (buprenorphine and naloxone) Sublingual Tablet, and SUBUTEX® (buprenorphine) Sublingual Tablet, Indivior has a strong pipeline of product candidates designed to both expand on its heritage in this category and address other chronic diseases of addiction – including opiate overdose, alcohol use disorders and cocaine intoxication. It also is pursuing novel product candidates in related mental health disorders such as schizophrenia. Headquartered in the United States in Richmond, VA., Indivior employs more than 850 individuals globally and its portfolio is available in over 40 countries worldwide. Visit www.Indivior.com to learn more.

Consolidated income statement

	Notes	**Unaudited Q4 2015 $m**	Unaudited Q4 2014 $m	**Unaudited 2015 $m**	Audited 2014 $m
Net Revenues	2	**248**	272	**1,014**	1,115
Cost of Sales		**(25)**	(22)	**(97)**	(95)
Gross Profit		**223**	250	**917**	1,020
Selling, distribution and administrative expenses	3	**(127)**	(94)	**(423)**	(343)
Research and development expenses	3	**(58)**	(52)	**(148)**	(115)
Operating Profit		**38**	104	**346**	562
Operating profit before exceptional items		**62**	128	**377**	586
Exceptional items	3	**(24)**	(24)	**(31)**	(24)
Operating profit		**38**	104	**346**	562
Finance expense		**(14)**	(1)	**(61)**	(1)
Net finance expense		**(14)**	(1)	**(61)**	(1)
Profit before taxation		**24**	103	**285**	561
Taxation	4	**2**	(32)	**(70)**	(165)
Exceptional items within taxation	5	**11**	6	**13**	7
Net income		**37**	77	**228**	403
Earnings per ordinary share (cents)					
Basic earnings per share	5	**5**	11	**32**	56
Diluted earnings per share	5	**5**	11	**31**	56

Consolidated statement of comprehensive income

	Unaudited Q4 2015 $m	Unaudited Q4 2014 $m	**Unaudited 2015 $m**	Audited 2014 $m
Net income	**37**	77	**228**	403
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent years:				
Net exchange adjustments on foreign currency translation	**(5)**	(19)	**(14)**	(16)
Other comprehensive (expense)/income	**(5)**	(19)	**(14)**	(16)
Total comprehensive income	**32**	58	**214**	387

The notes on pages 17 to 21 are an integral part of these condensed consolidated interim financial statements.

Consolidated balance sheet

	Notes	**Unaudited 2015 $m**	Audited 2014 $m
ASSETS			
Non-current assets			
Intangible assets		**62**	91
Property, plant and equipment		**32**	13
Deferred tax assets		**122**	77
Other receivables		**-**	1
		216	182
Current assets			
Inventories		**48**	41
Trade and other receivables		**206**	193
Cash and cash equivalents	6	**467**	331
		721	565
Total assets		**937**	747
LIABILITIES			
Current liabilities			
Borrowings	6	**(34)**	(17)
Trade and other payables	8	**(528)**	(383)
Current tax liabilities		**(41)**	(62)
		(603)	(462)
Non-current liabilities			
Borrowings	6	**(571)**	(719)
Provisions for liabilities and charges		**(42)**	(41)
		(613)	(760)
Total liabilities		**(1,216)**	(1,222)
Net liabilities		**(279)**	(475)
EQUITY			
Capital and reserves			
Share capital	9	**72**	1,437
Other Reserves		**(1,295)**	(1,295)
Foreign currency translation reserve		**(23)**	(16)
Retained Earnings		**967**	(601)
Total equity		**(279)**	(475)

The notes on pages 17 to 21 are an integral part of these condensed consolidated interim financial statements.

Consolidated statement of changes in equity

Audited	Share capital $m	Share Premium $m	Other reserve $m	Foreign Currency Translation Reserve $m	Retained earnings $m	**Total equity $m**
At January 1, 2014	**1,437**	**-**	**(1,295)**	**-**	**(208)**	**(66)**
Comprehensive income						
Net income	-	-	-	-	403	403
Other comprehensive income	-	-	-	(16)	-	(16)
Total comprehensive income	**-**	**-**	**-**	**(16)**	**403**	**387**
Payments to former owners, recognised directly in equity	-	-	-	-	(991)	(991)
Payments to former owners, recognised directly in equity	-	-	-	-	195	195
Total transactions with former owners	**-**	**-**	**-**	**-**	**(796)**	**(796)**
Balance at December 31, 2014	**1,437**	**-**	**(1,295)**	**(16)**	**(601)**	**(475)**

Unaudited						
At January 1, 2015	**1,437**	**-**	**(1,295)**	**(16)**	**(601)**	**(475)**
Comprehensive income						
Net income	**-**	**-**	-	-	228	228
Other comprehensive income	**-**	**-**	**-**	(7)	(7)	(14)
Total comprehensive income	**-**	**-**	**-**	**(7)**	**221**	**214**
Transactions recognised directly in equity						
Share-based plans	**-**	**-**	-	-	8	8
Deferred tax on share-based plans	**-**	**-**	-	-	(3)	(3)
Cash dividends	**-**	**-**	-	-	(23)	(23)
Capital reduction	(1,365)	**-**	-	-	1,365	-
Total transactions recognised directly in equity	**(1,365)**	**-**	**-**	**-**	**1,347**	**(18)**
Balance at December 31, 2015	**72**	**-**	**(1,295)**	**(23)**	**967**	**(279)**

The notes on pages 17 to 21 are an integral part of these condensed consolidated interim financial statements.

Consolidated cash flow statement

For the year ended December 31	Unaudited 2015 $m	Audited 2014 $m
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Profit	**346**	562
Depreciation, amortization, and impairment	**40**	26
Share-based payments	**5**	-
Impact from foreign exchange movements		(13)
Trade and other receivables	**(9)**	3
Inventories	**(9)**	(5)
Payables and provisions	**145**	(50)
Cash generated from operations	**518**	523
Interest paid	**(44)**	-
Transaction costs related to loan	**(23)**	(24)
Taxes paid	**(131)**	(59)
Net cash inflow from operating activities	**320**	440
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant, and equipment	**(27)**	-
Purchase of intangible assets	**(4)**	(26)
Net cash (outflow) from investing activities	**(31)**	(26)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash movements on overdraft	**(9)**	9
Cash movements in borrowings	**(112)**	750
Dividends paid	**(23)**	(500)
Net transfers to former owners	**-**	(349)
Net cash (outflow) from financing activities	**(144)**	(90)
Net increase in cash and cash equivalents	**145**	324
Cash and cash equivalents at beginning of the period	**331**	7
Exchange differences	**(9)**	**-**
Cash and cash equivalents at end of the period	**467**	331

The notes on pages 17 to 21 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated Interim Financial Statements

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Indivior PLC (the 'Company') is a public limited company incorporated in England and Wales and domiciled in the United Kingdom on September 26, 2014. In these condensed consolidated financial statements ('Financial Statements'), reference to the 'Group' means the Company and all its subsidiaries.

The financial information herein has been prepared on the basis of the accounting policies set out in the annual accounts of the Group for the year ended December 31, 2014 and should be read in conjunction with those annual accounts. The Group prepares its annual accounts in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) interpretations as adopted by the European Union and the Companies Act 2006 (the Act) applicable to companies reporting under IFRS. In preparing these financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2014, with the exception of changes in estimates that are required in determining the provision for income taxes.

The introduction of Indivior PLC as the new ultimate holding company of the Group in December 2014 does not meet the IFRS 3 definition of a business combination and as such falls outside the scope of that standard. Following the guidance regarding the selection of an appropriate accounting policy in IAS 8, the introduction of the Company as the new ultimate holding company of the Group has been accounted for as a group reconstruction using merger accounting principles. This policy, which does not conflict with IFRS, reflects the economic substance of the transaction. This means that although the reorganization did not become effective until December 23, 2014, the consolidated Financial Statements are presented as if the current Group structure had always been in place. Accordingly, the results of the Group for the comparative three and twelve month periods ended December 31, 2014 are presented as if the Group had been in existence throughout the periods presented.

The financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2014. These financial statements have been reviewed and not audited. These financial statements have been authorized for issue as at February 17, 2016.

Subject to the following matter, after making appropriate enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. However, as disclosed on page 20 relating to the ANDA litigation, the outcome remains uncertain. In the event of a negative ruling against the Group and, should there be a regulatory approval and subsequent commercial launch of generic Suboxone Film, there is the likelihood that revenues and operating profits will decline. In these circumstances the Group has the ability to take necessary measures to reduce its cost base and improve its cash flow to ensure that the Group can continue as a going concern for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis for accounting in preparing these financial statements.

The financial information contained in this document does not constitute statutory accounts as defined in section 434 and 435 of the Act. The auditors issued an unqualified opinion and did not contain a statement under section 498 of the Act on the Group's statutory financial statements for the year ended December 31, 2014. The Group's statutory financial statements for the year ended December 31, 2014 were approved by the Board of Directors on March 27, 2015 and delivered to the Registrar of Companies.

2. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer (CEO).

As the Indivior Group is engaged in a single business activity, which is the development, manufacture and sale of prescription drugs that are based on Buprenorphine for treatment of opioid dependence, the CEO reviews financial information presented on a combined basis for evaluating financial performance and allocating resources. Accordingly, the company reports as a single reporting segment.

Revenues

Revenues are attributed to countries based on the country where the sale originates. The following table represents revenue from continuing operations attributed to countries based on the country where the sale originates and non-current assets, net of accumulated depreciation and amortisation, by country. Non-current assets for this purpose consist of property, plant and equipment and intangible assets. Revenues and non-currents assets for the years ended December 31, 2015 and 2014 were as follows:

Revenues from sale of goods:

	Q4 2015 $m	Q4 2014 $m	**2015 $m**	2014 $m
United States	**194**	209	**807**	855
ROW	**54**	63	**207**	260
Total	**248**	272	**1,014**	1,115

Non-current assets:

	2015 $m	2014 $m
United States	**80**	63
ROW	**14**	42
Total	**94**	105

3. OPERATING COSTS AND EXPENSES

The table below sets out selected operating costs and expenses information:

	Q4 2015 $m	Q4 2014 $m	2015 $m	2014 $m
Research and Development expenses	**(58)**	(52)	**(148)**	(115)
Marketing, selling, and distribution expenses	**(44)**	(34)	**(166)**	(148)
Administrative expenses	**(75)**	(53)	**(227)**	(166)
Depreciation and amortisation	**(6)**	(6)	**(24)**	(26)
Operating lease rentals	**(2)**	(1)	**(6)**	(3)
Total	**(127)**	(94)	**(423)**	(343)

Exceptional Items

	Q4 2015 $m	Q4 2014 $m	2015 $m	2014 $m
Reconfiguration, separation, and impairment costs	**24**	24	**31**	24
Total Exceptional items	**24**	24	**31**	**24**

$31m (2014: $24) of impairment, reconfiguration and separation costs consists primarily of the impairment of the intangible asset associated with Nasal Naloxone and legal and advisory costs related to business reconfiguration activities which have been included within operating expenses.

4. TAXATION

In the year to December 2015, tax on total profits amounted to $57M, representing a full-year effective tax rate of 20% (2014: 28%). The reduction in tax rate included $4M of exceptionals due to the resolution of prior year matters that benefited the year and provision for tax contingencies.

The Group's balance sheet at December 31, 2015 included deferred tax assets of $122M and tax liabilities of $41M

Indivior continues to believe that it has made adequate provision for the liabilities likely to arise from open periods that have not yet been agreed by tax authorities. The ultimate liability for such matters may vary from the amounts provided and is dependent on the outcome of agreements with relevant tax authorities.

5. EARNINGS PER SHARE

	Q4 2015 cents	Q4 2014 Cents Pro-forma	2015 Cents	2014 Cents
Basic earnings per share	**5**	11	**32**	56
Diluted earnings per share	**5**	11	**31**	56
Adjusted basic earnings per share	**7**	13	**34**	58
Adjusted diluted earnings per share	**7**	13	**34**	58

Basic

Basic earnings per share ("EPS") is calculated by dividing profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period. 718,577,618 shares were issued on the demerger.

For the purpose of calculating EPS, the share capital for the Company in the period prior to the pre-demerger reorganization on December 23, 2014 is calculated as if this reorganization was completed as at January 1 2014.

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has dilutive potential ordinary shares in the form of awards. The weighted average number of shares is adjusted for the number of shares granted assuming the vesting of the awards.

	2015 Average number of shares	2014 Average number of shares Pro-forma
On a basic basis	**718,577,618**	718,577,618
Dilution for Long Term Incentive Plan (LTIP)	**14,507,535**	5,307,010
Adjusted diluted earnings per share	**733,085,153**	723,884,628

Adjusted Earnings

The Directors believe that diluted earnings per share, adjusted for the impact of exceptional items after the appropriate tax amount, provides additional useful information on underlying trends to shareholders in respect of earnings per ordinary share.

A reconciliation of net income to adjusted net income is as follows:

	Q4 2015 $m	Q4 2014 $m	**2015 $m**	2014 $m
Net income	**37**	77	**228**	403
Exceptional items	**24**	24	**31**	24
Exceptional items within taxation	**(11)**	(6)	**(13)**	(7)
Adjusted net income	**50**	95	**246**	420

6. FINANCIAL LIABILITIES – BORROWINGS

Current	**2015 $m**	2014 $m
Bank loans and overdraft	**34**	17
	34	17

Non-current	**2015 $m**	2014 $m
Bank loans	**571**	719
	571	719

Analysis of net debt	**2015 $m**	2014 $m
Cash and cash equivalents	**467**	331
Overdrafts	**-**	(9)
Borrowings*	**(641)**	(750)
	(174)	(428)

*Borrowings reflects the outstanding principal amount drawn, before debt issuance costs

Reconciliation of net debt	**2015 $m**	2014 $m
The movements in the period were as follows:		
Net debt at beginning of period	**(428)**	7
Increase in cash and cash equivalents	**136**	324
Net repayment of/(increase in) borrowings and overdraft	**121**	(759)
Exchange adjustments	**(3)**	-
Net debt at end of period	**(174)**	(428)

The carrying value less impairment provision of current borrowings and cash at bank, as well as trade receivables and trade payables, are assumed to approximate their fair values.

On March 16, 2015, the Company completed syndication of its $750 million debt facility. As a result of the syndication the new terms of the loan are as follows:

	Currency	Nominal interest margin	Maturity	Scheduled repayments*	Issuance cost $m	Face value $m	Carrying amount $m
Unsecured bank loan	USD	Libor (1%) + 6%	5 years	5%	40	644	644
Unsecured bank loan	EUR	Libor (1%) + 6%	5 years	5%	6	106	106

*For years 1 and 2 only; 10% thereafter

Also included within the terms of the loan were:

•A financial covenant to maintain a leverage covenant (Net debt to Adjusted EBITDA ratio) of 3.25x with step down to 3.00x on June 30, 2016
•An additional covenant requiring minimum liquidity of $150 million (defined as cash on hand plus the undrawn amount available under the Company's $50 million revolving credit facility).

7. CONTINGENT LIABILITIES

The Indivior Group is currently subject to other legal proceedings and investigations, including through subpoenas and other information requests, by various governmental authorities.

In 2011, the USAO-NJ issued a subpoena to Reckitt Benckiser Pharmaceuticals (RBP) requesting production of certain documents in connection with a non-public investigation related, among other things, to the promotion, marketing and sale of Suboxone® Film, Suboxone® Tablet and Subutex Tablet. RBP responded to the USAO-NJ by producing documents and other information and has had no communication from USAO-NJ since March 2013.

In late 2012, the FTC and the Attorney General of the State of New York commenced non-public investigations of RB, RBP and various other entities in the RB Group focusing on business practices relating to Suboxone® Film, Suboxone® Tablet and Subutex Tablet, including alleged involvement in a scheme to delay FDA approval of generic versions of Suboxone® Tablet. RBP has responded to both the FTC and to the Attorney General of the State of New York by producing documents and other information. In August 2015, the Company was informed that a contingent of additional states has initiated a coordinated investigation into the same conduct that is the subject of the FTC and the Attorney General of the State of New York. The existing investigation of these same issues by the State of New York has now been incorporated within this multi-state investigation. The investigations are ongoing, and as yet no decision has been made by either agency on whether to pursue any legal action for enforcement.

In December 2013, the USAO-VAW executed a search warrant on RBP's headquarters in Richmond and conducted searches of the homes of four field-based employees. The USAO-VAW has since served a number of subpoenas relating to Suboxone® Film, Suboxone® Tablet, Subutex Tablet, buprenorphine and any real or potential competitor, among other issues. The investigation is ongoing and Indivior is cooperating fully with the relevant agencies and prosecutors and will continue to do so.

ANDA Litigation

- Trial in the lawsuits against Actavis and Par involving the Orange Book-listed patents for Suboxone® Film November and December 2015. A decision in these lawsuits will follow post-trial briefing and is expected early in Q2 and prior to any potential generic launch. Actavis' 30 month stay of FDA approval expires February 28th, 2016. Par's 30 month stay of FDA approval expires on September 25th, 2016.
- Trial against Actavis and Par in the lawsuits involving the two recently granted process patents (US Patent No. 8,906,277 and US Patent No. 8,900,497) scheduled for November 2016.
- Trial against Teva in the lawsuit involving the Orange Book-listed patents and process patents for Suboxone® Film scheduled for November 2016, with Teva's 30-month stay of FDA approval on ANDA No. 20-5806 expiring April 17th, 2017. Indivior believes Teva's 30-month stay of FDA approval on ANDA No. 20-5299 also expires on April 17th, 2017, however, Teva disputes the applicability of the stay to this ANDA.
- Trial against Alvogen in the lawsuit involving the Orange Book-listed patents and process patents for Suboxone® Film scheduled for April 2017, with Alvogen's 30-month stay of FDA approval expiring October 29th, 2017.
- Trial against Mylan and Sandoz in the lawsuit involving the Orange Book-listed patents for Suboxone® Film is scheduled for September 25th, 2017, with Mylan's stay expiring March 24, 2018 and Sandoz's stay expiring April 2, 2018.
- Indivior received a Paragraph IV notification from Teva, dated February 8, 2016, indicating that Teva had filed a 505(b)(2) New Drug Application (NDA) for a 16mg/4mg strength of buprenorphine/naloxone sublingual film. Indivior intends to file suit against Teva within 45 days which will trigger a 30-month stay of approval of Teva's 5-5(b)(2) NDA.

Given the limited information available to the Indivior Group regarding the foregoing civil and criminal investigations, it is not possible at this time to predict with any certainty if there will be a liability associated with these investigations nor, if one were to occur, is there an ability to quantify the potential impact on the financial statements of the Indivior Group.

8. TRADE AND OTHER PAYABLES

	2015 $m	2014 $m
Sales returns and rebates	**287**	273
Trade payables	**113**	29
Other tax and social security payables	**12**	7
Accruals	**116**	74
Total	**528**	383

Customer return and rebate accruals, primarily in the US, are provided for by the Group at the point of sale in respect of the estimated rebates, discounts or allowances payable to customers. Accruals are made at the time of sale but the actual amounts paid are based on claims made some time after the initial recognition of the sale. As the amounts are estimated they may not fully reflect the final outcome and are subject to change dependent upon, amongst other things, the channel (e.g. Medicaid, Medicare, Managed Care, etc) and product mix. The level of accrual is reviewed and adjusted quarterly in the light of historical experience of actual rebates, discounts or allowances given and returns made and any changes in arrangements. Future events could cause the assumptions on which the accruals are based to change, which could affect the future results of the Group.

9. SHARE CAPITAL

	Equity Ordinary Shares	**Issue price**	**Nominal value $m**
Issued and fully paid			
At January 1, 2015	**718,577,618**	**$2.00**	**1,437**
Nominal value reduction	**-**	**($1.90)**	**(1,365)**
At December 31, 2015	**718,577,618**	**$0.10**	**72**

	Equity Ordinary Shares	Issue price	Nominal value $m
Issued and fully paid			
At January 1, 2014 (pro forma)	718,577,618	$2.00	1,437
At December 31, 2014	718,577,618	$2.00	1,437

The holders of ordinary shares (par value $0.10) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of Indivior PLC.

The initial shareholders resolved, by a special resolution, passed on October 30, 2014, to reduce Indivior PLC's share capital by decreasing the nominal value of each Indivior Ordinary Share from $2.00 to $0.10. This created distributable reserves on the balance sheet which will provide Indivior with, among other things, capacity for the payment of future dividends.

As required under section 645 of the Companies Act 2006, the High Court of Justice has confirmed the reduction of the Company's share capital. Following the registration of the Order of the Court with the Companies House, the Capital Reduction became effective on January 21, 2015.

10. RELATED PARTIES

Subsequent to the demerger from former parent, RB, on December 23, 2014, Indivior continues to receive certain services like office space rental and other operational services on commercial terms and on an arm's length basis. Adrian Hennah, the RB CFO, also sits on the Indivior PLC Board of Directors. The amount included within administrative expenses in respect of these services is $9M

11. POST BALANCE SHEET EVENTS

There have been no material post balance sheet events.