July 29, 2016

Half Year Results Ahead of Plan – Full Year Guidance Raised.

Period to June 30th	Q2 2016 $m	Q2 2015 $m	% Δ actual FX	% Δ constant FX	HY 2016 $m	HY 2015 $m	% Δ actual FX	% Δ constant FX
Net Revenue	**274**	266	+3	+3	**531**	517	+3	+3
Operating Profit	**97**	115	-16	-11	**198**	230	-14	-11
Net Income	**57**	66	-14	-17	**107**	144	-26	-27
EPS (cents per share)	**8**	9	-11	-17	**15**	20	-25	-27

This announcement contains inside information.

Half Year Financial Highlights

- H1 net revenue at $531m (H1 2015: $517m) increased 3% versus prior year with strong market growth and increased market share offset by higher rebates, in connection with formulary access in the US, versus prior year. Net revenue at constant FX grew by 3%.
- H1 operating profit of $198m (H1 2015: $230m), reflected higher net revenues, and the expected higher operating costs and $14m exceptional costs for strategic initiatives in preparation for the possibility of a negative ANDA trial outcome.
- H1 net income was $107m (H1 2015: $144m) after net financing costs of $26m (H1 2015: $31m) and tax rate of 38% (H1 2015: 28%) including exceptional tax items of $14m related to unresolved tax matters.
- Cash balance at half year of $577m. Net debt at half year $5m (vs. Year End 2015: $174m).

Half Year Operating Highlights

- US market growth in H1 2016 continued to be mid to high single digit percentage. Indivior welcomes recent legislation to widen access to medication assisted treatment in the USA.
- Suboxone® Film market share was 61% (compared to 60% in H1 2015).
- Positive ruling in the ANDA litigation against Actavis & Par confirms Company's ongoing confidence in its intellectual property protection for Suboxone® Film.
- New product pipeline continuing to progress. Readouts on major clinical trials are due in the next few months; Buprenorphine Monthly Depot (RBP-6000) Phase III efficacy study top-line in Q3; Risperidone Monthly Depot (RBP-7000) Phase III Safety Extension in Q4; Arbaclofen Placarbil for treatment of alcohol use discorder, Phase IIA Dosing Study found it to be safe and well tolerated up to cap target dose but with high inter-individual PK variability observed.
- Cost reduction and benchmarking project initiated to optimize new organisation and structure.
- Indivior PLC has announced intention to list its ADRs in the US, and filed its form 20-F with SEC.

Outlook

- Full year guidance today raised to net revenue in a range of $1,000m to $1,030m (previously $945m - $975m) and adjusted net income (excluding exceptionals) of $180m to $200m (previously $155m-$180m) at constant exchange rates (versus 2015). The guidance recognises current market conditions in the US are continuing into H2, but assumes no deterioration in generic tablet pricing, limited impact of branded competition, and investment of $35m above original assumptions in driving innovations. The Company will update further at Q3 results on November 2nd, 2016.

Comment by Shaun Thaxter, CEO of Indivior PLC

"Our performance this year to date is ahead of our plan." commented **Shaun Thaxter**, **CEO of Indivior PLC**. "US market growth has continued in mid-to-high single digits, while Suboxone® Film share has been strong, driven by a couple of formulary gains and the resilience of its franchise with patients and physicians. This resilience was underlined by the outcome of the first ANDA trial which confirmed the strength of our intellectual property protection for Suboxone® Film. Accordingly we are today raising our full-year guidance for net revenue to a range of $1,000m to $1,030m and adjusted net income (excluding exceptionals) of $180m to $200m, both at constant exchange. We will update further at Q3 results on November 2nd."

"At the beginning of the year, I set out our priorities for 2016," **Shaun Thaxter** continued. "I am delighted with the strong progress we have made. Now that we have built a structure and capability that is fit for purpose as a standalone PLC, we are initiating a project in the second half of the year to optimize our organisation, benchmarking costs against appropriate comparators, and looking to optimize our structure."

"Our pipeline of new, potentially transformative treatments for addiction and co-morbidities, is on the verge of reporting important trial results which should allow us to file two critical NDAs in the next 12-18 months; one for our critical Buprenorphine Monthly Depot for opioid dependence, and one for our Risperidone Monthly Depot for treatment of schizophrenia. We continue to look for business development and acquisition opportunities to expand our pipeline and to start diversifying our revenue sources within addiction and closely related areas. We have completed clinical trials for Suboxone® Tablet in China, and plan to file an NDA there which represents a step forward in geographical expansion for our business."

"Indivior has a unique business model focused on empowering patients and striving to improve their quality of life by pioneering innovative, high-quality, accessible and cost effective treatments." **Shaun Thaxter** continued, "Indivior therefore warmly welcomes the intensified focus by Government and regulators, through the CARA legislation and HHS final rule, on increasing access to medication assisted treatment for addiction. Statistics suggest that only a fraction of the 2.5 million Americans who suffer from opioid dependence are receiving treatment today. The changes, to allow nurse practitioners and physician assistants to prescribe and to raise the patient cap from 100 to 275 patients for certain qualified physicians, together with the grants provided by CARA, should help accelerate the process of getting more people into treatment, and towards a better quality of life, and can only be good for public health and the economy. We look forward to uniting with stakeholders and healthcare professionals across communities to help implement the comprehensive approach outlined by CARA."

Half Year Operating Review

US Market Update

The market for buprenorphine products continued to grow in H1, showing volume growth of mid to high single digit percentage in line with expectation. Suboxone® Film had a market share of 61% in H1, compared to 60% in H1 2015. This was slightly ahead of the exit share at the end of 2015, so market share has been gained through the half year. Generic tablet pricing has continued on its glide path downwards, as in Q1, but without materially disrupting the market at this stage. As last year, the Company continues to offer tactical rebates in connection with formulary access for Suboxone® Film, in the face of continuing discounting by competitors. Branded competitors continue to make limited impact on the market.

Update on Guidance for Full Year

We said in May that if the environment continued to be favourable we would have room to reassess our full-year guidance at the half year. Accordingly we are today raising our full-year guidance to

net revenue in a range of $1,000m to $1,030m and adjusted net income (excluding exceptional items) of $180m to $200m at constant exchange. The guidance recognises current market conditions in the US are continuing into H2, but assumes no deterioration in generic tablet pricing, limited impact of branded competition, and the previously-announced investment of $35m above original assumptions in driving innovations.

Financial Performance in Half Year

Total net revenue increased 3% to $531m (H1 2015: $517m) at actual exchange rates reflecting market growth, slightly increased market share and a price increase in January offset by higher rebates in the US versus prior year, in connection with formulary access. At constant exchange rates, the increase in net revenue was 3%.

In Q2, total net revenue increased 3% at actual exchange rates to $274m (Q2 2015: $266m). At constant exchange rates the increase in Q2 was 3%.

US net revenue increased in the half year by 5% to $433m (H1 2015: $412m). Volume was ahead of last year reflecting market growth and slightly higher market share compared to prior year. Pricing reflected a combination of a modest price increase in January and the annualisation of tactical rebates from 2015, in connection with formulary access in the face of aggressive discounting by branded competitors.

In Q2, net revenue increased by 5% in the US to $222m (Q2 2015: $212m) against a high base in 2015, reflecting market growth, a slight increase in market share year-on-year, the price increase in January and an improving trend in the year-on-year level of tactical rebates.

In H1 2016 Rest of World net revenue declined by 7% to $98m (H1 2015: $105m) as reported in USDs. At constant exchange, the net revenue decline was 4%, reflecting continuing price constraints from government austerity measures.

In Q2, Rest of World net revenue declined 4% to $52m (Q2 2015: $54m); at constant exchange rates the decline was also 4%.

Gross margin was at 90%, slightly behind last year (H1 2015: 91%). This decrease was primarily driven by the addition of exceptional costs of $10m within Cost of Sales. Excluding exceptionals, gross margin grew to 92% helped by growth in volume and the weakening of sterling (GBP). The exceptional items within Cost of Sales included manufacturing costs related to exploration of strategic initiatives to prepare the company for the possibility of a negative outcome in the ANDA litigation.

SD&A expenses increased by 19% to $221m (H1 2015: $185m). The increase mainly reflects higher ongoing legal expenses, a full half year of standalone public company costs and increased pre-commercialisation costs. Exceptional costs of $4m were included in SD&A. These primarily include one-off legal and advisory costs related to exploration of strategic initiatives to prepare the Company for the possibility of a negative outcome in the ANDA litigation.

R&D expenses increased, as planned, by 9% to $59m (H1 2015: $54m), reflecting the level of activity in the Company's clinical development pipeline and in particular to the fact that there were two pivotal Phase III trials running in H1 2016. R&D costs were lower in Q2 due to phasing of costs and the termination of certain projects (RBP-6300 and, in comparison with H1 2015, Nasal Naloxone).

Operating profit was $198m, 14% below prior year (H1 2015: $230m), and 11% lower at constant exchange). Excluding exceptional costs, operating profit was $212m (H1 2015: $235m), 10% below prior year.

EBITDA was $210m (H1 2015: $242m), and excluding the exceptional costs was $224m (H1 2015: $247m).

Operating margin was 37% as reported (H1 2015: 44%). Excluding the exceptional costs, the operating margin was 40% (H1 2015: 45%). This margin reflects higher net revenues and higher operating costs, primarily due to ongoing legal costs, a full half year of standalone public company costs and increased pre-commercialisation costs.

Finance expenses in the half year were $26m (2015 H1: $31m) being the full all-in cost of interest and amortisation on the $750m borrowing facility offset by the benefit of repurchasing $75m in December 2015 and $46m in the half year, reducing the outstanding borrowing on the facility to $582m. Q2 finance expenses were $11m (Q2 2015: $19m), reflecting the all-in cost for a full quarter, offset by the benefit of repurchasing $46m of outstanding debt during the half year.

The tax charge in H1 was $65m, a rate of 38% (H1 2015: 28%) on the pretax profit for the period. This included exceptional tax of $14m, which primarily related to provisions for unresolved tax matters and the movement of assets within the group as reported in Q1. The underlying tax rate, excluding this, was 27%.

The $9m net exceptional tax booked in Q2 mainly related to additional provisions for unresolved tax matters and the tax impact of exceptional items included in Cost of Sales and SD&A. In Q2 the reported rate was 34%, but the underlying rate excluding the exceptional item was 20%. Based on current projections we expect our full year effective tax rate to be 25% excluding exceptional taxation.

Net income for the half year was therefore $107m (H1 2015: $144m), a decline of 26% compared to H1 2015 as reported. At constant exchange rates, the decline was 27%.

Adjusted net income, excluding exceptional costs, was $135m, a decline of 9% (H1 2015: $148m). In Q2, net income excluding exceptional costs was $80m, an increase of 18% (Q2 2015: $68m). In Q2 the year-over-year increase in adjusted net income was driven primarily by the lower tax rate in the quarter.

EPS were 15 cents (H1 2015: 20 cents) on a basic basis and 14 cents on a fully diluted basis (H1 2015: 20 cents). On an adjusted basis, excluding exceptional items, EPS were 19 cents basic (H1 2015: 20 cents) and 18 cents fully diluted (H1 2015: 20 cents).

Cash Flow

Cash generated from operations in the half year was $230m (H1 2015: $320m), a decrease of $90m due to lower levels of operating profit of $198m (H1 2015: $230) and a significantly smaller improvement in net working capital with a release of cash of $13m (H1 2015: $82m).

Net cash inflow from operating activities was $183m in the half year (H1 2015: $220m) reflecting the lower cash from operating activities offset by lower tax payments in the half year of $24m (H1 2015: $51m), lower financing costs of $23m (H1 2015: $26m) and the absence of transaction costs relating to the loan facility (H1 2015: $23m).

During the half 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 $13m (H1 2015: $8m).

During the half year, the Group repaid $60m of its term loan, $16m of which was normal repayment under the terms of the loan facility, and $44m of which was repurchase of the debt in the market at a discount and subsequent retirement.

The net increase in cash and cash equivalents therefore was $110m (H1 2015: $192m), being the sum of the cash inflow from operating activities of $183m, less net cash outflows from investing and financing activites of $13m and $60m respectively. Added to the cash and cash equivalents at the beginning of the period of $467m, that gave the Group a total cash and cash equivalents balance at the period end of $577m.

Balance Sheet

Non-current assets decreased to $202m at the half year (FY 2015: $216m), due to modest increases in property, plant and equipment, offset by further amortisation of intangible assets.

Inventories were slightly lower at $47m (FY 2015: $48m). Trade and other receivables at $247m (FY 2015: $206m) increased in line with higher sales compared to the last year-end. The overall increase in current assets was primarily due to the $110m increase in cash and cash equivalents in the half year.

Trade and other payables increased to $579m (FY 2015: $528m), reflecting higher levels of rebates in the US in connection with formulary access and in response to heightened branded competition.

Net working capital (inventory plus trade and other receivables, less trade and other payables) was minus $285m at end H1 2016, an improvement of $11m on December 2015. This represents a ratio of minus 28% of moving annual total net revenue.

Cash and cash equivalents at the period end was $577m, reflecting a net cash increase of $110m in the half year ($34m in Q2). The cash inflow in Q2 (versus Q1) reflected the timing of some disbursements between Q1 and Q2. Borrowings, net of issuance costs, were $551m at the half year end (Dec 2015: $605m) During the half year, the Group repurchased $46m of the outstanding debt. In December 2015, the Group repurchased $75m. In total, therefore, the Group has repurchased $121m of its outstanding debt facility.

The net debt of the Group was $5m at June 30th including the unamortised issuance costs (Dec 2015: $174m).

At the half year, therefore, the Group had net liabilities of $167m (FY2015: $279m), consisting of assets of $1,073m (FY 2015: $937m), and liabilities of $1,240m (FY 2015: $1,216m).

R&D / Pipeline Update

Developments since Q1 2016 results announcement May 3rd, 2016.

- **RBP-6000, Monthly Depot Buprenorphine** for the treatment of opioid use disorder: Phase III Efficacy study (RBP-US-13-0001) on track. Database was locked in early July 2016 with Top-Line results expected before the end of Q3. Phase III Safety extension study (RB-US-13-0003) last patient first visit achieved April 2016. FDA granted Fast Track Designation May 2016.
- **RBP-7000, Monthly Depot Risperidone** for the treatment of schizophrenia. Phase III Efficacy trial completed in May 2015 and data published (*J. Clin. Psychopharmacology,* 36(2):130-140 and *Schizophr. Res.* 174(1-3):126-131). Phase III long-term safety study (RB-US-13-0005), last patient last visit expected August 2016.
- **Arbaclofen Placarbil** for the treatment of alcohol use disorder: Phase IIA study (RB-US-14-0001) found Arbaclofen Placarbil to be safe and well tolerated up to cap target dose but with high inter-individual PK variability observed. Product will require further formulation development and clinical studies to mediate safety risks prior to further outpatient studies in alcohol-dependent patients. Plans under review.
- **RBP-8000 Cocaine Esterase** for treatment of Cocaine Intoxication. Following grant of Breakthrough Therapy Designation by FDA in 2014, second type B meeting with FDA was held in March 2016.
- **Suboxone® Tablet** for the treatment of opioid use disorder in China: Efficacy Study (RB-CN-10-0013) completed with Clinical Study Report signed in June 2016. Planned NDA submission Q4 2016.

Litigation Update

ANDA Litigation

- The ruling after trial against Actavis and Par in the lawsuit involving the Orange Book-listed patents for Suboxone® Film issued on June 3rd, 2016. Ruling found the asserted claims of the '514 patent valid and infringed; the asserted claims of the '150 patent valid but not infringed; and the asserted claims of the '832 patent invalid, but found that certain claims would be infringed if they were valid.
- Based on the ruling as to the '514 patent, Actavis and Par are currently enjoined from launching a generic product. Par has appealed and Actavis is expected to appeal this ruling. The generics have also moved to reopen the judgment based on a more stringent claim construction in the Teva case, which is expected to deactivate the appeals until the District Court rules on the motions to reopen the judgement.
- Trial against Teva, Actavis and Par in the lawsuits involving the recently granted process patent (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 the '497 process patent 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. There is also a second, stayed lawsuit between the Company and Mylan in the Northern District of West Virginia.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. The Indivior Group and Teva agreed that infringement by Teva's 16 mg/4 mg dosage strength will be governed by the infringement ruling on the accused 8 mg/2 mg dosage strength in its ANDA currently scheduled for trial in November 2016.
- The USPTO declined to institute Teva's petitions for inter partes review of the three Orange Book-listed patents on procedural grounds. Each of the three petitions were filed in December 2015. The Patent Trial and Appeal Board ("PTAB"), in a decision dated May 23, 2016, found that two of the petitions, '514 and '150, were untimely filed and rejected them on that basis. The third petition, as to '832, was rejected based on the PTAB's finding, in a decision dated June 10, 2016, that the petition failed to establish a reasonable likelihood that the challenged claims are unpatentable.
- Dr. Reddy's has filed an inter partes review petition on each of the three Orange Book Patents. These petitions are substantively similar to those filed by Teva.

BDSI Proceedings

- Briefing is complete 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. The Court of Appeals for the Federal Circuit has not yet set a date for oral argument. Oral argument is set for August 3, 2016.

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 was finalized in April 2016. The Court will determine whether to adopt the Special Master's recommendations in whole or in part, at which point the parties will work with the Special Master to implement procedures for the Special Master to review the remaining documents at issue. Ultimately the Court's determinations regarding the privilege status of the documents at issue 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. On July 1, 2016, Indivior Inc. was notified that 22 states and the District of Columbia intend to file a complaint in the Eastern District of Pennsylvania alleging violations of state and federal antitrust and consumer protection laws relating to the same conduct. The notice indicated that additional states may decide to join in any action and more recently the Company has learned that additional states do intend to join.
- Fact discovery is underway in the Class Action litigation.
- Amneal Pharmaceuticals LLC, a manufacturer of generic buprenorphine / naloxone tablets, has joined the litigation as an additional plaintiff. 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 criminal grand jury investigation of Indivior initiated in December 2013 is continuing, and includes marketing and promotion practices, pediatric safety claims, and overprescribing of medication by certain physicians. The U.S. Attorney's Office for the Western District of Virginia has served a number of subpoenas relating to SUBOXONE Film, SUBOXONE Tablet, SUBUTEX Tablet, buprenorphine and our competitors, among other issues. We are in the process of responding by producing documents and other information in connection with this on-going investigation. It is not possible at this time to predict with any certainty or to quantify the potential impact of this investigation on us. We are cooperating fully with the relevant agencies and prosecutors and will continue to do so.

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 the remaining term of 2016 remain the same as described on pages 47 to 51 of the 2015 Annual Report. These include:

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 page 6 under litigation update referring to the current status of ANDA litigation and the contingent liabilities disclosures on pages 19-20, 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 behavior

- 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. Specifically see disclosures above on page 6 under litigation update referring to the current status of FTC Investigation and Department of Justice Investigation, and the contingent liabilities disclosures on pages 19-20, note 7

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 contains additional detail on these principal business risks together with a report on risk appetite.

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: -

	6 Months to June 30, 2016	**6 Months to June 30, 2015**
US $: GB £ period end	1.3225	1.5747
US $: GB £ average rate	1.4359	1.5230
US $: € Euro period end	1.1023	1.1205
US $: € Euro average	1.1166	1.1161

For Further Information

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Conference call details

There will be a presentation for analysts and investors at 12 noon London time (7am EST) at The Ayres Room, Deutsche Bank, Winchester House, 1 Great Winchester Street, London EC2N 2DB. The details of the live webcast and conference call facilities are below (and will also be available shortly on the Company's website).

URL http://edge.media-server.com/m/p/8waz8vxt

Confirmation Code: **3907485**

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About Indivior

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 portfolio of opioid dependence treatments 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 conditions and co-morbidities of addiction including alcohol use disorder, cocaine intoxication and schizophrenia. Headquartered in the United States in Richmond, VA., Indivior employs more than 900 individuals globally and its portfolio of products is available in over 40 countries worldwide. Visit www.Indivior.com to learn more.

www.indivior.com

Indication

SUBOXONE® (buprenorphine and naloxone) Sublingual Film (CIII) is a prescription medicine indicated for treatment of opioid dependence and should be used as part of a complete treatment plan to include counseling and psychosocial support.

Treatment should be initiated under the direction of physicians qualified under the Drug Addiction Treatment Act.

IMPORTANT SAFETY INFORMATION

Indication

SUBOXONE® (buprenorphine and naloxone) Sublingual Film (CIII) is a prescription medicine indicated for treatment of opioid dependence and should be used as part of a complete treatment plan to include counseling and psychosocial support.

Treatment should be initiated under the direction of physicians qualified under the Drug Addiction Treatment Act.

Important Safety Information

Do not take SUBOXONE Film if you are allergic to buprenorphine or naloxone as serious negative effects, including anaphylactic shock, have been reported.

SUBOXONE Film can be abused in a manner similar to other opioids, legal or illicit.

SUBOXONE Film contains buprenorphine, an opioid that can cause physical dependence with chronic use. Physical dependence is not the same as addiction. Your doctor can tell you more about the difference between physical dependence and drug addiction. Do not stop taking SUBOXONE Film suddenly without talking to your doctor. You could become sick with uncomfortable withdrawal symptoms because your body has become used to this medicine.

SUBOXONE Film can cause serious life-threatening breathing problems, overdose and death, particularly when taken by the intravenous (IV) route in combination with benzodiazepines or other medications that act on the nervous system (i.e. sedatives, tranquilizers, or alcohol). It is extremely dangerous to take non-prescribed benzodiazepines or other medications that act on the nervous system while taking SUBOXONE Film.

You should not drink alcohol while taking SUBOXONE Film, as this can lead to loss of consciousness or even death.

Death has been reported in those who are not opioid dependent.

Your doctor may monitor liver function before and during treatment.

SUBOXONE Film is not recommended in patients with severe hepatic impairment and may not be appropriate for patients with moderate hepatic impairment. However, SUBOXONE Film may be used with caution for maintenance treatment in patients with moderate hepatic impairment who have initiated treatment on a buprenorphine product without naloxone.

Keep SUBOXONE Film out of the sight and reach of children. Accidental or deliberate ingestion of SUBOXONE Film by a child can cause severe breathing problems and death.

Do not take SUBOXONE Film before the effects of other opioids (e.g. heroin, hydrocodone, methadone, morphine, oxycodone) have subsided as you may experience withdrawal symptoms.

Injecting the SUBOXONE Film product may cause serious withdrawal symptoms such as pain, cramps, vomiting, diarrhea, anxiety, sleep problems, and cravings.

Before taking SUBOXONE Film, tell your doctor if you are pregnant or plan to become pregnant. If you are pregnant or become pregnant while taking SUBOXONE Film, alert your doctor immediately and you should report it using the contact information provided below.*

Neonatal opioid withdrawal syndrome (NOWS) is an expected and treatable outcome of prolonged use of opioids during pregnancy, whether that use is medically-authorized or illicit. Unlike opioid withdrawal syndrome in adults, NOWS may be life-threatening if not recognized and treated in the neonate. Healthcare professionals should observe newborns for signs of NOWS and manage accordingly.
Before taking SUBOXONE Film, talk to your doctor if you are breastfeeding or plan to breastfeed your baby. The active ingredients of SUBOXONE Film can pass into your breast milk. You and your doctor should consider the development and health benefits of breastfeeding along with your clinical need for SUBOXONE Film and should also consider any potential adverse effects on the breastfed child from the drug or from the underlying maternal condition.
Do not drive, operate heavy machinery, or perform any other dangerous activities until you know how SUBOXONE Film affects you. Buprenorphine in SUBOXONE Film can cause drowsiness and slow reaction times during dose-adjustment periods.
Common side effects of SUBOXONE Film include nausea, vomiting, drug withdrawal syndrome, headache, sweating, numb mouth, constipation, painful tongue, redness of the mouth, intoxication (feeling lightheaded or drunk), disturbance in attention, irregular heartbeat, decrease in sleep, blurred vision, back pain, fainting, dizziness, and sleepiness.
This is not a complete list of potential adverse events associated with SUBOXONE Film. Please see full Prescribing Information for a complete list.
*To report negative side effects associated with taking SUBOXONE Film, please call 1-877-782-6966. You are encouraged to report negative side effects of prescription drugs to the FDA. Visit www.fda.gov/medwatch or call 1-800-FDA-1088.
For more information about SUBOXONE Film, SUBOXONE® (buprenorphine and naloxone) Sublingual Tablets (CIII), or SUBUTEX® (buprenorphine) Sublingual Tablets (CIII), please see the respective full Prescribing Information and Medication Guide at www.suboxoneREMS.com.

Forward-Looking Statements

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.

Condensed consolidated interim income statement

	Notes	**Unaudited Q2 2016 $m**	Unaudited Q2 2015 $m	**Unaudited H1 2016 $m**	Unaudited H1 2015 $m
Net Revenues	2	**274**	266	**531**	517
Cost of Sales		**(33)**	(24)	**(53)**	(48)
Gross Profit		**241**	242	**478**	469
Selling, distribution and administrative expenses	3	**(116)**	(93)	**(221)**	(185)
Research and development expenses	3	**(28)**	(34)	**(59)**	(54)
Operating Profit		**97**	115	**198**	230
Operating profit before exceptional items		**111**	118	**212**	235
Exceptional items	3	**(14)**	(3)	**(14)**	(5)
Operating profit		**97**	115	**198**	230
Finance expense		**(11)**	(19)	**(26)**	(31)
Net finance expense		**(11)**	(19)	**(26)**	(31)
Profit before taxation		**86**	96	**172**	199
Taxation	4	**(20)**	(30)	**(51)**	(55)
Exceptional items within taxation	4	**(9)**	-	**(14)**	-
Net income		**57**	66	**107**	144
Earnings per ordinary share (cents)					
Basic earnings per share	5	**8**	9	**15**	20
Diluted earnings per share	5	**8**	9	**14**	20

Condensed consolidated interim statement of comprehensive income

	Unaudited Q2 2016 $m	Unaudited Q2 2015 $m	**Unaudited H1 2016 $m**	Unaudited H1 2015 $m
Net income	**57**	**66**	**107**	144
Other comprehensive income				
Items that may be reclassified to profit or loss in subsequent years:				
Net exchange adjustments on foreign currency translation	**3**	**5**	**-**	(4)
Other comprehensive income	**3**	5	**-**	(4)
Total comprehensive income	**60**	71	**107**	140

The notes on pages 16 to 21 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim balance sheet

	Notes	**Unaudited June 30, 2016 $m**	Audited Dec 31, 2015 $m
ASSETS			
Non-current assets			
Intangible assets		**49**	62
Property, plant and equipment		**43**	32
Deferred tax assets		**110**	122
		202	216
Current assets			
Inventories		**47**	48
Trade and other receivables		**247**	206
Cash and cash equivalents	6	**577**	467
		871	721
Total assets		**1,073**	937
LIABILITIES			
Current liabilities			
Borrowings	6	**(47)**	(34)
Trade and other payables	8	**(579)**	(528)
Current tax liabilities		**(70)**	(41)
		(696)	(603)
Non-current liabilities			
Borrowings	6	**(504)**	(571)
Provisions for liabilities and charges		**(40)**	(42)
		(544)	(613)
Total liabilities		**(1,240)**	(1,216)
Net liabilities		**(167)**	(279)
EQUITY			
Capital and reserves			
Share capital	9	**72**	72
Other Reserves		**(1,295)**	(1,295)
Foreign currency translation reserve		**(23)**	(23)
Retained Earnings		**1,079**	967
Total equity		**(167)**	(279)

The notes on pages 16 to 21 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim statement of changes in equity

Unaudited	Share capital $m	Share Premium $m	Other reserve $m	Foreign Currency Translation reserve $m	Retained earnings $m	**Total equity $m**
At January 1, 2015	**1,437**	**-**	**(1,295)**	**(16)**	**(601)**	**(475)**
Comprehensive income						
Net income	-	-	-	-	144	144
Other comprehensive income	-	-	-	5	(9)	(4)
Total comprehensive income	**-**	**-**	**-**	**5**	**135**	**140**
Transactions recognised directly in equity						
Share awards	-	-	-	-	1	1
Capital reduction	(1,365)	-	-	-	1,365	-
Balance at June 30, 2015	**72**	**-**	**(1,295)**	**(11)**	**900**	**(334)**
At January 1, 2016	**72**	**-**	**(1,295)**	**(23)**	**967**	**(279)**
Comprehensive income						
Net income	**-**	**-**	-	-	107	107
Other comprehensive income	**-**	**-**	**-**	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**	**107**	**107**
Transactions recognised directly in equity						
Share-based plans	**-**	**-**	-	-	6	6
Deferred taxation on share-based plans	**-**	**-**	-	-	(1)	(1)
Total transactions recognised directly in equity	**-**	**-**	**-**	**-**	**5**	**5**
Balance at June 30, 2016	**72**	**-**	**(1,295)**	**(23)**	**1,079**	**(167)**

The notes on pages 16 to 21 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated interim cash flow statement

For the six months to June 30	Unaudited 2016 $m	Unaudited 2015 $m
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Profit	**198**	230
Depreciation and amortization	**12**	12
Share-based payments	**5**	1
Impact from foreign exchange movements	**2**	(5)
(Increase)/decrease in trade and other receivables	**(43)**	2
Decrease/(increase) in inventories	**1**	(9)
Increase in trade and other payables and provisions	**55**	89
Cash generated from operations	**230**	320
Interest paid	**(23)**	(26)
Transaction costs related to loan	**-**	(23)
Taxes paid	**(24)**	(51)
Net cash inflow from operating activities	**183**	220
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(13)**	(8)
Purchase of intangible assets	**-**	(4)
Net cash (outflow) from investing activities	**(13)**	(12)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash movements on overdraft	**-**	3
Cash movements in borrowings	**(60)**	(19)
Net cash (outflow) from financing activities	**(60)**	(16)
Net increase in cash and cash equivalents	**110**	192
Cash and cash equivalents at beginning of the period	**467**	331
Cash and cash equivalents at end of the period	**577**	523

The notes on pages 16 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 and domiciled in the United Kingdom on September 26, 2014. In these condensed consolidated interim financial statements ('Interim Financial Statements'), reference to the 'Group' means the Company and all its subsidiaries.

These interim financial statements have been prepared in conformity with IAS 34 *Interim Financial Reporting.* The financial information herein has been prepared in the basis of the accounting policies set out in the annual accounts of the Group for the year ended December 31, 2015 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 condensed interim 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, 2015, with the exception of changes in estimates that are required in determining the provision for income taxes.

The interim condensed consolidated 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, 2015. These interim condensed consolidated financial statements have been reviewed and not audited. These interim condensed consolidated financial statements have been approved for issue as at July 28, 2016.

After making appropriate inquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis for accounting in preparing these interim financial statements.

The financial information contained in this document does not constitute statutory accounts as defined in section 434 and 435 of the Companies Act 2006. The auditors issued an unqualified opinion and did not contain a statement under section 498 of the Companies Act 2006 on the Group's statutory financial statements for the year ended December 31, 2015. The Group's statutory financial statements for the year ended December 31, 2015 were approved by the Board of Directors on March 8, 2016 and have been 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 six months to June 30, 2016 and 2015 were as follows:

Revenues from sale of goods:

	Q2 2016 $m	Q2 2015 $m	**H1 2016 $m**	H1 2015 $m
United States	**222**	212	**433**	412
ROW	**52**	54	**98**	105
Total	**274**	266	**531**	517

Non-current assets:

	June 30 2016 $m	December 31 2015 $m
United States	**85**	80
ROW	**7**	14
Total	**92**	94

3. OPERATING COSTS AND EXPENSES

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

	Q2 2016 $m	Q2 2015 $m	H1 2016 $m	H1 2015 $m
Research and development expenses	**(28)**	(34)	**(59)**	(54)
Marketing, selling and distribution expenses	**(32)**	(42)	**(64)**	(80)
Administrative expenses	**(77)**	(43)	**(143)**	(91)
Depreciation and amortisation	**(6)**	(6)	**(12)**	(12)
Operating lease rentals	**(1)**	(2)	**(2)**	(2)
Total	**(116)**	(93)	**(221)**	(185)

Exceptional Items

	Q2 2016 $m	Q2 2015 $m	H1 2016 $m	H1 2015 $m
Cost of Sales	**10**	-	**10**	-
Reconfiguration and separation costs	**-**	3	**-**	5
Consulting costs	**4**	-	**4**	-
Total Exceptional items	**14**	3	**14**	**5**

$14m (2015: $5m) of exceptional items include write offs of manufacturing costs and legal and advisory costs related to the exploration of strategic initiatives for the event of a potential negative ANDA ruling. These have been included within operating expenses and Costs of Sales.

4. TAXATION

In the six months ended June 30, 2016, tax on total profits amounted to $65m and represented a half-year effective tax rate of 38% (H1 2015: 28%); $19m of these relate to the tax effect on the movement of assets within the Group and additional provisions for unresolved tax matters and are considered to be exceptional. ($5m) relate to the tax effect of exceptional items within SD&A and Cost of Sales. The Group's balance sheet at June 30, 2016 included a tax payable liability of $70m and deferred tax asset of $110m.

The effective tax rate excluding exceptionals was 27%.

5. EARNINGS PER SHARE

	Q2 2016 cents	Q2 2015 cents	H1 2016 cents	H1 2015 cents
Basic earnings per share	**8**	9	**15**	20
Diluted earnings per share	**8**	9	**14**	20
Adjusted basic earnings per share	**11**	9	**19**	20
Adjusted diluted earnings per share	**11**	9	**18**	20

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. 720,597,566 shares were in issue at the reporting date.

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.

	2016 Average number of shares	2015 Average number of shares
On a basic basis	**720,597,566**	718,577,618
Dilution for Long Term Incentive Plan (LTIP)	**24,845,443**	14,459,717
Adjusted diluted earnings per share	**745,443,009**	733,037,335

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:

	Q2 2016 $m	Q2 2015 $m	H1 2016 $m	H1 2015 $m
Net income	**57**	66	**107**	144
Exceptional items	**14**	3	**14**	5
Tax effect of exceptional items	**(5)**	(1)	**(5)**	(1)
Exceptional items within taxation	**14**	-	**19**	-
Adjusted net income	**80**	68	**135**	148

6. FINANCIAL LIABILITIES – BORROWINGS

Current	June 30 2016 $m	December 31 2015 $m
Bank loans	**(47)**	(34)
	(47)	(34)

Non-current	June 30 2016 $m	December 31 2015 $m
Bank loans	**(504)**	(571)
	(504)	(571)

Analysis of net debt	June 30 2016 $m	December 31 2015 $m
Cash and cash equivalents	**577**	467
Borrowings*	**(582)**	(641)
	(5)	(174)

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

Reconciliation of net debt	June 30 2016 $m	December 31 2015 $m
The movements in the period were as follows:		
Net debt at beginning of period	**(174)**	(428)
Increase in cash and cash equivalents	**110**	136
Net repayment of/(increase in) borrowings and overdraft	**60**	121
Exchange adjustment	**(1)**	(3)
Net debt at end of period	**(5)**	(174)

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 on March 16, 2015 were 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.

The Indivior business (previously Reckitt Benckiser Pharmaceuticals (RBP)) was demerged from Reckitt Benckiser Group plc (RB) on December 23rd 2014 and Indivior PLC became the new ultimate holding company of the group.

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 the Company and various 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. The Company 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 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. On July 1st, 2016, the Company was notified that 22 states and the District of Columbia intend to file a complaint in the Eastern District of Pennsylvania alleging violations of state and federal antitrust and consumer protection laws relating to the same conduct. The notice indicated that additional states may decide to join in any action and more recently the Company has learned that additional states do intend to join. The investigations are ongoing, and as yet no decision has been made by either agency on whether to pursue any legal action for enforcement.

A federal criminal grand jury investigation of Indivior initiated in December 2013 is continuing, and includes marketing and promotion practices, pediatric safety claims, and overprescribing of medication by certain physicians. 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 our 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.

ANDA Litigation

- The ruling after trial against Actavis and Par in the lawsuit involving the Orange Book-listed patents for Suboxone® Film issued on June 3rd, 2016. Ruling found the asserted claims of the '514 patent valid and infringed; the asserted claims of the '150 patent valid but not infringed; and the asserted claims of the '832 patent invalid, but found that certain claims would be infringed if they were valid.

- Based on the ruling as to the '514 patent, Actavis and Par are currently enjoined from launching a generic product. Par has appealed and Actavis is expected to appeal this ruling. The generics have also moved to reopen the judgment based on a more stringent claim construction in the Teva case, which is expected to deactivate the appeals until the District Court rules on the motions to reopen the judgement.

- Trial against Teva, Actavis and Par in the lawsuits involving the recently granted process patent (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 the '497 process patent 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. There is also a second, stayed lawsuit between the Company and Mylan in the Northern District of West Virginia.

- 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. The Indivior Group and Teva agreed that infringement by Teva's 16 mg/4 mg dosage strength will be governed by the infringement ruling on the accused 8 mg/2 mg dosage strength in its ANDA currently scheduled for trial in November 2016.

- The USPTO declined to institute Teva's petitions for inter partes review of the three Orange Book-listed patents on procedural grounds. Each of the three petitions were filed in December 2015. The Patent Trial and Appeal Board ("PTAB"), in a decision dated May 23, 2016, found that two of the petitions, '514 and '150, were untimely filed and rejected them on that basis. The third petition, as to '832, was rejected based on the PTAB's finding, in a decision dated June 10,2016, that the petition failed to establish a reasonable likelihood that the challenged claims are unpatentable.

- Dr. Reddy's has filed an inter partes review petition on each of the three Orange Book Patents. These petitions are substantively similar to those filed by Teva.

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.

In August 2015 the IRS issued notices of a proposed adjustment for the disallowance of certain manufacturing deductions claimed by the Company following its audit of 2011 and 2012 income tax years. During the 4th quarter of 2015, the Company was notified by the IRS of their intention to audit 2013 and 2014 income tax years and have since been notified that the IRS intend to disallow these claims in 2013 and 2014 audit cycle. The Company will appeal the proposed disallowance. The Company has evaluated its positions with respect to these claims and has provided $19m tax reserve for amounts claimed on all open periods as its best estimate of its expected settlement position for this issue.

8. TRADE AND OTHER PAYABLES

	June 30 2016 $m	December 31 2015 $m
Sales returns and rebates	**(344)**	(287)
Trade payables	**(73)**	(113)
Accruals	**(140)**	(116)
Other tax and social security payables	**(22)**	(12)
Total	**(579)**	(528)

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, 2016	**718,577,618**	**$0.10**	**72**
Allotments	2,019,948	$0.10	-
At June 30, 2016	**720,597,566**	**$0.10**	**72**

	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 June 30, 2015	718,577,618	$0.10	72

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, 2015, 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 that 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, 2016.

Allotment of ordinary shares

During the year, 2,019,948 ordinary shares (2015: nil) were allotted to satisfy vestings/exercises under the Group's Long Term Incentive Plan.

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, served on the Indivior PLC Board of Directors until the AGM on May 11th, 2016. The amount included within SD&A in respect of these services is $2m.

11. POST BALANCE SHEET EVENTS

The 2015 second interim dividend of 9.5 cents per ordinary share was declared by the board on February 17th, 2016. This dividend totaling $68m will be paid on July 29th to shareholders whose names appeared on the register of members at the close of business on June 17th, 2016. The sterling equivalent per ordinary share was set at 7.3 pence.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors declare that, to the best of their knowledge:

- This condensed set of interim financial statements, which have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union, gives a true and fair view of the assets, liabilities, financial position, and profit or loss of Indivior; and

- The interim management report gives a fair review of the information required pursuant to regulations 4.2.7 and 4.2.8 of the Disclosure Guidance and Transparency Rules (DTR)

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Indivior's Directors are listed in the Annual Report and Accounts for 2015. With the exception of Adrian Hennah, who stepped down as a Director on May 11th, 2016, there have been no changes in the period.

Details of all current Directors are available on our website at www.indivior.com

By order of the Board

Shaun Thaxter
Chef Executive Officer

Cary J. Claiborne
Chief Financial Officer

July 29, 2016

Independent review report to Indivior PLC

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Indivior PLC's condensed consolidated interim financial statements (the "interim financial statements") in the quarterly financial report of Indivior PLC for the 3 and 6 month period ended 30 June 2016. Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

What we have reviewed

The interim financial statements comprise:

- the condensed consolidated interim balance sheet as at 30 June 2016;
- the condensed consolidated interim income statement and condensed consolidated statement of comprehensive income for the period then ended;
- the condensed consolidated interim statement of cash flows for the period then ended;
- the condensed consolidated interim statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the quarterly financial report have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1 to the interim financial statements, the financial reporting framework that has been applied in the preparation of the full annual financial statements of the Group is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The quarterly financial report, including the interim financial statements, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the quarterly financial report in accordance with the Disclosure Rules and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Our responsibility is to express a conclusion on the interim financial statements in the quarterly financial report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and, consequently, does not enable us to obtain assurance that we would become

aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the quarterly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
London
29 July 2016

a) The maintenance and integrity of the Indivior PLC website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the interim financial statements since they were initially presented on the website.

b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.