Innovation for the future
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At Allergan, innovation is more than coming up with new ideas or developing new products. It’s about innovating for the future – understanding the needs of our patients, consumers and physicians, adapting to the evolving changes of the health care industry and advancing our business in the face of challenging economic times.

Innovation is the foundation of Allergan; it defines who we are as a company and is the key to how we will continue striving to satisfy the unmet needs of our customers worldwide. In 2012, we invested nearly $1 billion, a rate above industry standard, in one of the most robust product pipelines in the specialty pharmaceutical market. We’re expanding and improving our Research & Development (R&D) facilities to enhance clinical development programs so we can continue to rapidly bring products to market across the world. We’re committed to improving, with a goal of further strengthening, our presence in the industry, whether that be via internal discovery and development, acquiring products, in-licensing compounds, partnering with other companies or acquiring other companies to grow our product portfolio or bring a new product to market. At Allergan, we are constantly improving, striving to build a better tomorrow – we’re innovating for the future.
Delivering Value
Consistent with our historical, long-term performance, we were able to deliver very good results in 2012, in line with our ongoing aspiration of growing revenues in local currencies around 10% per annum and growing annual adjusted Earnings per Share in the mid-teens percentages. For 2012, we reported strong 9.1% revenue growth in local currencies and 6.8% in U.S. Dollars, as sales were impacted by the weakness of some important foreign currencies such as the Euro and the Brazilian Real. Adjusted Diluted Earnings per Share increased 15.1% in 2012 over 2011, even as we continued to invest vigorously into R&D, increasing those expenditures to $927 million and by 8% versus 2011 on an adjusted basis.

Our operating performance should be judged in the context of the squeeze to contain health care costs being applied by governments primarily in the United States and Europe. In 2012, Allergan absorbed $114 million (on a pre-tax equivalent basis) of contributions to U.S. Health care Reform and $36 million in price reductions mandated by various European governments and South Korea, representing an incremental $20 million increase over 2011. Given the mixed state of the world economy, we are pleased that our consumer-facing businesses in the field of medical aesthetics grew around double digits.

Thanks to a streamlined and modern network of manufacturing facilities – our main pharmaceutical plants being in Ireland, Texas and Brazil, and medical device manufacturing being concentrated in Costa Rica and France – along with rising volumes, capacity utilization and targeted investments in efficiency, we were able to reduce our manufacturing costs by approximately 5% versus 2011. This contributed to a record gross margin for the company at over 86% of sales in 2012.

We are pleased that our strong revenue growth is built on a portfolio of diverse products and countries. In fact, almost all of our operating regions – U.S. pharmaceuticals and Canada; Europe, Africa and Middle East; Latin America; and Asia Pacific – grew revenues at close to or above double digits in local currencies. The only unit with low sales growth was our Allergan Medical business unit in the United States, which was affected by a 27% decline in the obesity intervention business as well as the entry of a competitor to BOTOX® Cosmetic early in the year.

Dynamic Portfolio Management
A key long-term strategy to maintain Allergan’s strength is to regularly and dispassionately reevaluate the contribution of each business to our overall value-creation goals and dynamically rebalance our portfolio. This was the case when, in 2002, we executed a spin-off of our lower growth legacy businesses, contact lens solutions and cataract surgery products, into a new company, Advanced Medical Optics (AMO). Now, following a review of strategic options, our Board of Directors in February 2013, formally committed to pursue the sale of our obesity intervention business, and we currently expect to execute a signed agreement during the first half of 2013. In 2012, sales of the LAP-BAND® System and ORBERA® overseas declined 20% in local currencies versus 2011, driven by the drastic decline of the patient self-paid market in the United States during the economic downturn, as well as by high co-pays demanded by insurance companies for those patients with coverage. In Europe, we have been affected by similar governmental austerity pricing pressures.

Whilst the LAP-BAND® System and ORBERA® enjoy strong profitability and very high market shares, the business does not offer scale to leverage. In each of our other medical specialties – ophthalmology, medical aesthetics, medical dermatology, neurosciences and urology – our particular strategic strength is not only high market share, but also breadth in our product range.

Given our strong and record operating cash flow in 2012 – we generated almost $1.5 billion in cash on a pre-dividend basis – we are constantly evaluating the acquisition and in-licensing of new assets, focusing on differentiated products and technologies in growing market segments and areas where we have particular knowledge.

To this end, we were delighted to acquire SkinMedica, Inc. in December 2012. SkinMedica has been the fastest growing company in the U.S. physician dispensed skin care category, with annual sales of approximately $70 million. SkinMedica’s products are only sold through the physician channel and enjoy a strong reputation by doctors and their patients. We believe that we can

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>INDICATION</th>
<th>COUNTRY</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOTOX® (onabotulinumtoxinA)</td>
<td>Treatment of overactive bladder with symptoms of urinary incontinence, urgency and frequency in adults who have had an inadequate response to or are intolerant of an anticholinergic medication</td>
<td>United States, Ireland, Germany, Austria, Finland and Estonia</td>
</tr>
<tr>
<td>AIPHAGAN® P (brimonidine tartrate ophthalmic solution) 0.1%</td>
<td>Reduction of intraocular pressure (IOP) in patients with ocular hypertension and/or glaucoma</td>
<td>Japan</td>
</tr>
<tr>
<td>NATRELLE® (silicone gel-filled breast implants and Style 133 tissue expanders)</td>
<td>Women undergoing breast augmentation, revision or reconstructive surgery</td>
<td>Japan</td>
</tr>
<tr>
<td>NATRELLE® 410® (Highly Cohesive Anatomically Shaped Silicone-Filled Breast Implants)</td>
<td>Women undergoing breast augmentation, revision or reconstructive surgery</td>
<td>United States</td>
</tr>
<tr>
<td>LUMIGAN® (bimatoprost ophthalmic solution) 0.03% in single dose containers, preservative-free formulation</td>
<td>Reduction of elevated intraocular pressure (IOP) in adults with chronic open-angle glaucoma and ocular hypertension, for patients who require a preservative-free treatment</td>
<td>European Union</td>
</tr>
</tbody>
</table>

In 2012, Allergan secured 150+ approvals for a variety of products and indications in dozens of countries worldwide.

1 Calculated by adding to reported 2012 adjusted net earnings the benefit of the R&D tax credit for 2012 of approximately $17.3 million, or $0.06 diluted earnings per share, that was signed into law in January 2013.
David E.I. Pyott, CBE
Chairman of the Board, President & Chief Executive Officer
add considerable value by integrating SkinMedica into Allergan’s broad based medical aesthetics portfolio.

In January 2013, we announced that we had entered into a definitive merger agreement to acquire MAP Pharmaceuticals (MAP) for approximately $958 million, along with its key asset, Levadex®, an orally inhaled dihydroergotamine product, currently under review by the U.S. Food and Drug Administration (FDA) for the acute treatment of migraine. This acquisition builds on our collaboration agreement with MAP, established in early 2011, to co-promote Levadex® in the neurology specialty market in the United States and Canada where we shared the economics in this channel. We expect the MAP acquisition will yield us the full economics of the neurology specialty in the United States and Canada, as well as worldwide rights to Levadex®. Whilst the product profile is both complementary to, and different from, BOTOX® for chronic migraine, the physician groups are the same and there is a strong patient overlap. With a combined portfolio of the two products, we are in a strong position to service not only neurologists and pain specialists, but in the future also prescribers of migraine medications who are not board-certified neurologists, further enhancing sales not only of Levadex® but our key franchise of BOTOX® for chronic migraine.

Focus on Driving Sales Growth

Operating in dynamic, growing global markets, Allergan is driven by innovative products and solutions that improve patient care today and well into the future. Indeed, that is the theme of this Annual Report. We are number one or number two in each of our world markets, as is often the case with high performing companies. After our planned obesity intervention divestiture, we will be focused on only five medical specialties. Allergan has a history of creating new market segments, drawing on our deep understanding of the needs of medical communities, including physicians and patients. Examples of this include BOTOX® Cosmetic for the treatment of moderate to severe glabellar lines, LATISSE® for the growth of eyelashes, and RESTASIS® for the treatment of chronic dry eye.

In 2012, we were able to drive growth, thanks to the many regulatory approvals from the FDA and foreign regulatory authorities secured since 2010. Unlike most pharmaceutical companies, the only significant generics exposure we faced in 2012 was in our urology segment, where SANCTURA XR®, our anticholinergic, declined over 50% with residual 2012 sales of $28 million. Equipped with a strong patent portfolio with long lives, Allergan does not expect significant generics issues in the coming years, although we are unable to predict the outcome of present and future challenges to our product patents.

We continue to realize major growth in the BOTOX® franchise. With the most recent FDA approval for over-active bladder in January 2013, BOTOX® now has seven approved therapeutic indications in the United States along with the well-known aesthetic, moderate to severe glabellar lines indication for BOTOX® Cosmetic. Worldwide, BOTOX® enjoys 26 different indications across approximately 85 countries. Therapeutic sales in 2012 accounted for approximately 52% of BOTOX® global sales and increased approximately 13% in U.S. Dollars, with accelerating demand stemming from indications for chronic migraine, upper limb spasticity as well as other movement disorders, and neurogenic or spastic bladder, the first of the urology regulatory approvals. Aesthetic global sales accounted for approximately 48% of BOTOX® global sales in 2012 and grew approximately 8% in U.S. Dollars. Local currency growth for both franchises was greater by approximately 2 percentage points. Our other consumer-facing franchises also performed well in 2012, with dermal fillers growing at 9.9% in local currencies and breast aesthetics at 10.5% in local currencies. Internationally, JUVÉDERM VOLUMA™, our volumizing filler used mainly in the mid-face area, has expanded the overall market and led to market share gains for Allergan. We are awaiting FDA action on JUVÉDERM VOLUMA™ in the United States and are hopeful of an approval before year end in 2013. In breast aesthetics, a quality issue at a French manufacturer led surgeons across the world (outside North America) to choose the high quality products offered by Allergan, which was already the leader in this category in most markets.

Within the skin care segment, ACZONE® became the number one non-retinoid, topical acne treatment prescribed by dermatologists in the United States.

Representing almost half of our business worldwide, ophthalmic pharmaceuticals grew 9.7% in local currencies in 2012, with several notable achievements. RESTASIS®, a pioneer in the therapeutic chronic dry eye market since its introduction in
2001, is now the largest single ophthalmic product by value in the United States and enjoyed 13.9% growth worldwide in local currencies. In glaucoma, one of the two largest global eye care market segments,4 Allergan is the fastest growing5 global company with a 7% sales increase in local currencies. ALPHAGAN® P and COMBIGAN®, the fixed dose combination of ALPHAGAN® and the beta blocker timolol, grew 10.6% in local currencies in 2012, as these products are favored by ophthalmologists worldwide when prostaglandin products alone are insufficient in lowering intraocular pressure.

Our first line prostamide products, LUMIGAN® and GANFORT™, achieved only 4.9% growth in local currencies in 2012, due primarily to the impact of generic competition in the United States with the former market leader. In the artificial tears market, which is growing worldwide at approximately 7% in local currencies,6 Allergan is gaining share thanks to the REFRESH OPTIVE® line and the most recent introduction of REFRESH OPTIVE® Advanced, a triple action formulation.

In the retina segment, OZURDEX®, a steroid delivered in a biodegradable implant to the back of the eye and indicated for retinal vein occlusion and uveitis, experienced good growth in Europe and in the United States. Allergan’s ophthalmic sales increased in 2012 by double digits in local currencies in all major regions of the world, with the United States growing in the high single digits due to generics pressure on LUMIGAN® and our decision to discontinue the original LUMIGAN® 0.03%, thus reducing trade inventory. In 2012, in the global ophthalmic market, Allergan was the fastest growing global company.6

We continue to build out our presence in fast growing emerging markets. Already, Brazil is one of our largest foreign markets; in India7 and Turkey8 we are the largest local ophthalmic pharmaceutical company; we are also investing heavily in China. Of note, in 2012, we also launched our ophthalmology business in Russia and expanded our medical aesthetics franchise after we established direct operations in that country.

**Constantly Refueling Our R&D Pipeline**

Allergan’s R&D strategy – focused on locally administered pharmaceuticals in our areas of deep clinical expertise, as well as the targeted delivery of BOTOX® to individual muscles, coupled with the expansion of the clinical indications for BOTOX® – has been enormously productive in terms of regulatory approvals. Furthermore, we combine this strength with our skills in medical devices to not only successfully innovate in our product lines but also to develop drugs with novel delivery technologies. All of this has led to a rate of success in clinical development that exceeds industry performance.9

Whilst we continue to build out our existing areas of competency, we also expect to move deeper into biologics; into the DARPin® platform, which was in-licensed from Molecular Partners in Zurich, Switzerland, with programs underway for age-related macular degeneration; into next-generation BOTOX® technologies; as well as senebotin, a first in class targeted exocytosis modulator with applications in pain.

Continuing our resolve to invest heavily in R&D, we expect to spend approximately $1 billion in R&D in 2013. As our R&D operations become larger and more complex, we are determined to realize efficiencies in our clinical operations and also, at the margin, adapt and evolve our organization and model. Although we have historically been a largely California-based R&D organization, in 2012, we opened a new R&D facility in New Jersey, the location of much talent in the pharmaceutical industry.

In determining which programs to select for our R&D portfolio, we are applying the rigor of a model we have utilized for a decade, and making tough choices where required.

Finally, on behalf of our management and Board of Directors, I wish to recognize and thank our employees around the world for their dedication to excellence, and for their efforts to deliver strong operating results and most importantly to help patients fulfill their life’s potential.

Sincerely,

David E.I. Pyott, CBE
Chairman of the Board, President & Chief Executive Officer

**Leading Market Share Position in Growing Markets**

<table>
<thead>
<tr>
<th></th>
<th>WORLDWIDE MARKET SIZE ($M)</th>
<th>WORLDWIDE MARKET GROWTH (%)</th>
<th>ALLERGAN MARKET POSITION</th>
<th>ALLERGAN MARKET SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ophthalmics</td>
<td>$18,613</td>
<td>+6%</td>
<td>#2</td>
<td>16%</td>
</tr>
<tr>
<td>Neuromodulators</td>
<td>$2,385</td>
<td>+13%</td>
<td>#1</td>
<td>76%</td>
</tr>
<tr>
<td>Dermal Fillers</td>
<td>$1,032</td>
<td>+7%</td>
<td>#1</td>
<td>36%</td>
</tr>
<tr>
<td>Breast Aesthetics</td>
<td>$887</td>
<td>+6%</td>
<td>#1</td>
<td>42%</td>
</tr>
</tbody>
</table>

* Sources: Ophthalmics – IMS Global (53 countries) at Q3-12 constant exchange rates. Neuromodulator/Filler/Breast/Banding – Mixture of public information (earnings releases, earnings calls, 10Ks, 10Qs), AGN internal data, syndicated marketing research reports, analyst reports, internet searches, competitive intelligence, market trackers, etc.

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1 IMS MAT Q3-2012 worldwide (53-country rollup) US$ sales estimates at Q3-12 constant exchange rates.
2 IMS MAT Q3-2012 worldwide (53-country rollup) US$ growth estimates at Q3-12 constant exchange rates (among top five companies).
3 IMS MAT Q3-2012 Turkey Pharmacy US$ sales estimates at Q3-12 constant exchange rates.
4 IMS MAT Q3-2012 India Pharmacy (sell-out) US$ sales estimates at Q3-12 constant exchange rates.
5 2000-2010 Data provided by CMR (Thomson Reuters).
## Financial Summary

### Statement of Operations Highlights

(As reported under U.S. GAAP)

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>Product net sales</td>
<td>$5,708.8</td>
<td>$5,347.1</td>
<td>$4,819.6</td>
<td>$4,447.6</td>
<td>$4,339.7</td>
</tr>
<tr>
<td>Total revenues</td>
<td>5,806.1</td>
<td>5,419.1</td>
<td>4,919.4</td>
<td>4,503.6</td>
<td>4,403.4</td>
</tr>
<tr>
<td>Research and development</td>
<td>989.6</td>
<td>902.8</td>
<td>804.6</td>
<td>706.0</td>
<td>797.9</td>
</tr>
<tr>
<td>Net earnings</td>
<td>1,102.5</td>
<td>938.1</td>
<td>4.9</td>
<td>623.8</td>
<td>564.7</td>
</tr>
<tr>
<td>Net earnings attributable to noncontrolling interest</td>
<td>3.7</td>
<td>3.6</td>
<td>4.3</td>
<td>2.5</td>
<td>1.6</td>
</tr>
<tr>
<td>Net earnings attributable to Allergan, Inc.</td>
<td>$1,098.8</td>
<td>$934.5</td>
<td>$0.6</td>
<td>$621.3</td>
<td>$563.1</td>
</tr>
<tr>
<td>Net basic earnings per share attributable to Allergan, Inc. stockholders</td>
<td>$3.64</td>
<td>$3.07</td>
<td>$0.00</td>
<td>$2.05</td>
<td>$1.85</td>
</tr>
<tr>
<td>Net diluted earnings per share attributable to Allergan, Inc. stockholders</td>
<td>$3.58</td>
<td>$3.01</td>
<td>$0.00</td>
<td>$2.03</td>
<td>$1.84</td>
</tr>
<tr>
<td>Dividends per share</td>
<td>$0.20</td>
<td>$0.20</td>
<td>$0.20</td>
<td>$0.20</td>
<td>$0.20</td>
</tr>
</tbody>
</table>

**Adjusted Amounts**

Adjusted net earnings attributable to Allergan, Inc. stockholders | $1,272.3 | $1,131.8 | $973.9 | $849.8 | $786.5 |

Adjusted net basic earnings per share attributable to Allergan, Inc. stockholders | $4.22 | $3.72 | $3.21 | $2.80 | $2.59 |

Adjusted net diluted earnings per share attributable to Allergan, Inc. stockholders | $4.14 | $3.65 | $3.16 | $2.78 | $2.57 |

### Net Sales by Product Line

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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Eye Care Pharmaceuticals</td>
<td>$2,692.2</td>
<td>$2,520.2</td>
<td>$2,262.0</td>
<td>$2,100.6</td>
<td>$2,009.1</td>
</tr>
<tr>
<td>BOTOX®/Neuromodulator</td>
<td>1,766.3</td>
<td>1,594.9</td>
<td>1,419.4</td>
<td>1,309.6</td>
<td>1,310.9</td>
</tr>
<tr>
<td>Skin Care</td>
<td>298.4</td>
<td>260.1</td>
<td>229.5</td>
<td>208.0</td>
<td>113.7</td>
</tr>
<tr>
<td>Urologics</td>
<td>27.7</td>
<td>56.8</td>
<td>62.5</td>
<td>65.6</td>
<td>68.6</td>
</tr>
<tr>
<td>Total specialty pharmaceuticals</td>
<td>4,784.6</td>
<td>4,432.0</td>
<td>3,973.4</td>
<td>3,683.8</td>
<td>3,502.3</td>
</tr>
</tbody>
</table>

Medical Devices:

| Breast Aesthetics          | 377.1     | 349.3     | 319.1     | 287.5     | 310.0     |
| Obesity Intervention       | 159.5     | 203.1     | 243.3     | 258.2     | 296.0     |
| Facial Aesthetics          | 387.6     | 362.7     | 283.8     | 218.1     | 231.4     |
| Total medical devices      | 924.2     | 915.1     | 846.2     | 763.8     | 837.4     |

Total product net sales | $5,708.8 | $5,347.1 | $4,819.6 | $4,447.6 | $4,339.7 |

### Product Sold by Location

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic</td>
<td>60.9%</td>
<td>60.2%</td>
<td>62.6%</td>
<td>65.4%</td>
<td>64.6%</td>
</tr>
<tr>
<td>International</td>
<td>39.1%</td>
<td>39.8%</td>
<td>37.4%</td>
<td>34.6%</td>
<td>35.4%</td>
</tr>
</tbody>
</table>

(a) The adjusted amounts represent certain non-GAAP financial measures. For a reconciliation of these non-GAAP financial measures to GAAP financial measures, please refer to pages 8 and 9 of this Annual Report.

Comparison of 5-Year Cumulative Total Return* 
Among Allergan, Inc., the S&P 500 Index, the NYSE Arca Pharmaceutical Index, and a Peer Group

*100 invested on 12/31/07 in stock or index, including reinvestment of dividends.

<table>
<thead>
<tr>
<th></th>
<th>12/31/07</th>
<th>12/31/08</th>
<th>12/31/09</th>
<th>12/31/10</th>
<th>12/31/11</th>
<th>12/31/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allergan, Inc.</td>
<td>$160</td>
<td>$140</td>
<td>$120</td>
<td>$100</td>
<td>$80</td>
<td>$60</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>$160</td>
<td>$140</td>
<td>$120</td>
<td>$100</td>
<td>$80</td>
<td>$60</td>
</tr>
<tr>
<td>NYSE Arca Pharmaceutical</td>
<td>$160</td>
<td>$140</td>
<td>$120</td>
<td>$100</td>
<td>$80</td>
<td>$60</td>
</tr>
<tr>
<td>Peer Group</td>
<td>$160</td>
<td>$140</td>
<td>$120</td>
<td>$100</td>
<td>$80</td>
<td>$60</td>
</tr>
</tbody>
</table>

Total Sales Growth (in millions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales Growth</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>08</td>
<td>$4,339.7</td>
<td>12%</td>
</tr>
<tr>
<td>09</td>
<td>$4,447.6</td>
<td>2%</td>
</tr>
<tr>
<td>10</td>
<td>$4,819.6</td>
<td>8%</td>
</tr>
<tr>
<td>11</td>
<td>$5,347.1</td>
<td>11%</td>
</tr>
<tr>
<td>12</td>
<td>$5,708.8</td>
<td>7%</td>
</tr>
</tbody>
</table>

R&D Spend (1) (in millions of dollars)

<table>
<thead>
<tr>
<th>Year</th>
<th>R&amp;D Spend</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>08</td>
<td>$728.9</td>
<td>13%</td>
</tr>
<tr>
<td>09</td>
<td>$674.9</td>
<td>-7%</td>
</tr>
<tr>
<td>10</td>
<td>$761.6</td>
<td>13%</td>
</tr>
<tr>
<td>11</td>
<td>$857.6</td>
<td>13%</td>
</tr>
<tr>
<td>12</td>
<td>$926.8</td>
<td>8%</td>
</tr>
</tbody>
</table>

(1) Adjusted for non-GAAP items. For a reconciliation of these non-GAAP financial measures to GAAP financial measures, please refer to pages 8 and 9 of this Annual Report.
**GAAP** refers to financial information presented in accordance with generally accepted accounting principles (GAAP).

In this Annual Report, Allergan included historical non-GAAP financial measures, as defined in Regulation G promulgated by the Securities and Exchange Commission, with respect to the year ended December 31, 2012, as well as the corresponding periods for 2011 through 2008. Allergan believes that its presentation of historical non-GAAP financial measures provides useful supplementary information to investors regarding its operational performance because it enhances an investor’s overall understanding of the financial performance and prospects for the future of Allergan’s core business activities by providing a basis for the comparison of results of core business operations between current, past and future periods. The presentation of historical non-GAAP financial measures is not meant to be considered in isolation from or as a substitute for results as reported under GAAP.

In this Annual Report, Allergan reported the non-GAAP financial measures “non-GAAP earnings attributable to Allergan, Inc.” and all of its subcomponents and related “non-GAAP basic and diluted earnings per share attributable to Allergan, Inc. stockholders.” Allergan uses non-GAAP earnings to enhance the investor’s overall understanding of the financial performance and prospects for the future of Allergan’s core business activities. Non-GAAP earnings is one of the primary indicators management uses in planning and forecasting in future periods, including trend and analyzing the core operating performance of Allergan’s business from period to period without the effect of the non-core business items indicated. Management uses non-GAAP earnings to prepare operating budgets and forecasts and to measure Allergan’s performance against those budgets and forecasts on a corporate and segment level. Allergan also uses non-GAAP earnings for evaluating management performance for compensation purposes.

Despite the importance of non-GAAP earnings in analyzing Allergan’s underlying business, the budgeting and forecasting process and designing incentive compensation, non-GAAP earnings has no standardized meaning defined by GAAP. Therefore, non-GAAP earnings has limitations as an analytical tool and should not be considered in isolation, or as a substitute for analysis of Allergan’s results as reported under GAAP. Some of these limitations are:

- It does not reflect cash expenditures, or future requirements, for expenditures relating to restructuring, legal settlements, and certain acquisitions, including severance and facility transition costs associated with acquisitions; it does not reflect asset impairment charges or gains or losses on the disposition of assets associated with restructuring and business exit activities; it does not reflect the tax benefit or tax expense associated with the items indicated; it does not reflect the impact on earnings of charges or income resulting from certain matters Allergan considers not to be indicative of its on-going operations; and other companies in Allergan’s industry may calculate non-GAAP earnings differently than it does, which may limit its usefulness as a comparative measure.

Allergan compensates for these limitations by using non-GAAP earnings only to supplement net earnings on a basis prepared in conformance with GAAP in order to provide a more complete and understandable view of the factors and trends affecting its business. Allergan strongly encourages investors to consider both net earnings and cash flows determined under GAAP as compared to non-GAAP earnings, and to perform their own analysis, as appropriate.

In this Annual Report, Allergan also reported sales performance using the non-GAAP financial measure of constant currency sales. Constant currency sales represent current year reported sales adjusted for the constant effect of changes in average foreign currency exchange rates between the current year and the corresponding prior year. Allergan calculates the currency effect by comparing adjusted current year reported amounts, calculated using the monthly average foreign exchange rates for the corresponding prior year, to the actual current year reported amounts. Management refers to growth rates at constant currency so that sales results can be viewed without the impact of changing foreign currency exchange rates, thereby facilitating period-to-period comparisons of Allergan’s sales. Generally, when the dollar either strengthens or weakens against other currencies, the growth at constant currency rates will be higher or lower, respectively, than growth reported at actual exchange rates.

Sales performance using constant currency sales has the limitation of excluding currency effects from the comparison of sales results over various periods, even though the effect of changing foreign currency exchange rates has an actual effect on Allergan’s operating results. Investors should consider these effects in their overall analysis of Allergan’s operating results.

- **(a)** Fair market value adjustment roll-off of $0.3 million associated with the purchase of a distributor’s business in Russia related to Allergan’s products.
- **(b)** Expenses from changes in fair value of contingent consideration of $5.4 million and integration and transaction costs of $2.1 million associated with business combinations, consisting of cost of sales of $0.1 million and selling, general and administrative expenses of $2.0 million.
- **(c)** Aggregate charges of $0.7 million for exposure to stockholder derivative and tax litigation associated with the DOJ settlement announced in September 2010 and other legal contingency expenses.
- **(d)** Expenses related to the re-alignment of various business functions and the restructuring of the obesity intervention business of $2.4 million, consisting of selling, general and administrative expenses of $2.1 million and research and development expenses of $0.3 million.
- **(e)** Upfront licensing fees of $92.5 million included in research and development expenses associated with the license and collaboration agreements with Molecular Partners AG for technology that has not achieved regulatory approval and related transaction costs of $0.3 million included in selling, general and administrative expenses.
- **(f)** Amortization of certain intangible assets related to business combinations, asset acquisitions and product licenses.
- **(g)** Impairment of a process research and development asset related to technology acquired in connection with the 2011 acquisition of Vcept Therapeutics, Inc. of $170 million and a prepaid royalty asset associated with the Santaura® franchise of $5.3 million.
- **(h)** Net restructuring charges.
- **(i)** Interest expense associated with changes in estimated taxes related to uncertain tax positions included in prior year filings.
- **(j)** Unrealized gain (loss) on the mark-to-market adjustment to derivative instruments.
- **(k)** Tax effect for non-GAAP pre-tax adjustments of $169.9 million and a change in estimated income taxes related to uncertain tax positions included in prior year filings of $7.7 million.
- **(l)** Fair market value inventory adjustment roll-off associated with the purchase of a distributor’s business in South Africa related to Allergan’s products.
- **(m)** Expenses from changes in fair value of contingent consideration of $11.9 million and integration and transaction costs of $1.9 million associated with business combinations.
- **(n)** External costs of $3.4 million for stockholder derivative litigation costs associated with the DOJ settlement announced in September 2010.
- **(o)** Upfront licensing fee of $45.0 million included in research and development expenses associated with a license and collaboration agreement with Molecular Partners AG for technology that has not achieved regulatory approval.
- **(p)** Fixed asset impairment of $2.2 million and a gain of $9.4 million from the substantially complete liquidation of Allergan’s investment in a foreign subsidiary included in selling, general and administrative expenses.
expenses, and intangible asset impairment of $16.1 million resulting from the discontinued development of the EasyPain™ Remote Adjustable Gastroic Band System, a technology acquired by Allergan in the 2007 EndoArt SA acquisition.

(c) Upfront payment of $60.0 million and subsequent milestone payment of $20.0 million for the U.S. Food and Drug Administration acceptance of a New Drug Application filing for technology that has not achieved regulatory approval associated with a collaboration and co-promotion agreement with MAP Pharmaceuticals, Inc. and related transaction costs of $0.6 million.

(r) Costs associated with tax audit settlements for prior years’ filings of $2.0 million.

(k) Unrealized gain on the mark-to-market adjustment to derivative instruments of $11.1 million.

(j) Gain on sale of investments of $1.9 million.

(j) Non-cash interest expense associated with amortization of convertible debt.

(i) Gain on sale of investments of $1.1 million.

(h) Loss on extinguishment of convertible debt of $5.3 million.

(g) Integration and transition costs related to the acquisition of Groupé Cornéal Laboratoires (Cornéal) of $0.4 million.

(f) Downstream non-cash selling, general and administrative expenses of $0.1 million.

(e) Costs associated with the realignment of research and development functions of $0.2 million.

(d) Unrealized loss on the mark-to-market adjustment to derivative instruments of $13.6 million.

(c) Loss on extinguishment of convertible debt of $3.3 million. (a) Upfront payment of $7.0 million for a license and development agreement with Polyphor Ltd. for technology that has not achieved regulatory approval.

(b) Integration and transition costs related to the acquisition of Groupe Cornéal Laboratoires (Cornéal) of $0.4 million.

(a) Gain on settlement of a manufacturing and distribution agreement of $14.0 million related to an eye care pharmaceutical product.

(ah) Upfront payment of $10.0 million for a license and development agreement with Perrigo AG for technology that has not achieved regulatory approval.

(aj) Net gain on sale of investments.

(ak) Unrealized loss on the mark-to-market adjustment to derivative instruments of $13.6 million.

(ah) Loss on extinguishment of convertible debt of $3.3 million.

(aj) Total tax effect for non-GAAP pre-tax adjustments of $(360.2) million, a net expense of $4.1 million for a change in estimated income taxes related to pre-acquisition periods associated with business combinations and uncertain tax positions included in prior year filings and an income tax benefit of $(6.7) million related to foreign research and development tax credits.

(ax) Fair market value inventory adjustment rollout of $11.7 million related to the acquisition of Esprit Pharma Holding Company, Inc. (Esprit).

(ay) One-time termination benefits, asset impairments and rollout of retention termination benefits and accelerated depreciation costs capitalized in inventory related to the phased closure of the Allergan, Ireland breast implant manufacturing facility of $10.0 million, consisting of cost of sales of $8.8 million, selling, general and administrative expenses of $0.9 million and research and development expenses of $0.3 million.

(az) Integration and transition costs related to the acquisitions of Esprit and Cornéal, consisting of cost of sales of $0.1 million and selling, general and administrative expenses of $2.1 million.

(ab) External costs of $25.7 million associated with responding to DOJ subpoenas and ACZONE™ transaction costs of $0.6 million.

(ac) Settlement related to the termination of a distribution agreement in Korea of $13.2 million.

(ad) Gain on sale of technology and fixed assets of $0.9 million related to the phased closure of the collagen manufacturing facility in Fremont, California.

(ae) Impairment of intangible asset of $5.6 million related to the phase-out of a collagen product.

(af) Non-cash interest expense associated with amortization of convertible debt of $24.9 million and related non-cash selling, general and administrative expenses of $0.1 million.

(ag) Upfront payment of $13.9 million for in-licensed and acquired SANCTURA™ product rights that have not achieved regulatory approval.

(ah) Upfront payment of $6.3 million for in-licensing of Asterand plc technology that has not achieved regulatory approval.

(ai) Upfront payment of $41.5 million for a license and development agreement with Spectrum Pharmaceuticals, Inc. for technology that has not achieved regulatory approval.

(aj) Upfront payment of $70.0 million for a license and development agreement with Polyphor Ltd. for technology that has not achieved regulatory approval.

(ak) Total tax effect for non-GAAP pre-tax adjustments of $(85.5) million, U.S. state and federal deferred tax benefit from legal entity integration of Esprit and Lamed Corporation (Lamed) of $(2.4) million, and a negative tax impact from non-deductible losses associated with the liquidation of corporate-owned life insurance contracts of $(3.8) million.

(al) The adjustment to measure sales using constant currency.
2012 Accolades

Allergan U.K. received the “Best Campaign” Aesthetic Award by Cosmetic News, one of the country’s leading aesthetic trade magazines, for its “Quality is Key” educational campaign stressing the importance of choosing quality products in medical aesthetics. The company also received the “Best Filler” Aesthetic Award for JUVÉDERM VOLUMA™.

In November 2012, one of the world’s leading publications for business and finance, Institutional Investor, named Allergan’s leadership team to its “2013 All-American Executive Team” ranking. The designation was based on the votes of more than 1,500 buy-side and 1,200 sell-side analysts in the United States. In the Healthcare-Pharmaceuticals Sector, David Pyott was voted “Best CEO”; Jeff Edwards was voted “Best CFO”; and Jim Hindman was named “Best Investor Relations Professional.” In addition, the Allergan Investor Relations team was voted “Best Investor Relations Team.” As a result of these awards, Institutional Investor also designated Allergan one of its 145 “Most Honored Companies” for its corporate leadership and investor relations expertise, holding the #1 spot in the pharmaceutical sector.

Chairman of the Board, President and CEO David Pyott was recognized by the Harvard Business Review as one of the “Best Performing CEOs in the World” (ranked #26). The publication ranked 100 global CEOs based on both financial and corporate social achievements, and evaluated them over their entire time in office. Mr. Pyott is among only three pharmaceutical CEOs to receive this honor.

David Pyott received the Executive Leader of the Year award from the UCLA Anderson School of Management’s Information Services Associates. The award is given to senior executives who use information technology to advance their leadership agendas.

The Wall Street Journal named Jeff Edwards one of the “Top 25 CFOs.” The ranking includes executives who “run top-performing finance operations and take a lead role in setting strategy at their companies.”

David Pyott was appointed Chairman of the California Healthcare Institute, representing 275 leading biotechnology, medical device, diagnostics and pharmaceutical companies as well as public and private academic biomedical research organizations.

For the third year in a row, Allergan was named one of the “Best Places to Work” by the Orange County (California) Business Journal.
Achievements in Sustainability

Allergan has been commended for the fifth year in a row by the Carbon Disclosure Project (CDP) for the company’s actions to reduce emissions and mitigate the risks of climate change. The CDP, an independent not-for-profit organization working to drive greenhouse gas emissions reduction and sustainable water use by business and cities, awarded Allergan an “A” rating and included the company in its Carbon Performance Leadership Index. This index is used by institutional investors and other stakeholders to help guide investment decisions and other actions.

For the fifth consecutive year, an Allergan facility in Waco, Texas, received the U.S. Environmental Protection Agency’s prestigious ENERGY STAR certification for the most energy efficient pharmaceutical manufacturing plant.

Also, Allergan was ranked in the health care sector globally, with an overall score of 90 out of 100 points. Criteria used to determine the score included actions to promote climate change mitigation, adaptation and transparency. In Allergan’s case, declines in greenhouse gases were largely the result of more efficient use of energy across the company, from manufacturing to R&D to office heating, cooling and lighting. The company continues to extensively measure, document and report its energy use and emissions.

Newsweek magazine designated Allergan one of the “greenest” companies in the United States, ranking it number 25 of the S&P 500 companies considered. In the health care sector, Allergan placed second.

For the second consecutive year, an Allergan pharmaceuticals manufacturing facility in Westport, Ireland, was awarded the Safe Maintenance Supreme Award by the Meeta, the Irish Maintenance and Asset Management Society.
In 2012, Allergan opened a new R&D center for clinical development in Bridgewater, New Jersey. Featured left to right: Scott D. Sherman, Executive Vice President, Human Resources; Scott M. Whitcup, M.D., Executive Vice President, Research & Development, Chief Scientific Officer; David E.I. Pyott, Chairman of the Board, President and Chief Executive Officer.
Innovation in R&D

As Allergan’s Executive Vice President of Research & Development and Chief Scientific Officer, Dr. Scott Whitcup knows first-hand how important innovation is to patients. “In addition to a clear strategy and great people, innovation requires investment, and Allergan has been consistently growing its R&D spend over the last several years, approaching the $1 billion mark in 2012,” he says. The result is one of the most productive product pipelines in the industry, fueled by internal development as well as external opportunities.

In his role at Allergan, Dr. Whitcup applies the same commitment to bringing innovative and effective treatments to patients as he did during his time as a researcher at the National Institutes of Health. “At the National Institutes of Health, I treated hundreds of adults and children with eye complications from HIV infection,” he says. “Many of these patients passed away within a short time after their diagnosis, but that changed dramatically once new therapies became available. HIV now has been transformed into a chronic illness with patients able to live long and productive lives.”

At Allergan, Dr. Whitcup has led the effort in bringing significant products and medical treatments to patients across the world. For example, in 2012, the company received more than 150 worldwide regulatory approvals across its six medical specialties. In addition, we opened a new R&D center in Bridgewater, New Jersey, to enhance our efforts across the United States, and expanded our global R&D presence in Asia as well.

Around the world, governments and other payers are demanding that new therapies be innovative, efficacious, as well as cost-effective. Allergan is doing its part by developing differentiated products that address unmet medical needs; however, that’s just one component of our approach in bringing the best of science and the most advanced products to market. “In the end, patients benefit most from innovation, which is why it’s so central to our mission at Allergan,” says Dr. Whitcup.

**Leveraging Intellectual Property to Drive Innovation**

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<th>4,200</th>
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<td>Approximately 4,200 Allergan patents pending worldwide</td>
<td>Approximately 4,600 patents granted in 2012</td>
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**Continued Globalization of Clinical Trials**

13,000

Approximately 13,000 patients enrolled in 32 clinical trials in 2012, with 50% enrollment outside of the United States¹

¹Allergan data on file.
Innovation in World-Class Manufacturing

Makers of pharmaceuticals and medical devices face a big challenge every day: how to meet increasingly stringent regulatory requirements while also carefully controlling costs and maximizing efficiencies.

One way Allergan does this, says Ray Diradoorian, Executive Vice President of Global Technical Operations, is to consistently drive innovation across the manufacturing organization — utilizing novel, proprietary technologies as well as encouraging local plants to develop new ideas and share best practices.

“Our goal at Allergan is to bring together the best in science, engineering and business to create industry-leading manufacturing practices that fully meet our compliance requirements while also achieving significant operational efficiencies,” says Mr. Diradoorian. The result has been four consecutive years of multi-million dollar cost reductions in manufacturing during a time of unprecedented new product launches across the company’s diverse global markets.

Every region in which Allergan operates has its own complex requirements for manufacturing, covering everything from packaging to the way products are made. Says Mr. Diradoorian, “In the face of such a rigorous regulatory environment, I’m proud that our team has helped the company achieve an unparalleled compliance record in 2012.”

JUVÉDERM®

In 2012, Allergan began manufacturing a new 1 ml JUVÉDERM® syringe, which makes administration of the treatment easier and less painful.
"Our goal at Allergan is to bring together the best in science, engineering and business to create industry-leading manufacturing practices that fully meet our compliance requirements while also achieving significant operational efficiencies."

Ray Diradoorian, Executive Vice President of Global Technical Operations

$80 million
Allergan saved approximately $80 million over the past four years, due to greater efficiencies in manufacturing. Efficiency savings can translate into additional funding for various initiatives, such as further investment in our product pipeline.

$150 million
Allergan’s largest manufacturing site in Westport, Ireland, is set for an approximate $150 million expansion to increase BOTOX® production and prepare for several biologics in the company’s robust pipeline.
Innovation in Corporate Social Responsibility

At Allergan, corporate social responsibility (CSR) is more than just a “good idea.” We maintain some of the highest CSR standards in the industry, and continue to identify innovative approaches to sustainability initiatives in energy use, environmental protection, employee health and safety, and other areas.

Allergan has been designing and implementing unique sustainability programs for more than 22 years, with some notable results. A comprehensive approach to reducing energy use – for example, making smaller batches of pharmaceuticals – has enabled us to trim our overall energy consumption, even as we continue to grow. The cumulative effect of these and other sustainability programs has resulted in a significant overall decline in the generation of waste and greenhouse gases in 2012.

“Allergan is well on its way to achieving the far-reaching sustainability goals we set for ourselves, due in large part to our integration of sustainability into the company’s overall mission and priorities,” says Michael Whaley, Senior Director of Environmental Health & Safety. For example, recycling is so embedded in our corporate culture that our overall recycling rate in 2012 was approximately 75%, compared to just 29% in 1995.

Company facilities around the world are encouraged to “think local,” to develop innovative sustainability initiatives that respond to community needs and concerns. For example, recycling rates at Allergan’s Brazil facility now approach 90% and the facility is using the recycled material revenue to pay for the treatment of hazardous wastes. Allergan’s Ireland facility reduced non-hazardous waste being sent offsite for disposal by 95% between 1991 and 2012, thanks to more efficient use of materials as well as an increase in recycling.
Allergan is one of only a handful of pharmaceutical companies to be a part of the United Nations Global Compact, which sets important guidelines in the areas of human rights, labor, the environment and anti-corruption.

In addition to Allergan’s sustainability programs and efforts around the world, many employee offices volunteer in the community.

For example, at Allergan’s Brazil facility many employees volunteered their time in 2012 at various community events, such as local health fairs.

On average worldwide, Allergan recycles 75% of its waste.
Innovation for Patients

Dr. Jack D. Schim is a neurologist in Encinitas, California, who has been treating headache patients for more than 20 years. “BOTOX® represents a major medical advancement that is greatly benefiting many Chronic Migraine sufferers. Allergan has a uniquely innovative way of working closely with clinicians, to incorporate what we see and experience with patients into the company’s drug development strategies. And that helps more innovative products – like BOTOX® – get to patients faster,” he says.

Patients with Chronic Migraine typically have 15 or more headache days a month, with headaches lasting four hours or more. The symptoms can include a dull ache that turns into a constant, throbbing pain felt on one side of the head, sensitivity to light and sound, nausea and/or vomiting.

In 2010, Allergan’s BOTOX® (onabotulinumtoxinA) became the first and only preventive treatment approved by the FDA for adults with chronic migraine. In the BOTOX® clinical trials, many patients reported a 50% reduction in headache days just after 24 weeks.

Continued Innovation & Advancement in Chronic Migraine in the United States

Allergan is perceived as the number one company in migraine management by physicians.

Allergan has trained approximately 6,000 physicians.

Approximately 93% of patients in commercial managed care plans have policy coverage.
“It felt like a truck ran over me.” That’s how public relations executive Diana Daniele, a Chronic Migraine patient, described her experience with migraines that were slowly but surely shrinking her world down to a darkness-filled bedroom. “I was literally unable to function, to spend time with my family or even get out of bed,” she says.

“Knowing that I don’t have to face so many devastating migraines – it’s like coming out of the darkness and into the light.”
- Diana Daniele

1 million hours

Approximately one million research hours were spent to bring BOTOX® through development and regulatory review, and ultimately to patients with chronic migraine.4
**Board of Directors**

**David E.I. Pyott, 59, Chairman of the Board, President and Chief Executive Officer** Elected to the Board and joined Allergan in 1998. Mr. Pyott has been Chief Executive Officer of Allergan since January 1998 and in 2001 became Chairman of the Board. Mr. Pyott also served as President of Allergan from January 1998 until February 2006, and again beginning in March 2011. Previously, Mr. Pyott served as head of the Nutrition Division and a member of the Executive Committee of Novartis AG. Mr. Pyott is a director of Edwards Lifesciences Corporation as well as Avery Dennison Corporation, where he also serves as the lead independent director. Mr. Pyott is the Chairman of the board of the California Healthcare Institute; is a member of the Directors’ Board of The Paul Merage School of Business at the University of California, Irvine (UC); and serves on the board and Executive Committee of the Biotechnology Industry Organization. Mr. Pyott is a member of the board of the Pan-American Ophthalmological Foundation and is a member of the Advisory Board for the Foundation of The American Academy of Ophthalmology. Mr. Pyott also serves as a Vice Chairman of the Board of Trustees of Chapman University.

**Herbert W. Boyer, Ph.D., 76** Vice Chairman of the Board since 2001. Dr. Boyer served as Chairman from 1998 to 2001 and has been a Board member since 1994. Dr. Boyer is a founder of Genentech, Inc. and served as a director of Genentech from 1976 to 2009 when Genentech was acquired by the Roche Group. A former Professor of Biochemistry at the University of California, San Francisco, Dr. Boyer is a recipient of the National Medal of Science from President George H. W. Bush, the National Medal of Technology and the Albert Lasker Basic Medical Research Award. He is an elected member of the National Academy of Sciences and a Fellow in the American Academy of Arts & Sciences.

**Deborah Dunsire, M.D., 50** Appointed to the Board in 2006. Dr. Dunsire has served as President and Chief Executive Officer of Millennium Pharmaceuticals, Inc., now Millennium: The Takeda Oncology Company, since July 2005. Since June 2012, Dr. Dunsire has served on the board of directors of Takeda Pharmaceutical Company Limited in Japan. Prior to joining Millennium, Dr. Dunsire led the Novartis U.S. Oncology Business, playing a critical role in the broad development and successful launch of a number of products. Dr. Dunsire was also responsible for managing the merger and significant growth of the combined Sandoz Pharmaceuticals and Ciba-Geigy oncology businesses. Dr. Dunsire served on the U.S. Pharmaceutical Executive Committee at Novartis. Dr. Dunsire is currently a board member of the Biotechnology Industry Organization. Dr. Dunsire was the 2001 recipient of the American Cancer Society’s Excalibur Award and is the 2009 recipient of The Healthcare Businesswomen’s Association’s “Woman of the Year.”

**Michael R. Gallagher, 67** Elected to the Board in 1998. In 2004, Mr. Gallagher retired as Chief Executive Officer and as a Director of Playtex Products, Inc. Prior to joining Playtex in 1995, Mr. Gallagher was Chief Executive Officer of North America for Reckitt & Colman plc; President and Chief Executive Officer of Eastman Kodak’s subsidiary, L&F Products; President of the Lehn & Fink Consumer Products Division at Sterling Drug. General Manager of the Household Products Division of the Clorox Company, and Brand Manager of The Procter & Gamble Company. Mr. Gallagher is a member and past Chairman of the Board of Advisors of the Haas School of Business, University of California, Berkeley.

**Dawn Hudson, 55** Appointed to the Board in 2008. In March 2009, Ms. Hudson became Vice Chairman of the Parthenon Group, an advisory firm focused on strategy consulting. Prior to that, Ms. Hudson served as President and Chief Executive Officer of Pepsi-Cola North America (PCNA), the multi-billion dollar refreshment beverage unit of PepsiCo in the United States and Canada from March 2005 until November 2007. From May 2002 to March 2005, Ms. Hudson served as President of PCNA. In addition, Ms. Hudson served as Chief Executive Officer of the PepsiCo Foodservice Division from March 2005 to November 2007. Prior to joining PepsiCo, Ms. Hudson was Managing Director at D’Arcy Masius Benton & Bowles, a leading advertising agency based in New York. In 2006 and 2007, Ms. Hudson was named among Fortune Magazine’s “50 Most Powerful Women in Business,” and on the Forbes “100 Most Powerful Women” globally. In 2002, Ms. Hudson received the honor of “Advertising Woman of the Year” by Advertising Women of New York. Ms. Hudson was also inducted into the American Advertising Federation’s Advertising Hall of Achievement, and has been featured twice in Advertising Age’s “Top 50 Marketers.” Ms. Hudson is a director of Lowe’s Companies, Inc. and Interpublic Group of Companies, Inc.

**Trevor M. Jones, Ph.D., 70** Appointed to the Board in 2004. From 1994 to 2004, Prof. Jones was the Director General of the Association of the British Pharmaceutical Industry. From 1987 to 1994, Prof. Jones was a main board director at Wellcome plc. Prof. Jones received his bachelor of pharmacy degree and Ph.D. from the University of London. Prof. Jones has also gained an honorary doctorate from the University of Athens as well as honorary doctorates in science from the Universities of Strathclyde, Nottingham, Bath and Bradford in the United Kingdom. Furthermore, Prof. Jones was recognized in the Queen’s Honors List and holds the title of Commander of the British Empire. Prof. Jones is also a Fellow of the Royal Society of Chemistry, a Fellow of the Royal Society of Medicine, a Fellow of The Royal Pharmaceutical Society, an honorary Fellow of the Royal College of Physicians and of its Faculty of Pharmaceutical Medicine, and an honorary Fellow of the British Pharmacological Society. Prof. Jones is a board member of Synexus Ltd., Sigma-Tau Finanziaria S.p.A., Sigma-Tau Pharmaceuticals Inc., and Verona Pharma plc. Prof. Jones is also a founder of the Geneva-based public-private partnership, Medicines for Malaria Venture and the UK Stem Cell Foundation.
Stephen J. Ryan, M.D., 72 Elected to the Board in 2002. Dr. Ryan is the President of the Doheny Eye Institute and the Grace and Emery Beardsley Professor of Ophthalmology at the Keck School of Medicine of the University of Southern California. Dr. Ryan was the Dean of the Keck School of Medicine and Senior Vice President for Medical Care of the University of Southern California from 1991 until June 2004. Dr. Ryan is a member of the Institute of Medicine of the National Academy of Sciences. He is a member and past President of numerous ophthalmological organizations, including the Association of University Professors of Ophthalmology. Dr. Ryan is the founding President of the National Alliance for Eye and Vision Research. Dr. Ryan is a member and director of the W.M. Keck Foundation and is a member of the Arnold and Mabel Beckman Foundation.

Russell T. Ray, 65 Elected to the Board in 2003. Mr. Ray is a Partner of HLM Venture Partners, a private equity firm that provides venture capital to health care information technology, health care services and medical technology companies. Prior to joining HLM Venture Partners in 2003, Mr. Ray was Founder, Managing Director and President of Chesapeake Strategic Advisors from April 2002 to August 2003 and was the Global Co-Head of the Credit Suisse First Boston Health Care Investment Banking Group, where he focused on providing strategic and financial advice to life sciences, health care services and medical device companies from 1999 to 2002. Prior to joining Credit Suisse First Boston in 1999, Mr. Ray spent 12 years at Deutsche Bank and its predecessor entities BT Alex.Brown and Alex.Brown & Sons, Inc. as Global Head of Health Care Investment Banking. Mr. Ray is a director of Prism Education Group, Inc. and SWP Media, Inc. Mr. Ray served as a director of InfoMedics, Inc. from December 2009 until December 2012 when the company was acquired. Mr. Ray is also a member of the Midwest Peregrine Society.

Timothy D. Proctor, 63 Appointed to the Board in 2013. Mr. Proctor is the General Counsel of Diageo plc, the world's leading premium drinks business with an outstanding range of beverage alcohol brands across spirits, beer and wine, since January 2000. Prior to joining Diageo, Mr. Proctor served as the Director, Worldwide Human Resources, of Glaxo Wellcome, plc (now GlaxoSmithKline plc), a British multinational pharmaceutical company, from 1998 to 1999. From 1993 to 1998, Mr. Proctor held various roles with the United States operating subsidiary of Glaxo Wellcome, plc., including Senior Vice President Human Resources, General Counsel and Secretary. Prior to that, Mr. Proctor served in senior legal roles at Merck & Co., a publicly-traded pharmaceutical company, from 1980 to 1993. Mr. Proctor is a well-respected leader in the area of international law, with more than 35 years of domestic and international corporate legal experience.

Peter J. McDonnell, M.D., 54 Appointed to the Board in 2013. Dr. McDonnell is the Director and William Holland Wilmer Professor of the Wilmer Eye Institute of the Johns Hopkins University School of Medicine since 2003. Dr. McDonnell also serves as the Chief Medical Editor of Ophthalmology Times since 2004, and has served on the editorial boards of numerous ophthalmology journals. Dr. McDonnell also served as the Assistant Chief of Service at the Wilmer Institute from 1987 to 1988. He served as a consultant to the United States Department of Health and Human Services in 1996. Dr. McDonnell served as a full-time faculty at the University of Southern California from 1988 until 1999, where he advanced to the rank of professor in 1994. Dr. McDonnell is an international leader in corneal transplantation, laser refractive surgery and the treatment of dry eye. Dr. McDonnell’s research interests include the causes and correction of refractive error, corneal wound healing and microbial keratitis. In 1999, Dr. McDonnell was named the Irving H. Leopold Professor and Chair of the Department of Ophthalmology at the University of California-Irvine. He is the recipient of research grants from the National Eye Institute, Research to Prevent Blindness, and other funding agencies. He has published over 250 scientific articles and holds four patents. The American Academy of Ophthalmology honored him with the Honor Award in 1991 and the Senior Achievement Award in 2001. In 2003, he received the Alcon Research Institute Award. Dr. McDonnell has served on the editorial boards of six ophthalmology journals. Dr. McDonnell is a member of many professional ophthalmology and medical societies.

Louis J. Lavigne, Jr., 64 Appointed to the Board in 2005. Mr. Lavigne is the Managing Director of Lavrite, LLC, a management consulting firm in the areas of corporate finance, accounting, management and strategy since 2005. Mr. Lavigne was Executive Vice President and Chief Financial Officer of Genentech, Inc. from March 1997 through his retirement in March 2005, leading the company through significant growth while overseeing the financial, corporate relations and information technology groups. Mr. Lavigne joined Genentech in July 1982, was named controller in 1983, and, in that position, built Genentech’s operating financial functions. In 1986, Mr. Lavigne was promoted to Vice President and assumed the position of Chief Financial Officer in September of 1988. Mr. Lavigne was named Senior Vice President in 1994 and was promoted to Executive Vice President in 1997. Prior to joining Genentech, Mr. Lavigne held various financial management positions with Pennwalt Corporation, a pharmaceutical and chemical company. Mr. Lavigne serves on the board of BMC Software, Inc., Accuray Incorporated, Novocure Limited and SafeNet Inc. Mr. Lavigne is a faculty member of the Babson College Executive Education’s Bio-Pharma: Mastering the Business of Science program. Mr. Lavigne is a member of the West Audit Committee Chair Network. Mr. Lavigne is a trustee of Children’s Hospital Oakland. Mr. Lavigne is also a trustee of Babson College and Babson Global and the Seven Hills School. Mr. Lavigne is a former trustee of the California Institute of Technology.
Executive Committee

David E.I. Pyott, 59, Chairman of the Board, President and Chief Executive Officer  Mr. Pyott joined Allergan in January 1998 as President and Chief Executive Officer (CEO) and now serves as Chairman of the Board (since 2001), President and CEO. Previously, he was head of the Nutrition Division and a member of the Executive Committee of Novartis AG from 1995 through 1997. Mr. Pyott has about 30 years of international experience in nutrition and health care and has worked in Austria, Germany, the Netherlands, Spain, Switzerland, Malaysia, Singapore, and the United Kingdom. Mr. Pyott holds a diploma in European and International Law from the Europa Institute at the University of Amsterdam, a Master of Arts degree from the University of Edinburgh, and a Master of Business Administration degree from the London Business School. He also has been honored in the Queen’s Birthday Honors List in 2006 and holds the title of Commander of the British Empire, and was awarded the University of California, Irvine Medal in 2010.

Raymond H. Diradoorian, 55, Executive Vice President, Global Technical Operations  Mr. Diradoorian has been Executive Vice President, Global Technical Operations since February 2006. From April 2005 to February 2006, Mr. Diradoorian served as Senior Vice President, Global Technical Operations. Since February 2001, Mr. Diradoorian served as Vice President, Global Engineering and Technology. Mr. Diradoorian joined Allergan in July 1981. Prior to joining Allergan, Mr. Diradoorian held positions at American Hospital Supply and with the Los Angeles Dodgers baseball team. Mr. Diradoorian received a Bachelor of Science degree in Biological Sciences from the University of California, Irvine and a Master of Science degree in Technology Management from Pepperdine University.

Jeffrey L. Edwards, 52, Executive Vice President, Finance and Business Development, Chief Financial Officer  Mr. Edwards has been Executive Vice President, Finance and Business Development, Chief Financial Officer, since September 2005. Mr. Edwards joined Allergan in 1993. From March 2003 to September 2005, Mr. Edwards served as Corporate Vice President, Corporate Development and previously served as Senior Vice President, Treasury, Tax and Investor Relations. Prior to joining Allergan, Mr. Edwards was with Banque Paribas and Security Pacific National Bank, where he held various senior-level positions in the credit and business development functions. Mr. Edwards completed the Advanced Management Program at the Harvard Business School and received a Bachelor of Arts degree in Sociology from Muhlenberg College.

David J. Endicott, 48, Corporate Vice President and President, Allergan Medical, Asia Pacific and Latin America  Mr. Endicott has been Corporate Vice President and President, Allergan Medical, Asia Pacific and Latin America since April 2011 and served as Corporate Vice President and President, Allergan Medical since August 2010. Prior to that, he served as Corporate Vice President and President, Europe, Africa and Middle East from October 2004 to August 2010 and managed the expansion of Allergan’s business internationally, including our entry into new markets such as Turkey and Poland. Mr. Endicott served as Senior Vice President, U.S. Specialty Pharmaceuticals from January 2004 to October 2004, Vice President and General Manager of Canada from February 2000 to December 2003 and Vice President of U.S. Managed Markets since 1998. Prior to that, Mr. Endicott served various roles at Allergan since joining us in 1986. Mr. Endicott holds an undergraduate degree in Chemistry from Whitman College, an MBA from the University of Southern California and is a graduate of the Advanced Management Program at the Harvard Business School.

Julian S. Gangolli, 55, Corporate Vice President and President, North America  Mr. Gangolli has been Corporate Vice President and President, North America since January 2004. Mr. Gangolli served as Senior Vice President, U.S. Eye Care from July 1998 to January 2004. Prior to joining Allergan, Mr. Gangolli served as Vice President, Sales and Marketing of Vivus, Inc., a publicly-traded biopharmaceutical company, from 1994 to 1998, where he was responsible for facilitating the successful transition of the company from a research and development start-up into a niche pharmaceutical company. Prior to that, Mr. Gangolli served in a number of increasingly senior marketing roles in the UK, Global Strategic Marketing and in the US for Syntex Pharmaceuticals, Inc., a multinational pharmaceutical company. Mr. Gangolli began his career in pharmaceutical sales and marketing with Ortho-Cilag Pharmaceuticals, Ltd. a UK subsidiary of Johnson & Johnson. Mr. Gangolli received a BSc (Honors) in Applied Chemistry and Business Studies from Kingston Polytechnic in England.
Douglas S. Ingram, Esq., 50, Executive Vice President and President, Europe, Africa and Middle East
Mr. Ingram has been Executive Vice President and President, Europe, Africa and Middle East since August 2010. Prior to that, he served as Executive Vice President, Chief Administrative Officer, and Secretary from October 2006 to July 2010 and led Allergan’s Global Legal Affairs, Compliance, Internal Audit and Internal Controls, Human Resources, Regulatory Affairs and Safety, and Global Corporate Affairs and Public Relations departments. Mr. Ingram also served as General Counsel from January 2001 to June 2009 and as Secretary and Chief Ethics Officer from July 2001 to July 2010. During that time, he served as Executive Vice President from October 2003 to October 2006, as Corporate Vice President from July 2001 to October 2003 and as Senior Vice President from January 2001 to July 2001. Prior to that, Mr. Ingram was Associate General Counsel and Assistant Secretary from 1998 and joined Allergan in 1996 as Senior Attorney and Chief Litigation Counsel. Prior to joining Allergan, Mr. Ingram was an attorney at Gibson, Dunn & Crutcher LLP from 1988 to 1996. Mr. Ingram received his Juris Doctorate from the University of Arizona in 1988, graduating summa cum laude and Order of the Coif.

Arnold A. Pinkston, 54, Executive Vice President, General Counsel and Assistant Secretary
Mr. Pinkston joined Allergan as Executive Vice President, General Counsel and Assistant Secretary in October 2011 with over 25 years of experience managing legal affairs. Prior to joining Allergan, Mr. Pinkston served as the Senior Vice President, General Counsel and Secretary of Beckman Coulter, Inc. from 2005 through the company’s sale to Danaher Corporation in June 2011. While at Beckman Coulter, Mr. Pinkston was responsible for all aspects of the company’s global legal affairs as well as the company’s compliance program, corporate social responsibility program, internal audit department and knowledge resources. Prior to joining Beckman Coulter, Mr. Pinkston held various positions at Eli Lilly and Company from 1999 through 2005, including serving as deputy general counsel responsible for the legal affairs of Lilly USA. Mr. Pinkston served as general counsel of PCS Health Systems from 1994 to 1999 after working for McKesson Corporation and beginning his legal career as an attorney with Orrick, Herrington & Sutcliffe. Mr. Pinkston received a Bachelor’s Degree in Geophysics from Yale College and a Juris Doctor degree from Yale Law School.

Scott D. Sherman, 47, Executive Vice President, Human Resources
Mr. Sherman joined Allergan as Executive Vice President, Human Resources in September 2010 with more than 15 years of human resources leadership experience. Prior to joining Allergan, Mr. Sherman worked at Medtronic, Inc. from August 1995 to September 2010 in roles of increasing complexity and responsibility. Most recently, Mr. Sherman served as Medtronic’s Vice President, Global Total Rewards and Human Resources Operations, where he was responsible for global executive compensation, base pay, short-term and long-term incentive programs, as well as health, retirement, life, disability, wealth accumulation and wellness. Mr. Sherman held a series of other positions at Medtronic including Vice President, International Human Resources; Vice President, Human Resources - Europe, Emerging Markets and Canada; and Vice-President, Human Resources Diabetes. Prior to joining Medtronic, Mr. Sherman held various positions in the Human Resources and Sales organizations at Exxon Corporation from 1990 to 1995. Mr. Sherman holds a Master’s Degree in Industrial and Labor Relations from Cornell University and a Bachelor’s Degree in International Affairs from The George Washington University.

Scott M. Whitcup, M.D., 53, Executive Vice President, Research and Development, Chief Scientific Officer
Dr. Whitcup has been Executive Vice President, Research and Development since July 2004 and in April 2009 became Chief Scientific Officer. Dr. Whitcup joined Allergan in 2000. Prior to joining Allergan, Dr. Whitcup served as the Clinical Director of the National Eye Institute at the National Institutes of Health. As Clinical Director, Dr. Whitcup’s leadership was vital in building the clinical research program and developing new therapies for ophthalmic diseases. Dr. Whitcup graduated from Cornell University and Cornell University Medical College. He completed residency training in internal medicine at the University of California, Los Angeles and in ophthalmology at Harvard University, as well as fellowship training in uveitis and ocular immunology at the National Institutes of Health. Dr. Whitcup is a faculty member at the Jules Stein Eye Institute/David Geffen School of Medicine at the University of California, Los Angeles.

Other Executive Officer
James F. Barlow (Not Pictured)
Senior Vice President, Corporate Controller (Principal Accounting Officer)
Corporate Headquarter
Allergan, Inc.
2525 Dupont Drive
Irvine, CA 92612-1599
(714) 246-4500
E-mail: corpinfo@allergan.com
Internet: www.allergan.com

Transfer Agent, Registrar and Dividend
Disbursing Agent
Wells Fargo Shareowner Services
P.O. Box 64874
St. Paul, MN 55164-0874
(800) 468-9716
Internet: https://www.shareowneronline.com

Annual Meeting of Stockholders
The Annual Meeting of Stockholders of Allergan, Inc.
will be held at Allergan’s corporate headquarters,
2525 Dupont Drive, Irvine, CA, 92612, on
April 30, 2013, at 10:00 a.m. Pacific Time.
For inquiries related to the Annual Meeting of
Stockholders, please contact:
Matthew J. Maletta
Allergan, Inc.
P.O. Box 19534
Irvine, CA 92623-9534
Phone: (714) 246-5185
Fax: (714) 246-4774

Form 10-K
A copy of Allergan, Inc.’s Annual Report on Form 10-K,
as filed with the Securities and Exchange Commission,
is available through our Web site at www.allergan.com
without charge by contacting:
Investor Relations
James M. Hindman
Allergan, Inc.
P.O. Box 19534
Irvine, CA 92623-9534
Phone: (714) 246-4636
Fax: (714) 246-4162
E-mail: corpinfo@allergan.com

Dividend Reinvestment and Stock Purchase Plan
The plan allows Allergan stockholders to reinvest their dividends
or invest cash in Allergan stock without brokerage commissions
or service charges. If you are interested in joining the plan or
would like more information, you may request a prospectus from
the below address or access the information online at:
https://www.shareowneronline.com:
Wells Fargo Shareowner Services
Dividend Reinvestment Plan
Allergan, Inc.
P.O. Box 64856
St. Paul, MN 55164-0856

Market Prices of Common Stock and Dividends
The following table shows the quarterly price range of the
common stock and the cash dividends declared per share
during the period listed.

<table>
<thead>
<tr>
<th>Calendar Quarter</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>First</td>
<td>$84.30</td>
<td>$96.39</td>
</tr>
<tr>
<td>Second</td>
<td>87.69</td>
<td>97.09</td>
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<tr>
<td>Third</td>
<td>81.28</td>
<td>95.75</td>
</tr>
<tr>
<td>Fourth</td>
<td>86.51</td>
<td>95.44</td>
</tr>
</tbody>
</table>

Allergan common stock is listed on the New York Stock Exchange and is traded under
the symbol "AGN." The approximate number of stockholders of record was 4,786 as of
February 15, 2013.

Trademarks
® and ™ Marks owned by Allergan, Inc.
JUVÉDERM is a registered trademark of Allergan Industrie SAS.
Levadex is a registered trademark of MAP Pharmaceuticals, Inc.
DARPin is a registered trademark of Molecular Partners AG.
Allergan, for the year ending December 31, 2012, continued
its proud tradition of placement in the top quartile for
environmental health and safety performance within its
pharmaceutical company peer group. More information
on its sustainability performance worldwide can be found
by visiting the “Responsibility” section on Allergan’s
corporate Web site at www.allergan.com, and selecting
the “Environmental Health and Safety Information” page.