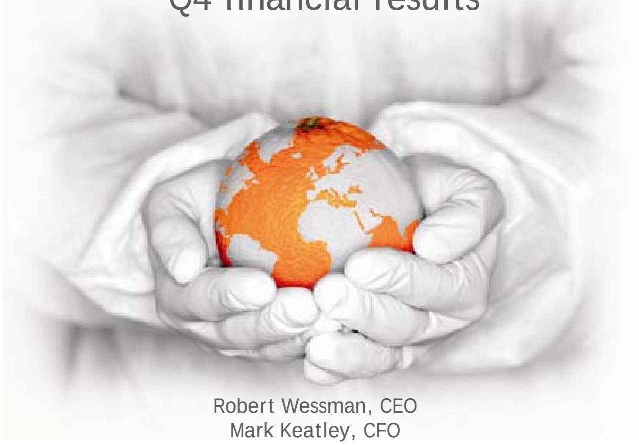
Record year in growth and profits

Q4 financial results



Robert Wessman, CEO
Mark Keatley, CFO
Sigurdur Olafsson, President of N-America sales

Forward looking statement

Any statement contained in this presentation that refers to Actavis' estimated or anticipated future results or future activities are forward-looking statements which reflect the Company's current analysis of existing trends, information and plans. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially depending on factors such as the availability of resources, the timing and effect of regulatory actions, the success of new products, the strength of competition, the success of research and development issues, unexpected contract breaches or terminations, exposure to product liability and other lawsuits, the effect of currency fluctuations and other factors. Actavis does not undertake the obligation to update or alter these forward-looking statements beyond its duties as an issuer of listed securities on the Iceland Stock Exchange.

Today's speakers

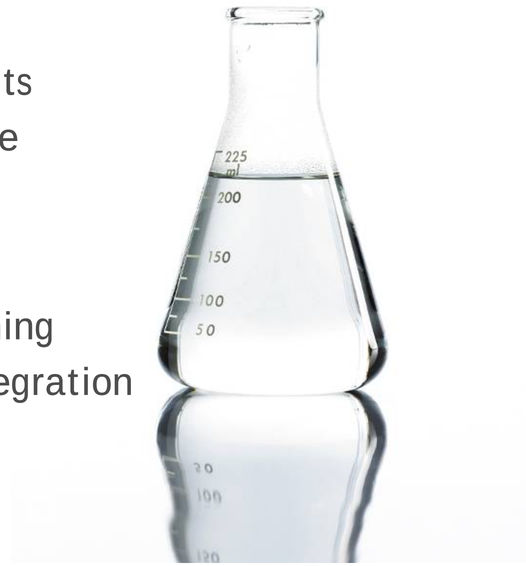
Robert Wessman
President & CEO

Mark Keatley
Executive CFO

Sigurdur O Olafsson
President of N-America Sales

Agenda

1. Review of 2005
2. Financial highlights
3. Sales performance
   - Own label
   - Third party
   - North America
4. Strategic positioning
5. Priorities and integration
6. Q&A



Review of 2005

Strategic acquisitions

Biovena, Poland
January

Lotus Laboratories, India
February

Pharma Avalanche,
Czech & Slovakia
February

Amide, USA
May

Higia, Bulgaria
September

Kéri Pharma Generics, Hungary
September

Alpharma's generic business
September

Record quarter

	Actavis Stand-alone	Alpharma units	Enlarged Actavis	Actavis	
Thousands of Euro	**Q4 2005**	**From 19/12**	**Q4 2005**	**Q4 2004**	**% Change**
Total Revenues	181,525	13,022	**194,547**	112,428	73.0%
EBITDA	54,390	(2,231)	**52,159**	27,005	93.1%
EBITDA %	30.0%	-17.1%	**26.8%**	24.0%	
Net profit	37,288	(1,872)	**35,416**	18,179	94.8%

- **Record performance**
  - Revenue 4Q 2005 up 73% to EUR194.5 million
  - Record EBITDA margin of 26.8%, 30.0% before Alpharma
  - Profit up 94.8%
  - Underlying growth of 17.2%
- **Acquisition of the human generics division of Alpharma Inc, placing Actavis among the five largest global generics businesses**
- **Expanded sales network**
  - Germany, UK, Portugal and the Netherlands
  - Indonesia and China

Record year in growth and profits

	Actavis Stand-alone	Alpharma units	Enlarged Actavis	Actavis	
Thousands of Euro	**12M 2005**	**From 19/12**	**12M 2005**	**12M 2004**	**% Change**
Total Revenues	566.242	13.022	**579.264**	453.212	27,8%
EBITDA	150.702	(2.231)	**148.471**	113.759	30,5%
EBITDA %	26,6%	-17,1%	**25,6%**	25,1%	
Net profit	82.875	(1.873)	**81.003**	64.282	26,0%

- **Record performance**
  - Revenue 2005 up 27.8% to EUR579.3 million
  - Record EBITDA margin of 25.6%, 26.6% before Alpharma
  - Profit up 26%
  - Underlying growth of 4.3%
- **Over 100 new product launches**
- **200 products in the pipeline and over 200 new regulatory submissions**
  - New development center in India

Presentation will focus on Actavis Stand-alone numbers except otherwise stated

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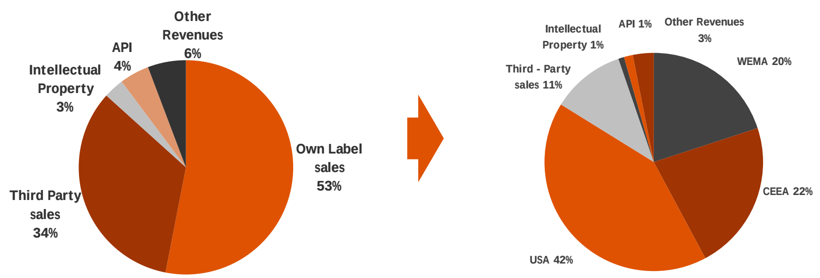
Financial highlights 12M

Revenues by segments

12M 2004 | 12M Proforma 2005



*API:Actavie Pharmaceutical ingredients

Proforma numbers include FY sales of Alpharma & Amide

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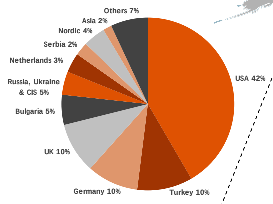
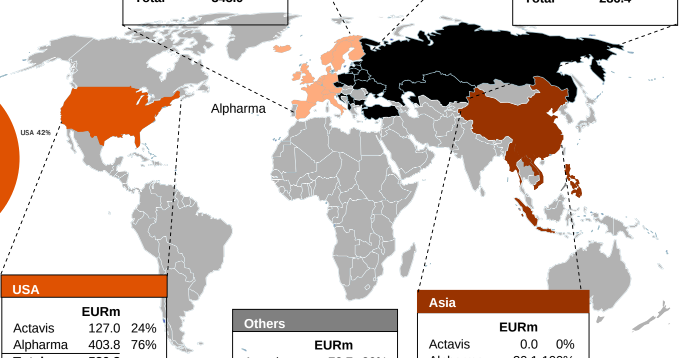
Global reach

Sales by markets
(pro-forma 2005)





Western Europe

	EURm	
Actavis	134.4	39%
Alpharma	211.5	61%
Total	**345.9**	

CEE

	EURm	
Actavis	286.4	100%
Alpharma	0	0%
Total	**286.4**	

USA

	EURm	
Actavis	127.0	24%
Alpharma	403.8	76%
Total	**530.8**	

Others

	EURm	
Actavis	78.7	89%
Alpharma	9.8	11%
Total	**88.5**	

Asia

	EURm	
Actavis	0.0	0%
Alpharma	20.1	100%
Total	**20.1**	

1) Numbers are based on 2005 pro forma numbers for Actavis (including Amide and Alpharma for the hole year)
2) CCE includes Russia, Ukraine, CIS, Bulgaria, Serbia and Turkey

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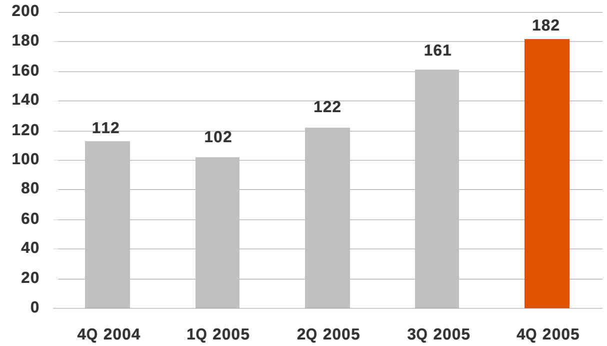
Revenue by quarter

EUR million



Underlying growth 4.3% over 2005 for full year, 17.2% for Q4

Figures before acquisition of Alpharma

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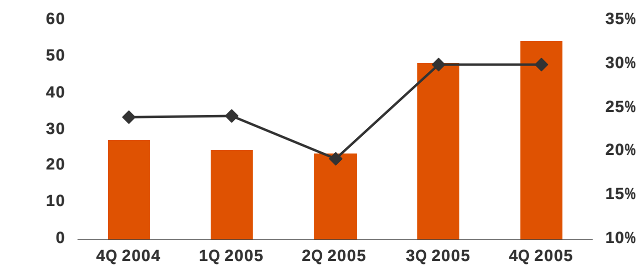
EBITDA margin

EUR million



	4Q 2004	1Q 2005	2Q 2005	3Q 2005	4Q 2005
EBITDA	27.0	24.6	23.4	48.3	54.4
EBITDA %	24.0%	24.1%	19.2%	30.0%	30.0%

Figures before acquisition of Alpharma

Financial highlights

Mark Keatley
CFO

Financial achievements 4Q

- Record EBITDA of EUR52.2 million (consolidated)
- Record profit before tax of EUR35.4 million (consolidated)
- Tax rate maintained at competitive level (12% of PBT)
- Full year 2005 increase of 18% in Earnings per Share
- New financings completed of EUR1.2 billion
  - Acquisition of Alpharma business
  - Long-term debt refinanced on favorable terms
- Balance sheet strength maintained
  - Net worth: Net debt ratio of 55:45
  - Cash balances of EUR99.3 million

Financial highlights 4Q

Thousands of Euro	Actavis Q4 2005	Alpharma From 19/12	Combined Group 2005	Actavis Group Q4 2004	% Change
Operating revenues................	181,525	13,022	194,547	112,428	73.0%
Total operating expenses.........	(142,752)	(17,286)	(160,038)	(94,807)	68.8%
EBITDA................................	54,390	(2,231)	52,159	27,005	93.1%
EBITDA %.............................	30.0%	-17.1%	26.8%	24.0%	2.8%
EBIT....................................	38,773	(4,264)	34,510	17,620	95.9%
Profit before tax....................	39,709	(3,062)	36,648	17,269	112.2%
Taxes..................................	(2,421)	1,189	(1,232)	910	-235.3%
Net profit............................	37,288	(1,873)	35,416	18,179	94.8%
Underlying Growth.................	17.2%	N/A	N/A	4.8%	N/A
Earnings per share (EPS)..........			0.01038	0.00586	77.2%

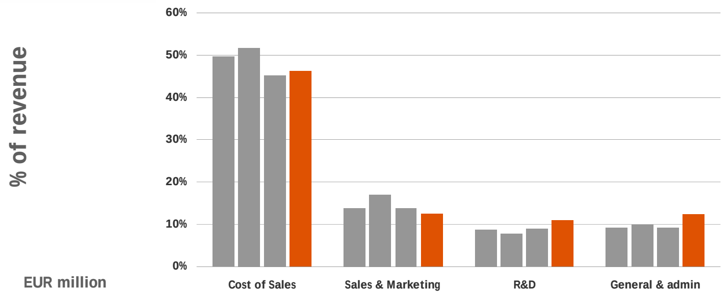
Financial highlights 12M

Thousands of Euro	Actavis 12M 2005	Alpharma From 19/12	Combined Group 2005	Actavis Group 12M 2004	% Change	Actavis Group Pro-forma
Operating revenues................	566,242	13,022	579,264	453,212	27.8%	1,271,739
Total operating expenses.........	(455,466)	(17,286)	(472,752)	(364,746)	29.6%	N/A
EBITDA................................	150,702	(2,231)	148,471	113,759	30.5%	272,135
EBITDA %.............................	26.6%	-17.1%	25.6%	25.1%	0.5%	21.4%
EBIT....................................	110,776	(4,264)	106,512	88,466	20.4%	198,309
Profit before tax....................	94,541	(3,062)	91,479	74,990	22.0%	N/A
Taxes..................................	(11,666)	1,189	(10,477)	(10,708)	-2.2%	N/A
Net profit............................	82,875	(1,873)	81,003	64,282	26.0%	133,859
Underlying Growth in revenue...	4.3%	N/A	N/A	10.6%	N/A	N/A
Earnings per share (EPS)..........			0.02551	0.02162	18.0%	N/A

Cost ratio trend

(excluding Alpharma business from Dec 05)

EUR million



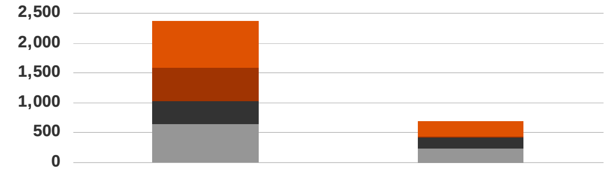
EUR million	Cost of Sales	Sales & Marketing	R&D	General & admin	Total
1Q 2005	50.5	14.1	8.9	9.4	82.9
2Q 2005	63.1	20.7	9.5	12.1	105.4
3Q 2005	72.9	22.2	14.4	14.9	124.4
4Q 2005	79.7	21.5	19.3	22.2	142.8

- Increased R&D Expenses in Q4, mainly due to one off charges for rationalisation & writedown of development projects
- Increase in G & A Expenses in Q4, due to M&A activities (EUR2.2 mm) and integration & restructuring costs (EUR2.5 mm)

Balance sheet

Assets

EUR million



	31/12 2005	31/12 2004	Change
Goodwill	784.6	236.8	547.8
Intangibles	548.0	30.6	517.3
Fixed assets	401.6	174.7	227.0
Current assets	634.6	242.1	392.5
Total assets	2,368.9	684.2	1684.7

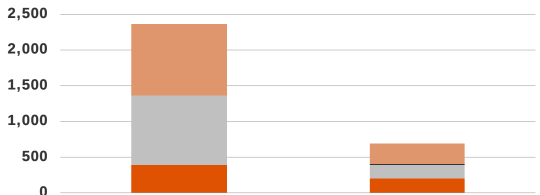
- Increases mostly due to the acquisitions of Amide and Alpharma
- Fair values (Fixed assets & Intangibles) and Goodwill values have been independently assessed by outside experts

Including Alpharma

Balance sheet

Equity & liabilities

EUR million



	31/12 2005	31/12 2004	Change
Stockholders' equity	997.3	281.8	715.5
Minority interest	10.7	9.9	0.8
Non-current liabilities	974.0	183.1	790.8
Current liabilities	386.9	209.4	177.5
Total equity and liabilities	2,368.9	684.2	1,684.7

- Stockholders' equity increased mainly due to issuance of ordinary shares (EUR259 mm) and preferred shares (EUR368 mm) in relation to the Amide and Alpharma acquisitions
- Non-current liabilities increased due to increase in Debt by EUR609 mm in relation to the financing of the acquisitions

Including Alpharma

Cash Flow

EUR ´000

	12M 2005	12M 2004
Working capital from operating activities	109,079	92,116
Net Cash provided by operating activities	103,004	46,710
R&D	-39,762	-13,790
CAPEX	-58,679	-41,431
Acquisitions	-880,787	-8,374
Other investmetns	18,001	451
Investing activities total	-961,227	-63,144
Issue of Ordinary Shares (net)	247,379	-768
Issue of Preference Shares (net)	356,498	0
Increase in debt (net)	334,375	6,035
Other	-471	0
Financing activities total	937,780	5,267
Net change in cash and cash equivalents	79,557	-11,167
Effects of foreign exchange adjustments	2,426	-1,475
Cash and cash equivalents at beginning of period	17,325	29,967
Cash and cash equivalents at end of period	99,308	17,325

Including Alpharma

Financial guidance

Guidance for 2006

- Full year revenue target of EUR1.3 billion
- Continued strong growth, especially in US and Eastern Europe/Russia
- EBITDA margin in range of 19-20%
- Q1 expected to be on track

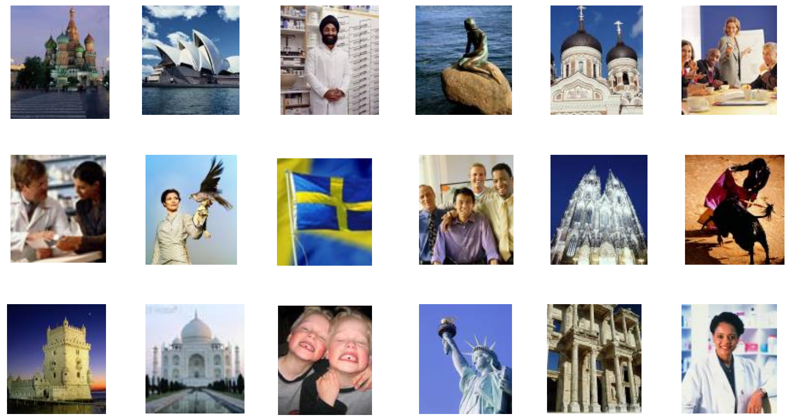
Sales performance

Sigurdur Oli Olafsson
President of North-America sales

Divisional overview

- Sales & Marketing, International (Own-label)
  - Own-label products either developed by Actavis or in-licensed from other companies
  - Key markets include Turkey, Bulgaria, Russia, Serbia and Scandinavia
  - Acquisition of Alpharma included as of 19 December
- Sales & Marketing, Third-party Global
  - Sales of products developed by Actavis to third parties
  - Key markets include Germany, Austria, the Netherlands, Spain and France
- North America Division
  - Acquisition of Amide included as of 1 July and Alpharma included as of 19 December
  - Sales of Own-label products

Own-label sales – 4Q & 12M



Sales development
EUR294.1 million in 2005

Own-label sales by quarters

	1Q 2005	2Q 2005	3Q 2005	4Q 2005	4Q 2004	12M 2005	12M 2004
Sales	64.2	73.2	72.5	84.2	68.6	294.1	240.2
% of Group Revenues	63.0%	60.0%	45.1%	46.4%	61.3%	51.9%	53.2%
Underlying Growth	14.0%	26.6%	19.7%	11.2%	3.0%	17.6%	0.1%

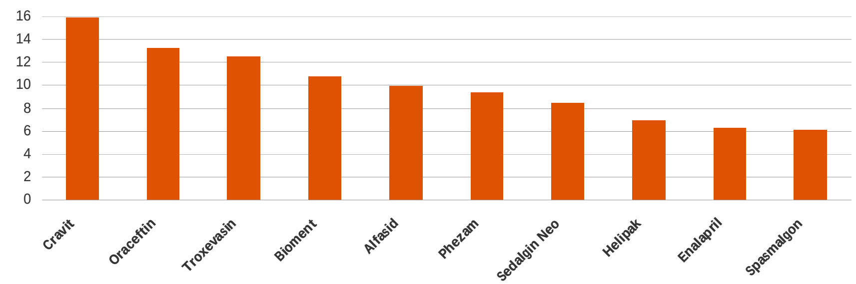
- Highlights for 4Q and 12M
  - Sales up 22.8% in 4Q, 22.5% for 12M
  - Own-label represented 51.9% of the Group's revenue in 12M
  - Strong growth in the quarter mainly due to sales performance in Turkey, Russia and Ukraine
  - New markets in Central Europe
    - Poland, Czech Republic, Slovakia and Hungary
  - Over 60 new products where launched into different markets
  - 180 new registration submissions

Own Label figures before acquisition of Alpharma

Own-label sales
Top 10 products

Total EUR294.1 million in 2005

EUR million

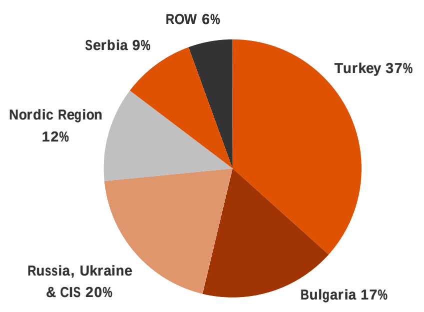


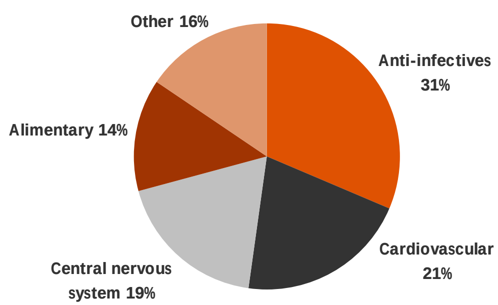
Top 10 products account for 34% of Own-label sales

Sales ranking exclude impact of Alpharma in Europe, which will be reported in Q1

Well diversified sales 12M

Own-label sales by markets	Own-label sales by therapeutic classes





Sales analysis exclude impact of Alpharma in Europe, which will be reported in Q1

Own-label – key markets

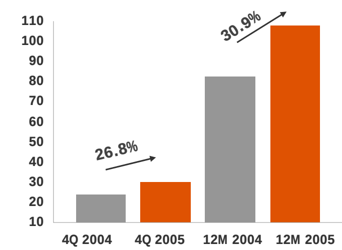
Turkey – 37% of division sales

- Strong growth from 2004, sales up 26.8% in 4Q and up 30.9% in 12M
- Government imposed price decreases – pressure on margins
- Increase in volume was the main growth driver

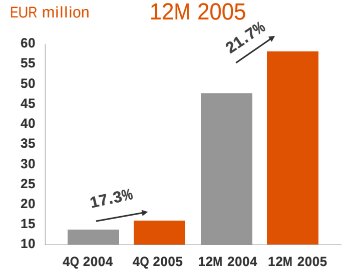
Russia, Ukraine & CIS – 20% of division sales

- Good growth from 2004 of 17.3% in 4Q and up 21.7% in 12M
- Strong sales performance in both Russia and Ukraine as a result of focused promotion and branding activities.

EUR million 4Q & 12M 2005



EUR million 12M 2005

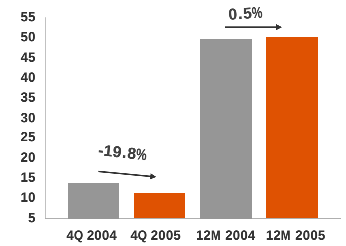


Own-label – key markets

Bulgaria – 17% of division sales

- Lower sales than anticipated in the quarter
- Stock level reduced at wholesalers
- Sales marginally up 0.5% for full year

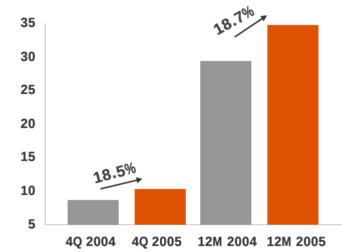
EUR million 12M 2005



North Europe – 12% of division sales

- Good growth of 18.5% from 2004 in Q4 and 18.7% in 12M
- Denmark performed well in 4Q and during the year due to successful launches

EUR million 12M 2005



Third-party sales

Sales development
EUR149.7 million

Third-Party sales by quarters - highlights

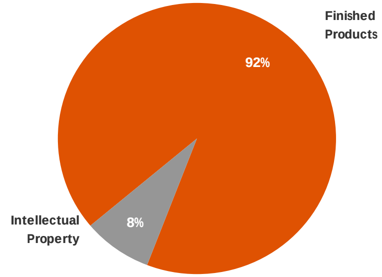
	1Q 2005	2Q 2005	3Q 2005	4Q 2005	4Q 2004	12M 2005	12M 2004
Sales	26.8	33.3	43.6	46.0	33.4	149.7	164.8
% of Group Revenues	26.3%	27.3%	27.1%	26.4%	32.1%	26.4%	36.5%
Underlying Growth	-54.6%	-13.8%	26.2%	37.9%	-5.6%	-9.8%	24.0%

Highlights

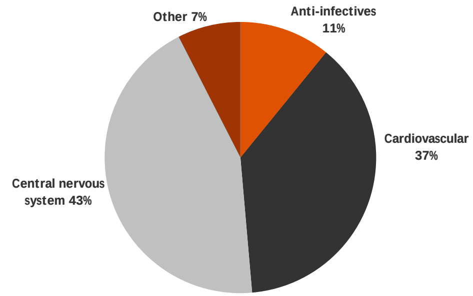
- Highest sales in a single quarter since the exceptional 1Q 2004
- Sales performance of products in line with expectations in 4Q 2005
- Two successful new product launches during 4Q; Glimepiride in several markets and Benazepril in Germany
- Sales of intellectual property in line with expectations, both in 4Q and for the year

Third-party sales – 12M
Total EUR149.7 million

Sales by segments



Sales by therapeutic class



Intellectual Property

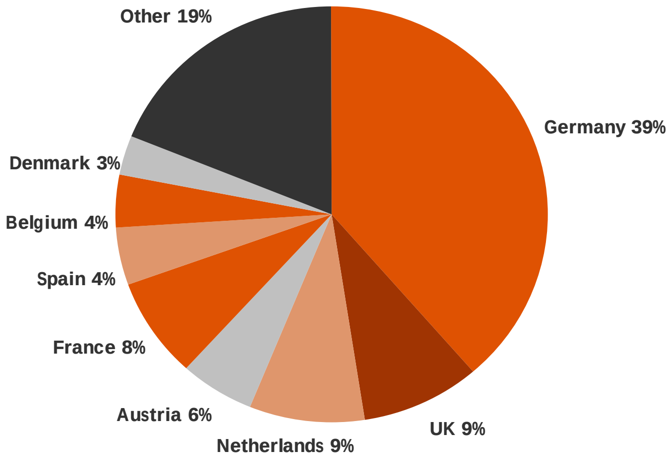
- 12.2 million, down 7% from 2004
- Revenue from 54 products

Finished products

- 137.5 million, down 9% from 2004
- Revenue from 44 products

Well placed in key markets – 12M

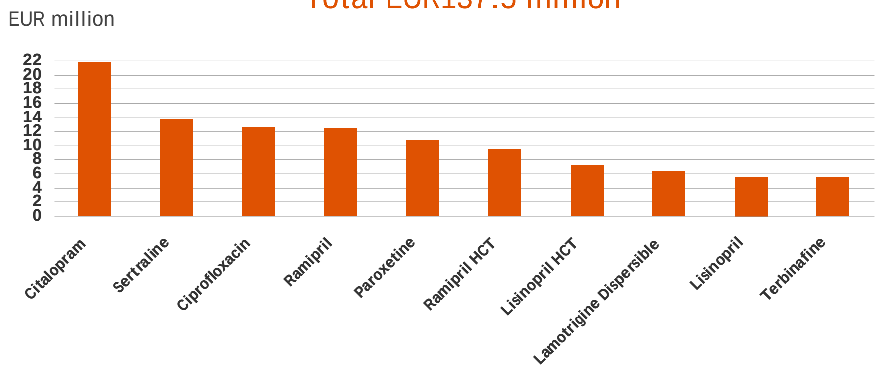
Finished products total EUR137.5 million



*Market split excludes sales of intellectual property

Third-party – 12M

Top 10 products



Top 10 products account for 77% of finished products sales

North America sales

Sales development

EUR62.9 million

North America sales by quarters - highlights

	3Q 2005	4Q 2005	12M 2005
Sales	32.5	30.4	62.9
% of Group Revenues	20.2%	16.7%	11.1%

Highlights

- Amide consolidated into Group accounts from 1 July 2005
- Strong performance and 48.1% revenue growth for first 12 months from 2004
- Three new products launched in the quarter

Sales exclude impact from Alpharma acquisition

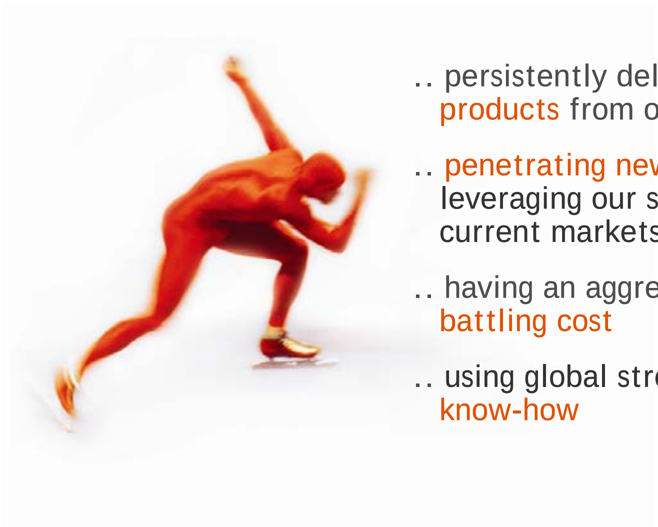
US branding

- **Actavis has 64 Amide products on the market and 98 Alpharma products**
  - Only two overlapping
- **Re-branding of Amide and Alpharma to Actavis**
- **Sales force integration completed**
- **Warehouse and distribution integration in 2Q**

Well positioned for further growth

Robert Wessman
President & CEO

We will realise our vision by……



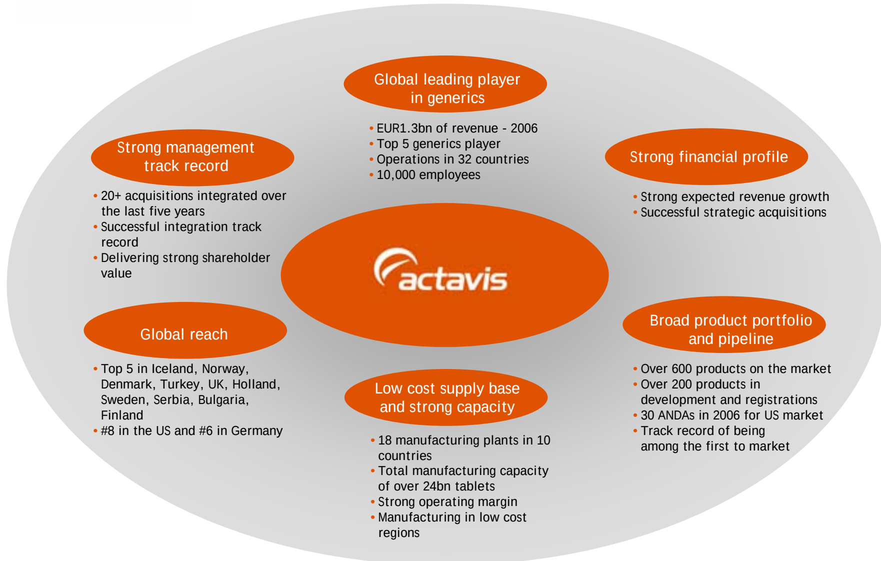
.. persistently delivering new products from our strong pipeline

.. penetrating new markets and leveraging our strong position in current markets

.. having an aggressive approach to battling cost

.. using global strength and local know-how

A strong global player



Priorities and integration

Integration actions completed or in progress

1.	Rapid new product introduction to new market	Portfolio wish lists in all major markets Portfolio synchronization / overlapping products Regulatory preparations / artwork / pricing Supply chain coordination / supply management Cross selling Over 150 product launches planned in 2006 Re-branding in 12 countries
2.	Secure key staff but minimize headcount	Secure key staff but minimize headcount
3.	Optimize number of sites	Optimize number of manufacturing sites
4.	Simplify structure and take out middle layers	8 corporate divisions streamlined 14 Local divisions redesigned to fit simpler corporate structure Supportive functions integrated, cut down and decentralized
5.	Lower general and admin cost	Cost cutting exercise across the group Purchasing programs to lower API sourcing and indirect spend

Integration actions completed or in progress

6.	Transfer products to low cost sites	Product transfer to third party sites in India
7.	Enhance efficiency of W-Europe and US business units	W-Europe growth strategy with new products Stronger combined sales force in US with broader portfolio
8.	Fully integrate US	Sales force integration completed Warehouse integration Portfolio coordination R&D integration Combine leadership teams Product branding Corporate branding
9.	Reduce support functions	Decentralization of support functions (corporate role minimized)
10.	Actavis culture and spirit	Management evaluation, contract and selection Introduction material in 22 languages 14 web sites redesigned Internal branding (buildings, bus. cards, clothing, letter heads)

Priorities for 2006

Priorities for 2006

- Successful delivery of new market launches
  - Prepare and execute over 150 new product launches in 2006
  - Accelerate new product introduction to key markets
  - Further strengthen regulatory capabilities
- Further expand into new markets and strengthen position in current markets
  - Cross-market product introductions
  - Acquisitions of product portfolios
  - Acquisitions of sales and marketing organizations
- Aggressively follow up on synergy targets from acquisitions
- Control cost
  - Renegotiation with suppliers
  - Optimization of headcount
  - Cost reduction exercise across the group
  - Weekly and monthly cost tracking

Thank you!

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