

ALLERGAN INC  
Form 8-K  
August 02, 2006

Table of Contents

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K  
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**August 2, 2006**

Date of Report (Date of Earliest Event Reported)

**ALLERGAN, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State of Incorporation)

**1-10269**  
(Commission File Number)

**95-1622442**  
(IRS Employer  
Identification Number)

**2525 Dupont Drive**  
**Irvine, California 92612**  
(Address of Principal Executive Offices) (Zip Code)  
**(714) 246-4500**  
(Registrant's Telephone Number, Including Area Code)

**N/A**  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

**TABLE OF CONTENTS**

Item 2.02. Results of Operations and Financial Condition.

Item 9.01. Financial Statements and Exhibits.

**SIGNATURES**

Exhibit Index

Exhibit 99.1

---

**Table of Contents****Item 2.02. Results of Operations and Financial Condition.**

On August 2, 2006, Allergan, Inc. ( Allergan ) issued a press release announcing operating results for the second quarter ended June 30, 2006. In its press release, Allergan included historical non-GAAP financial measures, as defined in Regulation G promulgated by the SEC, with respect to the three and six month periods ended June 30, 2006, as well as the corresponding periods in 2005. Allergan also included estimated non-GAAP financial measures for the third fiscal quarter of 2006 and the full year 2006. Allergan reported the non-GAAP financial measures adjusted earnings, adjusted diluted earnings, adjusted earnings per share and adjusted diluted earnings per share. These measures exclude expenses and costs associated with accounting adjustments related to the acquisition of inventory and in-process research and development, the amortization of acquired tangible assets, charges, duplicate operating expenses and transition expenses associated with internal restructurings, accrued costs related to a tax dispute and the effect of unrealized losses on the mark-to-market adjustment to foreign currency derivative instruments. Allergan also reported sales performance using the non-GAAP financial measure of adjusted total pharmaceutical product net sales. Adjusted total pharmaceutical product net sales represents reported sales adjusted to exclude prior period net sales for Japan. Allergan shifted to a third party license and distribution business model for its operations in Japan in 2005 and accordingly has recorded no pharmaceutical product net sales for its Japan operations in 2006.

Allergan uses adjusted earnings, adjusted diluted earnings and adjusted total pharmaceutical product net sales to enhance the investor's overall understanding of the financial performance and prospects for the future of Allergan's core business activities. Specifically, Allergan believes that a report of adjusted earnings, adjusted diluted earnings and adjusted total pharmaceutical product net sales provides consistency in its financial reporting and facilitates the comparison of results of core business operations between its current, past and future periods. Adjusted earnings, adjusted diluted earnings and adjusted total pharmaceutical product net sales are some of the primary indicators management uses for planning and forecasting in future periods. Allergan also uses these measures for evaluating management performance for compensation purposes.

In the press release, Allergan also reported sales performance using the non-GAAP financial measure of constant currency sales. Constant currency sales represent current period reported sales adjusted for the translation effect of changes in average foreign exchange rates between the current period and the corresponding period in the prior year. Allergan calculates the currency effect by comparing adjusted current period reported amounts, calculated using the monthly average foreign exchange rates for the corresponding period in the prior year, to the actual current period 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. Constant currency sales as defined and presented by Allergan may not be comparable to similar measures reported by other companies.

The non-GAAP financial measures reported by Allergan have limited applicability because they exclude expenses actually incurred by Allergan. Allergan believes that an appropriate analysis of its profitability cannot be effectively considered without reporting these non-GAAP financial measures. Allergan believes that its presentation of non-GAAP financial measures provides useful supplementary information to investors. The presentation of non-GAAP financial measures is not meant to be considered in isolation from or as a substitute for results prepared in accordance with accounting principles generally accepted in the United States.

This information and the information contained in the press release shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report is not incorporated by reference into any filings of Allergan made under the Securities Act of 1933, as amended, whether made before or after the date of this Current Report, regardless of any general incorporation language in the filing unless specifically stated so therein.

**Item 9.01. Financial Statements and Exhibits.**

(d) *Exhibits.*

99.1 Allergan, Inc. press release dated August 2, 2006.



**Table of Contents**

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**ALLERGAN, INC.**

Date: August 2, 2006

By: /s/ Matthew J. Maletta  
Name: Matthew J. Maletta  
Title: Vice President,  
Assistant General Counsel and  
Assistant Secretary

---

**Table of Contents**

**Exhibit Index**

<b>Exhibit</b>	<b>Description of Exhibit</b>
99.1	Allergan, Inc. press release dated August 2, 2006.