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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended June 30, 2012

or

☐ **Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to

Commission File Number: 001-33500

JAZZ PHARMACEUTICALS PUBLIC LIMITED COMPANY
(Exact name of registrant as specified in its charter)

Ireland	**98-1032470**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

45 Fitzwilliam Square
Dublin 2, Ireland
011-353-1-634-4183
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Ordinary shares, nominal value $0.0001 per share	**The NASDAQ Stock Market LLC**

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 31, 2012, 57,536,632 ordinary shares of the registrant, nominal value $0.0001 per share, were outstanding.

JAZZ PHARMACEUTICALS PLC
QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2012
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We own or have rights to various copyrights, trademarks, and trade names used in our business, including the following: Jazz Pharmaceuticals®, Xyrem® (sodium oxybate) oral solution, FazaClo® (clozapine, USP), Luvox CR® (fluvoxamine maleate) Extended-Release Capsules, Luvox® (fluvoxamine maleate), Prialt® (ziconotide) intrathecal infusion, Elestrin® (estradiol gel), Urelle® (urinary antiseptic), Gesticare® (prenatal vitamin), Natelle® (prenatal vitamin), Gastrocrom® (cromolyn sodium oral concentrate), Niravam® (alprazolam), Parcopa® (carbidopa/levodopa), AVC™ Cream (sulfanilamide), Erwinaze® (asparaginase *Erwinia chrysanthemi*), Erwinase®, Asparec® (mPEG-r-crisantaspase), Leukotac™ (inolimomab), ProstaScint® (capromab pendetide) and Quadramet® (Samarium Sm 153 Lexidronam Injection). This report also includes trademarks, service marks, and trade names of other companies.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

JAZZ PHARMACEUTICALS PLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	June 30, 2012	December 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	$ 154,543	$ 82,076
Marketable securities	-	75,822
Accounts receivable, net of allowances	78,130	34,374
Inventories	48,355	3,909
Prepaid expenses	5,906	1,690
Other current assets	13,508	1,260
Total current assets	300,442	199,131
Property and equipment, net	4,631	1,557
Intangible assets, net	927,409	14,585
Goodwill	446,236	38,213
Other long-term assets	19,226	87
Total assets	$ 1,697,944	$ 253,573
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 34,505	$ 5,129
Accrued liabilities	125,080	34,783
Current portion of long-term debt	23,750	-
Purchased product rights liability	6,972	4,500
Liability under government settlement	-	7,320
Deferred revenue	2,011	1,138
Total current liabilities	192,318	52,870
Deferred revenue, non-current	7,356	7,915
Long-term debt, less current portion	444,190	-
Contingent consideration	35,300	-
Deferred tax liability	185,706	-
Other non-current liabilities	1,615	-
Commitments and contingencies (Note 8)		
Shareholders' equity:		
Ordinary shares	6	4
Non-voting euro deferred shares	55	-
Capital redemption reserve	471	-
Additional paid-in capital	1,126,371	542,697
Accumulated other comprehensive loss	(388)	(31)
Accumulated deficit	(295,056)	(349,882)
Total shareholders' equity	831,459	192,788
Total liabilities and shareholders' equity	$ 1,697,944	$ 253,573

The accompanying notes are an integral part of these condensed consolidated financial statements.

JAZZ PHARMACEUTICALS PLC
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Revenues:				
Product sales, net	$ 128,310	$ 63,464	$ 235,646	$ 113,367
Royalties and contract revenues	1,229	1,103	2,307	2,081
Total revenues	129,539	64,567	237,953	115,448
Operating expenses:				
Cost of product sales (excluding amortization of acquired developed technologies)	15,370	3,370	26,128	6,179
Selling, general and administrative	60,638	22,094	107,637	42,005
Research and development	2,321	3,382	6,280	7,077
Intangible asset amortization	15,751	1,862	29,264	3,724
Total operating expenses	94,080	30,708	169,309	58,985
Income from operations	35,459	33,859	68,644	56,463
Interest expense, net	(1,481)	(657)	(1,450)	(1,434)
Other expense	(240)	-	(258)	-
Income before provision for income tax expense	33,738	33,202	66,936	55,029
Provision for income tax expense	6,593	-	12,110	-
Net income	$ 27,145	$ 33,202	$ 54,826	$ 55,029
Net income per ordinary share:				
Basic	$ 0.48	$ 0.81	$ 0.99	$ 1.35
Diluted	$ 0.45	$ 0.71	$ 0.92	$ 1.19
Weighted-average ordinary shares used in computing net income per share:				
Basic	56,952	41,209	55,437	40,788
Diluted	60,554	46,601	59,319	46,238

The accompanying notes are an integral part of these condensed consolidated financial statements.

JAZZ PHARMACEUTICALS PLC
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Net income	$ 27,145	$ 33,202	$ 54,826	$ 55,029
Other comprehensive income (loss):				
Foreign currency translation adjustments	(388)	-	(388)	-
Available-for-sale securities:				
Net unrealized (loss) gain on available-for-sale securities, net of income taxes	(20)	-	8	-
Reclassification adjustments for gains included in earnings, net of income taxes	17	-	23	-
Other comprehensive loss	(391)	-	(357)	-
Total comprehensive income	$ 26,754	$ 33,202	$ 54,469	$ 55,029

The accompanying notes are an integral part of these condensed consolidated financial statements.

JAZZ PHARMACEUTICALS PLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2012	**2011**
Operating activities		
Net income	$ 54,826	$ 55,029
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	415	189
Amortization of intangible assets	29,264	3,724
Loss on disposal of property and equipment	139	15
Share-based compensation expense	8,539	6,563
Excess tax benefit from share-based compensation	(6,238)	-
Purchase accounting inventory fair value step-up	6,380	-
Change in fair value of contingent consideration	200	-
Other non-cash transactions	309	394
Changes in assets and liabilities:		
Accounts receivable	(7,427)	(2,918)
Inventories	806	352
Prepaid expenses and other current assets	(5,390)	(1,820)
Other assets and liabilities	(1,191)	51
Accounts payable	11,363	1,616
Accrued liabilities	16,339	3,141
Deferred revenue	250	(476)
Liability under government settlement	(7,320)	(3,976)
Net cash provided by operating activities	101,264	61,884
Investing activities		
Acquisitions, net of cash acquired	(542,531)	-
Purchases of marketable securities	(37,443)	-
Proceeds from sale of marketable securities	81,246	-
Proceeds from maturities of marketable securities	31,988	-
Purchases of property and equipment	(2,494)	(161)
Purchase of product rights	(9,500)	(2,250)
Decrease in restricted cash	-	400
Net cash used in investing activities	(478,734)	(2,011)
Financing activities		
Net proceeds from issuance of debt	450,916	-
Proceeds from employee stock purchases, exercise of stock options and warrants	18,573	9,411
Payment of employee withholding taxes upon exercise of share-based awards	(25,299)	-
Excess tax benefit from share-based compensation	6,238	-
Repayment of long-term debt	-	(8,332)
Net repayments under revolving credit facility	-	(3,350)
Net cash provided by (used in) financing activities	450,428	(2,271)
Effect of exchange rates on cash and cash equivalents	(491)	-
Net increase in cash and cash equivalents	72,467	57,602
Cash and cash equivalents, at beginning of period	82,076	44,794
Cash and cash equivalents, at end of period	$ 154,543	$ 102,396

See Note 2 for supplemental disclosures of non-cash investing activities related to acquisitions.

The accompanying notes are an integral part of these condensed consolidated financial statements.

JAZZ PHARMACEUTICALS PLC
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. The Company and Summary of Significant Accounting Policies

Jazz Pharmaceuticals Public Limited Company, or Jazz Pharmaceuticals plc, a public limited company formed under the laws of Ireland, is a specialty biopharmaceutical company dedicated to improving patients' lives through the identification, development and commercialization of pharmaceutical products that address unmet medical needs in focused therapeutic areas.

On January 18, 2012, the businesses of Jazz Pharmaceuticals, Inc. and Azur Pharma Public Limited Company, or Azur Pharma, were combined in a merger transaction, or the Azur Merger, accounted for as a reverse acquisition under the acquisition method of accounting for business combinations, with Jazz Pharmaceuticals, Inc. treated as the acquiring company for accounting purposes. As part of the Azur Merger, a wholly-owned subsidiary of Azur Pharma merged with and into Jazz Pharmaceuticals, Inc., with Jazz Pharmaceuticals, Inc. surviving the Azur Merger as a wholly-owned subsidiary of Jazz Pharmaceuticals plc. Prior to the Azur Merger, Azur Pharma changed its name to Jazz Pharmaceuticals plc. Upon the consummation of the Azur Merger, the historical financial statements of Jazz Pharmaceuticals, Inc. became our historical financial statements. Accordingly, the historical financial statements of Jazz Pharmaceuticals, Inc. only are included in the comparative prior periods. For additional information regarding the Azur Merger see Note 2.

On June 12, 2012, we completed the acquisition of EUSA Pharma Inc., or EUSA Pharma, which we refer to as the EUSA Acquisition. As part of the EUSA Acquisition, an indirect wholly-owned subsidiary of Jazz Pharmaceuticals plc merged with and into EUSA Pharma, with EUSA Pharma continuing as the surviving corporation and as an indirect wholly-owned subsidiary of Jazz Pharmaceuticals plc. For additional information regarding the EUSA Acquisition see Note 2.

Unless otherwise indicated or the context otherwise requires, references to "Jazz Pharmaceuticals," "the registrant," "we," "us," and "our" refer to Jazz Pharmaceuticals plc and its consolidated subsidiaries, including its predecessor, Jazz Pharmaceuticals, Inc., except that all such references prior the effective time of the Azur Merger on January 18, 2012 are references to Jazz Pharmaceuticals, Inc. and its consolidated subsidiaries. All references to "Azur Pharma" are references to Jazz Pharmaceuticals plc (f/k/a Azur Pharma Public Limited Company) and its consolidated subsidiaries prior to the effective time of the Azur Merger on January 18, 2012. The disclosures in this report relating to the pre-Azur Merger business of Jazz Pharmaceuticals plc, unless noted as being the business of Azur Pharma prior to the Azur Merger, pertain to the business of Jazz Pharmaceuticals, Inc. prior to the Azur Merger.

Basis of Presentation

These unaudited condensed consolidated financial statements have been prepared following the requirements of the Securities and Exchange Commission, or SEC, for interim reporting. As permitted under those rules, certain footnotes and other financial information that are normally required by U.S. generally accepted accounting principles, or GAAP, can be condensed or omitted. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the annual consolidated financial statements and accompanying notes of Jazz Pharmaceuticals, Inc. included in the Annual Report on Form 10-K for the year ended December 31, 2011 that we filed on behalf of and as successor to Jazz Pharmaceuticals, Inc. Because the Azur Merger was consummated after December 31, 2011, we also filed a separate Annual Report on Form 10-K covering the last full fiscal year of Azur Pharma that includes the annual consolidated financial statements and accompanying notes of Azur Pharma (Commission File Number 333-177528). The results of operations of the acquired Azur Pharma and EUSA Pharma businesses, along with the estimated fair values of the assets acquired and liabilities assumed in each transaction, have been included in our condensed consolidated financial statements since the effective dates of the Azur Merger and the EUSA Acquisition, respectively.

In the opinion of management, these condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements of Jazz Pharmaceuticals, Inc. and include all adjustments, consisting only of normal recurring adjustments, considered necessary for the fair presentation of our financial position and operating results. The results for the three and six months ended June 30, 2012 are not necessarily indicative of the results to be expected for the year ending December 31, 2012, for any other interim period or for any future period.

The consolidated financial statements include the accounts of Jazz Pharmaceuticals plc and our wholly-owned subsidiaries and intercompany transactions and balances have been eliminated.

Significant Risks and Uncertainties

Our financial results are significantly influenced by sales of Xyrem, and maintaining and increasing sales of Xyrem is subject to a number of risks and uncertainties, including the potential introduction of generic competition, and changed or increased regulatory restrictions. During 2010, an abbreviated new drug application, or ANDA, was filed with the United States Food and Drug Administration, or FDA, by a third party seeking to market a generic form of Xyrem. We have sued that third party for infringement

of our patents, and the litigation is ongoing. If an ANDA for Xyrem is approved and a generic version of Xyrem is introduced, our sales of Xyrem would be adversely affected. In addition, we are continuing our ongoing work with the FDA on both changes to our Xyrem product label and our risk management and distribution system for Xyrem. The FDA may take, or require us to take, actions that could make it more difficult or expensive for us to distribute Xyrem, make competition easier and/or negatively affect the commercial success of Xyrem.

In addition to risks related specifically to Xyrem, we are subject to risks and uncertainties common to companies in the pharmaceutical industry with development and commercial operations, including: the need to successfully integrate and grow our combined business after the EUSA Acquisition and Azur Merger; the need to obtain appropriate pricing and reimbursement for our products in an increasingly challenging environment; the ongoing regulation and oversight by the FDA, the U.S. Drug Enforcement Administration, and similar foreign regulatory agencies; the challenges of achieving and maintaining commercial success of our products; the dependence on key customers and sole source suppliers; the protection of intellectual property rights; and the difficulty and uncertainty of pharmaceutical product development and the uncertainty of clinical success and regulatory approval.

Business Acquisitions

Our condensed consolidated financial statements include the operations of an acquired business after the completion of the acquisition. We account for acquired businesses using the acquisition method of accounting. The acquisition method of accounting for acquired businesses requires, among other things, that most assets acquired and liabilities assumed be recognized at their estimated fair values as of the acquisition date, and that the fair value of acquired in-process research and development, or IPR&D, be recorded on the balance sheet. Also, transaction costs are expensed as incurred. Any excess of the purchase price over the assigned values of the net assets acquired is recorded as goodwill. Contingent consideration is included within the acquisition cost and is recognized at its fair value on the acquisition date. A liability resulting from contingent consideration is remeasured to fair value at each reporting date until the contingency is resolved and changes in fair value are recognized in earnings.

Concentrations of Risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash equivalents and marketable securities. Our investment policy permits investments in debt securities issued by the U.S. government or its agencies, corporate bonds or commercial paper issued by U.S. corporations, certain money market mutual funds, certain repurchase agreements, and tax-exempt obligations of states, agencies and municipalities and places restrictions on credit ratings, maturities, and concentration by type and issuer. We are exposed to credit risk in the event of a default by the financial institutions holding our cash, cash equivalents and marketable securities and issuers of investments to the extent recorded on the balance sheet.

We are also subject to credit risk from our accounts receivable related to our product sales. We monitor our exposure within accounts receivable and record a reserve against uncollectible accounts receivable as necessary. We extend credit to hospitals, pharmaceutical wholesale distributors and a specialty pharmaceutical distribution company, primarily in the United States, and to other international distributors. Customer creditworthiness is monitored and collateral is not required. We monitor deteriorating economic conditions in certain European countries which may result in variability of the timing of cash receipts and an increase in the average length of time that it takes to collect accounts receivable outstanding. Historically, we have not experienced significant credit losses on our accounts receivable and we do not expect to have write-offs or adjustments to accounts receivable which would have a material adverse effect on our financial position, liquidity or results of operations. As of June 30, 2012, five customers accounted for 71% of gross accounts receivable and one customer, Express Scripts Specialty Distribution Services, Inc. and its affiliate CuraScript, Inc., or Express Scripts, accounted for 46% of gross accounts receivable. As of December 31, 2011, Express Scripts accounted for 79% of gross accounts receivable.

We rely on certain sole suppliers for drug substance and certain sole manufacturing partners for certain of our marketed products and product candidates.

Foreign Currency

Our functional and reporting currency is the U.S. dollar. The assets and liabilities of our subsidiaries that have a functional currency other than the U.S. dollar are translated into U.S. dollars at the exchange rate prevailing at the balance sheet date with the results of operations of subsidiaries translated at the average exchange rate for the reporting period. The cumulative foreign currency translation adjustment is recorded as a component of accumulated other comprehensive loss in shareholders' equity.

Transactions in foreign currencies are translated into the functional currency of the relevant subsidiary at the rate of exchange prevailing at the date of the transaction. The resulting monetary assets and liabilities are translated into the relevant functional currency at exchange rates prevailing at the balance sheet date. Gains and losses as a result of translation adjustments are recorded within "Other expense" in the accompanying condensed consolidated statements of income.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements and accompanying notes. Management bases its estimates on historical experience and on assumptions believed to be reasonable under the circumstances. Actual results could differ materially from those estimates.

Net Income per Ordinary Share

Basic net income per ordinary share is based on the weighted-average number of ordinary shares outstanding. Diluted net income per ordinary share is based on the weighted-average number of ordinary shares outstanding and potentially dilutive ordinary shares outstanding. Basic and diluted net income per ordinary share were computed as follows (in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Numerator:				
Net income	$27,145	$33,202	$54,826	$55,029
Denominator:				
Weighted-average ordinary shares - basic	56,952	41,209	55,437	40,788
Dilutive effect of employee equity incentive and purchase plans	1,440	2,821	1,633	2,844
Dilutive effect of warrants	2,162	2,571	2,249	2,606
Weighted-average ordinary shares - diluted	60,554	46,601	59,319	46,238
Net income per ordinary share:				
Basic	$ 0.48	$ 0.81	$ 0.99	$ 1.35
Diluted	$ 0.45	$ 0.71	$ 0.92	$ 1.19

Potentially dilutive ordinary shares from employee equity plans and warrants are determined by applying the treasury stock method to the assumed exercise of warrants and share options, the assumed vesting of outstanding restricted stock units, or RSUs, and the assumed issuance of ordinary shares under our employee stock purchase plan. The following table represents the weighted-average ordinary shares that were excluded from the computation of diluted net income per ordinary share for the periods presented because including them would have an anti-dilutive effect (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Options to purchase ordinary shares and RSUs	1,522	1,372	1,079	1,016

All references to “ordinary shares” in the discussion and table above refer to Jazz Pharmaceuticals, Inc.’s common stock with respect to the comparative prior year periods and to Jazz Pharmaceuticals plc’s ordinary shares with respect to the current year periods. Our earnings per share in the comparative prior year periods were not impacted by the Azur Merger since each share of Jazz Pharmaceuticals, Inc. common stock issued and outstanding immediately prior to the effective time of the Azur Merger was canceled and automatically converted into and became the right to receive one ordinary share upon the consummation of the Azur Merger. This one-for-one conversion ratio is referred to in this report as the Azur exchange ratio.

2. Business Combinations

Merger with Azur Pharma

On January 18, 2012, pursuant to an Agreement and Plan of Merger and Reorganization dated as of September 19, 2011, as amended, a wholly-owned subsidiary of Azur Pharma merged with and into Jazz Pharmaceuticals, Inc., with Jazz Pharmaceuticals, Inc. surviving the Azur Merger as a wholly-owned subsidiary of Jazz Pharmaceuticals plc. Prior to the Azur Merger, Azur Pharma changed its name to Jazz Pharmaceuticals plc. We believe the Azur Merger resulted in a company with a strengthened management team, a broader commercial organization and an efficient platform for further growth, with resources to build our product portfolio and a future pipeline.

At the effective time of the Azur Merger, each share of the common stock of Jazz Pharmaceuticals, Inc. issued and outstanding immediately prior to the effective time of the Azur Merger was canceled and automatically converted into and became the right to receive one ordinary share of Jazz Pharmaceuticals plc. Further, the stock options and stock awards outstanding under Jazz Pharmaceuticals, Inc.'s equity incentive plans were converted into stock options and stock awards to purchase or receive an equal number of ordinary shares of Jazz Pharmaceuticals plc with substantially the same terms and conditions, including the same per share exercise price, where applicable. In addition, outstanding warrants to purchase Jazz Pharmaceuticals, Inc. common stock were converted into substantially the same warrants to purchase an equal number of ordinary shares of Jazz Pharmaceuticals plc at the same per share exercise price. Our ordinary shares trade on the same exchange, The NASDAQ Global Select Market, and under the same trading symbol, "JAZZ," as the Jazz Pharmaceuticals, Inc. common stock prior to the Azur Merger. We are deemed to be the successor to Jazz Pharmaceuticals, Inc. pursuant to Rule 12g-3(a) under the Securities Exchange Act of 1934, as amended, or the Exchange Act.

The Azur Merger was accounted for as a reverse acquisition under the acquisition method of accounting, with Jazz Pharmaceuticals, Inc. treated as the accounting acquirer. Under the acquisition method of accounting, assets and liabilities of Azur Pharma were recorded at their respective estimated fair values as of the date of the Azur Merger and added to those of Jazz Pharmaceuticals, Inc., including an amount for goodwill representing the difference between the acquisition consideration and the estimated fair value of the identifiable net assets. The results of operations of the acquired Azur Pharma business and the estimated fair values of the assets acquired and liabilities assumed have been included in our condensed consolidated financial statements since the date of the Azur Merger.

The total acquisition consideration of $576.5 million was determined based on the market value of our ordinary shares that were held by the historic Azur Pharma shareholders immediately following the closing of the Azur Merger. The closing price of the Jazz Pharmaceuticals, Inc. common stock on January 17, 2012 ($46.64) was used to determine the fair value of consideration because the closing of the transaction on January 18, 2012 occurred prior to the opening of regular trading on January 18, 2012. Immediately following the consummation of the Azur Merger, 12,360,000, or 22%, of our ordinary shares were held by the persons and entities who acquired ordinary shares of Azur Pharma prior to the Azur Merger, and the remaining 43,838,000, or 78%, of the ordinary shares were held by the former stockholders of Jazz Pharmaceuticals, Inc.

During the three and six months ended June 30, 2012, we incurred $0 and $2.4 million, respectively, in transaction costs related to the Azur Merger, which primarily consisted of banking, legal, accounting and valuation-related expenses. These expenses were recorded in selling, general and administrative expense in the accompanying condensed consolidated statements of income. During the three and six months ended June 30, 2012, the contribution of the acquired Azur Pharma business to our total revenues was $20.8 million and $45.2 million, respectively. The portion of total expenses and net income associated with the acquired Azur Pharma business was not separately identifiable due to the integration with our operations.

The preliminary purchase price allocation resulted in the following amounts being allocated to the assets acquired and liabilities assumed at the closing date of the Azur Merger based upon their respective estimated fair values as summarized below (in thousands):

Cash and cash equivalents	$ 81,751
Accounts receivable	12,975
Inventories	15,344
Property and equipment	370
Intangible assets	325,000
Goodwill	201,524
Other assets	4,862
Accounts payable and accrued liabilities	(52,148)
Purchased product rights liability	(11,899)
Above market lease obligation	(1,315)
Total purchase price	$576,464

Asset categories acquired in the Azur Merger included working capital, long-term assets and liabilities, fixed assets and identifiable intangible assets, including IPR&D. The allocation of the purchase price for the Azur Merger has been prepared on a preliminary basis and we will finalize these amounts as we obtain the information necessary to complete the measurement process. Any changes resulting from facts and circumstances that existed as of the date of the Azur Merger may result in retrospective adjustments to the amounts recorded. These changes could be significant. We expect to finalize these amounts no later than one year from the date of the Azur Merger. Through June 30, 2012, we have not recorded any measurement period adjustments related to the Azur Merger.

The intangible assets as of the closing date of the Azur Merger included (in thousands):

Acquired developed technologies	$ 323,000
In-process research and development	2,000
Total intangible assets	$ 325,000

Intangible assets related to acquired developed technologies reflect the estimated fair value of the rights we acquired to those products in the Azur Merger. The fair value was determined using an income approach, which recognizes that the fair value of an asset is premised upon the expected receipt of future economic benefits such as earnings and cash inflows based on current sales projections and estimated direct costs for each product line. Indications of value are developed by discounting these benefits to their present worth at a discount rate that reflects the current return requirements of the market. Acquired developed technologies are finite-lived intangible assets and are being amortized over their estimated lives ranging from two to fifteen years.

The excess of purchase price over the fair value amounts assigned to the assets acquired and liabilities assumed represents the goodwill amount resulting from the acquisition. We believe the factors that contributed to goodwill include synergies that are specific to our consolidated business and not available to market participants, the acquisition of a talented workforce that expands our expertise in business development and commercializing pharmaceuticals products as well as other intangible assets that do not qualify for separate recognition. We do not expect any portion of this goodwill to be deductible for tax purposes.

Acquisition of EUSA Pharma

On June 12, 2012, pursuant to an Agreement and Plan of Merger dated as of April 26, 2012, or the EUSA Acquisition Agreement, an indirect wholly-owned subsidiary of Jazz Pharmaceuticals plc merged with and into EUSA Pharma, with EUSA Pharma continuing as the surviving corporation and as an indirect wholly-owned subsidiary of Jazz Pharmaceuticals plc. The EUSA Acquisition has contributed to our expanded portfolio of specialty pharmaceutical products and product candidates, including in particular, Erwinaze, as well as given us a strengthened management team and an enhanced commercial platform, adding EUSA Pharma's specialty commercial infrastructure in the United States and Europe and its international distribution network to our existing U.S. specialty product platform.

The EUSA Acquisition was accounted for using the acquisition method of accounting under which assets and liabilities of EUSA Pharma were recorded at their respective estimated fair values as of the date of the EUSA Acquisition and added to those of Jazz Pharmaceuticals plc including an amount for goodwill representing the difference between the acquisition consideration and the estimated fair value of the identifiable net assets. The results of operations of EUSA Pharma and the estimated fair values of the assets acquired and liabilities assumed have been included in our condensed consolidated financial statements since the date of the EUSA Acquisition.

At the closing of the EUSA Acquisition, we made an upfront cash payment of $678.4 million. Under the EUSA Acquisition Agreement, we also agreed to make an additional contingent payment of $50.0 million in cash if Erwinaze achieves U.S. net sales of $124.5 million in 2013. $50.0 million of the amount paid at closing was deposited in an escrow account, to be held for 12 months as partial security for our indemnification rights under the EUSA Acquisition Agreement. $25.0 million of the potential contingent payment, if payable, would be subject to reduction for indemnification claims, if any, that are not fully satisfied by the funds in the escrow account. The initial estimate of fair value of the contingent consideration was $35.1 million, which was recorded as a non-current liability and included in the total purchase price as summarized below:

Base payment	$ 650,000
Cash acquired	54,117
Working capital and other adjustments	(25,719)
Upfront payment in accordance with agreement	678,398
Estimated fair value of contingent consideration	35,100
Total purchase price	$ 713,498

During the three months and six months ended June 30, 2012, we incurred $8.9 million and $10.1 million, respectively, in transaction costs related to the EUSA Acquisition, which primarily consisted of banking, legal, accounting and valuation-related expenses. These expenses were recorded in selling, general and administrative expense in the accompanying condensed consolidated statements of income.

During both the three and six months ended June 30, 2012 periods, our statements of income included revenues of $8.0 million and a net loss of $1.6 million from the acquired EUSA Pharma business, as measured from the date of the EUSA Acquisition.

The preliminary purchase price allocation resulted in the following amounts being allocated to the assets acquired and liabilities assumed at the closing date of the EUSA Acquisition based upon their respective estimated fair values as summarized below (in thousands):

Cash and cash equivalents	$ 54,117
Accounts receivable (1)	23,354
Inventories	36,360
Prepaid assets	6,212
Property and equipment	764
Intangible assets	616,970
Goodwill	206,452
Other assets	436
Accounts payable and accrued liabilities	(44,502)
Deferred tax liability	(186,591)
Other liabilities	(74)
Total purchase price	$ 713,498

(1) The estimated fair value of trade receivables acquired was $23.4 million. The gross contractual amount of trade receivables was $25.1 million and was recorded net of allowances for wholesaler chargebacks related to government rebate programs, cash discounts for prompt payment and doubtful accounts. We expect that $1.7 million of the gross contractual amount of trade receivables will be uncollectible.

Categories acquired in the EUSA Acquisition included working capital, long-term assets and liabilities, fixed assets and identifiable intangible assets, including IPR&D. The allocation of the purchase price for the EUSA Acquisition has been prepared on a preliminary basis and we will finalize these amounts as we obtain the information necessary to complete the measurement process. Any changes resulting from facts and circumstances that existed as of the date of the EUSA Acquisition may result in retrospective adjustments to the amounts recorded. These changes could be significant. We expect to finalize these amounts no later than one year from the date of the EUSA Acquisition. Through June 30, 2012, we have not recorded any measurement period adjustments related to the EUSA Acquisition since the date of acquisition.

The intangible assets as of the closing date of the EUSA Acquisition included (in thousands):

Acquired developed technologies	$ 584,470
In-process research and development	32,500
Total intangible assets	$ 616,970

Intangible assets related to acquired developed technologies reflect the estimated fair value of the rights we acquired to those products in the EUSA Acquisition. The fair value was determined using an income approach, which recognizes that the fair value of an asset is premised upon the expected receipt of future economic benefits such as earnings and cash inflows based on current sales projections and estimated direct costs for each product line. Indications of value are developed by discounting these benefits to their present worth at a discount rate that reflects the current return requirements of the market. Acquired developed technologies are finite-lived intangible assets and are being amortized over their estimated lives ranging from two to fourteen years.

The excess of purchase price over the fair value amounts assigned to the assets acquired and liabilities assumed represents the goodwill amount resulting from the acquisition. We believe the factors that contributed to goodwill include synergies that are specific to our consolidated business and not available to market participants, the acquisition of a talented workforce and a platform for developing and commercializing pharmaceuticals products as well as other intangible assets that do not qualify for separate recognition. We do not expect any portion of this goodwill to be deductible for tax purposes.

Pro forma financial information (unaudited)

The following unaudited supplemental pro forma information presents the combined historical results of operations of Jazz Pharmaceuticals, Inc., Azur Pharma and EUSA Pharma for the three and six months ended June 30, 2012 and 2011, respectively, as if the Azur Merger and the EUSA Acquisition had each been completed on January 1, 2011. The pro forma financial information includes adjustments to reflect one time charges and amortization of fair value adjustments in the appropriate pro forma periods as though the companies were combined as of the beginning of 2011. These adjustments include:

- An increase in amortization expense of $4.3 million and $10.2 million for the three and six months ended June 30, 2012, respectively, and $18.2 million and $36.6 million, respectively, for the three and six months ended June 30, 2011 related to the fair value of acquired identifiable intangible assets.
- The exclusion of transaction-related expenses of $17.5 million and $33.3 million for the three and six months ended June 30, 2012, respectively, and $0.3 million for both the three and six months ended June 30, 2011.
- A decrease in interest expense of $3.9 million and $1.1 million for the three and six months ended June 30, 2012, respectively, and an increase of $3.2 million and $7.3 million for the three and six months ended June 30, 2011, respectively, incurred on additional borrowings made to fund the acquisition of EUSA, as if the borrowings had occurred on January 1, 2011, offset by the elimination of actual interest expense incurred by EUSA during the periods presented.
- The exclusion of other non-recurring expenses of $37.1 million and $47.0 million for the three and six months ended June 30,2012, respectively, and the inclusion of $5.7 million and $14.7 million for the three and six months ended June 30, 2011, primarily related to the fair value step-up to acquired inventory, share-based compensation incurred from the acceleration of stock option vesting upon closing of the Azur Merger and the EUSA Acquisition, a share-based liability granted to certain former Azur Pharma shareholders and integration-related expenses.

The unaudited pro forma results do not assume any operating efficiencies as a result of the consolidation of operations (in thousands, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Revenues	$ 166,289	$ 109,490	$ 320,848	$ 202,515
Net income (loss)	$ 40,074	$ 1,137	$ 75,694	$ (11,071)
Net income (loss) per ordinary share - basic	$ 0.70	$ 0.02	$ 1.34	$ (0.21)
Net income (loss) per ordinary share - diluted	$ 0.66	$ 0.02	$ 1.25	$ (0.21)

3. Inventories

The components of inventories were as follows (in thousands):

	June 30, 2012	December 31, 2011
Raw materials	$ 4,102	$ 1,937
Work in process	6,078	524
Finished goods	38,175	1,448
Total inventories	$ 48,355	$ 3,909

As of June 30, 2012, inventories included $18.4 million related to purchase accounting inventory fair value step-up.

4. Fair Value

Cash, cash equivalents and marketable securities consisted of the following (in thousands):

	June 30, 2012					
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cash and Cash Equivalents	Marketable Securities
Cash	$154,242	$ -	$ -	$154,242	$154,242	$ -
Money market funds	201	-	-	201	201	-
Certificates of deposit	100	-	-	100	100	-
Totals	$154,543	$ -	$ -	$154,543	$154,543	$ -

	December 31, 2011					
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cash and Cash Equivalents	Marketable Securities
Cash	$ 33,307	$ -	$ -	$ 33,307	$ 33,307	$ -
Money market funds	48,518	-	-	48,518	48,518	-
Certificates of deposit	7,300	-	(6)	7,294	-	7,294
Corporate debt securities	50,371	7	(34)	50,344	-	50,344
Obligations of U.S. government agencies	18,433	3	(1)	18,435	251	18,184
Totals	$157,929	$ 10	$ (41)	$157,898	$ 82,076	$75,822

Collectively, cash and cash equivalents and marketable securities are considered available-for-sale. We use the specific-identification method for calculating realized gains and losses on securities sold and include them in interest expense, net in the condensed consolidated statements of income. Proceeds from sales of available-for-sale securities during the six months ended June 30, 2012 were $81.2 million and were used to partially fund the EUSA Acquisition. Gross realized gains and losses during the three and six months ended June 30, 2012 were insignificant. All available-for-sale securities held as of June 30, 2012 were cash and cash equivalents.

The following table summarizes, by major security type, our available-for-sale securities and liabilities that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy (in thousands):

	June 30, 2012			December 31, 2011		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)	Total Estimated Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total Estimated Fair Value
Assets:						
Available-for-sale securities						
Money market funds	$ 201	$ -	$ 201	$ 48,518	$ -	$ 48,518
Certificates of deposit	100	-	100	-	7,294	7,294
Corporate debt securities	-	-	-	-	50,344	50,344
Obligations of U.S. government agencies	-	-	-	-	18,435	18,435
Total available-for-sale securities at fair value	$ 301	$ -	$ 301	$ 48,518	$ 76,073	$ 124,591
Liabilities:						
Contingent consideration	$ -	$ 35,300	$ 35,300	$ -	$ -	$ -

As of June 30, 2012, our available-for-sale securities included money market funds and certificates of deposits and their carrying values were approximately equal to their fair values. There were no transfers between the different levels of the fair value hierarchy in 2012.

As of December 31, 2011, our available-for-sale securities included corporate debt securities, obligations of U.S. government agencies, money market funds and certificates of deposit which were measured at fair value using Level 2 inputs. We reviewed trading activity and pricing for these investments as of the measurement date. Level 2 inputs, obtained from various third party data providers, represent quoted prices for similar assets in active markets, or these inputs were derived from observable market data, or if not directly observable, were derived from or corroborated by other observable market data. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. As of December 31, 2011, the aggregate fair value of available-for-sale securities which had unrealized losses was $43.6 million.

As part of the EUSA Acquisition, we agreed to make an additional contingent payment of $50.0 million in cash if Erwinaze achieves U.S. net sales of $124.5 million in 2013. The fair value measurement of this contingent consideration obligation is determined using unobservable (Level 3) inputs. These inputs include the probability of 2013 U.S. net sales of Erwinaze exceeding the $124.5 million threshold and the discount rate. A significant increase or decrease in the estimated probability of exceeding the milestone threshold would result in a significantly higher or lower fair value measurement, respectively. The range of the estimated contingent payment is from zero if 2013 U.S. net sales of Erwinaze are less than $124.5 million to $50.0 million if 2013 U.S. net sales of Erwinaze exceed $124.5 million. The fair value of the contingent consideration payable was estimated to be $35.1 million at June 12, 2012, the date of the EUSA Acquisition, and $35.3 million at June 30, 2012.

As of June 30, 2012, the estimated fair value of our $475.0 million term loan was $477.4 million and the carrying amount was $467.9 million. The fair value was determined using quotes from the administrative agent of our credit facility that are based on bid/ask prices of our term loan (Level 2). For additional information regarding our term loan see Note 7.

5. Certain Balance Sheet Items

Property and equipment consisted of the following (in thousands):

	June 30, 2012	December 31, 2011
Computer software	$ 4,164	$ 4,010
Computer equipment	2,923	2,046
Furniture and fixtures	871	556
Leasehold improvements	1,058	763
Construction-in-progress	2,461	689
Machinery and equipment	94	76
Subtotal	11,571	8,140
Less accumulated depreciation	(6,940)	(6,583)
Property and equipment, net	$ 4,631	$ 1,557

Accrued liabilities consisted of the following (in thousands):

	June 30, 2012	December 31, 2011
Employee compensation and benefits	$ 35,947	$ 11,643
Rebates and other sales deductions	31,713	12,378
Sales returns reserve	25,690	4,302
Taxes payable	7,175	-
Professional fees	5,682	4,021
Other	18,873	2,439
Total accrued liabilities	$125,080	$ 34,783

6. Goodwill and Intangible Assets

The gross carrying amount of goodwill was as follows (in thousands):

	June 30, 2012	December 31, 2011
Goodwill	$446,236	$ 38,213

We recorded goodwill of $201.5 million in January 2012 in connection with the Azur Merger and $206.5 million in June 2012 in connection with the EUSA Acquisition. There were no changes to the initial carrying amounts of goodwill during the six months ended June 30, 2012.

The gross carrying amounts and net book values of our intangible assets were as follows (in thousands):

	June 30, 2012				December 31, 2011		
	Remaining Weighted-Average Useful Life (In years)	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Acquired developed technologies	12.4	$956,946	$(64,716)	$892,230	$49,400	$(35,634)	$13,766
Trademarks	2.5	2,600	(1,917)	683	2,600	(1,781)	819
Total finite-lived intangible assets		959,546	(66,633)	892,913	52,000	(37,415)	14,585
Acquired IPR&D assets		34,496	-	34,496	-	-	-
Total intangible assets		$994,042	$(66,633)	$927,409	$52,000	$(37,415)	$14,585

Based on finite-lived intangible assets recorded as of June 30, 2012, and assuming the underlying assets will not be impaired in the future and that we will not change the expected lives of the assets, future amortization costs were estimated as follows (in thousands):

Year Ending December 31,	Estimated Amortization Expense
2012 (remainder)	$ 45,247
2013	87,313
2014	82,140
2015	75,190
2016	69,118
Thereafter	533,905
Total	$ 892,913

7. Long-Term Debt

Term Loan and Revolving Credit Facility

On June 12, 2012, Jazz Pharmaceuticals plc, as guarantor, and Jazz Pharmaceuticals, Inc., as borrower, entered into a $575.0 million credit agreement with Barclays Bank PLC, as administrative agent and certain other lenders. The credit agreement provides for a six-year $475.0 million term loan and a five-year $100.0 million revolving credit facility, which includes a $10.0 million swing line loan sub facility and a $10.0 million letter of credit sub facility. The proceeds from the term loan were used to partially finance the EUSA Acquisition. Borrowings under the term loan bear interest, at our option, at a rate equal to either the LIBOR rate, plus an applicable margin of 4.25% per annum (subject to a 1.0% LIBOR floor), or the prime lending rate, plus an applicable margin equal to 3.25% per annum (subject to a 2.0% prime rate floor). Borrowings under the revolving credit facility bear interest, at our option, at a rate equal to either the LIBOR rate, plus an applicable margin of 4.00% per annum, or the prime lending rate, plus an applicable margin equal to 3.00% per annum, subject to reduction by 0.25% or 0.50% based upon our secured leverage ratio. The revolving credit facility has a commitment fee payable on the undrawn amount ranging from 0.25% to 0.50% per annum based upon our secured leverage ratio.

The obligations of Jazz Pharmaceuticals, Inc. under the credit agreement and any hedging or cash management obligations entered into with a lender are guaranteed by Jazz Pharmaceuticals plc and certain of its subsidiaries and are secured by substantially all of their assets.

We may make prepayments of principal without premium or penalty, except that a 1% premium would apply to a repayment via a repricing of the loan under the term loan effected on or prior to June 12, 2013. We are required to make mandatory prepayments of borrowings under the term loan (without payment of a premium) with (1) net cash proceeds from certain non-ordinary course asset sales (subject to reinvestment rights and other exceptions), (2) net cash proceeds from issuances of debt (other than certain permitted debt), (3) beginning with the fiscal year ending December 31, 2013, 50% of our excess cash flow as defined in the credit agreement (subject to increase to 75% if our secured leverage ratio exceeds 2.25 to 1.0, or decrease to 25% or 0% if our secured leverage ratio is equal to or less than 1.25 to 1.0 or 0.75 to 1.0, respectively), and (4) casualty proceeds and condemnation awards (subject to reinvestment rights and other exceptions).

Principal repayments of the term loan are due quarterly beginning in September 2012 and are equal to 5% of the original principal amount in the first year, 7.5% in the second year, 10% in each of the third and fourth years and 15% in each of the fifth and sixth years, with any remaining balance payable on the final maturity date.

The credit agreement contains customary representations and warranties and customary affirmative and negative covenants applicable to Jazz Pharmaceuticals plc and its restricted subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, prepayment of other indebtedness and dividends and other distributions. The credit agreement contains a financial covenant that requires Jazz Pharmaceuticals plc and its restricted subsidiaries to maintain a maximum secured leverage ratio beginning with the quarter ending September 30, 2012.

The $475.0 million principal amount of the term loan was recorded net of an original issue discount of $7.1 million. We incurred $15.0 million of debt issuance costs associated with the term loan which are recorded under the caption “Other long-term assets” in the accompanying condensed consolidated balance sheets. Unpaid debt issuance costs amounted to $1.6 million at June 30, 2012. As of June 30, 2012, the interest rate on the term loan was 5.25%. Interest expense associated with the term loan is recorded using the interest method and includes non-cash interest related to the debt discount and debt issuance costs. The effective interest rate on the term loan is 6.7%. The current portion of the carrying amount of the term loan was $23.8 million as of June 30, 2012.

Financing costs of $3.5 million associated with the revolving credit facility were deferred and are being amortized to interest expense on a straight-line basis over the life of the facility. As of June 30, 2012, we had not borrowed under the revolving credit facility.

8. Commitments and Contingencies

Indemnification

In the normal course of business, we enter into agreements that contain a variety of representations and warranties and provide for general indemnification, including indemnification associated with product liability or infringement of intellectual property rights. Our exposure under these agreements is unknown because it involves future claims that may be made but have not yet been made against us. To date, we have not paid any claims or been required to defend any action related to these indemnification obligations.

We have agreed to indemnify our executive officers, directors and certain other employees for losses and costs incurred in connection with certain events or occurrences, including advancing money to cover certain costs, subject to certain limitations. The maximum potential amount of future payments we could be required to make under the indemnification obligations is unlimited; however, we maintain insurance policies that may limit our exposure and may enable us to recover a portion of any future amounts paid. Assuming the applicability of coverage, the willingness of the insurer to assume coverage, and subject to certain retention, loss limits and other policy provisions, we believe the fair value of these indemnification obligations is not significant. Accordingly, we have not recognized any liabilities relating to these obligations as of June 30, 2012 and December 31, 2011. No assurances can be given that the covering insurers will not attempt to dispute the validity, applicability, or amount of coverage without expensive litigation against these insurers, in which case we may incur substantial liabilities as a result of these indemnification obligations.

Lease and Other Commitments

We have noncancelable operating leases for our office buildings and we are obligated to make payments under noncancelable operating leases for automobiles used by our sales force. Future minimum lease payments under our noncancelable operating leases at June 30, 2012 were as follows (in thousands):

Year Ending December 31,	Lease Payments
2012 (remainder)	$ 2,807
2013	6,668
2014	5,713
2015	4,957
2016	4,158
Thereafter	5,755
Total	$ 30,058

In May 2012, we entered into an operating lease agreement for our new headquarters in Dublin for a term of ten years, we amended and extended the operating lease for our existing Philadelphia office building for a term of four years and we entered into a new operating sublease for additional office space in Palo Alto near our existing office location for a term of five years. As a result of the EUSA Acquisition, we have additional operating leases which are included in the table above.

As of June 30, 2012, we had $45.7 million of noncancelable purchase commitments under agreements with contract manufacturers, $42.5 million of which is due within one year.

Legal Proceedings

We are involved in several legal proceedings, including the following matters:

Xyrem ANDA Matter: On October 18, 2010, we received a Paragraph IV Patent Certification notice, or Paragraph IV Certification, from Roxane Laboratories, Inc., or Roxane, that it filed an ANDA with the United States Food and Drug Administration, or FDA, requesting approval to market a generic version of Xyrem. Roxane's Paragraph IV Certification alleged that all five patents then listed for Xyrem in the FDA's publication "Approved Drug Products with Therapeutic Equivalence Evaluations", or Orange Book, on the date of the Paragraph IV Certification are invalid, unenforceable or not infringed by Roxane's proposed generic product. On November 22, 2010, we filed a lawsuit against Roxane in response to Roxane's Paragraph IV Certification in the United States

District Court for the District of New Jersey, or the District Court. We are seeking a permanent injunction to prevent Roxane from introducing a generic version of Xyrem in violation of our patents. In accordance with the Hatch-Waxman Act, as a result of having filed a timely lawsuit against Roxane, FDA approval of Roxane's ANDA will be stayed until the earlier of (i) April 18, 2013, which is 30 months from our October 18, 2010 receipt of Roxane's Paragraph IV certification notice, or (ii) a District Court decision finding that the identified patents are invalid, unenforceable or not infringed. An additional method of use patent covering the distribution system for Xyrem issued in December 2010 and is listed in the Orange Book, and we amended our lawsuit against Roxane on February 4, 2011 to include the additional patent in the litigation in response to Roxane's Paragraph IV Certification against this patent, as well as another patent which is not listed in the Orange Book. Another method of use patent covering the distribution system for Xyrem issued in February 2011 and is listed in the Orange Book, and we amended our lawsuit against Roxane on May 2, 2011 to include this additional patent in response to Roxane's Paragraph IV Certification against it. On April 26, 2012, the District Court held a Markman hearing, a pretrial hearing in which the trial judge construes the claims of a patent, and the discovery phase of the proceeding is ongoing. No trial date has been scheduled. We cannot predict the outcome of this matter.

On May 18, 2012, we submitted a Citizen Petition to the FDA addressing the legal and scientific bases for requiring in vivo bioequivalence studies for generic formulations of Xyrem and requesting that the FDA: publish in the Orange Book bioequivalence requirements specifying whether in vitro or in vivo bioequivalence studies, or both, are required for ANDAs referencing Xyrem; not accept for review, review, or approve any ANDA referencing Xyrem unless and until the FDA has published bioequivalence requirements in the Orange Book specifying whether in vitro bioequivalence studies, in vivo bioequivalence studies, or both, are required for such ANDAs; and require in vivo bioequivalence studies for any sodium oxybate drug product for which approval is sought in an ANDA referencing Xyrem to the extent such drug product differs from Xyrem in manufacturing process, pH, excipients, impurities, degradants or contaminants.

On July 10, 2012, we submitted a second Citizen Petition to the FDA addressing the requirements for submission of any ANDA referencing Xyrem. This petition asks the FDA to rescind the acceptance of any previously-accepted ANDA referencing Xyrem, including the Roxane ANDA, that did not contain a proposed risk management system at the time it was accepted for review, because such ANDA would not have demonstrated, as required by law, that the new generic drug product would have the same labeling and conditions of use as Xyrem. This petition further requests that the FDA (i) not accept for review any ANDA referencing Xyrem that does not contain, at the time of its submission, a proposed risk management system sufficient to demonstrate that the new generic drug product has the same labeling and conditions of use as Xyrem; and (ii) determine that if any sponsor, including Roxane, of an ANDA referencing Xyrem that did not contain, at the time it was accepted for review, a proposed risk management system later submits, or resubmits, an ANDA that contains a proposed risk management system sufficient to demonstrate that the new generic drug product would have the same labeling and conditions of use of Xyrem, such ANDA should not be approved for a period of up to thirty months beginning on the date we receive notice of any Paragraph IV certifications contained in such new ANDA, to the extent that we avail ourselves of our right to initiate a patent infringement action based on such notice. We believe that the FDA's acceptance of Roxane's ANDA caused the thirty-month stay under the Hatch-Waxman Act and the related patent litigation between the parties to begin prematurely in a manner contrary to applicable law. We cannot predict when or if the FDA will respond to, or otherwise take any action with respect to, either of our Citizen Petitions, or the effect of any such response or action on the timing of the potential introduction of a generic version of Xyrem or on the ongoing litigation between us and Roxane.

Luvox CR ANDA Matters. In August 2009, we received a Paragraph IV Certification from Actavis Elizabeth, LLC, or Actavis, advising that Actavis had filed an ANDA with the FDA seeking approval to market a generic version of Luvox CR. Actavis' Paragraph IV Certification alleged that the United States patent covering Luvox CR, which is owned by Elan Pharma International Limited, or Elan, which has subsequently transferred its rights to Alkermes Pharma Ireland Limited, or Alkermes, and licensed to us, is invalid on the basis that the inventions claimed therein were obvious. On October 6, 2009, we and Elan, as plaintiffs, filed a lawsuit against Actavis in the United States District Court for the District of Delaware claiming infringement of the Alkermes patent. On September 10, 2011, we received a Paragraph IV Certification from Torrent Pharma Limited, or Torrent, advising us that it had filed an ANDA with the FDA requesting approval to market a generic version of Luvox CR. On October 21, 2011, we and Alkermes, as plaintiffs, filed a lawsuit against Torrent in the United States District Court for the District of Delaware asserting infringement of the Alkermes patent. On April 5, 2012 and April 10, 2012, we and Alkermes entered into settlement agreements with Actavis and Torrent, respectively. Under the agreements, we, Alkermes and each of Actavis and Torrent agreed to dismiss all of the claims brought in the litigation without prejudice, each of Actavis and Torrent agreed not to contest the validity or enforceability of the Alkermes patent in the United States, and we, Alkermes and each of Actavis and Torrent agreed to release each other from all claims arising in the litigation or relating to the product each of Actavis and Torrent intends to market under its ANDA. In addition, we granted a sublicense to each of Actavis and Torrent of our rights to have manufactured, market and sell a generic version of Luvox CR in the United States. The sublicenses will commence on April 15, 2014 or earlier upon the occurrence of certain events.

FazaClo ANDA Matters: Azur Pharma received Paragraph IV Certifications from three generics manufacturers, Barr Laboratories, Inc.; Novel Laboratories, Inc.; and Mylan Pharmaceuticals, Inc., indicating that ANDAs had been filed with the FDA requesting approval to market generic versions of FazaClo LD. Azur Pharma and CIMA Labs Inc., or CIMA, a subsidiary of Teva Pharmaceutical Industries Limited, or Teva, our licensor and the entity whose drug-delivery technology is incorporated into FazaClo

LD, filed a lawsuit in response to each certification claiming infringement based on such certification in the United States District Court for the District of Delaware. On July 6, 2011, CIMA, Azur Pharma and Teva, which had acquired Barr Laboratories, Inc., entered into an agreement settling the patent litigation and Azur Pharma granted a sublicense to an affiliate of Teva of Azur Pharma's rights to have manufactured, market and sell a generic version of both FazaClo LD and FazaClo HD, as well as an option for supply of authorized generic product. The sublicense for FazaClo LD commenced in July 2012, and the sublicense for FazaClo HD will commence in May 2015 or earlier upon the occurrence of certain events. Teva has exercised its option for supply of an authorized generic product for Fazaclo LD, and we are addressing the FDA requirements to permit a launch of the authorized generic product. The Novel Laboratories, Inc. and Mylan Pharmaceuticals, Inc. matters have been stayed pending reexamination of the patents in the suit. We cannot predict the outcome of the matters with Novel Laboratories, Inc. and Mylan Pharmaceuticals, Inc., the reexamination proceedings, or when the stays will be lifted.

Cutler Matter: On October 19, 2011, Dr. Neal Cutler, one of the original owners of FazaClo, filed a complaint against Azur Pharma and one of its subsidiaries, as well as Avanir Pharmaceuticals, Inc., or Avanir, in California Superior Court in the County of Los Angeles. The complaint alleges that Azur Pharma and its subsidiary breached certain contractual obligations. Azur Pharma acquired rights to FazaClo from Avanir in 2007. The complaint alleges that as part of the acquisition of FazaClo, Azur Pharma's subsidiary agreed to assume certain contingent payment obligations to Dr. Cutler. The complaint further alleges that certain contingent payments are due because revenue thresholds have been achieved, entitling Dr. Cutler to either a $10.5 million or $25.0 million contingent payment, plus unspecified punitive damages and attorneys' fees. On March 14, 2012, the Superior Court granted our petition to compel arbitration of the dispute in New York and stayed the Superior Court litigation. We submitted a complaint in arbitration alleging that Dr. Cutler's suit had been improperly filed in Los Angeles and seeking a declaratory judgment that we have complied with all contractual obligations to Dr. Cutler. On July 25, 2012, the arbitrator dismissed the arbitration on the grounds that the parties' dispute falls outside the scope of the arbitration clause in the applicable contract. This matter, like all litigation, carries certain risks, and there can be no assurance of the outcome.

From time to time we are involved in legal proceedings arising in the ordinary course of business. We believe there is no other litigation pending that could have, individually or in the aggregate, a material adverse effect on our results of operations or financial condition.

9. Shareholders' Equity

Shares and Additional Paid-In Capital

Following the Azur Merger, our capital structure is comprised of ordinary shares and euro deferred shares. The outstanding 4,000,000 non-voting euro deferred shares of €0.01 each are held by nominees and were issued to satisfy the statutory minimum Euro-denominated share capital required for a public limited company incorporated in Ireland. The non-voting euro deferred shares have no right to receive dividends, no rights to attend and vote at our general meetings, are redeemable only at our option and have no substantive right to participate in a distribution of assets upon a winding up of our company. All references to common stock in the comparative prior year reports in the discussion and table below were replaced with references to ordinary shares to reflect the capital structure of Azur Pharma, the legal acquirer in the Azur Merger. Our earnings per share in comparative periods were not impacted by the Azur Merger as a result of the one-for-one Azur exchange ratio.

The total purchase price consideration of $576.5 million related to the Azur Merger was recorded by increasing total par value of our ordinary shares and euro deferred shares by $1,236 and $54,862, respectively, by creating a capital redemption reserve of $0.5 million as required by Irish company law, to preserve permanent capital in the company; and by increasing our additional paid-in capital by $575.9 million.

The following table presents a summary of ordinary shares issued and related cash proceeds and payments (in thousands):

	Six Months Ended June 30, 2012		Six Months Ended June 30, 2011	
	Shares	Cash	Shares	Cash
Azur Merger	12,360	$ -	-	$ -
Employee withholding taxes related to share option exercises (1)	-	(25,299)	-	-
Employee stock purchase program, option and warrant exercises	2,678	18,573	1,716	9,411
Directors deferred compensation plan	29	-	13	-
Totals	15,067	$ (6,726)	1,729	$ 9,411

(1) During the six months ended June 30, 2012, we paid $25.3 million of income tax withholdings on behalf of certain employees related to the net share settlement of exercised share options in connection with the Azur Merger.

Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss as at June 30, 2012 and December 31, 2011 were as follows (in thousands):

	Net Unrealized Gains (Losses) On Available-For-Sale Securities	Foreign Currency Translation Adjustments	Total Accumulated Other Comprehensive Loss
Balance at December 31, 2011	$ (31)	$ -	$ (31)
Other comprehensive income (loss)	31	(388)	(357)
Balance at June 30, 2012	$ -	$ (388)	$ (388)

10. Share-Based Compensation

Share-based compensation expense related to share options, restricted stock units, ordinary shares credited to the directors' phantom share accounts and grants under our employee stock purchase plan was classified as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Selling, general and administrative	$ 4,442	$ 2,418	$ 6,847	$ 4,830
Research and development	522	848	1,037	1,504
Cost of product sales	294	149	655	229
Total share-based compensation expense	$ 5,258	$ 3,415	$ 8,539	$ 6,563

Share Options

The table below shows (i) the number of shares underlying options to purchase our ordinary shares granted to employees, (ii) the weighted-average grant date fair value per share of those share options, and (iii) certain information about the weighted-average assumptions used in the Black-Scholes option pricing model which was used to estimate the grant date fair value per share:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Shares underlying options granted (in thousands)	96	81	921	1,251
Weighted-average grant date fair value	$ 27.64	$ 19.00	$27.87	$17.67
Black-Scholes option pricing model assumption information:				
Weighted-average volatility	66%	71%	63%	74%
Weighted-average expected term (years)	5.2	5.6	5.2	5.6
Range of risk-free rates	0.7-1.1%	1.9-2.6%	0.7-1.1%	1.9-2.7%
Expected dividend yield	0.0%	0.0%	0.0%	0.0%

Restricted Stock Units

In the six months ended June 30, 2012, we granted 452,793 RSUs covering an equal number of our ordinary shares to employees with a weighted-average grant date fair value of $51.59. The fair value of RSUs is determined on the date of grant based on the market price of our ordinary shares as of that date. The fair value of the RSUs is recognized as expense ratably over the vesting period of four years.

As of June 30, 2012, total compensation cost not yet recognized related to unvested share options and RSUs was $48.5 million, which is expected to be recognized over a weighted-average period of 2.8 years.

11. Related Party Transactions

In connection with the Azur Merger, we assumed a lease for office space in Dublin, Ireland which expires in October 2029. The lease agreement is with Seamus Mulligan, the former Chief Executive Officer of Azur Pharma, who is currently our Chief Business Officer, International Business Development and a member of our board of directors. Rentals paid on this lease amounted to $0.1 million in the six months ended June 30, 2012. There were no amounts unpaid at June 30, 2012.

In May 2011, Azur Pharma entered into an agreement with Circ Pharma Limited/Circ Pharma Research and Development Limited, or Circ, companies controlled by Seamus Mulligan, whereby it obtained an option to license certain rights and assets in relation to Tramadol (a chronotherapeutic formulation) and to conduct certain development activities. Azur Pharma paid Circ $250,000 for this option in 2011. Effective July 2012, we terminated the agreement at no cost.

In March 2012, we entered into an underwriting agreement with two underwriters and certain selling shareholders, pursuant to which the selling shareholders agreed to sell to the underwriters 7.9 million of our ordinary shares, resulting in aggregate gross proceeds to the selling shareholders of approximately $390.7 million. The selling shareholders included entities affiliated with certain members of our board of directors, four of our directors and four of our executive officers at the time of the agreement. We did not receive any proceeds from the sale of our ordinary shares by the selling shareholders in the offering, and we agreed to pay expenses of approximately $0.4 million in connection with this offering.

12. Segment Reporting

We have determined that we operate in one business segment, which is the development and commercialization of specialty pharmaceutical products. The following table presents a summary of total revenues (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Xyrem	$ 89,097	$56,178	$162,534	$ 98,956
Erwinaze/Erwinase	6,007	-	6,007	-
Prialt	5,555	-	15,077	-
Psychiatry:				
Luvox CR	10,471	7,286	20,029	14,411
FazaClo LD	5,956	-	11,535	-
FazaClo HD	3,362	-	5,922	-
Other	7,862	-	14,542	-
Product sales, net	128,310	63,464	235,646	113,367
Royalties and contract revenues	1,229	1,103	2,307	2,081
Total revenues	$129,539	$64,567	$237,953	$115,448

The following table presents a summary of total revenues attributed to geographic sources (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
United States	$124,748	$62,931	$226,902	$112,830
Europe	3,172	1,314	9,086	2,292
All other	1,619	322	1,965	326
Total revenues	$129,539	$64,567	$237,953	$115,448

The following table presents a summary of total revenues from the only customer that represented more than 10% of our total revenues:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
Express Scripts	69%	86%	68%	85%

The following table presents total long-lived assets by location (in thousands):

	June 30, 2012	December 31, 2011
Ireland	$ 202,856	$ -
France	718,019	-
Bermuda	301,696	-
United States	136,754	54,442
Other	38,177	-
Total long-lived assets	$ 1,397,502	$ 54,442

13. Income Tax

Our provision for income taxes was $6.6 million and $12.1 million for the three and six months ended June 30, 2012, respectively, compared to zero for the same periods in 2011. Our effective tax rate was 19.5% and 18.1% for the three and six months ended June 30, 2012, respectively, compared to our effective tax rate of zero for the same periods in 2011. The provision for income taxes for the three and six months ended June 30, 2012 was for taxes in foreign jurisdictions. During 2011, we had operations only in the U.S. and made no provision for income taxes due to our utilization of federal net operating loss carryforwards to offset both regular taxable income and alternative minimum taxable income and to our utilization of deferred state tax benefits. The 2012 effective tax rates were higher than the Irish statutory rate of 12.5% due to income taxable at a rate higher than the Irish statutory rate partially offset by a valuation allowance release in connection with the utilization of current year net operating losses.

We record a deferred tax asset or liability based on the difference between the financial statement and tax basis of our assets and liabilities, as measured by enacted jurisdictional tax rates assumed to be in effect when these differences reverse. Our deferred tax assets are composed primarily of U.S. federal net operating loss carryforwards and tax credit carryforwards. Based on available objective evidence, management believes it is more likely than not that these deferred tax assets are not recognizable and will not be recognizable until we have sufficient taxable income because of the risks and uncertainties described in Note 1. Accordingly, net deferred tax assets have been fully offset by a valuation allowance. We will continue to evaluate the need for a valuation allowance by jurisdiction on our deferred tax assets during each reporting period. If and when we reverse the valuation allowance, we will record a tax benefit in our consolidated statement of income. As of June 30, 2012, our deferred tax liability of $185.7 million primarily related to intangible assets and IPR&D acquired in the EUSA Acquisition.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion of our financial condition and results of operations should be read in conjunction with the condensed consolidated financial statements and the notes to condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward looking statements that involve risks and uncertainties. When reviewing the discussion below, you should keep in mind the substantial risks and uncertainties that characterize our business. In particular, we encourage you to review the risks and uncertainties described in Part II Item 1A "Risk Factors" included elsewhere in this report. These risks and uncertainties could cause actual results to differ materially from those projected in forward-looking statements contained in this report or implied by past results and trends. Forward-looking statements are statements that attempt to forecast or anticipate future developments in our business, financial condition or results of operations —see the "Cautionary Note Regarding Forward-Looking Statements" that appears at the end of this discussion. These statements, like all statements in this report, speak only as of their date (unless another date is indicated), and we undertake no obligation to update or revise these statements in light of future developments.

Throughout this discussion, unless otherwise indicated or the context otherwise requires, references to "Jazz Pharmaceuticals," "we," "us," and "our" refer to Jazz Pharmaceuticals Public Limited Company, or Jazz Pharmaceuticals plc, and its consolidated subsidiaries, including its predecessor, Jazz Pharmaceuticals, Inc. All references to "Azur Pharma" are references to Jazz Pharmaceuticals plc (f/k/a Azur Pharma Public Limited Company) and its consolidated subsidiaries prior to the effective time of the Azur Merger on January 18, 2012 (described below).

Recent Transactions

In January 2012, the businesses of Jazz Pharmaceuticals, Inc. and Azur Pharma were combined in a merger transaction, or the Azur Merger. In June 2012, we completed the acquisition of EUSA Pharma, or the EUSA Acquisition. In connection with the EUSA Acquisition, we entered into a $575.0 million credit agreement consisting of a $475.0 million term loan, which partially financed the EUSA Acquisition, and a $100.0 million revolving credit facility.

Merger with Azur Pharma

On January 18, 2012, the businesses of Jazz Pharmaceuticals, Inc. and Azur Pharma were combined in the Azur Merger, which was accounted for as a reverse acquisition under the acquisition method of accounting for business combinations, with Jazz Pharmaceuticals, Inc. treated as the acquiring company in the Azur Merger for accounting purposes. The operating results of Azur Pharma are included in our condensed consolidated financial statements since the effective date of the Azur Merger, and the historical financial statements of Jazz Pharmaceuticals, Inc., and not Azur Pharma, are included in the comparative prior periods. As part of the Azur Merger, a wholly-owned subsidiary of Azur Pharma merged with and into Jazz Pharmaceuticals, Inc., with Jazz Pharmaceuticals, Inc. surviving the Azur Merger as a wholly-owned subsidiary of Jazz Pharmaceuticals plc. Prior to the Azur Merger, Jazz Pharmaceuticals, Inc. was an independent specialty pharmaceutical company incorporated in Delaware.

Acquisition of EUSA Pharma

On June 12, 2012, we completed the acquisition of EUSA Pharma. As part of the EUSA Acquisition, an indirect wholly-owned subsidiary of Jazz Pharmaceuticals plc merged with and into EUSA Pharma, with EUSA Pharma continuing as the surviving corporation and as an indirect wholly-owned subsidiary of Jazz Pharmaceuticals plc. At the closing of the EUSA Acquisition, we paid $678.4 million in cash, and agreed to make an additional contingent payment of $50.0 million in cash if Erwinaze (asparaginase *Erwinia chrysanthemi*), a product acquired in the EUSA Acquisition, achieves U.S. net sales of $124.5 million in 2013. The operating results of EUSA Pharma are included in our condensed consolidated financial statements since the effective date of the EUSA Acquisition on June 12, 2012.

Term Loan and Revolving Credit Facility

In connection with the EUSA Acquisition, we entered into a $575.0 million credit agreement with Barclays Bank PLC and certain other lenders. The credit agreement provides for a six-year $475.0 million term loan and a five-year $100.0 million revolving credit facility. The proceeds from the term loan were used to partially finance the EUSA Acquisition. Our obligations are secured by substantially all of the assets of certain of our subsidiaries. For a more detailed discussion, see "Liquidity and Capital Resources" below.

Business and Financial Overview

Jazz Pharmaceuticals plc is a specialty biopharmaceutical company focused on improving patients' lives by identifying, developing and commercializing products that address unmet medical needs. Our strategy is to continue to create shareholder value by:

- Growing sales of the existing products in our portfolio, including by identifying new growth opportunities;
- Acquiring additional marketed products or products close to regulatory approval to leverage our existing expertise and infrastructure; and
- Pursuing development of a pipeline of specialty product candidates.

We made substantial progress in the execution of our strategy during the first half of 2012. Sales of our lead product, Xyrem (sodium oxybate) oral solution, increased 59% and 64% in the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011. In addition, as a result of the EUSA Acquisition and Azur Merger, we significantly increased the number of products that we market and added products in therapeutic areas that are new to us, such as oncology and pain. Our marketed products now address medical needs in the following five therapeutic areas and include the following products:

Narcolepsy: Xyrem (sodium oxybate) oral solution, the only product approved by the United States Food and Drug Administration, or FDA, for the treatment of both cataplexy and excessive daytime sleepiness in patients with narcolepsy;

Oncology: Erwinaze (asparaginase *Erwinia chrysanthemi*), called Erwinase in ex-U.S. markets, a treatment for patients with acute lymphoblastic leukemia, and other products, including products for oncology supportive care;

Pain: Prialt (ziconotide) intrathecal infusion, the only non-opioid intrathecal analgesic indicated for refractory severe chronic pain;

Psychiatry: FazaClo (clozapine, USP) LD and FazaClo HD, orally disintegrating clozapine tablets indicated for treatment resistant schizophrenia, and Luvox CR (fluvoxamine maleate) Extended-Release Capsules marketed for the treatment of obsessive compulsive disorder; and

Other: a portfolio of other products led by Elestrin (estradiol gel), indicated for the treatment of moderate to severe vasomotor symptoms associated with menopause.

Our development pipeline currently includes clinical testing of the intravenous administration of Erwinaze for potential approval in the United States, as well as the clinical testing of the product candidates Asparec (mPEG-r-crisantaspase), a pegylated recombinant *Erwinia* asparaginase for patients with *E. coli* asparaginase hypersensitivity, and Leukotac (inolimomab), an anti-CD25 monoclonal antibody being studied for the treatment of steroid-refractory acute graft vs. host disease. In addition, we are continuing to pursue development of Clozapine OS, an oral suspension formulation of clozapine. We expect research and development expenses to be higher in 2012 compared to 2011 as we expect to increase our development activities.

With completion of the EUSA Acquisition and the Azur Merger this year, we gained not only an expanded portfolio of specialty pharmaceutical products and product candidates, but also a strengthened management team and an enhanced commercial platform, adding EUSA Pharma's specialty commercial infrastructure in the United States and Europe and its international distribution network to our existing U.S. specialty product platform. Our international footprint now includes headquarters in Dublin, Ireland and multiple offices in the United States, the United Kingdom and other countries in Europe, with approximately 650 employees in ten countries. Going forward, we intend that our strengthened operations will function as an efficient platform for further growth, leveraging our commercial, medical and scientific experience to seek to maximize the potential of our existing products and expand our product portfolio through a combination of internal development, acquisition and in-licensing. We view the operations of the businesses acquired in the EUSA Acquisition and the Azur Merger as complementary to our prior business, and therefore we do not expect to realize significant operating cost synergies.

During the remainder of 2012, we expect to focus on executing on our strategy, as described above, as well as on completing the integration of our acquired businesses. Both this year and going forward, we anticipate that we will continue to face a number of challenges and risks to our business and the execution of our strategy. For example, while we now have a more diversified product portfolio, our financial results are significantly influenced by sales of Xyrem, which accounted for 69% of our net product sales for both the three and six months ended June 30, 2012. As a result, we continue to place a high priority on seeking to maintain and increase sales of Xyrem in its approved indications, while remaining focused on ensuring the safe and effective use of the product, and enforcing our intellectual property rights.

Our ability to maintain or increase Xyrem product sales is subject to a number of risks and uncertainties, including those discussed in Part II Item 1A of this Quarterly Report on Form 10-Q. In particular, during 2010, an abbreviated new drug application, or ANDA, was filed with the United States Food and Drug Administration, or FDA, by a third party seeking to market a generic form of Xyrem. We have sued that third party for infringement of our patents, and the litigation is ongoing. We cannot predict the timing or outcome of the litigation. If an ANDA for Xyrem is approved and a generic version of Xyrem is introduced, our sales of Xyrem would be adversely affected.

In May 2012, we received a Form FDA 483 at the conclusion of an FDA inspection conducted in May 2012 and in October 2011, we received a warning letter from the FDA (which followed a Form FDA 483 that we received earlier in 2011) related to certain aspects of our adverse event reporting system for Xyrem, our review and investigation of adverse events and our drug safety procedures. In June 2012, we responded to the May 2012 Form FDA 483 with our plan to address the observations made in the May 2012

Form FDA 483, and we believe that we have now substantially completed the review, investigation and documentation that are necessary to fully address the observations. In particular, we have completed our review of information from the single central pharmacy, Express Scripts Specialty Distribution Services, Inc. and its affiliate CuraScript, Inc., or ESSDS, through which all Xyrem sold in the United States is shipped directly to patients, related to potential Xyrem-related adverse events over an approximately nine-year period from late 2002 through May 2011. As a result of this 2012 review, over the entire period that was reviewed, we identified fewer than 80 previously unreported serious adverse events that are required to be reported to the FDA. Of these events, approximately one-half were "serious and unexpected" cases (including a small number of deaths) that require expedited reporting to the FDA, which we completed in July 2012. We plan to submit the balance of the previously unreported adverse events in our periodic safety update report (PSUR) that is due to be filed with the FDA in September 2012. We have also completed the actions that we believe are required to address the other observations in the May 2012 FDA Form 483. In addition, we are near completion of the actions that we believe are necessary to fully address the matters raised in the October 2011 warning letter.

In April 2011, we learned that deaths of patients who had been prescribed Xyrem between 2003 and 2010 had not always been reported to us by ESSDS and therefore to the FDA by us as required. We promptly reported to the FDA all of the previously unreported cases identified by us and ESSDS and began our investigation of the related data from ESSDS, as well as additional data we gathered. Earlier in 2012, we completed and submitted to the FDA an analysis with respect to these cases under a plan that we had discussed with the FDA. The analysis showed that the mortality rates in patients receiving a Xyrem prescription have not increased over time since product launch, and, overall, the inclusion of the new data did not change the known risks associated with the use of Xyrem. In July 2012, we held a telephonic meeting with the FDA with respect to our analysis. As a result of that meeting, we believe that the FDA does not require any further analysis with respect to mortality during the historical period that was covered by our investigation and evaluation.

Our ongoing review of Xyrem safety information has not, in our view, resulted in any significant change in the overall safety profile of the product. We are continuing our ongoing work with the FDA on both changes to the product label and our risk management and distribution system for Xyrem, called the Xyrem Success Program, to further enhance and promote the safe use of Xyrem. We do not know whether the FDA will agree with our proposed updates to the Xyrem label or to the Xyrem Success Program, whether the FDA will take further action, or require us to take further action, with respect to our adverse event reporting, whether the FDA will otherwise conclude we have not taken all appropriate corrective actions with respect to the May 2012 Form FDA 483 or the October 2011 warning letter, or whether the FDA will agree with our analysis of the previously unreported mortality data and other data, or require additional analysis. The FDA may take, or require us to take, actions that could make it more difficult or expensive for us to distribute Xyrem, make competition easier and/or negatively affect the commercial success of Xyrem.

The implementation of our strategy is also subject to other challenges and risks specific to our business, as well as risks and uncertainties common to companies in the pharmaceutical industry with development and commercial operations. In addition to risks related to Xyrem, other key challenges and risks that we face include risks and uncertainties related to:

- the need to successfully integrate and grow our combined business after the EUSA Acquisition and Azur Merger, which subjects us to the risks attendant to the increased complexity and diversity of our business and product lines;
- the need to obtain appropriate pricing and reimbursement for our products in an increasingly challenging environment due to, among other things, the attention being paid to health care cost containment and other austerity measures in the U.S. and worldwide;
- the ongoing regulation and oversight by the FDA, the U.S. Drug Enforcement Administration, and similar foreign regulatory agencies, including with respect to product labeling, requirements for distribution, marketing and promotional activities and product recalls or withdrawals;
- the challenges of achieving and maintaining commercial success of our products, such as obtaining sustained acceptance of our products by patients, physicians and payors;
- our dependence on key customers and sole source suppliers and protection of intellectual property rights; and
- the difficulty and uncertainty of pharmaceutical product development and the uncertainty of clinical success and regulatory approval.

All of these risks are discussed in greater detail, along with other risks, in Part II Item 1A of this Quarterly Report on Form 10-Q.

Results of Operations

The following table presents revenues and expenses for the three and six months ended June 30, 2012 and 2011, respectively:

	Three Months Ended June 30,		Increase/ (Decrease) (2)	Six Months Ended June 30,		Increase/ (Decrease) (2)
	2012	2011		2012	2011	
	(In thousands)			(In thousands)		
Product sales, net	$ 128,310	$ 63,464	102%	$ 235,646	$ 113,367	108%
Royalties and contract revenues	1,229	1,103	11%	2,307	2,081	11%
Cost of product sales (excluding amortization of acquired developed technologies)	15,370	3,370	356%	26,128	6,179	323%
Selling, general and administrative	60,638	22,094	174%	107,637	42,005	156%
Research and development	2,321	3,382	(31%)	6,280	7,077	(11%)
Intangible asset amortization	15,751	1,862	746%	29,264	3,724	686%
Interest expense, net	1,481	657	125%	1,450	1,434	1%
Other expense	240	-	N/A(1)	258	-	N/A(1)
Provision for income tax expense	6,593	-	N/A(1)	12,110	-	N/A(1)

(1) Comparison to prior period is not meaningful.
(2) Subsequent to the completion of the Azur Merger on January 18, 2012 and the EUSA Acquisition on June 12, 2012, our financial results include the financial results of the historic Azur Pharma and EUSA businesses, respectively. The historical financial statements of Jazz Pharmaceuticals, Inc. only are included in the comparative prior periods.

Product Sales, Net

	Three Months Ended June 30,		Increase/ (Decrease)	Six Months Ended June 30,		Increase/ (Decrease)
	2012	2011		2012	2011	
	(In thousands)			(In thousands)		
Xyrem	$ 89,097	$ 56,178	59%	$ 162,534	$ 98,956	64%
Erwinaze/Erwinase	6,007	-	N/A(1)	6,007	-	N/A(1)
Prialt	5,555	-	N/A(1)	15,077	-	N/A(1)
Psychiatry:						
Luvox CR	10,471	7,286	44%	20,029	14,411	39%
FazaClo LD	5,956	-	N/A(1)	11,535	-	N/A(1)
FazaClo HD	3,362	-	N/A(1)	5,922	-	N/A(1)
Other	7,862	-	N/A(1)	14,542	-	N/A(1)
Product sales, net	128,310	63,464		235,646	113,367	
Royalties and contract revenues	1,229	1,103		2,307	2,081	
Total revenues	$ 129,539	$ 64,567		$ 237,953	$ 115,448	

(1) Comparison to prior period is not meaningful.

Xyrem product sales increased in the three and six months ended June 30, 2012 compared to the same periods in 2011, primarily due to price increases and to a lesser extent increases in sales volume of 11% in both periods. Luvox CR product sales increased in the three and six months ended June 30, 2012 compared to the same periods in 2011 due to price increases. Sales of products other than Xyrem and Luvox CR increased by $28.7 million and $53.1 million in the three and six months ended June 30, 2012, respectively, compared to the same periods in 2011 due to the inclusion of products from the Azur Merger and to a lesser extent, the inclusion of products from the EUSA Acquisition from the June 12, 2012 acquisition date. Prialt product sales included sales of $4.6 million in the six months ended June 30, 2012 related to a supply agreement to provide Prialt to Eisai Co. Limited for distribution and sale in Europe. We expect total product sales will increase in 2012 over 2011 due to growth in sales of Xyrem and Luvox CR and due to the inclusion of product sales from our expanded product portfolio resulting from the Azur Merger and the EUSA Acquisition.

Royalties and Contract Revenues

An increase in royalties accounted for the modest increases in royalty and contract revenues in the three and six months ended June 30, 2012 compared to the same periods in 2011. We expect royalty and contract revenue to decrease slightly in 2012 as compared to 2011 due to a sales milestone payment received in 2011.

Cost of Product Sales

Cost of product sales increased in the three and six months ended June 30, 2012 compared to the same periods in 2011 primarily due to cost of product sales from the Azur Merger of $7.8 million and $14.2 million in the three and six months ended June 30, 2012, respectively, including purchase accounting inventory fair value step-up adjustments of $2.8 million and $5.2 million in the three and six months ended June 30, 2012, respectively. Cost of product sales related to products added to our portfolio as a result of the EUSA Acquisition from the June 12, 2012 acquisition date were not significant. Gross margin as a percentage of product sales was 88.0% and 88.9% in the three and six months ended June 30, 2012, respectively, compared to 94.7% and 94.5% for the same periods in 2011. We expect our gross margin percentage to decrease in 2012 compared to 2011 because of the effect of the Azur Merger and the EUSA Acquisition.

Selling, General and Administrative Expenses

Selling, general and administrative expenses were higher in the three and six months ended June 30, 2012 compared to the same periods in 2011 primarily due to an increase in professional service fees and expenses of $14.1 million and $23.9 million, respectively, (including transaction and integration costs of $10.6 million and $16.7 million, respectively), an increase in salary and benefit related headcount expenses of $12.0 million and $19.2 million, respectively, and other expenses related to expansion of our organization, including our increased commercial presence. We expect that selling, general and administrative expenses will be higher in 2012 than in 2011 due to the inclusion of expenses of the Azur Pharma business subsequent to the Azur Merger on January 18, 2012 and the EUSA Pharma business subsequent to the EUSA Acquisition on June 12, 2012. We do not expect synergies as a result of these two acquisitions to contribute to any significant reduction in operating expenses.

Research and Development Expenses

Research and development expenses were slightly lower in the three and six months ended June 30, 2012 compared to the same periods in 2011. We expect research and development expenses to be higher in 2012 than in 2011 as we expect to increase our development activities.

Intangible Asset Amortization

In connection with the Azur Merger and the EUSA Acquisition, we acquired finite-lived intangible assets with a fair value of $942.0 million, which are expected to be amortized over their useful economic lives of two to fifteen years. We recorded amortization related to these intangibles of $14.1 million and $25.8 million in the three and six months ended June 30, 2012, respectively, which accounted for all of the increase in the amortization expense. We expect amortization expense in 2012 to increase substantially from 2011 as a result of the intangible assets we acquired in 2012.

Interest Expense, Net

Interest expense increased in the three and six months ended June 30, 2012 primarily due to a larger debt balance as compared to the same periods in 2011. In June 2012, we entered into a new credit agreement which provides for a term loan in an aggregate principal amount of $475.0 million which bears interest at a variable interest which was 5.25% as of June 30, 2012. In July 2011 we fully repaid a term loan outstanding at that time. As a result of the increase in average debt outstanding, we expect interest expense to increase significantly in 2012.

Other Expense

Other expense represents foreign currency exchange losses. As a result of the EUSA Acquisition foreign exchange gains/(losses) may become significant in future periods, the amount of which is difficult to predict.

Provision for Income Tax Expense

Our provision for income taxes was $6.6 million and $12.1 million for the three and six months ended June 30, 2012, respectively, compared to zero for the same periods in 2011. Our effective tax rate was 19.5% and 18.1% for the three and six months ended June 30, 2012, respectively, compared to our effective tax rate of zero for the same periods in 2011. The provision for income taxes for the three and six months ended June 30, 2012 was for taxes in foreign jurisdictions. During 2011, we had operations only in the U.S. and made no provision for income taxes due to our utilization of federal net operating loss carryforwards to offset both regular taxable income and alternative minimum taxable income and to our utilization of deferred state tax benefits. The 2012 effective tax rates were higher than the Irish statutory rate of 12.5% due to income taxable at a rate higher than the Irish statutory rate partially offset by a valuation allowance release in connection with the utilization of current year net operating losses.

We record a deferred tax asset or liability based on the difference between the financial statement and tax basis of our assets and liabilities, as measured by enacted jurisdictional tax rates assumed to be in effect when these differences reverse. Our deferred tax assets are composed primarily of U.S. federal net operating loss carryforwards and tax credit carryforwards. Based on available

objective evidence, management believes it is more likely than not that these deferred tax assets are not recognizable and will not be recognizable until we have sufficient taxable income because of the risks and uncertainties described in Part II Item 1A "Risk Factors" included elsewhere in this report. Accordingly, net deferred tax assets have been fully offset by a valuation allowance. We will continue to evaluate the need for a valuation allowance by jurisdiction on our deferred tax assets during each reporting period. If and when we reverse the valuation allowance, we will record a tax benefit in our consolidated statement of income. As of June 30, 2012, our deferred tax liability of $185.7 million primarily related to intangible assets and in-process research and development, or IPR&D, acquired in the EUSA Acquisition.

Non-GAAP Financial Measures

To supplement our financial results presented on a GAAP basis, we use the non-GAAP measures adjusted net income and adjusted net income per diluted share as shown in the table below. We believe these non-GAAP financial measures are helpful in understanding our past financial performance and our potential future results. They are not meant to be considered in isolation or as a substitute for comparable GAAP measures, and should be read in conjunction with our consolidated financial statements prepared in accordance with GAAP. Our management regularly uses these supplemental non-GAAP financial measures internally to understand, manage and evaluate our business and make operating decisions. Compensation of our executives is based in part on the performance of our business based on these non-GAAP measures. In addition, we believe that the use of these non-GAAP measures enhances the ability of investors to compare our results from period to period. Adjusted net income and adjusted net income per diluted share, as used by us, may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures used by our competitors and other companies. These measures exclude the following: amortization of intangible assets, share-based compensation, purchase accounting inventory fair value step-up adjustments, transaction and integration costs, change in the fair value of contingent consideration, other non-cash items and income tax adjustments.

A reconciliation of GAAP net income to adjusted net income, a non-GAAP financial measure, and related per share amounts is as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
	(In thousands, except per share amounts)			
GAAP net income	$ 27,145	$ 33,202	$ 54,826	$55,029
Intangible asset amortization	15,751	1,862	29,264	3,724
Share-based compensation expense	5,258	3,415	8,539	6,563
Purchase accounting inventory fair value step-up	4,011	-	6,380	-
Transaction and integration costs	10,641	-	16,736	-
Change in fair value of contingent consideration	200	-	200	-
Other non-cash expense (income)	267	(96)	309	(175)
Income tax adjustments (1)	2,897	-	2,897	-
Adjusted net income	$ 66,170	$ 38,383	$119,151	$65,141
GAAP net income per diluted share (2)	$ 0.45	$ 0.71	$ 0.92	$ 1.19
Adjusted net income per diluted share (2)	$ 1.09	$ 0.82	$ 2.01	$ 1.41
Shares used in computing GAAP and adjusted net income per diluted share amounts (2)	60,554	46,601	59,319	46,238

(1) Tax related to acquisition restructuring of $5.9 million, partially offset by $3.0 million for tax effect of non-GAAP pre-tax adjustments.

(2) All references to "share or "shares" in the table above refer to Jazz Pharmaceuticals, Inc.'s common stock with respect to the comparative prior year periods and to Jazz Pharmaceuticals plc's ordinary shares with respect to the current year periods. GAAP net income per diluted share and non-GAAP adjusted net income per diluted share in the comparative prior year periods were not impacted by the Azur Merger since each share of Jazz Pharmaceuticals, Inc. common stock issued and outstanding immediately prior to the effective time of the Azur Merger was canceled and automatically converted into and became the right to receive one ordinary share upon the consummation of the Azur Merger.

Liquidity and Capital Resources

In June 2012, in order to partially finance the EUSA Acquisition, we entered a new credit agreement which provides for a term loan in an aggregate principal amount of $475.0 million which matures in June 2018, and a $100.0 million revolving credit facility which matures in June 2017. Net proceeds from the term loan were $450.9 million after deducting an original issue discount of $7.1 million, fees paid to the lenders and issuance costs.

As of June 30, 2012, we had cash, cash equivalents and marketable securities of $154.5 million and borrowing availability under the revolving credit facility of $100.0 million. We generated cash flows from operations of $101.3 million in the first half of 2012 and we expect to continue to generate positive cash flow from operations. We believe that our existing cash balances, cash we expect to generate from operations and funds available under our revolving credit facility will be sufficient to fund our operations and to meet our existing obligations for the foreseeable future, including our obligations under the credit agreement and a potential contingent payment of $50.0 million which we agreed to under the EUSA Acquisition Agreement if Erwinaze achieves U.S. net sales of $124.5 million in 2013. The adequacy of our cash resources depends on many assumptions, including primarily our assumptions with respect to product sales and expenses as well as the other factors set forth in Part II Item 1A of this Quarterly Report on Form 10-Q under the headings “Xyrem is our largest selling product, and our inability to maintain or increase sales of Xyrem would have a material adverse effect on our business, financial condition, results of operations and growth prospects,” “If generic products that compete with Xyrem are approved and launched, sales of Xyrem would be adversely affected,” “The manufacture, distribution and sale of Xyrem are subject to significant regulatory oversight and restrictions and the requirements of a risk management program, and these restrictions and requirements subject us to increased risks and uncertainties, any of which could negatively impact sales of Xyrem,” and “To continue to grow our business, we will need to commit substantial resources, which could result in future losses or otherwise limit our opportunities or affect our ability to operate our business.” Our assumptions may prove to be wrong or other factors may adversely affect our business, and as a result we could exhaust or significantly decrease our available cash resources which could, among other things, force us to raise additional funds and/or force us to reduce our expenses, either of which could have a material adverse effect on our business.

As of June 30, 2012, $475.0 million principal amount was outstanding on our term loan which is repayable in quarterly installments beginning in September 2012 equal to 5% of the original principal amount in the first year, 7.5% in the second year, 10% in each of the third and fourth years and 15% in each of the fifth and sixth years, with any remaining balance payable on the final maturity date. Borrowings under the term loan bear interest, at our option, at a rate equal to either the LIBOR rate, plus an applicable margin of 4.25% per annum (subject to a 1.0% LIBOR floor), or the prime lending rate, plus an applicable margin equal to 3.25% per annum (subject to a 2.0% prime rate floor). As of June 30, 2012, the interest rate on the term loan was 5.25%. Borrowings under the revolving credit facility bear interest, at our option, at a rate equal to either the LIBOR rate, plus an applicable margin of 4.00% per annum, or the prime lending rate, plus an applicable margin equal to 3.00% per annum, subject to reduction by 0.25% or 0.50% based upon our secured leverage ratio. The revolving credit facility has a commitment fee payable on the undrawn amount ranging from 0.25% to 0.50% per annum based upon our secured leverage ratio. We may make prepayments of principal without premium or penalty, except that a 1% premium would apply to a repayment via a repricing of the loan under the term loan effected on or prior to June 12, 2013. We are required to make mandatory prepayments of borrowings under the term loan (without payment of a premium) with net cash proceeds from certain non-ordinary course asset sales, issuances of debt (other than certain permitted debt) and casualty proceeds and condemnation awards; and, beginning with the fiscal year ending December 31, 2013, with 50% of our excess cash flow, as defined in the credit agreement (subject to increase to 75% if our secured leverage ratio exceeds 2.25 to 1.0, or decrease to 25% or 0% if our secured leverage ratio is equal to or less than 1.25 to 1.0 or 0.75 to 1.0, respectively).

Borrowings under the credit agreement are guaranteed by Jazz Pharmaceuticals plc and certain of its subsidiaries and are secured by substantially all of their assets. The credit agreement contains customary representations and warranties and customary affirmative and negative covenants applicable to us, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, prepayment of other indebtedness and dividends and other distributions. The credit agreement contains a financial covenant that requires us to maintain a maximum secured leverage ratio beginning with the quarter ending September 30, 2012. Our failure to comply with any of the operating and financial covenants contained in the credit agreement would constitute an event of default under the credit agreement. The credit agreement contains other customary events of default. If one or more events of default occurs and continues beyond any applicable cure period, the administrative agent may, with the consent of the lenders holding a majority of the loans and commitments under the facilities, or will, at the request of such lenders, terminate the commitments of the lenders to make further loans and declare all of the obligations under the credit agreement to be immediately due and payable. In such event, we would not have sufficient cash resources to repay the full amount of the obligations. We are currently in compliance with all material covenants under the credit agreement.

To continue to grow our business over the longer-term, we will need to commit substantial resources to one or all of product acquisition and in-licensing, product development and clinical trials of product candidates, and expanding our commercial operations. We may seek to raise additional funds to license or acquire additional products, product candidates or companies or for general corporate purposes. Raising additional capital could be accomplished through one or more public or private debt or equity financings, collaborations or partnering arrangements. Any equity financing would be dilutive to our shareholders, and the consent of the lenders under our credit agreement could be required for certain potential financings.

The following table shows a summary of our cash flows for the periods indicated:

	Six Months Ended June 30,	
	2012	2011
	(In thousands)	
Net cash provided by operating activities	$ 101,264	$ 61,884
Net cash used in investing activities	(478,734)	(2,011)
Net cash provided by (used in) financing activities	450,428	(2,271)
Effect of foreign currency exchange rates on cash and cash equivalents	(491)	-
Net increase in cash and cash equivalents	$ 72,467	$ 57,602

Net cash provided by operating activities increased in 2012 compared to 2011 due to increase in net income, after adjusting for non-cash items, in addition to the favorable effect of changes in working capital.

Net cash used in investing activities in 2012 primarily related to cash used in the EUSA Acquisition offset by cash received as a result of the EUSA Acquisition and the Azur Merger and by net proceeds from the sale of marketable securities.

Net cash provided by financing activities in 2012 primarily related to net proceeds of $450.9 million from our new term loan and proceeds of $18.6 million from employee share purchases and exercises of options and warrants partially offset by payments totaling $25.3 million for employee withholding tax related to net share exercises.

Contractual Obligations

The table below presents a summary of our contractual obligations as of June 30, 2012 and includes contractual obligations assumed as a result of the Azur Merger and the EUSA Acquisition.

	Payments Due By Period				
Contractual Obligations (1)	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 years
	(In thousands)				
Term loan—principal	$ 475,000	$ 23,750	$ 83,125	$ 118,750	$ 249,375
Term loan—interest (2)	116,246	24,859	44,694	34,648	12,045
Purchase obligations (3)	45,662	42,494	3,168	-	-
Operating lease obligations (4)	30,058	6,195	11,510	8,690	3,663
Purchased product rights liability (5)	7,000	7,000	-	-	-
Revolving credit facility (6)	2,536	532	1,014	990	-
Other	2,160	40	360	400	1,360
Total	$ 678,662	$ 104,870	$ 143,871	$ 163,478	$ 266,443

(1) We have not included milestone or royalty payments or contractual payment obligations in the table above if the amount and timing of such obligations are unknown or uncertain including an additional contingent payment of $50.0 million which we agreed to make under the EUSA Acquisition Agreement if Erwinaze achieves U.S. net sales of $124.5 million in 2013.

(2) In June 2012, we entered into a new credit agreement which provides for a term loan in an aggregate principal amount of $475.0 million which matures in June 2018 and a $100.0 million revolving credit facility which matures in June 2017. On June 12, 2012, we borrowed $475.0 million under the new term loan. The interest rate was 5.25% at June 30, 2012 which we used to estimate interest owed on the term loan until the final maturity date.

(3) This includes non-cancelable commitments to third party manufacturers.

(4) Includes the minimum lease payments for our office buildings and automobile lease payments for our sales force. In May 2012, we entered into an operating lease agreement for our new headquarters in Dublin for a term of ten years, we amended and extended the operating lease for our existing Philadelphia office building for a term of four years and we entered into a new operating sublease for additional office space in Palo Alto near our existing office location for a term of five years. This amount also includes additional operating leases acquired as a result of the EUSA Acquisition.

(5) This amount represents amounts due under a product license agreements with Elan Pharma International Limited related to Prialt ($5.0 million) and with Abbott Laboratories, or Abbott, related to Luvox CR ($2.0 million). These amounts exclude $5.0 million we may owe to Abbott if net sales of Luvox CR reach a cumulative amount of $100.0 million on or before December 31, 2014 and no AB-rated generic version of Luvox CR has been or is being sold in the United States as of December 31, 2014, because we do not know if we will have to pay it. These amounts also exclude payments totaling $5.3 million we may owe to Douglas Pharmaceuticals American Limited under a product license and supply agreement related to an oral suspension formulation of clozapine which are dependent on regulatory approval and various sales milestones.

(6) The revolving credit facility has a commitment fee payable on the undrawn amount ranging from 0.25% to 0.50% per annum based upon our secured leverage ratio. In the table above, we used a rate of 0.50% and assumed undrawn amounts of $100.0 million to estimate commitment fees owed. No amount was borrowed under the revolving credit facility as of June 30, 2012.

Critical Accounting Estimates

To understand our financial statements, it is important to understand our critical accounting estimates. The preparation of our financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions are required in determining the amounts to be deducted from gross revenues, in particular estimates of government rebates, which include Medicaid and TRICARE rebates, and estimated product returns. Significant estimates and assumptions are also required to determine whether to capitalize intangible assets, the amortization periods for identifiable intangible assets, the potential impairment of goodwill and other intangible assets, the determination of excess and obsolete inventory, share-based compensation, accrued expenses and income taxes. Some of these judgments can be subjective and complex, and, consequently, actual results may differ from these estimates. For any given individual estimate or assumption we make, there may also be other estimates or assumptions that are reasonable. Although we believe our estimates and assumptions are reasonable, they are based upon information available at the time the estimates and assumptions were made. Please refer to Part II, Item 7 of the Annual Report on Form 10-K that we filed on behalf of and as successor to Jazz Pharmaceuticals, Inc. under the heading “Critical Accounting Policies and Significant Estimates” for a discussion of our critical accounting estimates.

In connection with the Azur Merger on January 18, 2012 and the EUSA Acquisition on June 12, 2012, we acquired a number of intangible assets including intangible assets related to currently marketed products (developed technology) and intangible assets related to product candidates (IPR&D). When significant identifiable intangible assets are acquired, we engage an independent third-party valuation firm to assist in determining the fair values of these assets as of the acquisition date. Discounted cash flow models are typically used in these valuations, which require the use of significant estimates and assumptions, including but not limited to:

- estimating the timing of and expected costs to complete the in-process projects;
- projecting regulatory approvals;
- estimating future cash flows from product sales resulting from completed products and in-process projects; and
- developing appropriate discount rates and probability rates by project.

We believe the fair values that we assign to the intangible assets acquired are based upon reasonable estimates and assumptions given available facts and circumstances as of the acquisition dates. No assurance can be given, however, that the underlying assumptions used to estimate expected cash flows will transpire as estimated. In addition, we are required to estimate the period of time over which to amortize the intangible assets, which requires significant judgment. Please refer to the footnotes to the condensed consolidated financial statements included elsewhere in this Form 10-Q for information about the remaining useful lives of our intangible assets as of June 30, 2012. We also recorded a deferred tax liability of $185.7 million at June 30, 2012 primarily related to the difference between the book basis and tax basis of the intangible assets and identifiable IPR&D acquired in the EUSA Acquisition. The difference between the book basis and tax basis was based on enacted jurisdictional tax rates assumed to be in effect when these differences reverse. The deferred tax liability amount is based on a variety of significant estimates and assumptions.

In connection with the Azur Merger and the EUSA Acquisition, we recorded goodwill of $408.0 million, which represented the excess cost of our investment in the net assets of the acquired Azur Pharma and EUSA Pharma businesses over the fair value of the underlying identifiable net assets at the date of acquisition. This resulted in total goodwill recorded of $446.2 million as of June 30, 2012. We assess our goodwill balance within our single reporting unit annually and whenever events or changes in circumstances

indicate the carrying value of goodwill may not be recoverable to determine whether any impairment in this asset may exist and, if so, the extent of such impairment. The annual test for goodwill impairment is a two-step process. The first step is a comparison of the fair value of the reporting unit with its carrying amount, including goodwill. If this step indicates impairment, then in the second step, the loss is measured as the excess of recorded goodwill over its implied fair value. Implied fair value is the excess of the fair value of the reporting unit over the fair value of all identified assets and liabilities. We test goodwill for impairment annually in October and when events or changes in circumstances indicate that the carrying value may not be recoverable.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "project," "predict," "intend," "potential" and similar expressions intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance, time frames or achievements to be materially different from any future results, performance, time frames or achievements expressed or implied by the forward-looking statements. We discuss many of these risks, uncertainties and other factors in this Quarterly Report on Form 10-Q in greater detail under Part II Item 1A. "Risk Factors." Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements. Also, these forward-looking statements represent our estimates and assumptions only as of the date of this filing. You should read this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We hereby qualify our forward-looking statements by our cautionary statements. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risks related to our cash equivalents and marketable securities, and the ways we manage such risks, are set forth in Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" in the Annual Report on Form 10-K that we filed on behalf of and as successor to Jazz Pharmaceuticals, Inc. for the year ended December 31, 2011. During the six months ended June 30, 2012, there were no material changes to the market risks relating to cash equivalents. We did not hold any marketable securities at June 30, 2012.

Interest Rate Risk. In June 2012, we entered into a credit agreement which provides for a six-year $475.0 million term loan and a five-year $100.0 million revolving credit facility. On June 12, 2012, we borrowed $475.0 million under the term loan. We are exposed to risks associated with changes in interest rates as a result of borrowings under our term loan. Our indebtedness outstanding under our term loan is subject to a LIBOR floor of 1.0%. Currently LIBOR rates are below the floor of 1% and therefore an increase in interest rates would only impact our net interest expense to the extent it exceeds the floor of 1%. Based on variable rate debt levels of $475.0 million as of June 30, 2012, a 1.0% change in interest rates, above the LIBOR floor, would impact net interest expense by approximately $1.2 million per quarter.

Foreign Exchange Risk. Following the acquisition of EUSA, we now have significant operations in Europe as well as in the United States. The functional currency of each foreign subsidiary is generally the local currency. We are exposed to foreign currency exchange risk as the local currency financial statements of foreign subsidiaries are translated to U.S. dollars. The assets and liabilities of our foreign subsidiaries having a functional currency other than the U.S. dollar are translated into U.S. dollars at the exchange rate prevailing at the balance sheet date, and at the average exchange rate for the reporting period for revenue and expense accounts. The cumulative foreign currency translation adjustment is recorded as a component of accumulated other comprehensive loss in shareholders' equity. The reported results of our foreign subsidiaries will be influenced by their translation into U.S. dollars by currency movements against the U.S. dollar. Our primary currency translation exposures are related to our subsidiaries that have functional currencies denominated in the Euro and the British Pound Sterling, or GBP. A 10% movement in the rates used to translate the results of our foreign subsidiaries would not have had a material impact on our net income for the three and six months ended June 30, 2012.

Transactional exposure arises where transactions occur in currencies other than the functional currency. Transactions in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. The resulting monetary assets and liabilities are translated into the appropriate functional currency at exchange rates prevailing at the balance sheet date and the resulting gains and losses are included within "Other expense" in the condensed consolidated statements of income. At June 30, 2012, our primary

exposures to transaction risk related to GBP net monetary liabilities held by subsidiaries with a functional currency other than GBP and U.S dollar net monetary assets held by subsidiaries with a Euro functional currency. At June 30, 2012, a 10% strengthening/(weakening) in the U.S. dollar against GBP would have increased/(decreased) net income by approximately $1.5 million. At June 30, 2012, a 10% strengthening/ (weakening) in the U.S. dollar against the Euro would have increased / (decreased) net income by approximately $3.4 million.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. We have carried out an evaluation under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on their evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2012.

Limitations on the Effectiveness of Controls. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within an organization have been detected. Accordingly, our disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of our disclosure control system are met and, as set forth above, our principal executive officer and principal financial officer have concluded, based on their evaluation as of the end of the period covered by this report, that our disclosure controls and procedures were effective to provide reasonable assurance that the objectives of our disclosure control system were met.

Changes in Internal Control over Financial Reporting. As discussed above, we completed the Azur Merger on January 18, 2012, which was accounted for as a reverse acquisition under the acquisition method of accounting, with Jazz Pharmaceuticals, Inc. treated as the acquirer in the Azur Merger for accounting purposes. The results of operations of the acquired Azur Pharma business have been included in the results of operations of Jazz Pharmaceuticals plc beginning on January 18, 2012. We are currently integrating Azur Pharma's historical internal controls over financial reporting with ours.

Also as discussed above, we completed the EUSA Acquisition on June 12, 2012. The EUSA Acquisition was accounted for using the acquisition method of accounting. The results of operations of the acquired EUSA Pharma business have been included in the results of operations of Jazz Pharmaceuticals plc since June 12, 2012, and we are currently in the process of evaluating and integrating EUSA Pharma's historical internal controls over financial reporting with ours.

During the quarter ended June 30, 2012, other than continuing changes to our internal control processes resulting from the Azur Merger and the EUSA Acquisition as discussed above, there have been no changes to our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Throughout this report, unless otherwise indicated or the context otherwise requires, references to "Jazz Pharmaceuticals," "we," "us," and "our" refer to Jazz Pharmaceuticals plc and its consolidated subsidiaries, including its predecessor, Jazz Pharmaceuticals, Inc., except that all such references prior the effective time of the merger with Azur Pharma on January 18, 2012 are references to Jazz Pharmaceuticals, Inc. and its consolidated subsidiaries. All references to "Azur Pharma" are references to Jazz Pharmaceuticals plc (f/k/a Azur Pharma Public Limited Company) and its consolidated subsidiaries prior to the effective time of the Azur Merger on January 18, 2012. The disclosures in this report relating to the pre-Azur Merger business of Jazz Pharmaceuticals plc, unless noted as being the business of Azur Pharma prior to the Azur Merger, pertain to the business of Jazz Pharmaceuticals, Inc. prior to the Azur Merger.

Item 1. Legal Proceedings

We are involved in several legal proceedings, including the following matters:

Xyrem ANDA Matter: On October 18, 2010, we received a Paragraph IV Patent Certification notice, or Paragraph IV Certification, from Roxane Laboratories, Inc., or Roxane, that it filed an abbreviated new drug application, or ANDA, with the United States Food and Drug Administration, or FDA, requesting approval to market a generic version of Xyrem. Roxane's Paragraph IV Certification alleged that all five patents then listed for Xyrem in the FDA's publication "Approved Drug Products with Therapeutic Equivalence Evaluations", or Orange Book, on the date of the Paragraph IV Certification are invalid, unenforceable or not infringed by Roxane's proposed generic product. On November 22, 2010, we filed a lawsuit against Roxane in response to Roxane's Paragraph IV Certification in the United States District Court for the District of New Jersey, or the District Court. We are seeking a permanent injunction to prevent Roxane from introducing a generic version of Xyrem in violation of our patents. In accordance with the Hatch-Waxman Act, as a result of having filed a timely lawsuit against Roxane, FDA approval of Roxane's ANDA will be stayed until the

earlier of (i) April 18, 2013, which is 30 months from our October 18, 2010 receipt of Roxane's Paragraph IV certification notice, or (ii) a District Court decision finding that the identified patents are invalid, unenforceable or not infringed. An additional method of use patent covering the distribution system for Xyrem issued in December 2010 and is listed in the Orange Book, and we amended our lawsuit against Roxane on February 4, 2011 to include the additional patent in the litigation in response to Roxane's Paragraph IV Certification against this patent, as well as another patent which is not listed in the Orange Book. Another method of use patent covering the distribution system for Xyrem issued in February 2011 and is listed in the Orange Book, and we amended our lawsuit against Roxane on May 2, 2011 to include this additional patent in response to Roxane's Paragraph IV Certification against it. On April 26, 2012, the District Court held a Markman hearing, a pretrial hearing in which the trial judge construes the claims of a patent, and the discovery phase of the proceeding is ongoing. No trial date has been scheduled. We cannot predict the outcome of this matter.

On May 18, 2012, we submitted a Citizen Petition to the FDA addressing the legal and scientific bases for requiring in vivo bioequivalence studies for generic formulations of Xyrem and requesting that the FDA: publish in the Orange Book bioequivalence requirements specifying whether in vitro or in vivo bioequivalence studies, or both, are required for ANDAs referencing Xyrem; not accept for review, review, or approve any ANDA referencing Xyrem unless and until the FDA has published bioequivalence requirements in the Orange Book specifying whether in vitro bioequivalence studies, in vivo bioequivalence studies, or both, are required for such ANDAs; and require in vivo bioequivalence studies for any sodium oxybate drug product for which approval is sought in an ANDA referencing Xyrem to the extent such drug product differs from Xyrem in manufacturing process, pH, excipients, impurities, degradants or contaminants.

On July 10, 2012, we submitted a second Citizen Petition to the FDA addressing the requirements for submission of any ANDA referencing Xyrem. This petition asks the FDA to rescind the acceptance of any previously-accepted ANDA referencing Xyrem, including the Roxane ANDA, that did not contain a proposed risk management system at the time it was accepted for review, because such ANDA would not have demonstrated, as required by law, that the new generic drug product would have the same labeling and conditions of use as Xyrem. This petition further requests that the FDA (i) not accept for review any ANDA referencing Xyrem that does not contain, at the time of its submission, a proposed risk management system sufficient to demonstrate that the new generic drug product has the same labeling and conditions of use as Xyrem; and (ii) determine that if any sponsor, including Roxane, of an ANDA referencing Xyrem that did not contain, at the time it was accepted for review, a proposed risk management system later submits, or resubmits, an ANDA that contains a proposed risk management system sufficient to demonstrate that the new generic drug product would have the same labeling and conditions of use of Xyrem, such ANDA should not be approved for a period of up to thirty months beginning on the date we receive notice of any Paragraph IV certifications contained in such new ANDA, to the extent that we avail ourselves of our right to initiate a patent infringement action based on such notice. We believe that the FDA's acceptance of Roxane's ANDA caused the thirty-month stay under the Hatch-Waxman Act and the related patent litigation between the parties to begin prematurely in a manner contrary to applicable law. We cannot predict when or if the FDA will respond to, or otherwise take any action with respect to, either of our Citizen Petitions, or the effect of any such response or action on the timing of the potential introduction of a generic version of Xyrem or on the ongoing litigation between us and Roxane.

Luvox CR ANDA Matters. In August 2009, we received a Paragraph IV Certification from Actavis Elizabeth, LLC, or Actavis, advising that Actavis had filed an ANDA with the FDA seeking approval to market a generic version of Luvox CR. Actavis' Paragraph IV Certification alleged that the United States patent covering Luvox CR, which is owned by Elan Pharma International Limited, or Elan, which has subsequently transferred its rights to Alkermes Pharma Ireland Limited, or Alkermes, and licensed to us, is invalid on the basis that the inventions claimed therein were obvious. On October 6, 2009, we and Elan, as plaintiffs, filed a lawsuit against Actavis in the United States District Court for the District of Delaware claiming infringement of the Alkermes patent. On September 10, 2011, we received a Paragraph IV Certification from Torrent Pharma Limited, or Torrent, advising us that it had filed an ANDA with the FDA requesting approval to market a generic version of Luvox CR. On October 21, 2011, we and Alkermes, as plaintiffs, filed a lawsuit against Torrent in the United States District Court for the District of Delaware asserting infringement of the Alkermes patent. On April 5, 2012 and April 10, 2012, we and Alkermes entered into settlement agreements with Actavis and Torrent, respectively. Under the agreements, we, Alkermes and each of Actavis and Torrent agreed to dismiss all of the claims brought in the litigation without prejudice, each of Actavis and Torrent agreed not to contest the validity or enforceability of the Alkermes patent in the United States, and we, Alkermes and each of Actavis and Torrent agreed to release each other from all claims arising in the litigation or relating to the product each of Actavis and Torrent intends to market under its ANDA. In addition, we granted a sublicense to each of Actavis and Torrent of our rights to have manufactured, market and sell a generic version of Luvox CR in the United States. The sublicenses will commence on April 15, 2014 or earlier upon the occurrence of certain events.

FazaClo ANDA Matters: Azur Pharma received Paragraph IV Certifications from three generics manufacturers, Barr Laboratories, Inc.; Novel Laboratories, Inc.; and Mylan Pharmaceuticals, Inc., indicating that ANDAs had been filed with the FDA requesting approval to market generic versions of FazaClo LD. Azur Pharma and CIMA Labs Inc., or CIMA, a subsidiary of Teva Pharmaceutical Industries Limited, or Teva, our licensor and the entity whose drug-delivery technology is incorporated into FazaClo LD, filed a lawsuit in response to each certification claiming infringement based on such certification in the United States District Court for the District of Delaware. On July 6, 2011, CIMA, Azur Pharma and Teva, which had acquired Barr Laboratories, Inc., entered into an agreement settling the patent litigation and Azur Pharma granted a sublicense to an affiliate of Teva of Azur Pharma's rights to have manufactured, market and sell a generic version of both FazaClo LD and FazaClo HD, as well as an option for supply of

authorized generic product. The sublicense for FazaClo LD commenced in July 2012, and the sublicense for FazaClo HD will commence in May 2015 or earlier upon the occurrence of certain events. Teva has exercised its option for supply of an authorized generic product for Fazaclo LD, and we are addressing the FDA requirements to permit a launch of the authorized generic product. The Novel Laboratories, Inc. and Mylan Pharmaceuticals, Inc. matters have been stayed pending reexamination of the patents in the suit. We cannot predict the outcome of the matters with Novel Laboratories, Inc. and Mylan Pharmaceuticals, Inc., the reexamination proceedings, or when the stays will be lifted.

Cutler Matter: On October 19, 2011, Dr. Neal Cutler, one of the original owners of FazaClo, filed a complaint against Azur Pharma and one of its subsidiaries, as well as Avanir Pharmaceuticals, Inc., or Avanir, in California Superior Court in the County of Los Angeles. The complaint alleges that Azur Pharma and its subsidiary breached certain contractual obligations. Azur Pharma acquired rights to FazaClo from Avanir in 2007. The complaint alleges that as part of the acquisition of FazaClo, Azur Pharma's subsidiary agreed to assume certain contingent payment obligations to Dr. Cutler. The complaint further alleges that certain contingent payments are due because revenue thresholds have been achieved, entitling Dr. Cutler to either a $10.5 million or $25.0 million contingent payment, plus unspecified punitive damages and attorneys' fees. On March 14, 2012, the Superior Court granted our petition to compel arbitration of the dispute in New York and stayed the Superior Court litigation. We submitted a complaint in arbitration alleging that Dr. Cutler's suit had been improperly filed in Los Angeles and seeking a declaratory judgment that we have complied with all contractual obligations to Dr. Cutler. On July 25, 2012, the arbitrator dismissed the arbitration on the grounds that the parties' dispute falls outside the scope of the arbitration clause in the applicable contract. This matter, like all litigation, carries certain risks, and there can be no assurance of the outcome.

From time to time we are involved in legal proceedings arising in the ordinary course of business. We believe there is no other litigation pending that could have, individually or in the aggregate, a material adverse effect on our results of operations or financial condition.

Item 1A. Risk Factors

We have identified the following risks and uncertainties that may have a material adverse effect on our business, financial condition or results of operations. The risks described below are not the only ones we face. Additional risks not presently known to us or that we currently believe are immaterial may also significantly impair our business operations. Our business could be harmed by any of these risks. The trading price of our ordinary shares could decline due to any of these risks, and you may lose all or part of your investment. In assessing these risks, you should also refer to the other information contained in this Quarterly Report on Form 10-Q, including our condensed consolidated financial statements and related notes.

We have marked with an asterisk (*) those risks described below that reflect substantive changes from, or additions to, the risks described in the Annual Report on Form 10-K for the year ended December 31, 2011 that we filed on behalf of and as successor to Jazz Pharmaceuticals, Inc.

Risks Relating to Xyrem and the Significant Impact of Xyrem Sales

Xyrem is our largest selling product, and our inability to maintain or increase sales of Xyrem would have a material adverse effect on our business, financial condition, results of operations and growth prospects.*

Xyrem is our largest selling product and our financial results are significantly influenced by sales of Xyrem, which accounted for 69% of our net product sales for both the three and six months ended June 30, 2012 and 88% of our net product sales for the year ended December 31, 2011, and our future plans assume that sales of Xyrem will increase. While Xyrem product sales grew from 2010 to 2011 and in the first two quarters of 2012, we cannot assure you that Xyrem sales will continue to grow. We have periodically increased the price of Xyrem, most recently in August 2012, and we cannot assure you that price adjustments we have taken or may take in the future have not already negatively affected, or will not in the future negatively affect, Xyrem sales volumes.

In addition to other risks described herein, our ability to maintain or increase Xyrem product sales is subject to a number of risks and uncertainties, the most important of which are discussed below, including those related to:

- the potential introduction of a generic version of Xyrem;
- changed or increased regulatory restrictions, including changes to our risk management program for Xyrem, or regulatory actions by the FDA as a result of, or related to the matters raised in, the warning letter we received from the FDA in October 2011 or the Form FDA 483 we received in May 2012;
- our manufacturing partners' ability to obtain sufficient quota from the U.S. Drug Enforcement Administration, or DEA, to satisfy our needs for Xyrem;
- any supply, manufacturing or distribution problems arising with any of our manufacturing and distribution partners, all of whom are sole source providers for us;
- changes in healthcare laws and policy, including changes in requirements for rebates, reimbursement and coverage by federal healthcare programs;
- changes to our label, including new safety warnings or changes to our boxed warning, that further restrict how we market and sell Xyrem; and
- continued acceptance of Xyrem as safe and effective by physicians and patients, even in the face of negative publicity that surfaces from time to time.

These and the other risks described below related to Xyrem product sales and protection of our proprietary rights could have a material adverse effect on our ability to maintain or increase sales of Xyrem.

If sales of Xyrem were to decline significantly, we could need to reduce our operating expenses or to seek to raise additional funds, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects, or we might not be able to acquire, in-license or develop new products in the future to grow our business.

If generic products that compete with Xyrem are approved and launched, sales of Xyrem would be adversely affected.*

Although Xyrem is covered by patents covering its formulation, distribution system and method of use, a third party is seeking to introduce a generic version of Xyrem, and additional third parties may also attempt to invalidate or design around the patents, or assert that they are invalid or otherwise unenforceable, and seek to introduce generic versions of Xyrem. Once orphan drug exclusivity in the United States for Xyrem for the treatment of excessive daytime sleepiness in patients with narcolepsy expires in November 2012, other companies could possibly introduce generic versions of Xyrem if they do not infringe our patents or if they can demonstrate that our patents are invalid or unenforceable, and they receive FDA approval.

On October 18, 2010, we received notice from Roxane that it had filed an ANDA with the FDA requesting approval to market a generic version of Xyrem. If the application is approved, and a generic version of Xyrem is introduced, our sales of Xyrem would be adversely affected. Additional ANDAs could also be filed requesting approval to market generic forms of Xyrem; if those applications for generics were approved and the generics were launched, sales of Xyrem would

decrease. We have sued Roxane seeking to prevent Roxane from introducing a generic version of Xyrem in violation of our patents, but we cannot assure you that the lawsuit will prevent the introduction of a generic version of Xyrem for any particular length of time, or at all. On May 18, 2012, we submitted a Citizen Petition to the FDA requesting that the FDA include in the Orange Book bioequivalence requirements specifying whether *in vitro* bioequivalence studies, or *in vivo* bioequivalence studies, or both, are required for ANDAs referencing Xyrem. In this Citizen Petition, we also asked the FDA not to accept for review, review or approve any ANDA referencing Xyrem until such requirements are published in the Orange Book, and to require *in vivo* bioequivalence studies for any sodium oxybate drug product seeking approval under an ANDA referencing Xyrem to the extent such drug product differs from Xyrem in manufacturing process, pH, excipients, impurities, degradants or contaminants. On July 10, 2012, we submitted a second Citizen Petition to the FDA asking the FDA to rescind acceptance of any previously filed ANDA referencing Xyrem, and not to accept any future ANDA referencing Xyrem, unless such ANDA contains, at the time of acceptance for review, a proposed risk management system demonstrating that the proposed generic product would have the same labeling and condition of use of Xyrem. We cannot predict when or if the FDA will respond to, or otherwise take any action with respect to, either of our Citizen Petitions, or the effect of any such response or action on the timing of the potential introduction of a generic version of Xyrem or the ongoing litigation between us and Roxane.

A generic manufacturer would need to obtain quota from the DEA in order to manufacture both the active pharmaceutical ingredient and the finished product for a generic version of Xyrem. The DEA has historically published an annual overall quota that is less than we needed for our projected supply of Xyrem, and we have had to engage in costly and time consuming legal efforts to obtain the needed quotas. When the quotas were obtained, our suppliers historically obtained substantially all of the aggregate quota for use in the manufacture of Xyrem. However, the aggregate quota published by the DEA for 2012 is significantly higher than the amounts requested by our suppliers to meet our needs for Xyrem. As a result, it may be easier for a generic manufacturer to obtain DEA quota than it would have been in prior years.

After the introduction of a generic competitor, a significant percentage of the prescriptions written for Xyrem may be filled with the generic version, resulting in a loss in sales of Xyrem, including for indications for which the generic version may not have been approved for marketing by the FDA. Generic competition often results in decreases in the prices at which branded products can be sold, particularly when there is more than one generic available in the marketplace. In addition, legislation enacted in the United States allows for, and in a few instances in the absence of specific instructions from the prescribing physician mandates, the dispensing of generic products rather than branded products where a generic version is available. Generic competition for Xyrem could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

The manufacture, distribution and sale of Xyrem are subject to significant regulatory oversight and restrictions and the requirements of a risk management program, and these restrictions and requirements subject us to increased risks and uncertainties, any of which could negatively impact sales of Xyrem.*

As a condition of approval of Xyrem, the FDA mandated that we maintain a risk management and distribution system that was implemented at the time Xyrem was approved, called the Xyrem Success Program, to ensure the safe distribution of Xyrem and minimize the risk of misuse, abuse or diversion of sodium oxybate. The Xyrem Success Program includes unique features that provide information about adverse events, including deaths, which is generally not available for other products that are not subject to a similar risk management plan. As required by the FDA and other regulatory agencies, the adverse event information that we collect for Xyrem is regularly reported to the FDA and could result in the FDA requiring changes to the Xyrem label or taking or requiring us to take other actions that could have an adverse effect on Xyrem's commercial success.

While the Xyrem Success Program, adopted in 2002, is deemed to be an approved Risk Evaluation and Mitigation Strategy, or REMS, pursuant to the Food and Drug Administration Amendments Act of 2007, or the FDAAA, it is not in the form that is now required for REMS. The FDA is requiring product risk management programs that existed prior to the adoption of the FDAAA, including the Xyrem Success Program, to be updated to comply with the current requirements for REMS. We have filed a supplement conforming the elements of the Xyrem Success Program to the new REMS formatting requirements and seeking approval of the document. We have had communications with the FDA with respect to our submitted REMS document, but we cannot assure you that the FDA will agree with the updated REMS document we submitted, and we cannot predict the timing of the FDA's response. The FDA may impose new and onerous requirements under the new REMS structure that could make it more difficult or expensive for us to distribute Xyrem, make competition easier and/or negatively affect the commercial success of Xyrem. In addition, the regulatory scheme that governs REMS programs is complex, and includes provisions that favor operation of a single shared REMS for the holder of the new drug application, or NDA, and related generic products, and that encourages generic companies to seek a license if the NDA holder's REMS program is protected by intellectual property. The FDAAA further specifies that a REMS should not prevent generic drugs from entering the market and includes provisions that provide considerable relief for generic drug makers. Accordingly, we may face pressure to license or share the Xyrem Success Program with generic competitors in the future. We cannot predict the impact that any changes to the Xyrem Success Program would have on our business.

Currently, we operate under our Xyrem Success Program, which requires that all of the Xyrem sold in the United States must be shipped directly to patients through a single central pharmacy. The process under which patients receive Xyrem under our Xyrem Success Program is cumbersome. While we have an exclusive agreement with the central pharmacy for Xyrem, Express Scripts Specialty Distribution Services, Inc. and its affiliate CuraScript, Inc., or ESSDS, through June 2015, if the central pharmacy does not

fulfill its contractual obligations to us, or refuses or fails to adequately serve patients, shipments of Xyrem and our sales would be adversely affected. If we change our central pharmacy, new contracts might be required with government and other insurers who pay for Xyrem, and the terms of any new contracts could be less favorable to us than current agreements. In addition, any new central pharmacy would need to be registered with the DEA and would also need to implement the particular processes, procedures and activities necessary to distribute Xyrem under our Xyrem Success Program or any REMS that we are subject to in the future. Transitioning to a new central pharmacy could result in product shortages, which would adversely affect sales of Xyrem in the United States, result in additional costs and expenses for us, and/or take a significant amount of time, any of which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

In April 2011, we learned that deaths of patients who had been prescribed Xyrem between 2003 and 2010 had not always been reported to us by ESSDS and therefore to the FDA by us as required. We promptly reported to the FDA all of the previously unreported cases identified by us and ESSDS and began our investigation of the related data from ESSDS, as well as additional data we gathered. Earlier this year, we completed and submitted to the FDA an analysis with respect to these cases under a plan that we had discussed with the FDA. In July 2012, we held a telephonic meeting with the FDA with respect to our analysis and, as a result of that meeting, we believe that the FDA does not require any further analysis with respect to mortality during the historical period that was covered by our investigation and evaluation. However, we cannot predict whether the FDA will ultimately agree with our analysis of the previously unreported mortality data and other data, or require additional analysis. The FDA may take, or require us to take, actions that may be costly or time consuming and/or that negatively affect the commercial success of Xyrem.

In October 2011, we received a warning letter from the FDA following a 2011 Form FDA 483 covering certain aspects of our adverse event reporting system for Xyrem and drug safety procedures. In May 2012, we received a Form FDA 483 at the conclusion of an FDA inspection conducted in May 2012, which noted the FDA investigators' observations with respect to our incomplete review of information from ESSDS related to potential Xyrem-related adverse events prior to 2011 and determination of whether there are additional adverse events that are required to be reported to the FDA based on such review; our investigation of serious unexpected adverse drug experiences, including insufficient documentation to demonstrate the past investigation; and our lack of written procedure relating to one administrative aspect of our current drug safety monitoring procedures. While we have substantially completed the actions that we believe are required to address the observations in the May 2012 Form FDA 483 and are also near completion of the actions that we believe are necessary to fully address the matters raised in the warning letter, we cannot predict either the timing or the final outcome of the FDA's regulatory compliance review. We do not know whether the FDA will take further action, or require us to take further action, with expect to our adverse event reporting, or whether the FDA will otherwise conclude we have not taken all appropriate corrective actions with respect to the May 2012 Form FDA 483 or the warning letter.

We are continuing our ongoing work with the FDA on both changes to the Xyrem label and our deemed REMS to further enhance and promote the safe use of Xyrem. We do not know whether the FDA will agree with our proposed updates to the Xyrem label or our deemed REMs. The FDA may impose requirements that could make it more difficult or expensive for us to distribute Xyrem, make competition easier and/or negatively affect the commercial success of Xyrem.

Regulatory authorities in other countries where Xyrem is sold may take similar actions. Any failure to demonstrate our substantial compliance with applicable regulatory requirements to the FDA's or any other regulatory authority's satisfaction could have a material and adverse effect on Xyrem sales and therefore on our business, financial condition, results of operations and growth prospects.

The FDA has required that Xyrem's label include a boxed warning regarding the risk of abuse. A boxed warning is the strongest type of warning that the FDA can require for a drug product and warns prescribers that the drug carries a significant risk of serious or even life-threatening adverse effects. A boxed warning also means, among other things, that the product cannot be advertised through reminder ads, or ads that mention the pharmaceutical brand name but not the indication or medical condition it treats. In addition, Xyrem's FDA approval under the FDA's Subpart H regulations requires that all of the promotional materials for Xyrem be provided to the FDA for review at least 30 days prior to the intended time of first use. We cannot predict whether the FDA will require additional warnings, including black box warnings, to be included on Xyrem's label. Warnings in our label and any limitations on our ability to advertise and promote Xyrem may have affected, and could in the future negatively affect, Xyrem sales and therefore our business, financial condition, results of operations and growth prospects.

Risks Relating to Our Business

We may not realize the anticipated financial and strategic benefits from the Azur Merger and/or the EUSA Acquisition or be able to successfully integrate the acquired businesses.*

The Azur Merger, which was completed in January 2012, and the EUSA Acquisition, which was completed in June 2012, created numerous uncertainties and risks, and have required, and will continue to require, significant efforts and expenditures, including with respect to integrating the acquired businesses with our historical business. We may encounter unexpected difficulties, or incur unexpected costs, in connection with our transition activities and integration efforts, which include:

- the potential disruption of our historical core business;

- the risk that our lack of experience in new markets, including the oncology market, will not allow us to achieve growth in, or maintain current levels of, sales of our products in such markets;
- the diversion of our management's attention to integration of operations and corporate and administrative infrastructures;
- the strain on, and need to expand, our existing operational, technical, financial and administrative infrastructure, including our financial controls and reporting systems and procedures and disaster recovery procedures, in connection with integrating three different businesses and operations;
- the difficulties in assimilating employees and corporate cultures, including successfully integrating sales forces and building and maintaining a strong sales organization;
- the potential failure to retain key managers and other personnel, including the employees from the acquired Azur Pharma or EUSA Pharma businesses who might experience uncertainty about their future roles with us;
- the challenges in controlling additional costs and expenses in connection with and as a result of the acquisitions, including professional fees to comply with corporate and tax laws and financial reporting requirements in a number of countries in the European Union, or EU, costs and expenses incurred in connection with travel, and additional costs we may incur going forward as a result of our corporate structure that includes an increased number of subsidiaries in multiple additional countries;
- the potential disruption to our existing business relationships with suppliers, distributors and customers, including those of EUSA Pharma, who may experience uncertainty associated with the acquisitions and consider terminating or negotiating changes in existing agreements; and
- any unanticipated liabilities for activities of or related to Azur Pharma or EUSA Pharma or any of their operations, products or product candidates that occurred prior to the closing of the respective acquisitions.

If any of these factors impairs our ability to integrate the acquired businesses successfully or on a timely basis, we may not be able to realize the anticipated financial and strategic benefits from combining the businesses. In addition, we may be required to spend additional time or money on integration activities that otherwise would be spent on the development and expansion of our business. If we fail to integrate the acquired businesses successfully and in a timely manner, resulting operating inefficiencies could increase costs and expenses more than we planned, could negatively impact the market price of our ordinary shares and otherwise distract us from execution of our strategy. Failure to maintain effective financial controls and reporting systems and procedures could also impact our ability to produce timely and accurate financial statements.

As a result of the transactions, we have grown rapidly, and our business and corporate structure has become substantially more complex. There can be no assurance that we will effectively manage the increased complexity without experiencing operating inefficiencies or control deficiencies. Significant management time and effort is required to effectively manage the increased complexity of the combined business and our failure to successfully do so could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

We have substantially expanded our international footprint and operations, and we may expand further in the future, but we do not have substantial experience in international markets and may not achieve the results that we or our shareholders expect.*

As a result of the Azur Merger and the EUSA Acquisition, we are headquartered in Dublin, Ireland and have multiple offices in the United States, the United Kingdom, and other countries in Europe. Our headcount has grown from approximately 260 employees at the end of 2011 to approximately 650 employees in July 2012. This includes employees in approximately ten countries in the EU, a European commercial presence, and a complex distribution network of products in the EU and additional territories. Prior to these transactions, our core business had very limited exposure to international risks. In addition, we may expand our international operations into other countries in the future, either organically or by acquisition. While we have acquired significant management and other personnel with substantial international experience, because we are conducting a larger portion of our business outside of the United States, we are now subject to a variety of risks and complexities that may materially and adversely affect our business, results of operations and financial condition, including, among other things:

- the increased complexity and costs inherent in managing international operations;
- diverse regulatory, financial and legal requirements, and any changes to such requirements in one or more countries where we are located or do business;
- country-specific tax laws and regulations;
- complying with applicable trade laws, tariffs, export quotas, custom duties or other trade restrictions and any changes to them;
- challenges inherent in efficiently managing employees in diverse geographies, including the need to adapt systems, policies, benefits and compliance programs to differing labor and other regulations;
- changes in foreign currency rates; and
- regulations relating to data security and the unauthorized use of, or access to, commercial and personal information.

Failure to effectively manage these risks could have a material adverse effect on our business.

In recent years, the global economy has been impacted by the effects of an ongoing global financial crisis, including the European sovereign debt crisis, which have has caused extreme disruption in the financial markets, including severely diminished liquidity and credit availability. Continuing worldwide economic instability, including challenges faced by the Eurozone and certain of the countries in the EU, could adversely affect our revenues, financial condition or results of operations, if, for example, our customers in Europe fail to pay or delay payments owed to us for our products.

While Xyrem remains our largest product, our success also depends on our ability to effectively commercialize our other marketed products, and our inability to do so could have a material adverse effect on our business, financial condition, results of operations and growth prospects.*

In addition to Xyrem, we have a portfolio of marketed products, primarily acquired through the Azur Merger and the EUSA Acquisition. EUSA Pharma's lead oncology product, Erwinaze (called Erwinase in ex-U.S. markets), has been added to our portfolio. Erwinaze, a biologic product, is used in conjunction with chemotherapy to treat patients with acute lymphoblastic leukemia, or ALL, with hypersensitivity to *E. coli*-derived asparaginase. Erwinaze is exclusively licensed to us, and manufactured for us, by the U.K. Health Protection Agency, or HPA, a public body company, and was approved by the FDA under a biological license application, or BLA, in November 2011 and launched in the U.S. market the same month. It is also being sold under marketing authorizations, named patient programs, temporary use authorizations or similar authorizations in multiple countries in the EU and elsewhere.

Erwinaze represents an important part of our strategy to grow sales of our existing products. However, our ability to successfully and sustainably grow sales of Erwinaze is subject to a number of challenges, including our need to apply for and receive marketing authorizations in additional countries so we can launch promotional efforts in those countries and the limited population of patients with ALL and the incidence of hypersensitivity reactions to *E. coli*-derived asparaginase within that population. We face numerous risks that may impact Erwinaze sales, including manufacturing risks, regulatory risks, the development of new asparaginase treatments that could reduce the rate of hypersensitivity in patients with ALL, the development of new treatment protocols for ALL that may not include asparaginase-containing regimens, difficulties with obtaining and maintaining profitable pricing and reimbursement arrangements and potential competition from biosimilar products. If we fail to comply with our obligations under our agreement with the HPA and lose exclusive rights to Erwinaze, or otherwise fail to maintain and grow sales of Erwinaze, our growth prospects could be negatively affected.

In the Azur Merger, we acquired our lead pain product, Prialt, an intrathecal infusion of ziconotide, approved by the FDA in December 2004 for the management of severe chronic pain in patients for whom intrathecal therapy is warranted, and who are intolerant of or refractory to other treatment, such as systemic analgesics, adjunctive therapies or intrathecal morphine. We face many challenges in maintaining and growing sales of Prialt, including acceptance of intrathecal administration by patients and physicians and challenges for physicians with timely reimbursement for use of Prialt, due in part to its current distribution system. We are assessing the distribution system for Prialt and are considering implementing a new distribution strategy. If we do so, we could experience a disruption in delivery of Prialt, which could negatively affect product sales.

Failure to maintain or increase prescriptions and revenue from sales of our marketed products other than Xyrem, including Erwinaze and Prialt, could have a material adverse effect on our business, financial condition, results of operations and growth prospects. We may choose to increase the price of our other marketed products, and we cannot assure you that price adjustments will not negatively affect our sales volumes. In addition, sales of Erwinaze, which was launched in the United States in the last year, may fluctuate significantly from quarter to quarter, depending on the number of patients receiving treatment, the dosing requirements of treated patients and other factors, and it may be difficult for us to estimate Erwinaze revenue until we have more experience selling the product. The market price of our ordinary shares may decline if the sales of our products do not continue or grow at the rates anticipated by financial analysts or investors.

In addition, if we fail to obtain approvals for certain of our existing products in new indications or formulations, or if we fail to successfully develop and receive approval for new product candidates, including our product candidate Asparec, we will be unable to commercialize our products in new indications or formulations and will be unable to obtain any financial benefit from such product candidates, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

We depend on single source suppliers and manufacturers for each of our products, product candidates and their active pharmaceutical ingredients. The loss of any of these suppliers or manufacturers, or delays or problems in the supply or manufacture of our products for commercial sale or our product candidates for use in our clinical trials, could materially and adversely affect our business, financial condition, results of operations and growth prospects.*

The manufacture of pharmaceutical products requires significant expertise and capital investment, including the development of process controls required to consistently produce the active pharmaceutical ingredient and the finished product in sufficient quantities and meeting detailed product specifications on a repeated basis. Manufacturers of pharmaceutical products often encounter difficulties in production, including difficulties with production costs and yields, process controls, quality control and quality assurance, including testing of stability, impurities and impurity levels and other product specifications by validated test methods, and compliance with specifications and strictly enforced U.S., state and foreign regulations.

We do not have, and do not intend to establish in the near term, our own manufacturing or packaging capability for our products or product candidates, or their active pharmaceutical ingredients. The availability of our products for commercial sale depends upon our ability to procure the ingredients, packaging materials and finished products we need from third parties. In part due to the limited market size for our products and product candidates, we have entered into manufacturing and supply agreements with single source suppliers and manufacturers.

We maintain limited inventories of certain of our products. If our suppliers and contract manufacturers, including any new suppliers without a track record of meeting our supply needs, for any reason do not continue to supply us with our products or product candidates in a timely fashion and in compliance with applicable quality and regulatory requirements, or otherwise fail or refuse to comply with their obligations to us under our supply and manufacturing arrangements, we may not have adequate remedies for any breach, and their failure to supply us could result in a shortage of our products or product candidates, which could adversely affect our business, financial condition, results of operations and growth prospects.

In addition, if one of our suppliers or product manufacturers fails or refuses to supply us for any reason, it would take a significant amount of time and expense to qualify a new supplier or manufacturer. The loss of one of our suppliers or product manufacturers could require us to obtain regulatory clearance in the form of a "prior approval supplement" and to incur validation and other costs associated with the transfer of the active pharmaceutical ingredient or product manufacturing process. We believe that it could take up to two years, or longer in certain cases, to qualify a new supplier or manufacturer, and we may not be able to obtain active pharmaceutical ingredients or finished products from new suppliers or manufacturers on acceptable terms and at reasonable prices, or at all. Should we lose either an active pharmaceutical ingredient supplier or a product manufacturer, we could run out of salable product to meet market demands or investigational product for use in clinical trials while we wait for FDA or similar international regulatory body approval of a new active pharmaceutical ingredient supplier or product manufacturer.

The DEA limits the quantity of certain Schedule I controlled substances that may be produced in the United States in any given calendar year through a quota system. Because the active pharmaceutical ingredient of Xyrem, sodium oxybate, is a Schedule I controlled substance, our supplier of sodium oxybate, as well as our finished product manufacturer, must each obtain separate DEA quotas in order to supply us with sodium oxybate and Xyrem. Since the DEA typically grants quotas on an annual basis and requires a detailed submission and justification for each request, obtaining a DEA quota is a difficult and time consuming process. If our commercial or clinical requirements for sodium oxybate or Xyrem exceed our suppliers' and product manufacturer's DEA quotas, our suppliers and product manufacturer would need quota increases from the DEA, which could be difficult and time consuming to obtain and might not ultimately be obtained on a timely basis, or at all. We cannot assure you sufficient quota will be received from the DEA to meet our needs, and if we and our suppliers cannot obtain as much quota as is needed, on a timely basis, or at all, our business, financial condition, results of operations and growth prospects could be materially and adversely affected.

In addition, the FDA and similar international regulatory bodies must approve suppliers of the active and inactive pharmaceutical ingredients and certain packaging materials used in our products. If there are delays in qualifying new manufacturers or facilities or a new manufacturer is unable to obtain a sufficient quota from the DEA, if required, or to otherwise meet FDA or similar international regulatory body's requirements for approval, there could be a shortage of the affected products for the marketplace or for use in clinical studies, or both, particularly since we do not have secondary sources of supply of the active pharmaceutical ingredient or backup manufacturers for our products and product candidates.

Our current supplier of sodium oxybate, Siegfried (USA) Inc., or Siegfried, was approved by the FDA in late 2011 and became our sole supplier in 2012. While we expect Siegfried will continue to be our sole supplier of sodium oxybate for the foreseeable future, we cannot assure you that Siegfried can or will continue to supply, in the time we need, sufficient quantities of active pharmaceutical ingredient to enable the manufacture of the quantities of Xyrem that we need.

We are in the process of changing our supplier for ziconotide, the active ingredient in Prialt, and our supplier of the finished Prialt product. We believe that we have sufficient supply of ziconotide to meet our commercial requirements for finished product for a number of years. We have also identified and begun the transfer of Prialt finished product manufacturing to a new manufacturer. The current manufacturer has completed the manufacture of final batches of Prialt, and our current supply is expected to be sufficient to meet commercial requirements for Prialt through the end of 2013, by which time we expect a new manufacturer to be approved as a supplier by the FDA. Similarly, our FazaClo supplier, CIMA, is in the process of transferring manufacturing of FazaClo LD and FazaClo HD from its Eden Prairie site to the Salt Lake City site of its parent company, Teva, which we expect to be completed in 2012. There can be no assurance that the new manufacturers of ziconotide, Prialt, FazaClo LD and FazaClo HD, or any other manufacturer, will be approved by the FDA, or that our commercial supplies of such products will be sufficient until such manufacturers or other manufacturers have been approved, and any failure to obtain and maintain sufficient commercial supplies would have a material adverse effect on our business, financial condition, results of operations and growth prospects.

Erwinaze is licensed to us, and manufactured for us, by the HPA, which is our sole supplier for Erwinaze. During the review and approval process by the FDA of the BLA for Erwinaze, EUSA Pharma agreed to a number of post marketing commitments related to the manufacture of Erwinaze by HPA. In the past, there has been a disruption of supply of Erwinase in the European market due to manufacturing challenges. Failure by HPA to comply with regulatory requirements, including post marketing commitments, could adversely affect its ability to supply Erwinaze to us and could result in FDA approval being revoked or product recalls, which could have a material adverse effect on our sales of and revenues from Erwinaze and limit our potential future maintenance and growth of

the market for this product. We cannot assure you that HPA will be able to continue to supply our ongoing commercial needs of Erwinaze in a timely manner, or at all. We do not have the right to engage a backup supplier for Erwinaze except in very limited circumstances, such as uncured material breach by the HPA or the cessation of its business. Any failure of HPA to supply necessary quantities of Erwinaze could have a material adverse effect on our business, financial condition, results of operations and growth prospects. In addition, if the FDA or any foreign regulatory authority mandates any changes to the specifications for Erwinaze, we may face challenges having product produced to meet such specifications, and HPA may charge us more to supply Erwinaze meeting such specifications, which may result in additional costs to us and may decrease any profit we would otherwise achieve with Erwinaze.

Failure by our third party manufacturers to comply with regulatory requirements could adversely affect their ability to supply products or ingredients to us. All facilities and manufacturing techniques used for the manufacture of pharmaceutical products must be operated in conformity with the FDA's current Good Manufacturing Practices, or cGMP, requirements. In complying with cGMP requirements, our suppliers must continually expend time, money and effort in production, record-keeping and quality assurance and control to ensure that our products and product candidates meet applicable specifications and other requirements for product safety, efficacy and quality. DEA regulations also govern facilities where controlled substances such as sodium oxybate are manufactured. Manufacturing facilities are subject to periodic unannounced inspection by the FDA, the DEA and other regulatory authorities, including state authorities and similar authorities in foreign jurisdictions. Failure to comply with applicable legal requirements subjects the suppliers to possible legal or regulatory action, including shutdown, which may adversely affect their ability to supply us with the ingredients or finished products we need. Any delay in supplying, or failure to supply, products by any of our suppliers could result in our inability to meet the commercial demand for our products, or our needs for use in clinical trials, and could adversely affect our business, financial condition, results of operations and growth prospects.

We may not be able to successfully identify and acquire, in-license or develop additional products or product candidates to grow our business, and, even if we are able to do so, we may not be able to successfully manage the risks associated with integrating any products or product candidates we may acquire in the future into our product portfolio.*

We intend to grow our business over the long term by acquiring or in-licensing and developing additional products and product candidates that we believe have significant commercial potential. Future growth through acquisition or in-licensing will depend upon the availability of suitable acquisition or in-license products and product candidates on acceptable prices, terms and conditions. Any growth through development will depend upon our identifying and obtaining product candidates, our ability to develop those product candidates and the availability of funding to complete the development of, obtain regulatory approval for and commercialize these product candidates. As a result of the EUSA Acquisition, we added several new projects and product candidates to our development pipeline, including the product candidate Asparec, which was licensed by EUSA Pharma from Alizé Pharma II, or Alizé, in 2009. Even if appropriate opportunities are available, we may not be able to successfully identify them, or we may not have the financial resources necessary to pursue them. Other companies, many of which may have substantially greater financial, marketing and sales resources, compete with us for these opportunities.

We cannot assure you that we will be able to successfully manage these risks or other anticipated and unanticipated problems in connection with integrating any products and product candidates we may acquire or develop in the future, and, if we are not successful in identifying and managing these risks and uncertainties effectively, it could have a material adverse effect on our business.

The commercial success of our products depends upon their market acceptance by physicians, patients, third party payors and the medical community.*

Physicians may not prescribe our products, in which case we would not generate the revenues we anticipate from product sales. Market acceptance of any of our products by physicians, patients, third party payors and the medical community depends on:

- the clinical indications for which a product is approved, including any restrictions placed upon the product in connection with its approval, such as a REMS, patient registry or labeling restrictions;
- the prevalence of the disease or condition for which the product is approved and the severity of side effects;
- acceptance by physicians and patients of each product as a safe and effective treatment;
- perceived advantages over alternative treatments;
- relative convenience and ease of administration;
- the cost of treatment in relation to alternative treatments, including generic products;
- the extent to which the product is approved for inclusion on formularies of hospitals and managed care organizations; and
- the availability of adequate reimbursement by third parties.

Because of our dependence upon market acceptance of our products, any adverse publicity associated with harm to patients or other adverse effects resulting from the use or misuse of our products or any similar products distributed by other companies could materially and adversely affect our business, financial condition, results of operations and growth prospects. For example, from time to time, there is negative publicity about illicit gamma-hydroxybutyrate, or GHB, and its effects, including with respect to illegal use,

overdoses, serious injury and death. Because sodium oxybate, the active pharmaceutical ingredient in Xyrem, is a derivative of GHB, Xyrem sometimes also receives negative mention in publicity relating to GHB. Patients, physicians and regulators may therefore view Xyrem as the same as or similar to illicit GHB. In addition, there are regulators and some law enforcement agencies that oppose the prescription and use of Xyrem generally because of its connection to GHB. Xyrem's label includes information about adverse events from GHB.

Negative publicity resulting from our receipt of a Form FDA 483 in May 2012 and warning letter from the FDA in October 2011, or other related regulatory actions, could adversely affect sales of Xyrem.

Sales of some of our products may be adversely affected by the consolidation among wholesale drug distributors.*

The network through which we sell some of our products has undergone significant consolidation through mergers and acquisitions among wholesale distributors. As a result, a small number of large wholesale distributors control a significant share of the market, and the number of independent drug stores and small drugstore chains has decreased. Three large wholesale distributors and one of their subsidiaries accounted for an aggregate of 27% of our total revenue during the quarter ended June 30, 2012. If any of our major distributors reduces its inventory levels or otherwise reduces purchases of our products, it could lead to periodic and unanticipated future reductions in revenues and cash flows. Consolidation of drug wholesalers and retailers, as well as any increased pricing pressure that those entities face from their customers, including the U.S. government, may increase pricing pressure and place other competitive pressures on drug companies, including us.

We face substantial competition from other companies, including companies with greater resources, including larger sales organizations and more experience working with large and diverse product portfolios, than we have.*

The commercial opportunities of our products or potential future products may be reduced or eliminated if our competitors develop or acquire and commercialize generic or branded products that are safer or more effective, have fewer side effects, are easier to administer or are less expensive than our products. Many of our competitors, particularly large pharmaceutical and life sciences companies, have substantially greater financial, operational and human resources than we do. They can spend more on, and have more expertise in, research and development, regulatory, manufacturing, distribution and sales activities. As a result, our competitors may obtain FDA or other regulatory approvals for their product candidates more rapidly than we may and may market their products more effectively than we do. Smaller or earlier stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies.

In addition, many of our competitors are able to deploy more personnel to market and sell their products than we do. We currently have a relatively small number of sales representatives compared with the number of sales representatives of most other pharmaceutical companies with marketed products. Each of our sales representatives is responsible for a territory of significant size. The continued growth of our current products and the launch of any future products may require expansion of our sales force and sales support organization internationally, and we may need to commit significant additional funds, management and other resources to the growth of our sales organization. We may not be able to achieve any necessary growth in a timely or cost-effective manner or realize a positive return on our investment, and we may not have the financial resources to achieve the necessary growth in a timely manner or at all. We also have to compete with other pharmaceutical and life sciences companies to recruit, hire, train and retain sales and marketing personnel, and turnover in our sales force and marketing personnel could negatively affect sales of our products. If our specialty sales forces and sales organization is not appropriately sized to adequately promote any current or potential future products, the commercial opportunity for our current or potential future products may be diminished.

As a result of the EUSA Acquisition, we recently added Erwinaze, as well as other smaller products in the oncology supportive care market. We compete with other pharmaceutical and life sciences companies with extensive sales, marketing and promotional experience in the oncology and oncology supportive care markets, and our failure to compete effectively in this area could negatively affect our sales of Erwinaze and other products.

Clinical trials for our product candidates will be costly and time consuming, and the outcomes are uncertain. A failure to prove that our product candidates are safe and effective in clinical trials would require us to discontinue their development, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.*

As a result of the EUSA Acquisition, we added several new projects and product candidates to our development pipeline, including clinical testing of the intravenous administration of Erwinaze for approval in the United States and of the product candidates Asparec and Leukotac. In addition, we are continuing to pursue development of Clozapine OS, an oral suspension formulation of clozapine. We intend to pursue clinical development of other product candidates in the future. Significant clinical, development and financial resources will be required to progress these product candidates to obtain necessary regulatory approvals and to develop them into commercially viable products. If a product candidate fails at any stage of development, it will not receive regulatory approval, we will not be able to commercialize it, or potentially even to continue to receive modest revenue being generated as a result of sales under a named patient program, such as in the case of Leukotac, and we will not receive any return on our investment from that product candidate.

As a condition to regulatory approval, each drug product candidate must undergo extensive and expensive clinical trials to demonstrate to a statistically significant degree that the product candidate is safe and effective. Clinical testing can take many years to complete and failure can occur any time during the clinical trial process. Any failure or delay in completing clinical trials for our product candidates would prevent or delay the commercialization of our product candidates, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

Clinical trials can be delayed or halted for a variety of reasons, including:

- delays or failures in obtaining regulatory authorization to commence a trial because of safety concerns of regulators relating to our product candidates or similar product candidates of our competitors or failure to follow regulatory guidelines;
- delays or failures in obtaining clinical materials and manufacturing sufficient quantities of the product candidate for use in trials;
- delays or failures in reaching agreement on acceptable terms with prospective study sites;
- delays or failures in obtaining approval of our clinical trial protocol from an institutional review board, or IRB, to conduct a clinical trial at a prospective study site;
- delays in recruiting patients to participate in a clinical trial;
- failure of our clinical trials and clinical investigators to be in compliance with the FDA's Good Clinical Practices;
- unforeseen safety issues, including negative results from ongoing preclinical studies and adverse events associated with product candidates;
- inability to monitor patients adequately during or after treatment;
- difficulty monitoring multiple study sites;
- failure of our third-party clinical trial managers to satisfy their contractual duties, comply with regulations or meet expected deadlines; or
- insufficient funds to complete the trials.

The results from early clinical trials may not be predictive of results obtained in later and larger clinical trials, and product candidates in later clinical trials may fail to show the desired safety and efficacy despite having progressed successfully through initial clinical testing. In that case, the FDA or the equivalent in jurisdictions outside the United States may determine our data is not sufficiently compelling to warrant marketing approval, may require we engage in additional clinical trials, or provide further analysis which may be costly and time-consuming. A number of companies in the pharmaceutical industry, including us, have suffered significant setbacks in clinical trials, even in advanced clinical trials after showing positive results in earlier clinical trials.

We are currently undertaking an early stage clinical trial of Asparec. Under our license agreement with Alizé under which we obtained rights to develop and commercialize Asparec, we are subject to contractual obligations to meet certain development milestones by specified dates. Our ability to meet each of these milestones is uncertain, and depends upon a number of factors, including our ability to obtain clinical material and to develop a clinical program meeting the development requirements of both the FDA and European regulatory authorities in a timely fashion. If our development activities are delayed for any reason and we fail to meet our licensing obligations to Alizé, we may lose our rights to develop and commercialize Asparec.

We are conducting and may in the future conduct additional clinical studies of our products in different diseases or conditions or with additional or different doses or dosage forms of our products, such as our efforts to obtain approval for the intravenous administration of Erwinaze, which is intended to provide more convenient dosing for patients. These development efforts may not be successful, and any adverse events or other information generated during the course of our studies related to existing products could result in action by the FDA or any foreign regulatory agency, which may restrict our ability to sell, or sales of, currently marketed products, or such events or other information could otherwise have a material adverse effect on a commercial product related to a product candidate we are developing. Any failure or delay in completing clinical trials for our product candidates would prevent or delay the commercialization of our product candidates, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

We rely on third parties to conduct clinical trials for our product candidates, and if they do not properly and successfully perform their legal and regulatory obligations, as well as their contractual obligations to us, we may not be able to obtain regulatory approvals for our product candidates.*

We rely on contract research organizations and other third parties to assist us in designing, managing, monitoring and otherwise carrying out clinical trials for our product candidates, including with respect to site selection, contract negotiation and data management. We do not control these third parties and, as a result, they may not treat our clinical studies as their highest priority, or in the manner in which we would prefer, which could result in delays. We are responsible for confirming that each of our clinical trials is conducted in accordance with its general investigational plan and protocol, as well as FDA's and foreign regulatory agencies'

requirements, commonly referred to as good clinical practices, for conducting, recording and reporting the results of clinical trials to ensure that the data and results are credible and accurate and that the trial participants are adequately protected. The FDA and foreign regulatory agencies enforce good clinical practices through periodic inspections of trial sponsors, principal investigators and trial sites. If we, contract research organizations or other third parties assisting us or our study sites fail to comply with applicable good clinical practices, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or its foreign counterparts may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that, upon inspection, the FDA or foreign regulatory agencies will determine that any of our clinical trials comply with good clinical practices. In addition, our clinical trials must be conducted with product produced under the FDA's cGMP regulations and similar regulations outside of the United States. Our failure, or the failure of our contract manufacturers, to comply with these regulations may require us to repeat or redesign clinical trials, which would delay the regulatory approval process.

If third parties do not successfully carry out their duties under their agreements with us, if the quality or accuracy of the data they obtain is compromised due to failure to adhere to our clinical protocols or regulatory requirements, or if they otherwise fail to comply with clinical trial protocols or meet expected deadlines, our clinical trials may not meet regulatory requirements. If our clinical trials do not meet regulatory requirements or if these third parties need to be replaced, our clinical trials may be extended, delayed, suspended or terminated. If any of these events occur, we may not be able to obtain regulatory approval of our product candidates.

If we fail to attract, retain and motivate key personnel, or to retain the members of our executive management team or our board of directors, our operations, the success of our integration activities following the Azur Merger and the EUSA Acquisition and our future growth may be adversely affected.*

Our success and our ability to grow depend in part on our continued ability to attract, retain and motivate highly qualified personnel and on our ability to develop and maintain important relationships with leading academic institutions, clinicians and scientists. We are highly dependent upon our executive management team and other critical personnel, all of whom work on many complex matters that are essential to our success. We do not carry "key person" insurance. The loss of services of one or more members of our executive management team or other key personnel could delay or prevent the successful completion of some of our vital activities. In particular, our success in integrating the historical businesses of Jazz Pharmaceuticals, Inc., Azur Pharma and EUSA Pharma will depend, in part, on retaining key employees, including those with important institutional knowledge, from those entities. Such employees might experience uncertainty about their future roles in the combined enterprise which may adversely affect our ability to retain them. Any employee may terminate his or her employment at any time without notice or with only a few months' notice and without cause or good reason.

In addition, to grow our company we will need additional personnel. Competition for qualified personnel in the pharmaceutical industry is very intense. If we lose key personnel or are unable to attract, retain and motivate quality individuals, our business, financial condition, results of operations and growth prospects could be adversely affected.

We also depend on the unique abilities, industry experience and institutional knowledge of the members of our board of directors to efficiently set company strategy and effectively guide our executive management team. Since the Azur Merger, we have experienced and continue to experience board turnover. We cannot be certain that these changes or future board turnover will not negatively affect our business in the future.

Risks Related to Our Intellectual Property

It is difficult and costly to protect our proprietary rights, and we may not be able to ensure their protection.*

Our commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection of our products and product candidates and their use and the methods used to manufacture and distribute them, as well as successfully defending these patents against third party challenges, and successfully protecting our trade secrets. Our ability to protect our products and product candidates from unauthorized making, using, selling, offering to sell or importation by third parties depends on the extent to which we have rights under valid and enforceable patents, or have trade secrets that cover these activities.

The patent position of pharmaceutical companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. Changes in either the patent laws or in interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property. Even if we are able to obtain patents covering our products and product candidates, any patent may be challenged, invalidated, held unenforceable or circumvented. Although Xyrem is covered by patents covering its formulation, distribution system and method of use, a third party is seeking to introduce a generic equivalent of Xyrem, and additional third parties may also attempt to invalidate or design around the patents, or assert that they are invalid or otherwise unenforceable, and seek to introduce generic versions of Xyrem. Once orphan drug exclusivity in the United States for Xyrem for the treatment of excessive daytime sleepiness in patients with narcolepsy expires in November 2012, other companies could possibly introduce generic versions of Xyrem if they do not infringe our patents or if they can demonstrate that our patents are invalid or unenforceable, and they receive FDA approval.

On October 18, 2010, we received notice that Roxane filed an ANDA with the FDA requesting approval to market a generic version of Xyrem. If the application is approved, and a generic version of Xyrem is introduced, our sales of Xyrem would be

adversely affected. Additional ANDAs could also be filed requesting approval to market generic forms of Xyrem; if those applications for generics were approved and the generics were launched, sales of Xyrem would decrease. We have sued Roxane to prevent Roxane from introducing a generic version of Xyrem in violation of our patents, but we cannot assure you that the lawsuit will prevent the introduction of a generic version of Xyrem for any particular length of time, or at all.

On May 18, 2012, we submitted a Citizen Petition to the FDA requesting that the FDA include in the Orange Book bioequivalence requirements specifying whether *in vitro* bioequivalence studies, or *in vivo* bioequivalence studies, or both, are required for ANDAs referencing Xyrem. In this Citizen Petition, we also asked the FDA not to accept for review, review or approve any ANDA referencing Xyrem until such requirements are published in the Orange Book, and to require *in vivo* bioequivalence studies for any sodium oxybate drug product seeking approval under an ANDA referencing Xyrem to the extent such drug product differs from Xyrem in manufacturing process, pH, excipients, impurities, degradants or contaminants. On July 10, 2012, we submitted a second Citizen Petition to the FDA, asking the FDA to rescind acceptance of any previously filed ANDA referencing Xyrem, and not to accept any future ANDA referencing Xyrem, unless such ANDA contains, at the time of acceptance for review, a proposed risk management system demonstrating that the proposed generic product would have the same labeling and condition of use of Xyrem. We cannot predict when or if the FDA will respond to, or otherwise take any action with respect to, either of our Citizen Petitions, or the effect of any such response or action on the timing of the potential introduction of a generic version of Xyrem or the ongoing litigation between us and Roxane.

Azur Pharma received Paragraph IV certifications from three generic manufacturers, two in 2008 and one in 2010, relating to generic versions of FazaClo LD. Azur Pharma and CIMA Labs Inc., a subsidiary of Teva, or CIMA, our licensor and whose drug-delivery technology is incorporated into FazaClo LD, filed lawsuits in response to each certification. In July 2011, Azur Pharma, CIMA, Barr Laboratories (one of the three generic manufacturers) and Teva, which had acquired Barr Laboratories, entered into an agreement settling the patent litigation and granting a license of our rights to have manufactured, market and sell a generic version of FazaClo LD and FazaClo HD. The sublicenses for FazaClo LD commenced in July 2012; the sublicense for FazaClo HD will commence in May 2015 or earlier upon the occurrence of certain events. In August 2011, Azur Pharma received a Paragraph IV certification notice from Teva advising that Teva had filed an ANDA with the FDA seeking approval to market a generic version of FazaClo HD. As noted above, FazaClo HD was covered under the July 2011 settlement agreement with Teva. In the July 2011 settlement agreement, Azur Pharma granted a sublicense to an affiliate of Teva of Azur Pharma's rights to have manufactured, market and sell a generic version of both FazaClo LD and FazaClo HD, as well as an option for supply of authorized generic product. Teva has exercised its option for supply of an authorized generic product for FazaClo LD, and we are addressing the FDA requirements to permit a launch of the authorized generic product. Introduction of an authorized generic product for FazaClo LD in the market, which we expect could occur this year, would have a negative impact on our sales of FazaClo LD.

The two formulation patents covering FazaClo LD and FazaClo HD that we license from CIMA are under re-examination by the U.S Patent and Trademark Office and both of the re-examination proceedings have proceeded to appeal at the U.S. Patent and Trademark Office. It is currently not possible to predict whether these re-examination proceedings will result in one or both of the patents being fully or partly invalidated. Any decision on the part of the U.S. Patent and Trademark Office that results in one or both of the patents being fully or partly invalidated could accelerate the entry of generic competitors for FazaClo LD and FazaClo HD.

The existence of a patent will not necessarily prevent other companies from developing similar or therapeutically equivalent products or protect us from claims of third parties that our products infringe their issued patents, which may require licensing and the payment of significant fees or royalties. Competitors may successfully challenge our patents, produce similar products that do not infringe our patents, or manufacture products in countries where we have not applied for patent protection or that do not respect our patents. Accordingly, we cannot predict the breadth of claims that may be allowed or enforced in our patents, our licensed patents or in third party patents.

On September 16, 2011, the Leahy-Smith America Invents Act, or the Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to United States patent law. These changes include provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. The United States Patent Office is currently developing regulations and procedures to govern administration of the Leahy-Smith Act, and many of the substantive changes to patent law associated with the Leahy-Smith Act will not become effective until one year or 18 months after its enactment. Accordingly, it is too early to tell what, if any, impact the Leahy-Smith Act will have on the operation of our business. However, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

The degree of future protection to be afforded by our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- others may be able to make products that are similar to our product candidates but that are not covered by the claims of our patents, or for which we are not licensed under our license agreements;
- we or our licensors or partners might not have been the first to make the inventions covered by our issued patents or pending patent applications or the pending patent applications or issued patents of our licensors or partners;

- we or our licensors or partners might not have been the first to file patent applications for these inventions;
- others may independently develop similar or alternative products without infringing our intellectual property rights;
- our pending patent applications may not result in issued patents;
- our issued patents and the issued patents of our licensors or partners may not provide us with any competitive advantages, or may be held invalid or unenforceable as a result of legal challenges by third parties;
- our issued patents and the issued patents of our licensors or partners may be vulnerable to legal challenges as a result of changes in applicable law;
- we may not develop additional proprietary products that are patentable; or
- the patents of others may have an adverse effect on our business.

We also may rely on trade secrets and other unpatented proprietary information to protect our technology, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. Although we use reasonable efforts to protect our trade secrets and other unpatented proprietary information, our employees, consultants, advisors and partners may unintentionally or willfully disclose our proprietary information to competitors, and we may not have adequate remedies for such disclosures. If our employees, consultants, advisors and partners develop inventions or processes independently, or jointly with us, that may be applicable to our products under development, disputes may arise about ownership or proprietary rights to those inventions and processes. Enforcing a claim that a third party illegally obtained and is using any of our inventions or trade secrets is expensive and time consuming, and the outcome is unpredictable. In addition, courts outside of the United States are sometimes less willing to protect trade secrets. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how.

Certain of the products we sell have no patent protection and, as a result, potential competitors face fewer barriers in introducing competing products. For example, Erwinaze has no patent protection, and we therefore must rely on trade secrets and other unpatented proprietary information in order to obtain a competitive advantage. Erwinaze, as a biologic product approved under a BLA, is subject to the U.S. Biologics Price Competition and Innovation Act, or BPCIA. The BPCIA establishes a period of 12 years of data exclusivity for reference products in order to preserve incentives for future innovation, protecting data included by the applicant in a BLA by prohibiting others from gaining FDA approval based in part on reliance on, or reference to, the data in the BLA during a 12-year period. While Erwinaze has orphan drug marketing exclusivity for a seven-year period from its FDA approval in the United States through 2018, and data exclusivity in the United States through 2023 under the BPCIA, it is possible that a potential competitor might obtain earlier approval from the FDA based upon an approval application that does not rely on or refer to data in our BLA for Erwinaze. If a biosimilar product to Erwinaze is approved in the future in the United States or in other countries where it is sold, a significant percentage of the prescriptions written for Erwinaze may be filled with the biosimilar version, resulting in a loss in sales of Erwinaze, and there may be decrease in the price at which Erwinaze can be sold. Competition from a biosimilar product to Erwinaze could have a material adverse effect on our business, financial condition, results of operations and growth prospects. In addition, our product candidate Asparec is not covered by any issued patents, although there is one patent application pending before the United States Patent Office. We therefore must rely on trade secrets and other unpatented proprietary information in order to obtain a competitive advantage. Asparec was granted orphan drug designation by the FDA subject to certain conditions. If we fail to meet those conditions, Asparec may not obtain orphan drug marketing exclusivity and/or data exclusivity, and if we also fail to successfully execute on other strategies to protect our intellectual property with respect to Asparec, including protection by one or more issued patents, Asparec would be subject to competition from a biosimilar product which could have a material adverse effect on our ability to recognize any return on our investment in the development of this product as well as on our future growth prospects.

Our research and development collaborators may have rights to publish data and other information to which we have rights. In addition, we sometimes engage individuals or entities to conduct research that may be relevant to our business. While the ability of these individuals or entities to publish or otherwise publicly disclose data and other information generated during the course of their research is subject to contractual limitations, these contractual provisions may be insufficient or inadequate to protect our trade secrets and may impair our patent rights. If we do not apply for patent protection prior to such publication, or if we cannot otherwise maintain the confidentiality of our innovations and other confidential information, then our ability to obtain patent protection or protect our proprietary information may be jeopardized. Moreover, a dispute may arise with our research and development collaborators over the ownership of rights to jointly developed intellectual property. Such disputes, if not successfully resolved, could lead to a loss of rights and possibly prevent us from pursuing certain new products or product candidates.

We may incur substantial costs as a result of litigation or other proceedings relating to patents and other intellectual property rights, and we may be unable to protect our rights to, or commercialize, our products.*

Our ability, and that of our partners, to commercialize any approved products will depend, in part, on our ability to obtain patents, enforce those patents and operate without infringing the proprietary rights of third parties. The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal and factual questions. We have filed multiple U.S. patent applications and foreign counterparts, and may file additional U.S. and foreign patent applications related thereto. There can be no assurance that any issued patents we own or control will provide sufficient protection to conduct our business as presently conducted or as proposed to be conducted. Moreover, in part because of prior research performed and patent applications submitted in the same manner or similar fields, there can be no assurance that any patents will issue from the patent applications owned by us, or that we will remain free from infringement claims by third parties.

If we choose to go to court to stop someone else from pursuing the inventions claimed in our patents, our licensed patents or our partners' patents, that individual or company has the right to ask the court to rule that these patents are invalid and/or should not be enforced against that third party. These lawsuits are expensive and consume time and other resources, even if we were successful in stopping the infringement of these patents. In addition, there is a risk that the court will decide that these patents are not valid and that we do not have the right to stop the other party from using the inventions. There is also the risk that, even if the validity of these patents is upheld, the court will refuse to stop the other party on the ground that the other party's activities do not infringe our rights to these patents or that it is in the public interest to permit the infringing activity. We are prosecuting lawsuits against the generic manufacturers who delivered Paragraph IV certifications to Jazz Pharmaceuticals, Inc. or Azur Pharma with respect to Xyrem and FazaClo LD. See Part II Item 1, "Legal Proceedings." We cannot assure you that these, or other lawsuits we may file in the future, will be successful in stopping the infringement of our patents, that any such litigation will be cost-effective, or that the litigation will have a satisfactory result for us.

A third party may claim that we or our manufacturing or commercialization partners are using inventions covered by the third party's patent rights, or that we or such partners are infringing, misappropriating or otherwise violating other intellectual property rights, and may go to court to stop us from engaging in our normal operations and activities, including making or selling our products. Such lawsuits are costly and could affect our results of operations and divert the attention of management and development personnel. There is a risk that a court could decide that we or our partners are infringing, misappropriating or otherwise violating third party patent or other intellectual property rights, which could be very costly to us and have a material adverse effect on our business.

The pharmaceutical and life sciences industry has produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we are sued for patent infringement, we would need to demonstrate that our products or methods do not infringe the patent claims of the relevant patent and/or that the patent claims are invalid or unenforceable, and we may not be able to do this.

Because some patent applications in the United States may be maintained in secrecy until the patents are issued, because patent applications in the United States and many foreign jurisdictions are typically not published until 18 months after filing, and because publications in the scientific literature often lag behind actual discoveries, we cannot be certain that others have not filed patent applications for inventions covered by our licensors' or our issued patents or pending applications, or that we or our licensors were the first inventors. Our competitors may have filed, and may in the future file, patent applications covering subject matter similar to ours. Any such patent application may have priority over our or our licensors' patents or applications and could further require us to obtain rights to issued patents covering such subject matter. If another party has filed a U.S. patent application on inventions similar to ours, we may have to participate in an interference proceeding declared by the U.S. Patent and Trademark Office to determine priority of invention in the United States. The costs of these proceedings could be substantial, and it is possible that such efforts would be unsuccessful, resulting in a loss of our U.S. patent position with respect to such inventions.

Some of our competitors may be able to sustain the costs of complex patent and other intellectual property litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations.

We own patents and trade secrets that cover the Xyrem Success Program. In 2008, following the implementation of the FDAAA, we filed a supplement conforming the elements of the Xyrem Success Program to the new REMS formatting requirements and seeking approval of the document. We have had communications with the FDA with respect to our submitted REMS document, but we cannot assure you that the FDA will agree with the updated REMS document we submitted, and we cannot predict the timing of their response. The FDA may impose new and onerous requirements under the new REMS structure that could make it more difficult or expensive for us to distribute Xyrem, make competition easier and/or negatively affect the commercial success of Xyrem. In addition, the regulatory scheme that governs REMS programs is complex, and includes provisions that favor operation of a single shared REMS for the holder of the NDA and a generic product, and that encourages generic companies to seek a license if the NDA holder's REMS program is protected by intellectual property. The FDAAA further specifies that a REMS should not prevent generic drugs from entering the market and includes provisions that provide considerable relief for generic drug makers. Accordingly, we may face pressure to license or share the Xyrem Success Program with generic competitors in the future. We cannot predict the impact that any changes to the Xyrem Success Program would have on our business.

Risks Related to Our Industry

The regulatory approval process is expensive, time consuming and uncertain and may prevent us or our partners from obtaining approvals for the commercialization of some or all of our product candidates.*

The research, testing, manufacturing, labeling, advertising and promotion, distributing and exporting of pharmaceutical products are subject to extensive regulation by FDA and other regulatory authorities in the United States and other countries, and regulations differ from country to country. Approval in the United States, or in any jurisdiction, does not ensure approval in other jurisdictions. The regulatory approval process is lengthy, expensive and uncertain, and we may be unable to obtain approval for our product

candidates. We are not permitted to market our product candidates in the United States or countries in the EU until we receive approval from the FDA or the applicable European authorities, respectively, of an application for approval in the form and containing the data and information required in the relevant jurisdiction. The application must contain all of the information on the drug or biological candidate gathered to that date, including data from the pre-clinical and clinical trials, information pertaining to the preparation of the drug or biologic, analytical methods, product formulation, details on the manufacture of finished products, proposed product packaging, labeling and stability. Submission of an application does not assure approval for marketing in any jurisdiction. Obtaining the FDA's or, to the extent applicable, the applicable European authorities' approval of an NDA or a BLA can be a lengthy, expensive and uncertain process, and we may encounter significant difficulties or costs in our efforts to obtain approvals or approvals to market products in other jurisdictions as well. The FDA and the comparable authorities in jurisdictions outside of the United States have substantial discretion in the approval process and may disagree with an applicant's interpretation of the data submitted in the application. If we are unable to obtain regulatory approval of our product candidates, we will not be able to commercialize them and recoup our research and development costs.

If the FDA determines that a REMS is necessary to ensure that the benefits of the drug outweigh the risks, we may be required to include a proposed REMS as part of a BLA or NDA or otherwise, including a package insert directed to patients, a plan for communication with healthcare providers, restrictions on a drug's distribution, or a medication guide to provide information to consumers about the drug's risks and benefits. For example, the FDA requires a REMS for Xyrem, discussed in detail under the risk factor "*The manufacture, distribution and sale of Xyrem are subject to significant regulatory oversight and restrictions and the requirements of a risk management program, and these restrictions and requirements subject us to increased risks and uncertainties, any of which could negatively impact sales of Xyrem*" above, and other products that we sell are or may become subject to a REMS specific to our product or shared with other products in the same class of drug. We cannot predict the impact that any new REMS requirements applicable to our products would have on our business.

Healthcare law and policy changes, including those based on recently enacted legislation, may impact our business in ways that we cannot currently predict and these changes could have a material adverse effect on our business and financial condition.*

In March 2010, the President signed the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act of 2010, which is referred to in this report as the Healthcare Reform Act or the PPACA. This law substantially changes the way healthcare is financed by both governmental and private insurers, and significantly impacts the pharmaceutical industry. The Healthcare Reform Act contains a number of provisions that are expected to impact our business and operations, in some cases in ways we cannot currently predict. Changes that may affect our business include those governing enrollment in federal healthcare programs, reimbursement changes, fraud and abuse and enforcement. These changes will impact existing government healthcare programs and will result in the development of new programs, including Medicare payment for performance initiatives and improvements to the physician quality reporting system and feedback program.

Additional provisions of the Healthcare Reform Act, some of which became effective in 2011, may negatively affect our revenues in the future. For example, as part of the Healthcare Reform Act's provisions closing a funding gap that currently exists in the Medicare Part D prescription drug program (commonly known as the "donut hole"), we are required to provide a 50% discount on branded prescription drugs dispensed to beneficiaries within this donut hole. The Healthcare Reform Act also makes changes to the Medicaid Drug Rebate Program, discussed further herein, including increasing the minimum rebate from 15.1% to 23.1% of the average manufacturer price for innovator products and from 11% to 13% for non-innovator products.

Many of the Healthcare Reform Act's most significant reforms do not take effect until 2014 and thereafter, and their details will be shaped significantly by implementing regulations that have yet to be proposed. Earlier this year, the Supreme Court of the United States heard challenges to the constitutionality of the individual mandate and the viability of certain provisions of the Healthcare Reform Act. The Supreme Court's decision upheld most of the Healthcare Reform Act and determined that requiring individuals to maintain "minimum essential" health insurance coverage or pay a penalty to the Internal Revenue Service was within Congress's constitutional taxing authority. However, the Supreme Court struck down a provision in the Healthcare Reform Act that penalized states that choose not to expand their Medicaid programs through an increase in the Medicaid eligibility income limit from a state's current eligibility levels to 133% of the federal poverty limit. As a result of the Supreme Court's ruling, it is unclear whether states will expand their Medicaid programs by raising the income limit to 133% of the federal poverty level and whether there will be more uninsured patients in 2014 than anticipated when Congress passed the Healthcare Reform Act. For each state that does not choose to expand its Medicaid program, there will be fewer insured patients overall, which could impact our sales, business and financial condition.

While the constitutionality of key provisions of the Healthcare Reform Act were recently upheld by the Supreme Court, legislative changes to it remain possible. We expect that the Healthcare Reform Act, as currently enacted or as it may be amended in the future, and other healthcare reform measures that may be adopted in the future could have a material adverse effect on our industry generally and on our ability to maintain or increase our product sales or successfully commercialize our product candidates or could limit or eliminate our future spending on development projects.

In addition to the Healthcare Reform Act, there will continue to be proposals by legislators at both the federal and state levels, regulators and third-party payors to keep healthcare costs down while expanding individual healthcare benefits. Likewise, in the countries in the EU, legislators, policymakers and healthcare insurance funds continue to propose and implement cost-containing measures to keep healthcare costs down, due in part to the attention being paid to health care cost containment and other austerity

measures in the EU. Certain of these changes could impose limitations on the prices we will be able to charge for our products and any approved product candidates or the amounts of reimbursement available for these products from governmental agencies or third-party payors, may increase the tax obligations on pharmaceutical companies such as ours, or may facilitate the introduction of generic competition with respect to our products.

To help patients afford our products, we have various programs to assist them, including patient assistance programs, a Xyrem voucher program and coupon programs for certain products. Within the past few months, the coupon programs of other pharmaceutical manufacturers have become the subject of ongoing lawsuits, and our coupon programs could become the target of similar lawsuits. In addition, coupon programs, including our program for Xyrem, have received some negative publicity. It is possible that the outcome of the pending litigation against other manufacturers and/or the introduction and enactment of new legislation could restrict or otherwise negatively affect these programs, which could result in fewer patients using affected products and therefore could have a material adverse effect on our sales, business and financial condition.

We are subject to significant ongoing regulatory obligations and oversight, which may result in significant additional expense and limit our ability to commercialize our products.*

Oversight by FDA and Equivalent Foreign Regulatory Authorities

We are subject to significant ongoing regulatory obligations with respect to our marketed products, such as safety reporting requirements and additional post-marketing obligations, including regulatory oversight of the promotion and marketing of our products. In addition, the labeling, packaging, adverse event reporting, storage, advertising, promotion, sale, distribution, and recordkeeping for our products are, and any of our product candidates that may be approved by the FDA or EU and other foreign regulatory authorities will be, subject to extensive and ongoing regulatory requirements. Failure by us or any of our partners, including suppliers, manufacturers and distributors and our central pharmacy for Xyrem, to comply with applicable requirements could result in, among other things, one or more of the following actions: withdrawal of product approval, notices of violation, untitled letters, warning letters, fines and other monetary penalties, unanticipated expenditures, delays in approval or refusal to approve a product candidate; product recall or seizure; interruption of manufacturing or clinical trials; operating restrictions; injunctions; and criminal prosecution.

If we receive regulatory approvals to sell our products, the FDA and other foreign regulatory authorities in the EU or other countries where our products are approved may impose significant restrictions on the indicated uses or marketing of our products, or impose requirements for burdensome post-approval study commitments. The terms of any product approval, including labeling, may be more restrictive than we desire and could affect the commercial potential of the product. If we become aware of problems with any of our products in the United States or overseas or at our contract manufacturers' facilities, a regulatory agency may impose restrictions on our products, our contract manufacturers or on us. In such an instance, we could experience a significant drop in the sales of the affected products, our product revenues and reputation in the marketplace may suffer, and we could become the target of lawsuits. Under regulations in the EU related to pharmacovigilance, or the assessment and monitoring of the safety of drugs, we may be required to conduct a labor intensive collection of data regarding the risks and benefits of marketed products and may be required to engage in ongoing assessments of those risks and benefits, including the possible requirement to conduct additional clinical studies, which may be time consuming and expensive and could impact our profitability.

The FDA approved the BLA for Erwinaze in the United States in November 2011, subject to certain post marketing requirements, including developing and validating assays and conducting certain non-clinical studies. In addition, the BLA approval for Erwinaze is subject to compliance with numerous post marketing commitments, including certain commitments which must be met by the HPA with respect to product manufacturing, which are outside of our control. While activities are underway to complete the post marketing requirements and to comply with the post marketing commitments, if we or the HPA fail to do so within the timeframe established by the FDA, or if the results of the non-clinical studies raise concerns or other issues for the FDA, our approval to market Erwinaze in the United States may be withdrawn or otherwise jeopardized.

For a patient to be prescribed Prialt, the patient must have a surgically implanted infusion pump and the FDA has approved Prialt for use with Medtronic's SynchroMed® II programmable implantable pump. Any regulatory action involving the pumps or Prialt's delivery via the pumps could materially adversely impact sales of Prialt.

In June 2009, the FDA posted an announcement regarding a potential safety signal associated with FazaClo. The posting stated that FazaClo had been found to exhibit a higher proportion of adverse events with a fatal outcome versus total adverse events compared to other clozapine products. The posting also stated that the reported events in the cases with fatal outcome are similar for FazaClo and other clozapine products. Although Azur Pharma investigated and we believe that the difference in the cited ratio between FazaClo and other marketed clozapine products does not reflect an underlying adverse safety signal, we cannot assure you that additional information we may learn will not modify our current assessment, that the FDA will agree with this assessment or that the FDA will not take further actions related to the potential safety signal, any of which could have a material adverse effect on our results of operations.

Some of our products, such as Urelle and prenatal vitamin products Natelle and Gesticare, have not been approved by the FDA, and the FDA may view them as unapproved new drugs. These products have historically been the subject of FDA enforcement discretion under which the FDA has generally prioritized action against marketed unapproved drugs that the FDA considers to present

a potential safety risk, lack evidence of effectiveness, or be deceptively promoted, among other enforcement priority reasons. However, in a September 19, 2011 Compliance Policy Guide, the FDA announced a change to its enforcement policy for marketed unapproved drugs. In this guidance, the FDA informed marketers of unapproved drugs that all unapproved drugs introduced into the market after September 19, 2011 are subject to immediate enforcement action at any time, without prior notice. In addition, any formulation or labeling changes to a pre-September 19, 2011 product could potentially subject the manufacturer to immediate FDA enforcement action to remove such product from the market. We cannot assure you that the FDA will continue to permit marketing of any of our women's health and other products that have not been approved by the FDA in their existing formulations, or at all, without submission and approval of an NDA. Moreover, under the recent FDA guidance, any formulation or labeling changes to these products may also subject them to FDA enforcement action to remove them from the market.

We have not obtained marketing authorizations and/or may not have always sufficiently updated the marketing authorization approval dossiers for Erwinase and several other medicinal products or drugs in all of the countries in the EU in which we sell those products. For example, in some EU countries where we do not have a marketing authorization, Erwinase is being provided to patients on the basis of named patient programs or temporary use authorizations. In addition, we may not be able to maintain our marketing authorizations in all countries in which we currently have marketing authorizations. If any country's regulatory authorities determine that we are promoting Erwinase without a marketing authorization in place, we could be found to be in violation of pharmaceutical advertising law or the regulations permitting sales under named patient programs or temporary use authorizations, in which case we may be subject to financial or other penalties.

The FDA requires advertising and promotional labeling to be truthful and not misleading, and that products be marketed only for the approved indications and in accordance with the provisions of the approved label. The FDA routinely provides its interpretations of that authority in informal communications and also in more formal communications such as untitled letters or warning letters, and although such communications are not final agency decisions, companies may decide not to contest the agency's interpretations so as to avoid disputes with the FDA, even if they believe the claims to be truthful, not misleading and otherwise lawful. If the FDA or other regulatory authorities were to challenge our promotional materials or activities, they may bring enforcement action, which may have a negative impact on our sales and/or may subject us to financial or other penalties.

The FDA and other governmental authorities also actively enforce regulations prohibiting off-label promotion, and the government has levied large civil and criminal fines against companies for alleged improper promotion. The government has also required companies to enter into complex corporate integrity agreements and/or non-prosecution agreements that impose significant reporting and other burdens on the affected companies. For example, a predecessor company to Jazz Pharmaceuticals, Inc. was investigated for off-label promotion of Xyrem, and, while Jazz Pharmaceuticals, Inc. was not prosecuted, as part of the settlement Jazz Pharmaceuticals, Inc. entered into a corporate integrity agreement with the Office of Inspector General, U.S. Department of Health and Human Services with a term extending through mid-2012. The investigation resulted in significant fines and penalties, which Jazz Pharmaceuticals, Inc. has paid. The corporate integrity agreement requires us to maintain a comprehensive compliance program. In the event of an uncured material breach or deliberate violation, as the case may be, of the corporate integrity agreement or the other definitive settlement agreements Jazz Pharmaceuticals, Inc. entered into, we could be excluded from participation in federal healthcare programs and/or subject to prosecution. Failure to maintain a comprehensive compliance program, and to integrate the operations of the Azur Pharma and EUSA Pharma compliance programs into a combined comprehensive and effective compliance program on a timely basis, could subject us to a range of regulatory actions that could affect our ability to commercialize our products and could harm or prevent sales of the affected products, or could substantially increase the costs and expenses of commercializing and marketing our products.

Other Regulatory Authorities

We are also subject to regulation by other regional, national, state and local agencies, including the DEA, the Department of Justice, the Federal Trade Commission, or FTC, the U.S. Department of Commerce, the Office of Inspector General of the U.S. Department of Health and Human Services and other regulatory bodies, as well as governmental authorities in those foreign countries in which we commercialize our products. In addition to the Federal Food, Drug, and Cosmetic Act and the Public Health Service Act, and other federal, state and foreign statutes and regulations govern to varying degrees the research, development, manufacturing and commercial activities relating to prescription pharmaceutical products, including preclinical testing, approval, production, labeling, sale, distribution, import, export, post-market surveillance, advertising, dissemination of information, promotion, marketing, and pricing to government purchasers and government healthcare programs. Our partners, including our suppliers, manufacturers and distributors and the central pharmacy for Xyrem, are subject to many of the same requirements.

These requirements include obtaining sufficient quota from the DEA each year to manufacture sodium oxybate and Xyrem. In addition, pursuant to the Export Administration Regulations, we are required to obtain a license from the U.S. Department of Commerce prior to the exportation of certain materials and technical information related to Prialt, a synthesized conotoxin, which is a designated controlled biological toxin.

The U.S. federal healthcare program anti-kickback statute prohibits, among other things, knowingly and willfully offering, paying, soliciting, or receiving remuneration to induce or in return for purchasing, leasing, ordering or arranging for the purchase, lease or order of any healthcare item or service reimbursable under Medicare, Medicaid or other federally financed healthcare programs. This statute has been interpreted to apply to arrangements between pharmaceutical companies on one hand and prescribers, purchasers and formulary managers on the other. Although there are a number of statutory exemptions and regulatory safe harbors

protecting certain common manufacturer business arrangements and activities from prosecution, the exemptions and safe harbors are drawn narrowly, and practices that involve remuneration intended to induce prescribing, purchases or recommendations of our products may be subject to scrutiny if they do not qualify for an exemption or safe harbor. We seek to comply with the exemptions and safe harbors whenever possible, but our practices may not in all cases meet all of the criteria for safe harbor protection from anti-kickback liability.

The Federal False Claims Act prohibits any person from knowingly presenting, or causing to be presented, a false claim for payment to the federal government, or knowingly making, or causing to be made, a false statement to get a false claim paid. Many pharmaceutical and other healthcare companies have been investigated and have reached substantial financial settlements with the federal government under these laws for a variety of alleged marketing activities, including providing free product to customers with the expectation that the customers would bill federal programs for the product; providing consulting fees, grants, free travel, and other benefits to physicians to induce them to prescribe the company's products; and inflating prices reported to private price publication services, which are used to set drug payment rates under government healthcare programs. Companies have been prosecuted for causing false claims to be submitted because of the marketing of their products for unapproved, and thus non-reimbursable, uses. Pharmaceutical and other healthcare companies have also been prosecuted on other legal theories of Medicare and Medicaid fraud.

The majority of states also have statutes or regulations similar to the federal anti-kickback law and false claims laws, which apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor. Several states now require pharmaceutical companies to report expenses relating to the marketing and promotion of pharmaceutical products and to report gifts and payments to individual physicians in the states. Other states prohibit providing meals to prescribers or other marketing related activities. Still other states require the posting of information relating to clinical studies and their outcomes. In addition, California, Nevada, and Massachusetts require pharmaceutical companies to implement compliance programs or marketing codes. Currently, several additional states are considering similar proposals. Foreign governments often have similar regulations which we will also be subject to in those countries where we market and sell products.

Our business activities outside of the United States are subject to the U.S. Foreign Corrupt Practices Act, or the FCPA, and similar anti-bribery or anti-corruption laws, regulations or rules of other countries in which we operate, including the U.K. Bribery Act of 2010, which in some respects is more restrictive than the FCPA. The FCPA generally prohibits companies, either directly or through intermediaries, from giving payments or other inducements to public officials (broadly interpreted by U.S. enforcement authorities) for the purpose of obtaining or retaining business or securing any other improper advantage. As described above, our business is heavily regulated and therefore involves significant interaction with public officials, including officials of foreign governments. Additionally, in many other countries, the health care providers who prescribe pharmaceuticals are employed by the government, and the purchasers of pharmaceuticals are government entities; therefore, our dealings with these prescribers and purchasers are subject to regulation under the FCPA. Recently the SEC and Department of Justice have increased their FCPA enforcement activities with respect to pharmaceutical companies.

The number and complexity of both federal and state laws continues to increase, and additional governmental resources are being added to enforce these laws and to prosecute companies and individuals who are believed to be violating them. In particular, the Healthcare Reform Act includes a number of provisions aimed at strengthening the government's ability to pursue anti-kickback and false claims cases against pharmaceutical manufacturers and other healthcare entities, including substantially increased funding for healthcare fraud enforcement activities, enhanced investigative powers, amendments to the False Claims Act that make it easier for the government and whistleblowers to pursue cases for alleged kickback and false claim violations and the Physician Payment Sunshine provisions. The Physician Payment Sunshine provisions will require extensive tracking of physician payments and maintenance of a payments database, scheduled to begin after January 1, 2013, and public reporting of the physician payment data, scheduled to start in March 2013, either or both of which may be postponed to a later date. While it is too early to predict what effect these changes will have on our business, we anticipate that government scrutiny of pharmaceutical sales and marketing practices will continue for the foreseeable future and subject us to the risk of government investigations and enforcement actions. Responding to a government investigation or enforcement action would be expensive and time-consuming, and could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

Compliance with various federal and state laws is difficult and time consuming, and companies that violate them may face substantial penalties. The potential sanctions include civil monetary penalties, exclusion of a company's products from reimbursement under government programs, criminal fines and imprisonment. Because of the breadth of these laws and, in some cases, the lack of extensive legal guidance in the form of regulations or court decisions, it is possible that some of our business activities could be subject to challenge under one or more of these laws. For example, the FTC has been paying increasing attention to the use of REMS by companies selling branded products, in particular whether REMs may be being deliberately used to reduce the risk of competition from generic drugs in a way that may be deemed to be anticompetitive. It is possible that the FTC or others could claim that our REMs or other practices are being used in an anticompetitive manner. Such a challenge or any challenge that we our are partners have failed to comply with laws and regulations could have a material adverse effect on our business, financial condition, results of operations and growth prospects. If we or the other parties with whom we work fail to comply with applicable regulatory requirements, we or they could be subject to a range of regulatory actions that could affect our ability to commercialize our products and could harm or prevent sales of the affected products, or could substantially increase the costs and expenses of commercializing and marketing our products. Any threatened or actual government enforcement action could also generate adverse publicity and require that we devote substantial resources that could otherwise be used in other aspects of our business.

If we fail to comply with our reporting and payment obligations under the Medicaid Drug Rebate program or other governmental pricing programs, we could be subject to additional reimbursement requirements, penalties, sanctions and fines which could have a material adverse effect on our business, financial condition, results of operations and growth prospects.*

We participate in the Medicaid Drug Rebate program, established by the Omnibus Budget Reconciliation Act of 1990 and amended by the Veterans Health Care Act of 1992 as well as subsequent legislation. We also participate in and have certain price reporting obligations to several state Medicaid supplemental rebate programs, and we have obligations to report average sales price for the Medicare program. Under the Medicaid Drug Rebate program, we are required to pay a rebate to each state Medicaid program for our covered outpatient drugs that are dispensed to Medicaid beneficiaries and paid for by a state Medicaid program as a condition of having federal funds being made available to the states for our drugs under Medicaid and Medicare Part B. Those rebates are based on pricing data reported by us on a monthly and quarterly basis to the Centers for Medicare and Medicare Services, or CMS, the federal agency that administers the Medicaid Drug Rebate program. These data include the average manufacturer price and, in the case of innovator products, the best price for each drug. Such data previously have not been submitted for our two radiopharmaceutical products, ProstaScint (capromab pendetide) and Quadramet (samarium 5m 153 Lexidronam Injection). We expect to begin reporting Medicaid pricing data and paying Medicaid rebates on these products effective later this year. Any additional rebate liability resulting from this reporting will negatively impact our revenues.

The PPACA made significant changes to the Medicaid Drug Rebate program. Effective March 23, 2010, rebates are also due on the utilization of Medicaid managed care organizations. With regard to the amount of the rebates owed, the PPACA increased the minimum Medicaid rebate for all drugs; changed the calculation of the rebate for certain innovator products that qualify as line extensions of existing drugs; and capped the total rebate amount for innovator drugs at 100% of the average manufacturer price. In addition, the PPACA and subsequent legislation changed the definition of average manufacturer price. Finally, the PPACA requires pharmaceutical manufacturers of branded prescription drugs to pay a new branded prescription drug fee to the federal government beginning in 2011. Each individual pharmaceutical manufacturer will pay a prorated share of the branded prescription drug fee of $2.8 billion in 2012 (and set to increase in ensuing years) based on the dollar value of its branded prescription drug sales to certain federal programs identified in the law.

The CMS has issued proposed regulations to implement the changes to the Medicaid Drug Rebate program under PPACA and subsequent legislation but has not yet issued final regulations. Moreover, in the future, Congress could enact legislation that further increases Medicaid drug rebates or other costs and charges associated with participating in the Medicaid Drug Rebate program. The issuance of regulations and coverage expansion by various governmental agencies relating to the Medicaid Drug Rebate program has and will continue to increase our costs and the complexity of compliance, has been and will be time-consuming, and could have a material adverse effect on our results of operations.

Federal law requires that any company that participates in the Medicaid rebate program also participate in the Public Health Service's 340B drug pricing discount program in order for federal funds to be available for the manufacturer's drugs under Medicaid and Medicare Part B. The 340B pricing program requires participating manufacturers to agree to charge statutorily-defined covered entities no more than the 340B "ceiling price" for the manufacturer's covered outpatient drugs. The 340B ceiling price is calculated using a statutory formula which is based on the average manufacturer price and rebate amount for the covered outpatient drug as calculated under the Medicaid rebate program. Changes to the definition of average manufacturer price and the Medicaid rebate amount under PPACA and CMS's issuance of final regulations implementing those changes, also could affect our 340B ceiling price calculations and negatively impact our results of operations.

These 340B covered entities include a variety of community health clinics and other entities that receive health services grants from the Public Health Service, as well as hospitals that serve a disproportionate share of low-income patients. The PPACA expanded the 340B program to include additional entity types: certain free-standing cancer hospitals, critical access hospitals, rural referral centers and sole community hospitals, each as defined by the PPACA. The PPACA exempts "orphan drugs" – those designated under section 526 of the Federal Food Drug and Cosmetic Act – from the ceiling price requirements for these newly-eligible entities.

Pricing and rebate calculations vary among products and programs. The calculations are complex and are often subject to interpretation by us, governmental or regulatory agencies and the courts. The Medicaid rebate amount is computed each quarter based on our submission to the CMS of our current average manufacturer prices and best prices for the quarter. If we become aware that our reporting for prior quarters was incorrect, or has changed as a result of recalculation of the pricing data, we are obligated to resubmit the corrected data for a period not to exceed 12 quarters from the quarter in which the data originally were due. Such restatements and recalculations serve to increase our costs for complying with the laws and regulations governing the Medicaid rebate program. Any corrections to our rebate calculations could result in an overage or underage in our rebate liability for past quarters, depending on the nature of the correction. Price recalculations also may affect the price that we are required to charge certain safety-net providers under the Public Health Service 340B drug discount program.

In addition to retroactive rebates and the potential for 340B program refunds, if we are found to have knowingly submitted false average manufacturer price, average sales price, or best price information to the government, we may be liable for civil monetary penalties in the amount of $100,000 per item of false information. Our failure to submit monthly/quarterly average manufacturer price,

average sales price, and best price data on a timely basis could result in a civil monetary penalty of $10,000 per day for each day the submission is late beyond the due date. In the event that the CMS terminates our rebate agreement, no federal payments would be available under Medicaid or Medicare Part B for our covered outpatient drugs.

In September 2010, the CMS and the Office of the Inspector General indicated that they intend more aggressively to pursue companies who fail to report these data to the government in a timely manner. Governmental agencies may also make changes in program interpretations, requirements or conditions of participation, some of which may have implications for amounts previously estimated or paid. The CMS recently published information stating that many companies' monthly and quarterly submissions are incomplete or incorrect. We cannot assure you that our submissions will not be found by the CMS to be incomplete or incorrect.

The PPACA also obligates the Secretary of the Department of Health and Human Services to create regulations and processes to improve the integrity of the program and to update the agreement that manufacturers must sign to participate in the program to obligate manufacturers to sell to covered entities if they sell to any other purchaser and to report to the government the ceiling prices for its drugs. In addition, Congress is currently considering various legislation that, if passed, would further expand the 340B program to additional covered entities or would require participating manufacturers to agree to provide 340B discounted pricing on drugs used in the inpatient setting by certain covered entity hospitals, where those drugs are used for the covered entity's uninsured inpatients.

Federal law requires that for a company to be eligible to have its products paid for with federal funds under the Medicaid and Medicare Part B programs, it also must participate in the Federal Supply Schedule pricing program. To participate, we are required to enter into a Federal Supply Schedule, or FSS, contract with the Department of Veterans Affairs, or VA, under which we must make our innovator "covered drugs" available to the "Big Four" federal agencies – the VA, the Department of Defense, or DoD, the Public Health Service, and the Coast Guard – at pricing that is capped pursuant to a statutory federal ceiling price, or FCP, formula set forth in Section 603 of the Veterans Health Care Act of 1992, or VHCA. The FCP is based on a weighted average wholesaler price known as the "non-federal average manufacturer price," or Non-FAMP, which manufacturers are required to report on a quarterly and annual basis to the VA. If a company misstates Non-FAMPs or FCPs it must restate these figures. Pursuant to the VHCA, knowing provision of false information in connection with a Non-FAMP filing can subject a manufacturer to penalties of $100,000 for each item of false information.

FSS contracts are federal procurement contracts that include standard government terms and conditions, separate pricing for each product, and extensive disclosure and certification requirements. All items on FSS contracts are subject to a standard FSS contract clause that requires FSS contract price reductions under certain circumstances where pricing to an agreed "tracking customer" is reduced. Further, in addition to the "Big Four" agencies, all other federal agencies and some non-federal entities are authorized to access FSS contracts. FSS contractors are permitted to charge FSS purchasers other than the Big Four agencies "negotiated pricing" for covered drugs that is not capped by the FCP; instead, such pricing is negotiated based on a mandatory disclosure of the contractor's commercial "most favored customer" pricing. We offer one single FCP-based FSS contract price to all FSS purchasers for some products, while our other products have an FCP-capped price for the Big Four purchasers and a negotiated price for other FSS purchasers. Pursuant to regulations issued by the DoD TRICARE Management Activity, or TMA, to implement Section 703 of the National Defense Authorization Act for Fiscal Year 2008, we have entered into a Section 703 Agreement with TMA under which we have agreed to pay rebates on covered drug prescriptions dispensed to TRICARE beneficiaries by TRICARE network retail pharmacies. Companies are required to list their innovator products on Section 703 Agreements in order for those products to be eligible for DoD formulary inclusion. The formula for determining the rebate is established in the regulations and our Section 703 Agreement and is based on the difference between the Annual Non-FAMP and the FCP (as described above, these price points are required to be calculated by us under the VHCA).

If we overcharge the government in connection with our FSS contract or Section 703 Agreement, whether due to a misstated FCP or otherwise, we are required to refund the difference to the government. Failure to make necessary disclosures and/or to identify contract overcharges can result in allegations against us under the Federal False Claims Act and other laws and regulations. Unexpected refunds to the government, and responding to a government investigation or enforcement action, would be expensive and time-consuming, and could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

Reimbursement may not be available for our products, which could diminish our sales or affect our ability to sell our products profitably.*

In both U.S. and foreign markets, our ability to commercialize our products successfully depends in significant part on the availability of adequate financial coverage and reimbursement from third party payors, including, in the United States, governmental payors such as the Medicare and Medicaid programs, managed care organizations and private health insurers. Third party payors decide which drugs they will pay for and establish reimbursement and co-pay levels. Third party payors are increasingly challenging the prices charged for medical products and services and examining their cost effectiveness, in addition to their safety and efficacy. In some cases, for example, third party payors try to encourage the use of less expensive generic products through their prescription benefits coverage and reimbursement and co-pay policies. We may need to conduct expensive pharmacoeconomic studies in order to demonstrate the cost-effectiveness of our products. Even with studies, our products may be considered less safe, less effective or less cost-effective than existing products, and third party payors may not provide coverage and reimbursement for our products, in whole or in part. We cannot predict actions third party payors may take, or whether

they will limit the coverage and level of reimbursement for our products or refuse to provide any coverage at all. For example, because some of our products compete in a market with both branded and generic products, reimbursement by government and private payors may be more challenging than for new chemical entities. We cannot be sure that reimbursement amounts, or the lack of reimbursement, will not reduce the demand for, or the price of, our products. If reimbursement is not available or is available only to limited levels, we may not be able to effectively commercialize our products.

In recent years, there have been a number of legislative and regulatory changes in and proposals to change the healthcare system in ways that could impact our ability to sell our products profitably. These changes and proposals include measures that would limit or prohibit payments for some medical treatments or subject the pricing of drugs to government control and regulations changing the rebates we are required to provide. Payors also are increasingly considering new metrics as the basis for reimbursement rates, such as average sales price, average manufacturer price and Actual Acquisition Cost. The existing data for reimbursement based on these metrics is relatively limited, although certain states have begun to survey acquisition cost data for the purpose of setting Medicaid reimbursement rates, and CMS has stated its intention to begin making pharmacy National Average Drug Acquisition Cost data publicly available on at least a monthly basis in 2012. Therefore, it may be difficult to project the impact of these evolving reimbursement mechanics on the willingness of payors to cover our products. Any failure to cover products appropriately under our DoD pricing agreements, in addition to legislative and regulatory changes and others that may occur in the future, could impact our ability to maximize revenues in the Federal marketplace. As discussed above, recent legislative changes to the 340B drug pricing program, the Medicaid Drug Rebate program, and the Medicare Part D prescription drug benefit also could impact our revenues. A significant portion of our revenue from sales of Erwinaze is obtained through government payors, including Medicaid, and any failure to qualify for reimbursement for Erwinaze under those programs would have a material adverse effect on revenues from sales of Erwinaze.

We expect to experience pricing pressures in the United States in connection with the sale of our products due to the trend toward managed healthcare, the increasing influence of health maintenance organizations and additional legislative proposals. In the various EU countries we expect to be subject to continuous cost-cutting measures, such as lower maximum prices, lower or lack of reimbursement coverage and incentives to use cheaper, usually generic, products as an alternative. If we fail to successfully secure and maintain reimbursement coverage for our products or are significantly delayed in doing so, we will have difficulty achieving market acceptance of our products and our business will be harmed. We have periodically increased the price of Xyrem, most recently in August 2012, and we have made and may in the future make similar price increases on our other products. We cannot assure you that such price adjustments will not negatively affect our ability to secure and maintain reimbursement coverage for our products, which could negatively impact our sales volumes.

Product liability and product recalls could harm our business.*

The development, manufacture, testing, marketing and sale of pharmaceutical products entail significant risk of product liability claims or recalls. Side effects of, or manufacturing defects in, the products sold by us could result in exacerbation of a patient’s condition, serious injury or impairments or even death. This could result in product liability claims and/or recalls of one or more of our products. Some of our products, including Xyrem, have boxed warnings in their labels.

Product liability claims may be brought by individuals seeking relief for themselves, or by groups seeking to represent a class. While we have not had to defend against any product liability claims to date, as sales of our products increase, we believe it is likely product liability claims will be made against us. The risk of product liability claims may also increase when a company receives a warning letter. We cannot predict the frequency, outcome or cost to defend any such claims.

Product liability insurance coverage is expensive, can be difficult to obtain and may not be available in the future on acceptable terms, if at all. Partly as a result of product liability lawsuits related to pharmaceutical products, product liability and other types of insurance have become more difficult and costly for pharmaceutical companies to obtain. Our product liability insurance may not cover all of the future liabilities we might incur in connection with the development, manufacture or sale of our products. In addition, we may not continue to be able to obtain insurance on satisfactory terms or in adequate amounts.

A successful claim or claims brought against us in excess of available insurance coverage could subject us to significant liabilities and could have a material adverse effect on our business, financial condition, results of operations and growth prospects. Such claims could also harm our reputation and the reputation of our products, adversely affecting our ability to market our products successfully. In addition, defending a product liability lawsuit is expensive and can divert the attention of key employees from operating our business.

Product recalls may be issued at our discretion or at the discretion of our suppliers, government agencies and other entities that have regulatory authority for pharmaceutical sales. Any recall of our products could materially adversely affect our business by rendering us unable to sell that product for some time and by adversely affecting our reputation. A recall could also result in product liability claims. In addition, product liability claims could result in an FDA investigation of the safety or efficacy of our products, our manufacturing processes and facilities, or our marketing programs. An FDA investigation could also potentially lead to a recall of our products or more serious enforcement actions, limitations on the indications for which they may be used, or suspension or withdrawal of approval.

Risks Relating to Our Financial Condition

We have incurred substantial debt, which could impair our flexibility and access to capital and adversely affect our financial position.*

As of June 30, 2012, we had approximately $475.0 million in secured debt outstanding, all of which was incurred under our new credit agreement entered into in connection with the EUSA Acquisition. Our debt may:

- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions or other general business purposes;
- limit our ability to use our cash flow or obtain additional financing for future working capital, capital expenditures, acquisitions or other general business purposes;
- require us to use a substantial portion of our cash flow from operations to make debt service payments;
- limit our flexibility to plan for, or react to, changes in our business and industry;
- place us at a competitive disadvantage compared to our less leveraged competitors; and
- increase our vulnerability to the impact of adverse economic and industry conditions.

Our ability to meet our debt service obligations will depend on our future performance, which will be subject to financial, business, and other factors affecting our operations, many of which are beyond our control. If we do not have sufficient funds to meet our debt service obligations, we may be required to refinance all or part of our existing debt, sell assets, borrow more money or sell securities, none of which we can assure you that we would be able to do in a timely manner or at all.

Covenants in our credit agreement restrict our business and operations in many ways and if we do not effectively manage our covenants, our financial conditions and results of operations could be adversely affected.*

In June 2012, we entered into a new credit agreement which provides for a six-year $475.0 million term loan and a five-year $100.0 million revolving credit facility. The new credit agreement contains various covenants that limit our ability and/or our restricted subsidiaries' ability to, among other things:

- incur or assume liens or additional debt or provide guarantees in respect of obligations of other persons;
- issue redeemable preferred stock;
- pay dividends or distributions or redeem or repurchase capital stock;
- prepay, redeem or repurchase certain debt;
- make loans, investments, acquisitions (including acquisitions of exclusive licenses) and capital expenditures;
- enter into agreements that restrict distributions from our subsidiaries;
- sell assets and capital stock of our subsidiaries;
- enter into certain transactions with affiliates; and
- consolidate or merge with or into, or sell substantially all of our assets to, another person.

The credit agreement also includes, among other financial covenants, a financial covenant that requires us to maintain a maximum secured leverage ratio. Our ability to comply with this financial covenant may be affected by events beyond our control. Our failure to comply with any of the covenants could result in a default under the credit agreement, which could permit the lenders to declare all or part of any outstanding borrowings to be immediately due and payable, or to refuse to permit additional borrowings under the revolving credit facility, which could restrict our operations, particularly our ability to respond to changes in our business or to take specified actions to take advantage of certain business opportunities that may be presented to us. In addition, if we are unable to repay those amounts, the lenders under our credit agreement could proceed against the collateral granted to them to secure that debt, which would seriously harm our business.

To continue to grow our business, we will need to commit substantial resources, which could result in future losses or otherwise limit our opportunities or affect our ability to operate our business.*

The scope of our business and operations has grown substantially in 2012 through the Azur Merger and the EUSA Acquisition. To continue to grow our business over the longer-term, we will need to commit substantial additional resources to in-licensing and/or acquiring new products and product candidates, and to costly and time-consuming product development and clinical trials of our product candidates. We also intend to continue to invest in our commercial operations in an effort to grow sales of our current products. Our future capital requirements will depend on many factors, including many of those discussed above, such as:

- the revenues from our commercial products, which may be affected by many factors, including the extent of generic competition for our products;
- the costs of our commercial operations;

- the costs of integration activities related to the Azur Merger and the EUSA Acquisition;
- the cost of acquiring and/or licensing any new products and product candidates;
- the scope, rate of progress, results and costs of our development and clinical activities;
- the cost and timing of obtaining regulatory approvals and of compliance with laws and regulations;
- the cost of preparing, filing, prosecuting, defending and enforcing patent claims and other intellectual property rights;
- the cost of investigations, litigation and/or settlements related to regulatory oversight and third-party claims; and
- changes in laws and regulations, including, for example, healthcare reform legislation.

One of our corporate goals is to continue to expand our business through the licensing, acquisition and/or development of additional marketed or close to approval products and specialty product candidates. We cannot assure you that we will continue to identify attractive opportunities or that our funds will be sufficient to fund these activities if opportunities arise. We may be unable to expand our business if we do not have sufficient capital or cannot borrow or raise additional capital on attractive terms. In particular, the debt under our new credit agreement may limit our ability to borrow additional funds for acquisitions or to use our cash flow or obtain additional financing for future acquisitions. In addition, if we use a substantial amount of our funds to acquire or in-license products or product candidates, we may not have sufficient additional funds to conduct all of our operations in the manner we would otherwise choose.

We may not be able to access the capital and credit markets on terms that are favorable to us, or at all.*

During the past several years, domestic and international financial markets have experienced extreme disruption, including, among other things, high volatility and significant declines in stock prices and severely diminished liquidity and credit availability for both borrowers and investors. We may decide to access the capital or credit markets to supplement our existing cash balances, cash we expect to generate from operations and funds available under our revolving credit facility to satisfy our needs for working capital, capital expenditures and debt service requirements or to continue to grow our business over the longer term through product acquisition and in-licensing, product development and clinical trials of product candidates, and expansion of our commercial operations. In the event of adverse capital and credit market conditions, we may not be able to obtain capital market financing or credit on favorable terms, or at all, which could have a material adverse effect on our business and results of operations. Changes in our credit ratings issued by nationally recognized credit rating agencies could adversely affect our cost of financing and have an adverse effect on the market price of our securities.

We may not be able to successfully maintain our tax rates, which could adversely affect our business and financial condition, results of operations and growth prospects.*

We are incorporated in Ireland and maintain subsidiaries in the United States, Bermuda and a number of other European jurisdictions. Azur Pharma was able to achieve a low average tax rate through the performance of certain functions and ownership of certain assets in tax-efficient jurisdictions, including Ireland and Bermuda, together with intra-group service and transfer pricing agreements, each on an arm's length basis. We are continuing a substantially similar structure and arrangements. Taxing authorities, such as the U.S. Internal Revenue Service, or the IRS, actively audit and otherwise challenge these types of arrangements, and have done so in the pharmaceutical industry. The IRS or other taxing authority may challenge our structure and transfer pricing arrangements through an audit or lawsuit. Responding to or defending such a challenge could be expensive and consume time and other resources, and divert management's time and focus from operating our business. We cannot predict whether taxing authorities will conduct an audit or file a lawsuit challenging this structure, the cost involved in responding to any such audit or lawsuit, or the outcome. If we are unsuccessful, we may be required to pay taxes for prior periods, interest, fines or penalties, and may be obligated to pay increased taxes in the future, any of which could require us to reduce our operating expenses, decrease efforts in support of our products or seek to raise additional funds, all of which could have a material adverse effect on our business, financial condition, results of operations and growth prospects.

The IRS may not agree with the conclusion that we should be treated as a foreign corporation for U.S. federal tax purposes.*

Although we are incorporated in Ireland, the IRS may assert that we should be treated as a U.S. corporation (and, therefore, a U.S. tax resident) for U.S. federal tax purposes pursuant to Section 7874 of the Internal Revenue Code of 1986, as amended, or the Code. For U.S. federal tax purposes, a corporation generally is considered a tax resident in the jurisdiction of its organization or incorporation. Because Azur Pharma was, and we continue to be, an Irish incorporated entity, we would be classified as a foreign corporation (and, therefore, a non-U.S. tax resident) under these rules. Section 7874 of the Code provides an exception under which a foreign incorporated entity may, in certain circumstances, be treated as a U.S. corporation for U.S. federal tax purposes. Because we indirectly acquired all of Jazz Pharmaceuticals, Inc.'s assets through the acquisition of the shares of Jazz Pharmaceuticals, Inc. common stock in the Azur Merger at the closing, we could be treated as a U.S. corporation for U.S. federal tax purposes under Section 7874.

For us to be treated as a foreign corporation for U.S. federal tax purposes under Section 7874 of the Code, either (1) the former stockholders of Jazz Pharmaceuticals, Inc. must have owned (within the meaning of Section 7874 of the Code) less than 80% (by both vote and value) of our ordinary shares by reason of holding shares in Jazz Pharmaceuticals, Inc., or (2) we must have substantial

business activities in Ireland after the Azur Merger (taking into account the activities of our expanded affiliated group). The Jazz Pharmaceuticals, Inc. stockholders owned less than 80% of our share capital immediately after the Azur Merger by reason of their ownership of shares of Jazz Pharmaceuticals, Inc. common stock. As a result, we believe that we should be treated as a foreign corporation for U.S. federal tax purposes.

It is possible that the IRS could disagree with the position that the ownership test is satisfied and assert that Section 7874 of the Code applies to treat us as a U.S. corporation following the Azur Merger. There is limited guidance regarding the Code Section 7874 provisions, including the application of the ownership test described above. The IRS continues to scrutinize transactions that are potentially subject to Section 7874, and issued new final and temporary regulations under Section 7874 in June 2012. These regulations apply only to acquisitions completed on or after June 7, 2012, and therefore should not apply to the Azur Merger. Nevertheless, new statutory and/or regulatory provisions under Section 7874 of the Code or otherwise could be enacted that adversely affect our status as a foreign corporation for U.S. federal tax purposes, and any such provisions could have retroactive application to us, Jazz Pharmaceuticals, Inc., our respective shareholders, and/or the Azur Merger.

Section 7874 of the Code likely will limit Jazz Pharmaceuticals, Inc. and its U.S. affiliates' ability to utilize their U.S. tax attributes to offset certain U.S. taxable income, if any, generated by taxable transactions following the Azur Merger for a period of time following the Azur Merger.

Following certain acquisitions of a U.S. corporation by a foreign corporation, Section 7874 of the Code limits the ability of the acquired U.S. corporation and its U.S. affiliates to utilize U.S. tax attributes such as net operating losses to offset U.S. taxable income resulting from certain transactions. Based on the limited guidance available, it is currently expected that this limitation should apply to us. As a result, it is not currently expected that Jazz Pharmaceuticals, Inc. or its U.S. affiliates will be able to utilize their U.S. tax attributes to offset their U.S. taxable income, if any, resulting from certain taxable transactions following the Azur Merger. Notwithstanding this limitation, we plan to fully utilize Jazz Pharmaceuticals, Inc.'s U.S. net operating losses, or NOLs, prior to their expiration. As a result of this limitation, however, it may take Jazz Pharmaceuticals, Inc. longer to use its NOLs. Moreover, contrary to these plans, it is possible that the limitation under Section 7874 of the Code on the utilization of U.S. tax attributes could prevent Jazz Pharmaceuticals, Inc. from fully utilizing its U.S. tax attributes prior to their expiration if Jazz Pharmaceuticals, Inc. does not generate sufficient taxable income.

Jazz Pharmaceuticals, Inc.'s and its U.S. affiliates' ability to use their net operating losses to offset potential taxable income and related income taxes that would otherwise be due could be limited if they do not generate taxable income in a timely manner or if an "ownership change" pursuant to Section 382 of the Code is triggered.

Jazz Pharmaceuticals, Inc. and its U.S. affiliates have a significant amount of NOLs. Their ability to use these NOLs to offset potential future taxable income and related income taxes that would otherwise be due is dependent upon their generation of future taxable income before the expiration dates of the NOLs, and we cannot predict with certainty when, or whether, Jazz Pharmaceuticals, Inc. and its U.S. affiliates will generate sufficient taxable income to use all of their NOLs. In addition, realization of their NOLs to offset potential future taxable income and related income taxes that would otherwise be due could be restricted by annual limitations on use of NOLs triggered by an "ownership change" under Section 382 of the Code and similar state provisions. In general, an "ownership change" will occur if, during a three-year rolling period, there is a change of 50% or more in the percentage ownership of a company by 5% shareholders (and certain persons treated as 5% shareholders), as defined in the Code and Treasury Regulations. Section 382 of the Code is an extremely complex provision with respect to which there are many uncertainties. We have not requested a ruling from the IRS to confirm that Jazz Pharmaceuticals, Inc. and its U.S. affiliates have not experienced an "ownership change" for the purposes of Section 382 of the Code, and, therefore, we have not established whether the IRS agrees with our analysis regarding the application of Section 382 of the Code.

We have significant intangible assets and goodwill. Consequently, the potential impairment of our intangible assets and goodwill may significantly impact our profitability.*

As of June 30, 2012, we had recorded $1.4 billion of intangible assets and goodwill related to our past acquisitions. Intangible assets and goodwill are subject to an impairment analysis whenever events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. Additionally, goodwill and indefinite-lived assets are subject to an impairment test at least annually.

Events giving rise to impairment are an inherent risk in the pharmaceutical industry and cannot be predicted. As a result of the significance of intangible assets and goodwill, our results of operations and financial position in a future period could be negatively impacted should an impairment of intangible assets or goodwill occur.

Our financial results could be adversely affected by foreign exchange fluctuations.*

With the EUSA Acquisition, we now have significant operations in Europe as well as in the United States, but we report revenues, costs and earnings in U.S. dollars. Our primary currency translation exposures relate to our subsidiaries that have functional currencies denominated in the Euro and the British Pound Sterling, or GBP. Exchange rates between the U.S. dollar and each of the Euro and GBP are likely to fluctuate from period to period. Because our financial results are reported in U.S. dollars, we are exposed to foreign currency exchange risk as the local currency financial statements of foreign subsidiaries are translated to U.S. dollars for reporting purposes. If we continue to expand our international operations, we will conduct

more transactions in currencies other than the U.S. dollar. To the extent that foreign revenue and expense transactions are not denominated in the local currency, we are also subject to the risk of transaction losses. Given the volatility of exchange rates, there is no assurance that we will be able to effectively manage currency transaction and/or conversion risks. We have not entered into derivative instruments to offset the impact of foreign exchange fluctuations. Fluctuations in foreign currency exchange rates could have a material adverse effect on our results of operations and financial condition.

Risks Relating to Our Ordinary Shares

The market price of our ordinary shares has been volatile and may continue to be volatile in the future, and the value of your investment could decline significantly.*

Investors who hold our ordinary shares may not be able to sell their shares at or above the price at which they purchased their ordinary shares (or the price at which they purchased their shares of Jazz Pharmaceuticals, Inc. common stock prior to the Azur Merger). The price of our ordinary shares has fluctuated significantly from time to time since the completion of the Azur Merger in January 2012, and the price of Jazz Pharmaceuticals, Inc.'s common stock fluctuated significantly from time to time and increased substantially during 2011 and the first half of 2012. The risk factors described above relating to our business and products could cause the price of our ordinary shares to continue to fluctuate significantly. In addition, the stock market in general, including the market for life sciences companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of those companies. These broad market and industry factors may seriously harm the market price of our ordinary shares, regardless of our operating performance.

Our share price may be dependent upon the valuations and recommendations of the analysts who cover our business. If our results do not meet these analysts' forecasts, the expectations of our investors or the financial guidance we provide to investors in any period, the market price of our ordinary shares could decline. In the past, following periods of volatility in the market or significant price decline, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, financial condition, results of operations and growth prospects.

In addition, the market price of our ordinary shares may decline if the integration of the acquired Azur Pharma and EUSA Pharma businesses is unsuccessful, takes longer than expected or fails to achieve financial benefits to the extent anticipated by financial analysts or investors, or the effect of the business combinations on the financial results of our combined company is otherwise not consistent with the expectations of financial analysts or investors.

Future sales of our ordinary shares in the public market could cause our share price to fall.*

Sales of a substantial number of our ordinary shares in the public market, or the perception that these sales might occur, could depress the market price of our ordinary shares and could impair our ability to raise capital through the sale of additional equity securities. As of July 31, 2012, we had 57,536,632 ordinary shares outstanding, all of which shares are eligible for sale in the public market, subject in some cases to the volume limitations and manner of sale and other requirements under Rule 144.

As of July 31, 2012, the holders of up to approximately 8,000,000 ordinary shares, based on shares outstanding as of that date, were entitled to certain rights with respect to the registration of such shares under the Securities Act of 1933, as amended, or the Securities Act, under an amended and restated investor rights agreement that Jazz Pharmaceuticals, Inc. entered into with these holders in June 2007, which we assumed at the closing of the Azur Merger. If such holders, by exercising their registration rights or otherwise, sell a large number of shares, the sale could adversely affect the market price of our ordinary shares. If in the future we file a registration statement and include shares held by these holders pursuant to the exercise of their registration rights or otherwise, these sales may impair our ability to raise capital. In addition, we have filed a registration statement on Form S-8 under the Securities Act to register our ordinary shares reserved for issuance under our equity incentive and employee stock purchase plans, and intend to file additional registration statements on Form S-8 to register the shares automatically added each year to the share reserves under these plans.

Pursuant to the terms of an investor rights agreement dated July 7, 2009 Jazz Pharmaceuticals, Inc. entered into in connection with a private placement completed on July 7, 2009, which agreement we assumed at the closing of the Azur Merger, we agreed to file a registration statement under the Securities Act registering the resale of 1,895,734 ordinary shares held by the investors in the July 2009 private placement, as well as the 947,867 ordinary shares now underlying the warrants held by such investors. In addition, if we propose to register any of our securities under the Securities Act, either for our own account or for the account of others, the investors in the private placement are entitled to notice of the registration and are entitled to include, at our expense, their ordinary shares in the registration and any related underwriting, provided, among other conditions, that the underwriters may limit the number of shares to be included in the registration.

Pursuant to the terms of a registration rights agreement we entered into with the holders of Azur Pharma's outstanding ordinary shares in January 2012, we filed a shelf registration statement with the SEC covering the resale of ordinary shares held by these holders following the closing of the Azur Merger to permit these holders to immediately resell their ordinary shares.

Our executive officers and directors, together with their respective affiliates, own a significant percentage of our shares and may be able to exercise significant influence over matters subject to shareholder approval.*

As of July 31, 2012, our executive officers and directors, together with the shareholders with which our executive officers and directors were affiliated or associated as of such date, beneficially owned approximately 26% of our ordinary shares. Accordingly, our executive officers and directors, together with their respective affiliates or associates, may be able to significantly influence matters subject to shareholder approval and will continue to have significant influence over our operations. This concentration of ownership could have the effect of delaying or preventing a change in our control or otherwise discouraging a potential acquirer from attempting to obtain control of us, which in turn could have a material adverse effect on the market value of our ordinary shares, and may prevent attempts by our shareholders to replace or remove our board of directors or management.

Irish law differs from the laws in effect in the United States and may afford less protection to holders of our securities.

It may not be possible to enforce court judgments obtained in the United States against us in Ireland based on the civil liability provisions of the U.S. federal or state securities laws. In addition, there is some uncertainty as to whether the courts of Ireland would recognize or enforce judgments of U.S. courts obtained against us or our directors or officers based on the civil liabilities provisions of the U.S. federal or state securities laws or hear actions against us or those persons based on those laws. We have been advised that the United States currently does not have a treaty with Ireland providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any U.S. federal or state court based on civil liability, whether or not based solely on U.S. federal or state securities laws, would not automatically be enforceable in Ireland.

As an Irish company, we are governed by the Irish Companies Acts, which differs in some material respects from laws generally applicable to U.S. corporations and shareholders, including, among others, differences relating to interested director and officer transactions and shareholder lawsuits. Likewise, the duties of directors and officers of an Irish company generally are owed to the company only. Shareholders of Irish companies generally do not have a personal right of action against directors or officers of the company and may exercise such rights of action on behalf of the company only in limited circumstances. Accordingly, holders of our securities may have more difficulty protecting their interests than would holders of securities of a corporation incorporated in a jurisdiction of the United States.

Provisions of our articles of association could delay or prevent a takeover of us by a third party.

Our articles of association could delay, defer or prevent a third party from acquiring us, despite the possible benefit to our shareholders, or otherwise adversely affect the price of our ordinary shares. For example, our articles of association:

- permit our board of directors to issue one or more series of preferred shares with rights and preferences designated by our board;
- impose advance notice requirements for shareholder proposals and nominations of directors to be considered at shareholder meetings;
- stagger the terms of our board of directors into three classes; and
- require the approval of a supermajority of the voting power of the shares of our share capital entitled to vote generally in the election of directors for shareholders to amend or repeal our articles of association.

These provisions may discourage potential takeover attempts, discourage bids for our ordinary shares at a premium over the market price or adversely affect the market price of, and the voting and other rights of the holders of, our ordinary shares. These provisions could also discourage proxy contests and make it more difficult for you and other shareholders to elect directors other than the candidates nominated by our board.

We have never declared or paid dividends on our capital stock and we do not anticipate paying dividends in the foreseeable future.

We anticipate that we will retain all earnings, if any, to support our operations and our proprietary drug development programs. Even if we propose to pay dividends in the future, we may be unable to do so under Irish law. Under Irish law, dividends may only be paid, and share repurchases and redemptions must generally be funded only out of, “distributable reserves.” Any future determination as to the payment of dividends will, subject to Irish legal requirements, be at the sole discretion of our board of directors and will depend on our financial condition, results of operations, capital requirements and other factors our board of directors deems relevant. Holders of our ordinary shares must rely on increases in the trading price of their shares for returns on their investment in the foreseeable future.

A transfer of our ordinary shares may be subject to Irish stamp duty.

In certain circumstances, the transfer of shares in an Irish incorporated company will be subject to Irish stamp duty, which is a legal obligation of the buyer. This duty is currently charged at the rate of 1.0% of the price paid or the market value of the shares acquired, if higher. Because our ordinary shares are traded on a recognized stock exchange in the United States, an exemption of this stamp duty is available to transfers by shareholders who hold our ordinary shares beneficially through brokers which in turn hold those shares through the Depositary Trust Company, or DTC, to holders who also hold through DTC. However, a transfer by a record holder

who holds our ordinary shares directly in his, her or its own name could be subject to this stamp duty. We, in our absolute discretion and insofar as the Irish Companies Acts or any other applicable law permit, may, or may provide that a subsidiary of ours will, pay Irish stamp duty arising on a transfer of our ordinary shares on behalf of the transferee of such ordinary shares. If stamp duty resulting from the transfer of our ordinary shares which would otherwise be payable by the transferee is paid by us or any of our subsidiaries on behalf of the transferee, then in those circumstances, we will, on our behalf or on behalf of our subsidiary (as the case may be), be entitled to (i) seek reimbursement of the stamp duty from the transferee, (ii) set-off the stamp duty against any dividends payable to the transferee of those ordinary shares and (iii) claim a first and permanent lien on the ordinary shares on which stamp duty has been paid by us or our subsidiary for the amount of stamp duty paid. Our lien shall extend to all dividends paid on those ordinary shares.

Dividends paid by us may be subject to Irish dividend withholding tax.

In certain circumstances, as an Irish tax resident company, we will be required to deduct Irish dividend withholding tax (currently at the rate of 20%) from dividends paid to our shareholders. Shareholders that are resident in the United States, EU countries (other than Ireland) or other countries with which Ireland has signed a tax treaty (whether the treaty has been ratified or not) generally should not be subject to Irish withholding tax so long as the shareholder has provided its broker, for onward transmission to our qualifying intermediary or other designated agent (in the case of shares held beneficially), or us or our transfer agent (in the case of shares held directly), with all the necessary documentation by the appropriate due date prior to payment of the dividend. However, some shareholders may be subject to withholding tax, which could adversely affect the price of our ordinary shares.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On June 22, 2012, we issued 550,010 of our ordinary shares pursuant to the cash exercise of a warrant originally issued by Jazz Pharmaceuticals, Inc. in 2005, which warrant we assumed upon the closing of the Azur Merger. This warrant had an exercise price of $9.34 per share, resulting in gross proceeds to us upon exercise of $5,137,093. In issuing the above-mentioned shares, we relied on the exemption provided by Section 4(2) of the Securities Act of 1933, as amended, and/or Regulation D promulgated thereunder as a transaction by an issuer not involving a public offering.

Item 6. Exhibits.

Exhibit Number	Description of Document
2.1	Agreement and Plan of Merger and Reorganization, dated as of September 19, 2011, by and among Azur Pharma Public Limited Company (formerly Azur Limited Company), Jaguar Merger Sub Inc., Jazz Pharmaceuticals, Inc. and Seamus Mulligan as Indemnitors' Representative (incorporated herein by reference to Exhibit 2.1 in Jazz Pharmaceuticals, Inc.'s current report on Form 8-K (File No. 001-33500), as filed with the SEC on September 19, 2011).
2.2	Letter Agreement, dated as of January 17, 2012, by and among Jazz Pharmaceuticals plc, Jaguar Merger Sub Inc. Jazz Pharmaceuticals, Inc. and Seamus Mulligan, solely in his capacity as the Indemnitors' Representative (incorporated by reference to Exhibit 2.2 in Jazz Pharmaceuticals plc's current report on Form 8-K (File No. 001-33500), as filed with the SEC on January 18, 2012).
2.3	Agreement and Plan of Merger, dated as of April 26, 2012, by and among Jazz Pharmaceuticals plc, Jewel Merger Sub Inc., EUSA Pharma Inc., and Essex Woodlands Health Ventures, Inc., Mayflower L.P., and Bryan Morton, in their capacity as the representatives of the equity holders of EUSA Pharma Inc. (incorporated herein by reference to Exhibit 2.1 in Jazz Pharmaceuticals plc's current report on Form 8-K (File No. 001-33500), as filed with the SEC on April 27, 2012).
2.4	Assignment, dated as of June 11, 2012, by and among Jazz Pharmaceuticals plc and Jazz Pharmaceuticals, Inc. (incorporated herein by reference to Exhibit 2.1B in Jazz Pharmaceuticals plc's current report on Form 8-K (File No. 001-33500), as filed with the SEC on June 12, 2012).
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4.2B	Waiver and Amendment Agreement, dated as of March 12, 2008, by and between Jazz Pharmaceuticals, Inc. and the other parties named therein (incorporated herein by reference to Exhibit 4.3B in Jazz Pharmaceuticals, Inc.'s annual report on Form 10-K (File No. 001-33500) for the period ended December 31, 2007, as filed with the SEC on March 31, 2008).
4.2C	Waiver and Amendment Agreement, dated as of May 7, 2008, by and between Jazz Pharmaceuticals, Inc. and the other parties named therein (incorporated herein by reference to Exhibit 4.3C in Jazz Pharmaceuticals, Inc.'s current report on Form 8-K (File No. 001-33500), as filed with the SEC on May 9, 2008).
4.2D	Waiver and Amendment Agreement, dated as of July 6, 2009, by and between Jazz Pharmaceuticals, Inc. and the other parties named therein (incorporated herein by reference to Exhibit 4.3D in Jazz Pharmaceuticals, Inc.'s quarterly report on Form 10-Q (File No. 001-33500) for the period ended June 30, 2009, as filed with the SEC on August 14, 2009).
4.2E	Assignment, Assumption and Amendment Agreement, dated as of January 18, 2012, by and among Jazz Pharmaceuticals, Inc., Jazz Pharmaceuticals plc and the other parties named therein (incorporated herein by reference to Exhibit 4.2E in the annual report on Form 10-K (File No. 001-33500) for the period ended December 31, 2011, filed by Jazz Pharmaceuticals plc on behalf of and as successor to Jazz Pharmaceuticals, Inc. with the SEC on February 28, 2012).
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4.4	Form of Jazz Pharmaceuticals plc Warrant to Purchase Ordinary Shares issued to holders of assumed Registered Direct Common Stock Warrants originally issued by Jazz Pharmaceuticals, Inc. (incorporated herein by reference to Exhibit 4.5 in the annual report on Form 10-K (File No. 001-33500) for the period ended December 31, 2011, filed by Jazz Pharmaceuticals plc on behalf of and as successor to Jazz Pharmaceuticals, Inc. with the SEC on February 28, 2012).

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4.6A	Investor Rights Agreement, dated July 7, 2009 by and between Jazz Pharmaceuticals, Inc. and the other parties named therein (incorporated herein by reference to Exhibit 10.88 in Jazz Pharmaceuticals, Inc.'s current report on Form 8-K (File No. 001-33500), as filed with the SEC on July 7, 2009).
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31.2	Certification of Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
32.1*	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS++	XBRL Instance Document
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101.CAL++	XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit Number	Description of Document
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* The certifications attached as Exhibit 32.1 accompany this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the Registrant for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

\+ Indicates management contract or compensatory plan.

++ Pursuant to applicable securities laws and regulations, the Registrant is deemed to have complied with the reporting obligation relating to the submission of interactive data files in such exhibits and is not subject to liability under any anti-fraud provisions of the federal securities laws as long as the Registrant has made a good faith attempt to comply with the submission requirements and promptly amends the interactive data files after becoming aware that the interactive data files fails to comply with the submission requirements. These interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under these sections.

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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 thereunto duly authorized.

Dated: August 7, 2012

Jazz Pharmaceuticals Public Limited Company
(Registrant)

/s/ Bruce C. Cozadd
Bruce C. Cozadd
Chairman and Chief Executive Officer and Director
(Principal Executive Officer)

/s/ Kathryn E. Falberg
Kathryn E. Falberg
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ Karen J. Wilson
Karen J. Wilson
Vice President, Finance
(Principal Accounting Officer)

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EXHIBIT 10.2

DATED 8 MAY 2012

(1) JOHN RONAN AND CASTLE COVE PROPERTY DEVELOPMENTS LIMITED

(Landlord)

(2) JAZZ PHARMACEUTICALS PLC

(Tenant)

LEASE
OF
FOURTH FLOOR, CONNAUGHT HOUSE
1, BURLINGTON ROAD, DUBLIN 4

Term: 10 years from 8 May 2012
Rent: €368,911.50
(three hundred and sixty eight thousand nine hundred and eleven euro and fifty cent) (subject to review)
Rent Review Dates: 8 May 2017

MATHESON ORMSBY PRENTICE
70 Sir John Rogersons Quay
Dublin 2
Ireland

TEL + 353 1 232 2000
FAX + 353 1 232 3333
25084679.4

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THIS LEASE made the 8 May Two Thousand and Twelve

BETWEEN

(1) **JOHN RONAN** of Dargle Cottage, Dargle, Enniskerry, Co Wicklow **AND CASTLE COVE PROPERTY DEVELOPMENTS LIMITED** having its registered office at c / o Cooney Carey, The Courtyard, Units 15-16 Carmanhall Road, Sandyford, Dublin 18 (hereinafter called the "**Landlord**" which expression where the context so admits shall include their respective successors in title, administrators and assigns);

AND

(2) **JAZZ PHARMACEUTICALS PLC** a limited liability company having its registered office at 45 Fitzwilliam Square, Dublin 2 (the "**Tenant**" which expression shall where the contract so admits or requires, include its successors in title, administrators and permitted assigns);

WITNESSETH as follows:

1 Definitions:

In this Lease the following expressions shall have the following meanings:

"**Agreement for Lease**" means the Agreement for Lease dated 8 May 2012 and made between (1) the Landlord and (2) the Tenant.

"**Basement**" means the basement of the Building shown on Plans 2 and 3 annexed hereto.

"**Base Rate**" means the EURIBOR rate of interest per annum chargeable compounded quarterly on the first day of January, April, July and October in every year.

"**Block A**" means the building shown on Plan 1 annexed hereto and thereon outlined in blue.

"**Building**" means the Building described in Part II of the First Schedule hereto.

"**Building Control Act**" means the Building Control Act, 1990 - 2007.

"Business Hours" means the hours of 0700 hrs to 1900 hrs inclusive Monday to Friday excluding bank holidays, or such other business hours as the Landlord (or its agent) may notify to the Tenant in writing (which includes communication by email) from time to time throughout the Term;

"Capital Good" has the meaning attributed to that term under Section 2 and Section 62(2) of the VAT Act;

"Capital Goods Record" has the meaning attributed to that term under Section 64(12) of the VAT Act;

"**Car Park Licence**" means a Car Park Licence of even date herewith between (1) the Landlord (as Licensor) and (2) the Tenant (as Licensee) in respect of certain car spaces in the Basement;

"**Common Areas**" means all such areas of the Building as are not for the time being let separately or designed or intended to be let separately and the other facilities which are designed or provided from time to time by the Landlord for common or general use or benefit to the tenants in the Building including without prejudice to the generality of the foregoing the main structure of the Building, the Basement, car park ramp, service yards, roof, foundations, external walls, internal load bearing walls and structural parts of the roof, ceilings and floors, all party structures, office accommodation reserved in the Building for staff employed for the management of the Building, any parts of the Building reserved by the Landlord for the housing of plant, machinery and equipment, bathroom facilities which are not

included in any lease of part of the Building, Conduits (except those exclusively serving any Lettable Area) entrance halls, the Gym, the Reception, corridors, passages, lobbies, landings, staircases, the lifts made available for use by the occupiers of the Building and other amenities which are from time to time designated by the Landlord for the common use of the tenants in the Building.

"**Conduits**" mean all sewers, drains, pipes, gullies, gutters, ducts, mains, watercourses, channels, subways, wires, cables, conduits, flues and other conducting media of whatsoever nature and kind.

"**Easements Rights and Privileges**" means those specified in Part IV of the First Schedule hereto.

"**Enactment**" means every Act of Parliament and the Oireachtas and Law of the European Community now or hereafter to be passed and every instrument directive regulation and bye-law made thereunder which has force in Ireland.

"**EURIBOR**" means:

(a) the percentage rate per annum determined by the Banking Federation of the European Union for the relevant interest period, displayed on the appropriate page of the Telerate screen. If the agreed page is replaced or service ceases to be available, the Landlord may specify another page or service displaying the appropriate rate; or

(b) (if no such rate is available for the relevant period) the arithmetic mean of the rates (rounded up to five decimal places) as supplied to the Landlord at its request, quoted by the reference banks to leading banks in the European interbank market,

as of 11:00 a.m. (Brussels time) on the day which is two TARGET Days (ie. days on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system is open for the settlement of payments in euro) before the first day of the relevant interest period unless market practice differs in the European interbank market, in which case on the day determined by the Landlord in accordance with market practice in the European interbank market (and if quotations would normally be given by leading banks in the European interbank market on more than one day, the Quotation Day will be the last of those days);

"**Exceptions and Reservations**" means those specified in Part III of the First Schedule hereto.

"**Gale Days**" means 1st January, 1st April, 1st July and 1st October in every year.

"Group Company" means any company which is a subsidiary or holding company of the Tenant and/or within the same group of companies as the Tenant within the meaning of Section 45 of the Companies Act, 1990 and Section 145 of the Companies Act, 1963.

"**Gym**" means the gym located at Level Basement –2 of the Building comprising 1,216 square feet and shown hatched green on Plan 2 annexed hereto.

"**Gym Rent**" means the rent attributable to the Gym calculated at a rate of €25 (twenty five) per square foot until the 1st August 2015 and, from that date and from each fifth anniversary thereof, at a rate per square foot determined in accordance with the Second Schedule, Part I, paragraph 11 on each such review date.

"**Insurance Rent**" means in respect of any period for which the same is required to be calculated the Tenant's Proportion of the aggregate of the following costs:

(c) The cost properly incurred in insuring the Building against the Insured Risks for the relevant period for the full reinstatement cost of the Building including but not limited to the cost of the following:

(i) architects, engineers and quantity surveyors and other professional fees and incidental expenses properly incurred (including VAT thereon);

(ii) the costs of shoring up, hoarding, demolishing, site clearing and similar expenses;

(iii) any fees or charges on the submission of an application for planning permission and compliance with Building Regulations and any costs which might be properly incurred in complying with any other Enactment in carrying out all demolition, reinstatement and repair work;

(iv) fire brigade and other emergency services;

(v) a reasonable provision for inflation; and

(vi) all stamp duty and other taxes or duties exigible on any contract or agreement as may be entered into relative to the demolition, reinstatement and repair work;

(d) The reasonable and proper cost of employing the Landlord's Surveyor to determine the reinstatement value of the Building as often as is reasonably necessary but not more than once in any twelve month period.

(e) Any amount which the Landlord may expend in maintaining and effecting insurance in respect of not less than four years loss of rent and Service Charge having regard to potential increases or decreases of rent in accordance with Clause 3 and with any addition to the sum insured as the Landlord may decide in respect of VAT.

(f) Any cost of effecting and maintaining insurance covering the public liability, property owners liability and employers liability in relation to the Premises and anything done therein and insurance in respect of fire brigade charges.

(g) (Without prejudice to all other provisions in this Lease relating to the vitiation of any policy of insurance) any amount which the Landlord may expend in paying all additional premiums and any other amounts on any policy or policies of insurance as a result of anything done or omitted by the Tenant.

(h) Any amount equivalent to the total of all excess sums which the insurers are not liable to pay out on any insurance claim in respect of any of the policies of insurance mentioned in this definition and which the Landlord has expended in replacing the damaged or destroyed parts of the Premises.

(i) Any professional fees relating to insurance including fees for insurance valuations carried out at reasonable intervals and all fees and expenses payable to advisers in connection with effecting and maintaining insurance policies and handling claims required from time to time throughout the Term for reasons of good estate management.

(j) Any amount which the Landlord may expend in effecting and maintaining any other policy or policies of insurance which the Landlord may acting reasonably deem necessary in the interests of good estate management.

"**Insured Risks**" means loss, damage or destruction whether total or partial caused by fire, explosion, lightning, impact, earthquake, aircraft and articles dropped therefrom, flood, storms and tempest, terrorism, riot and civil commotion and malicious damage or bursting or overflowing of water tanks, apparatus and pipes, subsidence and such other risks as the Landlord may from time to time in its reasonable discretion consider prudent or desirable to insure subject to such exclusions and limitations as are from time to time imposed by the insurers.

"**Landlord's Specification**" means the Premises as referred to in the Fourth Schedule hereto.

"**Lettable Areas**" means all such areas of the Building as are for the time being let separately or designed or intended to be let separately and excluding, for the avoidance of doubt, all Common Areas;

"**this Lease**" means this Lease and any document which is made supplemental hereto.

"**Permitted Use**" means use as offices with associated parking.

"**Planning Acts**" means the Planning and Development Acts, 2000 to 2010.

"**Plans**" means the plans attached hereto.

"**Premises**" means the premises described in Part I of the First Schedule hereto including the Tenant's Works therein, except for the purposes of the Third Schedule to this Lease only for which the Tenant's Works shall be excluded.

"**Prescribed Rate**" means the rate of interest being EURIBOR plus three per cent (3%) per annum chargeable and compounded quarterly on the first day of January, April, July and October in every year.

"Quotation Day" means in relation to any period the day on which quotations for deposits in euro for delivery on the first day of such period would ordinarily be given provided that if for any period quotations would ordinarily be given on more than one date the Quotation Date shall be the last of those days.

"**Reception**" means the main reception area comprising 2,195 (two thousand one hundred and ninety five) square feet on the upper ground floor of the Building shown hatched on Plan 5 annexed hereto and forming part of the Common Areas.

"**Reception Rent**" means the rent attributable to the Reception calculated at a rate of €50 (fifty euro) per square foot until 1st August 2015 and, from that date and from every fifth anniversary thereof, at a rate per square foot determined in accordance with the Second Schedule, Part I, paragraph 11 on each such review date.

"**Rent Commencement Date**" means 8 February 2013.

"**Safety File**" means the file to be maintained pursuant to the Safety Health and Welfare at Work (Construction) Regulations 2006.

"**Service Charge**" means all costs and expenses which are at any time hereafter during the Term properly expended, incurred or payable by the Landlord or to be expended, incurred or paid in providing all or any of the services set out in Part II of the Second Schedule hereto and discharging the costs specified in Part III of the Second Schedule hereto.

"**Tenant's Proportion**" means the proportion which the net lettable floor area of the Premises (which is agreed as being 11,997 square feet (eleven thousand nine hundred and ninety seven square feet) bears to the net lettable floor area of all lettable areas of the building and calculated in accordance with the Measurement Practice and Guidance Notes issued by the Irish Auctioneers and Valuers Institute and the Society of Chartered Surveyors in the Republic of Ireland and which it is hereby agreed is 10.83%.

"**Tenant's Works**" means the works described in Fifth Schedule hereto.

"**Term**" means the term of ten (10) years from and including the Term Commencement Date.

"**Term Commencement Date**" means 8 May 2012.

"**Utilities**" means water, drainage, gas, electricity, soils and waste of all kinds, telephone and other communication systems, and any other services.

"**VAT Act**" means the Value Added Tax Consolidation Act 2010 as amended, re-enacted or extended from time to time.

INTERPRETATION

(a) Words importing the singular include the plural and vice versa and words importing one gender include both other genders.

(b) Where a party comprises more than one person covenants and obligations of that party take effect as joint and several covenants and obligations.

(c) Any right of (or covenant to permit) the Landlord to enter on the Premises shall also be construed as entitling the Landlord to remain on the Premises with or without equipment and permitting such right to be exercised by all persons properly authorised by the Landlord.

(d) The last year of the Term includes the final year of the Term if it shall determine otherwise then by effluxion of time and references to the expiry of the Term include such other determination.

(e) Reference to any statute or statutes (whether specifically named or not) or to any sections or sub-sections therein shall include any amendments or re-enactments thereof from time to time in force and all statutory instruments, orders, notices, regulations, directions, bye-laws, permissions and plans from time to time made issued or given thereunder or deriving validity therefrom.

(f) The titles or headings appearing in this Lease are for reference only and shall not affect its construction or interpretation.

(g) Where rights of entry are reserved in favour of any persons under this Lease the following provisions shall apply:-

(i) Such rights shall so far as reasonably practicable (but save in cases of emergency) be exercised outside the hours of 9 a.m. to 5 p.m. Monday to Friday (not including bank or public holidays);

(ii) Such rights shall only be exercised when the purpose of exercise cannot reasonably be economically or practically achieved without so entering;

(iii) As little damage and destruction shall be caused as is reasonably practicable given the purpose for which entry is required and / or the nature of any works to be carried out;

(iv) The Landlord shall or shall procure that all damage occasioned by such entry to the Premises shall be made good as soon as reasonably practicable and to the satisfaction of the Tenant acting reasonably;

(v) Entry shall only be effected onto such parts of the Premises as is reasonably necessary and only for such period as is reasonably necessary;

(vi) The Landlord shall procure that the person exercising the rights shall cause the minimum of disruption and inconvenience to the occupiers of the Premises as is reasonably practicable given the purpose for which entry is required and / or the nature of any works to be carried out;

(vii) Such entry shall be effected under the Tenant's supervision if the Tenant deems it so necessary and provided that it is a matter for the Tenant to ensure that such supervision is provided at the requisite time;

(viii) Entry shall (save in the case of emergency) only be effected after a minimum of 48 hours prior written notice has been given to the Tenant save in cases of emergency.

2 **Demise**

In consideration of the rent hereby reserved and of the covenants on the part of the Tenant hereinafter contained the Landlord hereby demises unto the Tenant **ALL THAT** the Premises together with the Easements Rights and Privileges but excepting and reserving unto the Landlord the Exceptions and Reservations **TO HOLD** the Premises unto the Tenant for the Term **YIELDING AND PAYING** therefor during the Term:

2.1 **FIRSTLY** the initial yearly rent of €368,911.50 (three hundred and sixty eight thousand nine hundred and eleven euro and fifty cent) (subject to review in accordance with the Third Schedule hereof) to be paid as and from the Rent Commencement Date by four equal quarterly payments in advance on the Gale Days the first payment to be made on the date hereof;

2.2 **SECONDLY** the Tenant's Proportion of the Service Charge payable at the times and in the manner set out in the Second Schedule hereto;

2.3 **AND THIRDLY** by way of additional rent the Insurance Rent from time to time payable within 21 days of demand;

in each case to be paid (at the option of the Landlord exercisable on any number of occasions) either by standing order, credit transfer, direct debit mandate or cheque.

3 **Tenant's covenants**

The Tenant hereby covenants with the Landlord throughout the Term:

3.1 **Pay Rent, Service Charges and Insurance Rent**

3.1.1 To pay the rents and the reviewed rents hereby reserved on the days and in manner aforesaid without deduction counterclaim or set-off.

3.2 **Pay Value Added Tax**

3.2.1 To pay (on receipt of valid VAT invoices) and keep the Landlord indemnified against all Value Added Tax (or any tax of a similar nature that may be substituted for it) which may from time to time be properly charged on the rents and / or any other monies payable under this Lease.

3.2.2 The Landlord has exercised its option to tax (the "**Landlord's Option to Tax**") the rents payable under this Lease pursuant to Section 97 of the VAT Act. The Tenant shall pay to the Landlord any VAT properly chargeable on the rents and any other payments reserved or payable pursuant to this Lease subject to receipt of a valid VAT invoice.

3.2.3 At any time during the term of this Lease the Landlord may terminate the Landlord's Option to Tax in respect of this Lease and shall notify each termination forthwith to the Tenant.

3.2.4 Where at any time during the term of this Lease the Landlord has terminated the Landlord's Option to Tax, the Landlord may thereafter from time to time during the term of this Lease exercise the Landlord's Option to Tax the rents payable under this Lease by giving notice to the Tenant pursuant to Section 97(1)(c)(ii) and where such notice is given the Tenant shall thereafter pay to the Landlord (on receipt of valid VAT invoices), all value added tax on the rents properly payable under this Lease.

3.2.5 Where, during the term of this Lease, a situation arises where the Landlord from time to time and the Tenant from time to time become connected persons within the meaning of VAT Act and the Tenant has less than 90% VAT recovery such that the Landlord suffers a deductibility adjustment under VAT Act, then the Tenant will reimburse, and indemnify the Landlord on a net of tax basis, the amount of the deductibility adjustment. In the event of a later refund or credit to the Landlord from the Revenue Commissioners of any sum or part thereof paid by the Tenant pursuant to this clause or clause 3.18.9 the Landlord shall pay such sum or part thereof as appropriate so received to the Tenant within 14 days of receipt. For the purposes of this clause 3.2.5 "Tenant" shall mean the party who has made the actual payment to the Landlord pursuant to this clause or to clause 3.18.9 and not (unless paid by same) any successor in title to the Tenant. The Landlord further acknowledges and agrees that where the Landlord's Option to Tax is terminated the Landlord shall during the term of this lease avail in so far as it is able of the next opportunity to re-exercise the Landlord's Option to tax and shall use reasonable endeavours to procure that any claim for a credit or refund of VAT due to the Landlord as a result of such re-exercise is processed expeditiously.

3.2.6 Notwithstanding any other provision of this Lease, the Landlord agrees that strictly subject to the Tenant providing it with a valid authorisation under Section 56(3) VATCA, it shall (i) apply the zero rate of VAT to the rents and to any other payments reserved or payable by the Tenant pursuant to this Lease; and (ii) provide the Tenant with a valid VAT invoice in accordance with Chapter 2, Part 9 VATCA in respect of any taxable supplies made by it to the Tenant. If the Landlord charges VAT incorrectly in respect of any taxable supplies made by it to the Tenant, the Landlord and the Tenant agree that they will, in a timely manner, take such such action as may be necessary to ensure that a correct invoice is issued. However, in the event that the Landlord has not been furnished with an authorisation under Section 56(3) VATCA as aforesaid at any time, it shall be entitled to apply the full rate of VAT applicable to the said rents or other payments.

3.2.7 The landlord covenants that it is at the date of the execution of this Lease, and shall continue to be, an accountable person for the purposes of Part 2, VATCA.

3.2.8 In the event of an agreed surrender of this Lease for any reason (excluding by way of forfeiture or ejectment), and if at the date of such agreed Surrender (if any) either the Tenant or one of its predecessors in title has created a Capital Good in respect of the Premises the Landlord shall agree at that time to co-operate with the Tenant and may if, reasonable, enter into an agreement in writing to become responsible for any such Capital Good from the date of the surrender of this Lease in accordance with Section 64(7) of the VAT Act and if applicable the Tenant shall issue to the Landlord a copy of the Tenant's Capital Goods Record in accordance with Section 64(7) of the VAT Act **PROVIDED ALWAYS THAT** the Landlord shall not be required to enter into such an agreement in circumstances where becoming responsible for the refurbishment Capital Good would cause an irrecoverable VAT cost for the Landlord (either as a VAT clawback or a VAT payment obligation).

3.3 **Interest on late payments**

3.3.1 In the event that any of the rents hereinbefore reserved (whether formally demanded or not) or any other sums payable by the Tenant to the Landlord under this Lease are not received by the Landlord within fourteen (14) days after the due date for payment, to pay interest on such rent or sum at the Prescribed Rate calculated for the period commencing on the due date for payment and ending on the date the rent or sum is received by the Landlord (both before and after any judgement).

3.4 **Pay Rates and Outgoings**

3.4.1 To pay and discharge all rates water rates taxes duties charges assessments impositions burdens and outgoings of an annual or recurring nature and also of a non-annual or non-recurring nature where the same are legally chargeable against the Tenant or occupier and whether Parliamentary or Local or of any other description that may be assessed charged or imposed upon the Premises or the owner or occupier in respect thereof during the Term (excluding any tax payable by the Landlord upon any of the rent herein received or occasioned by any disposition of or dealing with the reversion of this lease any capital or income taxes payable by the Landlord) and to refund to the Landlord any such amounts paid by it in respect of the Premises.

3.4.2 To be solely responsible for and promptly pay all charges for water gas electricity or heat (if any) or any other utility used or consumed in the Premises during the Term but only where any such cost does not form part of the Service Charge.

3.5 **Comply with Enactments**

At its own expense to observe and comply with all Enactments and to do and execute all such works as are or shall be at any time during the Term under or by virtue of all Enactments and by any local or other authority directed or required to be done or executed in respect of the Premises or any part thereof whether by the owner or occupier thereof (save where the responsibility to observe or comply with the Enactment arises due to the act, neglect or default of the Landlord or its agents or any non-compliance with an Enactment which occurred with respect to the Building prior to the grant of this Lease) and to indemnify and keep the Landlord indemnified against all or any claims demands and liability in respect thereof.

3.6 **Alterations**

3.6.1 Not to erect or to permit or suffer to be erected any new building upon the Premises or to make or to permit or suffer to be made any external or structural alteration in or addition whatsoever to the Premises;

3.6.2 (Without prejudice to Clause 3.6.1) not without the previous consent in writing of the Landlord (such consent not to be unreasonably withheld or delayed) to make any other alterations or additions to the Premises or any alterations or additions to the Landlord's Specification or the Conduits.

3.6.3 (Without prejudice to Clause 3.6.1) not without the previous consent in writing of the Landlord (not to be unreasonably withheld, delayed or conditioned) to erect any partitioning or carry out any other internal non-structural alteration within the Premises and any such erection or alteration for which consent is granted shall be carried out in accordance with plans and specifications to be first approved by and to the reasonable satisfaction in all respects of the Landlord's Architects or Surveyors and the Tenant shall pay the reasonable charges for such Architects or Surveyors and of the Landlord's Solicitors incurred for each such consent **PROVIDED ALWAYS** that notwithstanding the foregoing provisions the Tenant shall be entitled to carry out internal non-structural alterations (which do not require planning permission or require a new or revised Fire Safety Certificate) without Landlord's Consent.

3.6.4 To furnish to the Landlord on completion of any permitted alterations certificates of compliance with or exemption from all relevant planning and building control legislation from competent and suitably professionally qualified persons acceptable in accordance with prudent conveyancing standards such certificates to be in the form then approved by the Law Society of Ireland.

3.6.5 It shall be reasonable for the Landlord to impose as a condition of any consent granted pursuant to this Clause 3.6 that the Tenant shall reinstate the Premises at the expiration or sooner determination of the Term to its condition prior to any alterations being carried out if so required by the Landlord.

3.6.6 Without prejudice to the generality of Clause 3.5 hereof:

(a) if the original of the Safety File for the Premises is provided to the Tenant on the request of the Tenant, to maintain and keep safe the Safety File and to amend and update the Safety File when necessary in respect of any alterations carried out by the Tenant from time to time, and to furnish the original Safety File to the Landlord upon request if required by the Landlord in connection with a dealing relating to the Landlord's interest in the Premises; or

(b) in the event that the Safety File for the Premises is retained elsewhere or forms part of the Safety File for the Building, to provide to the Landlord within thirty (30) days of any such alterations all information and documentation required to allow the Landlord to amend and update the Safety File when necessary in respect of any alterations carried out by the Tenant from time to time.

3.7 **Not To Avoid Insuranc**e

3.7.1 Not to do or permit or suffer upon or bring or suffer to be brought on to the Premises any matter or thing or article which shall or may cause the policy or policies for the insurance of the Premises or of any adjoining or neighbouring premises or any part thereof to become void or voidable or the premium or premiums payable in respect of the said policy or policies to be

increased above the ordinary or common rate applicable to the Premises or any adjoining or neighbouring premises and if the premium or premiums are so increased or if the Landlord so incurs expenses in the renewal of any policies as a result of the Tenant's breach to pay the same to the Landlord on demand;

3.7.2 In the event of the Premises, or any other premises in the Building or any part thereof being destroyed or damaged from or by any of the Insured Risks and the whole or part of the insurance money in respect of the same being irrecoverable by reason solely or in part of any act, neglect or default of the Tenant then and in every such case the Tenant shall forthwith pay to the Landlord the whole or (as the case may require) a fair proportion of the cost of rebuilding and reinstating the Premises and any other premises in the Building in respect of which the Landlord's insurance shall be vitiated by the act, neglect or default of the Tenant.

3.8 **Repair Maintain and Keep Tidy**

3.8.1 To repair and maintain the Premises and to keep them in good and substantial repair and condition and to replace any Landlord's fixtures and fittings in the Premises which become beyond repair, excluding damage by any Insured Risk (unless and to the extent that the insurance money shall have been rendered irrecoverable or insufficient in whole or in part due to the act, neglect or default of the Tenant or of any person deriving title under or through it or their respective servants, agents or invitees).

3.8.2 To keep the Premises clean and tidy and free from deposits of material or refuse and not to bring or keep or suffer to be brought or kept on the Premises or any part of any of them any dump or rubbish or scrap heap or anything which in the opinion of the Landlord is or may become unclean, unsightly, noisome or offensive or liable to detract from the quality, amenity or reputation of the Building or any adjoining premises of the Building as a high quality office and so often as it shall be necessary or desirable to remove from the Premises all such refuse rubbish and scrap which may accumulate or be there.

3.9 **Decoration**

Without prejudice to the generality of the clauses 3.8.1 and 3.8.2 above to paint with two coats at least of good quality paint all the interior of the Premises as are usually painted in a good and workmanlike manner such painting of the inside parts to be carried out not less than once in every fifth year of the Term the last such painting to be in the year immediately preceding the termination of this Lease and at the same time with every said inside painting to paper grain and varnish and colour such parts of the inside of the Premises as are usually or have been previously papered grained varnished or coloured;

3.10 **Permit Inspection**

3.10.1 To permit the Landlord and its agents and workmen with all necessary appliances to enter upon the Premises at all reasonable times after giving reasonable notice (save in the case of emergency when no notice shall be required) to the Tenant for the purpose of viewing the condition thereof taking a schedule of the fixtures and fittings therein inspecting any works in progress or of exercising any of the rights described in Part III of the First Schedule and upon written notice given by the Landlord to execute any repairs lawfully required by such notice for which the Tenant is liable under the provisions hereof and if the Tenant shall not execute such repairs within three months of the date of the service upon it of such notice (or if there is any emergency then within such lesser period as may be practicable but in such event without any delay whatsoever) the Landlord may itself execute such repairs and the vouched costs incurred by it in so doing shall be paid by the Tenant to the Landlord upon demand and shall be a debt recoverable from the Tenant by the Landlord in any court of competent jurisdiction;

3.10.2 To pay to the Landlord on demand all reasonable fees and expenses properly incurred by the Landlord and / or its servants and agents in connection with the preparation of any notice pursuant to this sub-clause whether during or after the expiration or sooner determination of the Term.

3.11 **Permit Landlord's Works**

3.11.1 To permit the Landlord and all persons authorised by it and their officers employees agents contractors licensees and workmen at all reasonable times after reasonable prior notice (except in case of emergency when no notice shall be required) to enter (and if necessary to erect and maintain equipment) upon the Premises with all necessary appliances:

(a) to execute repairs, alterations, painting, redecoration or other work to the Premises or any other part of the Building;

(b) for the purpose of inspecting, repairing, renewing, cleansing, emptying, maintaining or protecting any Conduits in under or over the Premises in connection with or for the accommodation of any adjoining or neighbouring premises.

in either case the person or persons exercising such rights making good or paying compensation for any damage (other than consequential loss or damage) thereby occasioned to the Premises or any Tenant's fixtures and fittings and causing as little inconvenience as practicable to the Tenant and complying with any reasonable requirements of the Tenant (including those relating to hours of work, noise, methodology for any works, confidentiality and soforth).

3.12 **Nuisance**

Not to carry on or permit or suffer to be carried on upon any part of the Premises any offensive or noisy trade business manufacture or occupation or permit or suffer the Premises to be used for any illegal purposes nor to do or permit or suffer to be done in or upon the Premises anything which may be a nuisance annoyance or disturbance or to cause damage or interference to the beneficial occupation of the occupants of the Building and to execute all such works as may be necessary for abating any such nuisance in obedience to a notice lawfully served by a local or public authority or pursuant to any court order or in obedience to any notice properly served by the Landlord pursuant to this Clause 3.12 and in default thereof to pay to the Landlord all costs charges and expenses which may be incurred by the Landlord in abating such nuisance in respect of the Premises.

3.13 **Prevent Encroachment**

To use all reasonable endeavours to prevent any easement or right belonging to or used with the Premises from being obstructed or lost and not to allow any encroachment to be made or easements to be acquired on under or over the Premises and to give notice to the Landlord forthwith of any encroachment which might have that effect and to join in at the cost of the Landlord with any objection or proceedings which the Landlord may take in respect of such encroachment.

3.14 **Signs**

3.14.1 Not to paint fix or exhibit or permit or suffer to be painted fixed or exhibited so as to be visible from outside the Premises any advertisement notice sign placard hoarding name or writing to or upon any part of the exterior of the Premises or on or in the windows or external walls of the Premises or upon any entrance doors thereof, save that the Tenant may, with the consent in writing of the Landlord (such consent not to be unreasonably withheld or delayed), display and

maintain in the lift lobby on the fourth floor of the Building immediately outside the Premises, and on the board in the Reception maintained for that purpose and any other tenant directories maintained by the Landlord in the Building or the curtilage thereof, a name-plate or sign showing the usual trade name of every permitted occupier of the Premises and may install signage identifying the Tenant's car spaces in the Basement **PROVIDED ALWAYS** that in connection with any such consent which may be given as aforesaid any necessary consent of the appropriate authorities under any planning or other legislation be also first obtained by the Tenant.

3.14.2 Not to hang or place or exhibit or permit or suffer to be hung or placed or exhibited any goods outside the Premises or the entrance doors or display windows of the Premises.

3.14.3 Not to install any blinds or curtains in the windows of the Premises or to substitute such blinds or curtains from time to time without first obtaining the prior written consent of the Landlord (such consent not to be unreasonably withheld).

3.15 **Aerials**[1]

Not without the consent of the Landlord (such consent not to be unreasonably withheld or delayed) to erect or permit the erection of any television or radio or telecommunication receiving aerials or antennae or other apparatus on the exterior of the Premises save as may be permitted under Part IV of the First Schedule hereto.

3.16 **Reletting Signs and Viewing**

3.16.1 To permit the Landlord during the six months immediately preceding the expiration of the Term to affix and retain without interference to or upon any part of the Premises (but so as not unduly to obscure the windows thereof or interfere with the Tenant's use thereof) a notice for reletting the same and during the said six months to permit persons with written authority from the Landlord or its agents at reasonable times of the day (upon reasonable prior written notice) to view the Premises;

3.16.2 To permit upon reasonable prior written notice at all reasonable times during the Term hereof prospective purchasers of or dealers in or agents instructed in connection with the sale of the Landlord's reversion or of any interest superior to the Term to view the Premises without interruption provided the same are authorised in writing by the Landlord or its agent.

3.17 **Cost of notices and consents**

To give immediate notice thereof to the Landlord of any notice or claim affecting the Premises and to pay all vouched costs charges and expenses (including Solicitors' costs and surveyors' fees) properly incurred by the Landlord:

3.17.1 for the purpose of or incidental to or in contemplation of the preparation and service of a notice under Section 14 of the Conveyancing and Law of Property Act 1881 requiring the Tenant to remedy a breach of any of the covenants herein contained notwithstanding forfeiture for such breach shall be avoided otherwise than by relief granted by the Courts;

3.17.2 in connection with the enforcement (whether during or after the expiry of the Term) of the Tenant's obligations under this Lease including the preparation and service of all notices and schedules of dilapidations;

[1] Jazz to engage with Landlord on its requirements as part of fit-out proposal.

3.17.3 in respect of each application for consent licence or approval under this Lease whether or not the application is withdrawn or rejected.

3.18 **Alienation**

3.18.1 Not to assign underlet or part with or share the possession control or occupation of the whole or any part of the Premises save in accordance with clause 3.18.2;

3.18.2 Not to assign underlet or part with or share the possession or control or occupation of the whole or part of the Premises without the consent in writing of the Landlord first obtained such consent not to be unreasonably withheld or delayed to an assignee or underlessee of good and sufficient financial standing (taking into account the financial obligations under this Lease) proof of which is furnished to the Landlord and upon any such assignment to obtain if the Landlord shall so require (acting reasonably) an acceptable guarantor or guarantors who shall if required by the Landlord enter into a direct covenant in the same form (mutatis mutandis) as that contained in the Sixth Schedule hereof for any assignee and subject to the following provisions or such of them as may be appropriate, that is to say:

3.18.3 The Tenant shall prior to any such assignment or underlease apply to the Landlord and give all information concerning the proposed assignee or underlessee as the Landlord may reasonably require.

3.18.4 The Landlord's consent to any such assignment or underletting shall be given in writing and the Tenant shall pay the Landlord's reasonable costs in connection with the application for such consent whether or not such consent is granted or refused.

3.18.5 In the case of an assignment shall be of the entire of the Premises.

3.18.6 In the case of an underlease (or any further underlease)

(a) the same shall be of either the entire of the Premises, or part only of the Premises strictly on the basis that : (i) there shall not be more than two under-lettings in effect at any one time and (ii) there shall not be more than two occupiers of the Premises at any one time; (iii) such sub-let part shall comprise either the entire of the area hatched blue[2] on Plan 5A attached hereto, or the entire of the area hatched yellow[3] on Plan 5A attached hereto.

(b) the sub-tenant shall pay an amount equal to the then open market rack rental value for the Premises (or the appropriate part thereof in the case of an underlease of part only) at the time of the granting of such underlease, and the sub-rent may not be referred to or taken into account on any rent review carried out under this Lease;

(c) the Tenant shall procure that the sub-lessee shall execute in advance of such sub-letting, whether of all or of part only of the Premises, a valid Deed of Renunciation in respect of any statutory rights of renewal which might accrue to it on the expiration of such sub-lease and shall indemnify the Landlord against any loss, cost, claim, expense, action or demand arising in respect of any breach of that obligation or as a result of any such statutory rights of renewal nevertheless accruing to such sub tenant;

(d) for the avoidance of doubt the amount of rent charged under any such underlease(s) shall be disregarded in any review of the Rent payable under this Lease pursuant to the Third Schedule hereof.

2. To be entire front section of fourth floor
3. To be entire rear section of fourth floor

3.18.7 An underlessee shall if required by the Landlord enter into a direct covenant with the Landlord to perform and observe all the covenants (other than that for payment of the rent hereby reserved) and conditions herein contained (insofar as they relate to the Premises underlet) and every such underlease shall also be subject to the following conditions, that is to say that it shall contain:

(i) an unqualified covenant on the part of the underlessee not to assign underlet or part with or share the possession of part only of the Premises thereby demised;

(ii) a covenant on the part of the underlessee not to assign or underlet the Premises thereby demised without obtaining the previous consent in writing of the Landlord hereto not to be unreasonably withheld or delayed;

(iii) covenants and conditions in the same terms as nearly as circumstances admit as those contained in this Lease.

3.18.8 It shall be reasonable for the Landlord to withhold consent to any proposed assignment, parting with or sharing of possession or control or occupation of the whole or part of the Premises if such assignment or sublet, etc, would result in the termination of the Landlord's Option to Tax under Section 97(1) of the VAT Act **PROVIDED ALWAYS** that it shall not be reasonable for the Landlord to withhold consent to any proposed assignment, parting with or sharing possession or control or occupation of the whole or part of the Premises in circumstances where prior to the disposal, the Tenant pays the Landlord an amount equal to the VAT adjustment incurred by the Landlord as a consequence of termination.

3.18.9 The Tenant shall indemnify and keep the Landlord indemnified from and against all losses, costs, claims, demands, proceedings, damages, expenses and liabilities arising out of a breach of this Lease by the Tenant which results in the termination of the Landlord's Option to Tax under Section 97(1) of the VAT Act to the extent that on any such termination the Tenant shall, without prejudice to the generality of the foregoing, pay on demand to the Landlord:

(i) an amount equal to the amount payable by the Landlord to the Revenue Commissioners under the VAT Act as a result of the termination of the Landlord's Option to Tax referred to in this clause and

(ii) where the amount payable under sub-paragraph (i) above is or will be subject to tax in the hands of the Landlord such further sum as will leave the Landlord in the same financial position as if such amount had not been subject to tax.

(iii) In respect of the above, the Landlord agrees to furnish to the Tenant a calculation of any sums due (the "**Statement**") signed by the Landlord's auditors or tax advisors and such Statement shall (save in the case of manifest error) be final and binding on the parties.

3.18.10 Notwithstanding the provisions of Clause 3.18 of this Lease, the Tenant may without the need for Landlord's consent share occupation of the Premises with a Group Company during the Term **Provided Always That**:

(a) the Tenant shall notify the Landlord in advance of the commencement of any such arrangement;

(b) no landlord and tenant relationship is thereby allowed to arise;

(c) any such related company shall vacate the Premises on or before the expiry or sooner determination of the Term; and

(d) the Tenant shall indemnify and keep indemnified the Landlord against any loss, cost, claim, expense, action or demand suffered by the Landlord arising as a result of a breach of any such arrangement, including as a result of any statutory rights of renewal accruing to any such related company.

3.19 **Notice of Alienation**

Within one calendar month after the execution of any assignment transfer underlease or the devolution of the Premises to give notice in writing with particulars to the Landlord's Solicitors and to produce to them with such notice such assignment or transfer or the counterpart of such underlease or the probate or letters of administration or other instrument under which such devolution arises.

3.20 **Disclosure of Notices**

Upon receipt of any notice order requisition direction or other thing from a competent authority affecting or likely to affect the Premises (whether the same shall be served directly on the Tenant or the original or a copy thereof be received by the Tenant from any person whatsoever) forthwith to deliver to the Landlord a copy thereof and so far as the provisions hereof require the Tenant so to do to comply therewith at its own expense;

3.21 **User**

3.21.1 Not to use or occupy the Premises or any part thereof or permit the same to be used or occupied for any other purpose than the Permitted Use. For the avoidance of doubt, subject to the provisions of Clause 3.31 of this Lease, the Tenant shall be permitted access to the Premises twenty-four (24) hours per day and three hundred and sixty five (365) days per year.

3.21.2 Not to permit or suffer anyone to sleep in the Premises and not to use or permit or suffer the use of the same or any part thereof for residential purposes or as licensed premises for the sale of excisable or intoxicating liquors or as an amusement arcade or bingo hall or any similar user.

3.21.3 Not to use the Premises or any part thereof or permit or suffer the same to be used for gaming or as a betting office.

3.21.4 Not to have or permit any sale by auction in or upon the Premises or any part thereof.

3.22 **Machinery Overloading and Inflammable Goods**

3.22.1 Not (except so far as the same shall be ancillary to the Permitted Use and the installation or use of the same shall not amount to a breach of any other provision herein) to erect or install or use in or upon any part of the Premises any steam gas electric or other engine or machinery of any kind.

3.22.2 Not to do or permit or bring in or upon the Premises anything which may throw on the Premises or any adjoining premises any weight or strain in excess of that which such premises are capable of bearing with due margin for safety and in particular not to overload the floors or the electrical installations or the other services of in or to the Premises nor suspend any excessive weight from the ceilings or walls, stanchions or the structure thereof. The Tenant shall seek professional advice at the Tenants own expense to ensure that there shall not be an infringement of this covenant.

3.22.3 Not to have store or keep upon the Premises or any part thereof any substance of an explosive or of an inflammable or dangerous nature or such as might increase the risk of fire or explosion or which might attack or in any way injure by percolation corrosion or otherwise the Premises or any adjoining premises or the keeping or use whereof may contravene any statutory or local regulation or bye-law and in particular without prejudice to the generality of the foregoing not to keep portable gas appliances for use on the Premises.

3.23 **Planning Acts**

3.23.1 Not to do or omit or permit to be done or omitted anything on or in connection with the Premises the doing or omission of which shall be a contravention of the Planning Acts and / or the Building Control Act, or of any notices, orders, licences, consents, permissions and conditions (if any) served, made, granted or imposed thereunder or under any enactment repealed thereby and to indemnify (as well after the expiration of the Term by effluxion of time or otherwise as during its continuance) and keep indemnified the Landlord against all actions, proceedings, damages, penalties, costs, charges, claims and demands in respect of such acts and omissions or any of them and against the costs of any application for Planning Permissions obtained by the Tenant and the works and things done in pursuance thereof.

3.23.2 In the event of the Landlord giving written consent to any of the matters in respect of which the Landlord's consent shall be required under the provisions of this Lease or otherwise and in the event of permission from any Planning Authority under the Planning Acts and / or the Building Control Act being necessary for any additions, alterations, or changes in or to the Premises or for the change of user thereof or for any development for which such consent has been sought and obtained to apply at the cost of the Tenant to the relevant local authority for all consents and permissions which may be required in connection therewith and to give notice to the Landlord of the granting or refusal (as the case may be) of all such approvals, certificates, consents and permissions forthwith on the receipt thereof and to comply with all conditions, regulations, bye-laws and other matters prescribed by any competent authority either generally or specifically in respect thereof and to carry out such works at the Tenant's own expense in a good and workmanlike manner to the reasonable satisfaction of the Landlord.

3.23.3 To give notice forthwith to the Landlord of any notice order or proposal for a notice or order served on the Tenant under the Planning Acts and / or the Building Control Act and if so required by the Landlord to produce the same and at the request the Landlord and the cost of the Tenant to make or join in making such objections or representations in respect of any proposals as the Landlord may require.

3.23.4 To comply at its own cost with any notices or orders served on the Tenant in respect of matters for which the Tenant its servants or agents are responsible hereunder and to comply with all conditions attached to any permission granted under the provisions of the Planning Acts and / or the Building Control Act.

3.23.5 Not to implement any planning permission before it and any necessary fire safety certificates have been produced to and approved by the Landlord (such approval not to be unreasonably withheld or delayed provided that the works to which such permission and / or certificates relate have already been approved by the Landlord in accordance with the provisions of this Lease).

3.23.6 If and when called upon to do so to produce to the Landlord or its surveyors all such plans, documents and other evidence as the Landlord may reasonably require in order to satisfy itself that the provisions of this sub-clause have been complied with in all respects.

3.24 **To Indemnify Against Claims**

To take out and maintain at all times during the Term, with an insurer approved by the Landlord acting reasonably and which approval shall not be withheld in respect of an established insurer of good repute, a Policy or Policies of Insurance covering Public Liability in an amount not less than €10,000,000 (ten million euro) and Employers liability in respect of the Premises in each case in an amount of not less than €13,000,000 (Thirteen Million Euro) for each and every claim or series of claims arising from one occurrence and to ensure that each of the said policies contain an "Indemnity to Principals" clause in favour of the Landlord and to produce evidence that such policies are effected valid and subsisting (by way of broker's certificate or otherwise) and the receipt for payment of the last premium thereon to the Landlord whenever reasonably required by the Landlord to do so on demand and to indemnify and keep indemnified the Landlord against all and any actions expenses costs claims damages and other liabilities whatsoever in respect of the injury or death of any person or damage to any property occurring during the Term howsoever arising and in particular without prejudice to the generality of the foregoing arising directly or indirectly out of:

3.24.1 the state of repair or condition of the Premises (save where the Landlord or anyone on the Premises with the permission of the Landlord is in breach of any obligation on its part hereunder with respect to the carrying out of works in the Premises during the Term);

3.24.2 the making or exercising of any alteration to the Premises by the Tenant or any sub-tenant or state of repair or condition of such alteration;

3.24.3 the user of the Premises during the Term;

3.24.4 any work carried out or in the course of being carried out on the Premises by the Tenant or any sub-tenant;

3.24.5 any breach of the terms of this Lease on the part of the Tenant or any subtenant;

3.24.6 anything now or hereinafter attached to or projecting from the Premises.

3.25 **Fire Safety Requirements**

3.25.1 Save in respect of any matter of non-compliance in that regard which occurred prior to the grant of this Lease, at all times during the Term to comply with all reasonable recommendations and all requirements of the appropriate fire or local authority and the insurers in respect of the safety and security of the Premises whether notified or directed to the Landlord or the Tenant in relation to fire precautions and in particular the provision of fire screens and to comply with all the reasonable regulations from time to time made by the Landlord in relation to fire precautions and save where same is a matter for the Landlord under the provisions of this Lease, to indemnify the Landlord against any costs and expenses in complying with any such requirement or written recommendation, and not to obstruct the access to or means of working any apparatus and appliance for that purpose for the time being installed in the Premises.

3.25.2 If required by the Landlord for the purposes of safety or where required to comply with the reasonable recommendations or the requirements of the Insurers of the Building to pay to the Landlord on demand the (vouched) cost of providing and installing portable fire extinguishers fire hose reels or similar devices or at the Landlord's option to install same at the Landlord's direction and at the Tenant's expense.

3.25.3 In the event of the Premises or any part thereof being damaged or destroyed by any of the Insured Risks to give immediate notice to the Landlord.

3.26 **Not to Obstruct Pipes**

Not to stop up or obstruct or permit or suffer to be stopped up or obstructed or to suffer any oil grease or other noxious or harmful matters or substances to enter the drains sewers gutters pipes channels and watercourses of the Premises and to employ such method for treating any deleterious effluent that may reasonably be required by the Landlord or be required by the Local Authority before permitting such effluent to enter any such drains sewers gutters pipes channels and watercourses;

3.27 **Make Good Loss**

To indemnify and make good all loss sustained by the Landlord in consequence of any breach by the Tenant or any underlessee of any covenant or condition on the Tenant's part herein contained.

3.28 **Stamp Duty**

To pay the stamp duty tax chargeable on the original and counterpart of this Lease.

3.29 **Yield Up**

To yield up the Premises with vacant possession to the Landlord's Specification at the expiration or sooner determination of the Term (howsoever the same may be determined) in such state of good and substantial repair and condition as shall be in accordance with the continued performance and observance of the Tenant's covenants herein contained damage by Insured Risks excepted (unless the insurance money shall have been rendered irrecoverable or insufficient in whole or in part due to the act or default of the Tenant or any person deriving title under or through it or their respective servants, agents or invitees) and (if requested in writing by the Landlord) having removed the Tenant's Works and any other alterations made to the Premises throughout the Term and having made good any damage caused to the Premises or the Building by such removal.

3.30 **Register of Companies**

(Where the Tenant is a company) to comply with all statutory requirements necessary to ensure that the Tenant remains on the register of companies.

3.31 **Use of Premises outside Business Hours**

3.31.1 The Landlord agrees that, subject to the provisions of this Clause 3.31, the Tenant shall have access to the Premises 24 hours each day during each day of the year.

3.31.2 If the Tenant shall desire, from time to time, to use the Premises outside the usual Business Hours of the Building, then (subject to the Landlord being able to provide such staff, services and security for the Building, as the Landlord may acting reasonably consider necessary) the Tenant shall be entitled to use and occupy the Premises and have access thereto on the following terms and conditions:

(a) the Tenant shall make prior arrangements with the Landlord or with the Surveyor or caretaker;

(b) the Tenant shall pay to the Landlord, on demand, the reasonable costs and expenses incurred by the Landlord attributable to the Tenant's access to and use of the Premises outside the usual business hours of the Building or a fair proportion of such costs to the extent that other tenants are using the Building during the same hours as the Tenant.

(c) the Tenant shall, in relation to all such access and use:

(i) use only such parts of the Common Areas as Landlord shall designate;

(ii) take all proper, necessary and required action to keep the Building secure;

(iii) abide by such rules and regulations as are from time to time prescribed by the Landlord acting reasonably for access, use and occupation of the Building outside usual business hours

(iv) not permit or suffer any keys or other means of access to the Building be in the hands of any person other than the trusted employees of Tenant or others first approved of in writing by Landlord;

(v) indemnify and keep indemnified the Landlord against all losses, claims, liabilities, demands, proceedings, costs and expenses which are directly attributable to the Tenant's access to and use of the Premises and the Common Areas outside usual business hours.

3.31.3 The Landlord hereby reserves the right to deny the Tenant access to the Building outside of Business Hours where the Tenant fails to comply with the provisions of this Clause 3.31.

4 Landlord's covenants

The Landlord covenants with the Tenant:

4.1 Quiet Enjoyment

That the Tenant paying the rent hereby reserved and observing and performing the several covenants and stipulations herein on its part contained shall peaceably hold and enjoy the Premises during the Term without any interruption by the Landlord or any person rightfully claiming under or in trust for it.

4.2 Services

Subject to payment by the Tenant of all sums due from the Tenant from time to time in respect of the Service Charge to use all reasonable endeavours to provide or procure the provision of the services referred to in Part II of the Second Schedule hereto **PROVIDED ALWAYS THAT:**

4.2.1 the Landlord shall not be liable to the Tenant in respect of any failure by the Landlord to perform any of the services referred to in this Lease, whether express or implied, unless and until the Tenant has notified the Landlord of such failure and the Landlord has failed within a reasonable time to remedy the same and then in such case the Landlord shall (subject to the further proviso below) be liable to compensate the Tenant for the actual (but not consequential, financial or other economic) loss or damage sustained by the Tenant after such reasonable time has elapsed; and

4.2.2 the Landlord shall not, in any circumstances, incur any liability for any failure or interruption in any of the services provided by the Landlord or any inconvenience or injury to person or property arising from such failure or interruption due to mechanical breakdown, failure or malfunction, overhauling, maintenance, repair or replacement, strikes, labour disputes, shortages of labour or materials, inclement weather or any cause or other circumstance beyond the control of the Landlord, provided that the Landlord shall use all reasonable endeavours to cause the service in question to be reinstated with the minimum of delay sand shall take all reasonable steps in accordance with the principles of good estate management to minimise the impact of any such failure or interruption on the Building as a whole.

4.3 **Insurance**

4.3.1 Subject to the Landlord being able to effect such insurance and to such terms and conditions as are normally available from the insurance market, and subject further to reimbursement by the Tenant of the Insurance Rent from time to time, the Landlord hereby covenants with the Tenant to insure in the name of the Landlord the Building and the Premises and all Landlord's fixtures and fittings therein and thereon (it being acknowledged by the Tenant that the Landlord has no obligation to insure the Tenant's fit-out, fixtures, fittings, equipment or other contents of the Tenant (or any sub-tenants) in the Premises) and to keep the same insured in the full reinstatement cost (to be determined from time to time by the Landlord or its surveyors) and including an inflationary factor against damage by the Insured Risks.

4.3.2 The Landlord covenants to use all reasonable endeavours:

(a) To obtain from the Landlord's insurers a waiver of its subrogation rights (if any) against the Tenant in respect of the Premises so long as such a waiver is available in the insurance market from reputable insurers upon reasonably commercial terms;

(b) To ensure that the insurance policy or policies in respect of the Insured Risks contain a provision that the insurance is not invalidated by any change of occupancy or increase or risk taking place in or on the premises without the knowledge of the Landlord provided that the Landlord shall immediately upon the same coming to its knowledge give notice to the insurers and the Tenant shall pay any additional premiums as may be required from the date of such increase of risk;

(c) To notify the Tenant, as soon as reasonably practicable following implementation thereof, of any material changes to the insurance policy or policies in respect of the Insured Risks.

4.4 **Reinstatement**

In case the Premises or the Building or any part thereof or the access thereto shall be destroyed or damaged by any of the Insured Risks then (subject to the Landlord obtaining Planning Permission and all other necessary pertinent licences and approvals) and as often as shall happen to lay out all monies received in respect of such insurance as aforesaid as soon as practicable in or upon rebuilding, repairing or reinstating the Premises and the Building substantially in accordance with its existing plan and elevation in a good and substantial manner unless the relevant policy shall have been vitiated or rendered less than fully effective by any act, neglect, default or omission on the part of the Tenant **PROVIDED ALWAYS** that in the event of the Landlord being unable to procure reinstatement of the Premises substantially in accordance with its existing plan and elevation due to refusal of planning or other approvals consents or licences (having used all reasonable endeavours to do so) the Tenant agrees to surrender this Lease when called upon by the Landlord to do so whereupon the said Insurance monies shall belong absolutely to the Landlord.

5 **Provisos and matters agreed**

Provided Always and it is hereby expressly agreed as follows:

5.1 **Re-entry**

If:

5.1.1 the rents hereby reserved or any part thereof shall at any time be in arrear and unpaid for fourteen (14) days after the same shall have become due (whether any formal or legal demand therefor shall have been made or not); or

5.1.2 the Tenant shall at any time fail or neglect to commence to perform or observe any of the covenants conditions or agreements herein contained and on its part to be performed and observed within ten (10) working days of receiving notice from the Landlord of a failure on the part of the Tenant to perform or observe any of the said material covenants or conditions, and to complete such performance or observation as soon as reasonably practical thereafter but within no less than three (3) months of receiving such notice; or

5.1.3 the Tenant (being a body corporate) shall enter into liquidation whether compulsory or voluntary (not being a voluntary liquidation for the purpose of amalgamation or reconstruction) or have a Receiver appointed or its Directors petition for an Examiner to be appointed or an Examiner is appointed or permit any execution to be levied on the Premises; or

5.1.4 the Tenant (being an individual) shall become bankrupt or compound with his creditors or is otherwise insolvent; or

5.1.5 the Tenant being a Company incorporated outside the Republic of Ireland is the subject of any proceedings or event analogous to those hereinbefore referred to in its country of incorporation;

then and in any such case it shall be lawful for the Landlord or any person or persons duly authorised by it into or upon the Premises or any part thereof in the name of the whole to re-enter and the Premises peaceably to hold and enjoy thenceforth as if this Lease had not been made without prejudice to any right of action or remedy of either party in respect of any antecedent breach of any of the covenants by either party hereinbefore contained.

5.2 **Suspension of Rent**

5.2.1 In the event of the Premises or the Building or any part thereof or the access thereto being damaged or destroyed by any of the Insured Risks from time to time so as to render the Premises unfit for occupation and use or inaccessible, then (unless in the case of damage or destruction by the Insured Risks the insurance monies shall be irrecoverable in whole or in part by reason solely or in part of any act neglect default or omission of the Tenant) the rent hereby firstly reserved and the Service Charge or a fair proportion of it according to the nature and extent of the damage sustained shall be suspended until the Premises and the Building or any part thereof shall again be rendered fit for occupation and use and accessible or for the period of four years from the date of such destruction or damage whichever is the shorter and in the event of any dispute concerning the provisions of this sub-clause the same shall be determined by a single arbitrator in accordance with the provisions of the Arbitration Act 2010 or any statutory modification or re-enactment thereof for the time being in force. In the event that such reinstatement has not been completed:

5.2.2 within a period of twenty four (24) months from the date of damage or destruction where such occurs during the first eight (8) years of the Term; or

5.2.3 within a period of twelve (12) months from the date of damage or destruction where such occurs during the last two (2) years of the Term,

then either the Landlord or the Tenant shall be entitled at any time after the expiry of the said period of twenty four (24) or twelve (12) months, as appropriate to determine this Lease by serving written notice to that effect on the other and upon service of which notice this Lease shall immediately cease and determine but without prejudice to any claim by either party against the other in respect of any antecedent breach hereof.

5.3 **Notices**

5.3.1 Any demand or notice required to be given to, or served on the Tenant or any guarantor under this Lease shall be sufficiently served if addressed to the Tenant or the guarantor (as the case may be and, if the Tenant or the guarantor constitutes more than one person, then addressed to any of them) and delivered personally, or sent by pre-paid registered or recorded delivery mail, addressed (in the case of a company to its registered office, or (whether a company or individual) to its last known address, or (in the case of a notice to the Tenant) to the Premises.

5.3.2 Any notice required to be given or served on the Landlord shall be sufficiently served if sent by pre-paid registered or recorded delivery mail, addressed:

(a) For as long as the Lessor's interest herein is vested in the parties named as Landlord at the start of this Lease, to:

John Ronan and Castle Cove Property Developments Limited
Treasury Building
Lower Grand Canal Street
Dublin 2

or such other address as shall have been notified in writing to the Tenant for the purpose of service of notices on the Landlord; and

(b) otherwise, (in the case of a company) to the Landlord's registered office, or (in the case of an individual) to its last known address.

5.3.3 A Notice sent by post shall be deemed to have been given forty-eight hours after the time of posting to the address to which it was sent.

5.4 **Plans**

The Plans annexed hereto and the details shown thereon shall be for the purpose of identification only and no warranty or condition expressed or implied shall be given or be deemed to be given in respect of such Plans or the details shown thereon or any matter or thing shown thereon or referred to.

5.5 **Surrender - Deasy's Act**

In case the Premises or any part thereof shall be destroyed or become ruinous and uninhabitable or incapable of beneficial occupation or enjoyment by or from any of the Insured Risks during the Term the Tenant hereby absolutely waives and abandons its rights (if any) to surrender this Lease under the provisions of Section 40 of the Landlord & Tenant Law Amendment, Ireland, Act 1860 or otherwise.

5.6 **No Warranty**

Nothing in this Lease contained shall be deemed to constitute any warranty by the Landlord that the Premises or any part thereof are authorised under the Planning Acts or otherwise for use for any specific purpose.

5.7 **Jurisdiction**

This Lease shall be governed by and construed in all respects in accordance with the Law of the Republic of Ireland and the Irish Courts shall have exclusive jurisdiction in relation to any disputes arising under or connected with this Lease and the Tenant and any guarantor agree that any process may be served on them by leaving a copy of the relevant document at the Premises **PROVIDED HOWEVER** that the Landlord shall retain the right at its sole election to sue the Tenant and any guarantor elsewhere including in the Courts of the Landlord's and / or the Tenant's and / or the guarantor's domicile.

6 **Option to terminate**

6.1 The Tenant shall have the right to terminate this Lease on 7 May 2017 (the "Termination Date") subject to the following terms and conditions:

6.1.1 The Tenant shall give the Landlord no less than six (6) months prior notice in writing of its intention to exercise the said right (the "Termination Notice") (and in this regard time shall be of the essence); and

6.1.2 The Tenant shall pay to the Landlord, together with service of the Termination Notice, the sum of €184,455.75 (one hundred and eighty four thousand four hundred and fifty five euro and seventy five cent); and

6.1.3 The Tenant shall give to the Landlord on the Termination Date vacant possession of the Premises to the Landlord's Specification;

6.1.4 The Tenant shall continue to be responsible for Rent, Service Charge, Insurance Rent and all other outgoings payable on foot of this Lease up to the Termination Date. Strictly without prejudice to the Tenant's payments obligations under this Lease, if the Tenant shall when serving the Termination Notice make a written request to the Landlord, the Landlord shall within 60 days thereof deliver to the Tenant a statement of the payments required to be made by the Tenant in order for the Tenant to comply with its obligations in this Clause 6.1.4; and

6.1.5 Any such termination shall be without prejudice to any antecedent breach by either the Landlord or Tenant of any of their respective covenants herein contained; and

6.1.6 Subject to the provisions of this Lease the Tenant shall pay to the Landlord all Value Added Tax (if any) which it is obliged to pay under the VAT Act and arising on the termination of the Lease.

6.2 Without prejudice to the provisions of Clause 6.1, the Tenant shall perform and observe all the covenants and conditions herein contained and on its part to be performed and observed up to the Termination Date.

IT IS HEREBY CERTIFIED that :

(i) the transaction hereby effected does not form part of a larger transaction or of a series of transactions in respect of which the amount or value or the aggregate amount or value of the consideration (other than rent) exceeds €10,000.00.

(ii) that Section 53 (lease combined with building agreement for dwellinghouse / apartment) of the Stamp Duties Consolidation Act, 1999 does not apply to this instrument.

(iii) that for the purposes of Section 29 of the Companies Act, 1990 the Landlord and the Tenant are not connected with one another in a manner which would require this transaction to be ratified by resolution of either.

IN WITNESS WHEREOF this Deed has been signed as Deed by John Ronan and the common seals of Castle Cove Property Developments Limited and Jazz Pharmaceuticals Plc were affixed hereto the day and year first before written.

FIRST SCHEDULE

Part I
Premises

ALL THAT portion of the Building being the fourth floor thereof more particularly shown inlined in red on Plan 5 annexed hereto comprising an agreed net lettable area of eleven thousand nine hundred and ninety - seven square feet (11,997 square feet) and including:

2. the internal plaster surfaces and finishes of all structural or load bearing walls and columns therein or which enclose the same, but not any other part of such walls or columns;

3. the entirety of all non-structural or non load bearing walls and columns therein;

4. the inner half severed medially of the internal non load bearing walls (if any) that divide the same from other parts of the Building;

5. the floor finishes thereof and all carpets save that the lower limit of the Premises shall not extend to anything below the floor finishes except that raised floors and the cavity below them shall be included;

6. the ceiling finishes thereof, including all suspended ceilings (if any) and light fittings save that the upper limit of the Premises shall not extend to anything above the ceiling finishes except that the cavity above any suspended ceiling shall be included;

7. All window frames and window furniture and all glass in the windows and all doors, door furniture and door frames;

8. All sanitary and hot and cold water apparatus and equipment and the radiators (if any) therein and all fire fighting equipment and hoses therein exclusively serving the Premises;

9. All Conduits therein and exclusively serving the same;

10. The toilet accommodation on the fourth floor of the Building; and

11. The roof terraces and balconies on the fourth floor of the Building.

Part II
Building

ALL THAT the Office Building situate at 1 Burlington Road and the rere of 40/42 Mespil Road in the City of Dublin as delineated and shown for the purpose of identification only on the Plan 1 annexed hereto and thereon outlined in green.

Part III
Exceptions and Reservations

Excepting and reserving unto the Landlord and all other persons at any time authorised by them or any of them or otherwise entitled to the same rights as follows, exercisable in accordance with the provisions set out herein:

1. Full right and liberty to build upon and develop the Building and any adjoining premises or property now or hereafter belonging to the Landlord or to build upon or to extend in height or otherwise such premises from time to time adjoining or adjacent to the Premises or any building or any part thereof of which the Premises form part **PROVIDED THAT** the access of light and air to the Premises and the lights windows and openings thereof are not materially adversely affected and there is no interference with the Tenant's quiet enjoyment of the Premises or its access thereto and egress therefrom other than temporary interference required for construction purposes.

2. The free and uninterrupted passage and running of the Utilities through the Conduits which are now, or may at any time throughout the Term (or any extension or renewal thereof) be in, on, under or passing through the Premises.

3. Full right and liberty at all reasonable times to enter upon the Premises with or without appliances, equipment of any sort and workmen and others as often as may be necessary to view the state and condition of and to repair and maintain the Premises and (where same cannot reasonably be carried out at reasonable cost without accessing the Premises) clean alter renew remove or install such gutters pipes sewers drains wires conduits ducts flues and watercourses serving the Premises and adjoining premises and the Building (including the right if necessary to erect and maintain scaffolding) the persons exercising such rights ensuring that inconvenience is limited as far as practicable and that access to the Premises is not as far as practicable unduly obstructed.

4. The right to erect essential scaffolding for the minimum period necessary for the purpose of repairing or cleaning the Common Areas or any adjoining property or in connection with the exercise of any of the rights mentioned in this Schedule notwithstanding such scaffolding may temporarily interfere but not in any way materially prevent the proper access to and other enjoyment and use of the Premises.

5. The full rights of support and of shelter and protection to adjoining premises are at present enjoyed from the Premises.

6. All rights of light and air and other easements and rights now enjoyed by any other part or parts of the Building or any adjoining property over the Premises.

7. The full right and liberty to enter upon the Premises following the provision of at least 7 days prior written notice at any time during the Term in order to build on or into any party or other walls of the Premises the person or persons exercising such rights making good all damage to the structure of the Premises thereby occasioned and the Landlord ensuring that there is no material interference with the Tenant's quiet enjoyment of the Premises.

8. The full right and liberty to enter upon the Premises at all reasonable times during the Term on provision of reasonable prior notice (save in cases of emergency when no notice shall be required) to gain access to the Premises and / or to the balcony or terrace (if any) forming part of the Premises as necessary for the purposes of carrying out the services described in the Second Schedule.

9. The full right and liberty to develop the remainder of the Building or any adjoining property now or hereafter of the Landlord throughout the Term (or any extension or renewal thereof) in such manner as the Landlord shall think fit **PROVIDED THAT** there shall be no permanent materially adverse effect upon the Tenant's access to and egress from the Premises, the Tenant's quiet enjoyment of the Premises and the access of light and air to the Premises.

10. The airspace above the Premises.

11. The full right and liberty to close off the Common Areas or any part thereof for temporary period for the purpose of repairing, maintaining, replacing and renewing same, but provided that the Landlord uses all reasonable endeavours to re-instate same as soon as reasonably practicable and that the Tenant shall be allowed a reasonable alternative means of access to the Premises and the Car Spaces at all times.

12. The full right and liberty to re-locate the Car Spaces allocated to the Tenant to a different part of the Basement from time to time.

13. The right to regulate and control the use of the Common Areas in accordance with the principles of good estate management and in particular (but not by way of limitation) to:

(a) vary or to change the use of, close or control access to the whole or any part of the Common Areas subject to the Landlord where appropriate providing reasonable alternative access to the Premises and the car spaces allocated to the Tenant;

(b) make reasonable regulations for the control, regulation and limitation of pedestrian or vehicular traffic in the Common Areas or in any part thereof and to erect such signs as may be appropriate;

(c) the right to make reasonable rules and regulations in accordance with the principles of good estate management as follows:

(i) for the control, regulation and limitation of the traffic vehicular and otherwise into and from and within the Building and in particular regulation for the delivery and storage of stocks and goods;

(ii) for the storage, removal and disposal of waste;

(iii) for the security of the Building as a whole or in respect of any part or parts;

(iv) for emergency action and procedure;

(v) for fire precautions.

PROVIDED ALWAYS THAT the Landlord agrees with regard to the rights reserved in this First Schedule Part III that any such works or exercise of such rights shall be performed in accordance with paragraph (g) of the “Interpretation” section of Clause 1 of this Lease.

Part IV
Easements, rights and privileges

1. The full right for the Tenant, its servants, agents or licensees to use the Common Areas or any part thereof for all proper purposes in connection with the use and enjoyment of the Premises and the Car Spaces.

2. The exclusive right for the Tenant to use five (5) car spaces in the Basement (the "Car Spaces") being spaces numbered 7, 8, 15, 19 and 20 (Basement -1) shown on Plan No. 2 annexed hereto[4].

3. The free and uninterrupted passage and running of Utilities (subject to temporary interruption for repair, maintenance, renewal or replacement) to and from the Premises through the Conduits which are now laid or (throughout the Term (or any extension or renewal thereof)) shall be laid in, under or through other parts of the Building so far as any of the same are necessary for the reasonable use and enjoyment of the Premises.

4. The right of way for emergency purposes only over those parts of the Common Areas coloured blue on the Plans annexed hereto.

5. The right of way in the event of emergency only over that part of Block A shown shaded yellow on Plan 1 annexed hereto.

6. The right of access from time to time, with the Landlord's prior consent (not to be unreasonably withheld or delayed) to the mechanical and electrical ducts in the Building and the tenants' switchroom in the Basement.

7. The right of access from time to time, subject to obtaining the Landlord's prior consent (such consent not to be unreasonably withheld or delayed) and by arrangement on the day, to the Common Areas on the fourth floor of the Building for the purposes of carrying out repairs or maintenance to the Premises where such works cannot reasonably be otherwise carried out or would involve materially greater cost to the Tenant and for the purpose of installing, repairing, maintaining and inspecting any conduits serving the Premises including any telecommunications conduits to the Premises and any conduits in the mechanical and electrical ducts and any conduits connecting the Premises to any permitted satellite dish on the roof of the Building or any permitted condensers installed by the Tenant in the Basement Level of the Building.

8. The right to install plant on the roof of the Building in the locations marked with an "X" and coloured yellow on Plan 11 annexed hereto and to lay the necessary conduits between the Premises and any such satellite dish, subject to the Landlord's prior written approval (not to be unreasonably withheld or delayed) of the type and dimensions thereof, together with the right of access from time to time, with the Landlord's prior consent, to the roof of the Building for the repair and maintenance of the satellite dish which shall be the sole responsibility of the Tenant at its own expense.

9. The right to use the existing bathrooms or toilet facilities and the existing lobby area on the fourth floor of the Building in common with any other occupational tenant located in the fourth floor of the Building.

[4] Space no. 9 to be confirmed by Jazz

10. Subject to the Landlord's prior written consent and the Landlord's prior approval of the size and location thereof, the right for the Tenant to install and maintain in the Basement condenser equipment of a type acceptable to the Landlord and necessary for the Tenant's use and enjoyment of the Premises, and the right to install and repair, maintain, inspect and review the conduits reasonably necessary for the said condenser units to serve the Premises and the free and uninterrupted passage of electricity and air through such conduits subject to the Tenant complying with all requirements of the Landlord, the Landlord acting reasonably in this regard.

11. The full right of light, air, support, shelter and protection as currently enjoyed by the Premises from the other parts of the Building.

SECOND SCHEDULE

Part I
Service Charge

1. The Tenant shall pay the Tenant's Proportion of the Service Charge on the days and in the manner and otherwise in accordance with the provisions hereinafter contained;

2. The amount of the Service Charge shall be ascertained and certified by a certificate (hereinafter called "the certificate") signed by the Landlord's auditors or accountants (at the discretion of the Landlord) acting as experts and not as arbitrators annually and so soon after the end of the Landlord's financial year as may be practicable and shall relate to such year in manner hereinafter mentioned;

3. The expression "the Landlord's financial year" shall mean the period from the 1st day of January in each year to the 31st day of December of that same year or such other annual period as the Landlord may at its discretion from time to time determine as being that in which the accounts of the Landlord either generally or relating to the Building shall be made up;

4. A copy of the certificate for each such financial year shall be supplied by the Landlord to the Tenant on written request and without charge to the Tenant;

5. The certificate shall contain a summary of the Landlord's said costs and expenses incurred by the Landlord during the Landlord's financial year to which it relates together with a summary of the relevant details and figures forming the basis of the Service Charge and the certificate (or a copy thereof duly certified by the person by whom the same was given) shall be conclusive evidence for the purposes hereof of the matters which it purports to certify save in circumstances of manifest error;

6. The expression "the costs and expenses incurred by the Landlord" as hereinbefore used shall be deemed to include not only those costs and expenses hereinbefore described which have been actually disbursed incurred or made by the Landlord during the year in question but also such reasonable part of all such costs and expenses hereinbefore described which are of a periodically recurring nature (whether recurring by regular or irregular periods) whenever disbursed incurred or made and whether prior to the commencement of the Term or otherwise including a sum or sums of money by way of reasonable provision for anticipated expenditure in respect thereof as the Landlord or its auditors or accountants (as the case may be) may in their discretion allocate to the year in question as being fair and reasonable in the circumstance;

7. The Tenant shall with every quarterly payment of rent reserved hereunder pay to the Landlord such sum in advance and on account of the Service Charge as the Landlord or its auditors or accountants (as the case may be) shall specify at their discretion to be a fair and reasonable interim payment.

8. As soon as practicable after the signature of the certificate the Landlord shall furnish to the Tenant an account of the Service Charge payable by the Tenant for the year in question due credit being given therein for all interim payments made by the Tenant in respect of the said year and upon the furnishing of such account showing such adjustment as may be appropriate there shall be paid by the Tenant to the Landlord the amount of the Service Charge as aforesaid or any balance found payable or there shall be allowed by the Landlord to the Tenant any amount which may have been overpaid by the Tenant by way of interim payment as the case may require;

9. It is hereby agreed and declared that nothing in this Clause or these presents contained shall disable the Landlord from maintaining an action against the Tenant in respect of non-payment of any such interim payment as aforesaid notwithstanding that the certificate had not been signed at the time of the proceedings.

10. It is hereby agreed and acknowledged that the Service Charge payable by the Tenant hereunder shall include the Tenant's Proportion of the Reception Rent and the Gym Rent, such rents to be calculated in accordance with Clause 11 of this Part I Second Schedule.

11. From the date hereof until 1 August 2015:

(i) the Reception Rent shall be calculated at a rate of €50.00 (fifty euro) per square foot; and

(ii) the Gym Rent shall be calculated at a rate of €25.00 (twenty-five euro) per square foot;

and thereafter each rent shall be adjusted on 1 August 2015 and on 1 August of every fifth year thereafter (each an "Additional Rent Review Date"). From each Additional Rent Review Date the Reception Rent and the Gym Rent payable shall be an amount equal to the Reception Rent and the Gym Rent each adjusted by reference to the Society of Chartered Surveyors / Investment Property Databank Office Rental Value Index (latest issue) (or in the event that such index no longer exists, by reference to the change in the cost of living as recorded by the Consumer Price Index), and by increasing or decreasing the Reception Rent and the Gym Rent payable on the day immediately preceding each Additional Rent Review Date in proportion to the rise or fall in the respective index figures between the previous Additional Rent Review Date and the current Additional Rent Review Date. From each Additional Rent Review Date until the next such review date the Tenant's Proportion of the Service Charge payable hereunder shall include the Tenant's Proportion of the Reception Rent and the Gym Rent so adjusted.

12. Immediately upon receipt of each payment of the Tenant's Proportion of the Service Charge the Landlord may deduct therefrom and pay to itself for the Landlord's own use and benefit and free from any claims of the Tenant that part of the said payment comprising the Tenant's Proportion of the Reception Rent and the Gym Rent.

PROVIDED ALWAYS and notwithstanding anything herein contained it is agreed and declared that the provisions of sub-clause (8) of this Clause shall continue to apply notwithstanding the expiration or sooner determination of the term hereby granted but only in respect of the period down to such expiration or sooner determination of the Term.

Part II
(Services)

1. Repairing, renewing, replacing, maintaining, decorating and (where appropriate) cleaning, washing down, lighting, heating, servicing and (as and where necessary) renewing the Common Areas.

2. Maintaining and, when necessary, replacing carpets, furnishings and equipment in the Common Areas as the Landlord may reasonably determine.

3. Maintaining, repairing, operating, inspecting, servicing, overhauling, cleaning, lighting and (as and where necessary) renewing or replacing the air conditioning plant and equipment (if any) in the Building and all plant machinery, apparatus and equipment within the Common Areas from time to time.

4. Maintaining, repairing, renewing, operating, inspecting, servicing, overhauling, cleaning and (as and where necessary) renewing or replacing all security and emergency systems for the Building.

5. Providing and maintaining and renewing name boards and signs in the main entrance hall Reception and any other parts of the Building and all directional signs and fire regulation notices and any flags, flag poles and television and radio aerials.

6. Providing and maintaining any dustbins or receptacles for refuse for the Building and the cost of collecting, storing and disposing of refuse.

7. The provision, maintenance, replacement, planting and cultivation of all landscaping and floral and artistic displays in the Common Areas.

8. Providing heating and cooling to the Premises in accordance with the following specification during the hours of 6.00am to 7.00pm Monday to Friday or such further hours which the Landlord may deem appropriate acting reasonably and such other times as the Tenant may request (at the Tenant's cost):

Chilled Water Design Parameters:

Floor	CHW Flowrate	Flow Temperature	Return Temperature	Calculated KW Load
Fourth Floor Area 1	2.19 l/s	5 deg C	11 deg C	55Kw
Fourth Floor Area 2	1.302 l/s	5 deg C	11 deg C	32.8Kw
Fourth Floor Area 3	0.948 l/s	5 deg C	11 deg C	23.9Kw

LPHW Heating Design Parameters:

Floor	LPHW Flowrate	Flow Temperature	Return Temperature	Calculated KW Load
Fourth Floor Area 1	1.314 l/s	82 deg C	71 deg C	60.7Kw
Fourth Floor Area 2	0.781 l/s	82 deg C	71 deg C	36Kw
Fourth Floor Area 3	0.569 l/s	82 deg C	71 deg C	26.3Kw

Ventilation Design Parameters:

Floor	Supply Air Volume Flowrate	Supply Air Temperature. (Summer)	Supply Air Temperature (Winter)	Return Air Volume Flowrate
Fourth Floor Area 1	1.3 m3/s	18 deg C	21 deg C	1.3 m3/s
Fourth Floor Area 2	0.8 m3/s	18 deg C	21 deg C	0.8 m3/s
Fourth Floor Area 3	0.6 m3/s	18 deg C	21 deg C	0.6 m3/s

and providing heating and cooling to the Common Areas to the specification reflected in the mechanical and electrical specification set out in the Fourth Schedule hereto to such temperatures as the Landlord may from time to time consider reasonably adequate between the hours of 7.00 am and 7.00 pm, Monday to Friday or such other hours which the Landlord may deem appropriate acting reasonably and for such periods of the year as the Landlord shall reasonably deem desirable.

9. Any other services relating to the Common Areas or any part thereof which the Landlord shall provide from time to time if, in its opinion such service is desirable or necessary in the interests of good estate management for the maintenance, upkeep or cleanliness of the Common Areas or for the benefit of all of the occupiers of the Building or otherwise in accordance with the principles of good estate management.

10. Providing a staffed reception in the Reception between the hours of 07:00 to 19:00 Monday to Friday excluding public holidays.

11. Providing security personnel in the Building between the hours of 07:00 to 19:00 Monday to Friday excluding public holidays.

Part III
(Expenditure)

1. The cost of management (including the collection of service charge) and of employing at reasonably competitive rates management agents, and accountants, auditors and surveyors in connection with surveying and accounting functions or the provision of services to the Common Areas.

2. The cost of employing at reasonably competitive rates (whether by the Landlord or any managing agents) such staff as the Landlord may in its absolute discretion consider appropriate for the performance of the Services including reception and security personnel and all other expenditure ancillary to the employment of such persons including:

   (i) salaries, wages, insurances, pensions and pension contributions and other statutory contributions or levies;

   (ii) the provision of appropriate working clothing;

   (iii) the provision of appropriate vehicles, tools, equipment and apparatus for the proper performance of the services

3. All rates, taxes, assessments, duties, charges, impositions and outgoings whatsoever whether parliamentary, local or of any other description which may be assessed, charged, imposed or payable on or in respect of the whole or any part of the Common Areas.

4. The cost of the supply of electricity, gas, oil and other fuel for the provision of the services and the cost of any electricity generating, transforming, monitoring, metering and distribution plant apparatus and equipment in or serving the Common Areas.

5. Interest and fees in respect of money borrowed at reasonably commercial rates to finance the provision of the services and the cost referred to in this part of this Schedule or any of them.

6. The cost to the Landlord of abating any nuisance in respect of the Common Areas or any part of it in so far as the same is not the liability of any one tenant or occupier of the Building.

7. Any legal costs and expenses incurred in the course of managing, operating and maintaining the Building and enforcing any covenants, conditions and regulations with respect thereto or complying with or otherwise taking action on any notice or orders in respect of the Common Areas and all legal and other costs and expenses incurred by the Landlord in enforcing the Landlord's contractual rights pursuant to any collateral warranties issued to it in respect of any defect or disrepair in the Common Areas against any building contractor, sub-contractors, architect, mechanical and electrical engineer and civil and structural engineer involved in the design and construction of the Building.

8. Any VAT (or any tax of a similar nature which may be substituted for or levied in addition to it) incurred by the Landlord on the cost referred to in this part of this Schedule or any of them save to the extent that such VAT (or other tax) is recoverable by the Landlord pursuant to the provisions of the Value Added Tax Act 2010 as amended from time to time.

9. Such sums as the Landlord shall, in its absolute discretion acting reasonably, consider desirable to set aside from time to time for the purpose of providing for periodically recurring items of expenditure, whether recurring at regular or irregular intervals (such sums to be held in a separate interest bearing deposit account);

10. The Reception Rent;

11. The Gym Rent;

12. All other costs properly incurred in connection with provision of the Services in the interests of good estate management.

PROVIDED ALWAYS THAT there shall be excluded from the Service Charge payable by the Tenant the following:

(i) The capital costs of the initial construction of the Building and the equipping and fitting-out of the Common Areas and the initial provision of any items which are required for the safe and efficient operation of the Common Areas;

(ii) The costs (if any) of refurbishment of the Common Areas to the extent that it amounts to more than maintaining, repairing, rebuilding, replacing and renewing thereof as required in the interests of good estate management;

(iii) The costs (if any) or expenses incurred in altering, redeveloping or extending the Building or carrying out any extensions or additions or reductions to the Common Areas;

(iv) The costs (if any) incurred by the Landlord or its agents in relation to the letting of any individual floors in the Building;

(v) The costs (if any) of any Service Charge and outgoings associated with any vacant Lettable Areas within the Building;

(vi) The costs of making good any damage caused by any of the Insured Risks;

(vii) Costs connected with any negotiations or disputes (save any disputes in relation to payment of the Service Charge) with other occupants of the Building.

THIRD SCHEDULE

Rent Review Provisions

1 **Interpretation**

In this Schedule the following expressions shall have the following meanings respectively:

1.1 "**Review Date**" shall mean 8 May 2017 and any date so stipulated by virtue of paragraph 2.6 of this Schedule.

1.2 "**Review Rent**" shall mean the full yearly open market rent without any deduction whatsoever at which the Premises and the give (5) car parking spaces described in Clause 2 Part IV of the First Schedule might reasonably be expected to be let at the relevant Review Date in the open market without a fine or premium and with vacant possession thereof by a willing Landlord to a willing Tenant for a term of ten (10) years computed from the Relevant Review Date with an entitlement for the Tenant to terminate the said lease at the expiration of the fifth year of the said term and otherwise on the same terms and conditions in all other respects as this present Lease (save as to the amount of rent first reserved under this Lease and any rent free periods to which the Tenant was entitled outside of the terms of this Lease but including the provisions for rent review) and upon the assumptions that:

(i) the Premises are provided to the Tenant as per the Landlord's Specification (at the Landlord's expense) and are ready for immediate occupation for fitting out purposes.

(ii) in case the building of which the Premises form part or any part of it has been destroyed or damaged it has been fully restored.

(iii) all the obligations on the part of the Tenant contained in this Lease have been fully complied with.

(iv) no work has been carried out to the Premises other than works to comply with statutory requirements.

(v) the Premises comprise 11,997 (eleven thousand nine hundred and ninety seven) square feet square feet of net lettable office space.

and there being disregarded:

(1) any effect on rent of the fact that the Tenant or any underlessee has been in occupation of the Premises and any goodwill attached to the Premises by reason of the carrying on thereat of the business of the Tenant or any underlessee;

(2) the Tenant's Works;

(3) any effect on rent of any alterations to the Premises or any part thereof carried out by the Tenant or any underlessee with the consent of the Landlord at the Tenant's or underlessee's own expense (otherwise than in pursuance of any obligation to the Landlord) and carried out during the Term or pursuant to the Agreement for Lease.

1.3 "**Surveyor**" means an independent Chartered Surveyor experienced in the letting of office premises in the area in which the Premises are located.

2 **Rent review**

The yearly rent first reserved and payable from the Review Date until the expiry of the Term shall be the Review Rent.

2.1 **Agreement or determination of the reviewed rent**

If the Landlord and the Tenant shall not have agreed the Review Rent by the Review Date (or such extended period as may be agreed between the Landlord and the Tenant) either party may by notice in writing to the other require the Review Rent to be determined by the Surveyor who shall be appointed forthwith by the Landlord and the Tenant or (in default of agreement at any time about his appointment) as nominated by the President for the time being of the Society of Chartered Surveyors on the application of either the Landlord or the Tenant.

2.2 **Functions of Surveyor**

2.2.1 Unless the Landlords elects that the Surveyor shall act as an expert he shall act as an Arbitrator and the arbitration shall be conducted in accordance with the Arbitration Act 2010.

2.2.2 If the Surveyor is appointed as an expert he shall be required to give notice to the Landlord and the Tenant inviting each of them to submit to him within such time limits as he shall stipulate a proposal for the Review Rent and affording each party the opportunity to give in writing or otherwise a statement of reasons in support of its proposal and to make submissions in respect of each other's statement of reasons but the Surveyor shall not be bound thereby and shall make the determination in accordance with his own judgement.

2.2.3 If the Surveyor shall fail to determine the Review Rent within two months of his appointment or nomination or if he shall relinquish his appointment or die or if it shall become apparent that for any reason he will be unable or unfit to complete his duties hereunder a new Surveyor shall be appointed or nominated in his place in accordance with sub-clause 2.1 above.

2.3 **Fees of Surveyor**

The fees and expenses of the Surveyor including the costs of his nomination shall be in the award of the Surveyor (but this shall not preclude the Surveyor from notifying both parties of his total fees and expenses notwithstanding the non-publication at the time of his award). Without prejudice to the foregoing, both the Landlord and the Tenant shall be entitled to pay the entire fees and expenses due to the Surveyor and thereafter recover as a simple contract debt the amount (if any) due from the party who failed or refused to pay same.

2.4 **Interim payments pending determination**

If upon any such review the amount of the Review Rent shall not be ascertained or determined prior to the Review Date the Tenant shall continue to pay the rent payable hereunder immediately prior to the relevant Review Date (the "**Current Rent**") until the Gale Day next following the ascertainment or determination of the Review Rent whereupon there shall be due as a debt: (i) payable on demand by the Tenant to the Landlord (if the Review Rent is higher than the Current Rent) a sum equal to the amount by which the Review Rent for the period since the Review Date exceeds the Current Rent for that period and in addition shall pay interest on said sums at the Base Rate from time to time from the Review Date until the date of actual payment; or (ii) by the Landlord to the Tenant (if the Review Rent is lower than the Current Rent payable before the Review Date) a sum equal to the amount by which the Current Rent for the period since the Review Date exceeds the Review Rent for that period and in addition shall pay interest on the said sums at the Base Rate from time to time from the Review Date until the date of actual payment.

2.5 **Rent review memorandum**

If upon any such review as aforesaid it shall be agreed or determined that the Review Rent is greater or less than the Current Rent the Landlord and the Tenant shall as soon as practicable after such determination or expiration complete and sign a written memorandum recording the Review Rent payable from the Review Date payable and the Tenant shall pay the Stamp Duty payable on such Memorandum.

2.6 **Rent restrictions**

In the event of either the Landlord or the Tenant being prevented or prohibited in whole or in part from determining the Review Rent by reason of any Legislation Statute Government Order or Decree or Notice then the date at which the review would otherwise have taken effect shall be deemed to be extended to permit and require such review to take place on the first date thereafter upon which Review Rent may be determined and if there shall be a partial prevention only there shall be a further review on the first date or dates as aforesaid.

FOURTH SCHEDULE

Landlord's Specification

On expiration or sooner determination of the Lease, the Tenant shall reinstate the Premises to the specification in this Fourth Schedule. This requires that all partitioning be removed, and that all floor finishes, ceiling and light types, and built in fittings are to be uniform, as detailed in the Landlord Fit Out Specification document as issued by Henry J Lyons on 20 April 2012 (attached in this Schedule).

Note that any light fittings, grilles, electrical floor mounted outlets or fancoil units which have been installed by the Tenant additional to those deemed as provided by the Landlord (and included in the Landlord's Contribution) are to remain in situ provided that they are easily incorporated into an overall central control system, that they were originally approved by or on behalf of the Landlord and that they suit the open plan layout for the floor space.

FIFTH SCHEDULE

Tenant's Works

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SIXTH SCHEDULE

Guarantee

1. **Guarantee**

The guarantor hereby covenants with the landlord:

1.1 as a primary obligation that the Tenant or the Guarantor shall at all times during the Term (including any continuation or renewal of this Lease) duly perform and observe all the covenants on the part of the Tenant contained in this Lease, including the payment of the rents and all other sums payable under this Lease in the manner and at the times herein specified and the Guarantor hereby indemnifies the Landlord against all claims demands losses damages liability costs fees and expenses whatsoever sustained by the Landlord by reason of or arising in any way directly or indirectly out of any default by the Tenant in the performance and observance of any of its obligations or the payment of any rent and other sums arising before or after the expiration or termination of this Lease.

1.2 that the Guarantor is jointly and severally liable with the Tenant (whether before or after any disclaimer by a liquidator, official assignee or trustee in bankruptcy or other persons administering the assets of the Tenant or whether before or after any repudiation by an examiner or other persons administering the assets of the Tenant) for the fulfilment of all the obligations of the Tenant under this Lease and agrees that the Landlord in the enforcement of its rights hereunder, may proceed against the Guarantor as if the Guarantor was named as the Tenant in this Lease;

1.3 that the Guarantor shall not claim in any liquidation, bankruptcy, examinership, composition or arrangement of the Tenant in competition with the Landlord and shall remit to the Landlord the proceeds of all judgements and all distributions it may receive from any liquidator, examiner, official assignee, trustee in bankruptcy or supervisor of the Tenant and shall hold for the benefit of the Landlord all security and rights the Guarantor may have over assets of the Tenant whilst any liabilities of the Tenant or the Guarantor to the Landlord remain outstanding;

1.4 that the Guarantor shall:

1.4.1 if a liquidator, official assignee or trustee in bankruptcy or examiner shall disclaim, surrender or repudiate this Lease; or

1.4.2 if this Lease shall be forfeited; or

1.4.3 if the Tenant shall cease to exist,

on notice in writing given to the Guarantor by the Landlord within twelve (12) months after such disclaimer or other event accept from and execute and deliver to the Landlord a new lease of the Premises subject to and with the benefit of this Lease (if the same shall still be deemed to be extant at such time) for a term commencing on the date of the disclaimer or other event and continuing for the residue then remaining unexpired of the Term, such new lease to be at the cost of the Guarantor and to be at the same rents (the initial annual rent being the same as that payable under this Lease at the time of any disclaimer or at the time of the happening of any event referred to above) and subject to the same covenants conditions and provisions as are contained in this Lease;

1.5 if following the occurrence of the events referred to in paragraph 1.4 the Landlord shall not require the Guarantor to take a new lease, the Guarantor shall nevertheless upon demand pay to the Landlord a sum equal to the rents and other sums that would have been payable under this Lease but for the

disclaimer, forfeiture or other event in respect of the period from and including the date of such disclaimer, forfeiture or other event until the expiration of twelve (12) months therefrom or until the Landlord shall have granted a lease of the Premises to a third party (whichever shall first occur).

Waiver by guarantor

2. The Guarantor hereby waives any right to require the Landlord to proceed against the Tenant or to pursue any other remedy whatsoever which may be available to the Landlord before proceeding against the Guarantor.

Postponement of participation by guarantor in security

3. The Guarantor shall not be entitled to participate in any security held by the Landlord in respect of the Tenant's obligations to the Landlord under this Lease or to stand in the place of the Landlord in respect of any such security until all the obligations of the Tenant or the Guarantor to the Landlord under this Lease have been performed or discharged.

No release of guarantor

4 None of the following, or any combination thereof, shall release, determine, discharge or in any way lessen or affect the liability of the Guarantor as principal debtor under this Lease or otherwise prejudice or affect the right of the Landlord to recover from the Guarantor to the full extent of this guarantee:

4.1 any neglect, delay or forbearance of the Landlord in endeavouring to obtain payment of the rents or any part or parts thereof and / or the amounts required to be paid by the Tenant or in enforcing the performance or observance of any of the obligations of the Tenant under this Lease;

4.2 any refusal by the Landlord to accept rent tendered by or on behalf of the Tenant at a time when the Landlord was entitled (or would after the service of a notice under Section 14 of the 1881 Act have been entitled) to re-enter the Premises;

4.3 any extension of time given by the Landlord to the Tenant;

4.4 any variation of the terms of this Lease (including any reviews of the rent payable under this Lease) or the transfer of the Landlord's reversion or the assignment of this Lease save for an assignment with the consent of the Landlord which consent expressly permits the release or replacement of the Guarantor;

4.5 any change in the constitution, structure or powers of either the Tenant, the Guarantor or the Landlord or the liquidation, receivership, examinership, administration or bankruptcy (as the case may be) of either the Tenant or the Guarantor;

4.6 any legal limitation, or any immunity, disability or incapacity of the Tenant (whether or not known to the Landlord) or the fact that any dealings with the Landlord by the Tenant may be outside or in excess of the powers of the Tenant;

4.7 any other act, omission, matter or thing whatsoever whereby, but for this provision, the Guarantor would be exonerated either wholly or in part (other than a release under seal given by the Landlord).

Benefit of guarantee

5 This guarantee shall ensure for the benefit of the successors and assigns of the Landlord under this Lease without the necessity for any assignment thereof.

Joint and several

6 Where the Guarantor consists of two or more persons the covenants contained in this Lease shall be deemed to be made by such persons jointly and severally.

SIGNED AND DELIVERED
as a deed by **JOHN RONAN**
in the presence of:

/s/ John Ronan

Cara O'Hagan
Solicitor
70 Sir John Rogerson's Quay,
Dublin 2

PRESENT when the Common Seal of
CASTLE COVE PROPERTY DEVELOPMENTS LIMITED was affixed hereto as a deed

/s/ John Ronan
Director

/s/ Rory Williams
Director / Secretary

PRESENT when the Common Seal of
JAZZ PHARMACEUTICALS PLC
was affixed hereto as a deed:

/s/ Seamus Mulligan
Director

/s/ David Brabazon
Director / Secretary

DATED 8 MAY 2012

(1) JOHN RONAN AND CASTLE COVE PROPERTY DEVELOPMENTS LIMITED

(2) JAZZ PHARMACEUTICALS PLC

LEASE
OF
FOURTH FLOOR, CONNAUGHT HOUSE, 1, BURLINGTON ROAD, DUBLIN 4

MATHESON ORMSBY PRENTICE
70 Sirs John Rogerson's Quay
Dublin 2
Ireland

TEL + 353 1 232 2000
FAX + 353 1 232 3333

25084679.4

Exhibit 10.3

2012 Executive Officer Compensation Arrangements

Executive Officer	**Base Salary Rate[1]**	**Target Bonus as % of Annual Base Salary Rate**
Bruce C. Cozadd Chairman and Chief Executive Officer	$750,000	100
Kathryn E. Falberg Executive Vice President and Chief Financial Officer	$460,000	50
Russell J. Cox Executive Vice President and Chief Commercial Officer	$390,000	50
Suzanne Sawochka Hooper[2] Executive Vice President and General Counsel	$465,000	50
Fintan Keegan[3] Executive Vice President, Technical Operations	€265,000	50
Jeffrey K. Tobias, M.D. Executive Vice President, Research and Development and Chief Medical Officer	$425,000	50
Karen J. Wilson Vice President, Finance and Principal Accounting Officer	$266,500	20-35

(1) Base salary rate beginning on March 1, 2012.
(2) Ms. Hooper assumed her position effective on March 12, 2012.
(3) Mr. Keegan assumed his position effective on August 1, 2012.

Exhibit 10.4

EMPLOYMENT AGREEMENT

THIS AGREEMENT (the "**Agreement**") is entered into as of the Effective Date (as defined below)

BETWEEN:

(1) Azur Pharma Limited, a limited liability company formed under the laws of Ireland (registered number 399192) whose principal place of business is at 45 Fitzwilliam Square, Dublin 2, Ireland; and

(2) Fintan Keegan ("**Employee**").

WHEREAS, AzurPharma Limited ("**Azur**"), Jazz Pharmaceuticals, Inc. ("**Jazz**"), Jaguar Merger Sub Inc. (a wholly-owned subsidiary of Azur), and Seamus Mulligan as Indemnitors' Representative, are entering into an Agreement and Plan of Merger and Reorganization, dated September 19, 2011 (the "**Merger Agreement**"), pursuant to which the parties thereto will effect a reorganization and merger, among other things.

WHEREAS, as a result of the transactions contemplated by the Merger Agreement (the "**Merger**"), Jaguar Merger Sub Inc. will merge with and into Jazz, with Jazz as the surviving entity, and Azur will change its name to Jazz Pharmaceuticals plc ("**New Jazz**" or "**Employer**").

WHEREAS, Employee is currently an employee of Azur.

WHEREAS, following the Merger, Employer wishes for Employee to continue employment with Employer, and wishes to provide Employee with certain compensation and benefits in return for his services, on the terms set forth in this Agreement.

WHEREAS, together with the Noncompetition Agreement being executed in connection with the Merger (the "**Noncompetition Agreement**"), this Agreement will supersede and replace any and all prior agreements, representations, letters, understandings or promises with anyone, written or oral, with regard to the terms and conditions of Employee's employment with Employer (or with its predecessor, Azur), including but not limited to Employee's prior employment agreement with Azur dated august 29, 2006 and the employment amendment dated September 3, 2010, as such agreement or amendment is now or hereafter amended prior to the Closing Date (the "**Prior Employment-Related Agreement**").

WHEREAS, Employee wishes to continue employment with Employer following the Merger and to provide such services to Employer in return for certain compensation and benefits on the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, it is hereby agreed by and between the parties hereto that Employee as follows:

1. EMPLOYMENT BY EMPLOYER.

1.1 Contingent on Transaction. The employment terms and conditions set forth in this Agreement shall become effective as of the "**Closing Date**", as that term is defined in the Merger Agreement. If the "**Closing**" (as defined in the Merger Agreement) does not occur, or the Merger Agreement is terminated in accordance with its terms, this Agreement shall have no effect, and shall not be binding on Employer or Employee.

1.2 Appointment. Employer agrees to employ Employee, and Employee hereby accepts such employment, on the terms and conditions set forth herein, effective as of the Closing Date (the "**Employment**").

1.3 Exclusive Employment. During the continuance of the Employment, Employee will not (except as a representative of Employer): undertake, nor directly or indirectly be engaged, concerned or interested in, any other business firm, company, concern, enterprise, or society (whether incorporated or not) other than ones in which Employee is a passive investor; or become an employee, officer, servant or agent of or consultant to any other business, firm, company, concern, enterprise or society (whether incorporated or not). Employee may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of his duties hereunder. During the continuance of the Employment, Employee will devote his best efforts and substantially all of his business time and attention to the business of Employer and the Group Companies, except for holiday periods as set forth herein and reasonable periods of illness or other leave periods permitted by the Employer's general employment policies.

1.4 Agreement Not to Participate in Competitors. During the continuance of the Employment, Employee agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known by him to be adverse or antagonistic to Employer or any Group Company or any of their respective businesses or prospects, financial or otherwise, *provided, however,* that he may own, as a passive investor, securities of any competitor corporation, so long as his direct holdings in any one such corporation shall not in the aggregate constitute more than five percent (5%) of the voting stock of such corporation.

1.5 Employee Representation and Warranty. Employee represents and warrants that Employee is: (a) not prevented by any agreement, arrangement, contract, understanding, court order or otherwise, which in any way directly or indirectly restricts or prohibits Employee from fully performing the duties of the Employment, or any of them, in accordance with the terms and conditions of this Agreement and (b) not currently and has never been prevented, restricted or disqualified from holding the office of director or secretary to the Board of the Directors of Employer (the "**Board**") or the board of directors of any Group Company.

1.6 Commencement and Termination Date. Employee's commencement date for statutory and all other purposes shall be the date of Employee's initial commencement of employment with Azur. Subject to any provision herein providing for earlier termination, the Employment shall continue thereafter unless terminated by not less than three months' notice given by either party to the other, except as permitted under Section 4.1 and subject to Section 4.2, provided that subject always to the provisions of Section 5 the Employee shall not be entitled to provide notice within the first nine months after the Effective Date.

1.7 Place of Work. Employee's primary office location shall be Dublin, Ireland. Employer reserves the right to reasonably require the Employee to perform his duties at other locations from time to time and to require reasonable business travel both throughout and outside Ireland. Employer reserves the right to change the Employee's work location from time to time in its discretion, subject always to the provisions of Section 5. Any such change to place of work will not constitute a breach of this Agreement or give rise to any entitlement to payment to the Employee for disturbance, relocation or otherwise.

1.8 Title, Duties. Employee's title as of the Closing Date shall be Senior Vice President, Finance, Dublin, in which capacity he shall report to Kate Falberg and at all times act in the best interests of Employer and do all in his power to promote, develop and extend the business of Employer and shall faithfully and diligently perform such duties and exercise such powers consistent therewith as may from time to time be assigned to or vested in him by the Board or Employer. Subject always to the provisions of Section 5, Employer reserves the right to change Employee's title and/or to assign to the Employee duties of a different nature either additional to or instead of those referred to above at any time in its sole discretion.

Subject always to the provisions of Section 5, Employee shall comply with the reasonable and lawful orders of his supervisor, the Board and any other person authorized by the Board. Subject always to the provisions of Section 5, Employee may be reasonably required in pursuance of his duties to perform services consistent with Employee's position with Employer not only for Employer but also for any Group Company, including by way of a secondment arrangement and, without further remuneration (except as otherwise agreed), to accept any such office or position with Employer or any Group Company which is consistent with his position with Employer, as the Board, Employer and/or any other person authorized by the Board may from time to time reasonably require. Employer may at its sole discretion assign the Employment to any Group Company on the same terms and conditions as set forth herein.

1.9 Working Hours. Employee shall work such hours as may be required for the proper performance of his duties including at weekends and beyond normal business hours (9am – 5pm Monday through Friday) and shall be deemed to determine his own working hours for the purposes of section 3(1)(c) of the Organisation of Working Time Act 1997. Any such additional work time shall be unpaid.

1.10 Policies and Procedures. The employment relationship between the parties shall also be governed by, and Employee agrees to comply with, the general policies, employment policies and other practices of Employer (as may be modified from time to time within the discretion of Employer), as well as any applicable regulatory obligations and codes of practice whether or not such obligations are otherwise legally binding, except that when the terms of this Agreement differ from or are in conflict with these general policies, employment policies or practices, this Agreement shall control.

2. COMPENSATION AND BENEFITS.

2.1 Salary. Employee's initial annualized base salary for services to be rendered hereunder is €200,000, payable monthly pro rata in arrears by equal installments into Employee's nominated bank account by electronic credit transfer subject to the deduction of income tax, employee PRSI, if any, the Universal Social Charge and any other applicable deductions/levies ("**Base Salary**"). The Employee's Base Salary shall accrue from day to day.

2.2 Participation in Bonus Plan. Beginning for calendar year 2012 (for which bonuses, if any, are expected to be payable during the first quarter of 2013), Employee will be entitled to participate in the Cash Bonus Plan to be adopted by New Jazz following the date of this Agreement (the "**Cash Bonus Plan**"), pursuant to the terms of the Cash Bonus Plan and with terms that are expected to be substantially similar to the existing Jazz Cash Bonus Plan. Whether or not Employee earns any bonus will be dependent on actual achievement of applicable individual and corporate performance goals, as determined by Employer, and is subject to (a) Employee's continued employment with Employer through the date the bonus is paid, (b) Employee being in good standing through the date the bonus is paid and (c) Employee not having given notice of resignation through the date the bonus is paid. Employee's target bonus percentage under the Cash Bonus Plan will be aligned to the target level in the plan for Senior Vice Presidents, which is currently 40% of base salary received during the calendar year, as determined in accordance with the Cash Bonus Plan.

2.3 Fees. The remuneration specified at 2.1 above shall be inclusive of any fees receivable in relation to any office, nomination or appointment as Employer representative which Employee may hold with Employer, any Group Company or any other company or unincorporated body.

2.4 Equity Award. Subject to approval of the Board (or to a committee to which the Board may delegate authority concerning the subject matter hereof) and to materially induce Employee to enter into this Agreement and provide services to Employer, as soon as practicable following the Closing Date, and contingent upon Employee's continued service through the grant date, Employee will receive an equity award (the "**Grant**") relating to ordinary shares, with a nominal value of $0.01 each, in the capital of New Jazz ("**New Jazz Ordinary Shares**"), pursuant to the terms of New Jazz's equity incentive plan (the "**Equity Plan**"). The terms of the Grant will be substantially similar to those granted to other employees of New Jazz with similar responsibilities and seniority. The Grant shall be subject to the terms and conditions set forth in a grant notice, grant agreement and the Equity Plan. In the event of a conflict between the terms as set out in this paragraph and the terms of the Equity Plan, the latter shall prevail.

2.5 Pension. This employment is not pensionable and Employee should make his own pension and life assurance arrangements. Employer provides access for Employee to contribute to a standard Personal Retirement Savings Account (PRSA) by way of deductions of contributions from Employee's salary. Employer does not contribute to the PRSA. The PRSA is administered through Hibernian Life & Pensions Limited, One Park Place, Hatch Street, Dublin 2.

2.6 Standard Employer Benefits. Except as otherwise provided herein, Employee shall be eligible to participate in the standard Employer benefits and compensation plans and practices that may be in effect from time to time, within the discretion of Employer and as provided by Employer to its employees generally, subject to the terms and conditions of those plans and practices. Following the Closing Date, employee will maintain his existing vacation balance, if any, with Employer. With respect to accrued sick leave, Employee will retain his existing sick leave balance, if any, for the remainder of the calendar year in which the Closing of the Merger occurs only. Future accrual of vacation and sick leave will be pursuant to a revised Employer plan to be put in place following the Closing Date. Details of the vacation and sick leave policies will be contained in the employee handbook or such other policy document as Employer may generate.

2.7 Deductions from Salary. Employer shall be entitled at any time during the Employment, or in any event on termination, to deduct from Employee's remuneration hereunder any monies due from him to Employer including but not limited to any overpayments made to him, outstanding loans, advances, the cost of repairing any damage or loss to Employer's property caused by him (and of recovering the same), excess holiday, any sums due from him in respect of sickness benefit and any other monies owed by him to Employer. By signing this Agreement, Employee hereby consents to any such deductions from remuneration or other sums due by Employer.

2.8 Changes to Compensation. Subject always to the provisions of Section 5, Employee's compensation and benefits may be changed from time to time at the sole discretion of Employer.

3. PROPRIETARY INFORMATION OBLIGATIONS.

3.1 Confidential Information. Employee recognizes that, whilst performing his duties for Employer, he will have access to and come into contact with trade secrets and confidential information belonging to Employer and to the Group Companies and will obtain personal knowledge of and influence over its or their customers and/or employees. Employee shall neither during the Employment (except in the proper performance of his duties) nor at any time after the termination thereof (without limit), directly or indirectly use for his own purposes or those of any other person, company, business entity or other organization whatsoever; or disclose to any person, company, business entity or other organization whatsoever; any trade secrets or confidential information relating or belonging to Employer or the Group Companies, including but not limited to any such information relating to customers, customer lists or requirements, price lists or pricing structures, sales and marketing information, business plans or dealings, employees or officers, source codes and computer systems, software, financial information and plans, designs, formulae, prototypes, product lines, services, research activities, any document marked "Confidential" (or with a similar expression), or any information which Employee has been told is confidential or which he might reasonably expect Employer or a Group Company would regard as confidential, or any information which has been given to Employer or a Group Company in confidence by customers, suppliers or other persons. The obligations contained in this clause shall not apply to any disclosures required by law, and shall cease to apply to any information or knowledge which may subsequently come into the public domain after the termination of Employment other than by way of unauthorized disclosure.

3.2 Employer Documents. Employee shall not at any time during the continuance of his Employment with Employer make any notes or memoranda relating to any matter within the scope of Employer's business, dealings or affairs otherwise than for the benefit of Employer or any Group Company.

3.3 Public Statements. Employee shall not make or communicate any statement (whether written or oral) to any representative of the press, television, radio or other media and shall not write any article for the press or otherwise for publication on any matter connected with or relating to the business of Employer or any Group Company without obtaining the prior written approval of the Chief Executive Officer of Employer.

3.4 Intellectual Property. Any discovery, invention, process or improvement in procedure made or discovered by Employee (whether alone or jointly with others) while in the employment or service of Employer or any Group Company in connection with or in any way affecting or relating to the businesses of Employer or any Group Company or capable of being used or adapted for use therein by Employer or any Group Company shall promptly be disclosed to Employer and shall belong to and be the absolute property of Employer or such other Group Company as Employer may nominate for the purpose. Employee, if and whenever required so to do (whether during or after the termination of the Employment), shall at the expense of Employer (or its nominee) apply for or join in applying for letters patent or other equivalent protection in Ireland and/or any other part of the world for any discovery, invention, process or improvement as aforesaid and execute and do all instruments and things necessary for vesting the said letters patent or other equivalent protection when obtained and all right, title and interest to and in the same in Employer (or its nominee) absolutely and as sole beneficial owner or in such other person as may be required. Employee hereby irrevocably appoints Employer to be its attorney in his name and on his behalf to execute and do any such instruments or things and generally to use his name for the purpose of giving to Employer or its nominees the full benefit of the provisions of this clause.

3.5 Post-Termination Obligations. In consideration of the salary and other benefits payable under this Agreement, Employee covenants with and undertakes to Employer that he will observe the post-termination obligations set out in the Noncompetition Agreement, which agreement constitutes part of this Agreement.

3.6 Retroactive Effectiveness. Employee agrees that Sections 3.1 through 3.4 hereof are effective retroactive to his first day of employment with Azur.

4. TERMINATION OF EMPLOYMENT.

4.1 Summary Dismissal. Notwithstanding anything to the contrary herein, including in Sections 1.2 or 1.6 above, Employer may terminate the Employment summarily without notice, and without pay in lieu of notice, for Cause (as defined in Section 5.1(e)) or if Employee shall at any time do any of the following, in each case as determined by the Board in its sole discretion:

(a) be guilty of dishonesty;

(b) act in any manner (whether in the course of his duties or otherwise) which is likely to bring him, Employer or any Group Company into disrepute or prejudices the interests of Employer or any Group Company;

(c) be or become prohibited by law from being a director; and

(d) directly or indirectly advise or participate or act in concert (within the meaning of the City Code on Take-Overs and Mergers) with any person who makes or is considering making any offer for the issued share capital of Employer.

Any delay by Employer in exercising such right to termination shall not constitute a waiver thereof.

4.2 Termination on Reaching 65. Subject to earlier termination pursuant to the terms of this Agreement, the Employment shall be deemed to have terminated automatically and by mutual consent on the date of Employee's 65th birthday. For the avoidance of doubt, if the Employment terminates pursuant to this Section, Employer shall pay Employee's remuneration and benefits up to and including the date of his 65th birthday, and thereafter no amounts shall be due and owing from the Employer to the Employee

4.3 Return of Company Property. On termination of the Employment, Employee shall forthwith return to Employer in accordance with its instructions all equipment, correspondence, records, specifications, software, models, notes, reports and other documents and any copies thereof and any other property belonging to Employer or any Group Company (including but not limited to car, keys, credit cards, computers, equipment and passes) which are in his possession or under his control. Employee shall, if so required by Employer, confirm in writing his compliance with his obligations under this Section.

4.4 Garden Leave & Pay in Lieu. Employee agrees that Employer may at its absolute discretion:

(a) require Employee not to attend at work and/or not to undertake all or any of his duties during all or any part of any period of notice of termination of employment under Section 1.6 (whether given by Employee or Employer) (the "**Garden Leave Period**"). Employer shall continue to pay Employee's normal remuneration during any such Garden Leave Period provided that Employee complies with the terms of this Agreement;

(b) terminate the Employment at any time with immediate effect by giving written notification that it will make a payment in lieu of notice in the total amount of Employee's pro rata base salary (at the rate in force on the Termination Date) for the shortest period of notice with which Employer is entitled to terminate the Employment (or, if shorter, such as where notice already has been given by either party, for the remainder of the notice period). For the avoidance of doubt, such payment shall be made in a lump sum within 60 days after the effective date of Employee's termination and shall not include the value of any benefits, bonus/incentive, commission, or holiday entitlement which would have accrued to Employee had he been employed during any notice period and, further, Employee shall have no entitlement to such payment, or payments (unless and until Employer notifies the Employee in writing that it has decided in its sole decision to make such payment(s) to him).

4.5 Suspension. Employer shall have the right to suspend Employee pending any investigation into any potential dishonesty, gross misconduct or any other circumstances which may give rise to a right to the Employer to terminate pursuant to Section 4.1 above.

4.6 Without Prejudice. The termination of the Employment shall be without prejudice to any right Employer may have in respect of any breach by Employee of any of the provisions of this Agreement which may have occurred prior to such termination.

4.7 Employee Representations. Employee agrees that he will not at any time after the termination of the Employment represent himself as still having any connection with Employer or any Group Company, save as a former employee for the purpose of communicating with prospective employers or complying with any applicable statutory requirements.

4.8 Resignation from Directorships. The Employee shall forthwith resign in writing from all directorships, trusteeships and other offices he may hold from time to time with Employer or any Group Company without compensation for loss of office in the event of:

(a) the termination of the Employment; or

(b) either Employer or Employee serving on the other notice of termination of the Employment (unless Employer requests that such resignation be delayed until the date of termination of the Employment).

In the event of Employee failing to comply with his obligations under this Section, he hereby irrevocably and unconditionally authorises Employer to appoint a person in his name and on his behalf to sign or execute any documents and/or do all things necessary or requisite to give effect to such resignations as referred to above.

5. SEVERANCE PAYMENTS.

5.1 Certain Definitions. For purposes of this Section 5, the following terms are defined as follows:

(a) "**Affiliate**" means any "parent" or "subsidiary" of Employer as such terms are defined in Rule 405 of the Securities Act of 1933, as amended.

(b) "**Bonus Multiplier**" means the quotient obtained by dividing the number of full months that the Employee is employed in the year of a Covered Termination by twelve (12).

(c) "**Bonus Percentage**" means the greater of any annual bonus, as a percentage of annual base salary paid in the year of determination, paid to the Employee in respect of either of the last two calendar years prior to the date of a Covered Termination; provided that no annual bonus paid before consummation of the Merger shall be considered for this purpose.

(d) "**Change in Control**" means "Change in Control" as defined in the New Jazz Amended and Restated Change in Control Severance Benefit Plan; provided, however, that for the twelve month period following the Closing Date, the Merger shall constitute a "Change in Control" for purposes of this Section 5.

(e) "**Cause**" means the occurrence of any one or more of the following: (i) the Employee's unauthorized use or disclosure of the confidential information or trade secrets of the Employer or its Affiliates which use or disclosure causes material harm to the Employer or an Affiliate; (ii) the Employee's material breach of any agreement between the Employee and the Employer or an Affiliate which remains uncured for ten (10) days after receiving written notification of the breach from the Employer; (iii) the Employee's material failure to comply with the written policies or rules of the Employer or an Affiliate which remains uncured for ten (10) days after receiving written notification of the breach from the Employer; (iv) the Employee's conviction of, or plea of "guilty" or "no contest" to, any crime involving fraud, dishonesty, or moral turpitude under the laws of any United States Federal, state, local, or foreign governmental authority; (v) the Employee's gross misconduct; (vi) the Employee's continuing failure to perform assigned duties after receiving written notification of the failure from the Employer; (vii) the Employee's failure to cooperate in good faith with a governmental or internal investigation of the Employer, its Affiliates, directors, officers, or employees, if the Employer has requested the Employee's cooperation; or (viii) any action of Employee under 4.1 warranting summary dismissal.

(f) "**Constructive Termination**" means a resignation of employment by Employee after an action or event which constitutes Good Reason is undertaken by Employer or an Affiliate, or occurs; *provided, however*, that in order for Employee's resignation to constitute a Constructive Termination, Employee must (i) provide written notice to Employer's General Counsel within thirty (30) days after the first occurrence of the event giving rise to Good Reason setting forth the basis for such resignation, (ii) allow Employer at least thirty (30) days from receipt of such written notice to cure such event, and (iii) if such event is not reasonably cured within such period, resign from all positions Employee then holds with Employer and any Affiliate effective not later than ninety (90) days after the expiration of the cure period.

(g) "**Covered Termination**" means either (i) an Involuntary Termination Without Cause, or (ii) a Constructive Termination, in each case within twelve (12) months following a Change in Control. Termination of employment of Employee due to death or disability shall not constitute a Covered Termination unless a resignation of employment by Employee immediately prior to Employee's death or disability would have qualified as a Constructive Termination.

(h) "**Good Reason**" means the occurrence of any one or more of the following actions or events:

(i) a reduction in Employee's base salary by more than ten percent (10%) (other than a reduction in conjunction with (x) a Company-wide salary reduction, or (y) a salary reduction involving senior management of Employer which results in salary reductions for employees similarly-situated to Employee); or

(ii) a relocation of Employee's place of employment that increases Employee's one-way commute by more than thirty-five (35) miles; provided and only if such reduction or relocation is effected without Employee's consent; or

(iii) a substantial reduction in Employee's duties or responsibilities (and not simply a change in reporting relationships) in effect prior to the effective date of the Change in Control; *provided, however*, that it shall not constitute "Good Reason" if, following the effective date of the Change in Control, either (x) Employer is retained as a separate legal entity or business unit and Employee holds the same position in such legal entity or business unit as Employee held before such effective date, (y) Employee holds a position with duties and responsibilities comparable (though not necessarily identical, in view of the relative sizes of Employer and the entity involved in the Change in Control) to the duties and responsibilities of Employee prior to the effective date of the Change in Control; or

(iv) a reduction in the Employee's title (*e.g.*, the Employee no longer has a "Vice President" or "Senior Vice President", etc. title). Employee's signature of this Agreement shall be confirmation that his duties, title and compensation payable pursuant to this Agreement shall not constitute "Good Reason."

(i) "**Involuntary Termination Without Cause**" means a termination by the Employer of the Employee's employment relationship with the Employer or an Affiliate for any reason other than for Cause and other than as a result of death or disability.

5.2 Covered Termination.

(a) Amount of Benefits. In the event of the Employee's Covered Termination, and subject to the requirements set forth in Section 5.2(b), the Employee shall be entitled to receive the benefits provided by this Section 5.2.

(i) Cash Severance Benefits. The Employer shall make a lump sum cash severance payment to the Employee in an amount equal to the sum of (1) the Employee's base salary at the rate in effect during the last regularly scheduled payroll period immediately preceding the date of the Employee's Covered Termination (without giving effect to any reduction in base salary that would constitute grounds for Constructive Termination) (the "Severance Base") multiplied by 125% and (2) the product of the Severance Base multiplied by the Bonus Percentage multiplied by 125% and (3) the product of the Severance Base multiplied by the Bonus Percentage multiplied by the Bonus Multiplier. Notwithstanding the foregoing, during the twelve month period following the Closing Date, in lieu of the bonus-related cash severance payment described in the first sentence of this Section 5.2(a)(i) at (2) and (3), upon his Covered Termination, Employee shall instead be entitled to receive an amount equal to the sum of (x) the product of the Severance Base multiplied by 40% multiplied by 125% and (y) the product of the Severance Base multiplied by 40% multiplied by the quotient obtained by dividing the number of full months during such twelve month period that Employee is employed by Employer by twelve (12). Such severance payment shall be paid in a single lump sum payment on the sixtieth (60th) day following the Employee's Covered Termination.

(ii) Health Continuation Coverage.

(1) Provided that the Employee is eligible for, and timely elects continued coverage under New Jazz health plan and following the Covered Termination, the Employer shall pay to the applicable insurers, as and when due, the applicable premiums (inclusive of premiums for the Employee's participating dependents for such health, care plan) for such plan coverage for a period of up to fifteen (15) months following the date of the Covered Termination (or such earlier date if the Employee is no longer eligible for coverage). The provision of these benefits is subject to insurance being obtained on normal terms and subject to medical and other underwriting requirements and other terms and conditions.

(2) The Employer's obligations under this Section 5.2(a)(ii) shall terminate, and no such premium payments (or any other payments for health coverage by the Employer) shall be made by the Employer, as of the earliest of the Employee's death, the effective date of the Employee's coverage by a health insurance plan of a subsequent employer and the date the Employee or his dependents cease to be eligible for New Jazz health plan coverage. The Employee shall be required to notify the Employer immediately if the Employee becomes covered by a health insurance plan of a subsequent employer or if the Employee or his participating dependents otherwise cease to be eligible for New Jazz health plan coverage during the period provided in this Section 5.2(a)(ii). Upon the conclusion of such period of insurance premium payments made by the Employer, the Employee will be responsible for the entire payment of premiums required under New Jazz health plan for the remaining duration of the period.

(iii) Equity Award Vesting Acceleration. The vesting and exercisability of (and the lapsing of any unvested share repurchase rights in respect of) all outstanding compensatory equity awards covering New Jazz Ordinary Shares that are held by the Employee on the date of such Covered Termination shall be accelerated in full, effective on the 60th day following the Covered Termination. In order to give effect to the foregoing provision, notwithstanding anything to the contrary set forth in the Employee's equity award agreements or the rules of the plan under which such awards have been granted, following the Employee's Covered Termination, the Employee's options and equity awards shall not terminate with respect to any unvested portion subject to such awards that may be subject to acceleration hereunder until the day after the 60th day following the Covered Termination (provided that, in respect of any stock option, this is no later then the expiration of the term of such option and further provided that, the vested portions of any stock option shall terminate pursuant to their normal terms). With respect to any compensatory stock option held by the Employee that is subject to accelerated vesting hereunder, such option may not be exercised by the Employee in respect of the accelerated shares prior to the 60th day after the Covered Termination (provided that, in respect of any stock option, this is no later then the expiration of the term of such option). Notwithstanding the foregoing, if the Employee's service is terminated for any reason during the twelve month period following the closing of the Merger, equity awards granted during such period shall be excluded from the vesting acceleration benefit described in this Section 5.2(a)(iii) provided, however, that this sentence shall not apply in the case of a Change in Control (other than the Merger) after the closing of the Merger.

(b) Limitations on Benefits.

(i) Release. In order to be eligible to receive benefits under Section 5.2(a), the Employee must execute a general waiver and release in a form consistent with those required of other employees of Jazz at a similar of seniority to the Employee and return such release to Employer within the time period specified therein, but in no event more than forty-five (45) days following the date of the Covered Termination, and such release must become effective in accordance with its terms but in all cases not later than the sixtieth (60th) day following the Covered Termination. No release shall require the Employee to forego any unpaid salary, any accrued but unpaid vacation pay or any benefits payable pursuant to this Agreement. The Employer, in its sole discretion, may modify the form of the required release to comply with applicable law and shall determine the form of the required release.

(ii) Certain Reductions. The Employer shall reduce the Employee's severance benefits provided under this Agreement, to the greatest extent possible, by any other severance benefits whether contractual or statutory, pay in lieu of notice, or other similar benefits payable to the Employee by the Employer that become payable in connection with the Employee's termination of employment, including but not limited to those payable pursuant to (1) any applicable legal requirement or (2) any Employer policy or practice providing for the Employee to remain on the payroll for a limited period of time after being given notice of the termination of the Employee's employment. Save for those payments which may be payable under Clause 4.4 of this Agreement, the benefits provided under Section 5.2 of this Agreement are intended to satisfy any and all statutory obligations and other contractual obligations of the Employer that may arise out of Employee's termination of employment, and the Employer shall so construe and implement the terms of Section 5.2 of this Agreement. In the Employer's sole discretion, such reductions shall be applied on a retroactive basis, with severance benefits previously paid being re-characterized as payments pursuant to the Employer's statutory or other contractual obligations.

(iii) Parachute Payments. If any payment or benefit to which Employee may be entitled in connection with a change in control (the "**Payments**", which shall include, without limitation, the vesting of an option or other non-cash benefit or property) would (i) constitute a "parachute payment" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended and the rules and regulations thereunder and, (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then such Payments shall be equal to the Reduced Amount. The "**Reduced Amount**" shall be either (x) the largest portion of the Payments that would result in no portion of the Payments being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payments, whichever amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in the Employee's receipt, on an after-tax basis, of the greater amount of the Payments notwithstanding that all or some portion of the Payments may be subject to the Excise Tax. If a reduction in payments or benefits constituting "parachute payments" is necessary so that the Payments equal the Reduced Amount, reduction shall occur in the manner that results in the greatest economic benefit for Employee. Determination of whether Payments would result in the application of the Excise Tax, and the amount of any reduction that is necessary so that the Payments equal the Reduced Amount shall be made, at Employer's expense, by the independent

accounting firm employed by Employer prior to the date on which Employee's right to any Payments are triggered (if requested at that time by Employee or Employer) or such other time as reasonably requested by Employee or Employer.

(iv) Mitigation. Except as otherwise specifically provided herein, the Employee shall not be required to mitigate damages or the amount of any payment provided under Section 5.2(a) of this Agreement by seeking other employment or otherwise. Similarly, no amount of any payment provided for under Section 5.2(a) of this Agreement shall be reduced by any compensation earned by the Employee as a result of employment by another employer or any retirement benefits received by such Employee after the date of the Employee's termination of employment with the Employer, except for health continuation coverage provided pursuant to Section 5.2(a)(ii).

(c) Tax Withholding. All payments under this Agreement will be subject to all applicable withholding of the Employer, including, without limitation, obligations to withhold for federal, state and local income and employment taxes.

6. GRIEVANCE PROCEDURE.

6.1 Grievance. If Employee has any grievance relating to the Employment, he should raise it with the Chief Executive Officer of Employer and thereafter (if the matter is not resolved) with the Board. In such a case, the Board will deal with the matter by discussion and majority decision of those present and voting (but without Employee being entitled to vote on that issue).

7. DISCIPLINARY PROCEDURE.

7.1 Disciplinary. Employer requires a good standard of discipline and conduct from Employee together with satisfactory standards of work. Full details of the Employer's Disciplinary Procedure will be contained in the employee handbook or in such other policy document as Employer may generate.

8. DATA PROTECTION.

8.1 Data. All personal information which Employer holds about Employee is protected by data protection laws. Employer take its responsibilities under these laws seriously and holds some or all of the following personal data about Employee: address, date of birth, marital status, educational or previous employment background, history and details of current position, CVs, applications and interview records, references, performance ratings or reviews, bank details, salary, bonuses, records of internet or email usage, CCTV images, records of disciplinary investigations/meetings or grievances, stock option, pension and other insurance documentation, payroll details and other related data. This information is required for the management and administration of the Employment and to protect Employee's rights under various employment laws. For these purposes it may from time to time be necessary to disclose Employee's personal information to third parties, including (but not limited to) payroll processors, pension brokers/trustees, or insurers. It may also be necessary to disclose

information in order to comply with any legal or regulatory obligations. Employer takes all reasonable steps as required by law to ensure the safety, privacy and integrity of Employee's personal information. Employer may need to share personal data including sensitive personal data with other related entities which are based abroad. This may involve a transfer of data, including Employee's personal sensitive data to a country which may not have the same data protection laws as Ireland. By signing this Agreement, Employee hereby consents to Employer holding, processing, transferring or disclosing such personal data.

9. GENERAL PROVISIONS.

9.1 Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by fax) or the next day after sending by overnight carrier, to Employer at its primary office location and to Employee at his address as listed on the Employer's payroll records.

9.2 Confidentiality. Employee shall hold the provisions of this Agreement in strictest confidence and will not publicize or disclose such provisions in any manner whatsoever; provided, however, that Employee may disclose this Agreement: (a) to Employee's immediate family; (b) in confidence to his attorneys, accountants, auditors, tax preparers, and financial advisors; and (c) insofar as such disclosure may be necessary to enforce its terms or as otherwise permitted or required by applicable law. In particular, Employee agrees not to disclose the terms of this Agreement to any current or former employee of the Employer or any of the Group Companies, save that Seamus Mulligan, David Brabazon, Eunan Maguire, Fintan Keegan and/or Mike Kelly may disclose and/or discuss the terms of this Agreement with each other.

9.3 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the parties and applicable law.

9.4 Waiver. To be effective any waiver of a breach of any provision of this Agreement shall be in writing and it shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision of this Agreement.

9.5 Complete Agreement. This Agreement, together with the Noncompetition Agreement, constitutes and forms the complete, final, and exclusive embodiment of the entire agreement between Employee and Employer concerning Employee's employment with Employer (or with its predecessor, Azur) and shall supersede and replace any and all prior agreements, representations, letters, understandings or promises with anyone, written or oral, with regard to its subject matter, including the Prior Employment-Related Agreement. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and the terms hereof cannot be modified or amended except in a written agreement signed by Employee and an officer of Employer and duly authorized by the Board.

9.6 Construction and Counterparts. This Agreement is to be read and construed consistently with the Merger Agreement and the Noncompetition Agreement, with the provisions of each considered as cumulative and not exclusive, and with maximum effect being given to each. For purposes of construction of this Agreement, any ambiguity shall not be construed against either party as the drafter. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement. Signatures transmitted via facsimile or by PDF shall be deemed equivalent to original signatures.

9.7 Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

9.8 Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Employee and Employer, and their respective successors, assigns, heirs, executors and administrators, except that Employee may not assign any of his duties hereunder and he may not assign any of his rights hereunder without the written consent of Employer.

9.9 Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the law of Ireland without regard to conflicts of law principles.

9.10 Definitions. In this Agreement, the following words and expressions shall have the meanings set out below:

"**Ireland**" means the Republic of Ireland.

A "**Group Company**" includes any firm, company, corporation or other organization:

- which is directly or indirectly controlled by Employer (including Jazz and AzurPharma Inc.); or
- which directly or indirectly controls Employer; or
- which is directly or indirectly controlled by a third party who also directly or indirectly controls Employer; or
- of which Employer or any other associated company owns or has a beneficial interest in 20% or more of the issued share capital or 20% or more of its capital assets; or
- which is the successor in title or assign of the firms, companies, corporations or other organizations referred to above.

"**Termination Date**" shall mean the date upon which the Employee's employment with the Employer terminates, and for the avoidance of doubt, does not mean the date on which the greater of contractual or statutory notice would have expired had it been given unless otherwise stated.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first above written.

AZUR PHARMA LIMITED

By: /s/ James A. Skehan

Print Name: James A. Skehan

Title: Company Secretary

Date: September 19, 2011

UNDERSTOOD and AGREED to this
18 day of September, 2011.

By: /s/ Fintan Keegan

Print Name: Fintan Keegan

Exhibit 10.5

NONCOMPETITION AGREEMENT

THIS NONCOMPETITION AGREEMENT (the "**Noncompetition Agreement**") is entered into as of the Effective Date (as defined below) by and among Fintan Keegan, an individual ("**Employee**"), in favor of, and for the benefit of: Azur Pharma Limited, a limited company formed under the laws of Ireland (registered number 399192) (which as a result of the Transactions shall become Jazz Pharmaceuticals plc, a public limited company incorporated in Ireland) whose principal place of business is at 45 Fitzwilliam Square, Dublin 2, Ireland (**"New Jazz"**), together with its subsidiaries Jazz Pharmaceuticals, Inc. ("**Jazz**") and Azur Pharma Inc. Certain capitalized terms used in this Noncompetition Agreement are defined in Section 17.

RECITALS

A. Azur Pharma Limited ("**Azur**"), Jazz, Jaguar Merger Sub Inc. (a wholly-owned subsidiary of Azur), and Seamus Mulligan, as Indemnitors' Representative, are entering into an Agreement and Plan of Merger and Reorganization (the "**Merger Agreement**"), pursuant to which the parties thereto will effect a reorganization and merger, among other things. As a result of the transactions contemplated by the Merger Agreement (the "**Transactions**"), Jaguar Merger Sub Inc. will merge with and into Jazz, with Jazz as the surviving entity, and Azur will change its name to Jazz Pharmaceuticals plc. This Noncompetition Agreement will be effective as of the Closing Date of the Merger Agreement, as defined therein (the "**Effective Date**"). If the Closing (as defined in the Merger Agreement) does not occur, or the Merger Agreement is terminated in accordance with its terms, this Noncompetition Agreement shall have no effect, and shall not be binding on New Jazz or Employee.

B. By virtue of Employee's service as a key employee and shareholder of Azur prior to the Closing Date, Employee has gained access to extensive and valuable goodwill, knowledge, and Confidential Information concerning Azur's business. Employee is entering into this Noncompetition Agreement in connection with and as a condition to the Merger Agreement, in order to induce Azur and Jazz to consummate the Transactions, to enable Azur and Jazz to secure more fully the benefits of the Merger Agreement, and to provide Employee with the benefits to which Employee shall become entitled to receive pursuant to the Transactions as a shareholder of Azur and as an employee of New Jazz following the Closing Date.

C. New Jazz and Employee are executing an Employment Agreement (the "**Employment Agreement**") contemporaneously with the execution and delivery of this Noncompetition Agreement. Pursuant to the Employment Agreement, Employee will continue as a key employee of New Jazz following the Transactions and will accordingly have access to extensive and valuable goodwill, knowledge and Confidential Information concerning the businesses of New Jazz and of the Group Companies (including New Jazz's wholly-owned subsidiary, Jazz) that New Jazz is endeavoring to protect.

D. The provisions of this Noncompetition Agreement are: (i) reasonable in all the circumstances given the value being obtained by the Employee as a result of the Transactions and given Employee's access to valuable goodwill, knowledge and Confidential Information by virtue of his continued service as a key employee of New Jazz following the Transactions;

(ii) directly linked to the Transactions and Employee's continued employment with New Jazz; and (iii) necessary for the effective implementation of the Transactions so that the value of the business being acquired can be secured and protected.

E. Although New Jazz is located in Ireland, New Jazz's products are marketed and sold in and throughout the United States, and New Jazz's marketing and sales operations are based in the United States.

F. Employee acknowledges good and valuable consideration for this Agreement in the nature of increased stock value and potential higher liquidity as a result of the Transactions.

AGREEMENT

In order to induce Azur and Jazz to consummate the Transactions contemplated by the Merger Agreement, and in order to protect New Jazz's legitimate business interests such as trade secrets, Confidential Information and goodwill following the Transactions, and for other good and valuable consideration, Employee agrees as follows:

1. Restriction on Competition. Employee agrees that during the Noncompetition Period, without the prior written consent of the Board of Directors of New Jazz, Employee shall not, and shall not permit any of his Affiliates to:

(a) engage directly or indirectly in Competition in the Restricted Territory; or

(b) directly or indirectly be or become an officer, director, employee, owner, co-owner, Affiliate, partner, promoter, agent, representative, consultant, advisor, manager, licensor, sublicensor, licensee or sublicensee of, or acquire or hold (of record, beneficially or otherwise) any direct or indirect interest in, any Person that engages directly or indirectly in Competition in any Restricted Territory;

provided, *however*, that Employee may, without violating this Section 1:

(i) own, as a passive investor, securities of any competitor corporation, so long as his direct holdings in any one such corporation shall not in the aggregate constitute more than five percent (5%) of the voting stock of such corporation and provided that neither Employee nor any Affiliate of Employee is otherwise associated directly or indirectly with such corporation or with any Affiliate of such corporation; and/or

(ii) become employed by any Person which is engaged in the development, manufacture, promotion, sale, distribution, licensing or sublicensing, of any Competing Product or Additional Term Competing Product provided that during the Noncompetition Period he is not directly or indirectly involved in the development, manufacture, promotion, sale, distribution, licensing or sublicensing, of any Competing Product or Additional Term Competing Product (as applicable) and may also own securities of the said employer or its affiliate, so long as his direct holdings in any one such corporation shall not in the aggregate constitute more than one percent (1%) of the voting stock of such corporation; and/or

(iii) be engaged in the business of Circ Pharma Limited and its wholly owned subsidiaries ("**Circ**") (which for the purposes of this provision shall be deemed to include Tramadol) as it is constituted as of the Effective Date, to the extent that such business does not involve for the applicable Noncompetition Period the development, manufacture, promotion, sale, distribution, licensing or sub-licensing of (i) any Additional Term Competing Product, or (ii) a Material New Jazz Product or Product Candidate, provided that the restriction with regard to a Material New Jazz Product or Product Candidate shall not apply if Circ has commenced activities with respect to a product or product candidate that is not at the date of such commencement a Material New Jazz Product or Product Candidate, and further provided that if Jazz acquires or licenses rights to a product from a third party which thereby becomes a Material New Jazz Product or Product Candidate, the relevant date for making the determination as to whether or not Circ has commenced the applicable activities shall be the date of the acquisition or license of such Material New Jazz Product or Product Candidate by Jazz.

2. No Hiring or Solicitation of Employees. Employee agrees that, during the Nonsolicitation Period, without the prior written consent of the Chief Executive Officer of New Jazz, Employee shall not, and shall not permit any of his Affiliates to: (a) hire, accept into employment, or otherwise engage or use the services of, any Specified Employee, or (b) directly or indirectly, personally or through others, encourage, induce, attempt to induce, solicit or attempt to solicit (on Employee's own behalf or on behalf of any other Person) any Specified Employee to leave his or her employment with New Jazz or any Group Company.

3. Representations and Warranties. Employee represents and warrants that: (a) Employee has full power and capacity to execute and deliver, and to perform all of his obligations under, this Noncompetition Agreement; and (b) neither the execution and delivery of this Noncompetition Agreement nor the performance of this Noncompetition Agreement will result directly or indirectly in a violation or breach of any agreement or obligation by which the Employee or any of Employee's Affiliates is or may be bound.

4. Specific Performance. Employee agrees that, in the event of any breach or threatened breach by the Employee of any covenant or obligation contained in this Noncompetition Agreement, New Jazz shall be entitled (in addition to any other remedy that may be available, including monetary damages) to seek (a) a decree or order of specific performance to enforce the observance and performance of such covenant or obligation, and (b) an injunction restraining such breach or threatened breach.

5. Non-Exclusivity. The rights and remedies of New Jazz under this Noncompetition Agreement are not exclusive of or limited by any other rights or remedies which it may have, whether at law, in equity, by contract or otherwise, all of which shall be cumulative (and not alternative). Without limiting the generality of the foregoing, the rights and remedies of New Jazz, and the obligations and liabilities of the Employee, under this Noncompetition Agreement, are in addition to their respective rights, remedies, obligations and liabilities under the law of unfair competition, under laws relating to misappropriation of trade secrets, under other laws and common law requirements and under all applicable rules and regulations. Nothing in this Noncompetition Agreement shall limit any of the Employee's obligations, or the rights or remedies of New Jazz, under the Merger Agreement or the Employment Agreement; and nothing in the Merger Agreement or the Employment Agreement shall limit any of the

Employee's obligations, or any of the rights or remedies of New Jazz under this Noncompetition Agreement. No breach on the part of New Jazz of any covenant or obligation contained in the Merger Agreement or the Employment Agreement or any other agreement shall limit or otherwise affect any right or remedy of New Jazz under this Noncompetition Agreement.

6. Severability. Employee hereby acknowledges and agrees that each clause, term or provision in this Agreement, and every part thereof, are entirely separate and independent (notwithstanding that they may be contained in the same clause, sub-clause, paragraph, sub-paragraph, sentence or phrase) and that they are independent, separate and severable and enforceable accordingly and that the duration, extent and application of each such clause, term and/or provision, and every part thereof, is no greater than is reasonable and necessary for the protection of the legitimate interest of New Jazz. If any such clause, term and/or provision or part thereof of this Noncompetition Agreement is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, that invalidity or unenforceability will not affect the other clauses, terms and/or provisions or part thereof of this Agreement which will remain in full force and effect. If any clause, term and/or provision or part thereof of this Agreement is found to be invalid or unenforceable but would be valid or enforceable if some part of the clause, term and/or provision were deleted and/or the period thereof was reduced and/or the territorial area reduced/modified, the clause, term and/or provision or part thereof in question will apply with whatever modification is necessary to make it valid. If the final judgment of a court or administrative body of competent jurisdiction declares that any clause, term and/or provision hereof is invalid or unenforceable, the parties hereto agree that the court or administrative body making such determination shall have the power to limit the clause, term and/or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term, provision and/or or clause or part thereof with a clause, term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable clause, term and/or provision and this Noncompetition Agreement shall be enforceable as so modified. In the event such court or administrative body does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term.

7. Governing Law; Venue.

(a) This Noncompetition Agreement shall be construed in accordance with, and governed in all respects by, the laws of the State of Pennsylvania (without giving effect to principles of conflicts of laws).

(b) Any legal action or other legal proceeding relating to this Noncompetition Agreement or the enforcement of any provision of this Noncompetition Agreement may be brought or otherwise commenced in any state or federal court located in the County of Philadelphia County, Pennsylvania. Employee:

(i) expressly and irrevocably consents and submits to the jurisdiction of each state and federal court located in Philadelphia County, Pennsylvania (and each appellate court located in the State of Pennsylvania), in connection with any such legal proceeding;

(ii) agrees that service of any process, summons, notice or document by courier or registered mail addressed to him at the address set forth on the signature page of this Noncompetition Agreement or such other address as he may specify from time to time shall constitute effective service of such process, summons, notice or document for purposes of any such legal proceeding;

(iii) agrees that each state and federal court located in Philadelphia County, Pennsylvania shall be deemed to be a convenient forum; and

(iv) agrees not to assert (by way of motion, as a defense or otherwise), in any such legal proceeding commenced in any state or federal court located in Philadelphia County, Pennsylvania, any claim that Employee is not subject personally to the jurisdiction of such court, that such legal proceeding has been brought in an inconvenient forum, that the venue of such proceeding is improper or that this Noncompetition Agreement or the subject matter of this Noncompetition Agreement may not be enforced in or by such court.

(c) Nothing contained in this Section 7 shall be deemed to limit or otherwise affect the right of New Jazz to commence any legal proceeding or otherwise proceed against Employee in any other forum or jurisdiction.

(d) EMPLOYEE IRREVOCABLY WAIVES THE RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY LEGAL PROCEEDING RELATING TO THIS NONCOMPETITION AGREEMENT OR THE ENFORCEMENT OF ANY PROVISION OF THIS NONCOMPETITION AGREEMENT.

8. Waiver. No failure on the part of New Jazz to exercise any power, right, privilege or remedy under this Noncompetition Agreement, and no delay on the part of New Jazz in exercising any power, right, privilege or remedy under this Noncompetition Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy. New Jazz shall not be deemed to have waived any claim arising out of this Noncompetition Agreement, or any power, right, privilege or remedy under this Noncompetition Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of New Jazz; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

9. Successors and Assigns. New Jazz may freely assign all of its rights under this Noncompetition Agreement, at any time, to any successor in interest of New Jazz without obtaining the consent or approval of the Employee or of any other Person. This Noncompetition Agreement shall be binding upon the Employee and shall inure to the benefit of New Jazz and its permitted assignee.

10. Attorneys' Fees. If any legal action or other legal proceeding relating to this Noncompetition Agreement or the enforcement of any provision of this Noncompetition Agreement is brought against the Employee, the prevailing party shall be entitled to recover attorneys' fees, costs and disbursements (in addition to any other relief to which the prevailing party may be entitled).

11. Headings. The headings contained in this Noncompetition Agreement are for convenience of reference only, shall not be deemed to be a part of this Noncompetition Agreement and shall not be referred to in connection with the construction or interpretation of this Noncompetition Agreement.

12. Construction. Whenever required by the context, the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; and the neuter gender shall include the masculine and feminine genders. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Noncompetition Agreement. As used in this Noncompetition Agreement, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, and shall be deemed to be followed by the words "without limitation." Except as otherwise indicated in this Noncompetition Agreement, all references in this Noncompetition Agreement to "Sections" are intended to refer to Sections of this Noncompetition Agreement.

13. Survival of Obligations. Except as specifically provided herein, the obligations of the Employee under this Noncompetition Agreement shall survive the expiration of the Noncompetition Period. The expiration of the Noncompetition Period shall not operate to relieve the Employee of any obligation or liability arising from any prior breach by the Employee of any provision of this Noncompetition Agreement.

14. Obligations Absolute. Employee's obligations under this Noncompetition Agreement are absolute and shall not be terminated or otherwise limited by virtue of any breach (on the part of New Jazz or any other Person) of any provision of the Merger Agreement or any other agreement, or by virtue of any failure to perform or other breach of any obligation of New Jazz or any other Person.

15. Amendment. This Noncompetition Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered on behalf of the Employee and New Jazz.

16. Complete Agreement. This Noncompetition Agreement, together with the Employment Agreement, forms the complete, final, and exclusive embodiment of the entire agreement between Employee and New Jazz concerning the subject matters hereof and shall supersede and replace any and all prior agreements, representations, letters, understandings or promises, written or oral on such subject matters. This Noncompetition Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and the terms hereof cannot be modified or amended except in a written agreement signed by Employee and an officer of New Jazz and duly authorized by the Board of Directors of New Jazz.

17. Defined Terms. For purposes of this Noncompetition Agreement:

(a) "***Additional Term Competing Products***" shall mean: (i) any pharmaceutical or biotechnology product that contains clozapine as an active pharmaceutical ingredient in any formulation or presentation and for any indication; (ii) any pharmaceutical or biotechnology product that contains sodium oxybate (or any other salt, or any analog or prodrug, of oxybate) as an active pharmaceutical ingredient, in any formulation or presentation or for any indication; and (iii) any pharmaceutical or biotechnology product which is delivered intrathecally for severe chronic pain.

(b) "***Affiliate***" shall mean, with respect to any specified Person, any other Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified Person.

(c) "***Competing Product***" shall mean any: (i) pharmaceutical or biotechnology product that is approved, designed, marketed and/or sold for the treatment of any condition(s) for which any Material New Jazz Product or Product Candidate (A) is or has been approved, designed, marketed, and/or sold, or (B) is or has been under investigation or consideration for being approved, designed, marketed, and/or sold, at any time during the Noncompetition Period; or (ii) any pharmaceutical or biotechnology product or product candidate, or other similar product or product candidate, that is substantially the same as, incorporates, is a material component or part of, is based upon, is functionally similar to any Material New Jazz Product or Product Candidate**.**

(d) A Person shall be deemed to be engaged in "***Competition***" if: such Person is engaged directly in the development, manufacture, promotion, sale, distribution, licensing or sublicensing, of (i) any Competing Product or (ii) any Additional Term Competing Product, as applicable.

(e) "***Confidential Information***" shall mean any information (whether or not in written form and whether or not expressly designated as confidential) relating directly or indirectly to New Jazz and/or any Group Company or relating directly or indirectly to the business, operations, financial affairs, performance, assets, technology, processes, products, contracts, customers, licensees, sublicensees, suppliers, personnel, consultants or plans of New Jazz and/or any Group Company (including any such information consisting of or otherwise relating to trade secrets, know-how, technology, inventions, prototypes, designs, drawings, sketches, processes, license or sublicense arrangements, formulae, proposals, research and development activities, customer lists or preferences, pricing lists, referral sources, marketing or sales techniques or plans, operations manuals, service manuals, financial information, projections, lists of consultants, lists of suppliers or lists of distributors); *provided*, *however*, that "Confidential Information" shall not be deemed to include information of New Jazz and/or any Group Company that was already publicly known and in the public domain prior to the time of its initial disclosure to Employee or later becomes publicly known through no fault of Employee.

(f) "***Group Company***" and "***Group Companies***" shall mean any firm, company, corporation or other organization which is directly or indirectly controlled by New Jazz (including Jazz and Azur Pharma Inc.); which directly or indirectly controls New Jazz; which is directly or indirectly controlled by a third party who also directly or indirectly controls

New Jazz; of which New Jazz or any other associated company owns or has a beneficial interest in 20% or more of the issued share capital or 20% or more of its capital assets; or which is the successor in title or assign of the firms, companies, corporations or other organizations referred to above.

(g) "***Material New Jazz Product or Product Candidate***" shall mean (i) a product marketed by New Jazz (or Azur as its predecessor) and/or by any Group Company having annual net sales of at least $25 million in either of two calendar years immediately preceding the date on which Employee's employment with New Jazz or any Group Company terminates for any reason, or having an annualized net sales run rate of at least $25 million in the then current calendar year (in which such employment terminates), or (ii) a product candidate of New Jazz (or Azur as its predecessor) and/or of any Group Company that, as of the date on which such employment terminates: (A) is in Phase II or III clinical development; (B) is the subject of a new drug application or other regulatory application for marketing approval being actively prepared or submitted to the Food and Drug Administration (**"FDA"**); (C) for which an FDA marketing approval is pending; or (D) that has received marketing approval by the FDA but that has not yet begun to be marketed or sold.

(h) "***Noncompetition Period***" shall mean the period of time commencing on the Effective Date and ending on the following applicable date:

(i) With respect to any Competing Product:

(1) The later of (A) one (1) year following the Effective Date or (B) six (6) months following the termination of Employee's employment with New Jazz (or any Group Company) for any reason, if such termination of Employee's employment occurs at any time prior to or on the one (1) year anniversary of the Effective Date.

(2) Six (6) months following the termination of Employee's employment with New Jazz (or any Group Company) for any reason, if such termination of Employee's employment occurs at any time following the one (1) year anniversary of the Effective Date.

(ii) With respect to the Additional Term Competing Products, two (2) years following the termination of Employee's employment with New Jazz (or any Group Company) for any reason.

(i) "***Nonsolicitation Period***" shall mean the period of time commencing on the Effective Date and ending on the following applicable date:

(i) The later of (A) one (1) year following the Effective Date or (B) nine (9) months following the termination of Employee's employment with New Jazz (or any Group Company) for any reason, if such termination occurs at any time prior to or on the one (1) year anniversary of the Effective Date;

(ii) Nine (9) months following the termination of Employee's employment with New Jazz (or any Group Company) for any reason, if such termination of Employee's employment occurs at any time following the one (1) year anniversary of the Effective Date and on or prior to the two (2) year anniversary of the Effective Date;

(iii) Six (6) months following the termination of Employee's employment with New Jazz (or any Group Company) for any reason, if such termination of Employee's employment occurs at any time following the two (2) year anniversary of the Effective Date and on or prior to the three (3) year anniversary of the Effective Date;

(iv) Three (3) months following the termination of Employee's employment with New Jazz (or any Group Company) for any reason, if such termination of Employee's employment occurs at any time following the three (3) year anniversary of the Effective Date; and

(v) Three (3) months following the termination of Employee's employment with New Jazz (or any Group Company) for any reason, if such termination occurs at any time following a Change in Control (as defined in the Employment Agreement and other than the Transactions), notwithstanding (i) through (iv) in above.

(j) "***Person***" means any: (i) individual; (ii) corporation, general partnership, limited partnership, limited liability partnership, trust, company (including any limited liability company or joint stock company) or other organization or entity; or (iii) governmental body or authority.

(k) "***Restricted Territory***" means (i) the United States, and (ii) worldwide in relation to any pharmaceutical or biotechnology product that contains sodium oxybate (or any other salt, or any analog or prodrug, of oxybate) as an active pharmaceutical ingredient, in any formulation or presentation or for any indication.

(l) "***Specified Employee***" shall mean any individual who is or was an employee of New Jazz or any Group Company on the date of this Noncompetition Agreement or during the 180-day period ending on the date of this Noncompetition Agreement, or during the term of Employee's employment with New Jazz or any Group Company. Employees who perform purely administrative functions and have no access to Confidential Information are excluded from the definition of Specified Employee.

18. Reduction of Noncompetition Period. Notwithstanding any contrary provision of this Agreement, in the event of a Covered Termination of the Employment Agreement (as defined therein) the Noncompetition Period shall thereupon terminate, save in respect of Additional Term Competing Products.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Noncompetition Agreement as of the date first above written.

AZUR PHARMA LIMITED

By: /s/ James A. Skehan

James A. Skehan

Dated: 19th September 2011

EMPLOYEE:

/s/ Fintan Keegan

FINTAN KEEGAN

Exhibit 10.6

AMENDMENT TO EMPLOYMENT AGREEMENT

This Amendment to Employment Agreement is entered into as of February 14, 2012 (the "***Effective Date***") by and between Jazz Pharmaceuticals plc, an Irish public limited company formerly known as Azur Pharma Limited and whose principal place of business is at 45 Fitzwilliam Square, Dublin 2, Ireland (***"Employer"***), and Fintan Keegan (***"Employee"***).

WHEREAS, Employee and Employer entered into an Employment Agreement effective as of January 18, 2012 (the ***"Employment Agreement"***); and

WHEREAS, Employee and Employer wish to amend the Employment Agreement to modify certain provisions.

NOW THEREFORE, in consideration of the mutual promises and covenants of the parties, the receipt and adequacy of which are hereby acknowledged, it is hereby agreed by and between the parties as follows:

A. Section 5.1(c) of the Employment Agreement hereby is amended in its entirety to read as follows:

(c) "**Bonus Percentage**" means the greater of (i) any annual bonus, as a percentage of annual base salary paid in the year of determination, paid to the Employee in respect of either of the last two calendar years prior to the date of a Covered Termination, provided that no annual bonus paid before consummation of the Merger shall be considered for this purpose, or (ii) the Employee's target bonus, expressed as a percentage of annual base salary, for the calendar year in which the Covered Termination occurs.

B. Section 5.2(a) of the Employment Agreement hereby is amended to replace clause (i) as it appears therein with the following clause:

(i) Cash Severance Benefits. The Employer shall make a lump sum cash severance payment to the Employee in an amount equal to the sum of (1) the Employee's base salary at the rate in effect during the last regularly scheduled payroll period immediately preceding the date of the Employee's Covered Termination (without giving effect to any reduction in base salary that would constitute grounds for Constructive Termination) (the "**Severance Base**") multiplied by 150% and (2) the product of the Severance Base multiplied by the Bonus Percentage multiplied by 150% and (3) the product of the Severance Base multiplied by the Bonus Percentage multiplied by the Bonus Multiplier. Notwithstanding the foregoing, during the twelve month period following the Closing Date, in lieu of the bonus-related cash severance payment described in the first sentence of this Section 5.2 (a)(i) at (2) and (3), upon his Covered Termination, Employee shall instead been titled to receive an amount equal to the sum of (x) the product of the Severance Base multiplied by 40% multiplied by 150% and (y) the product of the Severance Base multiplied by 40% multiplied by the quotient obtained by dividing the number of full months during such twelve month period that Employee is employed by Employer by twelve (12). Such severance payment shall be paid in a single lump sum payment on the sixtieth (60th) day following the Employee's Covered Termination.

C. Section 5.2(a)(ii)(1) of the Employment Agreement hereby is amended to replace the figure "fifteen (15)" with the figure "eighteen (18)."

Except as amended as provided above, the Employment Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, each of the parties has executed this Amendment to Employment Agreement as of the Effective Date.

JAZZ PHARMACEUTICALS PLC

By: /s/ Bruce Cozadd

Print Name: Bruce Cozadd

Title: Chairman and CEO

FINTAN KEEGAN

/s/ Fintan Keegan

Exhibit 10.7

U.S.

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

STOCK OPTION GRANT NOTICE

Jazz Pharmaceuticals plc (the "***Company***"), pursuant to its 2011 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of Ordinary Shares set forth below. This option is subject to all of the terms and conditions as set forth herein and in the Option Agreement and the Plan, all of which are attached hereto and incorporated herein in their entirety.

Optionholder:	_____
Option Number:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Ordinary Shares Subject to Option:	_____
Exercise Price (Per Ordinary Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant: ☐ Incentive Stock Option[1] ☐ Nonstatutory Stock Option

Vesting Schedule: [_____]

Payment: By one or a combination of the following items (described in the Option Agreement):

☒ By cash, check, bank draft or money order payable to the Company

☒ Pursuant to a Regulation T Program if the Ordinary Shares are publicly traded

☒ By delivery of already-owned Ordinary Shares if the Ordinary Shares are publicly traded

☒ If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

Additional Terms/Acknowledgements: The undersigned Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except in a writing signed by Optionholder and a duly authorized officer of the Company or except as otherwise provided in the Option Agreement. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding the acquisition of Ordinary Shares and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder under the Plan, (ii) any other specific written agreement between Optionholder and the Company and (iii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law. By accepting this option, Optionholder consents to receive Plan documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

[1] If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first *exercisable* for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

JAZZ PHARMACEUTICALS PLC

By: _____
Signature
Title: _____
Date: _____

OPTIONHOLDER:

_____
Signature
Date: _____

ATTACHMENTS: Option Agreement and 2011 Equity Incentive Plan

ATTACHMENT I

OPTION AGREEMENT

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Jazz Pharmaceuticals plc (the "***Company***") has granted you an option under its 2011 Equity Incentive Plan (the "***Plan***") to purchase the number of Ordinary Shares indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). Except as otherwise explicitly provided herein, if there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. **VESTING.** Subject to Section 10 and the limitations contained herein, your option will vest as provided in your Grant Notice, provided that vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of Ordinary Shares subject to your option and your exercise price per Ordinary Share referenced in your Grant Notice may be adjusted from time to time for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the Ordinary Shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company (subject to Section 5) or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

(a) Provided that at the time of exercise the Ordinary Shares are publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Ordinary Shares, results in either the receipt of cash

(or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

(b) Provided that at the time of exercise the Ordinary Shares are publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned Ordinary Shares that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such Ordinary Shares in a form approved by the Company. You may not exercise your option by delivery to the Company of Ordinary Shares if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Ordinary Shares.

(c) If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of Ordinary Shares issued upon exercise of your option by the largest whole number of Ordinary Shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Ordinary Shares will no longer be outstanding under your option and will not be exercisable thereafter if those Ordinary Shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

5. PAYMENT OF PAR (NOMINAL) VALUE. To the extent that any Ordinary Shares issued upon exercise of your option are newly issued Ordinary Shares, you must pay in cash or by check, bank draft or money order payable to the Company an amount equal to the par value of such number of newly issued Ordinary Shares (rounded up to the nearest whole cent).

6. WHOLE SHARES. You may exercise your option only for whole Ordinary Shares.

7. SECURITIES LAW COMPLIANCE. Notwithstanding anything to the contrary contained herein, you may not exercise your option unless the Ordinary Shares issuable upon such exercise are then registered under the Securities Act or, if such Ordinary Shares are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations.

8. TERM. You may not exercise your option before the commencement or after the expiration of its term. The term of your option commences on the Date of Grant and expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) three (3) months after the termination of your Continuous Service for any reason other than Cause or your Disability or death (except as otherwise provided in Section 8(c)

below); *provided, however,* that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further,* that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

(b) twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(c) below);

(c) eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(d) five (5) days following the termination of your Continuous Service for Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant of your option and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

(a) You may exercise the vested portion of your option during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by

reason of (i) the exercise of your option or (ii) the disposition of Ordinary Shares acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the Ordinary Shares issued upon exercise of your option that occurs within two (2) years after the date of your option grant or within one (1) year after such Ordinary Shares are transferred upon exercise of your option.

10. CHANGE IN CONTROL.

(a) If your Continuous Service terminates either within twelve (12) months following or one (1) month prior to the effective date of a Change in Control due to an Involuntary Termination Without Cause, the vesting and exercisability of your option shall be accelerated in full.

(b) For purposes of this Option Agreement, "***Involuntary Termination Without Cause***" means the involuntary termination of your Continuous Service for reasons other than death, Disability, or Cause. Any determination by the Company (or an Affiliate, if applicable) that your Continuous Service was terminated by reason of dismissal without Cause for the purposes of this Option Agreement shall have no effect upon any determination of the rights or obligations of you or the Company for any other purpose.

11. PARACHUTE PAYMENTS.

(a) If any payment or benefit you would receive from the Company or otherwise in connection with a Change in Control or other similar transaction ("***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in your receipt, on an after-tax basis, of the greater amount of the Payment notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in payments or benefits constituting "parachute payments" is necessary so that the Payment equals the Reduced Amount, reduction shall occur in the manner that results in the greatest economic benefit for you.

(b) The independent registered public accounting firm engaged by the Company for general audit purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations. If the independent registered public accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such Change in Control or similar transaction, the Company shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. The Company shall bear

all expenses with respect to the determinations by such independent registered public accounting firm required to be made hereunder.

(c) The independent registered public accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and you within thirty (30) calendar days after the date on which your right to a Payment is triggered (if requested at that time by the Company or you) or such other time as reasonably requested by the Company or you. Any good faith determinations of the independent registered public accounting firm made hereunder shall be final, binding and conclusive upon the Company and you.

12. TRANSFERABILITY. Your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, shall thereafter be entitled to exercise your option. In addition, if permitted by the Company you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust, provided that you and the trustee enter into a transfer and other agreements required by the Company.

13. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option shall obligate the Company or an Affiliate, their respective shareholders, Boards of Directors, Officers or Employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

14. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a “same day sale” pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested Ordinary Shares otherwise issuable to you upon the exercise of your option a number of whole Ordinary Shares having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company shall have no obligation to issue a certificate for such Ordinary Shares or release such Ordinary Shares from any escrow provided for herein unless such obligations are satisfied.

15. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per Ordinary Share specified in the Grant Notice is at least equal to the "fair market value" per Ordinary Share on the Date of Grant and there is no other impermissible deferral of compensation associated with the option.

16. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

17. GOVERNING PLAN DOCUMENT AND AMENDMENTS. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. Notwithstanding anything in the Plan to the contrary and to the extent permitted by applicable law, you hereby acknowledge and agree that this Option Agreement may be amended without your consent if the Board determines, in its discretion, that such amendment is necessary for legal, regulatory or tax reasons due to a change in the entity for which you render service. Except as otherwise explicitly provided herein, in the event of any conflict between the provisions of your option and those of the Plan, the provisions of the Plan shall control.

ATTACHMENT II

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

Exhibit 10.8

IRELAND

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

STOCK OPTION GRANT NOTICE

Jazz Pharmaceuticals plc (the "***Company***"), pursuant to its 2011 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of Ordinary Shares set forth below. This option is subject to all of the terms and conditions as set forth herein and in the Option Agreement and the Plan, all of which are attached hereto and incorporated herein in their entirety.

Optionholder:	_____
Option Number:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Ordinary Shares Subject to Option:	_____
Exercise Price (Per Ordinary Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Vesting Schedule: [_____]

Payment: By one or a combination of the following items (described in the Option Agreement):

☒ By cash, check, bank draft or money order payable to the Company

☒ Pursuant to a Regulation T Program if the Ordinary Shares are publicly traded

☒ By delivery of already-owned Ordinary Shares if the Ordinary Shares are publicly traded

☒ Subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

Data Protection: The undersigned Optionholder acknowledges, and understands and agrees that, in signing this Stock Option Grant Notice he/she consents to the Company and any Affiliate sharing and exchanging his/her information held in order to administer and operate the Plan (including personal details, data relating to participation, salary, taxation and employment and sensitive personal data e.g. data relating to physical or mental health, criminal conviction or the alleged commission of offences) (the "***Information***") and Optionholder further consents to the Company and any Affiliate providing the Company's or Affiliates' agents and/or third parties with the Information for the administration and operation of the Plan. Optionholder accepts that this may involve the Information being sent to a country outside the European Economic Area which may not have the same level of data protection laws as Ireland. Optionholder acknowledges that he/she has the right to request a list of the names and addresses of any potential recipients of the Information and to review and correct the Information by contacting the local human resources representative. Optionholder further acknowledges that the collection, processing and transfer of the Information is important to Plan administration and that failure to consent to same may prohibit participation in the Plan.

Additional Terms/Acknowledgements: The undersigned Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except in a writing signed by Optionholder and a duly authorized officer of the Company or except as otherwise provided in the Option Agreement. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding the acquisition of Ordinary Shares and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder under the Plan, (ii) any other specific written agreement between Optionholder and the Company and (iii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law.

By accepting this option, Optionholder consents to receive Plan documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

JAZZ PHARMACEUTICALS PLC

By: _____
Signature

Title: _____

Date: _____

OPTIONHOLDER:

_____
Signature

Date: _____

ATTACHMENTS: Option Agreement and 2011 Equity Incentive Plan

ATTACHMENT I

OPTION AGREEMENT

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

OPTION AGREEMENT

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Jazz Pharmaceuticals plc (the "***Company***") has granted you an option under its 2011 Equity Incentive Plan (the "***Plan***") to purchase the number of Ordinary Shares indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). Except as otherwise explicitly provided herein, if there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan shall have the same definitions as in the Plan.

The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Subject to Section 10 and the limitations contained herein, your option will vest as provided in your Grant Notice, provided that vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of Ordinary Shares subject to your option and your exercise price per Ordinary Share referenced in your Grant Notice may be adjusted from time to time for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are or become an Employee in the U.S. eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the Ordinary Shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company (subject to Section 5) or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

(a) Provided that at the time of exercise the Ordinary Shares are publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Ordinary Shares, results in either the receipt of cash

(or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

(b) Provided that at the time of exercise the Ordinary Shares are publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned Ordinary Shares that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such Ordinary Shares in a form approved by the Company. You may not exercise your option by delivery to the Company of Ordinary Shares if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Ordinary Shares.

(c) Subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of Ordinary Shares issued upon exercise of your option by the largest whole number of Ordinary Shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Ordinary Shares will no longer be outstanding under your option and will not be exercisable thereafter if those Ordinary Shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

5. PAYMENT OF PAR (NOMINAL) VALUE. To the extent that any Ordinary Shares issued upon exercise of your option are newly issued Ordinary Shares, you must pay in cash or by check, bank draft or money order payable to the Company an amount equal to the par value of such number of newly issued Ordinary Shares (rounded up to the nearest whole cent).

6. WHOLE SHARES. You may exercise your option only for whole Ordinary Shares.

7. SECURITIES LAW COMPLIANCE. Notwithstanding anything to the contrary contained herein, you may not exercise your option unless the Ordinary Shares issuable upon such exercise are then registered under the Securities Act or, if such Ordinary Shares are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations.

8. TERM. You may not exercise your option before the commencement or after the expiration of its term. The term of your option commences on the Date of Grant and expires, subject to the provisions of Section 5(h) of the Plan, upon the earliest of the following:

(a) three (3) months after the termination of your Continuous Service for any reason other than Cause (as defined herein) or your Disability or death (except as otherwise provided in Section 8(c) below); *provided, however,* that if during any part of such three (3)

month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further,* that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

(b) twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 8(c) below);

(c) eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause (as defined herein);

(d) five (5) days following the termination of your Continuous Service for Cause (as defined herein);

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the tenth (10th) anniversary of the Date of Grant.

For purposes of this Option Agreement, "Cause" shall mean the occurrence of any of the following events that has a material negative impact on the business or reputation of the Company or an Affiliate: (i) your conviction for any criminal offence (other than an offence under any road traffic legislation in Ireland, the United Kingdom or elsewhere for which a fine or non-custodial penalty is imposed) or any offence under any regulation or legislation relating to insider dealing, fraud or dishonesty; (ii) your attempted commission of, or participation in, a fraud or act of dishonesty against the Company or an Affiliate; (iii) your intentional, material violation of any contract or agreement between you and the Company or an Affiliate, or of any statutory duty owed to the Company or an Affiliate; (iv) your unauthorized use or disclosure of the Company's or an Affiliate's confidential information or trade secrets; or (v) your gross misconduct. The determination that a termination of your Continuous Service is either for Cause or without Cause shall be made by the Company (or an Affiliate, if applicable) in its sole discretion. Any determination by the Company (or an Affiliate, if applicable) that your Continuous Service was terminated with or without Cause for the purposes of this Option Agreement shall have no effect upon any determination of the rights or obligations of the Company or an Affiliate or you for any other purpose.

9. EXERCISE.

(a) You may exercise the vested portion of your option during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan

administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option or (ii) the disposition of Ordinary Shares acquired upon such exercise.

10. CHANGE IN CONTROL.

(a) If your Continuous Service terminates either within twelve (12) months following or one (1) month prior to the effective date of a Change in Control due to an Involuntary Termination Without Cause, the vesting and exercisability of your option shall be accelerated in full.

(b) For purposes of this Option Agreement, "***Involuntary Termination Without Cause***" means the involuntary termination of your Continuous Service for reasons other than death, Disability, or Cause (as defined in Section 8). Any determination by the Company (or an Affiliate, if applicable) that your Continuous Service was terminated by reason of dismissal without Cause for the purposes of this Option Agreement shall have no effect upon any determination of the rights or obligations of you or the Company for any other purpose.

11. TRANSFERABILITY. Your option is not transferable, except to your legal personal representatives in the event of your death, and is exercisable during your life only by you.

12. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment, subject to applicable law. In addition, nothing in your option shall obligate the Company or an Affiliate, their respective shareholders, Boards of Directors, Officers or Employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate, subject to applicable law.

13. WITHHOLDING AND TAX PAYMENT OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the tax or social security withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) You may not exercise your option unless the tax and social security withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the

Company shall have no obligation to issue a certificate for such Ordinary Shares or release such Ordinary Shares from any escrow provided for herein unless such obligations are satisfied.

(c) Any tax liabilities that the Company or an Affiliate is not obliged to withhold shall be your sole responsibility.

14. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation.

15. NOTICES. Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, fourteen (14) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. GOVERNING PLAN DOCUMENT AND AMENDMENTS. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. Notwithstanding anything in the Plan to the contrary and to the extent permitted by applicable law, you hereby acknowledge and agree that this Option Agreement may be amended without your consent if the Board determines, in its discretion, that such amendment is necessary for legal, regulatory or tax reasons due to a change in the entity for which you render service. Except as otherwise explicitly provided herein, in the event of any conflict between the provisions of your option and those of the Plan, the provisions of the Plan shall control.

ATTACHMENT II

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

Exhibit 10.9

U.S.

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

Jazz Pharmaceuticals plc (the "***Company***") hereby awards to Participant the number of restricted stock units ("***RSUs***") specified and on the terms set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth herein and in the Company's 2011 Equity Incentive Plan (the "***Plan***") and the Restricted Stock Unit Award Agreement (the "***Award Agreement***"), both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Award Agreement shall have the meanings set forth in the Plan or the Award Agreement. Except as explicitly provided herein or in the Award Agreement, in the event of any conflict between the terms in the Award and the Plan, the terms of the Plan shall control.

Participant:	_____
RSU#:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of RSUs:	_____
Consideration:	Participant's Services

Vesting Schedule: [_____]

Issuance Schedule: One Ordinary Share will be issued for each RSU which vests at the time set forth in Section 6 of the Award Agreement.

Special Tax Withholding Right:

☐ You may direct the Company (i) to withhold, from Ordinary Shares otherwise issuable in respect of the Award, a portion of those Ordinary Shares with an aggregate fair market value (measured as of the delivery date) equal to the amount of the applicable withholding taxes, and (ii) to make a cash payment equal to such fair market value directly to the appropriate taxing authorities, as provided in Section 10 of the Award Agreement.

☐ None

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the Award and supersedes all prior oral and written agreements on that subject, with the exception of: (i) any employment or severance arrangement that would provide for vesting acceleration of the Award upon the terms and conditions set forth therein and (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law. By accepting this Award, Participant consents to receive Plan documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

JAZZ PHARMACEUTICALS PLC

By: _____
Signature

Title: _____

Date: _____

PARTICIPANT:

_____
Signature

Date: _____

ATTACHMENTS: Award Agreement, 2011 Equity Incentive Plan

ATTACHMENT I

RESTRICTED STOCK UNIT AWARD AGREEMENT

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Award Agreement (the "***Agreement***") and in consideration of your services, Jazz Pharmaceuticals plc (the "***Company***") has awarded you a Restricted Stock Unit Award (the "***Award***") under its 2011 Equity Incentive Plan (the "***Plan***") for the number of restricted stock units (the "***RSUs***") set forth in the Grant Notice. Capitalized terms not explicitly defined in this Agreement shall have the same meanings given to them in the Plan or the Grant Notice, as applicable. Except as otherwise explicitly provided herein, in the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan shall control.

The details of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows.

1. GRANT OF THE AWARD. This Award represents your right to be issued on a future date the number of Ordinary Shares that is equal to the number of RSUs indicated in the Grant Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the "***Account***") the number of RSUs subject to the Award. This Award was granted in consideration of your services to the Company. Except as otherwise provided herein, you will not be required to make any payment to the Company (other than past and future services to the Company) with respect to your receipt of the Award, the vesting of the RSUs or the delivery of the Ordinary Shares to be issued in respect of the Award; *provided*, *however*, that to the extent that any Ordinary Shares issued upon settlement of your Award are newly issued Ordinary Shares, you must pay in cash or by check, bank draft or money order payable to the Company an amount equal to the par value of such number of newly issued Ordinary Shares (rounded up to the nearest whole cent).

2. VESTING. Subject to Section 11 and the limitations contained herein, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service. Upon such termination of your Continuous Service, the RSUs credited to the Account that were not vested on the date of such termination will be forfeited at no cost to the Company and you will have no further right, title or interest in such RSUs or the Ordinary Shares to be issued in respect of such portion of the Award.

3. NUMBER OF RSUS AND ORDINARY SHARES.

(a) The number of RSUs subject to your Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any additional RSUs that become subject to the Award pursuant to this Section 3 shall be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other RSUs covered by your Award.

(c) Notwithstanding the provisions of this Section 3, no fractional Ordinary Shares or rights for fractional Ordinary Shares shall be created pursuant to this Section 3. The Board shall, in its discretion, determine an equivalent benefit for any fractional Ordinary Shares or fractional Ordinary Shares that might be created by the adjustments referred to in this Section 3.

4. SECURITIES LAW COMPLIANCE. You may not be issued any Ordinary Shares in respect of your Award unless either (i) the Ordinary Shares are registered under the Securities Act; or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such Ordinary Shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. TRANSFER RESTRICTIONS. Your Award is not transferable, except by will or by the laws of descent and distribution. In addition to any other limitation on transfer created by applicable securities laws, you agree not to assign, hypothecate, donate, encumber or otherwise dispose of any interest in any of the Ordinary Shares subject to the Award until the Ordinary Shares are issued to you in accordance with Section 6 of this Agreement. After the Ordinary Shares have been issued to you, you are free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such Ordinary Shares provided that any such actions are in compliance with the provisions herein and applicable securities laws. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, shall thereafter be entitled to receive any distribution of Ordinary Shares to which you were entitled at the time of your death pursuant to this Agreement.

6. DATE OF ISSUANCE.

(a) To the extent your Award is exempt from application of Section 409A of the Code and any state law of similar effect (collectively "***Section 409A***"), the Company will deliver to you a number of Ordinary Shares equal to the number of vested RSUs subject to your Award, including any additional RSUs received pursuant to Section 3 above that relate to those vested RSUs on the applicable vesting date(s). However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next following business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's Policy Regarding Stock Trading by Executive Officers, Directors and Other Designated Employees (or any successor policy) (the "***Policy***"), the Company's Policy Against Trading on the Basis of Inside Information, or you are otherwise prohibited from selling Ordinary Shares in the open market and any Ordinary Shares covered by your Award are scheduled to be delivered on a day (the "***Original Distribution Date***") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Ordinary Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Exchange Act, as determined by the Company in accordance with the Policy, or does not occur on a date when you are

otherwise permitted to sell Ordinary Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Ordinary Shares from your distribution, then such Ordinary Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Ordinary Shares in the open market, but in no event later than the fifteenth (15th) day of the third calendar month of the calendar year following the calendar year in which the Ordinary Shares covered by the Award vest. Delivery of the Ordinary Shares pursuant to the provisions of this Section 6(a) is intended to comply with the requirements for the short-term deferral exemption available under Treasury Regulations Section 1.409A-1(b)(4) and shall be construed and administered in such manner. The form of such delivery of the Ordinary Shares (*e.g.*, a share certificate or electronic entry evidencing such Ordinary Shares) shall be determined by the Company.

(b) The provisions of this Section 6(b) are intended to apply to the extent your Award is subject to Section 409A because of the terms of a severance arrangement or other agreement between you and the Company, if any, that provide for acceleration of vesting of your Award upon your termination of employment or separation from service (as such term is defined in Section 409A(a)(2)(A)(i) of the Code (and without regard to any alternative definition thereunder)) ("***Separation from Service***") and such severance benefit does not satisfy the requirements for an exemption from application of Section 409A provided under Treasury Regulations Section 1.409A-1(b)(4) or 1.409A-1(b)(9) ("***Non-Exempt Severance Arrangement***"). To the extent your Award is subject to and not exempt from application of Section 409A due to application of a Non-Exempt Severance Arrangement, the following provisions in this Section 6(b) shall supersede anything to the contrary in Section 6(a).

(i) If your Award vests in the ordinary course during your Continuous Service in accordance with the vesting schedule set forth in the Grant Notice, without accelerating vesting under the terms of a Non-Exempt Severance Arrangement, in no event will the Ordinary Shares be issued in respect of your Award any later than the later of: (A) December 31st of the calendar year that includes the applicable vesting date and (B) the 60th day that follows the applicable vesting date.

(ii) If vesting of your Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with your Separation from Service, and such vesting acceleration provisions were in effect as of the Date of Grant of your Award and, therefore, are part of the terms of your Award as of the Date of Grant, then the Ordinary Shares will be earlier issued in respect of your Award upon your Separation from Service in accordance with the terms of the Non-Exempt Severance Arrangement, but in no event later than the 60th day that follows the date of your Separation from Service. However, if at the time the Ordinary Shares would otherwise be issued you are subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such Ordinary Shares shall not be issued before the date that is six (6) months following the date of your Separation from Service, or, if earlier, the date of your death that occurs within such six (6) month period.

(iii) If vesting of your Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with your Separation from Service, and such vesting acceleration provisions were not in effect as of the date of grant of the Award and, therefore, are not a part of the terms of your Award on the date of grant, then such acceleration of vesting of your Award shall not accelerate the issuance date of the Ordinary Shares, but the Ordinary Shares shall instead be issued on the same schedule as set forth in the Grant Notice as if they had vested in the ordinary course during your Continuous Service, notwithstanding the vesting acceleration of the Award. Such issuance schedule is intended to satisfy the requirements of payment on a specified date or pursuant to a fixed schedule, as provided under Treasury Regulations Section 1.409A-3(a)(4).

(c) If your Award is subject to and not exempt from Section 409A (a "***Non-Exempt Award***"), then the provisions in this Section 6(c) shall apply and supersede anything to the contrary that may be set forth in the Plan, the Grant Notice or in any other section of this Agreement with respect to the permitted treatment of your Non-Exempt Award:

(i) Any exercise by the Board of discretion to accelerate the vesting of your Non-Exempt Award shall not result in any acceleration of the scheduled issuance dates for the Ordinary Shares in respect of the Non-Exempt Award unless earlier issuance of the Ordinary Shares upon the applicable vesting dates would be in compliance with the requirements of Section 409A.

(ii) The Company explicitly reserves the right to (A) earlier settle your Non-Exempt Award to the extent permitted and in compliance with the requirements of Section 409A, including pursuant to any of the exemptions available in Treasury Regulations Section 1.409A-3(j)(4)(ix) and (B) provide that you will receive a cash settlement equal to the Fair Market Value of the Ordinary Shares that would otherwise be issued to you, if applicable and in compliance with the requirements of Section 409A.

(iii) To the extent the terms of your Non-Exempt Award provide that it will be settled upon a Change in Control or Corporate Transaction, to the extent it is required for compliance with the requirements of Section 409A, the Change in Control or Corporate Transaction event triggering settlement must also constitute a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets, Section 409A(a)(2)(A)(v) of the Code and Treasury Regulations Section 1.409A-3(i)(5) (a "***409A Change of Control***"). To the extent the terms of your Non-Exempt Award provide that it will be settled upon a termination of employment or termination of Continuous Service, to the extent it is required for compliance with the requirements of Section 409A, the termination event triggering settlement must also constitute a Separation from Service. However, if at the time the Ordinary Shares would otherwise be issued to you in connection with your Separation from Service, you are subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such Ordinary Shares shall not be issued before the date that is six (6) months following the date of your Separation from Service, or, if earlier, the date of your death that occurs within such six (6) month period.

(iv) The provisions in this Agreement for delivery of the Ordinary Shares in respect of the Non-Exempt Award are intended to comply with the requirements of Section 409A so that the delivery of the Ordinary Shares to you in respect of your Non-Exempt Award will not trigger the additional tax imposed under Section 409A, and any ambiguities herein will be so interpreted.

7. DIVIDENDS. You shall receive no benefit or adjustment to your Award with respect to any cash dividend, share dividend or other distribution that does not result from a Capitalization Adjustment as provided in the Plan; *provided*, *however*, that this sentence shall not apply with respect to any Ordinary Shares that are delivered to you in connection with your Award after such Ordinary Shares have been delivered to you.

8. RESTRICTIVE LEGENDS. The Ordinary Shares issued in respect of your Award shall be endorsed with appropriate legends determined by the Company.

9. AWARD NOT A SERVICE CONTRACT.

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of your Award pursuant to the schedule set forth in Section 2 herein or the issuance of the Ordinary Shares in respect of your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan shall: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award pursuant to the schedule set forth in Section 2 is earned only by providing Continuous Service at the will of the Company (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a "reorganization"). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth herein or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant for the term of this Agreement, for any period, or at all, and shall not interfere in any way with your right or the Company's right to terminate your Continuous Service at any time, with or without cause and with or without notice.

10. WITHHOLDING OBLIGATIONS.

(a) On or before the time you receive a distribution of the Ordinary Shares subject to your Award, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from the Ordinary Shares issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate which arise in connection with your Award (the "***Withholding Taxes***"). Additionally, the Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; (iii) permitting or requiring you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "***FINRA Dealer***") whereby you irrevocably elect to sell a portion of the Ordinary Shares to be delivered in connection with your RSUs to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and/or its Affiliates; or (iv) withholding Ordinary Shares from the Ordinary Shares issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date Ordinary Shares are issued to pursuant to Section 6) equal to the amount of such Withholding Taxes; *provided, however*, that the number of such Ordinary Shares so withheld shall not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income.

(b) Unless the tax withholding obligations of the Company and/or any Affiliate are satisfied, the Company shall have no obligation to deliver to you any Ordinary Shares.

(c) In the event the Company's obligation to withhold arises prior to the delivery to you of Ordinary Shares or it is determined after the delivery of Ordinary Shares to you that the amount of the Company's withholding obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

(d) If specified in your Grant Notice, you may direct the Company to withhold Ordinary Shares with a Fair Market Value (measured as of the date Ordinary Shares are issued pursuant to Section 6) equal to the amount of such Withholding Taxes; *provided, however*, that the number of such Ordinary Shares so withheld shall not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income.

11. CHANGE IN CONTROL.

(a) If your Continuous Service terminates either within twelve (12) months following or one (1) month prior to the effective date of a Change in Control due to an Involuntary Termination Without Cause, the vesting of the RSUs subject to this Award shall be accelerated in full. In order to give effect to the intent of this provision, in the event of your Involuntary Termination Without Cause, notwithstanding anything to the contrary set forth in the Plan or Section 2 of this Agreement, in no event will any portion of this Award be forfeited or terminate any earlier than one (1) month following such termination date.

(b) For purposes of this Agreement, "***Involuntary Termination Without Cause***" means the involuntary termination of your Continuous Service for reasons other than death, Disability, or Cause. Any determination by the Company (or an Affiliate, if applicable) that your Continuous Service was terminated by reason of dismissal without Cause for the purposes of this Agreement shall have no effect upon any determination of the rights or obligations of you or the Company for any other purpose.

12. PARACHUTE PAYMENTS.

(a) If any payment or benefit you would receive from the Company or otherwise in connection with a Change in Control or other similar transaction ("***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax, or (y) the largest portion, up to and including the total, of the Payment, whichever amount ((x) or (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in your receipt, on an after-tax basis, of the greater amount of the Payment notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in payments or benefits constituting "parachute payments" is necessary so that the Payment equals the Reduced Amount, reduction shall occur in the manner that results in the greatest economic benefit for you.

(b) The independent registered public accounting firm engaged by the Company for general audit purposes as of the day prior to the effective date of the event described in Section 280G(b)(2)(A)(i) of the Code shall perform the foregoing calculations. If the independent registered public accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting such Change in Control or similar transaction, the Company shall appoint a nationally recognized independent registered public accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such independent registered public accounting firm required to be made hereunder.

(c) The independent registered public accounting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to the Company and you within thirty (30) calendar days after the date on which your right to a Payment is triggered (if requested at that time by the Company or you) or such other time as reasonably requested by the Company or you. Any good faith determinations of the independent registered public accounting firm made hereunder shall be final, binding and conclusive upon the Company and you.

13. UNSECURED OBLIGATION. Your Award is unfunded, and as a holder of a vested Award, you shall be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue Ordinary Shares pursuant to this Agreement. You shall not have voting or any other rights as a shareholder of the Company with respect to the Ordinary Shares to be issued pursuant to this Agreement until such Ordinary Shares are issued to you pursuant to Section 6 of this Agreement. Upon such issuance, you will obtain full voting and other rights as a shareholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

14. OTHER DOCUMENTS. You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting officers and directors to sell Ordinary Shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

15. NOTICES. Any notices provided for in your Award or the Plan shall be given in writing (including electronically) and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Award you consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

16. MISCELLANEOUS.

(a) The rights and obligations of the Company under your Award shall be transferable to any one or more persons or entities, and all covenants and agreements hereunder shall inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award, and fully understand all provisions of your Award.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

17. GOVERNING PLAN DOCUMENT. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Except as expressly provided in this Agreement, in the event of any conflict between the provisions of your Award and those of the Plan, the provisions of the Plan shall control. In addition, your Award (and any compensation paid or Ordinary Shares issued under your Award) is subject to recoupment in accordance with the Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

18. SEVERABILITY. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

19. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of the Award subject to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating the Employee's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

20. AMENDMENT. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that no such amendment adversely affecting your rights hereunder may be made without your written consent; *provided, however,* that notwithstanding the foregoing or anything in the Plan to the contrary and to the extent permitted by applicable law, you hereby acknowledge and agree that this Agreement may be amended without your consent if the Board determines, in its discretion, that such amendment is necessary for legal, regulatory or tax reasons due to a change in the entity for which you render service. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change shall be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

21. HEADINGS. The headings of the Sections in this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement or to affect the meaning of this Agreement.

22. NO OBLIGATION TO MINIMIZE TAXES. The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by signing the Grant Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so.

* * *

This Restricted Stock Unit Award Agreement will be deemed to be signed by you upon the signing by you of the Restricted Stock Unit Grant Notice to which it is attached.

ATTACHMENT II

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

Exhibit 10.10

IRELAND

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT GRANT NOTICE

Jazz Pharmaceuticals plc (the "***Company***") hereby awards to Participant the number of restricted stock units ("***RSUs***") specified and on the terms set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth herein and in the Company's 2011 Equity Incentive Plan (the "***Plan***") and the Restricted Stock Unit Award Agreement (the "***Award Agreement***"), both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Award Agreement shall have the meanings set forth in the Plan or the Award Agreement. Except as explicitly provided herein or in the Award Agreement, in the event of any conflict between the terms in the Award and the Plan, the terms of the Plan shall control.

Participant:	_____
RSU#:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of RSUs:	_____
Consideration:	Participant's Services

Vesting Schedule: [_____]

Issuance Schedule: One Ordinary Share will be issued for each RSU which vests at the time set forth in Section 6 of the Award Agreement.

Data Protection: The undersigned Participant acknowledges, and understands and agrees that, in signing this Restricted Stock Unit Grant Notice he/she consents to the Company and any Affiliate sharing and exchanging his/her information held in order to administer and operate the Plan (including personal details, data relating to participation, salary, taxation and employment and sensitive personal data e.g. data relating to physical or mental health, criminal conviction or the alleged commission of offences) (the "***Information***") and Participant further consents to the Company and any Affiliate providing the Company's or Affiliates' agents and/or third parties with the Information for the administration and operation of the Plan. Participant accepts that this may involve the Information being sent to a country outside the European Economic Area which may not have the same level of data protection laws as Ireland. Participant acknowledges that he/she has the right to request a list of the names and addresses of any potential recipients of the Information and to review and correct the Information by contacting the local human resources representative. Participant further acknowledges that the collection, processing and transfer of the Information is important to Plan administration and that failure to consent to same may prohibit participation in the Plan.

Additional Terms/Acknowledgements: The undersigned Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the Award and supersedes all prior oral and written agreements on that subject, with the exception of: (i) any employment or severance arrangement that would provide for vesting acceleration of the Award upon the terms and conditions set forth therein and (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law. By accepting this Award,

Participant consents to receive Plan documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

JAZZ PHARMACEUTICALS PLC

By: _____
Signature

Title: _____

Date: _____

PARTICIPANT:

_____
Signature

Date: _____

ATTACHMENTS: Award Agreement, 2011 Equity Incentive Plan

ATTACHMENT I

RESTRICTED STOCK UNIT AWARD AGREEMENT

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Award Agreement (the "***Agreement***") and in consideration of your services, Jazz Pharmaceuticals plc (the "***Company***") has awarded you a Restricted Stock Unit Award (the "***Award***") under its 2011 Equity Incentive Plan (the "***Plan***") for the number of restricted stock units (the "***RSUs***") set forth in the Grant Notice. Capitalized terms not explicitly defined in this Agreement shall have the same meanings given to them in the Plan or the Grant Notice, as applicable. Except as otherwise explicitly provided herein, in the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan shall control.

The details of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows.

1. GRANT OF THE AWARD. This Award represents your right to be issued on a future date the number of Ordinary Shares that is equal to the number of RSUs indicated in the Grant Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the "***Account***") the number of RSUs subject to the Award. This Award was granted in consideration of your services to the Company. Except as otherwise provided herein, you will not be required to make any payment to the Company (other than past and future services to the Company) with respect to your receipt of the Award, the vesting of the RSUs or the delivery of the Ordinary Shares to be issued in respect of the Award; *provided*, *however*, that to the extent that any Ordinary Shares issued upon settlement of your Award are newly issued Ordinary Shares, you must pay in cash or by check, bank draft or money order payable to the Company an amount equal to the par value of such number of newly issued Ordinary Shares (rounded up to the nearest whole cent).

2. VESTING. Subject to Section 11 and the limitations contained herein, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service. Upon such termination of your Continuous Service, the RSUs credited to the Account that were not vested on the date of such termination will be forfeited at no cost to the Company and you will have no further right, title or interest in such RSUs or the Ordinary Shares to be issued in respect of such portion of the Award.

3. NUMBER OF RSUS AND ORDINARY SHARES.

(a) The number of RSUs subject to your Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any additional RSUs that become subject to the Award pursuant to this Section 3 shall be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other RSUs covered by your Award.

(c) Notwithstanding the provisions of this Section 3, no fractional Ordinary Shares or rights for fractional Ordinary Shares shall be created pursuant to this Section 3. The Board shall, in its discretion, determine an equivalent benefit for any fractional Ordinary Shares or fractional Ordinary Shares that might be created by the adjustments referred to in this Section 3.

4. SECURITIES LAW COMPLIANCE. You may not be issued any Ordinary Shares in respect of your Award unless either (i) the Ordinary Shares are registered under the Securities Act; or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such Ordinary Shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. TRANSFER RESTRICTIONS. Your Award is not transferable, except to your legal personal representatives in the event of your death. In addition to any other limitation on transfer created by applicable securities laws, you agree not to assign, hypothecate, donate, encumber or otherwise dispose of any interest in any of the Ordinary Shares subject to the Award until the Ordinary Shares are issued to you in accordance with Section 6 of this Agreement. After the Ordinary Shares have been issued to you, you are free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such Ordinary Shares provided that any such actions are in compliance with the provisions herein and applicable securities laws.

6. DATE OF ISSUANCE.

(a) The Company will deliver to you a number of Ordinary Shares equal to the number of vested RSUs subject to your Award, including any additional RSUs received pursuant to Section 3 above that relate to those vested RSUs on the applicable vesting date(s). However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next following business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's Policy Regarding Stock Trading by Executive Officers, Directors and Other Designated Employees (or any successor policy) (the "***Policy***"), the Company's Policy Against Trading on the Basis of Inside Information, or you are otherwise prohibited from selling Ordinary Shares in the open market and any Ordinary Shares covered by your Award are scheduled to be delivered on a day (the "***Original Distribution Date***") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Ordinary Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Exchange Act, as determined by the Company in accordance with the Policy, or does not occur on a date when you are otherwise permitted to sell Ordinary Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Ordinary Shares from your distribution, then such Ordinary Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Ordinary Shares in the open market. The form of such delivery of the Ordinary Shares (*e.g.*, a share certificate or electronic entry evidencing such Ordinary Shares) shall be determined by the Company.

(b) Notwithstanding the foregoing, if you are or become a U.S. taxpayer subject to Section 409A of the Code or any state law of similar effect, the provisions of Appendix A to this Agreement will apply instead of Section 6(a) above.

7. DIVIDENDS. You shall receive no benefit or adjustment to your Award with respect to any cash dividend, share dividend or other distribution that does not result from a Capitalization Adjustment as provided in the Plan; *provided, however*, that this sentence shall not apply with respect to any Ordinary Shares that are delivered to you in connection with your Award after such Ordinary Shares have been delivered to you.

8. RESTRICTIVE LEGENDS. The Ordinary Shares issued in respect of your Award shall be endorsed with appropriate legends determined by the Company.

9. AWARD NOT A SERVICE CONTRACT.

(a) Nothing in this Agreement (including, but not limited to, the vesting of your Award pursuant to the schedule set forth in Section 2 herein or the issuance of the Ordinary Shares in respect of your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan shall: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of any right that it may have to terminate you, subject to applicable law, and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award pursuant to the schedule set forth in Section 2 is earned only by providing Continuous Service (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a "reorganization"). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth herein or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant for the term of this Agreement, for any period, or at all, and shall not interfere in any way with your right to terminate your Continuous Service at any time, or any right the Company may have to terminate you, subject to applicable law.

10. WITHHOLDING OBLIGATIONS.

(a) On or before the time you receive a distribution of the Ordinary Shares subject to your Award, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from the Ordinary Shares issuable to you and/or otherwise agree to make adequate provision in cash for any sums required to satisfy the tax and social security withholding obligations of the Company or any Affiliate which arise in connection with your Award (the "***Withholding Taxes***"). Additionally, the Company may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) causing you to tender a cash payment; or (iii) permitting or requiring you to enter into a "same day sale" commitment with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a "***FINRA Dealer***") whereby you irrevocably elect to sell a portion of the Ordinary Shares to be delivered in connection with your RSUs to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and/or its Affiliates.

(b) Unless the tax and social security withholding obligations of the Company and/or any Affiliate are satisfied, the Company shall have no obligation to deliver to you any Ordinary Shares.

(c) In the event the Company's obligation to withhold arises prior to the delivery to you of Ordinary Shares or it is determined after the delivery of Ordinary Shares to you that the amount of the Company's withholding obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

11. CHANGE IN CONTROL.

(a) If your Continuous Service terminates either within twelve (12) months following or one (1) month prior to the effective date of a Change in Control due to an Involuntary Termination Without Cause, the vesting of the RSUs subject to this Award shall be accelerated in full. In order to give effect to the intent of this provision, in the event of your Involuntary Termination Without Cause, notwithstanding anything to the contrary set forth in the Plan or Section 2 of this Agreement, in no event will any portion of this Award be forfeited or terminate any earlier than one (1) month following such termination date.

(b) For purposes of this Agreement, ***"Involuntary Termination Without Cause"*** means the involuntary termination of your Continuous Service for reasons other than death, Disability, or Cause. For this purpose, "Cause" means the occurrence of any of the following events that has a material negative impact on the business or reputation of the Company or an Affiliate: (i) your conviction for any criminal offence (other than an offence under any road traffic legislation in Ireland, the United Kingdom or elsewhere for which a fine or

non-custodial penalty is imposed) or any offence under any regulation or legislation relating to insider dealing, fraud or dishonesty; (ii) your attempted commission of, or participation in, a fraud or act of dishonesty against the Company or an Affiliate; (iii) your intentional, material violation of any contract or agreement between you and the Company or an Affiliate, or of any statutory duty owed to the Company or an Affiliate; (iv) your unauthorized use or disclosure of the Company's or an Affiliate's confidential information or trade secrets; or (v) your gross misconduct. The determination that a termination of your Continuous Service is either for Cause or without Cause shall be made by the Company (or an Affiliate, if applicable) in its sole discretion. Any determination by the Company (or an Affiliate, if applicable) that your Continuous Service was terminated by reason of dismissal without Cause for the purposes of this Agreement shall have no effect upon any determination of the rights or obligations of you or the Company for any other purpose.

12. UNSECURED OBLIGATION. Your Award is unfunded, and as a holder of a vested Award, you shall be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue Ordinary Shares pursuant to this Agreement. You shall not have voting or any other rights as a shareholder of the Company with respect to the Ordinary Shares to be issued pursuant to this Agreement until such Ordinary Shares are issued to you pursuant to Section 6 of this Agreement. Upon such issuance, you will obtain full voting and other rights as a shareholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

13. OTHER DOCUMENTS. You hereby acknowledge receipt or the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting officers and directors to sell Ordinary Shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

14. NOTICES. Any notices provided for in your Award or the Plan shall be given in writing (including electronically) and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, fourteen (14) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this Award you consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

15. MISCELLANEOUS.

(a) The rights and obligations of the Company under your Award shall be transferable to any one or more persons or entities, and all covenants and agreements hereunder shall inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under your Award may only be assigned with the prior written consent of the Company.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award, and fully understand all provisions of your Award.

(d) This Agreement shall be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

16. GOVERNING PLAN DOCUMENT. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Except as expressly provided in this Agreement, in the event of any conflict between the provisions of your Award and those of the Plan, the provisions of the Plan shall control. In addition, your Award (and any compensation paid or Ordinary Shares issued under your Award) is subject to recoupment in accordance with the Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

17. SEVERABILITY. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

18. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of the Award subject to this Agreement shall not be included as compensation, earnings, salaries, or other similar terms used when calculating the Employee's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

19. AMENDMENT. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that no such amendment adversely affecting

your rights hereunder may be made without your written consent; *provided, however,* that notwithstanding the foregoing or anything in the Plan to the contrary and to the extent permitted by applicable law, you hereby acknowledge and agree that this Agreement may be amended without your consent if the Board determines, in its discretion, that such amendment is necessary for legal, regulatory or tax reasons due to a change in the entity for which you render service. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change shall be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

20. HEADINGS. The headings of the Sections in this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement or to affect the meaning of this Agreement.

21. NO OBLIGATION TO MINIMIZE TAXES. The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the tax consequences of this Award and by signing the Grant Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so.

* * *

This Restricted Stock Unit Award Agreement will be deemed to be signed by you upon the signing by you of the Restricted Stock Unit Grant Notice to which it is attached.

Appendix A

The provisions set forth in this Appendix A shall apply and replace Section 6 in the Agreement to the extent you are or become a U.S. taxpayer subject to Section 409A of the Code or any state law of similar effect.

6. DATE OF ISSUANCE.

(a) To the extent your Award is exempt from application of Section 409A of the Code and any state law of similar effect (collectively "***Section 409A***"), the Company will deliver to you a number of Ordinary Shares equal to the number of vested RSUs subject to your Award, including any additional RSUs received pursuant to Section 3 above that relate to those vested RSUs on the applicable vesting date(s). However, if a scheduled delivery date falls on a date that is not a business day, such delivery date shall instead fall on the next following business day. Notwithstanding the foregoing, in the event that (i) you are subject to the Company's Policy Regarding Stock Trading by Officers, Directors and Other Designated Employees (or any successor policy) (the "***Policy***") or you are otherwise prohibited from selling Ordinary Shares in the open market and any Ordinary Shares covered by your Award are scheduled to be delivered on a day (the "***Original Distribution Date***") that does not occur during an open "window period" applicable to you or a day on which you are permitted to sell Ordinary Shares pursuant to a written plan that meets the requirements of Rule 10b5-1 under the Exchange Act, as determined by the Company in accordance with the Policy, or does not occur on a date when you are otherwise permitted to sell Ordinary Shares in the open market, and (ii) the Company elects not to satisfy its tax withholding obligations by withholding Ordinary Shares from your distribution, then such Ordinary Shares shall not be delivered on such Original Distribution Date and shall instead be delivered on the first business day of the next occurring open "window period" applicable to you pursuant to the Policy (regardless of whether you are still providing Continuous Service at such time) or the next business day when you are not prohibited from selling Ordinary Shares in the open market, but in no event later than the fifteenth (15th) day of the third calendar month of the calendar year following the calendar year in which the Ordinary Shares covered by the Award vest. Delivery of the Ordinary Shares pursuant to the provisions of this Section 6(a) is intended to comply with the requirements for the short-term deferral exemption available under Treasury Regulations Section 1.409A-1(b)(4) and shall be construed and administered in such manner. The form of such delivery of the Ordinary Shares (*e.g.*, a share certificate or electronic entry evidencing such Ordinary Shares) shall be determined by the Company.

(b) The provisions of this Section 6(b) are intended to apply to the extent your Award is subject to Section 409A because of the terms of a severance arrangement or other agreement between you and the Company, if any, that provide for acceleration of vesting of your Award upon your termination of employment or separation from service (as such term is defined in Section 409A(a)(2)(A)(i) of the Code (and without regard to any alternative definition thereunder)) ("***Separation from Service***") and such severance benefit does not satisfy the requirements for an exemption from application of Section 409A provided under Treasury Regulations Section 1.409A-1(b)(4) or 1.409A-1(b)(9) ("***Non-Exempt Severance Arrangement***"). To the extent your Award is subject to and not exempt from application of Section 409A due to application of a Non-Exempt Severance Arrangement, the following provisions in this Section 6(b) shall supersede anything to the contrary in Section 6(a).

(i) If your Award vests in the ordinary course during your Continuous Service in accordance with the vesting schedule set forth in the Grant Notice, without accelerating vesting under the terms of a Non-Exempt Severance Arrangement, in no event will the Ordinary Shares be issued in respect of your Award any later than the later of: (A) December 31st of the calendar year that includes the applicable vesting date and (B) the 60th day that follows the applicable vesting date.

(ii) If vesting of your Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with your Separation from Service, and such vesting acceleration provisions were in effect as of the Date of Grant of your Award and, therefore, are part of the terms of your Award as of the Date of Grant, then the Ordinary Shares will be earlier issued in respect of your Award upon your Separation from Service in accordance with the terms of the Non-Exempt Severance Arrangement, but in no event later than the 60th day that follows the date of your Separation from Service. However, if at the time the Ordinary Shares would otherwise be issued you are subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such Ordinary Shares shall not be issued before the date that is six (6) months following the date of your Separation from Service, or, if earlier, the date of your death that occurs within such six (6) month period.

(iii) If vesting of your Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with your Separation from Service, and such vesting acceleration provisions were not in effect as of the date of grant of the Award and, therefore, are not a part of the terms of your Award on the date of grant, then such acceleration of vesting of your Award shall not accelerate the issuance date of the Ordinary Shares, but the Ordinary Shares shall instead be issued on the same schedule as set forth in the Grant Notice as if they had vested in the ordinary course during your Continuous Service, notwithstanding the vesting acceleration of the Award. Such issuance schedule is intended to satisfy the requirements of payment on a specified date or pursuant to a fixed schedule, as provided under Treasury Regulations Section 1.409A-3(a)(4).

(c) If your Award is subject to and not exempt from Section 409A (a "***Non-Exempt Award***"), then the provisions in this Section 6(c) shall apply and supersede anything to the contrary that may be set forth in the Plan, the Grant Notice or in any other section of this Agreement with respect to the permitted treatment of your Non-Exempt Award:

(i) Any exercise by the Board of discretion to accelerate the vesting of your Non-Exempt Award shall not result in any acceleration of the scheduled issuance dates for the Ordinary Shares in respect of the Non-Exempt Award unless earlier issuance of the Ordinary Shares upon the applicable vesting dates would be in compliance with the requirements of Section 409A.

(ii) The Company explicitly reserves the right to (A) earlier settle your Non-Exempt Award to the extent permitted and in compliance with the requirements of Section

409A, including pursuant to any of the exemptions available in Treasury Regulations Section 1.409A-3(j)(4)(ix) and (B) provide that you will receive a cash settlement equal to the Fair Market Value of the Ordinary Shares that would otherwise be issued to you, if applicable and in compliance with the requirements of Section 409A.

(iii) To the extent the terms of your Non-Exempt Award provide that it will be settled upon a Change in Control or Corporate Transaction, to the extent it is required for compliance with the requirements of Section 409A, the Change in Control or Corporate Transaction event triggering settlement must also constitute a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets, Section 409A(a)(2)(A)(v) of the Code and Treasury Regulations Section 1.409A-3(i)(5) (a "***409A Change of Control***"). To the extent the terms of your Non-Exempt Award provide that it will be settled upon a termination of employment or termination of Continuous Service, to the extent it is required for compliance with the requirements of Section 409A, the termination event triggering settlement must also constitute a Separation from Service. However, if at the time the Ordinary Shares would otherwise be issued to you in connection with your Separation from Service, you are subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such Ordinary Shares shall not be issued before the date that is six (6) months following the date of your Separation from Service, or, if earlier, the date of your death that occurs within such six (6) month period.

(iv) The provisions in this Agreement for delivery of the Ordinary Shares in respect of the Non-Exempt Award are intended to comply with the requirements of Section 409A so that the delivery of the Ordinary Shares to you in respect of your Non-Exempt Award will not trigger the additional tax imposed under Section 409A, and any ambiguities herein will be so interpreted.

ATTACHMENT II

JAZZ PHARMACEUTICALS PLC
2011 EQUITY INCENTIVE PLAN

Exhibit 31.1

CERTIFICATION

I, Bruce C. Cozadd, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Jazz Pharmaceuticals Public Limited Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2012

By: /s/ Bruce C. Cozadd

Bruce C. Cozadd
Chairman and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Kathryn E. Falberg, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Jazz Pharmaceuticals Public Limited Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2012

By: /s/ Kathryn E. Falberg

Kathryn E. Falberg
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION (1)

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. Section 1350), Bruce C. Cozadd, Chief Executive Officer of Jazz Pharmaceuticals Public Limited Company (the "Company"), and Kathryn E. Falberg, Executive Vice President and Chief Financial Officer of the Company, each hereby certifies that, to the best of his or her knowledge:

1. The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 7, 2012

/s/ Bruce C. Cozadd

Bruce C. Cozadd
Chairman and Chief Executive Officer

/s/ Kathryn E. Falberg

Kathryn E. Falberg
Executive Vice President and Chief Financial Officer

(1) This certification accompanies the Quarterly Report on Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Jazz Pharmaceuticals Public Limited Company under the Securities Act of 1933, as amended, or the Exchange Act (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing. A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Jazz Pharmaceuticals Public Limited Company and will be retained by Jazz Pharmaceuticals Public Limited Company and furnished to the Securities and Exchange Commission or its staff upon request.