

Reaching further. Living better.

COMPANY OVERVIEW Allergan, Inc. is a premier, global specialty pharmaceutical and medical device company that discovers, develops and commercializes innovative products for the ophthalmology, neurosciences, medical dermatology, medical aesthetics and other specialty markets. Headquartered in Irvine, California, Allergan is dedicated to delivering value to its customers, satisfying unmet medical needs and improving people's lives. The Company employs more than 6,500 people worldwide and operates world-class research and development facilities and state-of-the-art manufacturing plants. In addition to its discovery-to-development research programs, Allergan has global marketing and sales capabilities, with a presence in more than 100 countries.

In millions, except per share data	2006	Year Ended December 31,			
		2005	2004	2003	2002
STATEMENT OF OPERATIONS HIGHLIGHTS					
(As reported under U.S. GAAP)					
Product net sales	\$3,010.1	\$2,319.2	\$2,045.6	\$1,755.4	\$1,385.0
Total revenues	3,063.3	2,342.6	2,058.9	1,780.8	1,435.8
Research and development	1,055.5	388.3	342.9	762.6	232.7
(Loss) earnings from continuing operations	(127.4)	403.9	377.1	(52.5)	64.0
Earnings from discontinued operations	—	—	—	—	11.2
Net (loss) earnings	(127.4)	403.9	377.1	(52.5)	75.2
Basic (loss) earnings per share:					
Continuing operations	(0.87)	3.08	2.87	(0.40)	0.49
Discontinued operations	—	—	—	—	0.09
Diluted (loss) earnings per share:					
Continuing operations	(0.87)	3.01	2.82	(0.40)	0.49
Discontinued operations	—	—	—	—	0.08
Dividends per share	0.40	0.40	0.36	0.36	0.36
ADJUSTED AMOUNTS ^(a)					
Adjusted earnings from continuing operations	547.2	453.3	368.8	305.2	252.3
Adjusted basic earnings per share:					
Continuing operations	3.72	3.46	2.81	2.34	1.95
Adjusted diluted earnings per share:					
Continuing operations	3.66	3.38	2.75	2.30	1.92
NET SALES BY PRODUCT LINE					
Specialty Pharmaceuticals:					
Eye Care Pharmaceuticals	\$1,530.6	\$1,321.7	\$1,137.1	\$ 999.5	\$ 827.3
BOTOX®/Neuromodulators	982.2	830.9	705.1	563.9	439.7
Skin Care	125.7	120.2	103.4	109.3	90.2
Subtotal Pharmaceuticals	2,638.5	2,272.8	1,945.6	1,672.7	1,357.2
Other (primarily contract sales)	—	46.4	100.0	82.7	27.8
Total specialty pharmaceuticals	2,638.5	2,319.2	2,045.6	1,755.4	1,385.0
Medical Devices:					
Breast Aesthetics	177.2	—	—	—	—
Obesity Intervention	142.3	—	—	—	—
Facial Aesthetics	52.1	—	—	—	—
Total medical devices	371.6	—	—	—	—
Total product net sales	\$3,010.1	\$2,319.2	\$2,045.6	\$1,755.4	\$1,385.0
PRODUCT SOLD BY LOCATION					
Domestic	67.4%	67.5%	69.1%	70.4%	70.6%
International	32.6%	32.5%	30.9%	29.6%	29.4%

(a) The adjusted amounts in 2006 exclude income tax benefits of \$11.7 million related to the resolution of uncertain tax positions and favorable recovery of previously paid state income taxes, an income tax benefit of \$17.2 million related to a change in valuation allowance associated with a refund claim filed in 2006 for a prior tax year, an income tax benefit of \$2.8 million related to a change in estimated income taxes on 2005 dividend repatriation, and income tax expenses of \$1.6 million related to intercompany transfers of trade businesses and net assets, and the after-tax effects of the following: 1) \$579.3 million charge for in-process research and development related to the acquisition of Inamed Corporation (Inamed), 2) \$58.6 million amortization of acquired intangible assets related to the acquisition of Inamed, 3) \$47.9 million related to Inamed fair-market value inventory adjustment roll out, 4) \$13.5 million restructuring charge and \$20.7 million of integration and transition costs related to the Inamed integration, 5) \$28.5 million contribution to The Allergan Foundation, 6) \$8.6 million restructuring charge and \$6.2 million of transition/duplicate operating costs related to the streamlining of the Company's European operations, 7) \$0.6 million restructuring charge related to the scheduled termination of the Company's manufacturing and supply agreement with Advanced Medical Optics, 8) \$4.9 million reversal of interest income on previously paid state income taxes and \$4.9 million reversal of interest expense related to the resolution of uncertain tax positions, 9) \$2.7 million of costs to settle a contingency involving non-income taxes in Brazil, 10) \$0.4 million reversal of restructuring charge related to the streamlining of the Company's operations in Japan, 11) \$0.1 million of costs related to the acquisition of Groupe Corne   Laboratoires, and 12) \$0.3 million unrealized loss on derivative instruments.

The adjusted amounts in 2005 exclude income taxes of \$49.6 million related to the repatriation of foreign earnings that had been previously permanently reinvested outside the United States, and income tax benefits of \$24.1 million related to the resolution of uncertain tax positions and an additional benefit for state income taxes of \$1.4 million, and the after-tax effects of the following: 1) \$28.8 million restructuring charge and \$5.6 million of transition/duplicate operating costs related to the streamlining of the Company's European operations, 2) \$12.9 million restructuring charge related to the scheduled termination of the Company's manufacturing and supply agreement with Advanced Medical Optics, 3) \$7.9 million gain on the sale of a distribution business in India, 4) \$7.3 million reduction in interest expense related to the resolution of uncertain income tax positions and \$2.1 million of interest income related to previously paid state income taxes, 5) \$5.7 million gain on the sale of assets previously used in contract manufacturing activities, 6) \$2.3 million restructuring

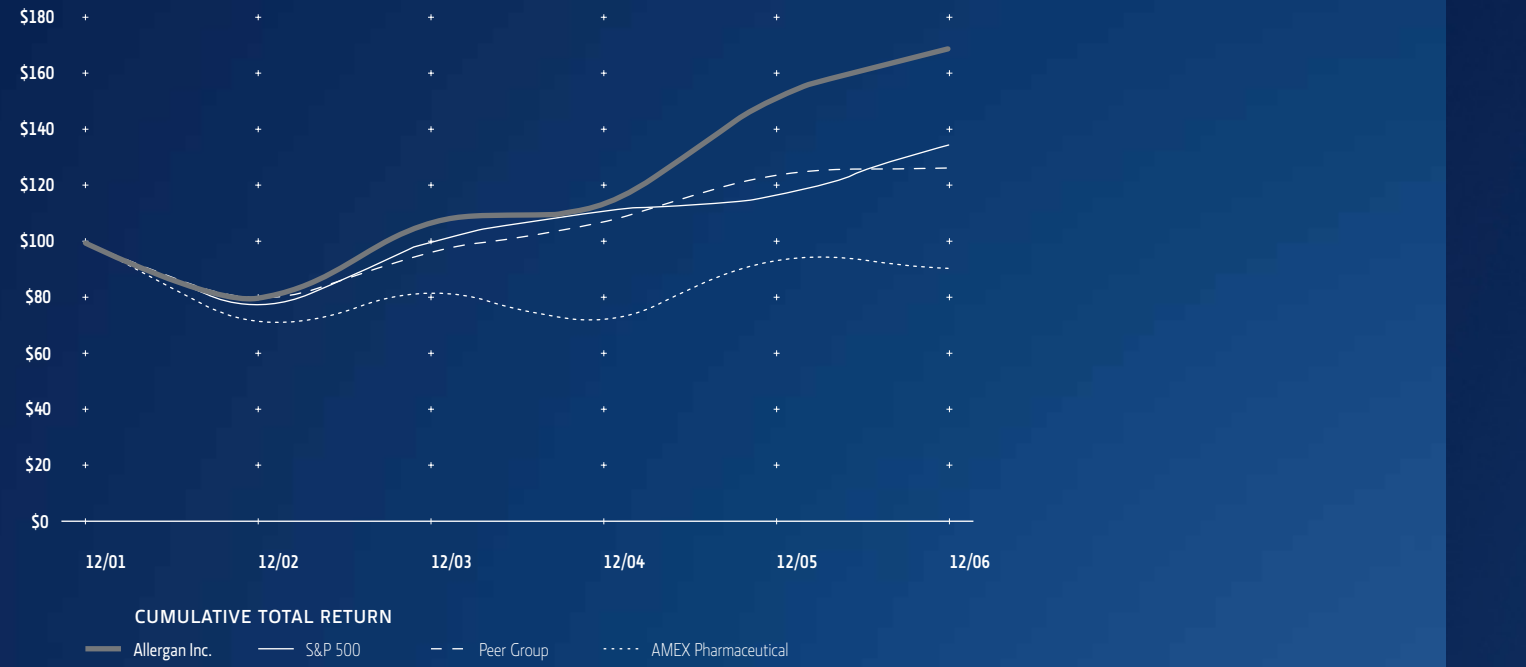
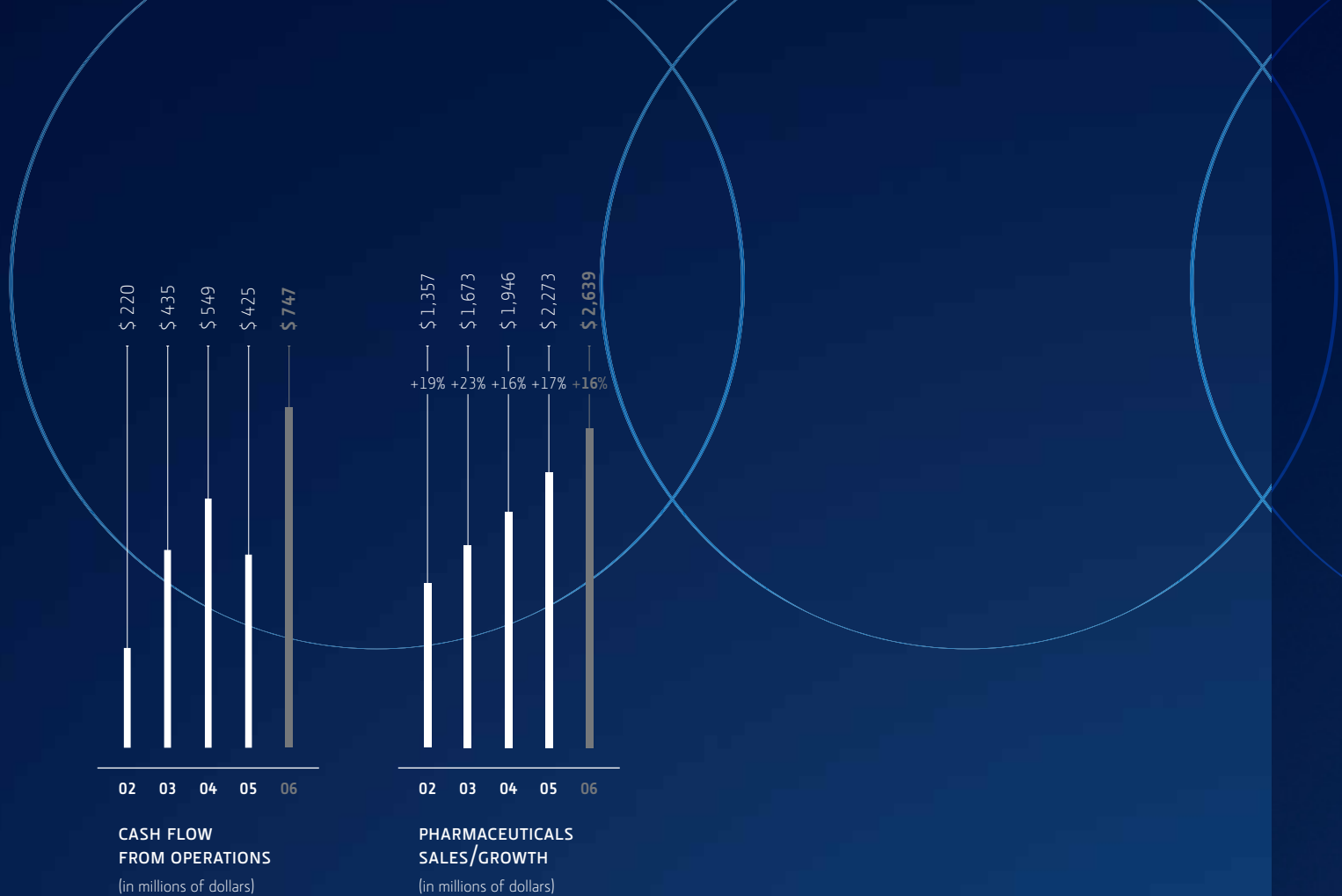
charge related to the streamlining of the Company's operations in Japan, 7) \$0.6 million gain on the sale of a former manufacturing plant in Argentina, 8) \$0.8 million gain on the sale of a third party equity investment, 9) \$3.6 million gain on the termination of the Vitrase collaboration agreement with ISTA pharmaceuticals, 10) \$3.0 buy-out of a license agreement with Johns Hopkins University, 11) \$0.4 million in costs related to the acquisition of Inamed, and 12) \$1.1 million unrealized gain on derivative instruments.

The adjusted amounts in 2004 exclude the favorable recovery of \$6.1 million of previously paid state income taxes and the after-tax effects of the following: 1) income of \$2.4 million from a patent infringement settlement, 2) \$7.0 million restructuring charge related to the scheduled termination of the Company's manufacturing and supply agreement with Advanced Medical Optics, 3) \$0.4 million unrealized loss on derivative instruments, and 4) income of \$11.5 million from a technology transfer fee and a revised Vitrase collaboration agreement with ISTA Pharmaceuticals.

The adjusted amounts in 2003 exclude the after-tax effects of the following: 1) \$179.2 million charge for in-process research and development related to the purchase of Oculex Pharmaceuticals, Inc., 2) \$278.8 million charge for in-process research and development related to the purchase of Bardeen Sciences Company, LLC, 3) \$0.4 million reversal of restructuring charge and asset write-offs, net related to the 2002 spin-off of the Company's ophthalmic surgical and contact lens care businesses, 4) \$0.3 million unrealized loss on derivative instruments, and 5) \$0.9 million charge for the early extinguishment of convertible debt.

The adjusted amounts in 2002 exclude the after-tax effects of the following: 1) \$118.7 million in litigation settlement costs, 2) net costs of \$100.3 million associated with the 2002 spin-off of the Company's ophthalmic surgical and contact lens care businesses to Advanced Medical Optics which consist of restructuring charge and asset write-offs of \$63.5 million, duplicate operating expenses of \$42.5 million and gain of \$5.7 million on sale of a facility, 3) \$30.2 million loss on the other than temporary impairment of equity investments, 4) \$1.7 million unrealized loss on derivative instruments, 5) net gain of \$1.0 million from partnering agreements, and 6) \$11.7 million charge for the early extinguishment of convertible debt.

The foregoing presentation contains certain non-GAAP financial measures and non-GAAP adjustments. For a reconciliation of these non-GAAP financial measures to GAAP financial measures, please refer to pages 2 and 3 of this Annual Report.



The 17 companies included in the customized peer group are: Alcon Inc., Amgen Inc., Biogen Idec Inc., Celgene Corp., Cephalon Inc., Eli Lilly & Company, Endo Pharmaceuticals Holdings Inc., Forest Laboratories, Genentech Inc., Genzyme Corp., Gilead Sciences Inc., Johnson & Johnson, Medicis Pharmaceutical Corp., Medimmune Inc., Mentor Corp., Sepracor Inc. and Wyeth.

We think deeply about the **quality of life.**

To us, it is far more than a label we attach to the health care solutions we provide. It is an idea that inspires us to reach further into the specialty areas we serve, pursuing discoveries and treatments that empower individuals to live life to its fullest potential — with every bit of the energy, knowledge, creativity, diligence and care of which we are capable.

Condensed Consolidated Statements of Operations and Reconciliation of Non-GAAP Adjustments

	Year Ended December 31, 2006			Year Ended December 31, 2005			Year Ended December 31, 2004			Year Ended December 31, 2003			Year Ended December 31, 2002		
	GAAP	Non-GAAP Adjustments	Adjusted	GAAP	Non-GAAP Adjustments	Adjusted	GAAP	Non-GAAP Adjustments	Adjusted	GAAP	Non-GAAP Adjustments	Adjusted	GAAP	Non-GAAP Adjustments	Adjusted
REVENUES															
Specialty pharmaceuticals product net sales	\$2,638.5	\$ —	\$2,638.5	\$2,319.2	\$ —	\$2,319.2	\$2,045.6	\$ —	\$2,045.6	\$1,755.4	\$ —	\$1,755.4	\$1,385.0	\$ —	\$1,385.0
Medical devices product net sales	371.6	—	371.6	—	—	—	—	—	—	—	—	—	—	—	—
Product net sales	3,010.1	—	3,010.1	2,319.2	—	2,319.2	2,045.6	—	2,045.6	1,755.4	—	1,755.4	1,385.0	—	1,385.0
Other revenues	53.2	—	53.2	23.4	—	23.4	13.3	—	13.3	9.4	—	9.4	10.5	—	10.5
Research service revenues	—	—	—	—	—	—	—	—	—	16.0	—	16.0	40.3	—	40.3
Total	3,063.3	—	3,063.3	2,342.6	—	2,342.6	2,058.9	—	2,058.9	1,780.8	—	1,780.8	1,435.8	—	1,435.8
OPERATING COSTS AND EXPENSES															
Cost of product sales (excludes amortization of acquired intangible assets)	575.7	(48.8) ^{(a)(b)}	526.9	385.3	(0.5) ^{(m)(n)}	384.8	381.7	—	381.7	316.9	—	316.9	221.4	(3.7) ^(ac)	217.7
Cost of research services	—	—	—	—	—	—	—	—	—	14.5	—	14.5	36.6	—	36.6
Selling, general and administrative	1,333.4	(53.9) ^{(a)(c)(d)(e)}	1,279.5	936.8	10.0 ^{(m)(o)(p)}	946.8	791.7	2.4 ^(w)	794.1	705.9	—	705.9	633.9	(39.2) ^(ad)	594.7
Research and development	1,055.5	(580.0) ^{(a)(d)(f)}	475.5	388.3	(4.5) ^{(m)(q)}	383.8	342.9	—	342.9	762.6	(458.0) ^(b)	304.6	232.7	(4.7) ^(ae)	228.0
Amortization of acquired intangible assets	79.6	(58.6) ^(g)	21.0	17.5	—	17.5	8.2	—	8.2	5.0	—	5.0	1.1	—	1.1
Legal settlement	—	—	—	—	—	—	—	—	—	—	—	—	118.7	(118.7) ^(af)	—
Restructuring charge (reversal) and asset write-offs	22.3	(22.3) ^(h)	—	43.8	(43.8) ⁽ⁿ⁾	—	7.0	(7.0) ^(z)	—	(0.4)	0.4 ^(z)	—	62.4	(62.4) ^(z)	—
Operating (loss) income	(3.2)	763.6	760.4	570.9	38.8	609.7	527.4	4.6	532.0	(23.7)	457.6	433.9	129.0	228.7	357.7
Interest income	48.9	4.9 ⁽ⁱ⁾	53.8	35.4	(2.2) ^{(i)(s)}	33.2	14.1	—	14.1	13.0	—	13.0	15.8	—	15.8
Interest expense	(60.2)	(4.9) ⁽ⁱ⁾	(65.1)	(12.4)	(7.3) ^(t)	(19.7)	(18.1)	—	(18.1)	(15.6)	—	(15.6)	(17.4)	—	(17.4)
Gain (loss) on investments	0.3	—	0.3	0.8	(0.8) ^(t)	—	0.3	—	0.3	—	—	—	(30.2)	30.2 ^(ah)	—
Unrealized (loss) gain on derivative instruments, net	(0.3)	0.3 ^(j)	—	1.1	(1.1) ^(j)	—	(0.4)	0.4 ^(j)	—	(0.3)	0.3 ^(j)	—	(1.7)	1.7 ^(j)	—
Other, net	(5.0)	2.7 ^(k)	(2.3)	3.4	(3.5) ^(s)	(0.1)	8.8	(11.5)	(2.7)	(2.9)	0.9 ^(aa)	(2.0)	(5.7)	1.0 ^(ag)	(4.7)
	(16.3)	3.0	(13.3)	28.3	(14.9)	13.4	4.7	(11.1)	(6.4)	(5.8)	1.2	(4.6)	(39.2)	32.9	(6.3)
(Loss) earnings from continuing operations before income taxes and minority interest	(19.5)	766.6	747.1	599.2	23.9	623.1	532.1	(6.5)	525.6	(29.5)	458.8	429.3	89.8	261.6	351.4
Provision for income taxes	107.5	92.0 ^(l)	199.5	192.4	(22.4) ^(u)	170.0	154.0	1.8 ^(x)	155.8	22.2	101.1 ^(ab)	123.3	25.1	73.3 ^(ab)	98.4
Minority interest	0.4	—	0.4	2.9	(3.1) ^(v)	(0.2)	1.0	—	1.0	0.8	—	0.8	0.7	—	0.7
(Loss) earnings from continuing operations	\$ (127.4)	\$ 674.6	\$ 547.2	\$ 403.9	\$ 49.4	\$ 453.3	\$ 377.1	\$ (8.3)	\$ 368.8	\$ (52.5)	\$ 357.7	\$ 305.2	\$ 64.0	\$ 188.3	\$ 252.3
Basic (loss) earnings per share:															
Continuing operations	\$ (0.87)	\$ 4.59	\$ 3.72	\$ 3.08	\$ 0.38	\$ 3.46	\$ 2.87	\$(0.06)	\$ 2.81	\$ (0.40)	\$ 2.74	\$ 2.34	\$ 0.49	\$ 1.46	\$ 1.95
Diluted (loss) earnings per share:															
Continuing operations	\$ (0.87)	\$ 4.53	\$ 3.66	\$ 3.01	\$ 0.37	\$ 3.38	\$ 2.82	\$(0.07)	\$ 2.75	\$ (0.40)	\$ 2.70	\$ 2.30	\$ 0.49	\$ 1.43	\$ 1.92
Total product net sales	\$3,010.1	\$ (15.2) ^(ai)	\$2,994.9	\$2,319.2	\$(22.3) ^(ai)	\$2,296.9	\$2,045.6	\$(41.9) ^(ai)	\$2,003.7	\$1,755.4	\$ (45.9) ^(ai)	\$1,709.5	\$1,385.0	\$ 6.5 ^(ai)	\$1,391.5

"GAAP" refers to financial information presented in accordance with generally accepted accounting principles in the United States.

In this Annual Report, Allergan included historical non-GAAP financial measures, as defined in Regulation G promulgated by the Securities and Exchange Commission, with respect to the year ended December 31, 2006, as well as the corresponding periods for 2005 through 2002. Allergan believes that its presentation of historical non-GAAP financial measures provides useful supplementary information to investors. The presentation of historical non-GAAP financial measures is not meant to be considered in isolation from or as substitute for results prepared in accordance with accounting principles generally accepted in the United States.

In this Annual Report, Allergan reported the non-GAAP financial measure "adjusted net earnings" and related "adjusted earnings per share" – both basic and diluted. Allergan uses adjusted earnings to enhance the investor's overall understanding of the financial performance and prospects for the future of Allergan's core business activities. Adjusted earnings is one of the primary indicators management uses for planning and forecasting in future periods, including trending and analyzing the core operating performance of Allergan's business from period to period without the effect of the non-core business items indicated. Management uses adjusted earnings to prepare operating budgets and forecasts and to measure Allergan's performance against those budgets and forecasts on a corporate and segment level. Allergan also uses adjusted earnings for evaluating management performance for compensation purposes.

Despite the importance of adjusted earnings in analyzing Allergan's underlying business, the budgeting and forecasting process and designing incentive compensation, adjusted earnings has no standardized meaning defined by GAAP. Therefore, adjusted earnings has limitations as an analytical tool, and should not be considered in isolation, or as a substitute for analysis of Allergan's results as reported under GAAP. Allergan strongly encourages investors to consider net earnings (loss) determined under GAAP as compared to adjusted net earnings, and to perform their own analysis, as appropriate.

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

(a) Integration and transition costs related to the acquisition of Inamed Corporation (Inamed), consisting of cost of sales of \$0.9 million; selling, general and administrative expense of \$19.6 million and research and development expense of \$0.2 million.

(b) Inamed fair-market value inventory adjustment roll out of \$47.9 million.

(c) Costs related to the acquisition of Groupe Corne   Laboratoires of \$0.1 million.

(d) Transition/duplicate operating expenses related to restructuring and streamlining of European operations, consisting of selling, general and administrative expense of \$5.7 million and research and development expense of \$0.5 million.

(e) Contribution to The Allergan Foundation of \$28.5 million.

(f) In-process research and development charge of \$579.3 million related to the acquisition of Inamed.

(g) Amortization of acquired intangible assets related to the acquisition of Inamed.

(h) Restructuring charges.

(i) Reversal of interest income on previously paid state income taxes and reversal of interest expense related to the resolution of uncertain tax positions.

(j) Unrealized gain/(loss) on the mark-to-market adjustment to derivative instruments.

(k) Costs to settle a previously disclosed contingency involving non-income taxes in Brazil.

(l) Total tax effect for non-GAAP pre-tax adjustments of \$(61.9) million, resolution of uncertain tax positions and favorable recovery of previously paid state income taxes of \$(11.7) million, change in valuation allowance associated with a refund claim filed in 2006 for a prior tax year of \$(17.2) million, change in estimated income taxes on 2005 dividend repatriation of \$(2.8) million and taxes related to intercompany transfers of trade businesses and net assets of \$1.6 million.

(m) Transition/duplicate operating expenses related to restructuring and streamlining of European operations, consisting of cost of sales of \$0.3 million; selling, general and administrative expense of \$3.8 million and research and development expense of \$1.5 million.

(n) Restructuring charge of \$43.8 million and related inventory write-offs of \$0.2 million.

(o) Gain on sale of assets primarily used for Advanced Medical Optics contract manufacturing (\$5.7 million), gain on sale of distribution business in India (\$7.9 million), and gain on sale of a former manufacturing plant in Argentina (\$0.6 million).

(p) Costs related to the acquisition of Inamed \$0.4 million.

(q) Buyout of license agreement with Johns Hopkins University.

(r) Interest income related to previously paid state income taxes and reversal of interest expense related to tax settlements.

(s) Termination of ISTA Vitrase collaboration agreement (including interest income of \$0.1 million).

(t) Gain on sale of third party equity investment.

(u) Total tax effect for non-GAAP pre-tax adjustments of \$(1.7) million, resolution of uncertain tax positions of \$(24.1) million, additional benefit for state income taxes of \$(1.4) million and \$49.6 million related to the repatriation of foreign earnings that had been previously permanently reinvested outside the United States.

(v) Minority interest related to gain on sale of distribution business in India.

(w) Income from a patent infringement settlement.

(x) Favorable recovery of previously paid state income taxes and the tax effect for non-GAAP adjustments.

(y) In-process research and development charge related to the acquisition of Bardeen Sciences Company, LLC and Oculex Pharmaceuticals, Inc.

(z) Restructuring charge (reversal) and asset write-offs, net related to the spin-off of Advanced Medical Optics.

(aa) Loss on early extinguishment of debt.

(ab) Tax effect for non-GAAP adjustments.

(ac) Duplicate operating expenses of \$2.6 million and restructuring charge and asset write-offs of \$1.1 million related to the spin-off of Advanced Medical Optics.

(ad) Duplicate operating expenses incurred related to the spin-off of Advanced Medical Optics.

(ae) Duplicate operating expenses of \$0.7 million and partnering collaboration expense of \$4.0 million.

(af) Legal settlement regarding LUMIGAN®.

(ag) Partnering deal settlement of \$5.0 million, gain on sale of facility (spin-related) of \$5.7 million and loss on early extinguishment of debt of \$11.7 million.

(ah) Mark-to-market loss on investments and related third party collaborations.

(ai) The adjustment to measure sales using constant currency.

To Our Investors



A YEAR OF TRANSFORMATION

In 2006, Allergan recorded the largest increase in sales in any one year in over 50 years of our operations, with an increase of almost \$700 million over 2005 sales. At approximately \$3 billion, sales increased 30 percent over 2005. In addition to achieving our primary sales and cost synergy goals for the integration of the Inamed Corporation, we are particularly pleased by the continued strong organic growth of our pharmaceutical businesses, with organic sales increasing 18 percent over 2005.⁽¹⁾ Expansion occurred on a broad front: Our eye care pharmaceuticals product line, BOTOX® Cosmetic and BOTOX® therapeutic all grew by double digits in all operating regions: North America, Europe, Latin America and Asia Pacific.

Diluted Earnings Per Share (EPS) for 2006 were \$3.66, adjusted for several items principally related to the accounting treatment of the acquisition of Inamed, merger-related integration and transition costs, and the restructuring of our pharmaceutical operations in Europe. This EPS result marked an increase of 18 percent over the adjusted EPS result for 2005,⁽²⁾ even as we continued to invest vigorously in the company’s long-term growth and innovation.

In 2006, we invested \$476 million in research and development (R&D), excluding the \$579 million in-process R&D charge related to the Inamed acquisition and adjusted for other smaller non-GAAP items, which marked an increase of 22 percent over 2005.⁽³⁾ Operating cash flow post-capital expenditures was a strong \$616 million, compared to \$346 million in 2005, which has led to a high cash balance of \$1.4 billion at year end and a net debt position of only \$339 million after our expenditure of \$1.4 billion in cash on the Inamed acquisition. This strong balance sheet gives us ample flexibility for acquisitions and in-licensing activities in the future.

ACQUISITION OF INAMED AND LEADERSHIP IN MEDICAL AESTHETICS

As we have grown our BOTOX® Cosmetic franchise, we held a long-standing strategic interest in medical aesthetics, a fast-growing category driven by consumers’ universal desire to enhance their personal appearance.

In March, we completed the acquisition of Inamed for a consideration of approximately \$3.4 billion, and in January 2007 completed the follow-on acquisition of Groupe Cornéal Laboratoires in France, the inventor of our JUVÉDERM™ line of dermal fillers, for approximately \$220 million.

By marrying our leading BOTOX® Cosmetic franchise with the breast aesthetics and dermal filler product lines from these two companies, we realized our goal of establishing Allergan as the largest medical aesthetics company in the world.

The approval of JUVÉDERM™ by the U.S. Food and Drug Administration (FDA) in June and the landmark approvals of our INAMED® Silicone-Filled Breast Implants by Health Canada in October and the FDA in November, have validated both our acquisition strategy as well as our financial model for the Inamed acquisition.

With the acquisition of Inamed, we also acquired two promising obesity intervention products, LAP-BAND® Adjustable Gastric Banding System and the BIB™ *BioEnterics*® Intra gastric Balloon. Given the obesity crisis in the developed world, these products, which offer lower cost and less invasive surgical alternatives

to traditional gastric bypass procedures, are high-potential growth opportunities in which we plan to fully invest.

To further focus and build awareness for our efforts, we established Allergan Medical as a division in the latter part of the year that is comprised of our facial and breast aesthetic portfolio, as well as our rapidly growing obesity intervention business. The new division also encompasses our physician-dispensed skin care products, including M.D. FORTE® and PREVAGE® MD.

GLOBAL EYE CARE GROWTH

For the fifth consecutive year, Allergan has been the world’s fastest-growing global eye care company when one excludes retinal therapeutics,⁽⁴⁾ a segment in which Allergan’s R&D candidates have not yet been commercialized. In the third quarter of 2006, in terms of in-market sales, per IMS Global, Allergan narrowly overtook Pfizer to become the second-largest global ophthalmic pharmaceutical company.⁽⁴⁾

Overall, our eye care pharmaceuticals business grew 16 percent in a world market growing at 7 percent. We made particularly good progress in glaucoma, the largest segment of the ophthalmic pharmaceutical market, with LUMIGAN® (including GANFORT™, our LUMIGAN® and timolol fixed combination agent), which grew 22 percent over 2005. With sales of \$327 million, the LUMIGAN® franchise is currently ranked third-largest by value in the world.⁽⁴⁾

Further strengthening the franchise, the FDA approved LUMIGAN® for first-line treatment. GANFORT™, approved in the European Union in March 2006, has since been launched in the most important European markets. Given the new maximum medical therapy option it offers, GANFORT™ has enjoyed good uptake.

Our ALPHAGAN® franchise also enjoyed fresh impetus resulting from the broad availability and excellent physician acceptance

of COMBIGAN™, our ALPHAGAN® and timolol fixed combination, in global markets outside the United States. COMBIGAN™ provides a dual mechanism of action resulting from two active pharmaceutical ingredients, brimonidine and timolol. This action produces powerful intraocular pressure reduction. Success of COMBIGAN™ has provided incremental patients and market share. In the United States, we launched ALPHAGAN® P 0.1% in early 2006. We have been pleased with the uptake of this innovative formulation of ALPHAGAN®, which reduces drug exposure while achieving efficacy equivalent to the original ALPHAGAN®.

At the end of the year, we received an approvable letter from the FDA for COMBIGAN™, in which the FDA suggested an additional confirmatory study to address certain questions. Allergan had already commenced such a clinical study at the end of 2005 to address those questions.

In dry eye, the second-largest ophthalmic pharmaceutical segment, Allergan also demonstrated excellent performance. RESTASIS® is the only therapeutic agent approved in the United States to treat an underlying cause of chronic dry eye disease, in contrast to traditional artificial tears which are designed to alleviate the symptoms. RESTASIS® generated sales of \$270 million, an increase of 42 percent over the prior year.

Outside of the United States, we also enjoyed double-digit growth with our artificial tears line, led by the REFRESH® brand, consolidating our position as world market leader. In the United States, we launched OPTIVE™. Building on the unique dual-action formulation of OPTIVE™ that provides lubrication and osmoprotection to relieve dry eye symptoms, we intend to establish it as the most advanced artificial tear on the market. In addition, we recorded good sales gains for several other products: ZYMAR®, a fourth-generation anti-infective, ELESTAT® (marketed in Europe as RELESTAT®) and ACULAR LS®.

(1) Excludes the impact of BOTOX® sales in Japan of \$38.8 million in 2005. GAAP sales growth of pharmaceutical products was 16 percent in 2006.
(2) Adjustments to GAAP diluted earnings per share used to calculate diluted earnings per share, adjusted for non-GAAP items, include the aggregate non-GAAP adjustments, net of tax, detailed on pages 2 and 3 in this Annual Report, and for the purpose of calculating the increase in adjusted EPS of 18 percent in 2006 compared to 2005, also excludes the \$0.21 per share impact of expensing stock options in 2006. GAAP diluted loss per share was \$0.87 in 2006 compared to GAAP diluted earnings per share of \$3.01 in 2005.
(3) Adjustments to GAAP research and development expense used to calculate research and development expense, adjusted for non-GAAP items, include \$579.3 million of in-process research and development expense, \$0.2 million of integration and transition costs related to the Inamed acquisition and \$0.5 million of transition/duplicate operating expenses related to the restructuring and streamlining of European operations. GAAP research and development expense was \$1,055.5 million in 2006, a 171.8 percent increase over 2005.

(4) Intercontinental Medical Statistics (IMS): Q3 2006, in constant exchange, for the trailing 12 months as of September 2006.

Allergan Accolades

Forbes Allergan ranked number 6 in “America’s Best Managed Companies”	Institutional Investor Allergan ranked number 1 in the Pharmaceutical/Specialty category for “America’s Most Shareholder Friendly Companies”	BusinessWeek Allergan ranked in Top 5 among companies catering to Baby Boomers	Pharma Exec World Allergan ranked number 37 out of 50 in the “World’s Top 50 Pharma Companies”	Orange County Business Journal David Pyott named one of Orange County’s “Most Influential Businesspeople” in health care	Her Majesty the Queen’s Birthday Honors List David Pyott honored as Commander of the Most Excellent Order of the British Empire
January 2006	January 2006	January 2006	January 2006	May 2006	June 2006

BOTOX®: BLOCKBUSTER STATUS AND BEYOND

With BOTOX®, Allergan has demonstrated the ability to nurture and grow a remarkably versatile and therapeutically distinguished platform. In 2006, BOTOX® achieved true blockbuster status, joining the exclusive ranks of pharmaceutical products to achieve greater than \$1 billion in sales. Sales recorded by Allergan were \$982 million, to which we can add GlaxoSmithKline’s (GSK) sales of BOTOX® in Japan and China.

Excluding Japan, Allergan’s sales of BOTOX® increased by 24 percent, marking a reacceleration from the 18 percent growth rate achieved in 2005.^[5] Both the cosmetic and therapeutic franchises enjoyed robust growth across a broad range of countries in all continents. Our therapeutic business continued a similar trend to 2005, enjoying 17 percent growth. With 32 percent growth, our cosmetic business demonstrated a significant acceleration.^[6] We attribute this faster sales growth to the creation of two separately focused sales and marketing organizations over the course of the last two years. At the beginning of 2006, we also doubled both our therapeutic and aesthetic sales forces in the United States.

These initiatives have enabled us to dedicate ourselves to the very different needs of the therapeutic and aesthetic customer groups. Given our economies of scale in medical aesthetics, we have continued this process of separation and focus worldwide as part of the integration of Inamed.

Our market share of the top 10 global markets remained steady at 91 percent, despite the entry of new competitors, due principally to market share gains in Europe in both the aesthetic and therapeutic franchises.^[7]

Our skin care business, with sales of \$126 million, grew 5 percent with TAZORAC® strengthening its position as the most potent topical retinoid available for the treatment of psoriasis and acne. TAZORAC® was the only branded topical retinoid to

gain treatment market share in the dermatology channel, a declining market subject to more generic prescriptions.^[8]

STRUCTURED FOR SUCCESS

Our pharmaceutical operations reaped the benefits of the many structural changes that we had undertaken in 2005. We out-licensed BOTOX® in Japan and China to GSK and are pleased with the results. In addition to achieving gratifying 2006 sales in Japan, in the third quarter of 2006, GSK launched BOTOX® in China for the therapeutic indications of blepharospasm and hemifacial spasm. The company also filed the Japanese equivalent of a New Drug Application (NDA) for BOTOX® Cosmetic.

As part of this out-licensing transaction, we received U.S. co-promotion rights from GSK for *Imitrex StatDose System*® and *Amerge*®, indicated for migraine treatment, enabling us to double the size of our neurosciences sales force. This increased market coverage led to an appreciable increase in the sales trajectory of BOTOX® for approved therapeutic indications.

By closing our R&D centers in France and Japan, and scaling our R&D network from four centers to two, we are now concentrating all our clinical development activities for Europe in the United Kingdom. As a result of this streamlining, we were able to create separate teams of regulatory affairs and clinical development specialists with increased ability to expand the volume of clinical trials in Europe.

The strong pharmaceutical results are an accolade for our management team across all functions that was able to absorb significant growth and restructuring and the considerable challenges of the Inamed integration.

[5] Sales of BOTOX® in Japan in 2005 were \$38.8 million. GAAP sales growth for BOTOX®, which includes the 2005 BOTOX® sales in Japan, was 18 percent in 2006.
[6] Estimated growth rates and the breakout between therapeutic and cosmetic BOTOX® sales are subjectively determined based on management estimates. The estimated growth of BOTOX® therapeutic sales excludes the impact of BOTOX® sales in Japan of \$38.8 million in 2005. The estimated growth rate for BOTOX® therapeutic sales including the impact of 2005 BOTOX® sales in Japan was 8 percent in 2006.
[7] Allergan market estimates.
[8] Verispan, VONA, MAT, December 2006.

POSITIONED FOR GROWTH & INNOVATION

Our dynamic results and market position have enabled us to attract and retain some of the best talent in the health care industry. These strengths have also made us an attractive partner for companies and researchers in the fields of eye care and medical aesthetics.

We believe our portfolio of recently approved products gives us great growth momentum for the coming years. In addition, Allergan has a rich and well-balanced pharmaceutical R&D pipeline. To cite just some of our initiatives:

- We have in development retinal therapeutics to treat conditions such as: age-related macular degeneration, the leading cause of blindness in developed countries; macular edema; retinal vein occlusion; and a unique proprietary delivery system, the POSURDEX® bioerodable implant, to deliver these drugs to the back of the eye.
- We have just finished our first Phase III clinical trial for memantine, a compound already approved by the FDA for the treatment of Alzheimer’s disease, as a prospective treatment for glaucoma. While memantine did not show a benefit as assessed by the functional measure chosen as the primary endpoint in the first of our two clinical trials, memantine did show a clinical benefit of the highest dose compared to placebo in the functional measure chosen as a secondary endpoint. With a pioneering program that can potentially transform the current treatment paradigm, it was not surprising that it was the secondary functional measure that showed clinical benefit. If eventually proven effective in glaucoma, memantine would be the first breakthrough treatment to directly address the protection of the optic nerve rather than by alleviating intraocular pressure as a means of slowing the glaucomatous loss of visual function. In 2007, we also currently plan to file with the FDA an enhanced version of LUMIGAN® – LUMIGAN® X.

- With BOTOX®, we are pursuing clinical trials for chronic migraine and overactive bladder. We are also working on a next-generation neuromodulator that can be targeted to specific tissues, offering the potential to treat a host of new diseases.
- Pursuing new technologies, we are developing a unique class of alpha agonists to treat pain. They represent a promising area of opportunity for non-addictive and non-sedating compounds.
- Advancing our proton pump inhibitor program for the treatment of gastric ulcers, we have entered into discussions to potentially out-license these compounds, as they fall outside our current area of strategic focus.
- With plans to expand our medical device R&D portfolio, we are committed to developing next-generation biomaterials for our breast aesthetics product line as well as next-generation dermal fillers and gastric bands.

While we have tremendous momentum for the coming years, we are also looking to provide Allergan with strong growth drivers throughout the next decade. For this reason, we remain keenly focused on continued major investment in R&D to further advance and build out our already strong pipeline.

Over the last few years, we have also invested considerably in sales force expansion as well as in direct-to-consumer advertising for our leading brands, BOTOX® and RESTASIS®, in addition to a highly-innovative campaign for the LAP-BAND® System in 2006. Today, Allergan has the largest ophthalmic sales force in the world outside of Japan, where our products are out-licensed to partners. As a company we are also currently spending more than \$100 million on consumer advertising.

We are now entering a phase where we can start to leverage these significant investments. With changes in selling models

The Sunday Times

David Pyott tabbed as one of the "Top 25 Britons Who Call the Shots in America"

October 2006

Orange County Chapter of the National Investor Relations Institute

Jeffrey Edwards named "CFO of the Year in Orange County"

December 2006

Orange County Register

David Pyott named "CEO of the Year in Orange County"

December 2006

Institutional Investor

David Pyott named one of the "Top CEOs"

January 2007

in the pharmaceutical industry, we are also committed to exploring new and more efficient sales and marketing methods suited to our specialty markets. We are strongly positioned to do so: Our people are already focused on our industry's two critical success factors, innovation and serving our customers. Although we are vertically integrated into manufacturing and discovery research, about 50 percent of our present workforce is employed in either R&D or field sales.

A UNIQUE COMPANY IN THE PHARMA AND MEDTECH INDUSTRY

With only a few business processes left to integrate in Europe, we have nearly completed our integration of Inamed. As a company, Allergan is now in a unique position to build on multiple entries and strong market positions in many high-growth specialty markets. We have a broad portfolio of pharmaceutical products with high-growth potential, the most attractive portfolio of high-growth potential medical aesthetics products in the industry, and the world's leading obesity intervention product line.

Along with this breadth comes the diversification of risk: Our top product, BOTOX®, currently accounts for less than one-third of total sales, and our top five products currently account for approximately two-thirds of sales. With the potential for a challenging reimbursement and pricing environment in the United States, Europe and other leading global markets in the coming years, we are uniquely positioned with roughly one-third of our sales being products that are paid electively out of pocket.

Developing, marketing and selling pharmaceuticals, medical devices and consumer products in markets with different characteristics and regulatory environments requires a unique blend of management skills and experience. We possess this blend. We also possess a unique combination of short- and long-cycle products as well as the ability to innovate both with "homegrown" compounds and devices, as well as through

in-licensing and acquiring new technologies. Thus equipped, we look forward to demonstrating across-the-board performance in the year to come and further into the future.

In addition, the guidance of our strong and experienced Board of Directors has helped management steer a good course in times of great change. I am pleased to welcome to the Board, Dr. Deborah Dunsire, Chief Executive Officer of Millennium Pharmaceuticals, Inc., a leading biotechnology company. Dr. Dunsire has spent her career in the pharmaceutical industry around the world. I also especially wish to thank Handel Evans, who is planning to retire from the Board at the 2007 Annual Stockholders' Meeting, for 17 years of dedicated service and wise counsel to Allergan since its spin-off from SmithKline.

For the many accomplishments in 2006, both in ongoing operations and the integration of Inamed, I wish to recognize our thousands of employees around the world. Whether they have joined us from Inamed, have been with Allergan for years, or are new members of the team, they have demonstrated exceptional hard work, creativity and dedication. They have also demonstrated themselves to be individuals driven not only to make a difference but also to make the biggest difference they can — in helping people live better every day.

This year of transformation has inspired us, and I look forward to applying the full measure of our energy and enthusiasm to reaching further — in the relationships we value, the markets we serve, and the treatment paradigms we seek to advance.



David E. I. Pyott
Chairman of the Board and Chief Executive Officer

Chain of Quality



Our continuous chain of quality begins with us, extends to the doctor and carries through to the patient. It informs every aspect of our business from the research we conduct to the specialty areas in which we operate and the products we bring to market.

We see a continuous chain of quality...



To us, the very best of medicine looks like a continuous chain of quality, extending from the scientific research we conduct to the doctor on the front line and then to the patient — and back from the patient to the doctor to us. To help make this chain as strong as possible, we form close relationships with the physicians who lead in their specialty communities. They have much to teach us, and we value every minute we spend in their company. They are part of the commitment we make to the therapeutic and aesthetic categories we support — a commitment that helps us to see patients clearly, as individuals seeking to live fulfilled lives, express themselves and fully experience all the world has to offer.

Us: REACHING FURTHER

ALLERGAN

Antony Fulford-Smith

Vice President, Medical Affairs, Europe, Africa, Middle East

"Our specialty focus allows us to develop strong relationships with physicians built on mutual trust and a shared understanding of science and the clinical needs and aspirations of patients."



Vernon L. Vincent

Senior Director, Global Professional Education, Allergan Health

"The LAP-BAND® System resulted from a partnership with a talented group of surgeons. This has been a very rewarding collaboration which yielded a simple device that can have such a positive impact on patients' lives."



Michele Bennett

Director, Global Strategic Marketing, Allergan Medical

"We encourage our customers to voice their opinions, listen to them and take the appropriate action so we can deliver products and programs to help them address their patients' needs."



Sandra Friborg

Clinical Project Manager, Dermatology, Research and Development

"When physicians share how our products have positively impacted the quality of life in their patients, it makes me thankful to work in an environment where I can contribute to others' well-being."



Thava Tarawatanatham

Manager, Sales and Marketing, Eye Care, Asia Pacific

"We work together with our customers to form long-term partnerships that bring value to their practices and patients. The advice and feedback we receive from customers has contributed greatly to our success in Thailand."



Doctor: GETTING CLOSER

David Charles, M.D.

Fellow, American Academy of Neurology; Associate Professor and Vice-Chairman of Neurology, Education and Development, Vanderbilt University Medical Center

"Working in an academic institution, I'm charged with striving for excellence in patient care, research and education. Allergan has developed a trust and strong relationship with physicians over the course of time by embodying these same three principles, with the end result benefiting patients."



Jeff W. Allen, M.D.

Site Reviewer for Centers of Excellence, the American College of Surgeons; Director of Bariatric Surgery, University of Louisville

"The best relationship a doctor can have with a company is symbiotic — good for the company and the physicians. Surgeons want the best product available for patients, and Allergan is there for me."



Scott L. Spear, M.D., F.A.C.S.

Past President of the American Society of Plastic Surgeons; Chairman, Department of Plastic Surgery, Georgetown University School of Medicine

"Allergan has rapidly expanded relationships with plastic surgeons and provides the promise to be the one company plastic surgeons will be able to turn to for all of their aesthetic medicine needs."



Alastair Carruthers, M.D.

President of the American Society for Dermatologic Surgery; Clinical Professor, University of British Columbia

"Allergan upholds a high level of ethics. I know they will deliver the best products, not accept any compromises and continually strive to improve products so I can maintain my trust with patients."



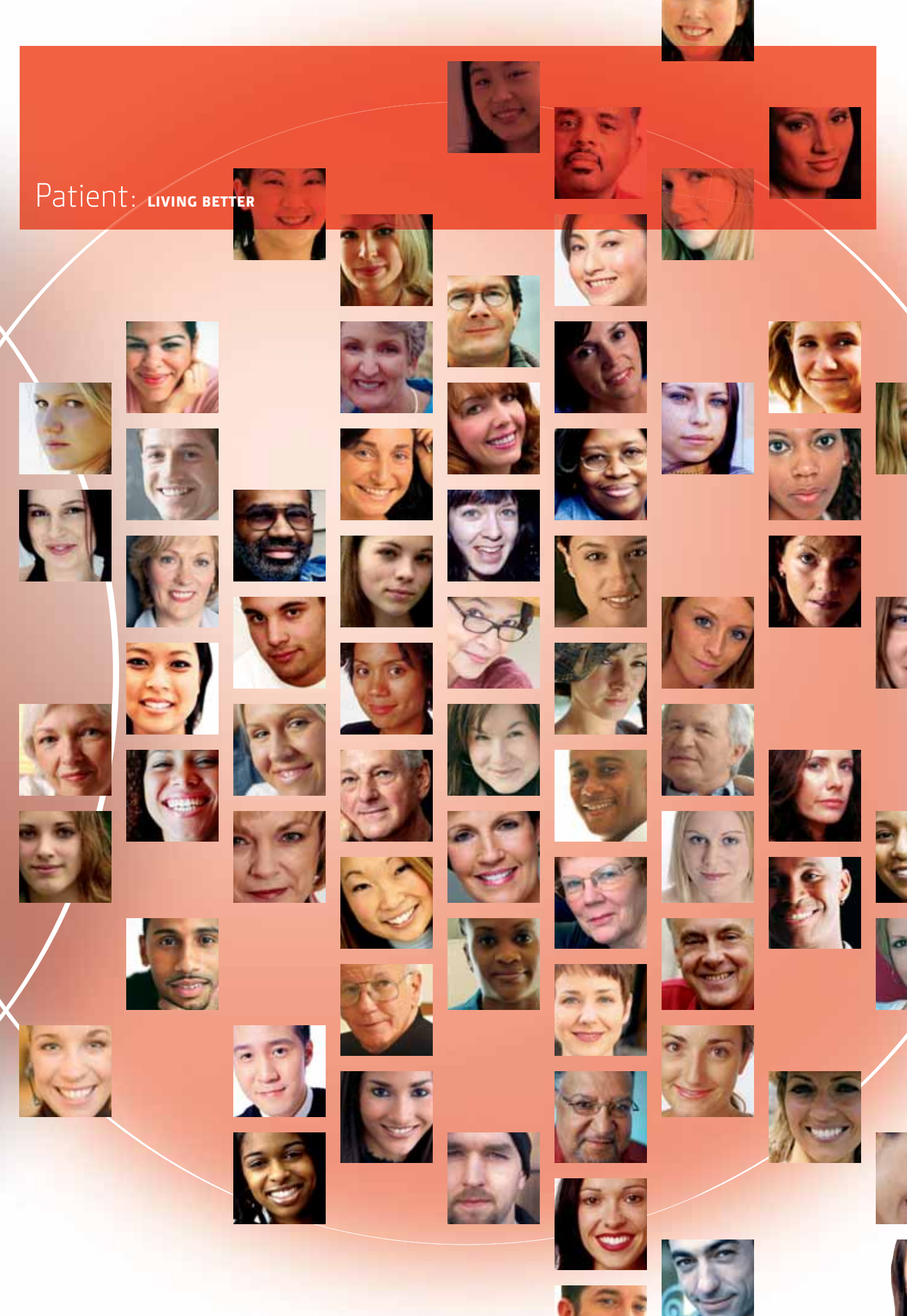
Rubens Belfort, Jr., M.D., Ph.D.

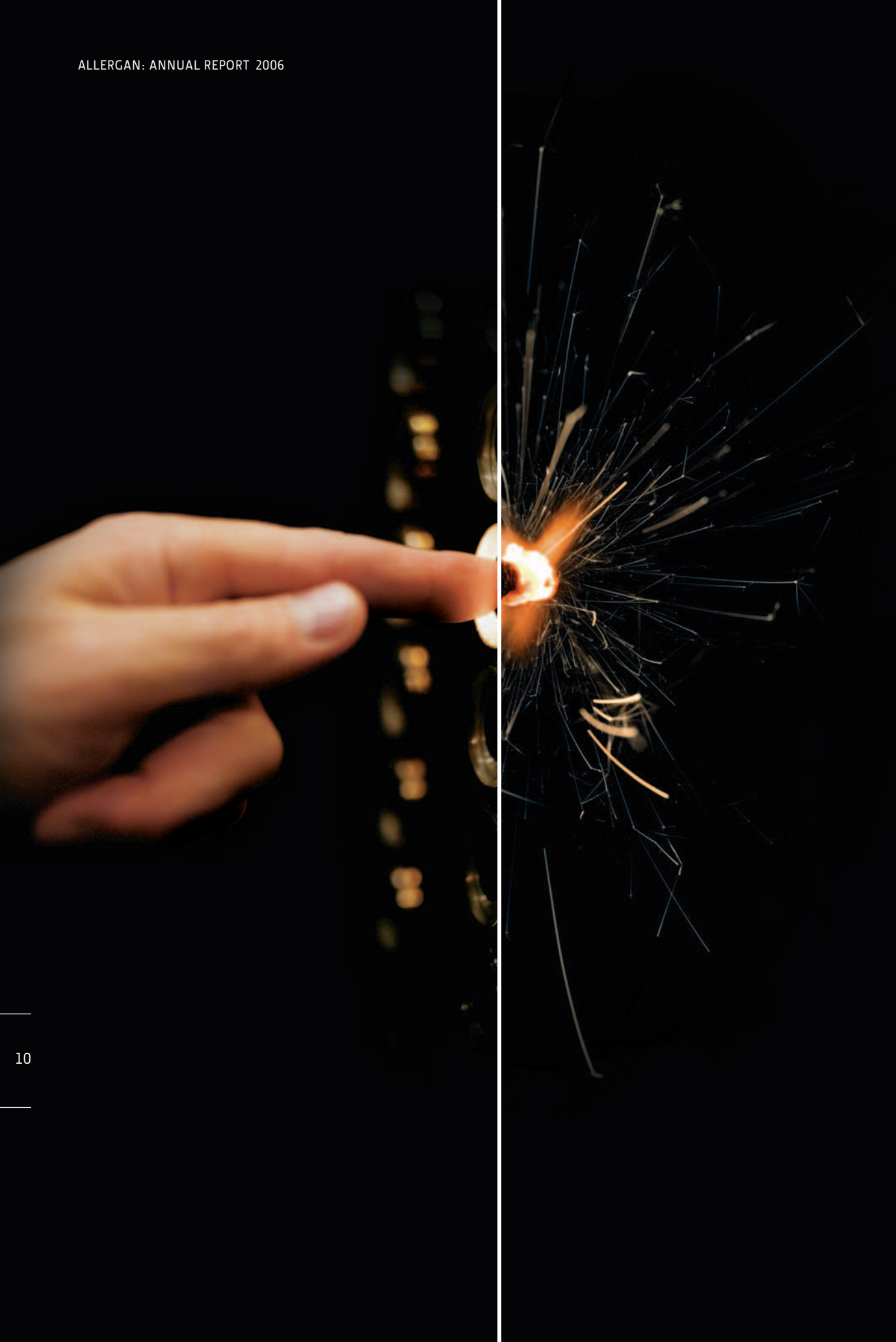
President of the Pan-American Ophthalmological Foundation; President of the 2006 World Congress of Ophthalmology

"Allergan is one of the elite ophthalmic companies in the world. Very few pharmaceutical companies have done as much as Allergan to support education and help patients and ophthalmologists from the developing world."

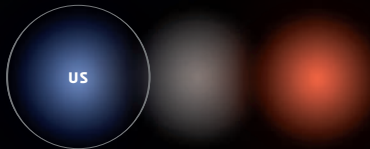


Patient: LIVING BETTER





Quality of Insight



Our business model enables us to pinpoint and pursue strategic opportunities, sparking our growth and expansion.

REACHING FURTHER. COMMITTING MORE. If you were to dedicate yourself to embodying the best of medicine, the first question to ask is: What would the best of medicine look like? From our perspective, it would look like products that make a real difference — lots of them, with the promise and excitement of many more to come. It would look like safety and efficacy on which patients and physicians could unquestioningly depend. It would look like a robust, ongoing dialog with the medical profession’s most gifted and committed practitioners and researchers. It would look like new opportunities — identified and then realized — thanks to a combination of nimbleness, resources and the continuous exercise of focus and will. It would look like diverse strengths and activities that set the stage for vigorous discovery and development over the long-term, regardless of market cycles.

It would look like Allergan.

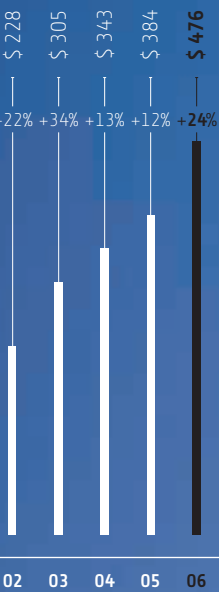
All of these features combine to make Allergan a truly self-reliant organization — large enough to command sufficient resources to create and drive markets, diversified enough to prevail through cyclical change, and small enough for nimble execution.

Not every company can embody the best of medicine, even with the requisite resources and experience. Behind our multi-specialty focus, you will also find a truly distinctive organization with a skilled and proven management team and the highest caliber of employees — an organization characterized by a unique combination of conscientiousness and agility, performance and commitment, innovation and involvement. The best of medicine is not only practiced, but also lived.

At Allergan, we use our unique combination of cultural and business strengths to gain and maintain an unparalleled level of insight into patients’ wants and needs — and into the priorities and concerns of the physicians who treat them. The best of medicine is a means to this end: the ability to commit ourselves wholeheartedly to helping patients live life to its fullest potential.

Quality of Insight supports continuing innovation

Allergan focuses on developing novel therapies with the power to advance treatment paradigms. To that end, we make a significant, ongoing investment in Research & Development (R&D). In pursuit of new therapy platforms and indications, we have increased our R&D investment annually over the past several years and developed a robust R&D pipeline to drive both mid- and long-term growth.



R&D EXPENDITURES/GROWTH
(in millions of dollars)
(adjusted for non-GAAP items)

Adjustments to GAAP research and development expense used to calculate research and development expense, adjusted for non-GAAP items, include the following: \$579.3 million of in-process research and development expense, \$0.2 million of integration and transition costs related to the Inamed acquisition and \$0.5 million of transition/duplicate operating expenses in 2006, \$1.5 million of transition/duplicate operating expenses and a \$3.0 million buy-out of a license agreement in 2005, \$458.0 million in-process research and development charge in 2003 related to the acquisition of Bardeen Sciences Company, LLC and Oculex Pharmaceuticals, Inc., and \$0.7 million duplicate operating expenses and \$4.0 collaboration expense in 2002. GAAP research and development expense was \$1,055.5 million, \$388.3 million, \$342.9 million, \$762.6 million and \$232.7 million in 2006, 2005, 2004, 2003 and 2002, respectively. GAAP research and development expense growth (decline) was 172%, 13%, (55%), 228% and 2% for 2006, 2005, 2004, 2003, and 2002, respectively.

Research & Development

OPHTHALMOLOGY

Upholding our unwavering commitment to the advancement of eye care, Allergan’s robust R&D investment has led us to more branded glaucoma products currently in the global market than any other company and an extensive retinal therapeutics program. Back-of-the-eye diseases, such as macular edema, diabetic retinopathy and age-related macular degeneration, represent a major strategic focus. We are currently investigating POSURDEX® to combat diabetic and non-diabetic macular edema as well as retinal vein occlusion. POSURDEX® involves a novel bioerodable extended-release drug delivery system that can deliver medications to the back of the eye for months following a single intraocular injection. In the battle against glaucoma, we are conducting extensive clinical trials to investigate the potential of an oral compound, memantine, for protection against damage caused by increased pressure on the back of the eye.

NEUROSCIENCES

Building on our leadership in botulinum toxin research, we are currently investigating new potential uses for BOTOX®, including chronic migraine and post-stroke spasticity. We are also focused on the development of a next-generation neuromodulator with more selective action for pain management and spasticity treatment. Beyond BOTOX®, clinical trials are underway to investigate a unique class of alpha adrenergic agonists for neuropathic pain.

MEDICAL AESTHETICS

Allergan has built upon the heritage established by BOTOX® Cosmetic to create a leading medical aesthetics franchise uniquely positioned to meet the growing demand for safe and effective approaches to maintaining a healthy and youthful appearance, self-image and ability for self-expression. Unique in our dedication to every segment of medical aesthetics, we are committed to the Science of Medical Aesthetics™ — to developing and delivering innovative, high-quality, science-based solutions and experiences to enhance people’s lives. To date, we have achieved significant momentum with the FDA’s 2006 approval of JUVÉDERM™ dermal fillers as well as the 2006 approval of our INAMED® line of silicone gel-filled breast implants by Health Canada and the FDA. Currently under review by the FDA, and approved in Canada, is our INAMED® Style 410 matrix, the next innovation in breast implant technology, utilizing a highly-cohesive silicone gel that allows the breast implant to closely mimic the dimensions of the natural breast. Looking ahead, there is a need for an even greater range of treatment techniques, procedures and products, and our goal is to surround our customers with innovative products and services that exceed their expectations.

MEDICAL DERMATOLOGY

Currently, our R&D investment is focused on additional dermatological indications for BOTOX® neurotoxin. Building on its approved use for primary axillary hyperhidrosis (severe underarm sweating), we plan to initiate Phase III clinical trials for the use of BOTOX® to treat palmar hyperhidrosis (excessive sweating of hands or palms). These initiatives add to the strong foundation we have established around tazarotene, a retinoid approved for the treatment of acne and psoriasis in the United States under the brand name TAZORAC®.

GASTROENTEROLOGY/OBESITY INTERVENTION

Allergan continues to invest in our gastroenterology and obesity intervention R&D pipeline. We are currently in Phase II clinical trials for a new proton pump inhibitor pro-drug to treat gastrointestinal disease. Recognizing the serious consequences of the obesity epidemic, our current products include the LAP-BAND® Adjustable Gastric Banding System, currently the only minimally-invasive surgical approach to treating obesity in the United States, and the BIB™ BioEnterics® Intra gastric Balloon, a non-surgical alternative for the treatment of obesity approved broadly outside of the United States. To expand our portfolio, we are actively pursuing the development and commercialization of next-generation products and technologies to provide further high-quality, healthy and less traumatic long-term weight-loss solutions.

UROLOGY

Allergan is presently conducting Phase III clinical trials to study the potential application of BOTOX® neurotoxin to treat neurogenic overactive bladder (OAB) associated with spinal cord and nervous system disorders, and we are conducting Phase II clinical trials of BOTOX® to treat idiopathic OAB, which is estimated to affect between 13-33 million people in the United States alone.⁽¹⁾ Additionally, we are investigating BOTOX® for the treatment of benign prostatic hyperplasia (BPH), a non-cancerous growth of the prostate that can interfere with urination and is one of the most common diseases affecting men.

(1) The Public Health Implications of Urogenital Disease. *Clinician* 2003;21(4). Office of Women’s Health, U.S. Department of Health and Human Services.

Research & Development Pipeline

PRODUCT	INDICATION	R&D ALLIANCES	PRE-CLINICAL	PHASE I	PHASE II	PHASE III	REVIEW
OPHTHALMOLOGY							
COMBIGAN™	Glaucoma (IOP)	—	•	•	•	•	• U.S.
LUMIGAN®/Timolol	Glaucoma (IOP)	—	•	•	•	•	• U.S.
LUMIGAN® X	Glaucoma (IOP)	—	•	•	•	•	
Memantine Oral	Glaucoma	—	•	•	•	•	
POSURDEX®	Retinal Vein Occlusion	—	•	•	•	•	
POSURDEX®	Diabetic Macular Edema	—	•	•	•	•	
Triamcinolone	Diabetic Retinopathy	—	•	•	•	•	
Triamcinolone	Retinal Vein Occlusion	—	•	•	•	•	
Androgen Tear	Ocular Surface Disease	Schepens Eye Research Institute	•	•	•		
Sirna 027	Age-Related Macular Degeneration	Sirna Therapeutics	•	•	•		
Diquafosol	Dry Eye	Inspire Pharmaceuticals	•	•	•	•	• U.S.
NEUROSCIENCES							
BOTOX®	Chronic Migraine	—	•	•	•	•	
BOTOX®	Spasticity Upper Limb	—	•	•	•	• U.S.	
Alpha Agonist	Neuropathic Pain	Acadia Pharmaceuticals	•	•	•		
MEDICAL AESTHETICS							
BOTOX®	Facial Aesthetics- Glabellar Lines	GlaxoSmithKline	•	•	•	•	• Japan
Silicone Breast Implant — Cohesive Silicone Gel Matrix (style 410)	Breast Augmentation & Reconstruction	—	•	•	•	•	• U.S.
MEDICAL DERMATOLOGY							
BOTOX®	Palmar Hyperhidrosis	—	•	•	•	•	
GASTROENTEROLOGY							
Pro-Omeprazole	GERD and Erosive Esophagitis	Winston Pharmaceuticals	•	•	•		
Proton Pump Inhibitor (PPI)	Gastrointestinal Disease	Winston Pharmaceuticals	•	•	•		
UROLOGY							
BOTOX®	Overactive Bladder — Neurogenic	—	•	•	•	•	
BOTOX®	Overactive Bladder — Idiopathic	—	•	•	•		
BOTOX®	Benign Prostatic Hyperplasia	—	•	•	•		



Quality of Listening



We foster strong ties with physicians to optimize patient outcomes and extend market opportunities where the need for effective treatment is the greatest.

COMMITTING MORE. GETTING CLOSER. At Allergan, bringing the best of medicine to the forefront of patient care entails a commitment to interaction and involvement: Listening to physicians and addressing patients’ needs. We work diligently to make sure we are providing the tools and channels to keep this ongoing effort as dynamic and direct as possible.

Underlying our commitment is a drive to help physicians improve patient outcomes. We pursue this goal through dedicated, ongoing training, medical education support, publications and studies, and hands-on workshops by experts. One of the unique attributes of BOTOX®, for example, lies in the technique-sensitive nature of the procedure. We engage in a true partnership, with a commitment to extensive consultation and hands-on training, to enhance the practitioner’s ability to inject BOTOX® with the utmost skill for optimal therapeutic or aesthetic results.

In every practice area we serve, from eye care to obesity intervention, Allergan is committed to helping physicians enhance their communications with patients by providing educational support and programs to heighten awareness and understanding of treatment options.

Our commitment to communications and support links to our role as market creators. We must work in close partnership to make sure that our products, which often advance treatment paradigms, are skillfully used by physicians on the front line and readily accepted by patients.

Staying close to physicians is more than an integral part of our business model, it is part of our heritage — a core competency we have fostered from the very beginning. Today, we are bringing the practices we first established in eye care — hallmarks of a trusted, interested and highly-ethical company — to new areas of medicine.

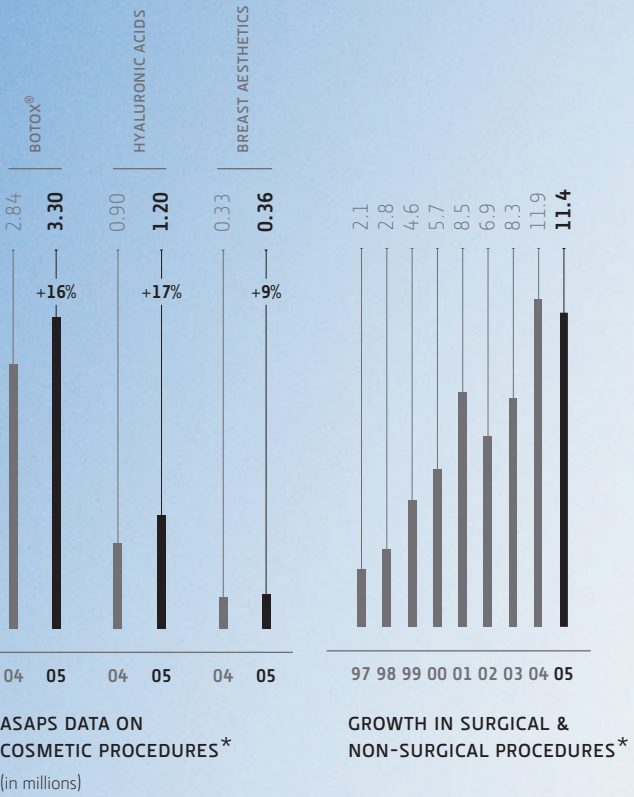
OVERVIEW OF BUSINESS SECTORS: 2006 sales = approximately \$3.0 billion

Ophthalmology 50%	Medical Aesthetics** 8%
BOTOX® Therapeutic 17% *	Health 5%
BOTOX® Cosmetic 16%*	Dermatology 4%

* Breakout between therapeutic and cosmetic BOTOX® sales is based on management estimates.
** Includes Breast & Facial Aesthetics product sales, and excludes BOTOX® Cosmetic.

Quality of Listening builds on commitment to specialty areas


Our active engagement with front-line physicians is key to our ability to operate successfully across a number of categories. As we have built outward from our most tenured businesses, the physicians we have deep and longstanding relationships with know how we maintain our focus on their needs and issues. Those with whom we have more recently begun to interact are seeing how we uphold our commitment to the specialties we serve.



Specialty Areas

1

PHARMACEUTICALS & BIOLOGICS
Ophthalmology, Neurosciences, Medical Dermatology



Ongoing leadership validated by continued rapid growth


Building on our heritage in ophthalmology, our unwavering commitment to advancing eye care treatments and the growth of our products such as LUMIGAN® ophthalmic solution (the third-largest glaucoma drug in the world by value⁽¹⁾) and RESTASIS® ophthalmic emulsion, 2006 was our fifth-consecutive year as the fastest-growing global eye care pharmaceutical company (excluding retinal therapeutics, a segment in which Allergan's R&D candidates have not yet been commercialized).⁽¹⁾ In the third quarter of 2006, we narrowly surpassed Pfizer to become the second-largest ophthalmic company worldwide.⁽¹⁾ Our increases in R&D investments in ophthalmology have led to Allergan having more branded glaucoma products in the global market than any other company and an extensive retinal therapeutic research and development program.

In 2006, Allergan enjoyed strong growth across our therapeutic segments and saw continued share gains in our U.S. dermatology unit where our TAZORAC® product was the only branded topical retinoid to gain treatment market share in the dermatology channel.⁽²⁾ Without question, our BOTOX® franchise provides us with an exceptional opportunity to demonstrate our ability to derive maximum therapeutic benefit from a single technology platform. With the continued successful addition of new indications, we believe the estimated global market potential for therapeutic uses of BOTOX® neurotoxin in the areas of dermatology, neurology, gastroenterology and urology to be between \$1.9 and \$2.6 billion, up by some \$150 million from just two years ago.⁽³⁾

(1) Intercontinental Medical Statistics (IMS): 48 countries roll-up, Q3 2006, in constant exchange for the trailing 12 months, as of September 2006.
(2) Verispan VONA. MAT. December 2006.
(3) Allergan market estimate.

2

OBESITY INTERVENTION



Providing a promising, minimally-invasive alternative to invasive surgery

Allergan has joined the effort to fight the obesity epidemic with the LAP-BAND® System and the BIB™ System (approved broadly around the world although not currently available in the United States). Worldwide, approximately 1.6 billion adults are overweight, and it is estimated that obesity affects at least 400 million adults.⁽¹⁾ By the year 2015, the World Health Organization estimates that approximately 2.3 billion adults globally will be overweight and more than 700 million will be obese.⁽²⁾ In the United States alone, obesity affects more than 60 million individuals, of whom 11.5 million are candidates for bariatric surgery.⁽³⁾ Many of these individuals may find gastric bands to be a highly-effective yet minimally-invasive alternative to gastric bypass surgery.

It is projected that the number of bariatric surgeries in the United States will reach approximately 400,000 annually by 2010 with the LAP-BAND® System being one of the fastest-growing procedures in the United States.⁽⁴⁾ In fact,


the LAP-BAND® System is currently the only FDA-approved adjustable implant device for individualized weight loss as well as a leading bariatric procedure worldwide, having been implanted in more than 250,000 patients.

Recognizing the serious, immediate and long-term consequences of the obesity epidemic, we are actively pursuing the development and commercialization of next-generation products and technologies that can satisfy the unmet medical needs of obese patients around the world and help them realize their goals for healthy living and wellness.

(1) World Health Organization (WHO) Web site. Accessed Feb. 9, 2007. WHO projections of adults (15+) who were overweight or obese in 2005.
(2) World Health Organization (WHO) Web site. Accessed Feb. 9, 2007. WHO projections for adults (15+).
(3) NIH, 2005; Merrill Lynch, May 2006; Monitor Group.
(4) JP Morgan Analyst Report, October 2005, Monitor Group 2006.

3

MEDICAL AESTHETICS
Facial Aesthetics, Breast Aesthetics



Providing a complete aesthetic **TOTAL REJUVENATION™** portfolio worldwide

Allergan is unique in our dedication to every segment of the aesthetic medicine marketplace. In line with this dedication, we intend to license additional technologies and develop next-generation products in the areas of dermal fillers, breast aesthetics, cosmeceuticals and botulinum toxin for aesthetic applications.

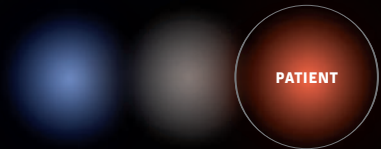
In 2006, with the FDA approval of our JUVÉDERM™ line of dermal fillers, a key asset we obtained in connection with the Inamed acquisition, we launched our TOTAL FACIAL REJUVENATION™ product portfolio to physicians and patients. Together with BOTOX® Cosmetic and an array of other dermal fillers, such as collagen-based COSMODERM®, and physician-dispensed skin care treatments, including PREVAGE® MD anti-aging treatment and M.D. FORTE®, Allergan now offers a comprehensive rejuvenation package.

The 2006 Health Canada and FDA approval of Allergan's INAMED® Silicone-Filled Breast Implants further expands our TOTAL REJUVENATION™ offering and complements our portfolio of saline-filled breast implants. For more than 25 years, silicone gel-filled breast implants have been available to women in more than 60 countries outside the United States and Canada for both breast augmentation and reconstruction, with 90 percent of women choosing silicone gel-filled breast implants over saline-filled breast implants where both options are widely available.⁽¹⁾ Allergan's INAMED® Silicone-Filled Breast Implants are an important new option for women seeking breast augmentation, reconstruction and revision surgery, and the data and science is the most extensive for any area of medical devices and validates their safety and long-term performance.

(1) Allergan internal estimate based on market sales.



Quality of Life



Together with the doctors we serve, we understand patients as individuals and strive to enable their health, freedom and growth.

GETTING CLOSER. LIVING BETTER. From making a significant difference in how certain conditions progress to enabling patients to realize their desired self-image, Allergan’s products serve many purposes. All, however, strive to achieve a single, overarching purpose: To empower people to live life to its full potential. But what, exactly, is full potential, and what kind of difference can a treatment make? The answers to these questions are not fixed and preset. They involve an understanding of the life each person leads, and the expectations each patient brings.

The effectiveness of our products calls for a level of patient knowledge that goes well beyond what statistical readouts alone might indicate. Consider RESTASIS® ophthalmic emulsion, Allergan’s treatment for chronic dry eye disease. While the condition can cause great discomfort, and may even progress to more serious problems, patients often fail to mention it to their doctors. In creating the market for RESTASIS®, therefore, we knew that introducing an awareness of the underlying cause of the condition to both physicians and patients would encourage a dialog between them that could lead to a successful treatment outcome.

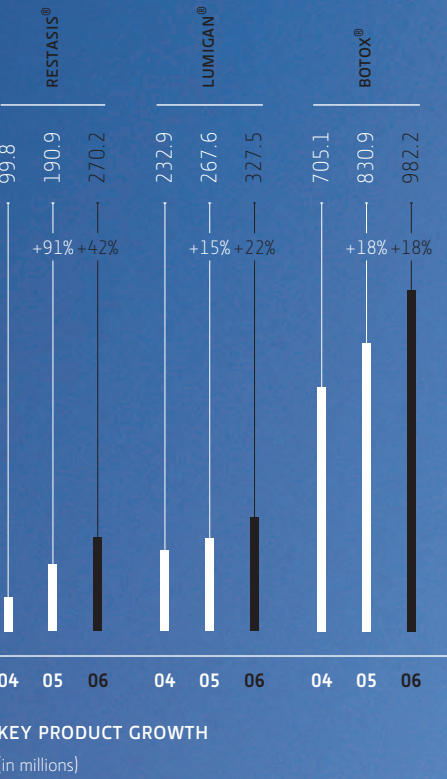
Another example of the vital role patient engagement can play in ensuring proper treatment and optimal outcome is with the administration of BOTOX® therapy to a patient with cervical dystonia — or BOTOX® Cosmetic to a patient with “frown lines” between the brows. By understanding where range of movement is compromised with cervical dystonia — or to what degree a person wants to look rejuvenated, practitioners can tailor their technique accordingly for results that are optimal for each individual.

Enhancing quality of life goes beyond knowing the specific nature of a condition: It involves knowing what matters most to the patient. For some, a key goal might be returning to work. For others, it might be regaining a sense of self-confidence or a more youthful appearance. And for others, it might be as simple as driving the children to school, shopping for groceries, or returning in a hundred other little ways to a welcome routine.

In a world where quality of life is a vital concern, successful outcomes depend on knowing precisely what quality of life means to each individual. The best of medicine begins with this awareness every day.

Quality of Life
is enhanced by products
that make a real difference

Allergan’s products affect the way people feel and function every day. Our success depends on continually finding new and better ways to help individuals perform, participate in and enjoy life confidently, comfortably and without compromise.



Marketed Portfolio

1

OPHTHALMOLOGY

MARKET OPPORTUNITY GROWTH FACTS

- The market for ophthalmics (eye care pharmaceuticals and over-the-counter eye care products) is approximately \$9.4 billion and is growing at a rate of approximately 7 percent per annum.⁽¹⁾
- > Allergan’s market share in ophthalmics is approximately 16 percent.⁽¹⁾
- For the fifth consecutive year, Allergan is the fastest-growing global eye care company (excluding retinal therapeutics, where Allergan’s R&D candidates have not yet been commercialized).⁽¹⁾
- Allergan has the world’s largest ophthalmic sales force (excluding Japan).

DRY EYE

OPTIVE™ LUBRICANT EYE DROPS

The newest addition to Allergan’s dry eye portfolio, OPTIVE™ is a next-generation artificial tear with an advanced dual-action formula that works both on the ocular surface and at the cellular level to provide long-lasting relief from dry eye symptoms.

REFRESH® ARTIFICIAL TEARS

The number-one selling brand of artificial tear products worldwide,⁽¹⁾ the REFRESH® line offers a variety of products to relieve dry eye symptoms. Products include: REFRESH TEARS®, REFRESH® CELLUVISC®, REFRESH CONTACTS®, REFRESH DRY EYE THERAPY®, REFRESH ENDURA®, REFRESH LIQUIGEL®, REFRESH PLUS® and REFRESH P.M.® Other products marketed throughout the world include the lubricants LIQUIFILM®, CELLUFRESH® and LACRI-LUBE®.

RELIEF® REDNESS RELIEVER AND LUBRICANT EYE DROPS

RELIEF® eye drops quickly remove redness due to dust, smoke and other pollutants and provide protection against further irritation from wind and sun.

RESTASIS® (CYCLOSPORINE OPHTHALMIC EMULSION) 0.05%

Approved by the FDA in 2002, RESTASIS® is the first and currently the only prescription eye drop approved to increase tear production in cases where it may be reduced by inflammation due to chronic dry eye. RESTASIS® is the only therapeutic option that goes beyond providing temporary relief and treats an underlying cause of chronic dry eye.

GLAUCOMA

ALPHAGAN® (BRIMONIDINE TARTRATE OPHTHALMIC SOLUTION) 0.2%

As the first alpha-2 agonist approved for the long-term treatment of intraocular pressure in patients with glaucoma and ocular hypertension, the ALPHAGAN® franchise has been a leading therapy for reducing intraocular pressure in patients safely and effectively for 10 years.

ALPHAGAN® P (BRIMONIDINE TARTRATE OPHTHALMIC SOLUTION) 0.15% AND 0.1%

ALPHAGAN® P 0.15% and ALPHAGAN® P 0.1% are indicated for lowering of intraocular pressure in patients with open-angle glaucoma and ocular hypertension, and are improved formulations of ALPHAGAN® developed to further minimize drug exposure while maintaining the drug’s

2

NEUROSCIENCES

MARKET OPPORTUNITY GROWTH FACTS

- The size of the top-ten markets for neuromodulators is approximately \$920 million, and these markets are growing at a rate of approximately 17 percent per annum.⁽¹⁾
- > Allergan’s market share in the top-ten neuromodulator markets is approximately 91 percent.⁽¹⁾
- The worldwide market for neuromodulators is approximately \$1.15 billion, growing at a rate of approximately 20 percent.⁽¹⁾
- > Allergan’s market share in the worldwide neuromodulator market is approximately 85 percent.⁽¹⁾

favorable efficacy profile. The ALPHAGAN® P franchise is the number one branded single-agent adjunct to a lipid in the United States.⁽²⁾

COMBIGAN™ (BRIMONIDINE TARTRATE/TIMOLOL OPHTHALMIC SOLUTION)

This ALPHAGAN® and timolol combination product is indicated for the reduction of intraocular pressure in patients with chronic open-angle glaucoma or ocular hypertension who are insufficiently responsive to topical beta-blockers. COMBIGAN™ is currently under FDA review in the United States and approved in all member states of the European Union, Canada, Australia, Brazil, Mexico and Argentina.

GANFORT™ (BIMATOPROST/TIMOLOL OPHTHALMIC SOLUTION)

GANFORT™ is a LUMIGAN® and timolol combination product approved by the European Commission and indicated for the reduction of intraocular pressure in patients with open-angle glaucoma or ocular hypertension who are insufficiently responsive to topical beta-blockers or prostaglandin analogues. GANFORT™ is currently under review in the United States.

LUMIGAN® (BIMATOPROST OPHTHALMIC SOLUTION) 0.03%

LUMIGAN® is indicated for the reduction of elevated intraocular pressure in patients with open-angle glaucoma or ocular hypertension. LUMIGAN® is the third-largest glaucoma drug in the world by value.⁽¹⁾

EXTERNAL DISEASES (OCULAR INFECTION, INFLAMMATION AND ALLERGY)

ACULAR® (KETOROLAC TROMETHAMINE OPHTHALMIC SOLUTION) 0.5%

A non-steroidal anti-inflammatory (NSAID), ACULAR® is indicated for the treatment of post-operative inflammation in patients who have undergone cataract extraction and the temporary relief of ocular itching due to seasonal allergic conjunctivitis. ACULAR® products are the leading NSAIDs sold worldwide.⁽¹⁾

ACULAR LS® (KETOROLAC TROMETHAMINE OPHTHALMIC SOLUTION) 0.4%

ACULAR LS® is the number-one prescribed non-steroidal anti-inflammatory by U.S. ophthalmologists⁽³⁾ and is indicated to reduce burning and stinging following corneal refractive surgery.

ALOCRIL® (NEDOCROMIL SODIUM) 2%

A fast-acting mast cell stabilizer, ALOCRIL® is approved to treat itching associated with ocular allergy.

ELESTAT® / RELESTAT® / PURIVIST® (EPINASTINE HCL OPHTHALMIC SOLUTION) 0.05%

A topical antihistamine with mast cell stabilizing activity, ELESTAT®/RELESTAT®/PURIVIST® is indicated for the prevention of itching associated with allergic conjunctivitis. ELESTAT® is co-promoted in the United States by Allergan and Inspire Pharmaceuticals.

OCUFLOX® (FLUOROQUINOLONE OFLOXACIN OPHTHALMIC SOLUTION) 0.3%

Marketed as EXOCIN® in Europe and OFLOX® in Latin America, OCUFLOX® is indicated for use in bacterial conjunctivitis and corneal ulcers due to susceptible bacteria.

PRED FORTE® (PREDNISOLONE ACETATE) 1%

PRED FORTE® is a topical anti-inflammatory agent for ophthalmic use.

ZYMAR® (GATIFLOXACIN OPHTHALMIC SOLUTION) 0.3%

The first FDA-approved fourth-generation topical fluoroquinolone indicated for the treatment of bacterial conjunctivitis due to susceptible bacteria, ZYMAR® is the number-one prescribed fluoroquinolone among U.S. ophthalmologists.⁽³⁾

(1) Intercontinental Medical Statistics (IMS): 48 countries roll-up, Q3 2006, in constant exchange for the trailing 12 months, as of September 2006.
(2) Vector One®: National (VONA) from Verispan; October 2006 – December 2006.
(3) Vector One®: National (VONA) from Verispan; January 2006 – December 2006.

BOTOX® (BOTULINUM TOXIN TYPE A)

The clinical use of BOTOX® is the result of more than 100 years of study into botulinum neurotoxins. Although BOTOX® is the most studied brand of botulinum toxin, our investigations into its basic scientific and clinical properties continue. More than one million patients worldwide have been treated therapeutically with BOTOX® over the course of approximately 18 years, and Allergan continues to honor its commitment to these patients through provision of a quality product, patient and physician education, and pursuit of novel neurotoxin-based therapeutics. Approved therapeutic indications for BOTOX® in the United States include:

- cervical dystonia (painful neck spasm)
- severe primary axillary hyperhidrosis (underarm sweating) inadequately managed with topical agents
- blepharospasm (uncontrollable blinking)
- strabismus (crossed eyes)

In addition to the U.S. indications, BOTOX® is approved in more than 75 countries for up to 20 unique indications including:

• Adult post-stroke spasticity	• Hyperkinetic facial lines
• Anal fissure	• Juvenile cerebral palsy
• Back pain	• Multiple sclerosis
• Bruxism	• Myoclonic disorders
• Essential tremor	• Nasal labial lines and upper facial lines
• Headache	• Overactive bladder
• Hemifacial spasm	• Spasmodic dysphonia
	• VII nerve disorder

(1) Allergan market estimates.

Marketed Portfolio

3

MEDICAL AESTHETICS

MARKET OPPORTUNITY GROWTH FACTS

- Medical aesthetics is among the fastest-growing sectors in the health care arena.
- For the fourth consecutive year, BOTOX® Cosmetic is the number-one in-office aesthetic procedure conducted in the United States.⁽¹⁾
- The worldwide market for dermal fillers is approximately \$480 million and is growing at a rate of approximately 19 percent per annum.⁽²⁾
 - > Allergan’s market share in dermal fillers is approximately 19 percent with the acquisition of Groupe Cornéal Laboratoires in January 2007.⁽²⁾ The launch of JUVÉDERM™ in the United States, along with increased product choice and heightened consumer awareness, provides promise for robust market expansion.
- The worldwide market for breast aesthetics is approximately \$600 million and is growing at a rate of approximately 4 percent.⁽²⁾
 - > Allergan’s worldwide market share in breast aesthetics is approximately 38 percent.⁽²⁾

BREAST AESTHETICS

Allergan markets a broad, comprehensive portfolio of breast implant and tissue expander products that include saline-filled and silicone gel-filled breast implants. In 2006, the FDA and Health Canada approved Allergan’s INAMED® Silicone-Filled Breast Implants for use in breast augmentation, reconstruction and revision surgery. The innovative INAMED® Style 410 matrix is the next innovation in breast implant technology, utilizing a highly-cohesive silicone gel that allows the breast implant to closely mimic the dimensions of the natural breast and has an innovative implant design that helps meet patient needs. The INAMED® Style 410 matrix is currently under review in the United States and is sold in Canada, Europe, the Middle East, Northern Africa, Latin America, Australia, New Zealand and Asia.

FACIAL AESTHETICS

BOTOX® COSMETIC / VISTABEL® / VISTABEX® (BOTULINUM TOXIN TYPE A) BOTOX® Cosmetic is indicated for temporary improvement in the appearance of moderate to severe glabellar lines (vertical “frown lines” between the brows) in adult men and women ages 65 and younger. In 2005, BOTOX® Cosmetic ranked as the top non-surgical aesthetic procedure according to the American Society for Aesthetic Plastic Surgery.

CAPTIQUE® CAPTIQUE® is a non-animal stabilized hyaluronic acid dermal filler approved by the FDA for the correction of moderate to severe facial wrinkles. Hyaluronic acid is a natural sugar found in all living cells that attracts and binds water, hydrating the skin and giving it volume. CAPTIQUE® is currently available only in the United States.

COSMODERM® 1, COSMODERM® 2 AND COSMOPLAST® The first FDA-approved dermal fillers not to require a pre-treatment skin test and the only fillers that contain collagen purified from human dermal tissue processed under controlled laboratory conditions approved by the FDA for the correction of fine lines and the restoration of the lip border. COSMODERM® and COSMOPLAST® are marketed in the United States, Canada and certain countries in Europe, Asia Pacific and Latin America to restore skin structure by replenishing collagen lost with time, exposure to sunlight and other factors.

HYLAFORM®, HYLAFORM® PLUS AND HYLAFORM® FINELINE Adding volume to skin by mimicking the hyaluronic acid that is naturally present within skin, the HYLAFORM® line provides immediate results without the need for a pre-treatment skin test. The HYLAFORM® family of products is marketed in the United States, Canada, certain other countries in Asia Pacific, Latin America and Europe. HYLAFORM® FINELINE is not currently approved in the United States.

JUVÉDERM™ / HYDRAFILL™ Approved in the United States in 2006, the JUVÉDERM™ dermal filler product line offers a full range of products based on non-animal, cross-linked, homogenous gel hyaluronic acid-based products in Canada and the United States, as well as the European Union where the product is marketed under the brand name HYDRAFILL™ and HYDRAFILL™ SOFTLINE. The JUVÉDERM™ dermal filler family of products provides physicians with the flexibility to tailor each treatment to a patient’s particular needs. JUVÉDERM™ ULTRA is a highly cross-linked formulation for more versatility in contouring and volumizing facial wrinkles and folds; and JUVÉDERM™ ULTRA PLUS is a more highly cross-linked, robust formulation for volumizing and correction of deeper folds and wrinkles. With the acquisition of Groupe Cornéal Laboratoires in January 2007, we also market a range of dermal fillers under the brand name SURGIDERM® and VOLUMA SURGIDERM®.

ZYDERM® 1, ZYDERM® 2, AND ZYPLAST® ZYDERM® and ZYPLAST® injectable collagen fillers are used for smoothing facial lines, wrinkles and scars and in providing lip border definition. ZYDERM® and ZYPLAST® are available in the United States, Canada and certain countries in Asia Pacific, Latin America and Europe.

(1) The American Society for Aesthetic Plastic Surgery (ASAPS) 2005 Cosmetic Surgery National Data Bank.
(2) Mixture of Public Information (Earnings Releases, 10Ks, 10Qs), Allergan Internal Data, Syndicated Marketing Research Reports, Analyst Reports, Internet Searches, Competitive Intelligence, etc. for 12 months ending September 2006.

4

MEDICAL DERMATOLOGY

MARKET OPPORTUNITY GROWTH FACTS

- The U.S. topical market for acne and psoriasis is approximately \$1.6 billion and growing at a rate of approximately 5 percent per annum.⁽¹⁾
 - > Allergan’s market share in the U.S. acne/psoriasis market is approximately 7 percent.⁽¹⁾
- An estimated 17 million Americans suffer from acne.⁽²⁾
- An estimated 5.5 million Americans suffer from psoriasis.⁽³⁾

AVAGE® (TAZAROTENE CREAM) 0.1% Proven to significantly reduce some of the specific signs associated with overexposure to the sun, AVAGE® is approved and available in the United States as an adjunctive agent in the topical treatment of facial fine wrinkling, mottled hypo- and hyper-pigmentation (blotchy skin discoloration), and benign facial lentigines (flat patches of skin discoloration) in patients using a comprehensive skin care and sunlight avoidance program.

AZELEX® (AZELAIC ACID CREAM) 20% A mild emollient and moisturizing treatment indicated for mild to moderate acne, AZELEX® may be used under make-up, moisturizers, sunscreens and other topical medications and is available in the United States.

FLUOROPLEX® (FLUOROURACIL) 1% TOPICAL CREAM Available in the United States, FLUOROPLEX® is indicated for the treatment of certain skin problems such as actinic (solar) keratoses (small red or skin-colored growths that appear as a result of overexposure to the sun).

M.D. FORTE® A physician-dispensed line of aesthetic skin care products containing alpha hydroxy acids, M.D. FORTE® helps to reduce the appearance of fine facial lines and wrinkles.

PREVAGE® MD PREVAGE® MD anti-aging treatment contains idebenone 1%, scientifically shown to be the most powerful antioxidant available in a skin care product today.⁽⁴⁾ PREVAGE® MD protects the skin from environmental stressors known to cause skin aging including UV light, air pollution, ozone and cigarette smoke. The antioxidative power of PREVAGE® MD anti-aging treatment has been shown to reduce the appearance of fine lines and wrinkles, as well as skin roughness and dryness, and to even skin tone to restore youthful-looking skin.⁽⁴⁾

TAZORAC® GEL / ZORAC® GEL (TAZAROTENE GEL) 0.05% & 0.1% AND TAZORAC® CREAM (TAZAROTENE CREAM) 0.05% & 0.1% Available in the United States and Canada, these products are a topical receptor-selective retinoid approved for the treatment of psoriasis.

TAZORAC® GEL / ZORAC® GEL (TAZAROTENE GEL) 0.1% AND TAZORAC® CREAM (TAZAROTENE CREAM) 0.1% A topical receptor-selective retinoid approved for the treatment of acne, this product line is available in the United States and Canada.

(1) Intercontinental Medical Statistics (IMS): U.S. only, Q3 2006 for the trailing 12 months, as of September 2006.
(2) National Institute of Health, 2002.
(3) National Institute of Allergy and Infectious Diseases, 2001.
(4) McDaniel DH, Neudecker BA, DiNardo JC, Lewis JA II, Maibach HI. Clinical Efficacy Assessment in Photo Damaged Skin of 0.5% and 1.0% Idebenone. *J Cosm Derm.* 2005; 4:167-173.

5

OBESITY INTERVENTION PRODUCTS

MARKET OPPORTUNITY GROWTH FACTS

- Obesity is a growing epidemic. Worldwide, approximately 1.6 billion adults are overweight, and it is estimated that obesity affects at least 400 million adults.⁽¹⁾
- By the year 2015, the World Health Organization estimates that approximately 2.3 billion adults will be overweight and more than 700 million will be obese.⁽²⁾
- From 1980 to 2000, the percentage of obese people (BMI>30) in the U.S. population has more than doubled from 14.4 percent to 30.5 percent.⁽³⁾
- Approximately 127 million adults in the United States are overweight, 60 million are obese, and 9 million are severely obese.⁽⁴⁾
- The worldwide bariatric surgery market for gastric band and gastric systems is approximately \$190 million and growing at a rate of approximately 35 percent per annum.⁽⁵⁾
 - > Allergan’s market share is approximately 85 percent.⁽⁵⁾

BIB™ BIOENTERICS® INTRAGASTRIC BALLOON The BIB™ System is a non-surgical alternative for the treatment of obesity. Made of durable, elastic, high-quality silicone, the BIB™ Intra gastric Balloon is endoscopically placed and inflated with saline solution, partially filling the stomach to induce the feeling of fullness and support patients in reducing food intake. The BIB™ System is approved broadly in all continents around the world; it is not currently available in the United States.

LAP-BAND® ADJUSTABLE GASTRIC BANDING SYSTEM The LAP-BAND® System is currently the only device for minimally-invasive surgery to treat obesity that is approved in the United States. The LAP-BAND® System helps achieve sustained weight loss by placing an adjustable band around the upper part of the stomach to reduce its capacity. In use internationally since 1993, the LAP-BAND® System is the preferred standard of care versus gastric bypass in Australia and Europe.⁽⁴⁾

(1) World Health Organization (WHO) Web site. Accessed Feb. 9, 2007. WHO projections of adults (15+) who were overweight or obese in 2005.
(2) World Health Organization (WHO) Web site. Accessed Feb. 9, 2007. WHO projections for adults (15+).
(3) M.S. Parikh, M.D. Laparoscopic Bariatric Surgery in Super-obese Patients (BMIs>50) is Safe and Effective: A Review of 332 Patients. *Obesity Surgery*, 2005;15: 858-863.
(4) CDC, National Center for Health Statistics, National Health and Nutrition Examination Survey. Health, United States, 2002. Flegal et. al. *JAMA.* 2002;288:1723-7. NIH, National Heart, Lung, and Blood Institute, Clinical Guidelines on the Identification, Evaluation and Treatment of Overweight and Obesity in Adults, 1998.
(5) Mixture of Public Information (Earnings Releases, 10Ks, 10Qs), Allergan Internal Data, Syndicated Marketing Research Reports, Analyst Reports, Internet Searches, Competitive Intelligence, etc. for 12 months ending September 2006.

Board of Directors

From left to right:

Russell T. Ray
Michael R. Gallagher
David E.I. Pyott
Gavin S. Herbert

Leonard D. Schaeffer
Handel E. Evans
Stephen J. Ryan, M.D.
Robert A. Ingram

Trevor M. Jones, Ph.D.
Herbert W. Boyer, Ph.D.
Deborah L. Dunsire, M.D.
Louis J. Lavigne, Jr.



DAVID E.I. PYOTT, 53

Chairman of the Board and Chief Executive Officer. Elected to the Board and joined Allergan, Inc. in 1998. Mr. Pyott has been Chief Executive Officer of Allergan since January 1998 and in 2001 became Chairman of the Board. Mr. Pyott also served as President of Allergan from January 1998 until February 2006. Previously, Mr. Pyott served as head of the Nutrition Division and a member of the Executive Committee of Novartis AG. Mr. Pyott is a member of the Board of Directors of Avery Dennison Corporation, Edwards Lifesciences Corporation, Pacific Mutual Holding Company, the ultimate parent company of Pacific Life and Pacific LifeCorp, the parent stockholding company of Pacific Life. Mr. Pyott serves on the Board and the Executive Committee of the California Healthcare Institute; is a member of the Directors’ Board of The Paul Merage School of Business at the University of California, Irvine (UCI), and is Chair of the Chief Executive Roundtable for UCI; and is a member of the Board of the Biotechnology Industry Organization. Mr. Pyott also serves as a member of the Board of the Pan-American Ophthalmological Foundation, the International Council of Ophthalmology Foundation, the Cosmetic Surgery Foundation, and as a member of the Advisory Board for the Foundation of the American Academy of Ophthalmology.

HERBERT W. BOYER, Ph.D., 70

Vice Chairman of the Board since 2001. Dr. Boyer served as Chairman from 1998 to 2001 and has been a Board member since 1994. Dr. Boyer is a founder of Genentech, Inc., and a Director since 1976. A former Professor of Biochemistry at the University of California at San Francisco, Dr. Boyer is a recipient of the National Medal of Science from President George H. W. Bush, the National Medal of Technology, and the Albert Lasker Basic Medical Research Award. He is an elected Member of the National Academy of Sciences and a Fellow in the American Academy of Arts and Sciences. Dr. Boyer also serves on the Board of the Scripps Research Institute.

DEBORAH L. DUNSIRE, M.D., 44

Appointed to the Board effective December 2006. Since July 2005, Dr. Dunsire has been President and Chief Executive Officer of Millennium Pharmaceuticals, Inc., an oncology and inflammation-focused biopharmaceutical company based in Cambridge, Massachusetts. Prior to joining Millennium Pharmaceuticals, Dr. Dunsire led the Novartis U.S. Oncology Business, playing a critical role in the broad development and successful launch of a number of products. Dr. Dunsire was also responsible for managing the merger and significant growth of the combined Sandoz Pharmaceuticals and Ciba-Geigy oncology businesses. Dr. Dunsire served on the U.S. pharmaceutical Executive Committee at Novartis and was a member of the operating committee charged with defining corporate strategy, managing operations and assessing executive performance. Dr. Dunsire is currently a board member of the Pharmaceutical Research and Manufacturers of America (PhRMA).

HANDEL E. EVANS, 72

Elected to the Board in 1989. Mr. Evans is Former Chairman of Equity Growth Research Ltd., a company providing financial services principally to health care companies in Europe that was acquired by Libertas Capital in 2004. He is now the Senior Advisor on global health care to the Libertas Capital Group plc. Mr. Evans has over 45 years of experience in the pharmaceutical industry and was the co-founder and former Executive Chairman of Pharmaceutical Marketing Service Inc., Source Informatics Ltd. and Walsh International Inc., companies providing marketing services to the pharmaceutical industry. Mr. Evans was also a co-founder and senior executive of IMS International Inc., the leading pharmaceutical information supplier. Mr. Evans is a Director of Cambridge Laboratories Ltd. and is Chairman of the British Urological Foundation Board of Trustees. Mr. Evans was previously a Director of SmithKline Beecham plc and IMS International Inc. Mr. Evans is planning to retire from the Allergan Board in May 2007.

MICHAEL R. GALLAGHER, 61

Elected to the Board in 1998. In 2004, Mr. Gallagher retired as Chief Executive Officer and as a Director of Playtex Products, Inc. Prior to joining Playtex in 1995, Mr. Gallagher was Chief Executive Officer of North America for Reckitt & Colman plc; President and Chief Executive Officer of Eastman Kodak’s subsidiary, L&F Products; and President of the Lehn & Fink Consumer Products Division at Sterling Drug. Mr. Gallagher is a member of the Board of Advisors of the Haas School of Business, University of California, Berkeley and of the Board of Trustees of St. Luke’s School.

GAVIN S. HERBERT, 74

Founder of Allergan, Inc., and Chairman Emeritus since 1996. Mr. Herbert was elected to the Board in 1950. He served as Chief Executive Officer for 30 years and as Chairman from 1977 to 1996. Mr. Herbert is Chairman and Founder of Regenesis Bioremediation Products. Mr. Herbert also serves on the Board of the Doheny Eye Institute and of The Richard Nixon Library and Birthplace Foundation, the Advisory Board for the Foundation of the American Academy of Ophthalmology, and the CEO Roundtable on Cancer. Mr. Herbert is Chairman of Roger’s Gardens, Vice Chairman of the Beckman Foundation, and a Life Trustee of the University of Southern California.

ROBERT A. INGRAM, 64

Appointed to the Board in 2005 and elected in 2006. Since January 2003, Mr. Ingram has been Vice Chairman, Pharmaceuticals of GlaxoSmithKline plc, a corporation involved in the research, development, manufacturing and sale of pharmaceuticals. Mr. Ingram was Chief Operating Officer and President, Pharmaceutical Operations of GlaxoSmithKline plc from January 2001 until his retirement in January 2003. Prior to that, Mr. Ingram was Chief Executive Officer of Glaxo Wellcome plc from October 1997 to December 2000, and Chairman of Glaxo Wellcome Inc., Glaxo Wellcome plc’s United States subsidiary, from January 1999 to December 2000. Mr. Ingram is also Chairman of the Board of OSI Pharmaceuticals, Inc., a biotechnology company, and Valeant Pharmaceuticals International, and is a director of Edwards Lifesciences Corporation, Lowe’s Companies, Inc. and Wachovia Corporation. In addition, Mr. Ingram is Chairman of the American Cancer Society Foundation and the CEO Roundtable on Cancer.

TREVOR M. JONES, Ph.D., 64

Appointed to the Board in 2004 and elected in 2005. From 1994 to 2004, Prof. Jones was Director General of the Association of the British Pharmaceutical Industry (ABPI). From 1987 to 1994, Prof. Jones was a main Board Director at Wellcome plc. Prof. Jones received his bachelor of pharmacy degree and Ph.D. from the University of London and is currently Vice Chairman of Council at King’s College, London. Prof. Jones has also gained an honorary doctorate from the University of Athens as well as honorary doctorates in science from the Universities of Strathclyde, Nottingham, Bath and Bradford in the United Kingdom. Furthermore, Prof. Jones was recognized in the Queen’s Honors List and holds the title of Commander of the British Empire. Prof. Jones is also a fellow of the Royal Society of Chemistry, a fellow of The Royal Pharmaceutical Society, and an honorary fellow of the Royal College of Physicians and of its Faculty of Pharmaceutical Medicine and an honorary fellow of the British Pharmaceutical Society. Prof. Jones is Chairman of the Board of ReNeuron Group plc and of B.A.C. BV and a board member of Merlin Biosciences’ Funds I and II and NextPharma Technologies Holdings Ltd. Prof. Jones is also a founder and board member of the Geneva-based public-private partnership, Medicines for Malaria Venture and the UK Stem Cell Foundation.

LOUIS J. LAVIGNE, JR., 58

Appointed to the Board in 2005. Mr. Lavigne has served as a management consultant in the areas of corporate finance, accounting and strategy since 2005. Mr. Lavigne was Executive Vice President and Chief Financial Officer of Genentech, Inc. from March 1997 through his retirement in March 2005, leading the company through significant growth while also overseeing the corporate relations and information technology groups. Mr. Lavigne joined Genentech in July 1982, was named controller in 1983 and, in that position, built Genentech’s operating financial functions. In 1986, Mr. Lavigne was promoted to Vice President and assumed the position of Chief Financial Officer in September of 1988. Mr. Lavigne was named Senior Vice President in 1994 and was promoted to Executive Vice President in 1997. Prior to joining Genentech, Mr. Lavigne held various financial management positions with Pennwalt Corporation, a pharmaceutical and chemical company. Mr. Lavigne also serves on the board of Kyphon, Inc.

RUSSELL T. RAY, 59

Elected to the Board in 2003. Mr. Ray is Managing Partner of HLM Venture Partners, a private equity firm that provides venture capital to health care information technology, health care services and medical technology companies. Prior to joining HLM Venture Partners in 2003, Mr. Ray was founder, Managing Director and President of Chesapeake Strategic Advisors from April 2002 to August 2003 and was the Global Co-Head of the Credit Suisse First Boston Health Care Investment Banking Group, where he focused on providing strategic and financial advice to life sciences, health care services and medical device companies from 1999 to 2002. Prior to joining Credit Suisse First Boston in 1999, Mr. Ray spent 12 years at Deutsche Bank and its predecessor entities BT Alex, Brown and Alex, Brown & Sons, Inc. as Global Head of Health Care Investment Banking. Mr. Ray is a Director of Pondaray Enterprises, Inc. and a Trustee of The Friends School of Baltimore.

STEPHEN J. RYAN, M.D., 66

Elected to the Board in 2002. Dr. Ryan is President of the Doheny Eye Institute and the Grace and Emery Beardsley Professor of Ophthalmology at the Keck School of Medicine of the University of Southern California. Dr. Ryan was Dean of the Keck School of Medicine and Senior Vice President for Medical Care of the University of Southern California from 1991 until June 2004. Dr. Ryan is a member of the Institute of Medicine of the National Academy of Sciences. He is a member and past President of numerous ophthalmological organizations including the Association of University Professors of Ophthalmology and the Macula Society. Dr. Ryan is the founding President of the Alliance for Eye and Vision Research.

LEONARD D. SCHAEFFER, 61

Elected to the Board in 1993. Mr. Schaeffer is a Senior Advisor to the Texas Pacific Group, a private equity firm. From November 2004 to November 2005, Mr. Schaeffer served as Chairman of the Board of WellPoint, Inc., an insurance organization created by the combination of WellPoint Health Networks, Inc. and Anthem, Inc., which owns Blue Cross of California, Blue Cross Blue Shield of Georgia, Blue Cross and Blue Shield of Missouri, Blue Cross Blue Shield of Wisconsin, Anthem Life Insurance Company, Health Link and Unicare. From 1992 until 2004, Mr. Schaeffer served as Chairman of the Board and Chief Executive Officer of WellPoint Health Networks, Inc. Mr. Schaeffer was the Administrator of the U.S. Health Care Financing Administration from 1978 to 1980. Mr. Schaeffer is a member of the Board of Amgen, Inc., the Advisory Board of the National Institute for Health Care Management, the Board of Fellows at Harvard Medical School and is a member of the Institute of Medicine.

Executive Committee

From left to right:

David E.I. Pyott
F. Michael Ball
Raymond H. Diradoorian
Jeffrey L. Edwards
Douglas S. Ingram, J.D.
Scott M. Whitcup, M.D.



DAVID E.I. PYOTT, 53

Chairman of the Board and Chief Executive Officer. Mr. Pyott also served as President from January 1998 until February 2006. Mr. Pyott joined Allergan in January 1998. Previously, he was head of the Nutrition Division and a member of the Executive Committee of Novartis AG from 1995 through 1997. Mr. Pyott has more than 22 years of international experience in nutrition and health care and has worked in Austria, Germany, the Netherlands, Spain, Switzerland, Malaysia and Singapore. Mr. Pyott holds a diploma in German and European Law from the Europa Institute at the University of Amsterdam, a Master of Arts degree from the University of Edinburgh, and a Master of Business Administration degree from the London Business School. He has also been honored in the Queen’s Birthday Honors List in 2006 and holds the title of Commander of the British Empire.

F. MICHAEL BALL, 51

President. Mr. Ball has been President since February 2006. Mr. Ball joined Allergan in 1995, and served as Executive Vice President and President, Pharmaceuticals, since October 2003. Born in Canada, Mr. Ball was educated in the United Kingdom and the United States before receiving his Bachelor of Science and Master of Business Administration degrees from Queen’s University in Canada. He is the former President of Syntex Inc. Canada and Senior Vice President of Syntex Laboratories USA, where he served on Syntex Corporation’s Management Committee. Mr. Ball has more than 25 years of international health care experience in the marketing and sale of pharmaceutical products.

RAYMOND H. DIRADOORIAN, 49

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

JEFFREY L. EDWARDS, 46

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

DOUGLAS S. INGRAM, J.D., 44

Executive Vice President, Chief Administrative Officer, General Counsel and Secretary, and Chief Ethics Officer. Mr. Ingram has been Executive Vice President, Chief Administrative Officer, General Counsel and Secretary, since October 2006. From October 2003 to October 2006, Mr. Ingram served as Executive Vice President, General Counsel and Secretary. Mr. Ingram joined Allergan from Gibson, Dunn & Crutcher in 1996. Mr. Ingram has more than 18 years of experience in the management of domestic and international legal affairs. Mr. Ingram manages Allergan’s Global Legal Affairs, Global Regulatory Affairs, Compliance and Internal Audit, Corporate Communications, Global Trade Compliance, Global Human Resources and Information Technology organizations. Mr. Ingram is the Secretary to Allergan’s Board of Directors. Mr. Ingram received his Juris Doctorate from the University of Arizona in 1988, graduating summa cum laude and Order of the Coif.

SCOTT M. WHITCUP, M.D., 47

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

OTHER EXECUTIVE OFFICER

JAMES F. BARLOW (NOT PICTURED)

Senior Vice President, Corporate Controller (Principal Accounting Officer)

Corporate Overview and Stockholders’ Information

CORPORATE HEADQUARTERS

Allergan, Inc.
2525 Dupont Drive
Irvine, CA 92623-9534
(714) 246-4500
E-mail: corpinfo@allergan.com
Internet: www.allergan.com

TRANSFER AGENT, REGISTRAR AND DIVIDEND DISBURSING AGENT, DUPLICATE MAILINGS

Wells Fargo Shareowner Services
P.O. Box 64854
St. Paul, MN 55164-0854
(800) 468-9716
Hearing Impaired # TDD:
(651) 450-4144

ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting of Stockholders of Allergan, Inc. will be held at The Irvine Marriott Hotel, 18000 Von Karman Avenue, Irvine, CA 92612, on May 1, 2007, at 10:00 a.m. Pacific Standard Time.

FORM 10-K

A copy of Allergan, Inc.’s Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, is available through our Web site at www.allergan.com or without charge by contacting:

INVESTOR RELATIONS

James M. Hindman
Allergan, Inc.
P.O. Box 19534
Irvine, CA 92623-9534
Phone: (714) 246-4636
Fax: (714) 246-4800
E-mail: corpinfo@allergan.com

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

The plan allows Allergan stockholders to reinvest their dividends or invest cash in Allergan stock without brokerage commissions or service charges. If you are interested in joining the plan or would like more information, you may request a prospectus from:

Wells Fargo Shareowner Services
Dividend Reinvestment Plan/Allergan, Inc.
P.O. Box 64856
St. Paul, MN 55164-0856

MARKET PRICES OF COMMON STOCK AND DIVIDENDS

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

	2006			2005		
Calendar Quarter	High	Low	Div	High	Low	Div
First	\$117.99	\$105.02	\$.10	\$ 81.16	\$69.60	\$.10
Second	109.31	92.57	.10	86.29	69.01	.10
Third	115.63	102.80	.10	95.43	83.36	.10
Fourth	123.02	105.84	.10	110.50	85.90	.10

Allergan common stock is listed on the New York Stock Exchange and is traded under the symbol “AGN.” In newspapers, stock information is frequently listed as “Alergn.” The approximate number of stockholders of record was 5,752 as of February 9, 2007.

TRADEMARKS

Except as set forth below, all product names appearing in capital letters are trademarks or service marks that are owned by, licensed to, are promoted by Allergan, Inc., its subsidiaries or affiliates. The following Allergan trademarks appear in this report: ALOCRIL, ALPHAGAN, ALPHAGAN P, AVAGE, AZELEX, BIB, BIODIMENSIONAL, BIOENTERICS, BOTOX, BOTOX Cosmetic, CELLUFRESH, CELLUVISC, COMBIGAN, COSMODERM, COSMOPLAST, ELESTAT, EXOCIN, FLUOROPLEX, GANFORT, HYDRAFILL, LACRI-LUBE, LAP-BAND, LIQUIFILM, LUMIGAN, M.D. FORTE, OCUFLOX, OFLOX, OPTIVE, POSURDEX, PRED FORTE, PREVAGE MD, REFRESH, REFRESH CONTACTS, REFRESH DRY EYE THERAPY, REFRESH ENDURA, REFRESH LIQUIGEL, REFRESH PLUS, REFRESH P.M., REFRESH TEARS, RELESTAT, RELIEF, RESTASIS, TAZORAC, TAZORAL, VISTABEL, VISTABEX, ZORAC, ZYDERM, ZYMAR and ZYPLAST.

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JUVÉDERM is a registered trademark of Corneal Industries SAS.

Allergan, for the year ending December 31, 2006, continued its proud tradition of placement in the top quartile for environmental health and safety performance within its pharmaceutical company peer group. More information on its 2006 performance worldwide can be found by accessing the corporate information section at www.allergan.com and pulling the “About Allergan” section and clicking on the “Responsibility” section.

