UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File Number 001-35299

ALKERMES PUBLIC LIMITED COMPANY

(Exact name of registrant as specified in its charter)

Ireland	**98-1007018**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Connaught House
1 Burlington Road
Dublin 4, Ireland, D04 C5Y6
(Address of principal executive offices)

+ 353-1-772-8000
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, $0.01 par value	ALKS	Nasdaq Global Select Market

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

The number of the registrant's ordinary shares, $0.01 par value, outstanding as of April 24, 2020 was 158,739,019 shares.

ALKERMES PLC AND SUBSIDIARIES
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2020

Cautionary Note Concerning Forward-Looking Statements

This document contains and incorporates by reference "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In some cases, these statements can be identified by the use of forward-looking terminology such as "may," "will," "could," "should," "would," "expect," "anticipate," "continue," "believe," "plan," "estimate," "intend," or other similar words. These statements discuss future expectations and contain projections of results of operations or of financial condition, or state trends and known uncertainties or other forward-looking information. Forward-looking statements in this Quarterly Report on Form 10-Q (this "Form 10-Q") include, without limitation, statements regarding:

- our expectations regarding our financial performance, including revenues, expenses, liquidity, capital expenditures and income taxes;
- our expectations regarding our products, including those expectations related to product development, regulatory filings, regulatory approvals and regulatory timelines, therapeutic and commercial scope and potential, and the costs and expenses related to such activities;
- our expectations regarding the initiation, timing and results of clinical trials of our products;
- our expectations regarding the competitive landscape, and changes therein, related to our products, including competition from generic forms of our products or competitive products and competitive development programs;
- our expectations regarding the financial impact of currency exchange rate fluctuations and valuations;
- our expectations regarding future amortization of intangible assets;
- our expectations regarding our collaborations, licensing arrangements and other significant agreements with third parties relating to our products, including our development programs;
- our expectations regarding the impact of new legislation, rules, regulations and the adoption of new accounting pronouncements;
- our expectations regarding near-term changes in the nature of our market risk exposures or in management's objectives and strategies with respect to managing such exposures;
- our expectations regarding our ability to comply with restrictive covenants of our indebtedness and our ability to fund our debt service obligations;
- our expectations regarding future capital requirements and capital expenditures and our ability to finance our operations and capital requirements;
- our expectations regarding the timing, outcome and impact of administrative, regulatory, legal and other proceedings related to our products and intellectual property ("IP"), including our patents;
- our expectations regarding the impact of the novel coronavirus ("COVID-19") global pandemic on our business and operations; and
- other factors discussed elsewhere in this Form 10-Q.

Actual results might differ materially from those expressed or implied by these forward-looking statements. These forward-looking statements are subject to risks, assumptions and uncertainties. In light of these risks, assumptions and uncertainties, the forward-looking events discussed in this Form 10-Q might not occur. You are cautioned not to place undue reliance on the forward-looking statements in this Form 10-Q, which speak only as of the date of this Form 10-Q. All subsequent written and oral forward-looking statements concerning the matters addressed in this Form 10-Q and attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except as required by applicable law or regulation, we do not undertake any obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future

events or otherwise. For more information regarding the risks, assumptions and uncertainties of our business, see “Part I, Item 1A—Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2019 (the “Annual Report”) and “Part II, Item 1A—Risk Factors” in this Form 10-Q.

This Form 10-Q may include data that we obtained from industry publications and third-party research, surveys and studies. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. This Form 10-Q also may include data based on our own internal estimates and research. Our internal estimates and research have not been verified by any independent source and, while we believe the industry publications and third-party research, surveys and studies are reliable, we have not independently verified such data. Such third-party data and our internal estimates and research are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in “Part I, Item 1A—Risk Factors” in our Annual Report and “Part II, Item 1A—Risk Factors” in this Form 10-Q. These and other factors could cause our results to differ materially from those expressed in this Form 10-Q.

Note Regarding Company and Product References

Alkermes plc (as used in this report, together with our subsidiaries, “Alkermes,” the “Company,” “us,” “we” and “our”) is a fully integrated, global biopharmaceutical company that applies its scientific expertise and proprietary technologies to research, develop and commercialize, both with partners and on its own, pharmaceutical products that are designed to address unmet medical needs of patients in major therapeutic areas. We have a diversified portfolio of marketed products focused on central nervous system (“CNS”) disorders such as addiction and schizophrenia and a pipeline of product candidates in the fields of neuroscience and oncology. Except as otherwise suggested by the context, (a) references to “products” or “our products” in this Form 10-Q include our marketed products, marketed products using our proprietary technologies, our product candidates and product candidates using our proprietary technologies, (b) references to the “biopharmaceutical industry” in this Form 10-Q are intended to include reference to the “biotechnology industry” and/or the “pharmaceutical industry” and (c) references to “licensees” in this Form 10-Q are used interchangeably with references to “partners.”

Note Regarding Trademarks

We are the owner of various United States (“U.S.”) federal trademark registrations (“®”) and other trademarks (“™”), including ALKERMES®, ARISTADA®, ARISTADA INITIO®, LinkeRx®, NanoCrystal® and VIVITROL®.

The following are trademarks of the respective companies listed: AMPYRA® and FAMPYRA®—Acorda Therapeutics, Inc. (“Acorda”); ANJESO™—Baudax Bio, Inc.; INVEGA SUSTENNA®, INVEGA TRINZA®, TREVICTA®, XEPLION®, and RISPERDAL CONSTA®—Johnson & Johnson (or its affiliates); TECFIDERA® and VUMERITY®—Biogen MA Inc. (together with its affiliates, “Biogen”); and ZYPREXA®—Eli Lilly and Company. Other trademarks, trade names and service marks appearing in this Form 10-Q are the property of their respective owners. Solely for convenience, the trademarks and trade names in this Form 10-Q are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that their respective owners will not assert, to the fullest extent under applicable law, their rights thereto.

PART I. FINANCIAL INFORMATION
Item 1. Condensed Consolidated Financial Statements:

ALKERMES PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

	March 31, 2020	December 31, 2019
	(In thousands, except share and per share amounts)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$176,067	$203,771
Investments—short-term	319,927	331,208
Receivables, net	246,716	257,086
Contract assets	14,199	8,386
Inventory	109,314	101,803
Prepaid expenses and other current assets	46,361	59,716
Total current assets	912,584	961,970
PROPERTY, PLANT AND EQUIPMENT, NET	362,539	362,168
INTANGIBLE ASSETS, NET	140,915	150,643
RIGHT-OF-USE ASSETS	114,548	12,379
GOODWILL	92,873	92,873
DEFERRED TAX ASSETS	92,781	96,558
INVESTMENTS—LONG-TERM	53,744	79,391
CONTINGENT CONSIDERATION	39,200	32,400
OTHER ASSETS	16,762	17,021
TOTAL ASSETS	$1,825,946	$1,805,403
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$313,592	$373,037
Operating lease liabilities—short-term	16,595	8,466
Contract liabilities—short-term	6,819	6,766
Long-term debt—short-term	2,843	2,843
Total current liabilities	339,849	391,112
LONG-TERM DEBT	273,751	274,295
OPERATING LEASE LIABILITIES—LONG-TERM	101,006	5,342
CONTRACT LIABILITIES—LONG-TERM	21,156	22,068
OTHER LONG-TERM LIABILITIES	27,166	27,144
Total liabilities	762,928	719,961
COMMITMENTS AND CONTINGENT LIABILITIES (Note 15)		
SHAREHOLDERS' EQUITY:		
Preferred shares, par value, $0.01 per share; 50,000,000 shares authorized; zero issued and outstanding at March 31, 2020 and December 31, 2019, respectively	—	—
Ordinary shares, par value, $0.01 per share; 450,000,000 shares authorized; 161,768,535 and 160,489,888 shares issued; 158,684,803 and 157,779,002 shares outstanding at March 31, 2020 and December 31, 2019, respectively	1,615	1,602
Treasury shares, at cost (3,083,732 and 2,710,886 shares at March 31, 2020 and December 31, 2019, respectively)	(125,669)	(118,386)
Additional paid-in capital	2,609,213	2,586,030
Accumulated other comprehensive loss	(1,499)	(1,816)
Accumulated deficit	(1,420,642)	(1,381,988)
Total shareholders' equity	1,063,018	1,085,442
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$1,825,946	$1,805,403

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

ALKERMES PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(unaudited)

	Three Months Ended March 31,	
	2020	2019
	(In thousands, except per share amounts)	
REVENUES:		
Product sales, net	$ 129,726	$ 99,481
Manufacturing and royalty revenues	116,251	108,915
Research and development revenue	243	14,706
Total revenues	246,220	223,102
EXPENSES:		
Cost of goods manufactured and sold (exclusive of amortization of acquired intangible assets shown below)	47,211	45,361
Research and development	93,279	102,570
Selling, general and administrative	133,372	141,220
Amortization of acquired intangible assets	9,728	9,952
Total expenses	283,590	299,103
OPERATING LOSS	(37,370)	(76,001)
OTHER INCOME (EXPENSE), NET:		
Interest income	2,760	3,570
Interest expense	(2,857)	(3,500)
Change in the fair value of contingent consideration	6,800	(22,600)
Other expense, net	(658)	(1,721)
Total other income (expense), net	6,045	(24,251)
LOSS BEFORE INCOME TAXES	(31,325)	(100,252)
INCOME TAX PROVISION (BENEFIT)	7,329	(3,854)
NET LOSS	$ (38,654)	$ (96,398)
LOSS PER ORDINARY SHARE:		
Basic and diluted	$ (0.24)	$ (0.62)
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES OUTSTANDING:		
Basic and diluted	158,095	156,336
COMPREHENSIVE LOSS:		
Net loss	$ (38,654)	$ (96,398)
Unrealized gain, net of a tax provision of $87 and $229, respectively	317	770
COMPREHENSIVE LOSS	$ (38,337)	$ (95,628)

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

ALKERMES PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three Months Ended March 31,	
	2020	2019
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (38,654)	$ (96,398)
Adjustments to reconcile net loss to cash flows from operating activities:		
Depreciation and amortization	20,608	19,642
Share-based compensation expense	19,813	24,616
Deferred income taxes	3,665	(3,225)
Change in the fair value of contingent consideration	(6,800)	22,600
Other non-cash charges	283	1,116
Changes in assets and liabilities:		
Receivables	10,370	69,411
Contract assets	(5,813)	(217)
Inventory	(6,842)	(1,700)
Prepaid expenses and other assets	13,615	(69)
Right-of-use assets	3,926	2,131
Accounts payable and accrued expenses	(51,254)	(15,888)
Contract liabilities	(859)	725
Operating lease liabilities	(2,378)	(2,297)
Other long-term liabilities	48	1,765
Cash flows (used in) provided by operating activities	(40,272)	22,212
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions of property, plant and equipment	(19,799)	(23,639)
Proceeds from the sale of equipment	3	85
Proceeds from contingent consideration	—	5,000
Purchases of investments	(27,212)	(102,127)
Sales and maturities of investments	64,500	55,978
Cash flows provided by (used in) investing activities	17,492	(64,703)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the issuance of ordinary shares under share-based compensation arrangements	3,070	10,554
Employee taxes paid related to net share settlement of equity awards	(7,283)	(8,880)
Principal payments of long-term debt	(711)	(711)
Cash flows (used in) provided by financing activities	(4,924)	963
NET DECREASE IN CASH AND CASH EQUIVALENTS	(27,704)	(41,528)
CASH AND CASH EQUIVALENTS—Beginning of period	203,771	266,762
CASH AND CASH EQUIVALENTS—End of period	$ 176,067	$ 225,234
SUPPLEMENTAL CASH FLOW DISCLOSURE:		
Non-cash investing and financing activities:		
Purchased capital expenditures included in accounts payable and accrued expenses	$ 5,242	$ 7,850

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

ALKERMES PLC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(unaudited)

	Ordinary Shares		Additional Paid-In	Accumulated Other Comprehensive	Accumulated	Treasury Stock		
	Shares	Amount	Capital	Loss	Deficit	Shares	Amount	Total
				(In thousands, except share data)				
BALANCE — December 31, 2019	160,489,888	1,602	2,586,030	(1,816)	(1,381,988)	(2,710,886)	(118,386)	1,085,442
Issuance of ordinary shares under employee stock plans	258,137	3	3,068	—	—	—	—	3,071
Receipt of Alkermes' shares for the exercise of stock options or to satisfy minimum tax withholding obligations related to share-based awards	1,020,510	10	(10)	—	—	(372,846)	(7,283)	(7,283)
Share-based compensation expense	—	—	20,125	—	—	—	—	20,125
Unrealized gain on marketable securities, net of tax provision of $87	—	—	—	317	—	—	—	317
Net loss	—	—	—	—	(38,654)	—	—	(38,654)
BALANCE — March 31, 2020	161,768,535	$ 1,615	$ 2,609,213	$ (1,499)	$ (1,420,642)	(3,083,732)	$ (125,669)	$ 1,063,018

	Ordinary Shares		Additional Paid-In	Accumulated Other Comprehensive	Accumulated	Treasury Stock		
	Shares	Amount	Capital	Loss	Deficit	Shares	Amount	Total
				(In thousands, except share data)				
BALANCE — December 31, 2018	158,180,833	$ 1,579	$ 2,467,323	$ (3,280)	$ (1,185,368)	(2,423,489)	$ (108,969)	$ 1,171,285
Issuance of ordinary shares under employee stock plans	656,352	7	10,547	—	—	—	—	10,554
Receipt of Alkermes' shares for the exercise of stock options or to satisfy minimum tax withholding obligations related to share-based awards	740,689	7	93	—	—	(269,357)	(8,980)	(8,880)
Share-based compensation expense	—	—	24,810	—	—	—	—	24,810
Unrealized gain on marketable securities, net of tax provision of $229	—	—	—	770	—	—	—	770
Net loss	—	—	—	—	(96,398)	—	—	(96,398)
BALANCE — March 31, 2019	159,577,874	$ 1,593	$ 2,502,773	$ (2,510)	$ (1,281,766)	(2,692,846)	$ (117,949)	$ 1,102,141

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

1. THE COMPANY

Alkermes plc is a fully integrated, global biopharmaceutical company that applies its scientific expertise and proprietary technologies to research, develop and commercialize, both with partners and on its own, pharmaceutical products that are designed to address unmet medical needs of patients in major therapeutic areas. Alkermes has a diversified portfolio of marketed products focused on central nervous system disorders such as addiction and schizophrenia and a pipeline of product candidates in the fields of neuroscience and oncology. Headquartered in Dublin, Ireland, the Company has a research and development ("R&D") center in Waltham, Massachusetts; an R&D and manufacturing facility in Athlone, Ireland; and a manufacturing facility in Wilmington, Ohio.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying condensed consolidated financial statements of the Company for the three months ended March 31, 2020 and 2019 are unaudited and have been prepared on a basis substantially consistent with the audited financial statements for the year ended December 31, 2019. The year-end condensed consolidated balance sheet data, which is presented for comparative purposes, was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the U.S. (commonly referred to as "GAAP"). In the opinion of management, the condensed consolidated financial statements include all adjustments, which are of a normal recurring nature, that are necessary to state fairly the results of operations for the reported periods.

These financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto of the Company, which are contained in the Annual Report. The results of the Company's operations for any interim period are not necessarily indicative of the results of the Company's operations for any other interim period or for any full fiscal year.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of Alkermes plc and its wholly-owned subsidiaries as disclosed in Note 2, *Summary of Significant Accounting Policies,* in the "Notes to Consolidated Financial Statements" accompanying the Annual Report. Intercompany accounts and transactions have been eliminated.

Use of Estimates

The preparation of the Company's condensed consolidated financial statements in accordance with GAAP requires management to make estimates, judgments and assumptions that may affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, the Company evaluates its estimates, judgments and methodologies, including those related to revenue from contracts with its customers and related allowances, impairment and amortization of intangibles and long-lived assets, share-based compensation, income taxes including the valuation allowance for deferred tax assets, valuation of investments, contingent consideration and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions.

Segment Information

The Company operates as one business segment, which is the business of developing, manufacturing and commercializing medicines. The Company's chief decision maker, the Chief Executive Officer and Chairman of the Company's board of directors, reviews the Company's operating results on an aggregate basis and manages the Company's operations as a single operating unit.

Risks and Uncertainties

In March 2020, COVID-19 was declared a global pandemic by the World Health Organization. To date, COVID-19 has surfaced in nearly all regions around the world and resulted in travel restrictions and business slowdowns or shutdowns in affected areas. The Company is closely monitoring and rapidly responding to the impact of COVID-19 on its employees, communities and business operations. Due to numerous uncertainties surrounding the COVID-19 pandemic, the Company is unable to predict the extent of the impact that the COVID-19 pandemic may have on the Company's future financial condition and operating results. These uncertainties include, among other things, the ultimate severity and duration of the pandemic; governmental, business or other actions that have been, or will be, taken in response to the pandemic, including restrictions on travel and mobility, business closures and imposition of social distancing measures; impacts of the pandemic on the vendors or distribution channels in the Company's supply chain and on the Company's ability to continue to manufacture its products; impacts of the pandemic on the conduct of the Company's clinical trials, including with respect to enrollment rates, availability of investigators and clinical trial sites or monitoring of data; impacts of the pandemic on healthcare systems that serve people living with opioid dependence, alcohol dependence and schizophrenia; impacts of the pandemic on the regulatory agencies with which the Company interacts in the development, review, approval and commercialization of its medicines; impacts of the pandemic on reimbursement for the Company's products, including the Company's Medicaid rebate liability, and for services related to the use of its products; and impacts of the pandemic on the U.S., Irish and global economies more broadly.

Despite disruptions to the Company's business operations and the business operations of third parties on which it relies, the COVID-19 pandemic did not significantly impact the Company's operating results and financial condition for the three months ended March 31, 2020.

We rely upon third parties for many aspects of our business, including the provision of goods and services related to the manufacture of our clinical products and our, and our partners', marketed products, the conduct of our clinical trials, and the sale of marketed products from which we receive manufacturing and royalty revenue.

The marketed products from which the Company derives revenue, including manufacturing and royalty revenue, are primarily injectable medications administered by healthcare professionals, and given developments that have transpired to date, and may continue to transpire, in response to the pandemic, including the implementation of "shelter-in-place" policies, social distancing and other measures, the Company expects commercial sales of these marketed products to be adversely impacted.

As it relates to its proprietary marketed products, VIVITROL and ARISTADA, the Company has begun to see commercial impacts of the COVID-19 pandemic in the second quarter. As of the date of this Form 10-Q, April VIVITROL shipments are down from pre-COVID-19 expectations, and the Company has seen a flattening in prescription data and factory shipments of ARISTADA. The Company is actively working to respond to these developments, including by working to increase the number of providers able to administer these products and otherwise support uninterrupted access to these products.

The Company continues to operate its manufacturing facilities and supply its medicines, and it does not currently anticipate any supply interruptions. While the Company continues to conduct R&D activities, including its ongoing clinical trials, the COVID-19 pandemic has impacted, and may continue to impact, the timelines of certain of its early-stage discovery efforts and clinical trials. The Company is working with its internal teams, its clinical investigators, R&D vendors and critical supply chain vendors, to continually assess, and mitigate, the potential impact of COVID-19 on its manufacturing operations and R&D activities.

New Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard-setting bodies that are adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, *Measurement of Credit Losses on Financial Instruments*, to provide financial statement users with more decision-useful information about the expected

credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in this ASU replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. This standard primarily impacts how firms account for credit losses and requires an impairment model, known as the current expected credit loss model, that is based on expected losses rather than incurred losses. Companies are required to carry an allowance for expected credit losses for most debt instruments (except those carried at fair value), trade receivables, lease receivables, reinsurance receivables, financial guarantee contracts and loan commitments. For available-for-sale debt securities with unrealized losses, the standard now requires allowances to be recorded instead of reducing the amortized cost of the investment. The standard limits the amount of credit losses to be recognized for available-for-sale debt securities to the amount by which the carrying value exceeds fair value and requires the reversal of previous recognized credit losses if fair value increases. The Company's investment portfolio primarily consists of available-for-sale securities carried at fair value. Further, the Company's trade receivables do not have abnormally long terms and the Company has historically rarely written off trade receivables. The Company adopted this standard on January 1, 2020 and the adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which aims to improve the effectiveness of fair value measurement disclosures. The amendments in this ASU modify the disclosure requirements on fair value measurements based on the concepts in FASB Concepts Statement, *Conceptual Framework for Financial Reporting - Chapter 8: Notes to Financial Statements*, including the consideration of costs and benefits. The Company adopted this standard on January 1, 2020 and the adoption of this standard did not have any impact on the Company's financial statement disclosures.

In August 2018, the FASB issued ASU 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal-use software license). This ASU also requires the entity to expense the capitalized implementation costs of a hosting arrangement that is a service contract over the term of the hosting arrangement, which includes reasonably certain renewals. The Company adopted this standard on January 1, 2020 using the prospective transition method, whereby it applied the requirements to any eligible costs incurred after adoption. The Company did not incur any material eligible costs during the three months ended March 31, 2020.

In December 2019, the FASB issued ASU 2019-12, *Simplifying the Accounting for Income Taxes*, which simplifies the accounting for income taxes by removing certain exceptions to the general principles of Accounting Standards Codification ("ASC") 740, *Income Taxes* ("Topic 740"). The amendments also improve consistent application of, and simplify, GAAP for other areas of Topic 740 by clarifying and amending existing guidance. The Company adopted this standard on January 1, 2020 and the adoption of this standard had no material impact on the Company's consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform*, which provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. This amendment applies to all entities, subject to meeting certain criteria, that have contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. This ASU is effective immediately and may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. The Company is currently assessing the impact that this ASU will have on its consolidated financial statements.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

Under FASB ASC 606, *Revenue from Contracts with Customers* ("Topic 606"), the Company recognizes revenues when its customer obtains control of promised goods or services, in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. The Company recognizes revenues following the five-step model prescribed under Topic 606: (i) identify contract(s) with a customer; (ii) identify the performance obligation(s) in the contract(s); (iii) determine the transaction price; (iv) allocate the transaction price to the performance

obligation(s) in the contract(s); and (v) recognize revenues when (or as) the Company satisfies the performance obligation(s).

Product Sales, Net

The Company's product sales, net consist of sales of VIVITROL and ARISTADA (together with ARISTADA INITIO) in the U.S., primarily to wholesalers, specialty distributors and specialty pharmacies. Product sales, net are recognized when the customer obtains control of the product, which is when the product has been received by the customer.

During the three months ended March 31, 2020 and 2019, the Company recorded product sales, net, as follows:

	Three Months Ended March 31,	
(In thousands)	2020	2019
VIVITROL	$ 78,769	$ 69,183
ARISTADA/ARISTADA INITIO	50,957	30,298
Total product sales, net	$ 129,726	$ 99,481

Manufacturing and Royalty Revenues

During the three months ended March 31, 2020 and 2019, the Company recorded manufacturing and royalty revenues as follows:

	Three Months Ended March 31, 2020		
(In thousands)	Manufacturing Revenue	Royalty Revenue	Total
INVEGA SUSTENNA/XEPLION & INVEGA TRINZA/TREVICTA	$ —	$ 54,927	$ 54,927
RISPERDAL CONSTA	23,583	3,733	27,316
Other	16,628	17,380	34,008
	$ 40,211	$ 76,040	$ 116,251

	Three Months Ended March 31, 2019		
(In thousands)	Manufacturing Revenue	Royalty Revenue	Total
INVEGA SUSTENNA/XEPLION & INVEGA TRINZA/TREVICTA	$ —	$ 53,298	$ 53,298
RISPERDAL CONSTA	17,921	4,385	22,306
Other	13,026	20,285	33,311
	$ 30,947	$ 77,968	$ 108,915

Research and Development Revenue

The Company recorded R&D revenue of $0.2 million and $14.7 million during the three months ended March 31, 2020 and 2019, respectively, of which $0.1 million and $13.9 million, respectively, related to its license and collaboration agreement with Biogen for VUMERITY. The Company expects to earn an additional $0.4 million in R&D revenue under this agreement with Biogen through the end of 2020.

Contract Assets— Contract assets include unbilled amounts resulting from sales under certain of the Company's contracts where revenue is recognized over time. Total contract assets as of March 31, 2020 include $14.2 million of assets that are classified as "Current assets" in the accompanying condensed consolidated balance sheet, as they related to manufacturing processes that are completed in ten days to eight weeks, and $5.0 million that is classified as "Other assets" in the accompanying condensed consolidated balance sheet, as it consists of consideration from the Company's collaboration with Biogen related to VUMERITY, which the Company expects to receive in approximately three years.

Total contract assets at March 31, 2020 were as follows:

(In thousands)	Contract Assets
Contract assets at December 31, 2019	$ 13,386
Additions	14,146
Transferred to receivables, net	(8,333)
Contract assets at March 31, 2020	$ 19,199

Contract Liabilities—Contract liabilities consist of contractual obligations related to deferred revenue.

Total contract liabilities at March 31, 2020 were as follows:

(In thousands)	Contract Liabilities
Contract liabilities at December 31, 2019	$ 28,834
Additions	—
Amounts recognized into revenue	(859)
Contract liabilities at March 31, 2020	$ 27,975

4. INVESTMENTS

Investments consisted of the following (in thousands):

March 31, 2020	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses Less than One Year	Gross Unrealized Losses Greater than One Year	Estimated Fair Value
Short-term investments:					
Available-for-sale securities:					
Corporate debt securities	$ 136,494	$ 450	$ (270)	$ —	$ 136,674
U.S. government and agency debt securities	103,418	1,232	—	(1)	104,649
International government agency debt securities	77,627	977	—	—	78,604
Total short-term investments	317,539	2,659	(270)	(1)	319,927
Long-term investments:					
Available-for-sale securities:					
Corporate debt securities	45,899	—	(701)	(1)	45,197
International government agency debt securities	5,011	—	(9)	—	5,002
	50,910	—	(710)	(1)	50,199
Held-to-maturity securities:					
Certificates of deposit	1,820	—	—	—	1,820
Fixed term deposit account	1,667	58	—	—	1,725
	3,487	58	—	—	3,545
Total long-term investments	54,397	58	(710)	(1)	53,744
Total investments	$ 371,936	$ 2,717	$ (980)	$ (2)	$ 373,671

December 31, 2019					
Short-term investments:					
Available-for-sale securities:					
Corporate debt securities	$ 144,161	$ 676	$ —	$ —	$ 144,837
U.S. government and agency debt securities	112,948	434	(1)	(1)	113,380
International government agency debt securities	72,753	248	(10)	—	72,991
Total short-term investments	329,862	1,358	(11)	(1)	331,208
Long-term investments:					
Available-for-sale securities:					
Corporate debt securities	51,070	—	(45)	(7)	51,018
International government agency debt securities	20,806	—	(18)	—	20,788
U.S. government and agency debt securities	4,000	—	(4)	—	3,996
	75,876	—	(67)	(7)	75,802
Held-to-maturity securities:					
Certificates of deposit	1,820	—	—	—	1,820
Fixed term deposit account	1,667	102	—	—	1,769
	3,487	102	—	—	3,589
Total long-term investments	79,363	102	(67)	(7)	79,391
Total investments	$ 409,225	$ 1,460	$ (78)	$ (8)	$ 410,599

At March 31, 2020, the Company believed that the unrealized losses on its available-for-sale investments were temporary and were not due to credit losses. The investments with unrealized losses consisted primarily of corporate debt securities. In making the determination that the decline in fair value of these securities was temporary, the Company considered various factors, including, but not limited to: the length of time each security was in an unrealized loss position; the extent to which fair value was less than cost; financial condition and near-term prospects of the issuers of the securities; the Company's intent not to sell these securities; and the assessment that it is more likely than not that the Company would not be required to sell these securities before the recovery of their amortized cost basis.

The proceeds from the sales and maturities of marketable securities, which were identified using the specific identification method and were primarily reinvested, were as follows:

(In thousands)	Three Months Ended March 31, 2020	2019
Proceeds from the sales and maturities of marketable securities	$ 64,500	$ 55,978
Realized gains	$ 9	$ —
Realized losses	$ —	$ 492

The Company's available-for-sale and held-to-maturity securities at March 31, 2020 had contractual maturities in the following periods:

(In thousands)	Available-for-sale Amortized Cost	Available-for-sale Estimated Fair Value	Held-to-maturity Amortized Cost	Held-to-maturity Estimated Fair Value
Within 1 year	$ 223,691	$ 224,692	$ 3,487	$ 3,545
After 1 year through 5 years	144,758	145,434	—	—
Total	$ 368,449	$ 370,126	$ 3,487	$ 3,545

5. FAIR VALUE MEASUREMENTS

The following table presents information about the Company's assets and liabilities that are measured at fair value on a recurring basis and indicates the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value:

(In thousands)	March 31, 2020	Level 1	Level 2	Level 3
Assets:				
Cash equivalents	$ 5,950	$ 5,950	$ —	$ —
U.S. government and agency debt securities	104,649	60,565	44,084	—
Corporate debt securities	181,871	—	179,918	1,953
International government agency debt securities	83,606	—	83,606	—
Contingent consideration	39,200	—	—	39,200
Total	$ 415,276	$ 66,515	$ 307,608	$ 41,153

	December 31, 2019	Level 1	Level 2	Level 3
Assets:				
Cash equivalents	$ 8,064	$ 8,064	$ —	$ —
U.S. government and agency debt securities	117,376	73,795	43,581	—
Corporate debt securities	195,855	—	193,902	1,953
International government agency debt securities	93,779	—	93,779	—
Contingent consideration	32,400	—	—	32,400
Total	$ 447,474	$ 81,859	$ 331,262	$ 34,353

The Company transfers its financial assets and liabilities, measured at fair value on a recurring basis, between the fair value hierarchies at the end of each reporting period.

There were no transfers of any securities between the fair value hierarchies during the three months ended March 31, 2020. The following table is a rollforward of the fair value of the Company's assets whose fair values were determined using Level 3 inputs at March 31, 2020:

(In thousands)	Fair Value
Balance, January 1, 2020	$ 34,353
Change in the fair value of contingent consideration	6,800
Balance, March 31, 2020	$ 41,153

The Company's investments in U.S. government and agency debt securities, international government agency debt securities and corporate debt securities classified as Level 2 within the fair value hierarchy were initially valued at the transaction price and subsequently valued, at the end of each reporting period, utilizing market-observable data. The market-observable data included reportable trades, benchmark yields, credit spreads, broker/dealer quotes, bids, offers, current spot rates and other industry and economic events. The Company validated the prices developed using the market-observable data by obtaining market values from other pricing sources, analyzing pricing data in certain instances and confirming that the relevant markets are active.

The Company's contingent consideration relates to the Company's sale in April 2015 of its Gainesville, GA manufacturing facility, the related manufacturing and royalty revenue associated with certain products manufactured at the facility, and the rights to IV/IM and parenteral forms of Meloxicam (collectively, the "Gainesville Transaction") to Recro Pharma, Inc. ("Recro") and Recro Pharma LLC. As part of the Gainesville Transaction, the Company obtained rights to receive contingent payments upon the achievement by Meloxicam products of certain regulatory and sales milestones and royalties on future net sales of Meloxicam products. Additional details regarding the Gainesville Transaction can be found in Note 5, *Fair Value*, in the Notes to Consolidated Financial Statements in the Annual Report.

In November 2019, Recro completed a spin out of its acute care segment into a new entity named Baudax Bio, Inc. ("Baudax"), a publicly traded pharmaceutical company. As part of this transaction, Recro's obligations to pay certain of the contingent consideration from the Gainesville Transaction were assigned and/or transferred to Baudax.

On February 20, 2020, ANJESO (formerly referred to as Meloxicam IV/IM), was approved by the U.S. Food and Drug Administration (the "FDA"). At March 31, 2020 and December 31, 2019, the Company determined that the value of the contingent consideration related to the Gainesville Transaction was $39.2 million and $32.4 million, respectively. The Company recorded an increase of $6.8 million and a decrease of $22.6 million during the three months ended March 31, 2020 and 2019, respectively, within "Change in the fair value of contingent consideration" in the accompanying condensed consolidated statements of operations and comprehensive loss. The fair value of the contingent consideration was developed using the same valuation approaches as described in Note 5, *Fair Value*, in the Notes to Consolidated Financial Statements in the Annual Report, using a discount rate of 19% in all three valuation approaches at March 31, 2020 as compared to a discount rate of 16% in all three valuation approaches at December 31, 2019.

The carrying amounts reflected in the consolidated balance sheets for cash and cash equivalents, accounts receivable, contract assets, other current assets, accounts payable and accrued expenses approximate fair value due to their short-term nature.

The estimated fair value of the Company's long-term debt under the amended and restated credit agreement (such debt, the "2023 Term Loans"), which was based on quoted market price indications (Level 2 in the fair value hierarchy) and which may not be representative of actual values that could have been, or will be, realized in the future, was $243.0 million and $277.9 million at March 31, 2020 and December 31, 2019, respectively. Please refer to Note 11, *Long-Term Debt* within these "Notes to Condensed Consolidated Financial Statements" in this Form 10-Q for additional information.

6. INVENTORY

Inventory is stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method. Inventory consisted of the following:

(In thousands)	March 31, 2020	December 31, 2019
Raw materials	$ 35,578	$ 34,577
Work in process	51,337	54,061
Finished goods(1)	22,399	13,165
Total inventory	$ 109,314	$ 101,803

(1) At March 31, 2020 and December 31, 2019, the Company had $19.0 million and $7.6 million, respectively, of finished goods inventory located at its third-party warehouse and shipping service provider.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following:

(In thousands)	March 31, 2020	December 31, 2019
Land	$ 6,560	$ 6,560
Building and improvements	178,130	177,087
Furniture, fixtures and equipment	346,166	340,146
Leasehold improvements	52,272	20,737
Construction in progress	107,277	134,683
Subtotal	690,405	679,213
Less: accumulated depreciation	(327,866)	(317,045)
Total property, plant and equipment, net	$ 362,539	$ 362,168

8. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets consisted of the following:

		March 31, 2020		
(In thousands)	Weighted Amortizable Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Goodwill		$ 92,873	$ —	$ 92,873
Finite-lived intangible assets:				
Collaboration agreements	12	$ 465,590	$ (355,779)	$ 109,811
NanoCrystal technology	13	74,600	(48,651)	25,949
OCR(1) technologies	12	42,560	(37,405)	5,155
Total		$ 582,750	$ (441,835)	$ 140,915

(1) OCR refers to the Company's oral controlled release technologies.

Based on the Company's most recent analysis, amortization of intangible assets included within its condensed consolidated balance sheet at March 31, 2020 is expected to be approximately $40.0 million, $40.0 million, $35.0 million, $35.0 million and $1.0 million in the years ending December 31, 2020 through 2024, respectively. Although the Company believes such available information and assumptions are reasonable, given the inherent risks and uncertainties underlying its expectations regarding such future revenues, there is the potential for the Company's actual results to vary significantly from such expectations. If revenues are projected to change, the related amortization of the intangible assets will change in proportion to the change in revenues.

9. LEASES

In March 2018, the Company entered into a lease agreement for approximately 220,000 square feet of office and laboratory space at 900 Winter Street, Waltham, Massachusetts ("900 Winter Street"). The initial term of the operating lease for 900 Winter Street commenced on January 20, 2020 and expires in 2035, with an option to extend for an additional 10 years. The Company did not assume this option would be exercised in the calculation of its right-of-use asset and lease liability amounts.

The Company has determined that the identified operating lease did not contain non-lease components and required no further allocation of the total lease cost. Additionally, the agreement in place did not contain information to determine the rate implicit in the lease.

At March 31, 2020, the weighted average incremental borrowing rate and the weighted average remaining lease term for all operating leases held by the Company were 5.55% and 14.2 years, respectively. During the three months ended March 31, 2020 and 2019, cash paid for amounts included for the measurement of lease liabilities was $2.4 million and $2.3 million, respectively, and the Company recorded operating lease expense of $3.9 million and $2.1 million, respectively.

Future lease payments under non-cancelable leases as of March 31, 2020 and December 31, 2019 consisted of the following:

(In thousands)	March 31, 2020	December 31, 2019 (1)
2020	$ 13,690	$ 9,053
2021	12,743	2,727
2022	10,645	500
2023	10,770	509
2024	10,897	520
Thereafter	116,520	2,579
Total lease payments	175,265	15,888
Less: imputed interest	(57,664)	(2,080)
Total operating lease liabilities	$ 117,601	$ 13,808

(1) As of December 31, 2019, the term of the 900 Winter Street lease had not commenced and the Company (a) did not have the right to obtain or control the leased premises during the construction period; (b) did not have the right of payment for the partially constructed assets and, thus, the partially constructed assets could have potentially been leased to another tenant; and (c) did not legally own or control the land on which the property improvements were being constructed. As such, the lease assets were not included as right-of-use assets at December 31, 2019. The future lease payments outlined above do not include the 900 Winter Street payments as of December 31, 2019 under ASU 2016-02, Leases ("Topic 842").

10. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following:

(In thousands)	March 31, 2020	December 31, 2019
Accounts payable	$ 43,177	$ 54,261
Accrued compensation	51,536	72,072
Accrued sales discounts, allowances and reserves	154,284	153,902
Accrued other	64,595	92,802
Total accounts payable and accrued expenses	$ 313,592	$ 373,037

11. LONG-TERM DEBT

Long-term debt consisted of the following:

(In thousands)	March 31, 2020	December 31, 2019
2023 Term Loans, due March 26, 2023	$ 276,594	$ 277,138
Less: current portion	(2,843)	(2,843)
Long-term debt	$ 273,751	$ 274,295

The 2023 Term Loans have a due date of March 26, 2023 and interest payable of LIBOR plus 2.25% with a LIBOR floor of 0%. As of March 31, 2020, the Company was in compliance with its debt covenants.

12. SHARE-BASED COMPENSATION

The following table presents share-based compensation expense included in the Company's condensed consolidated statements of operations and comprehensive loss:

	Three Months Ended March 31,	
(In thousands)	2020	2019
Cost of goods manufactured and sold	$ 1,965	$ 1,978
Research and development	6,160	7,746
Selling, general and administrative	11,688	14,892
Total share-based compensation expense	$ 19,813	$ 24,616

At March 31, 2020 and December 31, 2019, $1.8 million and $1.5 million, respectively, of share-based compensation expense was capitalized and recorded as "Inventory" in the accompanying condensed consolidated balance sheets.

In February 2017, the compensation committee of the Company's board of directors approved awards of restricted stock units ("RSUs") to all employees employed by the Company during 2017, in each case subject to vesting on the achievement of three specified performance criteria over a performance period of three years from the date of the grant.

In December 2018, the Company achieved one of the three performance criteria, resulting in the vesting of a portion of the performance-based RSUs and the recognition of $17.1 million in share-based compensation expense related to these awards. Of this expense, the Company recognized $2.1 million, $6.7 million and $8.3 million in cost of goods manufactured and sold, R&D expense and selling, general and administrative ("SG&A") expense, respectively.

During the three months ended March 31, 2020, the compensation committee of the Company's board of directors acknowledged that the two remaining performance criteria had not been achieved prior to the expiration of the three-year performance period and the unvested portion of the awards expired.

13. LOSS PER SHARE

Basic loss per ordinary share is calculated based upon net loss available to holders of ordinary shares divided by the weighted average number of shares outstanding. For the three months ended March 31, 2020 and 2019, as the Company was in a net loss position, the diluted loss per share calculation did not assume conversion or exercise of stock options and awards as they would have had an anti-dilutive effect on loss per share.

The following potential ordinary share equivalents were not included in the net loss per ordinary share calculation because the effect would have been anti-dilutive:

	Three Months Ended March 31,	
(In thousands)	2020	2019
Stock options	14,829	12,522
Restricted stock units	4,416	2,232
Total	19,245	14,754

14. RESTRUCTURING

In October 2019, the Company approved a restructuring plan following a review of its operations, cost structure and growth opportunities (the "Restructuring"). The Restructuring included a reduction in headcount of approximately 160 employees across the Company. The Company recorded a charge of $13.4 million in the fourth quarter of 2019 as a result of the Restructuring, which consisted of one-time termination benefits for employee severance, benefits and related costs, all of which are expected to result in cash expenditures and substantially all of which will be paid out over the next 12 months. Restructuring activity during the three months ended March 31, 2020 was as follows:

(In thousands)		
Balance, December 31, 2019	$	9,201
Amounts paid during the period:		
Severance		(3,759)
Outplacement services		(62)
Benefits		(767)
Balance, March 31, 2020	$	4,613

At March 31, 2020 and December 31, 2019, $4.6 million and $9.0 million of the restructuring accrual was included within "Accounts payable and accrued expenses", respectively, and none and $0.2 million of the restructuring accrual was included within "Other long-term liabilities", respectively, in the accompanying condensed consolidated balance sheets.

15. COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

From time to time, the Company may be subject to legal proceedings and claims in the ordinary course of business. On a quarterly basis, the Company reviews the status of each significant matter and assesses its potential financial exposure. If the potential loss from any claim, asserted or unasserted, or legal proceeding is considered probable and the amount can be reasonably estimated, the Company would accrue a liability for the estimated loss. Because of uncertainties related to claims and litigation, accruals are based on the Company's best estimates, utilizing all available information. On a periodic basis, as additional information becomes available, or based on specific events such as the outcome of litigation or settlement of claims, the Company may reassess the potential liability related to these matters and may revise these estimates, which could result in material adverse adjustments to the Company's operating results. At March 31, 2020, there were no potential material losses from claims, asserted or unasserted, or legal proceedings that the Company determined were probable of occurring.

INVEGA SUSTENNA ANDA Litigation

In January 2018 and in August 2019, Janssen Pharmaceuticals NV and Janssen Pharmaceuticals, Inc. initiated patent infringement lawsuits in the U.S. District Court for the District of New Jersey against Teva entities (Teva Pharmaceuticals USA, Inc. ("Teva") and Teva Pharmaceuticals Industries, Ltd. ("Teva PI")) and Mylan entities (Mylan Laboratories Limited ("Mylan Labs"), Mylan Pharmaceuticals Inc. ("Mylan"), and Mylan Institutional LLC), respectively, following filings by each of Teva and Mylan Labs of an abbreviated new drug application ("ANDA") seeking approval to market a generic version of INVEGA SUSTENNA before the expiration of U.S. Patent No. 9,439,906. Requested judicial remedies in each of the lawsuits included recovery of litigation costs and injunctive relief. The Company is not a party to either of these proceedings.

For information about risks relating to the INVEGA SUSTENNA Paragraph IV litigation, see "Part I, Item 1A—Risk Factors" in the Annual Report, including the section entitled "—We or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers."

RISPERDAL CONSTA European Opposition Proceedings

In December 2016, Nanjing Luye Pharmaceutical Co., Ltd., Pharmathen SA, Teva PI and Dehns Ltd (a law firm representing an unidentified opponent) filed notices of opposition with the European Patent Office (the "EPO") in

respect of EP 2 269 577 B (the "EP '577" Patent), which is a patent directed to certain risperidone microsphere compositions, including RISPERDAL CONSTA. Following a hearing on the matter in January 2019, the EPO issued a written decision revoking the EP'577 Patent in April 2019. The Company filed a notice of appeal of the decision to the EPO's Technical Boards of Appeal in June 2019. Pharmathen SA submitted a reply on November 5, 2019 and Nanjing Luye Pharmaceutical Co Ltd. and Teva Pharmaceutical Industries Ltd. submitted replies on December 20, 2019. The Company will continue to vigorously defend the EP '577 Patent. For information about risks relating to the EP '577 Patent opposition proceedings see "Part I, Item 1A—Risk Factors" in the Annual Report, including the sections entitled "—Patent protection for our products is important and uncertain" and "—Uncertainty over IP in the biopharmaceutical industry has been the source of litigation, which is inherently costly and unpredictable, could significantly delay or prevent approval or commercialization of our products, and could adversely affect our business."

Government Matters

The Company has received a subpoena and civil investigative demands from state and U.S. governmental authorities for documents related to VIVITROL. The Company is cooperating with the investigations.

Securities Litigation

In December 2018 and January 2019, purported stockholders of the Company filed putative class actions against the Company and certain of its officers in the U.S. District Court for the Eastern District of New York (the "EDNY District Court") captioned Karimian v. Alkermes plc, et al., No. 1:18-cv-07410 and McDermott v. Alkermes plc, et al., No. 1:19-cv-00624, respectively. In March 2019, the EDNY District Court consolidated the two cases and appointed a lead plaintiff. The plaintiff filed an amended complaint on July 9, 2019 naming one additional officer of the Company and one former officer of the Company as defendants. The amended complaint was filed on behalf of a putative class of purchasers of Alkermes securities during the period of July 31, 2014 through November 1, 2018 and alleges violations of Sections 10(b) and 20(a) of the Exchange Act based on allegedly false or misleading statements and omissions regarding the Company's clinical methodologies and regulatory submission for ALKS 5461 and the FDA's review and consideration of that submission. The lawsuit seeks, among other things, unspecified money damages, prejudgment and postjudgment interest, reasonable attorneys' fees, expert fees and other costs. In August 2019, the defendants filed a pre-motion letter (in respect of a requested motion to dismiss filing) with the EDNY District Court and plaintiff filed a response. On November 27, 2019, the defendants served the plaintiff with a motion to dismiss, and on December 27, 2019, the plaintiff served the defendants with its opposition to such motion. On January 17, 2020, the defendants filed the fully-briefed motion, including a reply to the plaintiff's opposition, with the EDNY District Court. For information about risks relating to this action, see "Part I, Item 1A—Risk Factors" in the Annual Report, including the section entitled "—Litigation, arbitration or regulatory action (such as citizens petitions) filed against regulatory agencies related to our product or Alkermes, including securities litigation, may result in financial losses, harm our reputation, divert management resources, negatively impact the approval of our products, or otherwise negatively impact our business."

Product Liability Litigation

The Company has recently been named in two product liability lawsuits incidental to its normal business activities involving allegations that the FDA-approved VIVITROL labelling was inadequate and caused the users of the product to suffer from an opioid overdose and death. The Company believes the approved labelling was appropriate and intends to vigorously defend the cases.

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

The following discussion should be read in conjunction with our condensed consolidated financial statements and related notes beginning on page 5 in this Form 10-Q, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the audited financial statements and notes thereto included in our Annual Report, which was filed with the U.S. Securities and Exchange Commission (the "SEC") on February 13, 2020.

Executive Summary

Net loss for the three months ended March 31, 2020 was $38.7 million, or $0.24 per ordinary share—basic and diluted, as compared to a net loss of $96.4 million, or $0.62 per ordinary share—basic and diluted, for the three months ended March 31, 2019.

The decrease in the net loss in the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, was due to a $23.1 million increase in our revenue, primarily in product sales, net, partially offset by a decrease in R&D revenues, and a decrease in our operating expenses of $15.5 million, primarily in R&D expense and SG&A expense. In addition, we recorded an increase of $6.8 million in the fair value of our contingent consideration in the three months ended March 31, 2020, as compared to a reduction of $22.6 million in the three months ended March 31, 2019. These items are discussed in greater detail later in the "Results of Operations" section in this "Part I, Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Form 10-Q.

COVID-19 Update

In March 2020, COVID-19 was declared a global pandemic by the World Health Organization. To date, COVID-19 has surfaced in nearly all regions around the world and resulted in travel restrictions and business slowdowns or shutdowns in affected areas. We are closely monitoring and rapidly responding to the impact of COVID-19 on our employees, our communities and our business operations.

We have adopted a series of precautionary measures in an effort to protect our employees and mitigate the potential spread of COVID-19 in a community setting. At the same time, we have worked to continue our critical business functions and support uninterrupted access to our medicines. For example, we have instituted a global remote work policy for those of our employees who can work remotely, including our field-based employees, and have temporarily replaced all in-person meetings and interactions with virtual interactions. For those of our employees who work in our manufacturing facilities and laboratories, we have instituted additional safety precautions, including increased sanitization of our facilities, use of personal protective equipment and physical distancing practices to help protect their health and safety as they continue to advance important research for the benefit of patients and manufacture and deliver important medicines for patients. We have also taken actions to support people living with schizophrenia, opioid dependence and alcohol dependence to help assure that they have access to the information, resources and medicines that may assist in their treatment.

Despite disruptions to our business operations and the business operations of third parties on which we rely, the COVID-19 pandemic did not significantly impact our operating results and financial condition for the three months ended March 31, 2020. However, the marketed products from which we derive revenue, including manufacturing and royalty revenue, are primarily injectable medications administered by healthcare professionals, and given developments that have transpired to date, and may continue to transpire, in response to the pandemic, including the implementation of "shelter-in-place" policies, social distancing and other measures, we expect commercial sales of these marketed medicines to be adversely impacted.

As it relates to our proprietary marketed products, VIVITROL and ARISTADA, we have begun to see commercial impacts of the COVID-19 pandemic in the second quarter. As of the date of this Form 10-Q, April VIVITROL shipments are down from our pre-COVID-19 expectations, and we have seen a flattening in prescription data and factory shipments of ARISTADA. We are actively working to respond to these developments, including by working to increase the number of providers able to administer these products and otherwise support uninterrupted access to these products.

We continue to operate our manufacturing facilities and supply our medicines, and we do not currently anticipate any supply interruptions. While we continue to conduct R&D activities, including our ongoing clinical trials, the COVID-19 pandemic has impacted, and may continue to impact, the timelines of certain of our early-stage discovery

efforts and clinical trials. We are working with our internal teams, our clinical investigators, R&D vendors and critical supply chain vendors, to continually assess, and mitigate, the potential impact of COVID-19 on our manufacturing operations and R&D activities.

Due to numerous uncertainties surrounding the COVID-19 pandemic, we are unable to predict the extent of the impact that it may have on our future financial condition and operating results. These uncertainties include, among other things, the ultimate severity and duration of the pandemic; governmental, business or other actions that have been, or will be, taken in response to the pandemic, including restrictions on travel and mobility, business closures and imposition of social distancing measures; impacts of the pandemic on the vendors or distribution channels in our supply chain and on our ability to continue to manufacture our products; impacts of the pandemic on the conduct of our clinical trials, including with respect to enrollment rates, availability of investigators and clinical trial sites or monitoring of data; impacts of the pandemic on healthcare systems that serve people living with opioid dependence, alcohol dependence and schizophrenia; impacts of the pandemic on the regulatory agencies with which we interact in the development, review, approval and commercialization of our medicines; impacts of the pandemic on reimbursement for our products, including our Medicaid rebate liability, and for services related to the use of our products; and impacts of the pandemic on the U.S., Irish and global economies more broadly. For additional information about risks and uncertainties related to the COVID-19 pandemic that may impact our business, our financial condition or our results of operations, see “Part II, Item 1A—Risk Factors” below in this Form 10-Q.

Products

Marketed Products

Our portfolio of marketed products is designed to address unmet medical needs of patients in major therapeutic areas. See the descriptions of the marketed products below, and see “Part I, Item 1A—Risk Factors” in our Annual Report and “Part II, Item 1A—Risk Factors” in this Form 10-Q for important factors that could adversely affect our marketed products. For information with respect to the IP protection for these marketed products, see the descriptions of the marketed products below and see the “Patents and Proprietary Rights” section in “Part I, Item 1—Business” in our Annual Report.

The following provides summary information regarding our proprietary products that we commercialize:

Product	Indication(s)	Territory
	Initiation or re-initiation of ARISTADA for the treatment of Schizophrenia	U.S.
	Schizophrenia	U.S.
	Alcohol dependence and Opioid dependence	U.S.

The following provides summary information regarding our key licensed products, and third-party products using our proprietary technologies under license, that are commercialized by our licensees:

Third-Party Products Using Our Proprietary Technologies

Product	Indication(s)	Licensee	Licensed Territory
RISPERDAL CONSTA	Schizophrenia and Bipolar I disorder	Janssen Pharmaceutica Inc. ("Janssen, Inc.") and Janssen Pharmaceutica International, a division of Cilag International AG ("Janssen International")	Worldwide
INVEGA SUSTENNA / XEPLION	*INVEGA SUSTENNA*: Schizophrenia and Schizoaffective disorder *XEPLION*: Schizophrenia	Janssen Pharmaceutica N.V. (together with Janssen, Inc., Janssen International and their affiliates "Janssen")	Worldwide
INVEGA TRINZA / TREVICTA	Schizophrenia	Janssen	Worldwide

Our Licensed Products

Product	Indication(s)	Licensee	Licensed Territory
VIVITROL	Alcohol dependence and Opioid dependence	Cilag GmbH International ("Cilag")	Russia and Commonwealth of Independent States ("CIS")
VUMERITY	Multiple sclerosis	Biogen	Worldwide

Proprietary Products

We develop and commercialize products designed to address the unmet needs of patients suffering from opioid dependence, alcohol dependence and schizophrenia. For additional information about the proprietary technologies underlying our proprietary products, see the "Proprietary Product Platforms" section in "Part I, Item 1—Business" in our Annual Report.

ARISTADA

ARISTADA (aripiprazole lauroxil) is an extended-release intramuscular injectable suspension approved in the U.S. for the treatment of schizophrenia. ARISTADA is the first of our products to utilize our proprietary LinkeRx technology. ARISTADA is a prodrug; once in the body, ARISTADA is likely converted by enzyme-mediated hydrolysis to N-

hydroxymethyl aripiprazole, which is then hydrolyzed to aripiprazole. ARISTADA is available in four dose strengths with once-monthly dosing options (441 mg, 662 mg and 882 mg), a six-week dosing option (882 mg) and a two-month dosing option (1064 mg). ARISTADA is packaged in a ready-to-use, pre-filled product format. We developed ARISTADA and exclusively manufacture and commercialize it in the U.S.

ARISTADA INITIO

ARISTADA INITIO (aripiprazole lauroxil) leverages our proprietary NanoCrystal technology and provides an extended-release formulation of aripiprazole lauroxil in a smaller particle size compared to ARISTADA, thereby enabling faster dissolution and more rapid achievement of relevant levels of aripiprazole in the body. ARISTADA INITIO, combined with a single 30 mg dose of oral aripiprazole, is indicated for the initiation of ARISTADA when used for the treatment of schizophrenia in adults. The first ARISTADA dose may be administered on the same day as the ARISTADA INITIO regimen or up to 10 days thereafter. We developed ARISTADA INITIO and exclusively manufacture and commercialize it in the U.S.

VIVITROL (U.S.)

VIVITROL (naltrexone for extended-release injectable suspension) is a once-monthly, non-narcotic, injectable medication approved in the U.S., Russia and certain countries of the CIS for the treatment of alcohol dependence and for the prevention of relapse to opioid dependence, following opioid detoxification. VIVITROL uses our polymer-based microsphere injectable extended-release technology to deliver and maintain therapeutic medication levels in the body through one intramuscular injection every four weeks. We developed and exclusively manufacture VIVITROL and we commercialize VIVITROL in the U.S.

For a discussion of legal proceedings related to VIVITROL, see Note 15, *Commitments and Contingent Liabilities* in the “Notes to Condensed Consolidated Financial Statements” section in this Form 10-Q, and for information about risks relating to such legal proceedings, see “Part I, Item 1A—Risk Factors” in our Annual Report, including the sections entitled “—Patent protection for our products is important and uncertain,” “—Uncertainty over IP in the biopharmaceutical industry has been the source of litigation, which is inherently costly and unpredictable, could significantly delay or prevent approval or commercialization of our products, and could adversely affect our business” and “—Litigation, arbitration or regulatory action (such as citizens petitions) filed against regulatory agencies related to our product or Alkermes, including securities litigation, may result in financial losses, harm our reputation, divert management resources, negatively impact the approval of our products, or otherwise negatively impact our business.”

Licensed Products and Products Using Our Proprietary Technologies

We have licensed products to third parties for commercialization and have licensed our proprietary technologies to third parties to enable them to develop, commercialize and/or manufacture products. We receive royalties and/or manufacturing and other revenues from the commercialization of these products. Such arrangements include the following:

INVEGA SUSTENNA/XEPLION, INVEGA TRINZA/TREVICTA and RISPERDAL CONSTA

INVEGA SUSTENNA/XEPLION (paliperidone palmitate), INVEGA TRINZA/TREVICTA (paliperidone palmitate 3-month injection) and RISPERDAL CONSTA (risperidone long-acting injection) are long-acting atypical antipsychotics owned and commercialized worldwide by Janssen that incorporate our proprietary technologies. For additional information about our proprietary technologies, see the “Proprietary Product Platforms” section in “Part I, Item 1—Business” in our Annual Report.

INVEGA SUSTENNA is approved in the U.S. for the treatment of schizophrenia and for the treatment of schizoaffective disorder as either a monotherapy or adjunctive therapy. Paliperidone palmitate extended-release injectable suspension is approved in the European Union (“EU”) and other countries outside of the U.S. for the treatment of schizophrenia and is marketed and sold under the trade name XEPLION. INVEGA SUSTENNA/XEPLION uses our nanoparticle injectable extended-release technology to increase the rate of dissolution and enable the formulation of an aqueous suspension for once-monthly intramuscular administration. INVEGA SUSTENNA/XEPLION is manufactured by Janssen. For a discussion of legal proceedings related to the patents covering INVEGA SUSTENNA, see Note 15,

Commitments and Contingent Liabilities in the "Notes to Condensed Consolidated Financial Statements" in this Form 10-Q and for information about risks relating to such legal proceedings, see "Part I, Item 1A—Risk Factors" in our Annual Report, including the section entitled "—We or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers."

INVEGA TRINZA is approved in the U.S. for the treatment of schizophrenia in patients who have been adequately treated with INVEGA SUSTENNA for at least four months. TREVICTA is approved in the EU for the maintenance treatment of schizophrenia in adult patients who are clinically stable on XEPLION. INVEGA TRINZA/TREVICTA is dosed once every three months. INVEGA TRINZA/TREVICTA uses our proprietary technology and is manufactured by Janssen.

RISPERDAL CONSTA is approved in the U.S. for the treatment of schizophrenia and as both monotherapy and adjunctive therapy to lithium or valproate in the maintenance treatment of bipolar I disorder. RISPERDAL CONSTA is approved in numerous countries outside of the U.S. for the treatment of schizophrenia and the maintenance treatment of bipolar I disorder. RISPERDAL CONSTA uses our polymer-based microsphere injectable extended-release technology to deliver and maintain therapeutic medication levels in the body through just one intramuscular injection every two weeks. RISPERDAL CONSTA microspheres are exclusively manufactured by us. For a discussion of legal proceedings related to certain of the patents covering RISPERDAL CONSTA, see Note 15, *Commitments and Contingent Liabilities* in the "Notes to Condensed Consolidated Financial Statements" in this Form 10-Q and for information about risks relating to such legal proceedings, see "Part I, Item 1A—Risk Factors" in our Annual Report, including the section entitled "—We or our licensees may face claims against IP rights covering our products and competition from generic drug manufacturers."

VIVITROL (Russia and CIS)

For a description of VIVITROL, including its approved indications and dosing, please refer to the heading "Proprietary Products" above in this Form 10-Q. We developed and exclusively manufacture VIVITROL for Cilag. Cilag exclusively commercializes VIVITROL in Russia and certain countries of the CIS.

VUMERITY (Diroximel Fumarate)

VUMERITY (diroximel fumarate), formerly referred to as BIIB098, is a novel, oral fumarate with a distinct chemical structure that was approved in the U.S. in October 2019 for the treatment of relapsing forms of multiple sclerosis in adults, including clinically isolated syndrome, relapsing-remitting disease and active secondary progressive disease.

Under our license and collaboration agreement with Biogen, Biogen holds the exclusive, worldwide license to develop and commercialize VUMERITY. For more information about the license and collaboration agreement with Biogen, see the "Collaborative Arrangements—Biogen" section in "Part I, Item 1—Business" in our Annual Report.

Key Development Programs

Our R&D is focused on the development of novel, competitively advantaged medications designed to enhance patient outcomes. As part of our ongoing R&D efforts, we have devoted, and will continue to devote, significant resources to conducting pre-clinical work and clinical studies to advance the development of new pharmaceutical products. The discussion below highlights our current key R&D programs. Drug development involves a high degree of risk and investment, and the status, timing and scope of our development programs are subject to change. Important factors that could adversely affect our drug development efforts are discussed in "Part I, Item 1A—Risk Factors" in our Annual Report. See the "Patents and Proprietary Rights" section in "Part I, Item 1—Business" in our Annual Report for information with respect to the IP protection for our key development candidates.

ALKS 3831

ALKS 3831 is an investigational, novel, once-daily, oral atypical antipsychotic drug candidate for the treatment of adults with schizophrenia and for the treatment of adults with bipolar I disorder. ALKS 3831 is composed of samidorphan, a novel, new molecular entity, co-formulated with the established antipsychotic agent, olanzapine, in a single bilayer tablet.

ALKS 3831 is designed to provide the robust antipsychotic efficacy of olanzapine while mitigating olanzapine-associated weight gain. The ENLIGHTEN clinical development program for ALKS 3831 includes two key phase 3 studies in patients with schizophrenia: ENLIGHTEN-1, a four-week study which evaluated the antipsychotic efficacy of ALKS 3831 compared to placebo, and ENLIGHTEN-2, a six-month study which assessed weight gain with ALKS 3831 compared to ZYPREXA (olanzapine). The program also includes supportive studies to evaluate the pharmacokinetic ("PK") and metabolic profile and long-term safety of ALKS 3831, and PK bridging studies comparing ALKS 3831 and ZYPREXA.

In May 2019, we conducted a pre-NDA meeting with the FDA to discuss the FDA's key requirements for the new drug application ("NDA") for ALKS 3831, including those related to efficacy, safety, weight and metabolic profile, and the expansion of the planned NDA for ALKS 3831 to encompass the treatment of bipolar I disorder in addition to the treatment of schizophrenia. In November 2019, we submitted our NDA to the FDA, seeking approval for ALKS 3831 for the treatment of schizophrenia and for the treatment of manic and mixed episodes associated with bipolar I disorder as a monotherapy or adjunct to lithium or valproate and for maintenance treatment of bipolar I disorder. In January 2020, the FDA accepted the ALKS 3831 NDA and assigned a Prescription Drug User Fee Act ("PDUFA") target action date of November 15, 2020. The FDA plans to hold an advisory committee meeting for the ALKS 3831 NDA. The ALKS 3831 NDA includes data from the ENLIGHTEN clinical development program in patients with schizophrenia, as well as PK bridging data comparing ALKS 3831 and ZYPREXA. We are seeking approval of fixed dosage strengths of ALKS 3831 composed of 10 mg of samidorphan co-formulated with 5 mg, 10 mg, 15 mg or 20 mg of olanzapine. For more information about 505(b)(2) NDAs, see the "Regulatory, Hatch-Waxman Act" section of "Part I, Item 1—Business" in our Annual Report.

ALKS 4230

ALKS 4230 is an investigational, novel, engineered fusion protein comprised of modified interleukin-2 ("IL-2") and the high affinity IL-2 alpha receptor chain, designed to selectively expand tumor-killing immune cells while avoiding the IL-2-induced activation of immunosuppressive cells by preferentially binding to the intermediate-affinity IL-2 receptor complex. The selectivity of ALKS 4230 is designed to leverage the proven anti-tumor effects of existing IL-2 therapy while mitigating certain limitations.

ARTISTRY is our clinical development program that evaluates ALKS 4230 in patients with advanced solid tumors. ARTISTRY-1, an ongoing phase 1/2 study of ALKS 4230 administered via intravenous infusion as a monotherapy and in combination with the anti-PD-1 therapy, pembrolizumab, is designed to evaluate the safety profile and anti-tumor activity of ALKS 4230 in patients with select advanced solid tumors. ARTISTRY-1 has three distinct stages: an ongoing monotherapy dose-escalation stage; an ongoing monotherapy expansion stage; and an ongoing combination therapy stage with the PD-1 inhibitor pembrolizumab in patients with select advanced solid tumors. ARTISTRY-2, an ongoing phase 1/2 study of ALKS 4230 administered subcutaneously as monotherapy and in combination with pembrolizumab in patients with advanced solid tumors, is designed to explore the safety, tolerability and efficacy of ALKS 4230 and assess once-weekly and once-every-three-week subcutaneous dosing schedules. ARTISTRY-2, which we initiated in February 2019, is being conducted in two stages: an ongoing dose-escalation stage, to be followed by a dose-expansion stage.

Results of Operations

Product Sales, Net

Our product sales, net, consist of sales of VIVITROL, ARISTADA and ARISTADA INITIO in the U.S., primarily to wholesalers, specialty distributors and specialty pharmacies. The following table presents the adjustments deducted from product sales, gross to arrive at product sales, net, for the sales of VIVITROL, ARISTADA and ARISTADA INITIO in the U.S. during the three months ended March 31, 2020 and 2019:

	Three Months Ended March 31,			
(In millions, except for % of Sales)	**2020**	**% of Sales**	**2019**	**% of Sales**
Product sales, gross	$ 260.2	100.0 %	$ 196.1	100.0 %
Adjustments to product sales, gross:				
Medicaid rebates	(61.9)	(23.8) %	(47.2)	(24.1) %
Chargebacks	(22.6)	(8.7) %	(16.8)	(8.6) %
Product discounts	(20.2)	(7.8) %	(15.1)	(7.7) %
Medicare Part D	(12.3)	(4.7) %	(7.5)	(3.8) %
Other	(13.5)	(5.2) %	(10.0)	(5.1) %
Total adjustments	(130.5)	(50.2) %	(96.6)	(49.3) %
Product sales, net	$ 129.7	49.8 %	$ 99.5	50.7 %

Our product sales, net, for VIVITROL in the three months ended March 31, 2020 were $78.8 million, as compared to $69.2 million in the three months ended March 31, 2019. Product sales, net for ARISTADA and ARISTADA INITIO in the three months ended March 31, 2020 were $50.9 million, as compared to $30.3 million in the three months ended March 31, 2019.

The increase in product sales, gross was primarily due to increased unit sales of VIVITROL, ARISTADA and ARISTADA INITIO. VIVITROL product sales, gross, increased by 13% in the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, which was due to a 13% increase in the number of VIVITROL units sold. ARISTADA and ARISTADA INITIO product sales, gross, increased by 78% in the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, which was primarily due to a 70% increase in the number of ARISTADA and ARISTADA INITIO units sold. In addition, a 6% price increase for ARISTADA and ARISTADA INITIO went into effect in February 2019.

Manufacturing and Royalty Revenues

The following table compares manufacturing and royalty revenues earned in the three months ended March 31, 2020 and 2019:

	Three Months Ended March 31,		
(In millions)	**2020**	**2019**	**Change**
Manufacturing and royalty revenues:			
INVEGA SUSTENNA/XEPLION & INVEGA TRINZA/TREVICTA	$ 54.9	$ 53.3	$ 1.6
RISPERDAL CONSTA	27.3	22.3	5.0
Other	34.1	33.3	0.8
Manufacturing and royalty revenues	$ 116.3	$ 108.9	7.4

The increase in INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA royalty revenues during the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, was primarily due to an increase in Janssen's end-market sales of INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA. During the three months ended March 31, 2020, Janssen's end-market sales of INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA were $883.0 million as compared to $790.0 million during the three months ended March 31, 2019. Under our agreements with Janssen related to INVEGA SUSTENNA/XEPLION and INVEGA TRINZA/TREVICTA we earn tiered royalty payments, which consist of a patent royalty and a know-how royalty, both of which are determined on a country-by-country basis. The patent royalty, which equals 1.5% of net sales, is payable in each country until the expiration of the last of the royalty-bearing patents with valid claims applicable to the product in

such country. The know-how royalty is a tiered royalty of 3.5% on calendar year net sales up to $250 million; 5.5% on calendar year net sales of between $250 million and $500 million; and 7.5% on calendar year net sales exceeding $500 million. The know-how royalty rate resets to 3.5% at the beginning of each calendar year and is payable until 15 years from the first commercial sale of a product in each individual country, subject to the expiry of the license agreement.

The increase in revenues from RISPERDAL CONSTA in the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, was due to a $5.7 million increase in manufacturing revenue, partially offset by a $0.7 million decrease in royalty revenue. The increase in manufacturing revenue was primarily due to a 57% increase in the amount of RISPERDAL CONSTA shipped to Janssen, partially offset by a 16% decrease in the average selling price per unit. The decrease in royalty revenue was due to a decrease in end-market sales of RISPERDAL CONSTA, which were $170.0 million in the three months ended March 31, 2020, as compared to $179.0 million in the three months ended March 31, 2019.

Research and Development Revenue

	Three Months Ended March 31,		
(In millions)	**2020**	**2019**	**Change**
Research and development revenue	$ 0.2	$ 14.7	$ (14.5)

R&D revenues earned under our license and collaboration agreement with Biogen for VUMERITY were $0.1 million during the three months ended March 31, 2020 as compared to $13.9 million during the three months ended March 31, 2019, and the decrease in revenue was due to a decrease in services performed by us under the agreement as the NDA for VUMERITY was approved by the FDA in October 2019.

Costs and Expenses

Cost of Goods Manufactured and Sold

	Three Months Ended March 31,		
(In millions)	**2020**	**2019**	**Change**
Cost of goods manufactured and sold	$ 47.2	$ 45.4	$ (1.8)

The increase in cost of goods manufactured and sold was primarily due to a $1.1 million increase in cost of goods manufactured for RISPERDAL CONSTA, which was primarily due to an increase in the number of units manufactured during the period as discussed above.

Research and Development Expense

For each of our R&D programs, we incur both external and internal expenses. External R&D expenses include fees for clinical and non-clinical activities performed by contract research organizations, consulting fees, and costs related to laboratory services, the purchase of drug product materials and third-party manufacturing development activities. Internal R&D expenses include employee-related expenses, occupancy costs, depreciation and general overhead. We track external R&D expenses for each of our development programs; however, internal R&D expenses are not tracked by individual program as they can benefit multiple programs or our technologies in general.

The following table sets forth our external R&D expenses for the three months ended March 31, 2020 and 2019 relating to our then current key development programs and all other development programs, and our internal R&D expenses, listed by the nature of such expenses:

(In millions)	Three Months Ended March 31, 2020	2019	Change
External R&D Expenses:			
Development programs:			
ALKS 4230	$ 12.3	$ 5.2	$ (7.1)
ALKS 3831	8.1	7.7	(0.4)
ALKS 5461	3.3	6.4	3.1
VUMERITY	—	9.3	9.3
Other external R&D expenses	14.9	15.5	0.6
Total external R&D expenses	38.6	44.1	5.5
Internal R&D expenses:			
Employee-related	40.7	46.3	5.6
Occupancy	4.8	3.0	(1.8)
Depreciation	3.7	3.3	(0.4)
Other	5.5	5.9	0.4
Total internal R&D expenses	54.7	58.5	3.8
Research and development expenses	$ 93.3	$ 102.6	$ 9.3

These amounts are not necessarily predictive of future R&D expenses. In an effort to allocate our spending most effectively, we continually evaluate our products under development, based on the performance of such products in pre-clinical and/or clinical trials, our expectations regarding the likelihood of their regulatory approval and our view of their commercial viability, among other factors.

The increase in expenses related to ALKS 4230 was primarily due to the advancement of the ARTISTRY development program for ALKS 4230. The decrease in expenses related to VUMERITY was primarily due to the completion of our elective, randomized, head-to-head phase 3 study. The FDA approved the NDA for VUMERITY in the fourth quarter of 2019. The decrease in expenses related to ALKS 5461 was primarily due to a decrease in activity within the program. For additional details on the status of our key development programs, see the “Key Development Programs” section of this “Part I, Item 2— Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Form 10-Q.

The decrease in employee-related expenses was primarily due to a decrease in R&D headcount of 14% from March 31, 2019 to March 31, 2020, due primarily to the Restructuring.

Selling, General and Administrative Expense

(In millions)	Three Months Ended March 31, 2020	2019	Change
Sales and marketing expense	$ 87.8	$ 90.7	$ 2.9
General and administrative expense	45.6	50.5	4.9
Selling, general and administrative expense	$ 133.4	$ 141.2	$ 7.8

The decrease in sales and marketing expense was primarily due to a decrease in marketing expense of $4.6 million, partially offset by an increase in employee-related expenses of $2.6 million. The decrease in marketing expense was primarily due to a reduction in the number of speaker programs and speaker trainings. The increase in employee-related expenses was primarily due to an increase in wages as our marketing-related headcount was unchanged from March 31, 2019 to March 31, 2020.

The decrease in general and administrative expense was primarily due to a decrease in employee-related expenses of $3.7 million, which was primarily due to a decrease in share-based compensation expense.

Amortization of Acquired Intangible Assets

(In millions)	Three Months Ended March 31, 2020	2019	Change
Amortization of acquired intangible assets	$ 9.7	$ 10.0	$ 0.3

We amortize our amortizable intangible assets using the economic-use method, which reflects the pattern that the economic benefits of the intangible assets are consumed as revenue is generated from the underlying patent or contract. Based on our most recent analysis, amortization of intangible assets included within our consolidated balance sheet at March 31, 2020 is expected to be approximately $40.0 million, $40.0 million, $35.0 million, $35.0 million and $1.0 million in the years ending December 31, 2020 through 2024, respectively.

Other Income (Expense), Net

(In millions)	Three Months Ended March 31, 2020	2019	Change
Interest income	$ 2.8	$ 3.6	$ (0.8)
Interest expense	(2.9)	(3.5)	0.6
Change in the fair value of contingent consideration	6.8	(22.6)	29.4
Other expense, net	(0.7)	(1.7)	1.0
Total other income (expense), net	$ 6.0	$ (24.2)	$ 30.2

The increase in the fair value of contingent consideration in the three months ended March 31, 2020 was primarily due to the approval of the NDA for ANJESO by the FDA in February 2020. As a result of the product's approval, we increased the probability of success in our fair value analysis to 100%. The $22.6 million decrease in the fair value of contingent consideration recorded in the three months ended March 31, 2019 was primarily due to Recro's receipt of a second complete response letter in March 2018 from the FDA regarding its NDA for ANJESO. As a result of the receipt of that complete response letter, we delayed the expectation of the anticipated date of the FDA's approval of the product, resulting in a corresponding reduction in the amount of forecasted sales used in the valuation model. The valuation approach used to determine the fair value of the contingent consideration is discussed in greater detail in Note 5, *Fair Value Measurements*, in the "Notes to Consolidated Financial Statements" in our Annual Report.

Income Tax Provision (Benefit)

(In millions)	Three Months Ended March 31, 2020	2019	Change
Income tax provision (benefit)	$ 7.3	$ (3.9)	$ (11.2)

The income tax provision in the three months ended March 31, 2020 primarily related to a $2.6 million tax expense on income earned in the U.S. and a $4.7 million discrete tax expense related to employee equity activity during the period. The income tax benefit in the three months ended March 31, 2019 was primarily related to a $7.9 million discrete tax benefit to take account of proposed foreign derived intangible income regulations issued by the Department of the Treasury and the U.S. Internal Revenue Service in March 2019, partially offset by a $4.9 million discrete tax expense for employee equity activity during the period.

On March 27, 2020 the Coronavirus Aid, Relief and Economic Security ("CARES") Act was passed by Congress and signed into law by the President of the U.S. The CARES Act, among other things, includes certain income tax provisions for individuals and corporations; however, these benefits do not impact our income tax provision. We will continue to evaluate the impact of tax legislation and will update our disclosures as additional information and interpretive guidance becomes available.

Liquidity and Financial Condition

Our financial condition is summarized as follows:

(In millions)	March 31, 2020			December 31, 2019		
	U.S.	Ireland	Total	U.S.	Ireland	Total
Cash and cash equivalents	$ 109.5	$ 66.6	$ 176.1	$ 63.3	$ 140.5	$ 203.8
Investments—short-term	252.8	67.1	319.9	285.3	45.9	331.2
Investments—long-term	36.6	17.1	53.7	40.3	39.1	79.4
Total cash and investments	$ 398.9	$ 150.8	$ 549.7	$ 388.9	$ 225.5	$ 614.4
Outstanding borrowings—short and long-term	$ 276.6	$ —	$ 276.6	$ 277.1	$ —	$ 277.1

At March 31, 2020 our investments consisted of the following:

(In millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Investments—short-term available-for-sale	$ 317.5	$ 2.7	$ (0.3)	$ 319.9
Investments—long-term available-for-sale	50.9	—	(0.7)	50.2
Investments—long-term held-to-maturity	3.5	0.1	—	3.6
Total	$ 371.9	$ 2.8	$ (1.0)	$ 373.7

Our investment objectives are to preserve capital, provide sufficient liquidity to satisfy operating requirements and generate investment income. We mitigate credit risk in our cash reserves by maintaining a well-diversified portfolio that limits the amount of investment exposure as to institution, maturity and investment type. However, the value of these securities may be adversely affected by the instability of the global financial markets, which could, in turn, adversely impact our financial position and our overall liquidity. Our available-for-sale investments consist primarily of short- and long-term U.S. government and agency debt securities, corporate debt securities and debt securities issued by foreign agencies and backed by foreign governments. Our held-to-maturity investments consist of investments that are restricted and held as collateral under certain letters of credit related to certain of our lease agreements.

We classify available-for-sale investments in an unrealized loss position that do not mature within 12 months as long-term investments. Available-for-sale investments in an unrealized gain position are classified as short-term investments, regardless of maturity date. We have the intent and ability to hold these investments until recovery, which may be at maturity, and it is more likely than not that we would not be required to sell these securities before recovery of their amortized cost. At March 31, 2020, we performed an analysis of our investments with unrealized losses for impairment and determined that they were temporarily impaired.

Sources and Uses of Cash

We expect that our existing cash and investments balance will be sufficient to finance our anticipated working capital and other cash requirements, such as capital expenditures and principal and interest payments, for at least 12 months following the date on which this Form 10-Q is filed. Subject to market conditions, interest rates and other factors, we may pursue opportunities to obtain additional financing in the future, including debt and equity offerings, corporate collaborations, bank borrowings, debt refinancings, arrangements relating to assets or other financing methods or structures. We are closely monitoring ongoing developments in connection with the COVID-19 pandemic, which may have an adverse impact on our commercial prospects and projected cash position.

Information about our cash flows, by category, is presented in "Part I, Item 1—Condensed Consolidated Financial Statements of Cash Flows" in this Form 10-Q. The following table summarizes our cash flows for the three months ended March 31, 2020 and 2019:

(In millions)	Three Months Ended March 31, 2020	2019
Cash and cash equivalents, beginning of period	$ 203.8	$ 266.8
Cash flows (used in) provided by operating activities	(40.3)	22.2
Cash flows provided by (used in) investing activities	17.5	(64.7)
Cash flows (used in) provided by financing activities	(4.9)	0.9
Cash and cash equivalents, end of period	$ 176.1	$ 225.2

The change in cash flows from operating activities in the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, was primarily due to a 15% decrease in the amount of cash received from our customers and a 13% increase in cash paid to our suppliers.

The increase in cash flows provided by investing activities in the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, was primarily due to a $83.4 million increase in net sales of investments and a $3.8 million decrease in cash paid for property, plant and equipment, partially offset by the $5.0 million payment that we received from Recro in connection with the contingent consideration from the Gainesville Transaction in the three months ended March 31, 2019.

The change in cash flows from financing activities in the three months ended March 31, 2020, as compared to the three months ended March 31, 2019, was due to a $5.9 million decrease in the amount of cash we received from our employees upon the exercise of stock options, net of employee taxes.

Borrowings

At March 31, 2020, the principal balance of our borrowings consisted of $278.6 million outstanding under our 2023 Term Loans. See Note 11, *Long-Term Debt*, in the "Notes to Condensed Consolidated Financial Statements" in this Form 10-Q for a further discussion of our 2023 Term Loans.

Contractual Obligations

See the "Contractual Obligations" section in "Part II, Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report for a discussion of our contractual obligations. In addition, in January 2020, our lease at 900 Winter Street commenced and our operating lease liabilities increased as a result. Our future operating lease liabilities are disclosed in Note 9, *Leases*, in the "Notes to Condensed Consolidated Financial Statements" in this Form 10-Q.

Off-Balance Sheet Arrangements

At March 31, 2020, we were not party to any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenue or expenses, results of operations, liquidity, capital expenditures or capital resources material to investors.

Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of our financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates under different assumptions or conditions. See the "Critical Accounting Estimates" section in "Part II, Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report for a discussion of our critical accounting estimates.

New Accounting Standards

See the “New Accounting Pronouncements” section in Note 2, *Summary of Significant Accounting Policies* in the “Notes to Condensed Consolidated Financial Statements” in this Form 10-Q for a discussion of certain new accounting standards applicable to us.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

Market risks related to our investment portfolio, and the ways we manage such risks, are summarized in “Part II, Item 7A—Quantitative and Qualitative Disclosures About Market Risk” in our Annual Report. We regularly review our marketable securities holdings and shift our investment holdings to those that best meet our investment objectives, which are to preserve capital, provide sufficient liquidity to satisfy operating requirements and generate investment income. Apart from such adjustments to our investment portfolio, there have been no material changes to our market risks since December 31, 2019, and we do not anticipate any near-term changes in the nature of our market risk exposures or in our management's objectives and strategies with respect to managing such exposures.

We are exposed to foreign currency exchange risk related to manufacturing and royalty revenues we receive on certain of our products, partially offset by certain operating costs arising from expenses and payables in connection with our Irish operations that are settled predominantly in Euro. These foreign currency exchange rate risks are summarized in “Part II, Item 7A–Quantitative and Qualitative Disclosures About Market Risk” in our Annual Report. There has been no material change in our assessment of our sensitivity to foreign currency exchange rate risk since December 31, 2019.

Item 4. *Controls and Procedures*

a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act), as of March 31, 2020. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer each concluded that our disclosure controls and procedures were effective as of March 31, 2020 to provide reasonable assurance that the information required to be disclosed by us in the reports that we file under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

b) Change in Internal Control Over Financial Reporting

During the period covered by this report, there have been no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. ***Legal Proceedings***

For information regarding legal proceedings, see the discussion of legal proceedings in Note 15, *Commitments and Contingent Liabilities* in the "Notes to Condensed Consolidated Financial Statements" in this Form 10-Q, which discussion is incorporated into this Part II, Item 1 by reference.

Item 1A. ***Risk Factors***

Our business, financial condition and results of operations may be adversely affected by the COVID-19 global pandemic or other similar outbreaks of contagious diseases.

We rely upon third parties for many aspects of our business, including the provision of goods and services related to the manufacture of our clinical products and our, and our partners', marketed products, the conduct of our clinical trials, and the sale of marketed products from which we receive manufacturing and royalty revenue.

Outbreaks of contagious diseases and other adverse public health developments, affecting us and/or the third parties on which we rely, could have a material and adverse effect on our business, financial condition and results of operations.

As of the date of this Form 10-Q, COVID-19 has been declared by the World Health Organization to be a global pandemic. It has impacted, and is continuing to impact, all aspects of society, including the operation of the healthcare system and other business and economic activity worldwide. The COVID-19 pandemic has, to varying degrees, disrupted our business operations and the business operations of the third parties on which we rely, including our suppliers, packagers, distributors, contract research organizations, customers, clinical site investigators, community advocacy partners, and others.

This pandemic, and other similar outbreaks of contagious diseases, may adversely impact our business, financial condition and results of operations. For example, commercial sales of the medicines from which we derive revenue–consisting primarily of injectable medications administered by healthcare professionals—have been, and we expect will continue to be, adversely impacted as a result of developments that have transpired, and may continue to transpire, in response to this pandemic, including the implementation of "shelter-in-place" policies, social distancing and other measures. In addition, we, and the third-party clinical trial sites or investigators involved in our clinical trials, may experience significant interruptions or delays as a result of this pandemic, and these could impact the conduct of our clinical trials and our ability to complete them in a timely manner or at all, which in turn could delay and/or negatively impact the regulatory review and approval of our product candidates. The COVID-19 pandemic may also impact the third parties on which we rely for goods and services in the manufacture of our products, which may negatively impact our ability to continue to manufacture and supply our medicines and investigational products, or the ability of third-parties in our distribution channels to deliver our medicines and investigational products in a timely manner or at all. Further, this pandemic and measures to mitigate the spread of COVID-19 have had, and may continue to have, an adverse effect on global economic conditions, which could have an adverse effect on our business and financial condition, including the demand for, and ability of patients to access, our medicines, or our ability to obtain financing if needed on favorable terms or at all.

The extent to which the COVID-19 pandemic may impact our business, financial condition and results of operations will depend on the manner in which this pandemic continues to evolve and future developments in response thereto, which are highly uncertain and cannot be predicted with confidence as of the date of this Form 10-Q and which may include, among other things, the ultimate severity and duration of this pandemic; governmental, business or other actions that have been, or will be, taken in response to this pandemic, including restrictions on travel and mobility, business closures and imposition of social distancing measures; impacts of the pandemic on the vendors or distribution channels in our supply chain and on our ability to continue to manufacture our products; impacts of the pandemic on the conduct of our clinical trials, including with respect to enrollment rates, availability of investigators and clinical trial sites or monitoring of data; impacts of the pandemic on healthcare systems that serve people living with opioid dependence, alcohol dependence and schizophrenia; impacts of the pandemic on the regulatory agencies with which we interact in the development, review, approval and commercialization of our medicines; impacts of the pandemic on reimbursement for our products, including our Medicaid rebate liability, and for services related to the use of our products; and impacts of the pandemic on the U.S., Irish and/or global economies more broadly. For example, if the U.S. Consumer Price

Index—Urban (CPI-U) become negative, this would increase our Medicaid rebate liability. For a discussion of the Medicaid rebate liability, please see the "Pricing and Reimbursement" section in "Part I, Item 1—Business" in our Annual Report.

There have been no other material changes from the risk factors disclosed in our Annual Report. Further discussion of our risk factors appears in "Part I, Item 1A—Risk Factors" in our Annual Report.

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

On September 16, 2011, our board of directors authorized the continuation of the Alkermes, Inc. program to repurchase up to $215.0 million of our ordinary shares at the discretion of management from time to time in the open market or through privately negotiated transactions. We did not purchase any shares under this program during the three months ended March 31, 2020. As of March 31, 2020, we had purchased a total of 8,866,342 shares under this program at a cost of $114.0 million.

During the three months ended March 31, 2020, we acquired 372,846 of our ordinary shares, at an average price of $19.54 per share, related to the vesting of employee equity awards to satisfy withholding tax obligations.

Item 5. ***Other Information***

The Company's policy governing transactions in its securities by its directors, officers and employees permits its officers, directors and employees to enter into trading plans in accordance with Rule 10b5-1 under the Exchange Act. During the quarter ended March 31, 2020, Mr. Iain M. Brown, an executive officer of the Company, entered into a trading plan in accordance with Rule 10b5-1 and the Company's policy governing transactions in its securities by its directors, officers and employees. The Company undertakes no obligation to update or revise the information provided herein, including for any revision or termination of an established trading plan.

Item 6. ***Exhibits***

The following exhibits are filed or furnished as part of this Form 10-Q:

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
10.1 #†	Form of Deed of Indemnification entered into by and between Alkermes plc and the directors and Secretary of Alkermes plc.
10.2 #†	Form of Indemnification Agreement entered into by and between Alkermes, Inc. and the executive officers and directors of Alkermes plc.
31.1 #	Rule 13a-14(a)/15d-14(a) Certification.
31.2 #	Rule 13a-14(a)/15d-14(a) Certification.
32.1 ‡	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.SCH #	Inline XBRL Taxonomy Extension Schema Document.
101.CAL #	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB #	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE #	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF #	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104 #	Cover Page Interactive Data File (formatted as Inline XBRL with applicable taxonomy extension information contained in Exhibits 101)

Filed herewith.

‡ Furnished herewith.

† Indicates a management contract or any compensatory plan, contract or arrangement.

SIGNATURES

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

ALKERMES plc

(Registrant)

By: /s/ Richard F. Pops
Chairman and Chief Executive Officer
(Principal Executive Officer)

By: /s/ James M. Frates
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: April 29, 2020

ALKERMES PLC

This Deed of Indemnification ("**Deed**") is made as of _____ 20___ by and between Alkermes plc, a public limited company incorporated in Ireland (registered number 498284) having its registered office at Connaught House, 1 Burlington Road, Dublin 4, Ireland D04 C5Y6 (the "**Company**") and _____("**Indemnitee**").

RECITALS

WHEREAS, the Company desires to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve the Company, any of its subsidiaries (each, a "**Subsidiary**" and together its "**Subsidiaries**"), and/or any Enterprise (as defined below);

WHEREAS, in order to induce Indemnitee to continue to provide services to the Company, its Subsidiaries, and/or any Enterprise, the Company wishes to provide for the indemnification of, and advancement of expenses to, Indemnitee to the Maximum Extent Permitted by Law;

WHEREAS, the articles of association of the Company (the "**Articles**") provide that the indemnification provided therein shall not be exclusive and thereby contemplate that agreements may be made with members of the board of directors, secretaries, officers, executives and other persons with respect to indemnification;

WHEREAS, the Board of Directors of the Company (the "**Board**") has determined that the increased difficulty in attracting and retaining highly qualified persons such as Indemnitee is detrimental to the best interests of the Company's shareholders and that the Company should act to assure Indemnitee that there will be increased certainty of such protection in the future;

WHEREAS, because Indemnitee will make important decisions affecting the Company, including with respect to major corporate transactions and reorganizations as well as decisions affecting its Subsidiaries and/or any Enterprises in which the Company has an important interest, the Board has determined that it is in the best interests of the Company to ensure that Indemnitee obtain indemnification and expense advancement in connection with his or her service to the Company; and

WHEREAS, this Deed is a supplement to and in furtherance of the indemnification provided in the Articles or other governing documents of the Company and/or its Subsidiaries and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

NOW, THEREFORE, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Services to the Company, any of its Subsidiaries, and/or any Enterprise. Indemnitee agrees to serve as a director, secretary, and/or officer of the Company, any

of its Subsidiaries, and/or any Enterprise. Indemnitee may at any time and for any reason resign from such position(s) (subject to any other contractual obligation or any obligation imposed by law), in which event the Company and/or any of its Subsidiaries shall have no obligation under this Deed to continue Indemnitee in such position. This Deed shall not be deemed an employment contract between the Company (or any of its Subsidiaries or any Enterprise) and Indemnitee. The foregoing notwithstanding, this Deed shall continue in force after Indemnitee has ceased to serve in such capacity at the Company, any of its Subsidiaries, and/or any Enterprise, as the case may be.

Section 2. Definitions.

As used in this Deed:

(a) "**Change in Control**" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")), other than the Company or any of its Subsidiaries, or a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Subsidiaries, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing twenty-five percent (25%) or more of the total voting power represented by the Company's then outstanding Voting Securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board and any new director whose election to the Board or nomination for election by the Company's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the shareholders of the Company approve a merger, scheme of arrangement or consolidation of the Company with any other corporation, other than a merger, scheme of arrangement or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least fifty percent (50%) of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger, scheme of arrangement or consolidation, or (iv) the shareholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company (in one transaction or a series of transactions) of all or substantially all of the assets of the Company, except in the event of a sale of assets to an entity in which more than 50% of the Voting Securities of such entity is owned by shareholders of the Company in substantially the same proportion as their ownership of Voting Securities immediately prior to the sale.

(b) "**Corporate Status**" describes the status of a person as a current or former Representative of the Company, any of its Subsidiaries, or of any other Enterprise which such person is or was serving at the request of the Company or any of its Subsidiaries.

(c) "**Enforcement Expenses**" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other

disbursements or expenses of the types customarily incurred in connection with an action to enforce indemnification or advancement rights, or an appeal from such action, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent.

(d) "**Enterprise**" shall mean any domestic or foreign, for-profit or not-for-profit, corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other legal entity, in each case other than the Company or any of its Subsidiaries, of which Indemnitee is or was serving as a Representative at the request of the Company or any of its Subsidiaries.

(e) "**Expenses**" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(f) "**Indemnifiable Event"** shall mean any event or occurrence that takes place either prior to or after the execution of this Deed, related to the fact that Indemnitee is or was a director, secretary, and/or officer of the Company or any of its Subsidiaries, or is or was serving at the request of such entity as a director, officer, secretary, employee, trustee, agent, or fiduciary of another foreign or domestic corporation, partnership, limited liability company, joint venture, employee benefit plan, trust, or other Enterprise, or related to anything done or not done by Indemnitee in any such capacity, whether or not the basis of the Proceeding is alleged action in an official capacity as a director, officer, secretary, employee, trustee, agent, or fiduciary or in any other capacity while serving as a director, officer, secretary, employee, trustee, agent, or fiduciary.

(g) "**Independent Counsel**" shall mean a law firm, or a partner (or, if applicable, member) of such a law firm, that is experienced in matters of Irish law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company, any of its Subsidiaries, any Enterprise or Indemnitee in any matter material to any such party (other than with respect to matters concerning Indemnitee under this Deed), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company, any of its Subsidiaries or Indemnitee in an action to determine Indemnitee's rights under this Deed. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Deed or its engagement pursuant hereto.

(h) "**Maximum Extent Permitted by Law**" shall include, but not be limited to: (i) the maximum extent permitted by the provisions of Irish law and/or the Articles or other

governing documents of the Company and any of its Subsidiaries that authorize, permit or contemplate indemnification by agreement, court action or the corresponding provision of any amendment to or replacement of such provisions; and (ii) to the maximum extent authorized or permitted by any amendments to or replacements of Irish law and/or the Articles or other governing documents of the Company and any of its Subsidiaries adopted after the date of this Deed that either increase or decrease the extent to which a company may indemnify its directors, secretaries, officers and executives. The Company agrees to take all reasonable actions to facilitate any application by Indemnitee under section 233 of the Irish Companies Act 2014 (as amended) (the "**Companies Act**"), including any successor provision, including without limitation the payment of any costs or expenses incurred by Indemnitee in making such application.

(i) "**Proceeding**" shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company, any of its Subsidiaries, an Enterprise or otherwise and whether of a civil, criminal, administrative or investigative nature, in which Indemnitee was, is or will be involved as a party or otherwise by reason of the fact that Indemnitee is or was a director, secretary, or officer of the Company or any of its Subsidiaries or is or was serving at the request of the Company or any of its Subsidiaries as Representative of any Enterprise or by reason of any action taken by him or her or of any action taken on his or her part while acting as director, secretary, or officer of the Company or any of its Subsidiaries or while serving at the request of the Company or any of its Subsidiaries as a Representative of any Enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Deed; provided, however, that the term "Proceeding" shall not include any action, suit or arbitration, or part thereof, initiated by Indemnitee to enforce Indemnitee's rights under this Deed as provided for in Section 11(e) of this Deed.

(j) "**Representative**" shall mean a person occupying the position or discharging the functions of a director, officer, employee, fiduciary, trustee or agent thereof, regardless of the name or title by which the person may be designated. The term does not imply that a director, secretary, and/or officer, as such, is an agent of a corporation.

(k) "**Voting Securities**" shall mean any securities of the Company which vote generally in the election of directors.

Section 3. Indemnity. Notwithstanding any other provisions of this Deed and except as provided in Section 6, to the Maximum Extent Permitted by Law, the Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 in the event the Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding relating in whole or in part to an Indemnifiable Event. Pursuant to this Section 3, Indemnitee shall be indemnified against all Expenses, judgments, fines, liabilities, losses, damages and amounts paid in settlement actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company, any of its Subsidiaries, or an Enterprise, as applicable, and, in the case of a criminal proceeding, had no

reasonable cause to believe that his or her conduct was unlawful; provided, however, that the Company has no obligation to indemnify the Indemnitee for amounts paid in settlement without the Company's prior written consent.

Section 4. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Deed and except as provided in Section 6, to the extent that Indemnitee is a party to or a participant in any Proceeding or defense of any claim, issue or matter therein, relating in whole or in part to an Indemnifiable Event, and Indemnitee is successful, on the merits or otherwise, then the Company shall indemnify Indemnitee, to the Maximum Extent Permitted by Law, against all Expenses actually and reasonably incurred by him or her in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee, to the Maximum Extent Permitted by Law, against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 4 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 5. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Deed, to the extent that Indemnitee is, by reason of his or her Corporate Status, a witness in any Proceeding to which Indemnitee is not a party and is not threatened to be made a party, to the Maximum Extent Permitted by Law, he or she shall be indemnified against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

Section 6. Exclusions. Notwithstanding any provision in this Deed to the contrary, the Company shall not be obligated under this Deed:

(a) to make any indemnity for, or advancement of, amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such amounts under any insurance policy, contract, agreement or otherwise, except with respect to any excess beyond the amount paid under any such insurance policy, contract, agreement or other indemnity provision;

(b) to make any indemnity for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company, any of its Subsidiaries, or any Enterprise within the meaning of Section 16(b) of the Exchange Act or similar provisions of applicable statutory law or common law;

(c) to make any indemnity or advancement hereunder in connection with any Proceeding made on account of Indemnitee's conduct which is determined by final judgment or other final adjudication to have constituted a breach of Indemnitee's duty of loyalty or other fiduciary duty to the Company, any of its Subsidiaries, an Enterprise or their respective stockholders or an act or omission not in good faith or which involved intentional misconduct or a knowing violation of the law;

(d) to make any indemnity or advancement in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company, any of its Subsidiaries, an Enterprise, or any director, officer, employee or other indemnitee of the Company, any of its Subsidiaries or an Enterprise, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (iii) such Proceeding (or any part of any Proceeding) is initiated after a Change of Control has occurred after the date of this Deed or (iv) such Proceeding (or any part of any Proceeding) is brought to establish or enforce a right to indemnification under this Deed or any other law, statute or rule; or

(e) to make any indemnity or advancement that is expressly prohibited by applicable law (including, with respect to any director or secretary, in respect of any liability expressly prohibited from being indemnified pursuant to section 235 of the Companies Act (including any successor provisions)), but (i) in no way limiting any rights under sections 233 and 234 of the Companies Act (including any successor provisions) or (ii) to the extent any such limitations or prescriptions are amended or determined by a court of competent jurisdiction to be void or inapplicable, or relief to the contrary is granted, then the Indemnitee shall receive the greatest rights then available under law.

Indemnitee acknowledges and agrees that to the extent Indemnitee has rights to indemnification, advancement of expenses and/or insurance provided by or on behalf of an Enterprise, such Enterprise shall be the indemnitor of first resort (i.e., such Enterprise's obligations to Indemnitee are primary and any obligation of the Company to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary).

Section 7. Advances of Expenses. The Company shall advance, to the Maximum Extent Permitted by Law, the Expenses incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within twenty (20) days after the receipt by the Company of a statement or statements requesting such advances (which shall include invoices received by Indemnitee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law shall not be included with the invoice) from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Deed. Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Deed which shall constitute an undertaking providing that Indemnitee undertakes to the maximum extent required by law to repay the advance if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. The right to advances under this paragraph shall in all events continue until final disposition of any Proceeding, including any appeal therein. Nothing in this Section 7 shall limit Indemnitee's right to advancement pursuant to Section 11(e) of this Deed.

Section 8. Procedure for Notification and Defense of Claim.

(a) To obtain indemnification under this Deed, Indemnitee shall submit to the Company a written request therefor and, if Indemnitee so chooses pursuant to Section 9 of this Deed, such written request shall also include a request for Indemnitee to have the right to indemnification determined by Independent Counsel.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

Section 9. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 8(a), a determination, if such determination is required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case: (i) by Independent Counsel in a written opinion to the Board if Indemnitee so requests in such written request for indemnification pursuant to Section 8(a), or (ii) by the Company in accordance with applicable law if Indemnitee does not so request such determination be made by Independent Counsel. In the case that such determination is made by Independent Counsel, a copy of Independent Counsel's written opinion shall be delivered to Indemnitee and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall cooperate with the Independent Counsel or the Company, as applicable, making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel or the Company, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the Independent Counsel or the Company shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) In the event that Indemnitee exercises his or her right to have his or her entitlement to indemnification determined by Independent Counsel pursuant to clause (i) of Section 9(a), the Independent Counsel shall be selected by Indemnitee and notification shall be provided to the Company in writing. The Company may, within ten (10) days after written notice of such selection, deliver to Indemnitee a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "**Independent Counsel**" as defined in Section 2 of this Deed, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within twenty (20) days after the later of (i) submission by Indemnitee of a written request for indemnification and Independent Counsel pursuant to Sections 8(a) and 9(a)(i) hereof, respectively, and (ii) the final disposition of the Proceeding, including any appeal therein, no Independent Counsel shall have been selected without objection,

Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company to the selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate. The person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 9(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 11(a) of this Deed, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 10. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, it shall be presumed that Indemnitee is entitled to indemnification under this Deed if Indemnitee has submitted a request for indemnification in accordance with Section 8(a) of this Deed, and the Company shall have the burden of proof to overcome that presumption in connection with the making of any determination contrary to that presumption. Neither (i) the failure of the Company or of Independent Counsel to have made a determination prior to the commencement of any action pursuant to this Deed that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor (ii) an actual determination by the Company or by Independent Counsel that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of guilty, nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Deed) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company, any of its Subsidiaries, or an Enterprise, as applicable, or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(c) The knowledge and/or actions, or failure to act, of any Representative of the Company, any of its Subsidiaries or any Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Deed.

Section 11. Remedies of Indemnitee.

(a) Subject to Section 11(f), in the event that (i) a determination is made pursuant to Section 9 of this Deed that Indemnitee is not entitled to indemnification under this Deed, (ii) advancement of Expenses is not timely made pursuant to Section 7 of this Deed, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 9(a) of this Deed within sixty (60) days after receipt by the Company of the request for indemnification that does not include a request for Independent Counsel, (iv) payment of indemnification is not made pursuant to Sections 4 or 5 or the last sentence of Section 9(a) of this Deed within ten (10) days after receipt by the Company of a written request therefor or (v) payment of indemnification

pursuant to Section 3 of this Deed is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication by a court of his or her entitlement to such indemnification or advancement. Alternatively, Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within one hundred and eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 11(a); provided, however, that the foregoing time limitation shall not apply in respect of a proceeding brought by Indemnitee to enforce his or her rights under Section 4 of this Deed. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 9(a) of this Deed that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 11 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 11, the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement, as the case may be.

(c) If a determination shall have been made pursuant to Section 9(a) of this Deed that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 11, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 11 that the procedures and presumptions of this Deed are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Deed.

(e) The Company shall indemnify Indemnitee against any and all Enforcement Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the Maximum Extent Permitted by Law, such Enforcement Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement from the Company under this Deed or under any liability insurance policies maintained by the Company or any of its Subsidiaries for coverage of any Representatives of the Company or any of its Subsidiaries, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement or insurance recovery, as the case may be, in the suit for which indemnification or advancement is being sought.

(f) Notwithstanding anything in this Deed to the contrary, no determination as to entitlement to indemnification under this Deed shall be required to be made prior to the final disposition of the Proceeding, including any appeal therein.

Section 12. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement as provided by this Deed shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Company's memorandum of association (the "**Memorandum**"), the Articles, any bylaws or other governing documents of any of the Company's Subsidiaries or any Enterprise, any agreement, a vote of shareholders or a resolution of directors, or otherwise and rights of the Indemnitee under this Deed shall supplement and be in furtherance of any other such rights. No amendment, alteration or repeal of this Deed or of any provision hereof shall limit or restrict any right of Indemnitee under this Deed in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Irish law, whether by statute or judicial decision, permits greater indemnification or advancement than would be afforded currently under the Memorandum, the Articles, any other governing documents of the Company or any of its Subsidiaries and this Deed, it is the intent of the parties hereto that Indemnitee shall enjoy by this Deed the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company or any of its Subsidiaries maintain an insurance policy or policies providing liability insurance for Representatives of the Company, of any of its Subsidiaries or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such Representative under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company or any of its Subsidiaries have liability insurance in effect covering Representatives of the Company or any of its Subsidiaries, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Deed, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 13. Duration of Deed. This Deed shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as a Representative of the Company, any of its Subsidiaries, and/or an Enterprise, as the case may be, or (b) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 11 of this Deed relating thereto.

Section 14. Successors and Assigns. This Deed shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his or her heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation, division or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Deed in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 15. Severability. If any provision or provisions of this Deed shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Deed (including without limitation, each portion of any section of this Deed containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the Maximum Extent Permitted by Law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Deed (including, without limitation, each portion of any section of this Deed containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 16. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Deed and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director, secretary, and/or officer of the Company, any of its Subsidiaries, and/or any other Enterprise, and the Company acknowledges that Indemnitee is relying upon this Deed in serving as a director, secretary, and/or officer of the Company, any of its Subsidiaries, and/or any other Enterprise.

(b) This Deed constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Deed is a supplement to and in furtherance of the Memorandum, the Articles, any other governing documents of the Company and/or any of its Subsidiaries and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 17. Modification and Waiver. No supplement, modification or amendment, or waiver of any provision, of this Deed shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Deed shall be deemed or shall constitute a waiver of any other provisions of this Deed nor shall any waiver constitute a continuing waiver.

Section 18. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in

writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement as provided hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Deed or otherwise.

Section 19. Notices. All notices, requests, demands and other communications under this Deed shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at such address as Indemnitee shall provide to the Company.

(b) If to the Company to:

Secretary
Alkermes plc
Connaught House
1 Burlington Road
Dublin 4
Ireland D04-C5Y6
(f) + 353 1 772 8000

or to any other address as may have been furnished to Indemnitee by the Company.

Section 20. Contribution. To the Maximum Extent Permitted by Law, if the indemnification provided for in this Deed is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding in such proportion as is deemed fair and reasonable in light of all of the circumstances in order to reflect (i) the relative benefits received by the Company and/or any of its Subsidiaries and Indemnitee in connection with the event(s) and/or transaction(s) giving rise to such Proceeding; and/or (ii) the relative fault of the Company and/or any of its Subsidiaries (and its or their Representatives) and Indemnitee in connection with such event(s) and/or transactions.

Section 21. Applicable Law and Consent to Jurisdiction. This Deed and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of Ireland, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 11(a) of this Deed, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in

connection with this Deed shall be brought only in the Courts of Ireland and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Courts of Ireland for purposes of any action or proceeding arising out of or in connection with this Deed, (iii) waive any objection to the laying of venue of any such action or proceeding in the Courts of Ireland, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Courts of Ireland has been brought in an improper or inconvenient forum.

Section 22. Identical Counterparts. This Deed may be executed in one or more counterparts (including by facsimile or .pdf), each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Deed. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Deed.

Section 23. Miscellaneous. The headings of the sections of this Deed are inserted for convenience only and shall not be deemed to constitute part of this Deed or to affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Deed to be signed and delivered as of the day and year first above written.

ALKERMES PLC

SIGNED AND DELIVERED for and on behalf
of and as the deed of **ALKERMES PUBLIC LIMITED COMPANY**
by its lawfully appointed attorney
* , acting pursuant
to a Power of Attorney dated _____ :

_____

Signature of Witness: _____

Name of Witness: _____

Address of Witness: _____

Occupation of Witness: _____

INDEMNITEE

SIGNED AND DELIVERED as a deed
by * _____
in the presence of:

Signature of Witness: _____

Name of Witness: _____

Address of Witness: _____

Occupation of Witness: _____

Current Indemnitee Address/Phone

_____

_____

_____

**Print Name*

ALKERMES, INC.

This Indemnification Agreement ("**Agreement**") is made as of _____, 20 ___ by and between Alkermes, Inc., a Pennsylvania corporation (the "**Company**"), and _____ ("**Indemnitee**").

RECITALS

WHEREAS, the Company and Alkermes plc, a public limited company incorporated in Ireland (the "**Parent**"), desire to attract and retain the services of highly qualified individuals, such as Indemnitee, to serve the Parent, any of its subsidiaries (together, the "**Alkermes Group**" and individually, an "**Alkermes Company**" or, if more than one Alkermes Company but less than the Alkermes Group, the "**Alkermes Companies**"), and/or any Enterprise (as defined below), and it is beneficial to the Company for the Parent to be able to attract such professionals;

WHEREAS, in order to induce Indemnitee to continue to provide services to the Parent and/or any other Alkermes Company or any Enterprise, the Company wishes to provide for the indemnification of, and advancement of expenses to, Indemnitee to the Maximum Extent Permitted by Law;

WHEREAS, because Indemnitee will make important decisions affecting the Company, including with respect to major corporate transactions and reorganizations as well as decisions affecting other Alkermes Companies and/or Enterprises in which an Alkermes Company has an important interest, the board of directors of the Company (the "**Board**") has determined that it is in the best interests of the Company to ensure that Indemnitee obtain indemnification and expense advancement in connection with his or her service to the Alkermes Group; and

WHEREAS, this Agreement is a supplement to and in furtherance of the indemnification provided in the articles of association or other governing documents of any Alkermes Company and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, and for other good and valuable consideration, receipt of which is hereby acknowledged, the Company and Indemnitee do hereby agree as follows:

Section 1. Services to the Parent, any other Alkermes Company, and/or any Enterprise. Indemnitee agrees to serve as a director, secretary, and/or officer of the Parent, any other Alkermes Company, and/or any Enterprise. Indemnitee may at any time and for any reason resign from such position(s) (subject to any other contractual obligation or any obligation imposed by law). No Alkermes Company shall have an obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company, any other Alkermes Company or any Enterprise and Indemnitee. The foregoing notwithstanding, this Agreement shall continue in force after Indemnitee has

ceased to serve as a director, secretary and/or officer of the Parent, any other Alkermes Company, and/or any Enterprise, as the case may be.

Section 2. Definitions.

As used in this Agreement:

(a) "**Change in Control**" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**")), other than an Alkermes Company, or a trustee or other fiduciary holding securities under an employee benefit plan of the Alkermes Group, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Parent representing twenty-five percent (25%) or more of the total voting power represented by the Parent's then outstanding Voting Securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the board of directors of the Parent (the "**Parent Board**") and any new director whose election to the Parent Board or nomination for election by the Parent's shareholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the shareholders of the Parent approve a merger, scheme of arrangement or consolidation of the Parent with any other corporation, other than a merger, scheme of arrangement or consolidation which would result in the Voting Securities of the Parent outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least fifty percent (50%) of the total voting power represented by the Voting Securities of the Parent or such surviving entity outstanding immediately after such merger, scheme of arrangement or consolidation, or (iv) the shareholders of the Parent approve a plan of complete liquidation of the Parent or an agreement for the sale or disposition by the Parent (in one transaction or a series of transactions) of all or substantially all of the assets of the Parent, except in the event of a sale of assets to an entity in which more than 50% of the Voting Securities of such entity is owned by shareholders of the Parent in substantially the same proportion as their ownership of Voting Securities immediately prior to the sale.

(b) "**Corporate Status**" describes the status of a person as a current or former Representative of an Alkermes Company or of any other Enterprise which such person is or was serving at the request of an Alkermes Company.

(c) "**Enforcement Expenses**" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with an action to enforce indemnification or advancement rights, or an appeal from such action, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent.

(d) "**Enterprise**" shall mean any domestic or foreign, for-profit or not-for-profit, corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other legal entity, in each case other than an Alkermes Company, of which Indemnitee is or was serving as a Representative at the request of an Alkermes Company.

(e) "**Expenses**" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding or an appeal resulting from a Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(f) "**Indemnifiable Event**" shall mean any event or occurrence that takes place either prior to or after the execution of this Agreement, related to the fact that Indemnitee is or was a director, secretary, and/or officer of the Company or any other Alkermes Company, or is or was serving at the request of such entity as a director, officer, secretary, employee, trustee, agent, or fiduciary of another foreign or domestic corporation, partnership, limited liability company, joint venture, employee benefit plan, trust, or other Enterprise, or related to anything done or not done by Indemnitee in any such capacity, whether or not the basis of the Proceeding is alleged action in an official capacity as a director, officer, secretary, employee, trustee, agent, or fiduciary or in any other capacity while serving as a director, officer, secretary, employee, trustee, agent, or fiduciary.

(g) "**Independent Counsel**" shall mean a law firm, or a partner (or, if applicable, member) of such a law firm, that is experienced in matters of Pennsylvania corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) an Alkermes Company, any Enterprise or Indemnitee in any matter material to any such party (other than with respect to matters concerning Indemnitee under this Agreement), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either an Alkermes Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(h) "**Maximum Extent Permitted by Law**" shall include, but not be limited to: (i) to the maximum extent permitted by the provision of the Pennsylvania Business Corporation Law of 1988 (the "**PBCL**") that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the PBCL or such provision thereof; and (ii) to the maximum extent authorized or

permitted by any amendments to or replacements of the PBCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its Representatives.

(i) "**Proceeding**" shall include any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of an Alkermes Company, an Enterprise or otherwise and whether of a civil, criminal, administrative or investigative nature, in which Indemnitee was, is or will be involved as a party or otherwise by reason of the fact that Indemnitee is or was a director or officer of an Alkermes Company or is or was serving at the request of an Alkermes Company as a Representative of any Enterprise or by reason of any action taken by him or her or of any action taken on his or her part while acting as director or officer of an Alkermes Company or while serving at the request of an Alkermes Company as a Representative of any Enterprise, in each case whether or not serving in such capacity at the time any liability or expense is incurred for which indemnification, reimbursement or advancement of expenses can be provided under this Agreement; provided, however, that the term "Proceeding" shall not include any action, suit or arbitration, or part thereof, initiated by Indemnitee to enforce Indemnitee's rights under this Agreement as provided for in Section 13(e) of this Agreement.

(j) "**Representative**" shall mean a person occupying the position or discharging the functions of a director, officer, employee, fiduciary, trustee or agent thereof, regardless of the name or title by which the person may be designated. The term does not imply that a director, secretary, and/or officer, as such, is an agent of a corporation.

(k) "**Voting Securities**" shall mean, with respect to any entity, any securities of such entity which vote generally in the election of directors.

Section 3. Indemnity in Third-Party Proceedings. Notwithstanding any other provisions of this Agreement and except as provided in Section 8, to the Maximum Extent Permitted by Law, the Company shall indemnify Indemnitee in accordance with the provisions of this Section 3 in the event the Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of an Alkermes Company or any Enterprise to procure a judgment in its favor relating in whole or in part to an Indemnifiable Event. Pursuant to this Section 3, Indemnitee shall be indemnified against all Expenses, judgments, fines, liabilities, losses, damages and amounts paid in settlement actually and reasonably incurred by Indemnitee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Alkermes Group or Enterprise, as applicable, and, in the case of a criminal proceeding, had no reasonable cause to believe that his or her conduct was unlawful; provided, however, that the Company has no obligation to indemnify the Indemnitee for amounts paid in settlement without the Company's prior written consent.

Section 4. Indemnity in Proceedings by or in the Right of an Alkermes Company or an Enterprise. Notwithstanding any other provisions of this Agreement and except as provided in Section 8, to the Maximum Extent Permitted by Law, the Company shall indemnify

Indemnitee in accordance with the provisions of this Section 4 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of an Alkermes Company or any Enterprise to procure a judgment in its favor relating in whole or in part to an Indemnifiable Event. Pursuant to this Section 4, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Alkermes Group or Enterprise, as applicable. No indemnification for Expenses shall be made under this Section 4 in respect of any claim, issue or matter as to which Indemnitee shall have been finally adjudged by a court to be liable to an Alkermes Company or any Enterprise, unless and only to the extent that the court of common pleas of the judicial district embracing the county in which the registered office of such Alkermes Company or Enterprise is located or any court in which the Proceeding was brought or any court in which a ruling or determination was made in relation thereto shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification for such expenses as the court of common pleas or other court deems proper.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provisions of this Agreement and except as provided in Section 8, to the extent that Indemnitee is a party to or a participant in any Proceeding or defense of any claim, issue or matter therein, relating in whole or in part to an Indemnifiable Event, and Indemnitee is successful, on the merits or otherwise, then the Company shall indemnify Indemnitee, to the Maximum Extent Permitted by Law, against all Expenses actually and reasonably incurred by him or her in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee, to the Maximum Extent Permitted by Law, against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 5 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 6. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a witness in any Proceeding to which Indemnitee is not a party and is not threatened to be made a party, to the Maximum Extent Permitted by Law, he or she shall be indemnified against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

Section 7. Additional Indemnification.

Except as provided in Section 8, notwithstanding any limitation in Sections 3, 4 or 5, the Company shall indemnify Indemnitee, to the Maximum Extent Permitted by Law, if Indemnitee is a party to or is threatened to be made a party to any Proceeding (including a Proceeding by or in the right of an Alkermes Company or an Enterprise to procure a judgment in

its favor) against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnitee in connection with the Proceeding.

Section 8. Exclusions. Notwithstanding any provision in this Agreement to the contrary, the Company shall not be obligated under this Agreement:

(a) to make any indemnity for, or advancement of, amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received such amounts under any insurance policy, contract, agreement or otherwise, except with respect to any excess beyond the amount paid under any such insurance policy, contract, agreement or other indemnity provision;

(b) to make any indemnity for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Parent or any Enterprise within the meaning of Section 16(b) of the Exchange Act or similar provisions of applicable statutory law or common law;

(c) to make any indemnity or advancement hereunder in connection with any Proceeding made on account of Indemnitee's conduct which is determined by final judgment or other final adjudication to have constituted a breach of Indemnitee's duty of loyalty or other fiduciary duty to an Alkermes Company, an Enterprise, or their respective stockholders or an act or omission not in good faith or which involved intentional misconduct or a knowing violation of the law;

(d) to make any indemnity or advancement in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against an Alkermes Company, an Enterprise or any director, officer, employee or other indemnitee of an Alkermes Company or an Enterprise, unless (i) the Board or the Parent Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (iii) such Proceeding (or any part of any Proceeding) is initiated after a Change of Control has occurred after the date of this Agreement or (iv) such Proceeding (or any part of any Proceeding) is brought to establish or enforce a right to indemnification under this Agreement or any other law, statute or rule; or

(e) to make any indemnity or advancement that is expressly prohibited by applicable law.

Indemnitee acknowledges and agrees that to the extent Indemnitee has rights to indemnification, advancement of expenses and/or insurance provided by or on behalf of an Enterprise, such Enterprise shall be the indemnitor of first resort (i.e., such Enterprise's obligations to Indemnitee are primary and any obligation of the Company to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary).

Section 9. Advances of Expenses. The Company shall advance, to the Maximum Extent Permitted by Law, the Expenses incurred by Indemnitee in connection with any Proceeding, and such advancement shall be made within twenty (20) days after the receipt by the

Company of a statement or statements requesting such advances (which shall include invoices received by Indemnitee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law shall not be included with the invoice) from time to time, whether prior to or after final disposition of any Proceeding. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement. Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement which shall constitute an undertaking providing that Indemnitee undertakes to the maximum extent required by law to repay the advance if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. The right to advances under this paragraph shall in all events continue until final disposition of any Proceeding, including any appeal therein. Nothing in this Section 9 shall limit Indemnitee's right to advancement pursuant to Section 13(e) of this Agreement.

Section 10. Procedure for Notification and Defense of Claim.

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request therefor and, if Indemnitee so chooses pursuant to Section 11 of this Agreement, such written request shall also include a request for Indemnitee to have the right to indemnification determined by Independent Counsel.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

Section 11. Procedure Upon Application for Indemnification.

(a) Upon written request by Indemnitee for indemnification pursuant to Section 10(a), a determination, if such determination is required by applicable law, with respect to Indemnitee's entitlement thereto shall be made in the specific case: (i) by Independent Counsel in a written opinion to the Board if Indemnitee so requests in such written request for indemnification pursuant to Section 10(a), or (ii) by the Company in accordance with applicable law if Indemnitee does not so request such determination be made by Independent Counsel. In the case that such determination is made by Independent Counsel, a copy of Independent Counsel's written opinion shall be delivered to Indemnitee and, if it is so determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within ten (10) days after such determination. Indemnitee shall cooperate with the Independent Counsel or the Company, as applicable, making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such counsel or the Company, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the Independent Counsel or the Company shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to

indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(b) In the event that Indemnitee exercises his or her right to have his or her entitlement to indemnification determined by Independent Counsel pursuant to clause (i) of Section 11(a), the Independent Counsel shall be selected by Indemnitee and notification shall be provided to the Company in writing. The Company may, within ten (10) days after written notice of such selection, deliver to Indemnitee a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within twenty (20) days after the later of (i) submission by Indemnitee of a written request for indemnification and Independent Counsel pursuant to Sections 10(a) and 11(a)(i) hereof, respectively, and (ii) the final disposition of the Proceeding, including any appeal therein, no Independent Counsel shall have been selected without objection, Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company to the selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate. The person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 11(a) hereof. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 13(a) of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

Section 12. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, it shall be presumed that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of proof to overcome that presumption in connection with the making of any determination contrary to that presumption. Neither (i) the failure of the Company or of Independent Counsel to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor (ii) an actual determination by the Company or by Independent Counsel that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of guilty, nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be

in or not opposed to the best interests of the Alkermes Group or Enterprise, as applicable, or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(c) The knowledge and/or actions, or failure to act, of any Representative of an Alkermes Company or any Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

Section 13. Remedies of Indemnitee.

(a) Subject to Section 13(f), in the event that (i) a determination is made pursuant to Section 11 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 9 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 11(a) of this Agreement within sixty (60) days after receipt by the Company of the request for indemnification that does not include a request for Independent Counsel, (iv) payment of indemnification is not made pursuant to Section 5 or 6 or the last sentence of Section 11(a) of this Agreement within ten (10) days after receipt by the Company of a written request therefor or (v) payment of indemnification pursuant to Section 3, 4 or 7 of this Agreement is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication by a court of his or her entitlement to such indemnification or advancement. Alternatively, Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within one hundred and eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 13(a); provided, however, that the foregoing time limitation shall not apply in respect of a proceeding brought by Indemnitee to enforce his or her rights under Section 5 of this Agreement. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 11(a) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 13 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 13, the Company shall have the burden of proving Indemnitee is not entitled to indemnification or advancement, as the case may be.

(c) If a determination shall have been made pursuant to Section 11(a) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 13, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 13 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) The Company shall indemnify Indemnitee against any and all Enforcement Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefor) advance, to the Maximum Extent Permitted by Law, such Enforcement Expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advancement from the Company under this Agreement or under any liability insurance policies maintained by any Alkermes Company for coverage of any Representatives of the Alkermes Group, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement or insurance recovery, as the case may be, in the suit for which indemnification or advancement is being sought.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding, including any appeal therein.

Section 14. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification and to receive advancement as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the articles of association, bylaws or other governing documents of any Alkermes Company or Enterprise, any agreement, a vote of shareholders or a resolution of directors, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in Pennsylvania law, whether by statute or judicial decision, permits greater indemnification or advancement than would be afforded currently under the articles of association, bylaws or other governing documents of an Alkermes Company and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that any Alkermes Company maintains an insurance policy or policies providing liability insurance for Representatives of the Alkermes Group or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such Representative under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, an Alkermes Company has liability insurance in effect covering Representatives of the Alkermes Group, the Company shall give prompt notice of the commencement of such

proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 15. Duration of Agreement. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as a Representative of the Parent, any other Alkermes Company, and/or an Enterprise or (b) one (1) year after the final termination of any Proceeding, including any appeal, then pending in respect of which Indemnitee is granted rights of indemnification or advancement hereunder and of any proceeding commenced by Indemnitee pursuant to Section 13 of this Agreement relating thereto.

Section 16. Successors and Assigns. This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of Indemnitee and his or her heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation, division or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Parent or the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

Section 17. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the Maximum Extent Permitted by Law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 18. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director, secretary, and/or officer of an Alkermes Company or any other Enterprise,

and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director, secretary, and/or officer of an Alkermes Company or any other Enterprise.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the charters, the bylaws, the articles of association and other governing documents of the applicable Alkermes Companies, any indemnification agreement entered into by Indemnitee with the Parent and applicable law, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 19. Modification and Waiver. No supplement, modification or amendment, or waiver of any provision, of this Agreement shall be binding unless executed in writing by the parties thereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions of this Agreement nor shall any waiver constitute a continuing waiver.

Section 20. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement as provided hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise.

Section 21. Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, (b) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed, (c) mailed by reputable overnight courier and receipted for by the party to whom said notice or other communication shall have been directed or (d) sent by facsimile transmission, with receipt of oral confirmation that such transmission has been received:

(a) If to Indemnitee, at such address as Indemnitee shall provide to the Company.
(b) If to the Company to:

Alkermes, Inc.
852 Winter Street
Waltham, Massachusetts
02451
Attn.: Chief Legal Officer
Fax No.: 781-890-0524

or to any other address as may have been furnished to Indemnitee by the Company.

Section 22. Contribution. To the Maximum Extent Permitted by Law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any Proceeding in such proportion as is deemed fair and reasonable in light of all of the circumstances in order to reflect (i) the relative benefits received by the applicable Alkermes Company or Companies and Indemnitee in connection with the event(s) and/or transaction(s) giving rise to such Proceeding; and/or (ii) the relative fault of the applicable Alkermes Company or Companies (and its or their Representatives) and Indemnitee in connection with such event(s) and/or transactions.

Section 23. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Pennsylvania, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 13(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in a court of competent jurisdiction in the Commonwealth of Pennsylvania (a "**Pennsylvania Court**"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Pennsylvania Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) consent to service of process at the address set forth in Section 20 of this Agreement with the same legal force and validity as if served upon such party personally within the Commonwealth of Pennsylvania, (iv) waive any objection to the laying of venue of any such action or proceeding in the Pennsylvania Court, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Pennsylvania Court has been brought in an improper or inconvenient forum.

Section 24. Identical Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or .pdf), each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 25. Miscellaneous. The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

ALKERMES, INC.

By: _____

_____
Indemnitee

_____
Name

Current Indemnitee Address/Phone

_____

_____

[Signature Page – Alkermes, Inc.]

Exhibit 31.1

CERTIFICATIONS

I, Richard F. Pops, certify that:

1 I have reviewed this quarterly report on Form 10-Q of Alkermes plc;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Richard F. Pops
Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: April 29, 2020

Exhibit 31.2

CERTIFICATIONS

I, James M. Frates, certify that:

1 I have reviewed this quarterly report on Form 10-Q of Alkermes plc;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ James M. Frates
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: April 29, 2020

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Alkermes plc (the "Company") for the period ended March 31, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Richard F. Pops, Chairman and Chief Executive Officer of the Company, and James M. Frates, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Richard F. Pops
Richard F. Pops
Chairman and Chief Executive Officer
(Principal Executive Officer)

By: /s/ James M. Frates
James M. Frates
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Date: April 29, 2020