



## **Institutional Shareholder Services Inc. And Glass Lewis Recommend That Shareholders Of Mallinckrodt And Questcor Vote FOR Mallinckrodt's Acquisition Of Questcor**

August 4, 2014

DUBLIN and ANAHEIM, Calif., Aug. 4, 2014 /PRNewswire/ -- Mallinckrodt plc (NYSE: MNK) ("Mallinckrodt") and Questcor Pharmaceuticals, Inc. (NASDAQ: QCOR) ("Questcor") today jointly announced that two leading independent proxy advisory firms, Institutional Shareholder Services Inc. (ISS) and Glass Lewis, have recommended a vote FOR the binding proposals relating to Mallinckrodt's acquisition of Questcor pursuant to the Agreement and Plan of Merger dated April 5, 2014 (the "Merger"). Specifically, ISS and Glass Lewis have recommended that Mallinckrodt shareholders vote "FOR" the issuance of shares in connection with the Merger and that Questcor shareholders vote FOR the Merger. As previously announced on April 7, 2014, the transaction was unanimously approved by the Boards of Directors of both companies.

In separate reports issued July 31, 2014, ISS recommended to Mallinckrodt shareholders that: *"Given the sound strategic rationale and positive market reaction through the date of this analysis, a vote FOR the proposed transaction is warranted."* ISS noted that for Questcor shareholders: *"a vote FOR this proposal is warranted in light of the substantial current premium, the sound strategic rationale and the positive market reaction following the announcement."*

Glass Lewis wrote that the Merger is in the best interests of both companies and their shareholders and recommended that shareholders of both companies vote for the binding Merger proposals. For Mallinckrodt shareholders, *"strategically, the deal greatly enhances the Company's scale,"* and *"financially, the adviser's valuation analyses appear to us to suggest that the deal is fair, from a financial point of view, to the Company's shareholders."* For Questcor, *"the cash consideration provides shareholders with some certainty of value for their Questcor shares, while the stock consideration allows shareholders to continue holding a meaningful stake in an enlarged company that should benefit from having greater diversification and scale."*

Shareholders will vote on the transaction at each company's meeting of shareholders scheduled for August 14, 2014. Questcor's shareholders will also vote on a separate, non-binding proposal related to the merger-related compensation of Questcor's named executive officers. ISS has recommended that Questcor shareholders vote against this non-binding executive compensation proposal.

Individuals with questions about the Merger, the Mallinckrodt extraordinary general meeting or the Questcor special meeting may contact the appropriate representative listed below. Similarly, those contacts may be used by anyone wishing to obtain copies of the joint proxy statement/prospectus relating to the transaction, proxy cards, election forms or other documents incorporated by reference in the joint proxy statement/prospectus. There will be no charge for any documents requested. Copies of the documents filed with the SEC by each company are also available on their respective websites.

### **For Mallinckrodt Shareholders:**

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Banks and brokers call collect: (212) 269-5550  
Shareholders call toll-free: (888) 542-7446

### **For Questcor Shareholders:**

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Call toll-free: (800) 322-2885

Permission to use quotations from the ISS and Glass Lewis reports was neither sought nor obtained.

### **ABOUT MALLINCKRODT**

Mallinckrodt is a global specialty pharmaceutical and medical imaging business that develops, manufactures, markets and distributes specialty pharmaceutical products and medical imaging agents. The company's core strengths include the acquisition and management of highly regulated raw materials; deep regulatory expertise; and specialized chemistry, formulation and manufacturing capabilities. The company's Specialty Pharmaceuticals segment includes branded and specialty generic drugs and active pharmaceutical ingredients, and the Global Medical Imaging segment includes contrast media and nuclear imaging agents. Mallinckrodt has approximately 5,500 employees worldwide and a commercial presence in roughly 65 countries. The company's fiscal 2013 revenue totaled \$2.2 billion. To learn more about Mallinckrodt, visit [www.mallinckrodt.com](http://www.mallinckrodt.com).

### **ABOUT QUESTCOR PHARMACEUTICALS, INC.**

Questcor Pharmaceuticals, Inc. is a biopharmaceutical company focused on the treatment of patients with serious, difficult-to-treat autoimmune and inflammatory disorders. Questcor's specific areas of focus are in the fields of neurology, nephrology, pulmonology and rheumatology, and the company is currently supporting research efforts in a variety of conditions having significant unmet medical need. For more information about Questcor, please visit [www.Questcor.com](http://www.Questcor.com).

### Cautionary Statements Related to Forward-Looking Statements

*Statements in this document that are not strictly historical, including statements regarding the proposed acquisition, the expected timetable for completing the transaction, future financial and operating results, benefits and synergies of the transaction, future opportunities for the combined businesses and any other statements regarding events or developments that we believe or anticipate will or may occur in the future, may be "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995, and involve a number of risks and uncertainties. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include risks and uncertainties related to, among other things: general economic conditions and conditions affecting the industries in which Mallinckrodt and Questcor operate; the commercial success of Mallinckrodt's and Questcor's products, including H.P. Acthar® Gel ("Acthar"); Mallinckrodt's and Questcor's ability to protect intellectual property rights; the parties' ability to satisfy the merger agreement conditions and consummate the Merger on the anticipated timeline or at all; the availability of financing, including the financing contemplated by the debt commitment letter, on anticipated terms or at all; Mallinckrodt's ability to successfully integrate Questcor's operations and employees with Mallinckrodt's existing business; the ability to realize anticipated growth, synergies and cost savings; Questcor's performance and maintenance of important business relationships; the lack of patent protection for Acthar, and the possible United States Food and Drug Administration ("FDA") approval and market introduction of additional competitive products; Questcor's reliance on Acthar for substantially all of its net sales and profits; Questcor's ability to continue to generate revenue from sales of Acthar to treat on-label indications associated with nephrotic syndrome, multiple sclerosis, infantile spasms or rheumatology-related conditions, and Questcor's ability to develop other therapeutic uses for Acthar; volatility in Questcor's Acthar shipments, estimated channel inventory, and end-user demand; an increase in the proportion of Questcor's Acthar unit sales comprised of Medicaid-eligible patients and government entities; Questcor's research and development risks, including risks associated with Questcor's work in the areas of nephrotic syndrome and lupus, and Questcor's efforts to develop and obtain FDA approval of Synacthen™ Depot; Mallinckrodt's ability to receive procurement and production quotas granted by the U.S. Drug Enforcement Administration; Mallinckrodt's ability to obtain and/or timely transport molybdenum-99 to its technetium-99m generator production facilities; customer concentration; cost containment efforts of customers, purchasing groups, third-party payors and governmental organizations; Mallinckrodt's ability to successfully develop or commercialize new products; competition; Mallinckrodt's ability to achieve anticipated benefits of price increases; Mallinckrodt's ability to integrate acquisitions of technology, products and businesses generally; product liability losses and other litigation liability; the reimbursement practices of a small number of large public or private issuers; complex reporting and payment obligations under healthcare rebate programs; changes in laws and regulations; conducting business internationally; foreign exchange rates; material health, safety and environmental liabilities; litigation and violations; information technology infrastructure; and restructuring activities. Additional information regarding the factors that may cause actual results to differ materially from these forward looking statements is available in (i) Mallinckrodt's SEC filings, including its Annual Report on Form 10-K for the fiscal year ended September 27, 2013, its Quarterly Reports on Form 10-Q for the quarterly periods ended December 27, 2013 and March 28, 2014; (ii) the SEC filings of Cadence Pharmaceuticals, Inc., which was acquired by Mallinckrodt on March 19, 2014, including its Annual Report on Form 10-K for the fiscal year ended December 31, 2013; and (iii) Questcor's SEC filings, including its Annual Report on Form 10-K for the year ended December 31, 2013 (and the amendment thereto on Form 10-K/A), its Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2014 and June 30, 2014, and its Current Report on Form 8-K filed with the SEC on July 10, 2014. The forward-looking statements made herein speak only as of the date hereof and none of Mallinckrodt, Questcor or any of their respective affiliates assumes any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise, except as required by law.*

### Important Information for Investors and Shareholders

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. In connection with the proposed transaction between Mallinckrodt and Questcor, Mallinckrodt has filed with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 containing a joint proxy statement of Mallinckrodt and Questcor that also constitutes a prospectus of Mallinckrodt. The registration statement on Form S-4 (File No. 333-196054) was declared effective by the SEC on July 11, 2014. Each of Mallinckrodt and Questcor mailed the joint proxy statement/prospectus to its respective shareholders on or around July 14, 2014. INVESTORS AND SECURITY HOLDERS OF MALLINCKRODT AND QUESTCOR ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS THAT HAVE BEEN OR WILL BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY AS THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION. Investors and security holders can obtain free copies of the joint proxy statement/prospectus, the registration statement and other documents filed with the SEC by Mallinckrodt and Questcor through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed with the SEC by Mallinckrodt will be available free of charge on Mallinckrodt's internet website at [www.mallinckrodt.com](http://www.mallinckrodt.com) or by contacting Mallinckrodt's Investor Relations Department at (314) 654-6650. Copies of documents filed with the SEC by Questcor will be available free of charge on Questcor's internet website at [www.questcor.com](http://www.questcor.com) or by contacting Questcor's Investor Relations Department at (714) 497-4899.

### CONTACTS FOR MALLINCKRODT:

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