

Perrigo Company Reports First Quarter Fiscal 2002 Earnings Up 24 Percent at \$0.17 Per Share

PRNewswire
ALLEGAN, Mich.

Perrigo Company (NASDAQ: PRGO) today announced results for the first quarter of fiscal 2002 ended September 29, 2001.

Net sales for fiscal 2002's first quarter increased 13 percent to \$217.1 million from \$192.1 million last year. Net income for the quarter was \$13.1 million, up 24 percent from \$10.5 million a year ago. Diluted earnings per share were \$0.17 versus \$0.14 a year ago.

"We are pleased with the first quarter's financial performance, which resulted from positive business trends and tight operating controls," stated David T. Gibbons, President and Chief Executive Officer. "It was a good start to the new year as we experienced broad-based volume increases in our OTC pharmaceutical and nutritional segments, recorded incremental new product business, and benefited from the sales contribution of Wrafton Laboratories, which was acquired in June. Operating profit improved significantly as operating expenses as a percent of sales declined. Selling and administration expenses continue to be managed closely.

"In June, Perrigo began selling the OTC famotidine antacid tablet, which is comparable to the national brand Pepcid® AC. We are pleased with the strong distribution of this important product in the antacid category. Earlier this month we began shipping the ibuprofen/pseudoephedrine combination tablet, a cough and cold remedy comparable to the national brand Advil® Cold & Sinus. Further, we expect new product introductions over the course of the year to continue to bolster our product portfolio. A store brand equivalent to Rogaine® Extra Strength will become available soon and we look forward to approval of additional applications now pending with the FDA.

"For the second quarter of fiscal 2002, the Company anticipates earnings in a range of \$0.21 to \$0.24 per share. For the full year, the Company continues to expect earnings between \$0.60 and \$0.62 per share."

Perrigo will host a conference call to discuss first quarter fiscal 2002 results at 11:00 a.m. (EDT) today. The call and replay will be available via webcast on the Company's web site at <http://www.perrigo.com/>. The conference call may also be accessed by phone on a listen-only basis by calling 1-866-233-3844 and asking for Perrigo's first quarter review. A taped replay of the call will be available beginning at approximately 2:30 p.m. (EDT) Tuesday, October 23. To listen to the replay, call 1-800-475-6701, access code 608102 (outside the United States, call 320-365-3844).

Perrigo Company is the nation's largest manufacturer of over-the-counter (non-prescription) pharmaceutical and nutritional products sold by supermarket, drug, and mass merchandise chains under their own labels. The Company's products include over-the-counter pharmaceuticals such as analgesics, cough and cold remedies, gastrointestinal, and feminine hygiene products, and nutritional products, such as vitamins, nutritional supplements and nutritional drinks. Visit Perrigo on the Internet at <http://www.perrigo.com/>.

Note: Certain statements in this press release are forward-looking statements within the

meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. Please see the "Cautionary Note Regarding Forward-Looking Statements" on pages 24-29 of the Company's Form 10-K for the year ended June 30, 2001 for a discussion of certain important factors that relate to forward-looking statements contained in this press release. In addition, the Company's future results may be affected by the impact of events flowing from the September 11, 2001 terrorist attacks. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PERRIGO COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(in thousands, except per share amounts)
(unaudited)

	First Quarter 2002	2001
Net sales	\$217,116	\$192,142
Cost of sales	166,227	146,394
Gross profit	50,889	45,748
Operating expenses		
Distribution	4,017	3,457
Research and development	3,846	3,958
Selling and administration	22,576	21,586
	30,439	29,001
Operating income	20,450	16,747
Interest and other, net	(163)	(174)
Income before income taxes	20,613	16,921
Income tax expense	7,523	6,387
Net income	\$13,090	\$10,534
Basic earnings per share	\$0.18	\$0.14
Diluted earnings per share	\$0.17	\$0.14

PERRIGO COMPANY
SELECTED BALANCE SHEET DATA
(in thousands)

	September 29, 2001	June 30, 2001
	(unaudited)	
Current assets	\$338,887	\$313,137
Property and equipment, net	210,065	212,087
Other assets	50,865	50,688
Total Assets	\$599,817	\$575,912
Current liabilities	\$163,013	\$171,759
Deferred income taxes	17,784	17,419
Long-term debt	21,380	-
Other long-term liabilities	2,353	859
Shareholders' equity	395,287	385,875
Total Liabilities and Equity	\$599,817	\$575,912

PERRIGO COMPANY
SELECTED STATEMENT OF CASH FLOWS DATA
(in thousands)
(unaudited)

First Quarter
2002 2001

Net income	\$13,090	\$10,534
Depreciation and amortization	6,808	6,176
Other operating activities	(40,007)	15,931
Net cash (for) from operating activities	(20,109)	32,641
Additions to property and equipment	(4,786)	(5,810)
Net cash (for) investing activities	(4,786)	(5,810)
Net cash from (for) financing activities	14,176	(472)
Net (Decrease) Increase in Cash and Cash Equivalents	(10,719)	26,359
Cash and Cash Equivalents, at Beginning of Period	11,016	7,055
Cash and Cash Equivalents, at End of Period	\$297	\$33,414

MAKE YOUR OPINION COUNT - Click Here
<http://tbutton.prnewswire.com/prn/11690X78829118>

SOURCE: Perrigo Company

Contact: Ernest J. Schenk, Manager, Investor Relations and Communication
of Perrigo Company, +1-616-673-9212, or E-mail: Investor@perrigo.com

Website: <http://www.perrigo.com/>

Company News On-Call: <http://www.prnewswire.com/comp/699550.html>

<https://investor.perrigo.com/2001-10-23-Perrigo-Company-Reports-First-Quarter-Fiscal-2002-Earnings-Up-24-Percent-at-0.17-Per-Share>