

# Perrigo<sup>®</sup>

Quality Affordable Healthcare Products<sup>®</sup>

## **Perrigo 2016 Second Quarter Financial Results**

AUGUST 10, 2016

# Forward - Looking Statements

Note: Certain statements in this presentation are “forward-looking statements.” These statements relate to future events or the Company’s future financial performance and involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the Company or its industry to be materially different from those expressed or implied by any forward-looking statements. In particular, statements about the Company’s expectations, beliefs, plans, objectives, assumptions, future events or future performance contained in this presentation are forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as “may,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential” or the negative of those terms or other comparable terminology.

Please see the Company's documents filed with the Securities and Exchange Commission, including the Company's report filed on Form 10-KT for the transition period from June 28, 2015 to December 31, 2015, quarterly reports on Form 10-Q, and any amendments thereto for a discussion of certain important risk factors that relate to forward-looking statements contained in this presentation. The Company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the Company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond the Company’s control, including the timing, amount and cost of share repurchases, future impairment charges, the ability to achieve its guidance, and the ability to execute and achieve the desired benefits of announced initiatives. These and other important factors may cause actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. The forward-looking statements in this presentation are made only as of the date hereof, and 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.

## **Non-GAAP Measures**

This presentation contains non-GAAP measures. The reconciliation of those measures to the most comparable GAAP measures is included at the end of this presentation. A copy of this presentation, including the reconciliations, is available on the Company’s website at [www.perrigo.com](http://www.perrigo.com).



## John Hendrickson



Agenda



# Agenda



**Governing Principles & Key Drivers**



**Business Performance & Second Quarter Highlights**



**Second Quarter 2016 Financial Review**



**2016 Adjusted EPS Guidance**



**Closing/Q&A**

**John Hendrickson**

**Judy Brown**

**John Hendrickson**

# Governing Principles & Key Drivers

## Governing Principles

✓ Operational Execution

✓ Action-oriented

✓ Transparency

✓ Shareholder Value



## Key Drivers

✓ Consumer Healthcare  
✓ Operating efficiencies and new products

✓ Branded Consumer Healthcare  
✓ Prioritizing brand strategies in core markets  
✓ Structural and leadership changes to enable growth

✓ Rx Pharmaceuticals  
✓ Maintaining attractive margins  
✓ New product pipeline

✓ Profitability & Cash flow conversion

## Recent Actions

### Taking Actions to Enhance Value Across the Portfolio



Completed sale of VMS



Progressing sale of API India



Progressing sale of Etixx



Exploring strategic alternatives

- ✓ BCH Russia business
- ✓ BCH South Africa business
- ✓ BCH Argentina business
- ✓ CHC pet treats business



# Net Sales and Operating Income As Adjusted<sup>(1)</sup> – Q2 2016

(\$ in millions)		Q2 2016	Q2 2015	% Change Y/Y	% Change Constant Currency Y/Y <sup>(1)(2)</sup>
<b>Perrigo Consolidated Adjusted Net Sales<sup>(3)</sup></b>		<b>\$1,437</b>	<b>\$1,492</b>	<b>(4 %)</b>	<b>(3 %)</b>
<i>Adjusted Operating Income</i>		393	437	(10 %)	
<b>Consumer Healthcare Adjusted Net Sales<sup>(3)</sup></b>		<b>644</b>	<b>707</b>	<b>(9 %)</b>	<b>(8 %)</b>
<i>Adjusted Operating Income</i>		134	160	(16 %)	
<b>Branded Consumer Healthcare Adjusted Net Sales<sup>(3)</sup></b>		<b>394</b>	<b>401</b>	<b>(2 %)</b>	<b>(2 %)</b>
<i>Adjusted Operating Income</i>		59	77	(24 %)	
<b>Rx Pharmaceuticals Net Sales</b>		<b>293</b>	<b>278</b>	<b>5 %</b>	<b>6 %</b>
<i>Adjusted Operating Income</i>		127	138	(8 %)	
<b>Specialty Sciences Net Sales</b>		<b>90</b>	<b>84</b>	<b>7 %</b>	<b>7 %</b>
<i>Adjusted Operating Income</i>		86	79	9 %	

(1) See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts

(2) Excludes impact of currency translation compared to prior year, including Fx impact on Tysabri® royalty stream

(3) Second quarter 2016 and 2015 net sales exclude net sales from held-for-sale businesses. Q2 2015 adjustment made for comparative purposes to sales only.

# Rx Strategy



## Confident in Rx strategy

- ✓ Continue to make investments for long-term opportunities
- ✓ Diverse, extended topical portfolio
- ✓ Experienced Rx team dedicated to maintaining attractive margin profile



## Improvements to provide predictable results

- ✓ Updated forecasting methodology to align with market conditions



## Rx Going Forward

- ✓ Robust pipeline of new products
- ✓ Continue to focus on R&D and strategic partnerships to drive growth
- ✓ Search for new leadership is underway





# BCH Update



## Taking actions to enhance profitability

- ✓ Prioritizing brand strategies in core markets
- ✓ Infrastructure and leadership changes in underperforming markets
- ✓ Continue to progress on infrastructure enhancements



## Advancing announced initiatives

- ✓ Investing in the right people to drive performance
- ✓ Continue business process enhancements and organizational design





## Judy Brown



2Q 2016 Financial Review

# Consolidated – Q2 2016 Selected Financial Information

(\$ in millions, except per share amounts)	Q2 2016 Reported	Q2 2016 Adjusted <sup>(1)</sup>	Q2 2015 Reported	Reported Change YoY %	Non-GAAP Adjustments
<b>Net Sales</b>	<b>\$1,481</b>	<b>\$1,437</b>	<b>\$1,532</b>	<b>(3 %)</b>	
<b>Gross Profit</b>	<b>\$567</b>	<b>\$690</b>	<b>\$628</b>	<b>(10 %)</b>	<ul style="list-style-type: none"> <li>• Q2 2016 HFS<sup>(2)</sup> operating results</li> <li>• Acquisition-related amortization expenses</li> </ul>
<i>R&amp;D Expense</i>	47	46	63	(25 %)	
<i>Distribution, Selling &amp; Administrative Expense ("DSG&amp;A")</i>	296	251	339	(13 %)	<ul style="list-style-type: none"> <li>• Restructuring</li> <li>• Q2 2016 Goodwill impairment adjustment &amp; held for sale impairment</li> </ul>
<i>Restructuring and Impairments</i>	(14)	0	0	NM	
<b>Operating Income</b>	<b>\$238</b>	<b>\$393</b>	<b>\$227</b>	<b>5 %</b>	<ul style="list-style-type: none"> <li>• Losses from equity method investments</li> <li>• Q2 Investment impairment</li> </ul>
<i>Interest &amp; Other Expense</i>	87	62	70	25 %	
<b>Net Income</b>	<b>\$194</b>	<b>\$278</b>	<b>\$56</b>	<b>244 %</b>	
<b>Diluted Earnings Per Share</b>	<b>\$1.35</b>	<b>\$1.93</b>	<b>\$0.38</b>	<b>255 %</b>	

(1) See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts

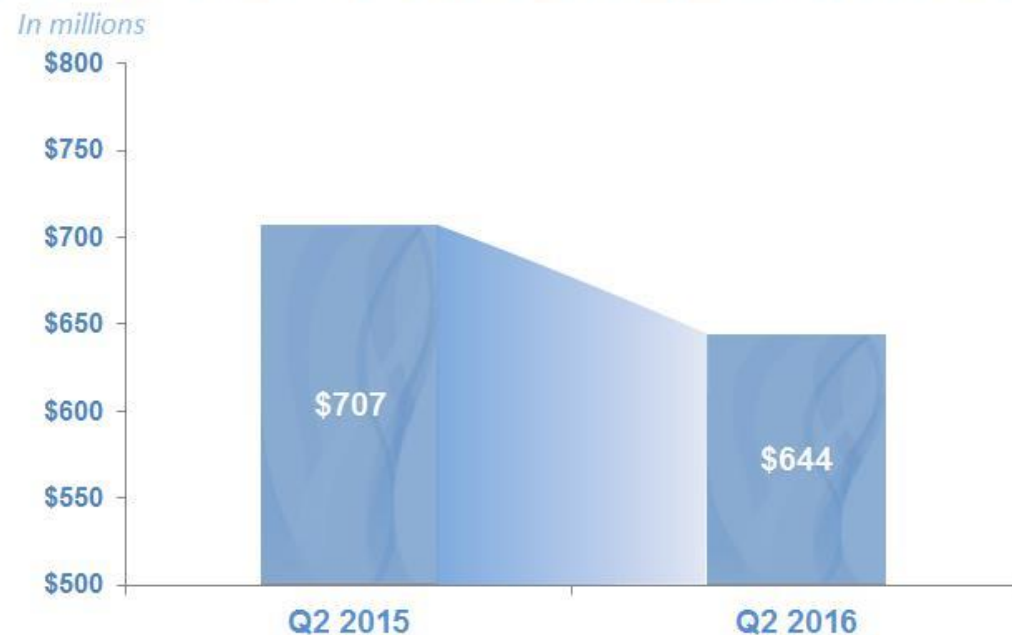
(2) Held-for-sale businesses (U.S. VMS, Etixx, and India API businesses)

NM Not meaningful



# Consumer Healthcare Segment As Adjusted<sup>(1)</sup> – Q2 2016

## 2016 Q2 Year-Over-Year Adjusted Net Sales<sup>(2)</sup>



- Adjusted net sales declined 8% on a constant currency basis excluding sales from the held-for-sale VMS business<sup>(2)</sup>
- Strong demand in infant formula and smoking cessation categories
- New product sales of \$32 million

### Adjusted Gross Profit

**\$236M**

**-12%**

### Adjusted Gross Margin

**36.6%**

**+60  
bps**

### Adjusted Operating Income

**\$134M**

**-16%**

### Adjusted Operating Margin

**20.7%**

**-70  
bps**

<sup>(1)</sup> See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts

<sup>(2)</sup> Second quarter 2016 and 2015 net sales excludes net sales from held-for-sale VMS business of \$42 million and \$40 million, respectively. Q2 2015 adjustment made for comparative purposes to sales only.

# Branded Consumer Healthcare Segment As Adjusted<sup>(1)</sup> – Q2 2016

## 2016 Q2 Year-Over-Year Adjusted Net Sales<sup>(2)</sup>



- Net Sales declined 2% on a constant currency basis excluding sales from the held-for-sale Etixx business<sup>(2)</sup>
- GSK product portfolio and Yokebe contributed \$29 million
- New product sales of \$28 million

### Adjusted Gross Profit

\$187M

-12%

### Adjusted Operating Income

\$59M

-24%

### Adjusted Gross Margin

47.4%

-560  
bps

### Adjusted Operating Margin

14.9%

-430  
bps

(1) See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts

(2) Second quarter 2015 net sales have also been adjusted to exclude Etixx. The sales attributable to Etixx for both periods were \$0.1 million.

# Rx Pharmaceuticals Segment As Adjusted<sup>(1)</sup> – Q2 2016

## 2016 Q2 Year-Over-Year Net Sales Growth



- Net sales grew 6% on a constant currency basis driven by sales from recent product acquisitions and an increase in new product sales
- New product sales of \$26 million
- Second quarter adjusted gross profit and operating income impacted by competition and price erosion

### Adjusted Gross Profit

\$169M

-6%

### Adjusted Operating Income

\$127M

-8%

### Adjusted Gross Margin

57.6%

-720  
bps

### Adjusted Operating Margin

43.2%

-630  
bps



# Specialty Sciences Segment As Adjusted<sup>(1)</sup> – Q2 2016

## 2016 Q2 Year-Over-Year Net Sales Growth



- Continued trend of positive patient adds
- Physicians continue to choose this therapy for patients requiring high efficacy
- Well-understood safety profile after nearly 10 years on the market

### Adjusted Gross Profit

\$90M

+7%

### Adjusted Operating Income

\$86M

+9%

### Adjusted Gross Margin

100%

0 bps

### Adjusted Operating Margin

95.8%

+100 bps

# Balance Sheet



## Balance Sheet

- ✓ Remain fully committed to investment grade rating
- ✓ Called \$500 million of senior notes due in November to repay in September
- ✓ Strong cash flow conversion enabling capital allocation priorities focused on deleveraging



**\$642M**  
Total Cash<sup>(1)</sup>



**\$6.4B**  
Total Debt<sup>(1)</sup>

# Update to Calendar Year 2016 Guidance

	Calendar Year 2015 <sup>2</sup>	Calendar Year 2016 Guidance at Dec 31, 2015 Rates <sup>3</sup> <i>Presented Feb. 18, 2016</i>	Impact of March 31, 2016 Rates Compared to Dec 31, 2015 Rates <sup>5</sup>	Operational Impact (midpoint to midpoint)	Calendar Year 2016 Guidance at March 31, 2016 Rates <i>Presented May 12, 2016</i>	Impact of June 30, 2016 Rates Compared to March 31, 2016 Rates <sup>5</sup>	Operational Impact (midpoint to midpoint)	Calendar Year 2016 Guidance at June 30, 2016 Rates <i>Presented Aug. 10, 2016</i>
<b>Net Sales</b>	\$5.35B	\$5.9B - \$6.2B <sup>1,4</sup>	\$11.8M	(\$280.0M)	\$5.6B - \$5.9B <sup>1,4</sup>	(\$23.8M)	(\$326.2M)	\$5.3 - \$5.5B <sup>1,4</sup>
<b>Adjusted Diluted EPS<sup>1</sup></b>	\$7.59/share	\$9.50 - \$9.80/share	(\$0.00/share)	(\$1.25/share)	\$8.20 - \$8.60/share	(\$0.03/share)	(\$1.37/share)	\$6.85 - \$7.15/share

<sup>1</sup> See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) comments




<sup>2</sup> Calendar-year data for 2015 was derived from the Company's audited results for the six-month period ended December 31, 2015 and unaudited results for the fiscal quarters ended March 28, 2015 and June 27, 2015

<sup>3</sup> December 31, 2015 exchange rates were used as the basis for calendar year 2016 guidance

<sup>4</sup> Excludes the expected results of held-for-sale businesses



# Calendar Year 2016 – Guidance

	Calendar Year 2016 Guidance	Calendar Year 2016 Segment Net Sales Guidance	
Adjusted Net Sales	\$5.3B – \$5.5B		
Adjusted DSG&A as % of Adjusted Net Sales <sup>1</sup>	~19.0%		Consumer Healthcare <sup>(2)</sup> ~\$2.6B
Adjusted R&D as % of Adjusted Net Sales <sup>1</sup>	~3.5%		
Adjusted Operating Income	\$1.38B – \$1.43B		Branded Consumer Healthcare <sup>(2)</sup> ~\$1.3B
Interest Expense	~\$225M		
Adjusted Effective Tax Rate	~15%		
Adjusted EPS	\$6.85 – \$7.15		
Diluted Shares Outstanding	~143.6M		Rx Pharmaceuticals ~\$1.0B
Operating Cash Flow	>\$0.9B		



## John Hendrickson



Leveraging the Perrigo Advantage

# New Products

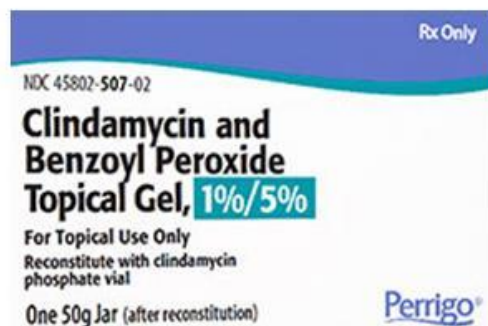
## New Products Continue to Drive Growth

### ✓ Expected 2016 new products >\$300M

- ✓ Successful launches of store brand version of Flonase<sup>®</sup> and the generic version of BenzaClin<sup>®</sup>

### ✓ Expected new products by end of 2017

- ✓ Further launches of store brand versions of Mucinex<sup>®</sup> family
- ✓ Launch of generic version of ProAir<sup>®</sup>





# The Perrigo Advantage

## Global Consumer-facing Portfolio

Size – Scale – Breadth

Key  
Drivers



CHC

- ✓ Operating efficiencies and new products



BCH

- ✓ Prioritizing brand strategies in core markets



Rx

- ✓ Maintaining attractive margins

Strategic priorities in place to further leverage The Perrigo Advantage

ENHANCE SHAREHOLDER VALUE

# Questions?

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# APPENDIX

PERRIGO COMPANY PLC  
SUPPLEMENTAL SELECTED FINANCIAL  
INFORMATION

(in millions)

(unaudited)

	Three Months Ended	
	July 2, 2016	June 27, 2015
Intangible asset amortization expense	\$ 161.7	\$ 142.6
Depreciation expense	25.1	24.7

	July 2, 2016	December 31, 2015
	Cash and cash equivalents	\$ 641.8
Total assets	19,533.6	19,393.9
Long-term debt, less current portion	5,652.5	4,971.6



# APPENDIX

TABLE I  
PERRIGO COMPANY PLC  
RECONCILIATION OF NON-GAAP  
MEASURES  
SELECTED CONSOLIDATED INFORMATION  
(in millions, except per share amounts)  
(unaudited)

Three Months Ended July 2, 2016

Consolidated	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Restructuring and Impairment Charges	Operating Income (Loss)	Interest and Other Expense	Net Income (Loss)	Diluted Earnings (Loss) per Share
<b>Reported</b>	\$ 1,481.0	\$ 567.2	\$ 47.0	\$ 295.9	\$ (14.0)	\$ 238.3	\$ 86.7	\$ 194.3	\$ 1.35
<i>Adjustments:</i>									
Amortization expense related primarily to acquired intangible assets	\$ —	\$ 128.9	\$ (0.2)	\$ (34.4)	\$ —	\$ 163.5	\$ —	\$ 163.5	\$ 1.15
Investment impairments	—	—	—	—	—	—	(24.1)	24.1	0.17
Restructuring charges	—	—	—	—	(5.8)	5.8	—	5.8	0.04
Acquisition and integration-related charges	—	—	—	(2.4)	—	2.4	0.4	2.0	0.01
Operating results attributable to held-for-sale businesses*	(43.6)	(6.0)	(0.5)	(8.0)	—	2.5	0.4	2.1	0.01
Losses from equity method investments	—	—	—	—	—	—	(1.8)	1.8	0.01
Goodwill and held-for-sale impairment charges	—	—	—	—	19.8	(19.8)	—	(19.8)	(0.14)
Tax effect of non-GAAP adjustments, including quarterly effect on the annual effective tax rate calculation	—	—	—	—	—	—	—	(96.3)	(0.67)
<b>Adjusted</b>	\$ 1,437.4	\$ 690.1	\$ 46.3	\$ 251.1	\$ —	\$ 392.7	\$ 61.6	\$ 277.5	\$ 1.93
As a % of adjusted net sales		48.0%				27.3%			

Diluted weighted average shares outstanding

143.6

\*Held-for-sale businesses include the U.S. VMS business, Etixx brand, and India API business

TABLE I (CONTINUED)  
PERRIGO COMPANY PLC  
RECONCILIATION OF NON-GAAP MEASURES  
SELECTED CONSOLIDATED INFORMATION  
(in millions, except per share amounts)  
(unaudited)

# APPENDIX

Three Months Ended June 27, 2015

Consolidated	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income	Interest and Other Expense	Net Income	Diluted Earnings per Share
<b>Reported</b>	\$ 1,531.6	\$ 628.1	\$ 62.6	\$ 338.7	\$ 226.9	\$ 69.5	\$ 56.4	\$ 0.38
<i>Adjustments:</i>								
Amortization expense related primarily to acquired intangible assets		\$ 108.6	\$ —	\$ (34.0)	\$ 142.6	\$ —	\$ 142.6	\$ 0.98
Acquisition and integration-related charges		—	—	(19.7)	19.7	—	19.7	0.13
Initial payment made in connection with an R&D arrangement		—	(18.0)	—	18.0	—	18.0	0.12
Amortization of inventory fair value adjustments related to acquisitions		15.6	—	—	15.6	—	15.6	0.11
Legal and consulting fees related to Mylan defense		—	—	(13.4)	13.4	—	13.4	0.09
Goodwill, intangible asset and investment impairment charges		—	—	(0.4)	0.4	(8.6)	9.0	0.06
Derivative losses		—	—	—	—	(5.5)	5.5	0.04
Losses from equity method investments		—	—	—	—	(3.5)	3.5	0.02
Loss on early debt extinguishment		—	—	—	—	(0.9)	0.9	0.01
Restructuring charges		0.4	—	—	0.3	—	0.3	—
Non-GAAP adjustment to tax expense associated with debt restructuring for the acquisition of Omega		—	—	—	—	—	46.6	0.32
Tax effect of non-GAAP adjustments, including quarterly effect on the annual effective tax rate calculation		—	—	—	—	—	(11.2)	(0.08)
<b>Adjusted</b>		\$ 752.7	\$ 44.6	\$ 271.2	\$ 436.9	\$ 51.0	\$ 320.3	\$ 2.18
As a % of reported net sales		49.1%			28.5%			
<b>For Comparative Purposes*</b>								Diluted weighted average shares outstanding
<b>Reported</b>	\$ 1,531.6							
Operating results attributable to held-for-sale businesses	(39.7)							
<b>Adjusted</b>	\$ 1,491.9							

\*2015 net sales adjustment made for 2016 adjusted net sales comparison purposes only and does not change any other prior year financial information or metrics as businesses were not held-for-sale in 2015.





TABLE II (CONTINUED)  
PERRIGO COMPANY PLC  
RECONCILIATION OF NON-GAAP MEASURES  
SELECTED SEGMENT INFORMATION  
(in millions)  
(unaudited)

# APPENDIX

	Three Months Ended July 2, 2016			Three Months Ended June 27, 2015		
	Net Sales	Gross Profit	Operating Income (Loss)	Net Sales	Gross Profit	Operating Income
<b>Branded Consumer Healthcare (BCH)</b>						
<b>Reported</b>	\$ 393.7	\$ 173.1	\$ 38.4	\$ 401.2	\$ 190.1	\$ 26.6
<i>Adjustments:</i>						
Amortization expense related primarily to acquired intangible assets	—	12.8	41.3		7.0	34.1
Impairment charges	—	—	(30.3)		—	—
Amortization of inventory fair value adjustments related to acquisitions	—	—	—		15.6	15.6
Operating results attributable to held-for-sale business	(0.1)	0.6	4.7		—	—
Restructuring charges	—	—	4.8		—	—
Acquisition and integration-related charges	—	—	(0.2)		—	0.7
<b>Adjusted</b>	\$ 393.6	\$ 186.5	\$ 58.7	\$ 212.7	\$ 77.0	
As a % of adjusted net sales (2016) / As a % of reported net sales (2015)		47.4%	14.9%		53.0%	19.2%

**For Comparative Purposes\***

<b>Reported</b>	\$ 401.2
Operating results attributable to held-for-sale business	(0.1)
<b>Adjusted</b>	\$ 401.1

	CHC and BCH Net Sales	Consolidated Net Sales	Consumer- Facing as a % of Net Sales
<b>Reported</b>	\$ 1,080.0	\$ 1,481.0	73%
Operating results attributable to held-for-sale businesses**	\$ (42.2)	(43.6)	
<b>Adjusted</b>	\$ 1,037.8	\$ 1,437.4	72%

\*Q2 2015 net sales adjustment made for Q2 2016 adjusted net sales comparison purposes only and does not change any other prior year financial information or metrics since the Etixx business was not held-for-sale in 2015. Q2 2015 gross margin and operating margin use reported net sales as the denominator.

\*\* Held-for-sale businesses include the U.S. VMS business and Etixx brand.



# APPENDIX

TABLE III  
 PERRIGO COMPANY PLC  
 RECONCILIATION OF NON-GAAP MEASURES  
 CONSTANT CURRENCY  
 (in millions)  
 (unaudited)

	Three Months Ended				Constant Currency Change
	July 2, 2016	June 27, 2015	Total Change	FX Change	
<b>Net sales</b>					
Consolidated*	\$ 1,437.4	\$ 1,491.9	(4)%	1%	(3)%
CHC*	644.2	706.8	(9)%	1%	(8)%
BCH*	393.6	401.1	(2)%	—%	(2)%
Rx	293.3	278.3	5%	1%	6%
Specialty Sciences	89.9	83.6	7%	—%	7%

\*2016 and 2015 net sales are adjusted to exclude sales attributable to held-for-sale businesses. See Tables I and II for non-GAAP reconciliations.



TABLE IV  
PERRIGO COMPANY PLC  
RECONCILIATION OF NON-GAAP MEASURES  
CURRENT 2016 GUIDANCE  
(in millions, except per share amounts)  
(unaudited)

# APPENDIX

	<b>Full Year 2016 EPS Guidance</b>
<b>Reported 2016 Guidance Diluted EPS Range</b>	<b>\$0.26 - \$0.56</b>
Amortization expense related primarily to acquired intangible assets	4.50
Goodwill, intangible asset, investment and held-for-sale impairment charges	3.29
Integration and restructuring-related charges	0.27
Other (1)	0.09
Tax effect of non-GAAP adjustments	(1.56)
<b>Adjusted 2016 Guidance Diluted EPS Range</b>	<b>\$6.85 - \$7.15</b>

(1) Equity method investment losses, results of operations from held-for-sale businesses, and loss on early debt extinguishment

	<b>Full Year 2016 Guidance</b>
Operating cash flow	\$900.0
Midpoint adjusted diluted EPS guidance	\$7.00
Diluted shares outstanding	143.6
Adjusted net income	\$1,005.2
Cash conversion ratio	<b>90%</b>

	<b>Second Half of 2016 Guidance</b>		
	<b>Taxes</b>	<b>Pre-Tax Income</b>	<b>Effective Tax Rate</b>
<b>Reported</b>	\$ 28	\$ 240	Approx. 12%
Tax effect of non-GAAP adjustments, including quarterly effect on the annual effective tax rate calculation	72	350	
<b>Adjusted</b>	\$ 100	\$ 590	Approx. 17%

	<b>Full year 2016 Guidance</b>		
	<b>Taxes</b>	<b>Pre-Tax Income</b>	<b>Effective Tax Rate</b>
<b>Reported</b>	\$ (40)	\$ 35	Approx. (114%)
Tax effect of non-GAAP adjustments	225	1,170	
<b>Adjusted</b>	\$ 185	\$ 1,205	Approx. 15%

**TABLE IV (CONTINUED)**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**CURRENT 2016 GUIDANCE**

(in millions)  
(unaudited)

# APPENDIX

	<b>Full Year 2016 Guidance</b>
<b>Consolidated Net Sales</b>	
<b>Reported</b>	<b>\$5,400 - 5,600</b>
Operating results attributable to held-for-sale businesses	(100)
Adjusted	<u>\$5,300 - 5,500</u>
<b>Consolidated DSG&amp;A as a % of Net Sales</b>	
<b>Reported</b>	<b>Approx. 22.0%</b>
Amortization expense related primarily to acquired intangible assets	(2.5)%
Operating results attributable to held-for-sale businesses	(0.2)%
Restructuring and integration-related charges	(0.3)%
Adjusted	<u>Approx. 19.0%</u>
<b>Consolidated R&amp;D as a % of Net Sales</b>	
<b>Reported</b>	<b>Approx. 3.54%</b>
Operating results attributable to held-for-sale businesses	0.04%
Adjusted	<u>Approx. 3.5%</u>
<b>Consolidated Operating Income</b>	
<b>Reported</b>	<b>\$240 – 290</b>
Amortization expense related to acquired intangible assets	645
Goodwill, intangible asset, and held-for-sale impairment charges	447
Operating results attributable to held-for-sale businesses	10
Restructuring and integration-related charges	38
Adjusted	<u>\$1,380 - \$1,430</u>

# APPENDIX

**TABLE V**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**2016 SEGMENT GUIDANCE**  
(in millions)  
(unaudited)

	<b>Full Year 2016 Guidance</b>	
<b>CHC Net Sales</b>		
<b>Reported</b>	<b>\$ 2,700</b>	
Operating results attributable to held-for-sale business	100	
Adjusted	<b>\$ 2,600</b>	
<b>BCH Net Sales</b>		
<b>Reported</b>	<b>\$ 1,300.1</b>	
Operating results attributable to held-for-sale business	(0.1)	
Adjusted	<b>\$ 1,300.0</b>	
	<b>Actuals First Half of 2016</b>	<b>Guidance Second Half of 2016</b>
<b>CHC Operating Margin</b>		
<b>Reported</b>	<b>15.4%</b>	<b>Approx. 18.0%</b>
Amortization expense related to acquired intangible assets	3.0%	1.5%
Operating results attributable to held-for-sale business	0.5%	0.2%
Impairment charges	0.6%	—%
Integration and restructuring-related charges	0.2%	—%
Adjusted	<b>19.7%</b>	<b>Approx. 19.7%</b>
<b>BCH Operating Margin</b>		
<b>Reported</b>		<b>Approx. 2.7% - 6.7%</b>
Amortization expense related to acquired intangible assets		6.3%
Integration and restructuring-related charges		0.6%
Operating results attributable to held-for-sale business		0.4%
Adjusted		<b>Approx. 10-14%</b>
<b>Rx Operating Margin</b>		
<b>Reported</b>		<b>Approx. 26.1% - 30.1%</b>
Amortization expense related to acquired intangible assets		13.2%
Adjusted		<b>Approx. 40 - 44%</b>



TABLE VI  
PERRIGO COMPANY PLC  
RECONCILIATION OF NON-GAAP MEASURES  
PREVIOUS GUIDANCE  
(unaudited)

# APPENDIX

	Calendar Year 2016 Guidance Published February 18, 2016	Calendar Year 2016 Guidance Published May 12, 2016
<b>Consolidated Net Sales</b>		
<b>Reported</b>	<b>\$6,000 - \$6,300</b>	<b>\$5,700 - \$6,000</b>
Operating results attributable to held-for-sale businesses	(100)	(100)
Adjusted	\$5,900 - \$6,200	\$5,600 - \$5,900
<b>Reported 2016 Guidance Diluted EPS Range</b>	<b>\$5.55 - \$5.85</b>	<b>\$1.52 - \$1.92</b>
<i>Adjustments:</i>		
Amortization expense related primarily to acquired intangible assets	4.37	4.54
Impairment charges	—	3.26
Integration and restructuring-related charges	0.24	0.30
Other (1)	—	(0.09)
Tax effect of non-GAAP adjustments	(0.66)	(1.33)
Adjusted 2016 Guidance Diluted EPS Range	\$9.50 - \$9.80	\$8.20 - \$8.60

(1) Equity method investment losses, results of operations from held-for-sale businesses, and loss on early debt extinguishment

TABLE VII  
PERRIGO COMPANY PLC  
RECONCILIATION OF NON-GAAP MEASURES  
SELECTED CONSOLIDATED INFORMATION  
(unaudited)

Diluted Earnings (Loss) per Share	Twelve Months Ended December 31, 2015
<b>Reported</b>	<b>\$ (0.23)</b>
<i>Adjustments:</i>	
Amortization expense related to acquired intangible assets	3.65
Losses from derivatives associated primarily with the Omega acquisition	1.87
Goodwill, intangible asset, held-for-sale and investment impairment charges	1.64
Legal and consulting fees related to Mylan defense	0.70
Acquisition and integration-related charges	0.25
Restructuring charges	0.19
Omega financing fees and loss on early debt extinguishment	0.14
Amortization of inventory and fixed asset fair value adjustments related to acquisitions	0.13
Initial payment made in connection with an R&D arrangement	0.13
Losses from equity method investments	0.08
Non-GAAP adjustment to tax expense associated with debt restructuring for the acquisition of Omega	0.32
Tax effect of non-GAAP adjustments	(1.28)
<b>Adjusted</b>	<b>\$ 7.59</b>