



# Perrigo Fiscal 2011 Fourth Quarter Conference Call

*August 16, 2011*

**PERRIGO**

Quality, Affordable Healthcare Products



# Forward-Looking Statements

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Certain statements in this presentation 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. 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 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 other comparable terminology. 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. These and other important factors, including those discussed under "Risk Factors" in the Company's Form 10-K for the year ended June 25, 2011, as well as the Company's subsequent filings with the Securities and Exchange Commission, 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.



# FY 2011 Adjusted Financials\*

*From Continuing Operations*

## Perrigo Consolidated

(\$ in millions, except per share amounts)	FY 2011	FY 2010	% Change Y/Y	Change as a % to sales
<b>Net Sales</b>	\$ 2,755	\$ 2,268	21.5%	
<b>Adjusted Cost of Sales</b>	1,779	1,492	19.2%	
<b>Adjusted Gross Profit</b>	976	776	25.7%	120 bps
<b>Adjusted Operating Expenses</b>	434	367	18.3%	
<b>Adjusted Operating Income</b>	541	409	32.5%	160 bps
<b>Adjusted Income from Continuing Ops</b>	\$ 375	\$ 281	33.5%	120 bps
<b>Adjusted Diluted EPS from Continuing Ops</b>	\$ 4.01	\$ 3.03	32.3%	

### Margin Analysis

Adjusted Gross Margin		
FY 2011	FY 2010	Change
35.4%	34.2%	↑120 bps
Adjusted Operating Margin		
FY 2011	FY 2010	Change
19.6%	18.0%	↑160 bps



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# FY 2011 Performance Review\*

*From Continuing Operations*

## Perrigo Consolidated

	Original Targets for FY 2011	Actual FY 2011	
<b>Consolidated Revenue Growth</b>	20% to 23% from Fiscal 2010	21.5%	✓
<b>Adj. Consolidated Operating Margin</b>	17% to 19% of Net Sales	19.6%	✓
<b>Rx Revenue Growth</b>	23% to 27% from Fiscal 2010	44.7%	✓
<b>Operating Cash Flow</b>	\$350 million to \$380 million	\$374 million	✓
<b>Adj. EPS from Continuing Operations</b>	\$3.40 to \$3.60 (12% to 18% Y/Y Growth)**	\$4.01 (32.3%)	✓

✓ at or above goal    ✗ below goal

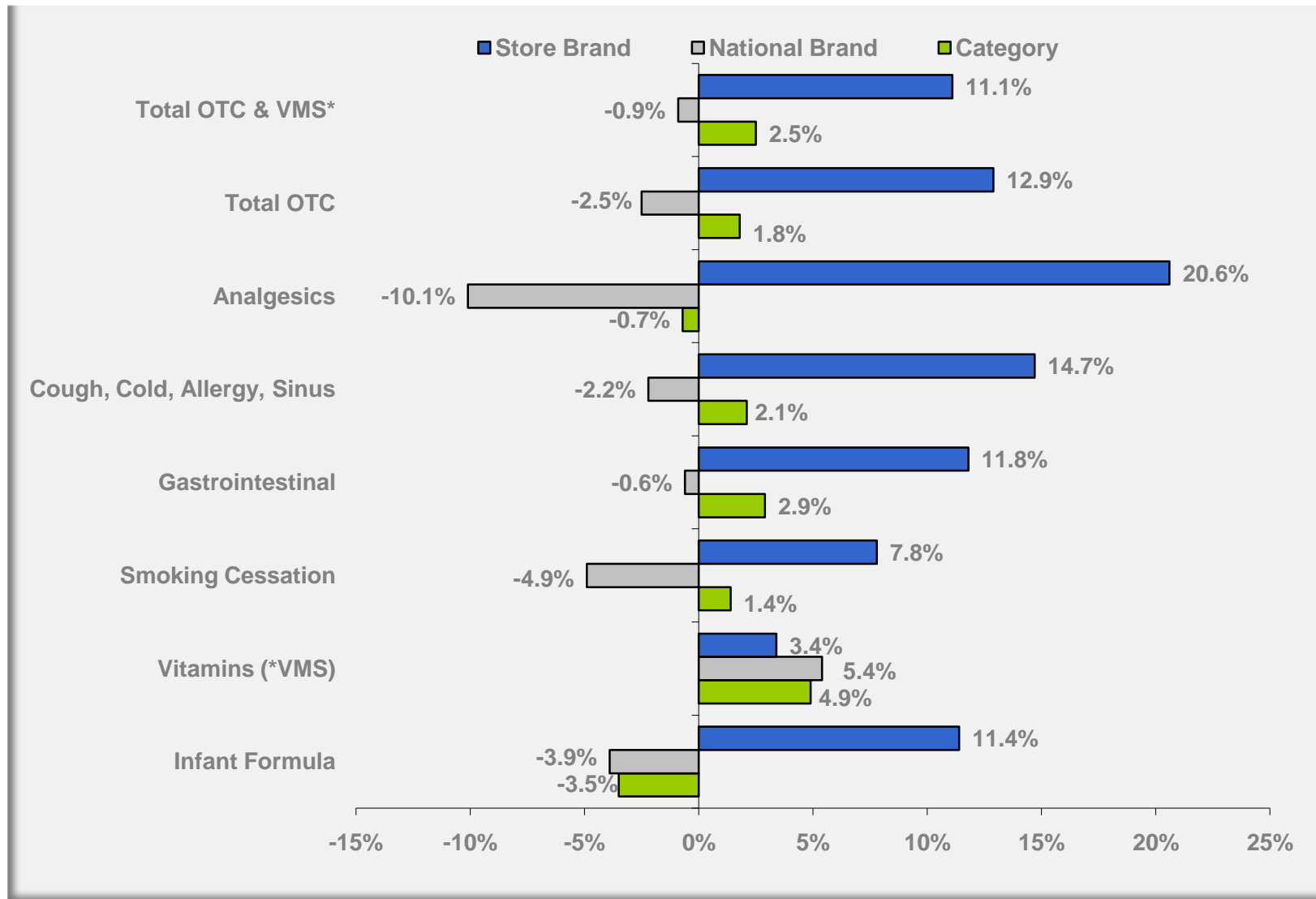
\*See attached financial schedule for reconciliation to GAAP numbers

\*\*Growth as compared to adjusted fiscal 2010 EPS from continuing operations



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# All Category Update – 52 Weeks



\*Vitamins, Minerals, and Supplements

Source: IRI 52 Week Data Ending July 3, 2011; FDM



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# Net Sales Performance

*From Continuing Operations*

<i>(\$ in millions)</i>	Q4 2011	Q4 2010	% Change Y/Y
<b>Consolidated Perrigo</b>	\$ 705	\$ 620	13.7%
<b>Consumer Healthcare</b>	\$ 434	\$ 399	8.8%
<b>Nutritionals</b>	\$ 123	\$ 84	47.0%
<b>Rx Pharmaceuticals</b>	\$ 92	\$ 83	11.6%
<b>API</b>	\$ 37	\$ 39	-5.6%



# GAAP Financials

From Continuing Operations

## Perrigo Consolidated

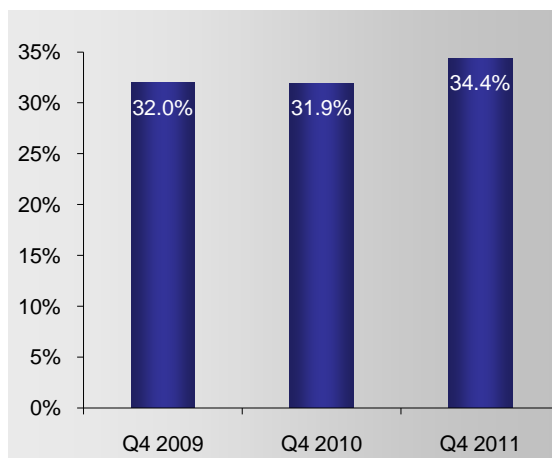
(\$ in millions, except per share amounts)

	Q4 2011	Q4 2010	% Change Y/Y
<b>Net Sales</b>	\$ 705	\$ 620	14%
<b>Cost of Sales</b>	462	422	10%
<b>Gross Profit</b>	242	198	22%
<i>Distribution</i>	9	7	31%
<i>R&amp;D</i>	23	26	-11%
<i>SG&amp;A</i>	86	81	6%
<i>Write-off of In-Process R&amp;D</i>	-	5	-100%
<i>Restructuring</i>	1	2	-50%
<b>Operating Income</b>	123	77	61%
<b>Income from Continuing Ops</b>	\$ 86	\$ 49	75%
<b>Diluted EPS from Continuing Ops</b>	\$ 0.91	\$ 0.53	72%

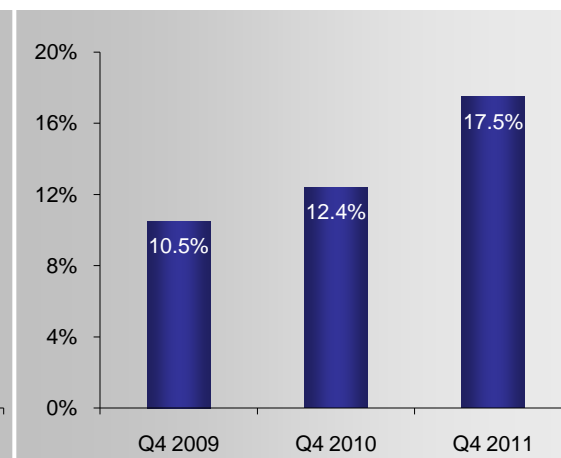
### Margin Analysis

Gross Margin		
Q4 2011	Q4 2010	Change
34.4%	31.9%	↑ 250 bps
Operating Margin		
Q4 2011	Q4 2010	Change
17.5%	12.4%	↑ 510 bps

Gross Margin Q4'09-Q4'11



Operating Margin Q4'09-Q4'11



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# Adjusted Financials

## From Continuing Operations

Consolidated (in thousands)	Three Months Ended						% Change	
	June 25, 2011			June 26, 2010			% Change	
	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	As Adj.
Net sales	\$ 704,629	\$ -	\$ 704,629	\$ 619,760	\$ -	\$ 619,760	14%	14%
Cost of sales	462,295	8,392 (a)	453,903	421,759	15,719 (a, e)	406,040	10%	12%
Gross profit	242,334	8,392	250,726	198,001	15,719	213,720	22%	17%
Operating expenses								
Distribution	8,962	-	8,962	6,848	-	6,848	31%	31%
Research and development	23,408	-	23,408	26,362	-	26,362	-11%	-11%
Selling and administration	85,645	4,854 (a, b)	80,791	81,157	7,985 (a, f)	73,172	6%	10%
Write-off of in-process R&D	-	-	-	5,000	5,000 (g)	-	-100%	-
Restructuring	1,033	1,033 (c)	-	2,049	2,049 (h)	-	-50%	-
Total	119,048	5,887	113,161	121,416	15,034	106,382		
Operating income	123,286	14,279	137,565	76,585	30,753	107,338	61%	28%
Interest, net	10,594	-	10,594	10,546	2,800 (i)	7,746	0%	37%
Other (income) expense, net	(716)	-	(716)	521	-	521	-	-
Pre-tax income from cont. ops.	113,408	14,279	127,687	65,518	33,553	99,071	73%	29%
Income tax expense	27,838	4,431 (d)	32,269	16,517	11,015 (d)	27,532	69%	17%
Income from continuing operations	\$ 85,570	\$ 9,848	\$ 95,418	\$ 49,001	\$ 22,538	\$ 71,539	75%	33%
Diluted EPS from cont. ops.	\$ 0.91		\$ 1.02	\$ 0.53		\$ 0.77	72%	32%
Diluted weighted average shares outstanding	93,853		93,853	92,948		92,948		
Gross profit	34.4%		35.6%	31.9%		34.5%		
Operating income	17.5%		19.5%	12.4%		17.3%		

(a) Deal-related amortization

(b) Acquisition costs of \$832

(c) Restructuring charges related to Florida

(d) Total tax effect for non-GAAP pre-tax adjustments

(e) Inventory step-ups of \$9,873

(f) Acquisition costs of \$5,137

(g) Write-off of in-process R&D related to acquired ANDA

(h) Restructuring charges related to Germany

(i) Acquisition costs

(j) Acquisition costs of \$3,243

(k) Inventory step-ups of \$10,904

(l) Acquisition costs of \$8,189

(m) Restructuring charges related to Germany and Florida



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# Adjusted Financials\*

From Continuing Operations

## Perrigo Consolidated

(\$ in millions, except per share amounts)


	Q4 2011	Q4 2010	% Change Y/Y	Change as a % to sales
<b>Net Sales</b>	\$ 705	\$ 620	14%	
<b>Adjusted Cost of Sales</b>	454	406	12%	
<b>Adjusted Gross Profit</b>	251	214	17%	110 bps
<i>Distribution</i>	9	7	31%	
<i>R&amp;D</i>	23	26	-11%	
<b>Adjusted SG&amp;A</b>	81	73	10%	
<b>Adjusted Operating Income</b>	138	107	28%	220 bps
<b>Adjusted Income from Continuing Ops</b>	\$ 95	\$ 72	33%	200 bps
<b>Adjusted Diluted EPS from Continuing Ops</b>	\$ 1.02	\$ 0.77	32%	

## Margin Analysis

Adjusted Gross Margin		
Q4 2011	Q4 2010	Change
35.6%	34.5%	↑ 110 bps
Adjusted Operating Margin		
Q4 2011	Q4 2010	Change
19.5%	17.3%	↑ 220 bps



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# Adjusted Segment Financials\*


From Continuing Operations

## Consumer Healthcare

(\$ in millions)

	Q4 2011	Q4 2010	% Change Y/Y	Change as a % to sales
<b>Net Sales</b>	\$ 434	\$ 399	9%	
<b>Adjusted Cost of Sales</b>	299	266	12%	
<b>Adjusted Gross Profit</b>	134	133	1%	-220 bps
<b>Adjusted Operating Expenses</b>	57	61	-7%	
<b>Adjusted Operating Income</b>	\$ 77	\$ 71	8%	0 bps

## Margin Analysis

Adjusted Gross Margin		
Q4 2011	Q4 2010	Change
31.0%	33.2%	 -220 bps

Adjusted Operating Margin		
Q4 2011	Q4 2010	Change
17.9%	17.9%	0 bps

### Positive Impacts

- Volume increases
- Fairly stable pricing in most products




- Volume leverage of SG&A expenses
- Procurement activities and commodity management



### Negative Offsets

- Increased investments in quality systems
- Pricing pressure on certain products





# Adjusted Segment Financials\*

From Continuing Operations

## Nutritionals

(\$ in millions)

	Q4 2011	Q4 2010	% Change Y/Y	Change as a % to sales
<b>Net Sales</b>	\$ 123	\$ 84	47%	
<b>Adjusted Cost of Sales</b>	83	58	43%	
<b>Adjusted Gross Profit</b>	40	26	56%	190 bps
<b>Adjusted Operating Expenses</b>	23	14	63%	
<b>Adjusted Operating Income</b>	\$ 18	\$ 12	48%	0 bps

## Margin Analysis

Adjusted Gross Margin		
Q4 2011	Q4 2010	Change
32.9%	31.0%	↑ 190 bps

Adjusted Operating Margin		
Q4 2011	Q4 2010	Change
14.3%	14.3%	0 bps

## Positive Impact

- Higher GMs from PBM included for a full quarter



# Adjusted Segment Financials\*

From Continuing Operations

## Rx Pharmaceuticals

(\$ in millions)	Q4 2011	Q4 2010	% Change Y/Y	Change as a % to sales
<b>Net Sales</b>	\$ 92	\$ 83	12%	
<b>Adjusted Cost of Sales</b>	39	50	-21%	
<b>Adjusted Gross Profit</b>	53	33	61%	1780 bps
<b>Adjusted Operating Expenses</b>	12	12	2%	
<b>Adjusted Operating Income</b>	\$ 41	\$ 21	95%	1910 bps

## Margin Analysis

Adjusted Gross Margin		
Q4 2011	Q4 2010	Change
57.6%	39.8%	↑ 1780 bps
Adjusted Operating Margin		
Q4 2011	Q4 2010	Change
44.6%	25.5%	↑ 1910 bps

## Positive Impacts

- New product sales
- Favorable pricing on select products
- SG&A leverage on increased product sales




# Adjusted Segment Financials\*

From Continuing Operations

## API


(\$ in millions)	Q4 2011	Q4 2010	% Change Y/Y	Change as a % to sales
Net Sales	\$ 37	\$ 39	-6%	
Adjusted Cost of Sales	2091%	2262%	-8%	
Adjusted Gross Profit	16	16	-3%	120 bps
Adjusted Operating Expenses	9	7	27%	
Adjusted Operating Income	\$ 7	\$ 9	-25%	-500 bps

## Margin Analysis



Adjusted Gross Margin		
Q4 2011	Q4 2010	Change
43.2%	42.0%	 120 bps

Adjusted Operating Margin		
Q4 2011	Q4 2010	Change
19.3%	24.3%	 -500 bps

### Positive Impacts

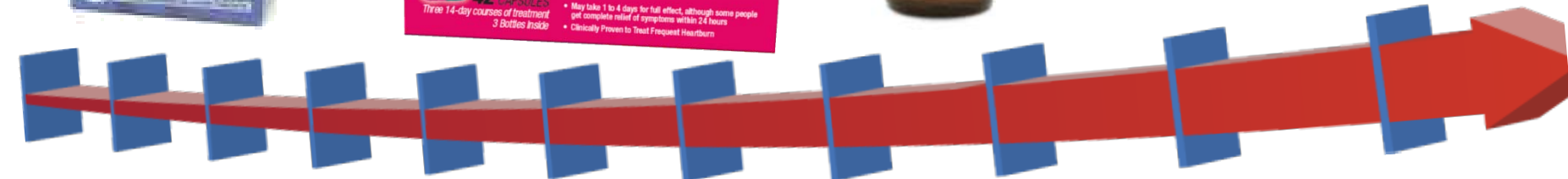
- Temozolomide sales in Europe 
- Favorable product mix

### Negative Offsets

- Decreased sales of dossier agreements 
- Slightly decreased product sales
- Timing of operating expenses 

# New Product Innovation

*Publicly disclosed products*



## Potential Rx to OTC switches

- \$5 billion in branded sales potential in the next 3 years
- Total of \$10 billion in branded sales potential in the next 5 years

## FY2012 OTC Pipeline

Generic version of Mucinex®  
Generic version of Prevacid®  
Generic version of Zantac® Cool Mint  
Cinnamon Flavor Nicotine Gum  
Generic version of Claritin® D  
Generic version of Rogaine® Foam  
Plus, many additional new products

## FY2012 Rx Pipeline

Generic version of Xyzal® Solution  
Generic version of Duac® Gel  
Generic version of Cenestin®  
Generic version of Clobex® Lotion  
Plus, many additional new products

**Expect To Launch >45 New Products Adding \$190 million in FY 2012**

# FY2011 & FY2012 Adjusted Diluted EPS Reconciliation

## From Continuing Operations

	FY 12 Guidance	Y/Y Growth
<b>Reported Diluted EPS from Continuing Operations Range</b>	<b>\$3.79 - \$3.94</b>	<b>+4% to +8%</b>
Deal-related intangible amortization <sup>(1)</sup>	0.54	
Charge associated with inventory step-up	0.11	
Charges associated with acquisition-related costs	0.06	
<b>Adjusted Diluted EPS from Continuing Operations Range</b>	<b>\$4.50 - \$4.65</b>	<b>+12% to +16%</b>
	<b>FY 11 Actual</b>	
<b>Reported Diluted EPS from Continuing Operations</b>	<b>\$3.64</b>	
Deal-related intangible amortization <sup>(1)</sup>	0.34	
Charges associated with acquisition-related costs	0.02	
Charges associated with restructuring	0.01	
<b>Adjusted Diluted EPS from Continuing Operations</b>	<b>\$4.01</b>	

(1) Amortization of acquired intangible assets related to business combinations and asset acquisitions

# Perrigo FY12 Guidance by Segment

Consolidated Perrigo	FY 2012 Guidance*
Revenue growth from fiscal 2011	15% - 18%
Adjusted consolidated gross margin range	35% - 38%
Adjusted consolidated operating margin range	20% - 22%
<b>Consumer Healthcare</b>	
Revenue growth from fiscal 2011	12% - 14%
Adjusted gross margin range	32% - 33%
Adjusted operating margin range	18% - 19%
<b>Nutritionals</b>	
Revenue growth from fiscal 2011	5% - 7%
Adjusted gross margin range	33% - 35%
Adjusted operating margin range	17% - 19%
<b>Rx Pharmaceuticals</b>	
Revenue growth from fiscal 2011	55% - 57%
Adjusted gross margin range	53% - 55%
Adjusted operating margin range	38% - 40%
<b>API</b>	
Revenue growth from fiscal 2011	9% - 11%
Adjusted gross margin range	45% - 48%
Adjusted operating margin range	25% - 27%

\* All information based on continuing operations





# Perrigo FY12 Guidance\*

*From Continuing Operations*

<b>Consolidated Revenue Growth</b>	<b>15% to 18% from Fiscal 2011</b>
<b>Adj. Consolidated Gross Margin</b>	<b>35% to 38% of Net Sales</b>
<b>Adj. Consolidated Operating Margin</b>	<b>20% to 22% of Net Sales</b>
<b>Estimated Effective Worldwide Tax Rate</b>	<b>Approximately 29% to 31%</b>
<b>Adjusted Diluted EPS</b>	<b>\$4.50 to \$4.65 (12% to 16% Y/Y Growth**)</b>
<b>Cash Flow from Operations</b>	<b>\$470M to \$500M</b>

\*See attached financial schedule for reconciliation to GAAP numbers.

\*\*Growth as compared to fiscal 2011 adjusted diluted EPS from continuing operations



# Appendix

# Table I

## PERRIGO COMPANY RECONCILIATION OF NON-GAAP MEASURES

(in thousands, except per share amounts)  
(unaudited)

Consolidated	Three Months Ended						% Change	
	June 25, 2011			June 26, 2010			GAAP	As Adj.
	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	Non-GAAP Adjustments	As Adjusted		
Net sales	\$ 704,629	\$ -	\$ 704,629	\$ 619,760	\$ -	\$ 619,760	14%	14%
Cost of sales	462,295	8,392 <sup>(a)</sup>	453,903	421,759	15,719 <sup>(a, e)</sup>	406,040	10%	12%
Gross profit	242,334	8,392	250,726	198,001	15,719	213,720	22%	17%
Operating expenses								
Distribution	8,962	-	8,962	6,848	-	6,848	31%	31%
Research and development	23,408	-	23,408	26,362	-	26,362	-11%	-11%
Selling and administration	85,645	4,854 <sup>(a, b)</sup>	80,791	81,157	7,985 <sup>(a, f)</sup>	73,172	6%	10%
Write-off of in-process R&D	-	-	-	5,000	5,000 <sup>(g)</sup>	-	-100%	-
Restructuring	1,033	1,033 <sup>(c)</sup>	-	2,049	2,049 <sup>(h)</sup>	-	-50%	-
Total	119,048	5,887	113,161	121,416	15,034	106,382		
Operating income	123,286	14,279	137,565	76,585	30,753	107,338	61%	28%
Interest, net	10,594	-	10,594	10,546	2,800 <sup>(i)</sup>	7,746	0%	37%
Other (income) expense, net	(716)	-	(716)	521	-	521	-	-
Pre-tax income from cont. ops.	113,408	14,279	127,687	65,518	33,553	99,071	73%	29%
Income tax expense	27,838	4,431 <sup>(d)</sup>	32,269	16,517	11,015 <sup>(d)</sup>	27,532	69%	17%
Income from continuing operations	\$ 85,570	\$ 9,848	\$ 95,418	\$ 49,001	\$ 22,538	\$ 71,539	75%	33%
Diluted EPS from cont. ops.	\$ 0.91		\$ 1.02	\$ 0.53		\$ 0.77	72%	32%
Diluted weighted average shares outstanding	93,853		93,853	92,948		92,948		
Gross profit	34.4%		35.6%	31.9%		34.5%		
Operating income	17.5%		19.5%	12.4%		17.3%		

(a) Deal-related amortization

(b) Acquisition costs of \$832

(c) Restructuring charges related to Florida

(d) Total tax effect for non-GAAP pre-tax adjustments

(e) Inventory step-ups of \$9,873

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(j) Acquisition costs of \$3,243

(k) Inventory step-ups of \$10,904

(l) Acquisition costs of \$8,189

(m) Restructuring charges related to Germany and Florida



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# Table I (continued)

**PERRIGO COMPANY**  
**RECONCILIATION OF NON-GAAP MEASURES**  
(in thousands, except per share amounts)  
(unaudited)

Consolidated	Fiscal Year Ended						% Change	
	June 25, 2011			June 26, 2010			GAAP	As Adj.
	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	Non-GAAP Adjustments	As Adjusted		
Net sales	\$ 2,755,029	\$ -	\$ 2,755,029	\$ 2,268,150	\$ -	\$ 2,268,150	21%	21%
Cost of sales	1,810,159	30,663 (a)	1,779,496	1,521,917	29,640 (a, k)	1,492,277	19%	19%
Gross profit	944,870	30,663	975,533	746,233	29,640	775,873	27%	26%
Operating expenses								
Distribution	34,684	-	34,684	28,322	-	28,322	22%	22%
Research and development	89,250	-	89,250	83,515	-	83,515	7%	7%
Selling and administration	329,698	19,358 (a, j)	310,340	269,974	14,580 (a, l)	255,394	22%	22%
Write-off of in-process R&D	-	-	-	19,000	19,000 (g)	-	-100%	-
Restructuring	1,033	1,033 (c)	-	9,523	9,523 (m)	-	-89%	-
Total	454,665	20,391	434,274	410,334	43,103	367,231		
Operating income	490,205	51,054	541,259	335,899	72,743	408,642	46%	32%
Interest, net	42,312	-	42,312	28,415	3,500 (i)	24,915	49%	70%
Other income, net	(2,661)	-	(2,661)	(1,165)	-	(1,165)	128%	128%
Pre-tax income from cont. ops.	450,554	51,054	501,608	308,649	76,243	384,892	46%	30%
Income tax expense	109,996	16,251 (d)	126,247	84,215	19,582 (d)	103,797	31%	22%
Income from continuing operations	\$ 340,558	\$ 34,803	\$ 375,361	\$ 224,434	\$ 56,661	\$ 281,095	52%	34%
Diluted EPS from cont. ops.	\$ 3.64		\$ 4.01	\$ 2.42		\$ 3.03	50%	32%
Diluted weighted average shares outstanding	93,529		93,529	92,845		92,845		
Gross profit	34.3%		35.4%	32.9%		34.2%		
Operating income	17.8%		19.6%	14.8%		18.0%		

(a) Deal-related amortization

(b) Acquisition costs of \$832

(c) Restructuring charges related to Florida

(d) Total tax effect for non-GAAP pre-tax adjustments

(e) Inventory step-ups of \$9,873

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(j) Acquisition costs of \$3,243

(k) Inventory step-ups of \$10,904

(l) Acquisition costs of \$8,189

(m) Restructuring charges related to Germany and Florida



# Table II

**PERRIGO COMPANY**  
**REPORTABLE SEGMENTS**  
**RECONCILIATION OF NON-GAAP MEASURES**

(in thousands)  
(unaudited)

Consumer Healthcare	Three Months Ended						% Change	
	June 25, 2011			June 26, 2010			GAAP	As Adj.
	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	Non-GAAP Adjustments	As Adjusted		
Net sales	\$ 433,813	\$ -	\$ 433,813	\$ 398,863	\$ -	\$ 398,863	9%	9%
Cost of sales	300,429	1,031 <sup>(a)</sup>	299,398	267,381	1,051 <sup>(a, c)</sup>	266,330	12%	12%
Gross profit	133,384	1,031	134,415	131,482	1,051	132,533	1%	1%
Operating expenses	59,204	2,265 <sup>(a, b)</sup>	56,939	62,137	1,082 <sup>(a)</sup>	61,055	-5%	-7%
Operating income	<u>\$ 74,180</u>	<u>\$ 3,296</u>	<u>\$ 77,476</u>	<u>\$ 69,345</u>	<u>\$ 2,133</u>	<u>\$ 71,478</u>	7%	8%
<i>Gross profit</i>	30.7%		31.0%	33.0%		33.2%		
<i>Operating income</i>	17.1%		17.9%	17.4%		17.9%		

Nutritionals	Three Months Ended						% Change	
	June 25, 2011			June 26, 2010			GAAP	As Adj.
	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	Non-GAAP Adjustments	As Adjusted		
Net sales	\$ 123,130	\$ -	\$ 123,130	\$ 83,751	\$ -	\$ 83,751	47%	47%
Cost of sales	85,668	3,000 <sup>(a)</sup>	82,668	69,102	11,296 <sup>(a, d)</sup>	57,806	24%	43%
Gross profit	37,462	3,000	40,462	14,649	11,296	25,945	156%	56%
Operating expenses	25,596	2,789 <sup>(a)</sup>	22,807	15,751	1,766 <sup>(a)</sup>	13,985	63%	63%
Operating income (loss)	<u>\$ 11,866</u>	<u>\$ 5,789</u>	<u>\$ 17,655</u>	<u>\$ (1,102)</u>	<u>\$ 13,062</u>	<u>\$ 11,960</u>	-	48%
<i>Gross profit</i>	30.4%		32.9%	17.5%		31.0%		
<i>Operating income (loss)</i>	9.6%		14.3%	-1.3%		14.3%		

(a) Deal-related amortization

(b) Restructuring charges of \$1,033 related to Florida

(c) Inventory step-ups of \$471

(d) Inventory step-up of \$9,402

(e) Write-off of in-process R&D related to acquired ANDA

(f) Restructuring charges related to Germany

# Table II (Continued)

**PERRIGO COMPANY**  
**REPORTABLE SEGMENTS**  
**RECONCILIATION OF NON-GAAP MEASURES**

(in thousands)  
(unaudited)

Rx Pharmaceuticals	Three Months Ended						% Change	
	June 25, 2011			June 26, 2010				
	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	As Adj.
Net sales	\$ 92,467	\$ -	\$ 92,467	\$ 82,875	\$ -	\$ 82,875	12%	12%
Cost of sales	42,155	2,923 <sup>(a)</sup>	39,232	52,374	2,463 <sup>(a)</sup>	49,911	-20%	-21%
Gross profit	50,312	2,923	53,235	30,501	2,463	32,964	65%	61%
Operating expenses	12,039	-	12,039	16,843	5,000 <sup>(a, e)</sup>	11,843	-29%	2%
Operating income	<u>\$ 38,273</u>	<u>\$ 2,923</u>	<u>\$ 41,196</u>	<u>\$ 13,658</u>	<u>\$ 7,463</u>	<u>\$ 21,121</u>	180%	95%
<i>Gross profit</i>	54.4%		57.6%	36.8%		39.8%		
<i>Operating income</i>	41.4%		44.6%	16.5%		25.5%		

API	Three Months Ended						% Change	
	June 25, 2011			June 26, 2010				
	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	Non-GAAP Adjustments	As Adjusted	GAAP	As Adj.
Net sales	\$ 36,817	\$ -	\$ 36,817	\$ 38,986	\$ -	\$ 38,986	-6%	-6%
Cost of sales	21,887	976 <sup>(a)</sup>	20,911	23,115	494 <sup>(a)</sup>	22,621	-5%	-8%
Gross profit	14,930	976	15,906	15,871	494	16,365	-6%	-3%
Operating expenses	8,784	-	8,784	8,940	2,049 <sup>(f)</sup>	6,891	-2%	27%
Operating income	<u>\$ 6,146</u>	<u>\$ 976</u>	<u>\$ 7,122</u>	<u>\$ 6,931</u>	<u>\$ 2,543</u>	<u>\$ 9,474</u>	-11%	-25%
<i>Gross profit</i>	40.6%		43.2%	40.7%		42.0%		
<i>Operating income</i>	16.7%		19.3%	17.8%		24.3%		

(a) Deal-related amortization

(b) Restructuring charges of \$1,033 related to Florida

(c) Inventory step-ups of \$471

(d) Inventory step-up of \$9,402

(e) Write-off of in-process R&D related to acquired ANDA

(f) Restructuring charges related to Germany



# Table III

PERRIGO COMPANY  
FY 2012 GUIDANCE AND FY 2011 EPS  
RECONCILIATION OF NON-GAAP MEASURES  
(unaudited)

	<b>Fiscal 2012 Guidance*</b>
FY12 reported diluted EPS from continuing operations range	\$3.79 - \$3.94
Deal-related amortization <sup>(1)</sup>	0.54
Charge associated with inventory step-up	0.11
Charges associated with acquisition-related costs	0.06
FY12 adjusted diluted EPS from continuing operations range	<u>\$4.50 - \$4.65</u>
	<b>Fiscal 2011*</b>
FY11 reported diluted EPS from continuing operations	\$3.64
Deal-related amortization <sup>(1)</sup>	0.34
Charges associated with acquisition-related costs	0.02
Charges associated with restructuring	0.01
FY11 adjusted diluted EPS from continuing operations	<u>\$4.01</u>

(1) Amortization of acquired intangible assets related to business combinations and asset acquisitions

*\*All information based on continuing operations.*

# Table IV

PERRIGO COMPANY  
FY 2012 GUIDANCE  
RECONCILIATION OF NON-GAAP MEASURES  
(unaudited)

<b>Consolidated FY12 Guidance Ranges</b>	<b>FY 2012 Guidance*</b>
Reported consolidated gross margin range	32.7% - 35.7%
Deal-related amortization <sup>(1)</sup>	1.8%
Inventory step-up	0.5%
<b>Adjusted consolidated gross margin range</b>	<b>35% - 38%</b>
Reported consolidated operating margin range	16.8% - 18.8%
Deal-related amortization <sup>(1)</sup>	2.4%
Inventory step-up	0.5%
Acquisition-related costs	0.3%
<b>Adjusted consolidated operating margin range</b>	<b>20% - 22%</b>
<b>Consumer Healthcare</b>	
Reported gross margin range	31.8% - 32.8%
Deal-related amortization <sup>(1)</sup>	0.2%
<b>Adjusted gross margin range</b>	<b>32% - 33%</b>
Reported operating margin range	17.5% - 18.5%
Deal-related amortization <sup>(1)</sup>	0.5%
<b>Adjusted operating margin range</b>	<b>18% - 19%</b>

(1) Amortization of acquired intangible assets related to business combinations and asset acquisitions

\* All information based on continuing operations



# Table IV (continued)

PERRIGO COMPANY  
FY 2012 GUIDANCE  
RECONCILIATION OF NON-GAAP MEASURES  
(unaudited)

	FY 2012 Guidance*
<b>Nutritionals</b>	
Reported gross margin range	30.7% - 32.7%
Deal-related amortization <sup>(1)</sup>	2.3%
<b>Adjusted gross margin range</b>	<b>33% - 35%</b>
Reported operating margin range	12.0% - 14.0%
Deal-related amortization <sup>(1)</sup>	5.0%
<b>Adjusted operating margin range</b>	<b>17% - 19%</b>
<b>Rx Pharmaceuticals</b>	
Reported gross margin range	43.2% - 45.2%
Deal-related amortization <sup>(1)</sup>	6.8%
Inventory step-up	3.0%
<b>Adjusted gross margin range</b>	<b>53% - 55%</b>
Reported operating margin range	28.2% - 30.2%
Deal-related amortization <sup>(1)</sup>	6.8%
Inventory step-up	3.0%
<b>Adjusted operating margin range</b>	<b>38% - 40%</b>
<b>API</b>	
Reported gross margin range	43.8% - 46.8%
Deal-related amortization <sup>(1)</sup>	1.2%
<b>Adjusted gross margin range</b>	<b>45% - 48%</b>
Reported operating margin range	23.8% - 25.8%
Deal-related amortization <sup>(1)</sup>	1.2%
<b>Adjusted operating margin range</b>	<b>25% - 27%</b>

(1) Amortization of acquired intangible assets related to business combinations and asset acquisitions

\* All information based on continuing operations



Quality, Affordable Healthcare Products

**PERRIGO COMPANY**  
**RECONCILIATION OF NON-GAAP MEASURES**

(in thousands)  
(unaudited)

# Table V

	<u><b>6/25/2011</b></u>
Total debt	\$ 892,770
Less: Cash and cash equivalents	<u>(310,104)</u>
Total net debt	582,666
Total shareholders' equity	<u>1,530,987</u>
Total capital	<u><u>\$ 2,113,653</u></u>
Net debt to total capital ratio	27.6%
	<u><b>6/26/2010</b></u>
Total debt	\$ 1,344,000
Less: Letter of undertaking - back-to-back loan	<u>(400,000)</u>
Total debt, excluding back-to-back loan	944,000
Less: Cash and cash equivalents and current investment securities	<u>(110,324)</u>
Total net debt	833,676
Total shareholders' equity	<u>1,093,940</u>
Total capital	<u><u>\$ 1,927,616</u></u>
Net debt to total capital ratio	43.2%