

Quality, Affordable
Healthcare Products
Since 1887

Perrigo Fiscal 2013 Second Quarter Conference Call

February 1, 2013

Perrigo
125
YEARS





Forward – Looking Statements

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 30, 2012, 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.



Velcera Strategic Transaction Rationale

Strategic Fit

- Adds PetArmor® brand – the #1 flea & tick value-brand franchise
- Adds PetTrust™ Plus brand – contains the same active ingredients as the #1 veterinarian-recommended heartworm preventive
- Accelerates Perrigo's store brand penetration in the retail pet health space
- Enables streamlined launches of new products
- Creates cost synergies from moving manufacturing in-house

Financially Attractive

- Expected to be at least \$0.11 accretive to adjusted EPS in FY 2014⁽¹⁾
- Expected to be neutral to marginally dilutive to GAAP EPS in FY 2014⁽¹⁾
- Expected to be ROIC accretive in FY 2015

Transaction Details

- \$160 million all cash transaction
- Financed entirely from cash on hand



FidoPharm, Inc.



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Perrigo Consolidated – Q2 FY 2013 GAAP Financials

(\$ in millions, except per share amounts)

| | Q2 2013 | Q2 2012 | % Change Y/Y |
|-------------------------|---------|---------|--------------|
| Net Sales | \$ 883 | \$ 838 | 5% |
| Cost of Sales | 576 | 543 | 6% |
| Gross Profit | 307 | 295 | 4% |
| <i>Distribution</i> | 12 | 9 | 29% |
| <i>R&D</i> | 28 | 31 | (9%) |
| <i>SG&A</i> | 103 | 94 | 10% |
| Operating Income | \$ 164 | \$ 161 | 2% |
| Net Income | \$ 106 | \$ 100 | 6% |
| Diluted EPS | \$ 1.12 | \$ 1.06 | 6% |

| Gross Margin | | |
|--------------|---------|----------|
| Q2 2013 | Q2 2012 | Change |
| 34.8% | 35.2% | (40) bps |

| Operating Margin | | |
|------------------|---------|----------|
| Q2 2013 | Q2 2012 | Change |
| 18.6% | 19.2% | (60) bps |

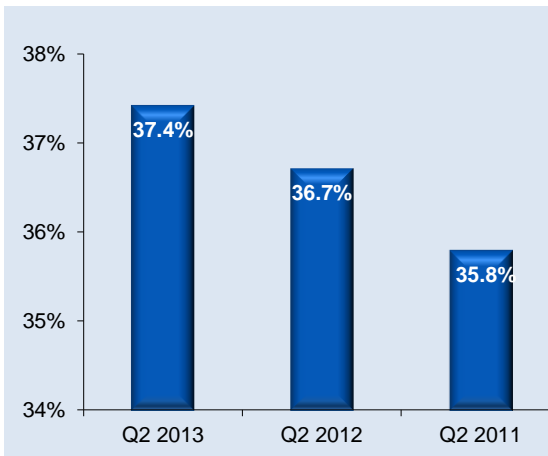
Perrigo Consolidated – Q2 FY 2013 Adjusted Financials*



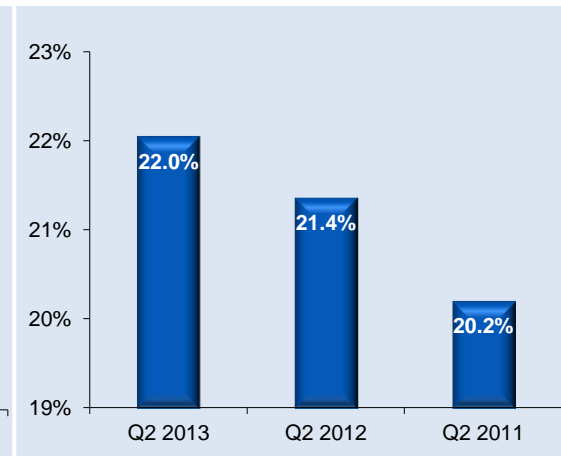
| (\$ in millions, except per share amounts) | Q2 2013 | Q2 2012 | % Change Y/Y | Change as a % to sales |
|--|---------|---------|--------------|------------------------|
| Net Sales | \$ 883 | \$ 838 | 5% | |
| Adjusted Cost of Sales | 552 | 530 | 4% | |
| Adjusted Gross Profit | 330 | 308 | 7% | 70 bps |
| Distribution | 12 | 9 | 29% | |
| R&D | 28 | 31 | (9%) | |
| Adjusted SG&A | 96 | 89 | 8% | |
| Adjusted Operating Income | \$ 195 | \$ 179 | 9% | 60 bps |
| Adjusted Net Income | \$ 128 | \$ 112 | 14% | 110 bps |
| Adjusted Diluted EPS | \$ 1.36 | \$ 1.20 | 13% | |

| Adjusted Gross Margin | | |
|---------------------------|---------|--------|
| Q2 2013 | Q2 2012 | Change |
| 37.4% | 36.7% | 70 bps |
| Adjusted Operating Margin | | |
| Q2 2013 | Q2 2012 | Change |
| 22.0% | 21.4% | 60 bps |

Adj. Gr. Margin Q2'13-Q2'11



Adj. Op. Margin Q2'13-Q2'11



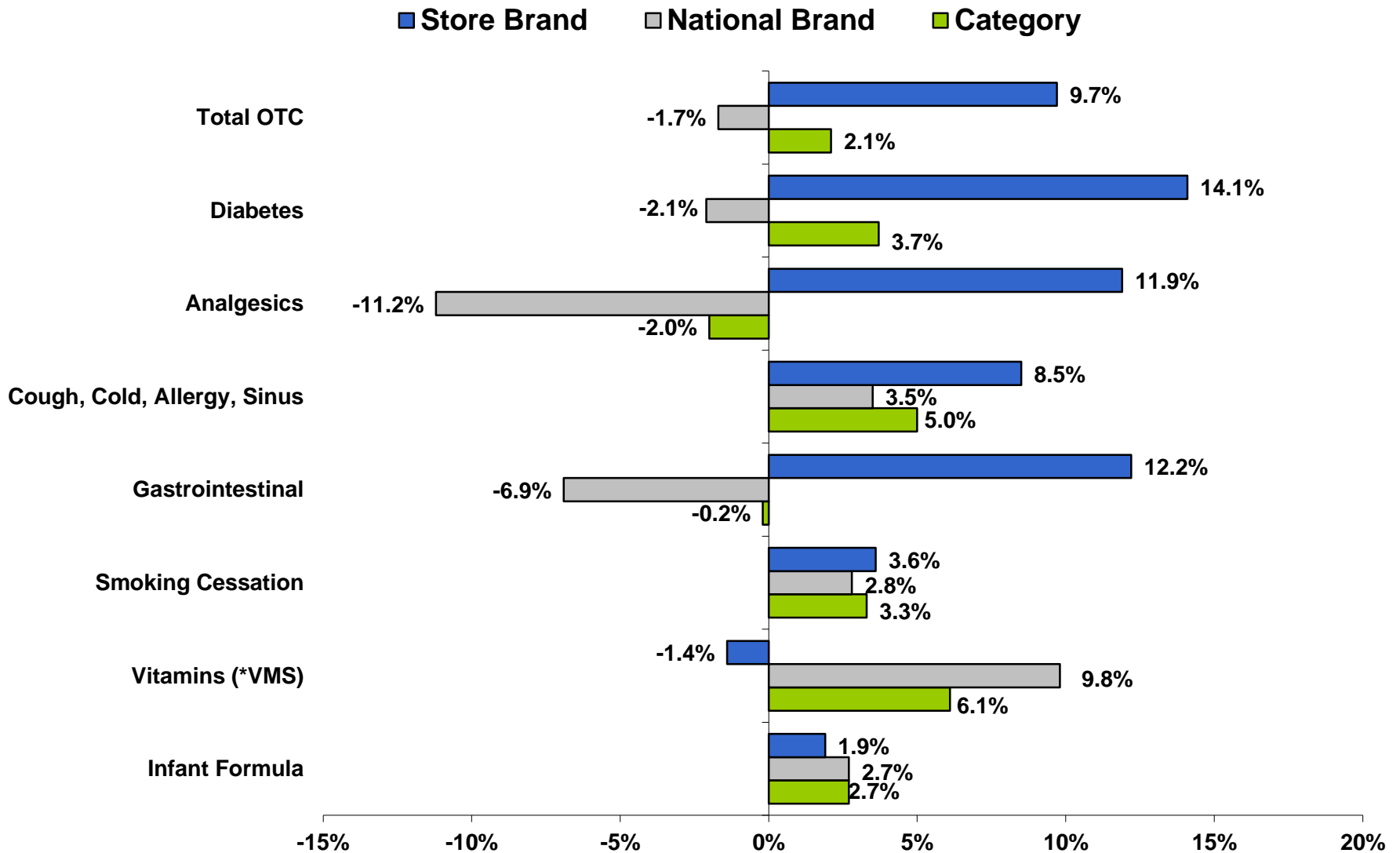


Net Sales Performance by Segment – Adjusted Financials*

| (\$ in millions) | Q2 2013 | Q2 2012 | % Change Y/Y |
|---|---------------|---------------|--------------|
| Consolidated Perrigo <i>Adjusted Operating Income</i> | \$ 883 195 | \$ 838 179 | 5% 9% |
| Consumer Healthcare <i>Adjusted Operating Income</i> | 539 99 | 471 84 | 14% 17% |
| Nutritionals <i>Adjusted Operating Income</i> | 122 14 | 128 11 | (5%) 29% |
| Rx Pharmaceuticals <i>Adjusted Operating Income</i> | 163 74 | 177 79 | (8%) (6%) |
| API <i>Adjusted Operating Income</i> | 41 14 | 43 12 | (4%) 17% |



All Category Update – 52 Weeks



*Vitamins, Minerals, and Supplements
Source: IRI 52 Week Data through January 13, 2013; FDMx



Consumer Healthcare Segment – Adjusted Financials*




| (\$ in millions) | Q2 2013 | Q2 2012 | % Change Y/Y | Change as a % to sales |
|------------------------------------|---------|---------|--------------|------------------------|
| Net Sales | \$ 539 | \$ 471 | 14% | |
| <i>Adjusted Cost of Sales</i> | 366 | 321 | 14% | |
| Adjusted Gross Profit | 173 | 150 | 16% | 30 bps |
| <i>Adjusted Operating Expenses</i> | 75 | 65 | 14% | |
| Adjusted Operating Income | \$ 99 | \$ 84 | 17% | 40 bps |

Positive Impacts

Negative Offsets

| Adjusted Gross Margin | | |
|------------------------------|---------|--------|
| Q2 2013 | Q2 2012 | Change |
| 32.1% | 31.8% | 30 bps |

| Adjusted Operating Margin | | |
|----------------------------------|---------|--------|
| Q2 2013 | Q2 2012 | Change |
| 18.3% | 17.9% | 40 bps |

| | |
|---|---|
| <ul style="list-style-type: none"> New products Production efficiencies  | |
| <ul style="list-style-type: none"> Lower R&D on a dollar basis and as a percentage of sales  | <ul style="list-style-type: none"> Higher DSG&A including Animal Health and Diabetes Care  |



Nutritionals Segment – Adjusted Financials*


| (\$ in millions) | Q2 2013 | Q2 2012 | % Change Y/Y | Change as a % to sales |
|------------------------------------|---------|---------|--------------|------------------------|
| Net Sales | \$ 122 | \$ 128 | (5%) | |
| Adjusted Cost of Sales | 89 | 97 | (8%) | |
| Adjusted Gross Profit | 33 | 31 | 6% | 280 bps |
| Adjusted Operating Expenses | 19 | 20 | (7%) | |
| Adjusted Operating Income | \$ 14 | \$ 11 | 29% | 320 bps |


Positive Impacts


Negative Offsets

| Adjusted Gross Margin | | |
|------------------------------|---------|---------|
| Q2 2013 | Q2 2012 | Change |
| 27.2% | 24.4% | 280 bps |

| Adjusted Operating Margin | | |
|----------------------------------|---------|---------|
| Q2 2013 | Q2 2012 | Change |
| 11.9% | 8.7% | 320 bps |

- Favorable pricing in infant formula products
 - Product mix
- 

- Absence of operating expenses related to Florida location
 - Lower employee related expenses
- 

- Increased R&D investment
- 



Rx Segment – Adjusted Financials*


| (\$ in millions) | Q2 2013 | Q2 2012 | % Change Y/Y | Change as a % to sales |
|------------------------------------|---------|---------|--------------|------------------------|
| Net Sales | \$ 163 | \$ 177 | (8%) | |
| Adjusted Cost of Sales | 68 | 78 | (13%) | |
| Adjusted Gross Profit | 94 | 99 | (5%) | 200 bps |
| Adjusted Operating Expenses | 20 | 21 | (2%) | |
| Adjusted Operating Income | \$ 74 | \$ 79 | (6%) | 130 bps |


Positive Impacts

Negative Offsets

| Adjusted Gross Margin | | |
|------------------------------|---------|---------|
| Q2 2013 | Q2 2012 | Change |
| 58.1% | 56.1% | 200 bps |

| Adjusted Operating Margin | | |
|----------------------------------|---------|---------|
| Q2 2013 | Q2 2012 | Change |
| 45.6% | 44.3% | 130 bps |

- Product mix
 - New products
- 


- Higher DSG&A in dollars and as a percentage of sales
- 




API Segment – Adjusted Financials*

| (\$ in millions) | Q2 2013 | Q2 2012 | % Change Y/Y | Change as a % to sales |
|----------------------------------|---------|---------|--------------|------------------------|
| Net Sales | \$ 41 | \$ 43 | (4%) | |
| Adjusted Cost of Sales | 17 | 22 | (21%) | |
| Adjusted Gross Profit | 23 | 21 | 13% | 890 bps |
| Operating Expenses | 9 | 8 | 7% | |
| Adjusted Operating Income | \$ 14 | \$ 12 | 17% | 650 bps |

Positive Impacts

- Customer product launch 
- Product mix

Negative Offsets

- Higher R&D and DSG&A on a dollar basis and as a percentage of sales 

Adjusted Gross Margin

| Q2 2013 | Q2 2012 | Change |
|---------|---------|---------|
| 57.2% | 48.3% | 890 bps |

Adjusted Operating Margin

| Q2 2013 | Q2 2012 | Change |
|---------|---------|---------|
| 35.0% | 28.5% | 650 bps |



Perrigo FY13 Segment Guidance*

| | FY 2013 Guidance 8/16/12 Conference Call | FY 2013 Guidance 11/7/12 Conference Call | FY 2013 Guidance 2/1/13 Conference Call |
|-----------------------------|--|--|---|
| CONSUMER HEALTHCARE | | | |
| Revenue Growth Y/Y | 10% - 14% | 16% - 20% | 16% - 20% |
| Adjusted Gross Margin % | 30% - 35% | 32% - 36% | 32% - 36% |
| Adjusted Operating Margin % | 16% - 21% | 17% - 21% | 17% - 21% |
| NUTRITIONALS | | | |
| Revenue Growth Y/Y | 8% - 12% | 8% - 12% | 1% - 5% |
| Adjusted Gross Margin % | 27% - 32% | 27% - 32% | 26% - 30% |
| Adjusted Operating Margin % | 12% - 17% | 12% - 17% | 10% - 14% |
| RX PHARMACEUTICALS | | | |
| Revenue Growth Y/Y | 15% - 19% | 15% - 19% | 15% - 19% |
| Adjusted Gross Margin % | 54% - 59% | 54% - 59% | 54% - 59% |
| Adjusted Operating Margin % | 42% - 48% | 42% - 48% | 42% - 48% |
| API | | | |
| Revenue Growth Y/Y | 0% - 4% | 0% - 4% | 0% - 4% |
| Adjusted Gross Margin % | 47% - 52% | 47% - 52% | 47% - 52% |
| Adjusted Operating Margin % | 27% - 32% | 27% - 32% | 27% - 32% |

Legend:
Y/Y = Year over Year



Perrigo FY13 Consolidated & EPS Guidance*

| | FY 2013 Guidance 8/16/12 Conference Call | FY 2013 Guidance 11/7/12 Conference Call | FY 2013 Guidance 2/1/13 Conference Call |
|--|--|--|---|
| CONSOLIDATED PERRIGO | | | |
| Revenue Growth Y/Y | 10% - 14% | 12% - 16% | 12% - 16% |
| Adjusted Gross Margin % | 36% - 40% | 36% - 40% | 36% - 40% |
| R&D as % to Net Sales | ~3.5% | ~3.5% | ~3.5% |
| Adjusted DSG&A as % to Net Sales | ~12.5% | ~12.5% | ~12.5% |
| Adjusted Operating Margin % | 20% - 24% | 21% - 24% | 21% - 24% |
| Effective Tax Rate | 29% - 31% | 29% - 31% | 29% - 31% |
| Adjusted Diluted EPS | \$5.30 - \$5.50 | \$5.45 - \$5.65 | \$5.45 - \$5.65 |
| Y/Y Growth | 6% - 10% | 9% - 13% | 9% - 13% |
| Y/Y Growth w/out Discrete Tax [†] | 13% - 17% | 14% - 18% | 14% - 18% |
| Operating Cash Flow | \$550M - \$575M | \$550M - \$575M | \$550M - \$575M |
| CAPEX | \$110M - \$130M | \$120M - \$150M | \$120M - \$150M |

† Implied Y/Y Growth Without Discrete Tax Items Reconciliation

| | FY 2012 | FY 2013 Guidance |
|---|---------|------------------|
| Adjusted Diluted EPS | \$4.99 | \$5.45 - \$5.65 |
| Less: Discrete Tax Items | (0.28) | (0.08) |
| Adjusted Diluted EPS, Excluding Discrete Tax Items | \$4.71 | \$5.37 - \$5.57 |
| Implied FY Y/Y EPS Growth | | 9% - 13% |
| Implied FY Y/Y EPS Growth, Excluding Discrete Tax Items | | 14% - 18% |

Legend:

Y/Y = Year over Year
 R&D = Research & Development Expense
 DSG&A = Distribution, Selling, General & Administrative Expense
 CAPEX = Capital Expenditures



Consumer Healthcare Growth – FY13 & Beyond

Publicly disclosed products

Across ALL segments, we expect to launch >60 new products, resulting in ~\$150M of revenue in FY 2013

Potential Rx to OTC switches

- \$10B in branded sales potential over the next 5 years



| <u>Consumer Healthcare FY13 Pipeline Highlights</u> | <u>Branded Sales (\$M)</u> |
|---|----------------------------|
| SB version of Mucinex® 600mg | \$135 |
| SB version of Delsym® Suspension | \$100 |
| SB version of Nicorette® Mini Lozenge | \$30 |



Nutritionals Growth – FY13 & Beyond

Publicly disclosed products



Plastic Infant Formula Tub

- Upgrade to national brand style package
- Improved usage experience for parents
- Quality designed into manufacturing process
- Faster line speed increases plant capacity

Chinese Formulas

- Stage 3 with higher DHA
- Stage 4
- Prenatal / mothers formula
- Ultra-Premium Stage 1, 2 & 3

CODEX Gold Formulas

- Upgraded to include: prebiotics, lutein & DHA
- Targeting: Latin America, Africa & Middle East



1947
Huggies® Pull-Ups®
Potty Training
Starter Kit
• Counts vary by size



1327
Parent's Choice™
Premium
Infant Formula
• 23.2 oz.



3498
Enfamil® Premium
or Gentlease Formula
• 33.2-35 oz.



Quality, Affordable Healthcare Products



Rx Growth – Leadership Position in Generic Foams

Publicly disclosed products

Cobrek acquisition solidifies leadership position in topical foam-based technology

- 6 FDA approved topical foam-based products plus an additional ANDA for a topical generic product
- All cash transaction for approximately \$42 million
- Expected to be (\$0.01) dilutive to GAAP and \$0.04 accretive to adjusted EPS in FY13
- Immediately accretive to ROIC hurdles

| <u>Rx Generic Foam Highlights</u> | <u>Launch Status</u> |
|---|----------------------|
| Clobetasol Propionate Foam, 0.05% (Olux®) | Marketed |
| Clindamycin Phosphate Foam, 1% (Evoclin®) | Marketed |
| Ketoconazole Foam, 2% (Extina®) | Marketed |
| Betamethasone Valerate Foam, 0.12% (Luxiq®) | Marketed |
| Clobetasol Propionate Foam, 0.05% (Olux-E®) | Marketed |



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Rx Growth – FY13 & Beyond

Publicly disclosed products

35 ANDAs Pending FDA approval

- ANDAs represent \$4B in branded sales
- 6 confirmed first-to-file ANDAs
- Additional 3 first-to-file ANDAs have final approval with later certain launch dates

3 Paragraph IV litigations

- Repaglinide Tablets (Prandin®)
- Azelastine (Astepro®)
- Albuterol HFA Inhaler (Proair®)

4 projects in clinical studies



| <u>Rx FY13 Pipeline Highlights</u> | <u>Branded Sales (\$M)</u> |
|-------------------------------------|----------------------------|
| Generic version Clobex® Shampoo | \$63 |
| Generic version of Cutivate® Lotion | \$40 |
| Generic version of Olux-E® Foam | \$38 |
| Generic version of Luxiq® Foam | \$33 |
| >5 Other Undisclosed Products | ~\$500 |



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Perrigo – Poised for Continued Growth

Movement from National Brand to Store Brand

Rx to OTC Switches

Infant Formula Conversion to New Containers

Continued Strong Rx Performance

Questions

Appendix





Table I

PERRIGO COMPANY RECONCILIATION OF NON-GAAP MEASURES

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

| Consolidated | Three Months Ended | | | | | | % Change | |
|---|--------------------|--------------------------|-------------|-------------------|-------------------------|-------------|----------|------|
| | December 29, 2012 | | | December 31, 2011 | | | As | |
| | GAAP | Non-GAAP Adjustments | As Adjusted | GAAP | Non-GAAP Adjustments | As Adjusted | GAAP | Adj. |
| Net sales | \$ 882,959 | \$ - | \$ 882,959 | \$ 838,170 | \$ - | \$ 838,170 | 5% | 5% |
| Cost of sales | 575,794 | 23,308 ^(a,b) | 552,486 | 543,295 | 12,931 ^(a) | 530,364 | 6% | 4% |
| Gross profit | 307,165 | 23,308 | 330,473 | 294,875 | 12,931 | 307,806 | 4% | 7% |
| Operating expenses | | | | | | | | |
| Distribution | 11,699 | - | 11,699 | 9,095 | - | 9,095 | 29% | 29% |
| Research and development | 28,323 | - | 28,323 | 31,148 | - | 31,148 | -9% | -9% |
| Selling and administration | 103,286 | 7,476 ^(a,c,d) | 95,810 | 93,964 | 5,428 ^(a,e) | 88,536 | 10% | 8% |
| Total operating expenses | 143,308 | 7,476 | 135,832 | 134,207 | 5,428 | 128,779 | 7% | 5% |
| Operating income | 163,857 | 30,784 | 194,641 | 160,668 | 18,359 | 179,027 | 2% | 9% |
| Interest, net | 15,314 | - | 15,314 | 15,641 | - | 15,641 | -2% | -2% |
| Other expense, net | 76 | - | 76 | 752 | - | 752 | -90% | -90% |
| Loss on sale of investment | 3,049 | 3,049 | - | - | - | - | - | - |
| Pre-tax income | 145,418 | 33,833 | 179,251 | 144,275 | 18,359 | 162,634 | 1% | 10% |
| Income tax expense | 39,463 | 11,705 ^(f) | 51,168 | 44,536 | 5,667 ^(f) | 50,203 | -11% | 2% |
| Net income | \$ 105,955 | \$ 22,128 | \$ 128,083 | \$ 99,739 | \$ 12,692 | \$ 112,431 | 6% | 14% |
| Diluted EPS | \$ 1.12 | | \$ 1.36 | \$ 1.06 | | \$ 1.20 | 6% | 13% |
| Diluted weighted average shares outstanding | 94,450 | | 94,450 | 94,043 | | 94,043 | | |
| Effective tax rate | 27.1% | | 28.5% | 30.9% | | 30.9% | | |
| <i>Gross margin</i> | 34.8% | | 37.4% | 35.2% | | 36.7% | | |
| <i>Operating margin</i> | 18.6% | | 22.0% | 19.2% | | 21.4% | | |

(a) Deal-related amortization
(b) Inventory step-up of \$7,693
(c) Severance costs of \$1,526

(d) Acquisition costs of \$40
(e) Severance costs of \$599
(f) Total tax effect for non-GAAP pre-tax adjustments



Table II

PERRIGO COMPANY
REPORTABLE SEGMENTS
RECONCILIATION OF NON-GAAP MEASURES
(in thousands)
(unaudited)

| Consumer Healthcare | Three Months Ended | | | | | | % Change | |
|-------------------------|--------------------|----------------------|-------------|-------------------|----------------------|-------------|----------|---------|
| | December 29, 2012 | | | December 31, 2011 | | | GAAP | As Adj. |
| | GAAP | Non-GAAP Adjustments | As Adjusted | GAAP | Non-GAAP Adjustments | As Adjusted | | |
| Net sales | \$ 539,288 | \$ - | \$ 539,288 | \$ 471,277 | \$ - | \$ 471,277 | 14% | 14% |
| Cost of sales | 377,034 | 10,914 (a,b) | 366,120 | 322,464 | 1,006 (a) | 321,458 | 17% | 14% |
| Gross profit | 162,254 | 10,914 | 173,168 | 148,813 | 1,006 | 149,819 | 9% | 16% |
| Operating expenses | 76,176 | 1,649 (a) | 74,527 | 66,563 | 1,214 (a) | 65,349 | 14% | 14% |
| Operating income | \$ 86,078 | \$ 12,563 | \$ 98,641 | \$ 82,250 | \$ 2,220 | \$ 84,470 | 5% | 17% |
| <i>Gross margin</i> | 30.1% | | 32.1% | 31.6% | | 31.8% | | |
| <i>Operating margin</i> | 16.0% | | 18.3% | 17.5% | | 17.9% | | |

| Nutritionals | Three Months Ended | | | | | | % Change | |
|-------------------------|--------------------|----------------------|-------------|-------------------|----------------------|-------------|----------|---------|
| | December 29, 2012 | | | December 31, 2011 | | | GAAP | As Adj. |
| | GAAP | Non-GAAP Adjustments | As Adjusted | GAAP | Non-GAAP Adjustments | As Adjusted | | |
| Net sales | \$ 121,938 | \$ - | \$ 121,938 | \$ 128,147 | \$ - | \$ 128,147 | -5% | -5% |
| Cost of sales | 91,793 | 3,049 (a) | 88,744 | 99,917 | 3,022 (a) | 96,895 | -8% | -8% |
| Gross profit | 30,145 | 3,049 | 33,194 | 28,230 | 3,022 | 31,252 | 7% | 6% |
| Operating expenses | 22,985 | 4,261 (a) | 18,724 | 23,678 | 3,615 (a) | 20,063 | -3% | -7% |
| Operating income | \$ 7,160 | \$ 7,310 | \$ 14,470 | \$ 4,552 | \$ 6,637 | \$ 11,189 | 57% | 29% |
| <i>Gross margin</i> | 24.7% | | 27.2% | 22.0% | | 24.4% | | |
| <i>Operating margin</i> | 5.9% | | 11.9% | 3.6% | | 8.7% | | |

- (a) Deal-related amortization
- (b) Inventory step-up of \$7,693
- (c) Severance costs



Table II

(Continued)

PERRIGO COMPANY
REPORTABLE SEGMENTS
RECONCILIATION OF NON-GAAP MEASURES
(in thousands)
(unaudited)

| Rx Pharmaceuticals | Three Months Ended | | | | | | % Change | |
|-------------------------|--------------------|----------------------|------------------|-------------------|----------------------|------------------|----------|---------|
| | December 29, 2012 | | | December 31, 2011 | | | GAAP | As Adj. |
| | GAAP | Non-GAAP Adjustments | As Adjusted | GAAP | Non-GAAP Adjustments | As Adjusted | | |
| Net sales | \$ 162,541 | \$ - | \$ 162,541 | \$ 177,196 | \$ - | \$ 177,196 | -8% | -8% |
| Cost of sales | 76,505 | 8,457 ^(a) | 68,048 | 85,818 | 7,969 ^(a) | 77,849 | -11% | -13% |
| Gross profit | 86,036 | 8,457 | 94,493 | 91,378 | 7,969 | 99,347 | -6% | -5% |
| Operating expenses | 21,977 | 1,526 ^(c) | 20,451 | 21,404 | 599 ^(c) | 20,805 | 3% | -2% |
| Operating income | <u>\$ 64,059</u> | <u>\$ 9,983</u> | <u>\$ 74,042</u> | <u>\$ 69,974</u> | <u>\$ 8,568</u> | <u>\$ 78,542</u> | -8% | -6% |
| <i>Gross margin</i> | 52.9% | | 58.1% | 51.6% | | 56.1% | | |
| <i>Operating margin</i> | 39.4% | | 45.6% | 39.5% | | 44.3% | | |

| API | Three Months Ended | | | | | | % Change | |
|-------------------------|--------------------|----------------------|------------------|-------------------|----------------------|------------------|----------|---------|
| | December 29, 2012 | | | December 31, 2011 | | | GAAP | As Adj. |
| | GAAP | Non-GAAP Adjustments | As Adjusted | GAAP | Non-GAAP Adjustments | As Adjusted | | |
| Net sales | \$ 40,854 | \$ - | \$ 40,854 | \$ 42,752 | \$ - | \$ 42,752 | -4% | -4% |
| Cost of sales | 17,971 | 481 ^(a) | 17,490 | 22,601 | 496 ^(a) | 22,105 | -20% | -21% |
| Gross profit | 22,883 | 481 | 23,364 | 20,151 | 496 | 20,647 | 14% | 13% |
| Operating expenses | 9,063 | - | 9,063 | 8,458 | - | 8,458 | 7% | 7% |
| Operating income | <u>\$ 13,820</u> | <u>\$ 481</u> | <u>\$ 14,301</u> | <u>\$ 11,693</u> | <u>\$ 496</u> | <u>\$ 12,189</u> | 18% | 17% |
| <i>Gross margin</i> | 56.0% | | 57.2% | 47.1% | | 48.3% | | |
| <i>Operating margin</i> | 33.8% | | 35.0% | 27.4% | | 28.5% | | |

- (a) Deal-related amortization
- (b) Inventory step-up of \$7,693
- (c) Severance costs



Table III

PERRIGO COMPANY
FY 2013 GUIDANCE AND FY 2012 EPS
RECONCILIATION OF NON-GAAP MEASURES
 (unaudited)

| | Full Year Fiscal 2013 Guidance |
|--|---|
| FY13 reported diluted EPS range ⁽²⁾ | \$4.73 - \$4.93 |
| Deal-related amortization ^(1,2) | 0.63 |
| Charge associated with inventory step-up ⁽²⁾ | 0.05 |
| Charges associated with acquisition and severance costs ⁽²⁾ | 0.02 |
| Loss on sale of investment | 0.02 |
| FY13 adjusted diluted EPS range | \$5.45 - \$5.65 |
| | |
| | Fiscal 2012* |
| FY12 reported diluted EPS from continuing operations | \$4.18 |
| Deal-related amortization ⁽¹⁾ | 0.523 |
| Charge associated with inventory step-up | 0.181 |
| Charges associated with acquisition-related and severance costs | 0.062 |
| Charges associated with restructuring | 0.061 |
| Net charge associated with acquired R&D and proceeds from sale of IPR&D projects | 0.012 |
| Earnings associated with sale of pipeline development projects | (0.026) |
| FY12 adjusted diluted EPS from continuing operations | \$4.99 |

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

(2) Does not include any estimate related to the Velcera acquisition

**All information based on continuing operations.*



Table IV

PERRIGO COMPANY
FY 2013 GUIDANCE
RECONCILIATION OF NON-GAAP MEASURES
(unaudited)

| | <u>Full Year</u> <u>Fiscal 2013 Guidance</u> |
|---|---|
| Consolidated | |
| Reported consolidated gross margin range ⁽²⁾ | 34% - 38% |
| Deal-related amortization ^(1,2) | 1.8% |
| Inventory step-up ⁽²⁾ | 0.2% |
| Adjusted consolidated gross margin range | <u>36% - 40%</u> |
| | |
| Reported distribution, selling, general and administrative expense as % of net sales ⁽²⁾ | 13.3% |
| Deal-related amortization ^(1,2) | -0.7% |
| Acquisition and severance costs ⁽²⁾ | -0.1% |
| Adjusted distribution, selling, general and administrative expense as % of net sales | <u>12.5%</u> |
| | |
| Reported consolidated operating margin range ⁽²⁾ | 18.2% - 21.2% |
| Deal-related amortization ^(1,2) | 2.5% |
| Inventory step-up ⁽²⁾ | 0.2% |
| Acquisition and severance costs ⁽²⁾ | 0.1% |
| Adjusted consolidated operating margin range | <u>21% - 24%</u> |
| | |
| Consumer Healthcare | |
| Reported gross margin range ⁽²⁾ | 31.1% - 35.1% |
| Deal-related amortization ^(1,2) | 0.5% |
| Inventory step-up ⁽²⁾ | 0.4% |
| Adjusted gross margin range | <u>32% - 36%</u> |
| | |
| Reported operating margin range ⁽²⁾ | 15.8% - 19.8% |
| Deal-related amortization ^(1,2) | 0.8% |
| Inventory step-up ⁽²⁾ | 0.4% |
| Adjusted operating margin range | <u>17% - 21%</u> |

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

(2) Does not include any estimate related to the Velcera acquisition



Table IV

(Continued)

PERRIGO COMPANY
 FY 2013 GUIDANCE
 RECONCILIATION OF NON-GAAP MEASURES
 (unaudited)

| | Full Year Fiscal 2013 Guidance |
|--|---|
| Nutritionals | |
| Reported gross margin range | 23.7% - 27.7% |
| Deal-related amortization ⁽¹⁾ | 2.3% |
| Adjusted gross margin range | <u>26% - 30%</u> |
| | |
| Reported operating margin range | 4.5% - 8.5% |
| Deal-related amortization ⁽¹⁾ | 5.5% |
| Adjusted operating margin range | <u>10% - 14%</u> |
| | |
| Rx Pharmaceuticals | |
| Reported gross margin range | 48.6% - 53.6% |
| Deal-related amortization ⁽¹⁾ | 5.4% |
| Adjusted gross margin range | <u>54% - 59%</u> |
| | |
| Reported operating margin range | 36.4% - 42.4% |
| Deal-related amortization ⁽¹⁾ | 5.4% |
| Severance costs | 0.2% |
| Adjusted operating margin range | <u>42% - 48%</u> |
| | |
| API | |
| Reported gross margin range | 45.8% - 50.8% |
| Deal-related amortization ⁽¹⁾ | 1.2% |
| Adjusted gross margin range | <u>47% - 52%</u> |
| | |
| Reported operating margin range | 25.8% - 30.8% |
| Deal-related amortization ⁽¹⁾ | 1.2% |
| Adjusted operating margin range | <u>27% - 32%</u> |

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

(2) Does not include any estimate related to the Velcera acquisition



Table V

PERRIGO COMPANY RECONCILIATION OF NON-GAAP MEASURES

(in thousands)
(unaudited)

| | <u>12/29/2012</u> |
|--|---------------------------|
| Total debt | \$1,372,534 |
| Less: Cash and cash equivalents | <u>(459,514)</u> |
| Total net debt | 913,020 |
| Total shareholders' equity | <u>2,108,460</u> |
| Total capital | <u><u>\$3,021,480</u></u> |
| | |
| Net debt to total capital ratio | 30.2% |
| | |
| Consolidated | <u>Q2 FY11</u> |
| Net sales | \$ 717,515 |
| | |
| Reported gross profit | \$ 249,500 |
| Deal-related amortization ⁽¹⁾ | <u>7,394</u> |
| Adjusted gross profit | <u><u>\$ 256,894</u></u> |
| Adjusted gross margin | 35.8% |
| | |
| Reported operating income | \$ 132,239 |
| Deal-related amortization ⁽¹⁾ | 11,375 |
| Acquisition costs | <u>1,315</u> |
| Adjusted operating income | <u><u>\$ 144,929</u></u> |
| Adjusted operating margin | 20.2% |

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



Table VI

PERRIGO COMPANY RECONCILIATION OF NON-GAAP MEASURES

(in thousands)
(unaudited)

| | Cobrek Full Year Fiscal 2013 Guidance |
|--|---|
| FY13 reported diluted EPS contribution related to Cobrek acquisition | (\$0.01) |
| Deal-related amortization ⁽¹⁾ | 0.02 |
| Loss on sale of investment | 0.02 |
| Charge associated with severance costs | 0.01 |
| FY13 adjusted diluted EPS contribution related to Cobrek acquisition | <u>\$0.04</u> |
| | |
| | Velcera Full Year Fiscal 2014 Guidance |
| FY14 reported diluted EPS contribution related to Velcera acquisition ⁽²⁾ | (\$0.04) - \$0.00 |
| Intangible amortization, transaction and integration-related costs | \$0.11 - \$0.15 |
| FY14 adjusted diluted EPS contribution related to Velcera acquisition | <u>\$0.11</u> |

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

(2) Assuming a full twelve months of sales in fiscal 2014