

Perrigo®



Third Quarter 2017 Financial Results
November 9, 2017

Forward – Looking Statements

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 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. 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 any share repurchases; future impairment charges; the success of management transition; customer acceptance of new products; competition from other industry participants, some of whom have greater marketing resources or larger market shares in certain product categories than the Company does; pricing pressures from customers and consumers; potential third-party claims and litigation, including litigation relating to the Company's restatement of previously-filed financial information; potential impacts of ongoing or future government investigations and regulatory initiatives; resolution of uncertain tax positions; the impact of U.S. tax reform legislation; general economic conditions; fluctuations in currency exchange rates and interest rates; the consummation of announced acquisitions or dispositions, and the Company's ability to realize the desired benefits thereof; the Company's ability to achieve its guidance; and the Company's ability to execute and achieve the desired benefits of announced cost-reduction efforts and other initiatives. In addition, the Company may identify and be unable to remediate one or more material weaknesses in its internal control over financial reporting. Furthermore, the Company and/or its subsidiaries may incur additional tax liabilities in respect of 2016 and prior years as a result of any restatement or may be found to have breached certain provisions of Irish company legislation in respect of prior financial statements and if so may incur additional expenses and penalties. These and other important factors, including those discussed under "Risk Factors" in the Company's Form 10-K for the year ended December 31, 2016, as well as the Company's subsequent filings with the United States 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.

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.

Call Agenda

I. Durable & Unique Business Model

II. Launched Key 2017 New Products

III. Third Quarter Performance & Actions

IV. Third Quarter 2017 Results

V. Balance Sheet & 2017 Guidance

VI. Business Outlook & Value Proposition



John Hendrickson



Business Performance

I. Strategic Initiatives Delivering Results

Simplifying Portfolio Enables Greater Focus on Core Growth Categories

Global Store Brand OTC | EU Branded OTC | US Prescription Pharmaceuticals



Cough, Cold
& Allergy



Lifestyle/
Smoking
Cessation



Analgesic



Infant
Nutrition



Animal
Health



Personal Care/
Derma-
therapeutic



Dermatological



Ophthalmic



Extended
Topical

✓ Longstanding Partner of Choice

Drive innovative new products and promotions for patients and customers

✓ Expanding Business Capabilities

Investments in resources and tools to deliver healthcare products in all channels

✓ Balance Sheet Flexibility

Repurchased ~2.7 million shares to date in 2017; building bolt-on M&A pipeline

✓ Optimizing Global Platform

Remain on track to deliver \$130M in cost savings by mid-2018

I. Durable & Unique Business Model

Continuing to Deliver Solid Adjusted Operating Margins⁽¹⁾

Consolidated Adjusted Operating Margin



- ✓ CHC Americas adjusted operating margin consistently above 20%
- ✓ CHC International adjusted operating margin of mid-teen percentage
- ✓ RX adjusted operating margin sustaining 40%

CHCA Adjusted Operating Margin



CHCI Adjusted Operating Margin



Rx Adjusted Operating Margin



II. Launched Key 2017 New Products

Executing Against Consumer & RX Growth Strategies



✓ 2017 New Product Launches

- ✓ New products continue to drive growth
- ✓ Expect to launch more than 100 new products or ~2 per week
- ✓ Key new launches included store brand Nexium[®], generic Axiron[®] and generic Transderm Scop[®]
- ✓ All key new products for 2017 have launched

III. Third Quarter Performance

Strong Third Quarter Financial Results⁽¹⁾

Consolidated Results	
Net Sales	\$1.2B
Adjusted Operating Income	\$258M
Adjusted EPS	\$1.39

- ✓ CHCA adjusted operating margin grew 200 bps to greater than 23%
- ✓ CHCI adjusted net sales grew 5%, ex-distribution businesses & Fx; adjusted operating margin improved to greater than 16%
- ✓ RX net sales grew approximately 4%, excluding Entocort®



Ron Winowiecki

- ✓ Q3 2017 Results
- ✓ Calendar Year 2017 Guidance

IV. Consolidated – Q3 2017 Financial Information

(\$ in millions, except per share amounts)	Q3 2017 Reported	Q3 2017 Adjusted ⁽¹⁾	Q3 2016 Reported	Reported Change YoY %	Primary Non-GAAP Adjustments
Net Sales	\$1,231	\$1,215	\$1,262	(2 %)	<ul style="list-style-type: none"> Operating results attributable to held-for-sale business
Gross Profit	\$498	\$544	\$485	3 %	<ul style="list-style-type: none"> Intangible asset amortization; Operating results attributable to held-for-sale business
<i>R&D Expense</i>	38	36	50	(24 %)	<ul style="list-style-type: none"> Intangible asset amortization; Operating results attributable to held-for-sale business
<i>Distribution, Selling & Administrative Expense ("DSG&A")</i>	288	250	282	2 %	<ul style="list-style-type: none"> Intangible asset amortization; Operating results attributable to held-for-sale business
<i>Restructuring, Impairments and Other Operating Expense (Income)</i>	9	—	1,621	(99 %)	<ul style="list-style-type: none"> Impairment charges; Restructuring charges; Acquisition charges and contingent consideration adjustments
Operating Income	\$162	\$258	\$(1,468)	(111 %)	<ul style="list-style-type: none"> Intangible asset amortization; Operating results attributable to held-for-sale business; Impairment charges; Restructuring charges; Acquisition charges and contingent consideration adjustments
<i>Interest & Other Expense, Change in Financial Asset and Loss on Extinguishment of Debt</i>	34	34	434	(92 %)	<ul style="list-style-type: none"> Change in financial assets; Operating results attributable to held-for-sale business; Gain/Loss on divestitures
Effective Tax Rate	65.5%	12.0%	16.4%	NM	
Net Income (Loss)	\$45	\$197	\$(1,590)	(103%)	
Diluted Earnings (Loss) Per Share	\$0.31	\$1.39	\$(11.10)	(103%)	

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

IV. CHC Americas Segment As Adjusted⁽¹⁾ – Q3 2017

Year-Over-Year Net Sales



Q3 2017 Highlights

- Adjusted net sales increased more than 1% on a constant currency basis compared to the prior year
- Higher sales in the gastrointestinal category and stronger performance in Animal Health and Mexico businesses compared to the prior year
- New product sales of \$13 million
- Adjusted operating margin increased 200 bps over prior year to a third quarter record of 23.2%

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

(2) Q3 2016 net sales have been adjusted to exclude sales attributable to the U.S. VMS business, which was sold in the third quarter 2016; Q3 2016 adjusted gross margin and operating margin use adjusted net sales as the denominator

IV. CHC International Segment As Adjusted⁽¹⁾ – Q3 2017

Year-Over-Year Net Sales



Q3 2017 Highlights

- Net sales increased 5% on a constant currency basis, excluding \$42 million in sales from the exited European distribution businesses and \$12 million of favorable currency movements
- New product sales of \$11 million
- Adjusted operating margin improved 570 bps to 16.4%

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

⁽²⁾ Q3 2016 net sales have been adjusted to exclude sales attributable to the European Sports brand, which was sold in the fourth quarter 2016; Q3 2016 adjusted gross margin and operating margin use adjusted net sales as the denominator

IV. RX Pharmaceuticals Segment As Adjusted⁽¹⁾ – Q3 2017

Year-Over-Year Net Sales



Q3 2017 Highlights

- Net sales grew approximately 4%, excluding Entocort®
- New products of \$31 million
- Achieved adjusted operating margin of 42.4%
- Price erosion at low end of previous expected 9% – 11% range

V. Enhanced Balance Sheet Flexibility



Balance Sheet

- ✓ Operating cash flow conversion as a percentage of adjusted net income >100%, excluding restructuring and unusual tax payments⁽¹⁾
- ✓ Expect to repay \$370 million of debt due in December 2017
- ✓ Approximately \$550 million in total debt due from 2018 through 2020
- ✓ Repurchased ~2.7 million shares year-to-date

**Total Cash as of
9/30/2017**

\$776 Million

**Total Debt as of
9/30/2017**

\$3.7 Billion

V. Updated 2017 Adjusted EPS Guidance Range⁽¹⁾

Operational Execution Drives Upgraded Guidance Range

Calendar 2017 Adjusted EPS Guidance Walk (midpoint to midpoint)

2017 Guidance Provided on 8/10/17	\$4.45 – \$4.70
Operational Execution	~\$0.16
Effective Tax Rate	~\$0.09
~1.9M Shares Repurchased	~\$0.02
Fx Improvement	~\$0.03
Updated 2017 Adjusted EPS Range	\$4.80 – \$4.95

**Strong Performance Across All Segments Drives
Improvement in EPS Midpoint**

Note: bottom end of range was tightened so does not add down

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

V. Segment Calendar Year 2017 Guidance

	Guidance Provided on 11/9/2017	Guidance Provided on 8/10/2017
<u>Consumer Healthcare Americas</u>		
Net Sales	~\$2.4B	~\$2.4B
Adjusted Operating Margin ⁽¹⁾	~21% – 22%	Low 20%
<u>Consumer Healthcare International</u>		
Net Sales	~\$1.485B	~\$1.45B
Adjusted Operating Margin ⁽¹⁾	~14% – 15%	Low – Mid Teens %
<u>RX Pharmaceuticals</u>		
Net Sales	~\$965M	~\$950M
Adjusted Operating Margin ⁽¹⁾	~41% – 42%	~40%

V. Consolidated Calendar Year 2017 Guidance⁽¹⁾

	Guidance Provided on 11/9/2017	Guidance Provided on 8/10/2017
Adjusted Net Sales	\$4.8B – \$4.9B	\$4.7B – \$4.85B
Adjusted DSG&A as % of Net Sales ⁽²⁾	~20%	~20%
R&D as % of Net Sales ⁽²⁾	~4%	~4%
Adjusted Operating Income	\$990M – \$1,010M ⁽³⁾	\$960M – \$1,000M
Interest & Other Expense	~\$165M	~\$165M
Adjusted Effective Tax Rate	~17%	~18.5%
Adjusted EPS	\$4.80 – \$4.95	\$4.45 – \$4.70
Diluted Shares Outstanding	~143M	~143M
Operating Cash Flow	~\$620M	~\$600M

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

(2) Percentages are +/- 75 basis points

(3) Excludes \$10 million second half contribution from API



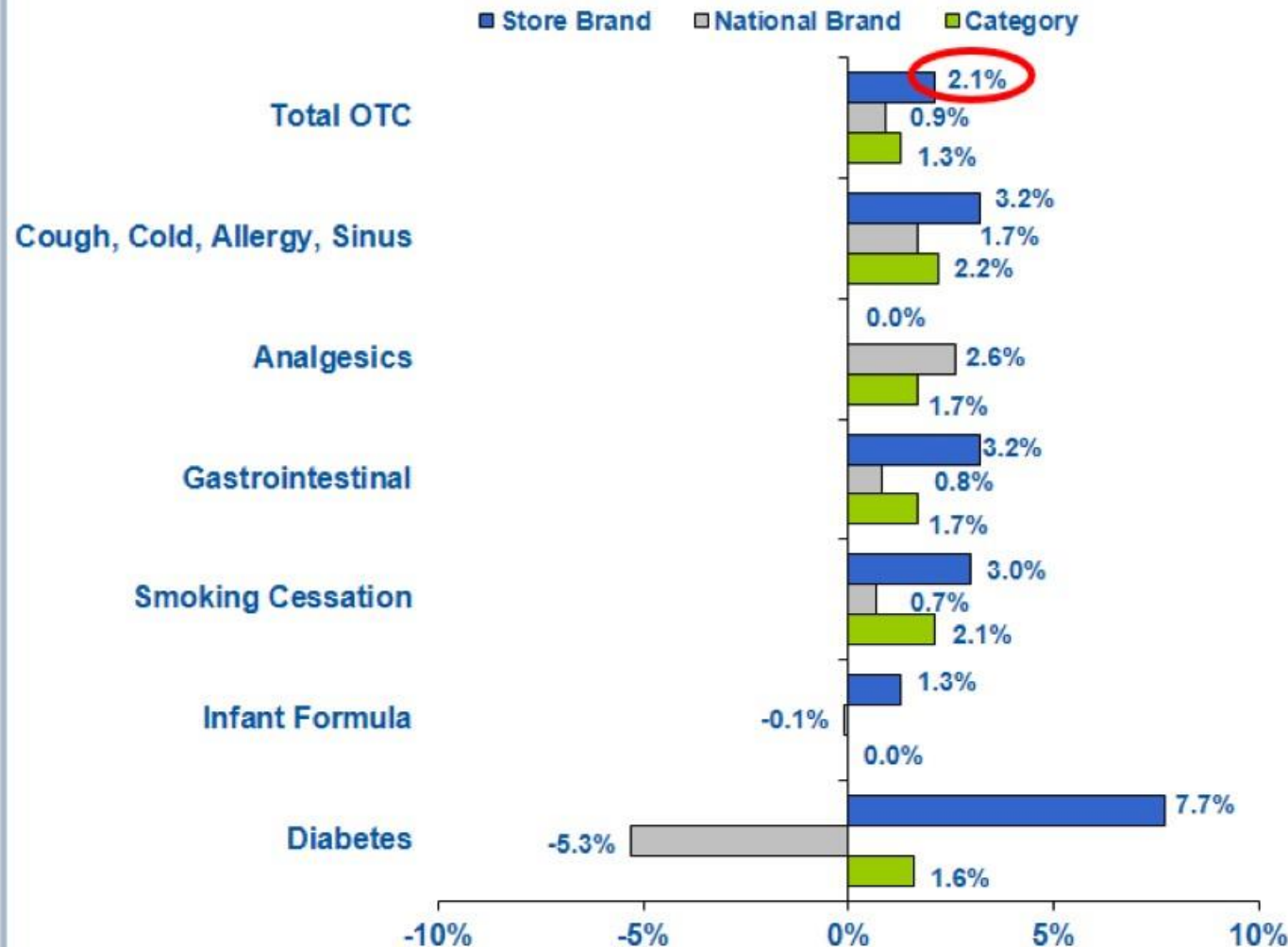
John Hendrickson



Leveraging the Perrigo Advantage

VI. CHC Americas – Leading Store Brand OTC Provider

Store Brand Growth Continues to Outpace National Brand



Store Brand Growth driven by:

- ✓ Continued evolution to store brand products
- ✓ New store brand launches in categories previously exclusive to national brands

VI. CHC Americas – Leading Store Brand OTC Provider

eCommerce Leader to Retail Partners

eCommerce Objectives



Advancing eCommerce Leadership



VI. CHC International – Leading European Branded OTC Provider

Focus on Branded OTC Portfolio and Innovation Drives Profitability

Portfolio Strategy



Natural Health
Supplements /VMS

Cough, Cold &
Allergy

Personal Care/
Derma-therapeutics

Lifestyle

Analgesics



bronchostop[®]

PHYSIOMER[®]



LACTACYD[®]



XL[®]SMEDICAL



VI. RX Pharmaceuticals – A Truly Differentiated Business

Extended Topicals Portfolio with Meaningful Opportunities

Business Outlook

- ✓ Generic ProAir® Update
 - ✓ Additional work to achieve FDA approval per complete response letter
 - ✓ Remain confident in ability to deliver this first-to-market generic product

Differentiated Business

- ✓ Focused on difficult to manufacture extended topicals
- ✓ Balanced, diversified portfolio
- ✓ Delivering solid adjusted operating margin
- ✓ Unique product selection process

3 Paragraph IV Litigations

- ✓ Testosterone Topical Solution 2% (Axiron®)
- ✓ Ivermectin Cream, 1% (Soolantra®)
- ✓ Ingenol Mebutate Gel 0.015% & 0.05% (Picato®)

20 ANDAs Pending FDA Approval

- ✓ ANDAs represent \$3B in branded sales
- ✓ 6 confirmed first-to-file ANDAs

Meaningful Pipeline Opportunities

- ✓ Potential market opportunities represent greater than \$48B¹

VI. Foundation for Growth

Focused Execution Against 2017 Objectives

Business Outlook

- ✓ Actions taken are enabling growth in challenging end markets
- ✓ All key 2017 new products have been launched
- ✓ Cost reduction plan on track to deliver >\$130M run rate by 2H 2018; reinvesting a portion into strategic investments for future success
- ✓ Consumer businesses growing at or above market; expect Rx to maintain growth trend
- ✓ Growing pipeline of inorganic bolt-on opportunities



Perrigo®



UROSTEMOL®  Nytol  Jungle Energy  Prevalin  Solpadeine  NiQuitin  Abidec  BECONASE  broncho stop  LYCLEAR  MILK OF MAGNESIA LIQUID  TCP

Bradley Joseph

Vice President,

Global Investor Relations and Corporate Communications

(269) 686-3373

bradley.joseph@perrigo.com

Calendar Year 2017 Guidance⁽¹⁾

	Calendar Year 2016 ⁽²⁾	Calendar Year 2017 Guidance <i>Updated August 10, 2017</i>	Impact of Sept 30, 2017 Exchange Rates Compared to June 30, 2017 Rates	Operational Impact	Calendar Year 2017 Guidance <i>Updated November 9, 2017</i>
Net Sales	\$5.2B	\$4.7 - \$4.85B ^{(1),(2),(3)}	\$35M	\$40M	\$4.8 - \$4.9B ^{(1),(2)}
Adjusted Diluted EPS⁽¹⁾	\$5.07/share	\$4.45 - \$4.70/share	\$0.03/share	\$0.27/share	\$4.80 - \$4.95/share

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

(2) Excludes the results of held-for-sale businesses

(3) March 31, 2016 exchange rates were used as the basis for calendar year 2017 guidance

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

Three Months Ended September 30, 2017

	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Restructuring, Impairment Charges, and Other Operating Income	Operating Income	Interest, Other, and Change in financial assets	Income Tax Expense	Net Income	Diluted Earnings per Share
Consolidated										
Reported	\$ 1,231.3	\$ 497.8	\$ 38.4	\$ 288.3	\$ 8.7	\$ 162.4	\$ 33.7	\$ 84.2	\$ 44.5	\$ 0.31
As a % of reported net sales		40.4%	3.1%	23.4%		13.2%	2.7%	6.8%	3.6%	
Effective tax rate								65.5%		
<i>Adjustments:</i>										
Amortization expense related primarily to acquired intangible assets	\$ —	\$ 55.3	\$ (0.3)	\$ (34.5)	\$ —	\$ 90.1	\$ —	\$ —	\$ 90.1	\$ 0.63
Change in financial assets	—	—	—	—	—	—	(2.6)	—	2.6	0.02
Impairment charges	—	—	—	—	(7.8)	7.8	—	—	7.8	0.06
Restructuring charges	—	—	—	—	(3.8)	3.8	—	—	3.8	0.03
Operating results attributable to held-for-sale business*	(16.5)	(9.4)	(2.4)	(4.2)	—	(2.8)	1.3	—	(4.1)	(0.03)
Gain/Loss on divestitures	—	—	—	—	—	—	1.9	—	(1.9)	(0.01)
Acquisition charges and contingent consideration adjustments	—	—	—	—	2.9	(2.9)	—	—	(2.9)	(0.02)
Non-GAAP tax adjustments**	—	—	—	—	—	—	—	(57.3)	57.3	0.40
Adjusted	\$ 1,214.8	\$ 543.7	\$ 35.7	\$ 249.6	\$ —	\$ 258.4	\$ 34.3	\$ 26.9	\$ 197.2	\$ 1.39
As a % of adjusted net sales		44.8%	2.9%	20.6%		21.3%	2.8%	2.2%	16.2%	
Effective tax rate								12.0%		

Diluted weighted average shares outstanding

Reported 141.7

*Held-for-sale business includes the Israel API business.

**The non-GAAP tax adjustments include the following: (1) \$(23.2) million of tax effects of pretax non-GAAP adjustments that are calculated based upon the specific rate of the applicable jurisdiction of the pretax item; (2) a \$36.2 million effect on non-GAAP income taxes related to the interim tax accounting requirements within ASC 740, Income Taxes; (3) \$10.0 million net impact related to valuation allowances on deferred tax assets commensurate with non-GAAP pre-tax measures; (4) \$(5.4) million of tax adjustments related to the divestiture of the Tysabri® financial asset; (5) \$12.8 million related to an IRS audit settlement; and (6) \$26.9 million of tax related to the sale of our Israel API business.

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

	Three Months Ended October 1, 2016									
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Restructuring, Impairment Charges, and Other Operating Income	Operating Income (Loss)	Interest, Other, and Change in financial assets	Income Tax Expense (Benefit)	Net Income (Loss)	Diluted Earnings (Loss) per Share
Consolidated										
Reported	\$ 1,261.6	\$ 484.5	\$ 50.2	\$ 281.6	\$ 1,621.0	\$ (1,468.3)	\$ 433.7	\$ (311.8)	\$ (1,590.2)	\$ (11.10)
As a % of reported net sales		38.4%	4.0%	22.3%		(116.4)%	34.4%	(24.7)%	(126.1)%	
Effective tax rate								16.4%		
<i>Adjustments:</i>										
Change in financial assets	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (377.4)	\$ —	\$ 377.4	\$ 2.63
Amortization expense primarily related to acquired intangible assets	—	57.1	(0.3)	(34.1)	—	91.5	—	—	91.5	0.64
Impairment charges	—	—	—	—	(1,614.4)	1,614.4	—	—	1,614.4	11.25
Restructuring charges	—	—	—	—	(6.6)	6.6	—	—	6.6	0.05
Acquisition charges and contingent consideration adjustments	—	0.8	—	(5.3)	—	6.1	0.5	—	5.6	0.04
Operating results attributable to held-for-sale businesses*	(21.9)	(2.9)	(0.2)	(6.2)	—	3.5	(0.4)	—	3.9	0.03
Loss on early debt extinguishment	—	—	—	—	—	—	(0.7)	—	0.7	0.01
Non-GAAP tax adjustments***	—	—	—	—	—	—	—	333.5	(333.5)	(2.32)
Adjusted	\$ 1,239.7	\$ 539.5	\$ 49.7	\$ 236.0	\$ —	\$ 253.8	\$ 55.7	\$ 21.7	\$ 176.4	\$ 1.23
As a % of adjusted net sales		43.5%	4.0%	19.0%		20.5%	4.5%	1.7%	14.2%	
Effective tax rate								10.9%		

Diluted weighted average shares outstanding

	Reported	143.3
Effect of dilution as reported amount was a loss, while adjusted amount was income**		0.3
	Adjusted	143.6

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

**In the period of a net loss, diluted shares outstanding equal basic shares outstanding.

***The non-GAAP tax adjustments include the following: (1) \$(313.1) million of tax effects of pretax non-GAAP adjustments that are calculated based upon the specific rate of the applicable jurisdiction of the pretax item; (2) \$2.0 million of tax effects on non-GAAP income taxes related to the interim tax accounting requirements within ASC 740, Income Taxes; and (3) \$(22.4) million of discrete income tax adjustments related to jurisdictional tax rate changes in Italy, France and Germany. The GAAP tax benefit recorded in the current quarter related to these items has been excluded from non-GAAP net income.

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

	<u>Three Months Ended July 1, 2017</u>		
	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Income</u>
Consolidated			
Reported	\$ 1,237.9	\$ 504.6	\$ 148.8
As a % of net sales		40.8%	12.0%
<i>Adjustments:</i>			
Amortization expense related primarily to acquired intangible assets		\$ 55.6	\$ 88.7
Impairment charges		—	27.4
Restructuring charges		—	12.1
Gain on divestitures		—	(1.1)
Unusual litigation		—	(8.8)
Acquisition charges and contingent consideration adjustments		—	(0.6)
Adjusted	\$ 560.2	\$ 266.5	
As a % of net sales		45.3%	21.5%

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

	Three Months Ended April 1, 2017		
	Net Sales	Gross Profit	Operating Income
Consolidated Reported	\$ 1,194.0	\$ 464.4	\$ 128.5
As a % of net sales		38.9%	10.8%
<i>Adjustments:</i>			
Amortization expense related primarily to acquired intangible assets		\$ 55.1	\$ 86.6
Impairment charges		—	12.2
Gain on divestitures		—	(21.8)
Restructuring charges		—	38.7
Operating results attributable to held-for-sale business*		1.1	1.7
Acquisition and integration-related expense (income)		—	(14.3)
Adjusted	\$ 520.6	\$ 231.6	
As a % of net sales		43.6%	19.4%

*Held-for-sale business includes the India API business.

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

	<u>Three Months Ended December 31, 2016</u>		
	<u>Net Sales</u>	<u>Gross Profit</u>	<u>Operating Income (Loss)</u>
Consolidated Reported	\$ 1,331.2	\$ 487.7	\$ (484.6)
<i>Adjustments:</i>			
Amortization expense related primarily to acquired intangible assets		\$ 62.0	\$ 94.9
Impairment charges		—	602.2
Unusual litigation		—	18.4
Restructuring charges		—	13.1
Operating results attributable to held-for-sale businesses*		4.2	11.5
Acquisition and integration-related charges		—	3.0
Adjusted	<u>\$</u>	<u>\$ 553.9</u>	<u>\$ 258.5</u>
As a % of net sales		41.6%	19.4%

*Held-for-sale businesses include the European sports brand and the India API business.

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

	Nine Months Ended September 30, 2017										
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Restructuring, Impairment Charges, and Other Operating Income	Operating Income	Interest, Other, and Change in financial assets	Pretax Income	Income Tax Expense	Net Income	Diluted Earnings per Share
Consolidated Reported	\$ 3,663.1	\$ 1,466.7	\$ 120.8	\$ 845.2	\$ 61.1	\$ 439.6	\$ 291.4	\$ 148.2	\$ 101.8	\$ 46.4	\$ 0.32
As a % of reported net sales		40.0%	3.3%	23.1%		12.0%	8.0%	4.0%	2.8%	1.3%	
Effective tax rate									68.7%		
Adjustments:											
Amortization expense related primarily to acquired intangible assets	\$ —	\$ 165.9	\$ (0.9)	\$ (98.5)	\$ —	\$ 265.3	\$ —	\$ 265.3	\$ —	\$ 265.3	\$ 1.87
Acquisition charges and contingent consideration adjustments	—	—	—	—	18.0	(18.0)	—	(18.0)	—	(18.0)	(0.13)
Restructuring charges	—	—	—	—	(54.7)	54.7	—	54.7	—	54.7	0.38
Gain/Loss on divestitures	—	—	—	(0.3)	23.0	(22.7)	1.7	(24.4)	—	(24.4)	(0.17)
Operating results attributable to held-for-sale business*	(16.5)	(8.3)	(2.5)	(4.7)	—	(1.1)	1.3	(2.4)	—	(2.4)	(0.02)
Change in financial assets	—	—	—	—	—	—	(24.2)	24.2	—	24.2	0.17
Unusual litigation	—	—	—	8.8	—	(8.8)	—	(8.8)	—	(8.8)	(0.06)
Impairment charges	—	—	—	—	(47.4)	47.4	—	47.4	—	47.4	0.33
Loss on early debt extinguishment	—	—	—	—	—	—	(135.2)	135.2	—	135.2	0.95
Loss on hedges related to debt tender	—	—	—	—	—	—	(5.9)	5.9	—	5.9	0.04
Non-GAAP tax adjustments**	—	—	—	—	—	—	—	—	3.0	(3.0)	(0.02)
Adjusted	\$ 3,646.6	\$ 1,624.3	\$ 117.4	\$ 750.5	\$ —	\$ 756.4	\$ 129.1	\$ 627.3	\$ 104.8	\$ 522.5	\$ 3.66
As a % of adjusted net sales		44.5%	3.2%	20.6%		20.7%	3.5%	17.2%	2.9%	14.3%	
Effective tax rate									16.7%		

Diluted weighted average shares outstanding

Reported

142.8

*Held-for-sale business includes the Israel API business.

**The non-GAAP tax adjustments include the following: (1) \$(91.8) million of tax effects of pretax non-GAAP adjustments that are calculated based upon the specific rate of the applicable jurisdiction of the pretax item; (2) a \$(16.1) million effect on non-GAAP income taxes related to the interim tax accounting requirements within ASC 740, Income Taxes; (3) \$83.9 million net impact related to valuation allowances on deferred tax assets commensurate with non-GAAP pre-tax measures; (4) \$(18.7) million of tax adjustments related to the divestiture of the Tysabri® financial asset; (5) \$12.8 million related to an IRS audit settlement; and (6) \$26.9 million of tax related to the sale of our Israel API business.

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

	Twelve Months Ended December 31, 2016			
	Net Sales	Operating Income (Loss)	Net Income (Loss)	Diluted Earnings (Loss) per Share
Consolidated Reported	\$ 5,280.6	\$ (1,999.7)	\$ (4,012.8)	\$ (28.01)
<i>Adjustments:</i>				
Impairment charges	\$ —	\$ 2,631.0	\$ 2,653.4	\$ 18.48
Change in financial assets	—	—	2,608.2	18.16
Amortization expense related primarily to acquired intangible assets	—	363.9	363.9	2.59
Restructuring charges	—	31.0	31.0	0.22
Acquisition and integration-related charges	—	24.3	25.4	0.18
Unusual litigation	—	18.4	18.4	0.13
Operating results attributable to held-for-sale businesses*	(112.8)	15.3	15.3	0.11
Losses on equity method investments	—	—	4.2	0.03
Gain on divestitures	—	—	(7.7)	(0.05)
Non-GAAP tax adjustments***	—	—	(971.3)	(6.77)
Adjusted	\$ 5,167.8	\$ 1,084.2	\$ 728.0	\$ 5.07
			Diluted weighted average shares outstanding	
			Reported	143.3
			Effect of dilution as reported amount was a loss, while adjusted amount was income**	
			Adjusted	143.6

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

**In the period of a net loss, diluted shares outstanding equal basic shares outstanding.

***The non-GAAP tax adjustments include the following: (1) \$(802.5) million of tax effects of pretax non-GAAP adjustments that are calculated based upon the specific rate of the applicable jurisdiction of the pretax item; and (2) Discrete income tax adjustments of: \$(49.3) million related to jurisdictional tax rate changes in Italy, UK, Germany & France, \$102.6 million net impact of valuation allowances on deferred tax assets commensurate with non-GAAP pre-tax measures, and \$(222.1) million valuation allowance release due to the divestiture of the Tysabri® financial asset. The GAAP tax benefit recorded in the current quarter related to these items has been excluded from non-GAAP net income.

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

	Three Months Ended September 30, 2017					Three Months Ended October 1, 2016				
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income
Consumer Healthcare Americas										
Reported	\$ 598.8	\$ 206.1	\$ 13.8	\$ 70.4	\$ 124.3	\$ 611.2	\$ 199.2	\$ 18.3	\$ 74.6	\$ 99.0
As a % of reported net sales		34.4%	2.3%	11.8%	20.8%		32.6%	3.0%	12.2%	16.2%
<i>Adjustments:</i>										
Amortization expense primarily related to acquired intangible assets		\$ 12.1		\$ (4.8)	\$ 16.9	\$ —	\$ 12.5	\$ —	\$ (5.0)	\$ 17.6
Impairment charges		—		—	0.5	—	—	—	—	3.7
Operating results attributable to held-for-sale business*		—		—	—	(21.0)	(3.4)	(0.2)	(3.1)	(0.1)
Restructuring charges		—		—	(0.8)	—	—	—	—	3.9
Acquisition charges and contingent consideration adjustments		—		—	(2.0)	—	0.8	—	(0.6)	1.1
Adjusted		\$ 218.2		\$ 65.6	\$ 138.9	\$ 590.2	\$ 209.1	\$ 18.1	\$ 65.9	\$ 125.2
As a % of reported net sales (2017) / As a % of adjusted net sales (2016)		36.4%		10.9%	23.2%		35.4%	3.1%	11.2%	21.2%

*Held-for-sale business includes the U.S. VMS business, which was sold in Q3 2016.

	Three Months Ended September 30, 2017					Three Months Ended October 1, 2016				
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income (Loss)
Consumer Healthcare International										
Reported	\$ 365.4	\$ 165.9	\$ 10.5	\$ 147.1	\$ 4.6	\$ 377.4	\$ 155.2	\$ 10.7	\$ 152.9	\$ (1,615.5)
As a % of reported net sales		45.4%	2.9%	40.3%	1.2%		41.1%	2.8%	40.5%	(428.1)%
<i>Adjustments:</i>										
Amortization expense primarily related to acquired intangible assets		\$ 21.9	\$ (0.3)	\$ (29.6)	\$ 51.8	\$ —	\$ 16.9	\$ (0.3)	\$ (28.9)	\$ 46.3
Impairment charges		—	—	—	—	—	—	—	—	1,604.5
Operating results attributable to held-for-sale business*		—	—	—	—	(0.2)	0.2	—	(2.8)	3.0
Restructuring charges		—	—	—	3.6	—	—	—	—	2.5
Acquisition charges and contingent consideration adjustments		—	—	—	—	—	—	—	0.2	(0.3)
Adjusted		\$ 187.8	\$ 10.2	\$ 117.5	\$ 60.0	\$ 377.2	\$ 172.3	\$ 10.4	\$ 121.4	\$ 40.5
As a % of reported net sales (2017) / As a % of adjusted net sales (2016)		51.4%	2.8%	32.2%	16.4%		45.7%	2.7%	32.2%	10.7%

*Held-for-sale business includes the European sports brand, which was sold in Q4 2016.

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

	Three Months Ended September 30, 2017					Three Months Ended October 1, 2016				
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income
Prescription Pharmaceuticals										
Reported	\$ 250.6	\$ 116.7	\$ 12.2	\$ 19.2	\$ 82.1	\$ 251.9	\$ 120.9	\$ 19.5	\$ 27.1	\$ 74.4
As a % of net sales		46.6%	4.9%	7.7%	32.8%		48.0%	7.7%	10.7%	29.5%
<i>Adjustments:</i>										
Amortization expense primarily related to acquired intangible assets		\$ 20.9		\$ (0.1)	\$ 21.0		\$ 27.1		\$ (0.1)	\$ 27.1
Restructuring charges		—		—	0.1		—		—	—
Impairment charges		—		—	4.0		—		—	—
Acquisition charges and contingent consideration adjustments		—		—	(0.9)		—		(5.0)	5.0
Adjusted		\$ 137.6		\$ 19.1	\$ 106.3		\$ 148.0		\$ 22.0	\$ 106.5
As a % of net sales		54.9%		7.6%	42.4%		58.7%		8.7%	42.3%

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

	Three Months Ended July 1, 2017			Three Months Ended July 2, 2016		
	Net Sales	Gross Profit	Operating Income	Net Sales	Gross Profit	Operating Income
Consumer Healthcare Americas						
Reported	\$ 604.9	\$ 203.8	\$ 104.2	\$ 629.9	\$ 220.0	\$ 116.8
As a % of net sales		33.7%	17.2%		34.9%	18.5%
<i>Adjustments:</i>						
Amortization expense related primarily to acquired intangible assets		\$ 12.1	\$ 17.0	\$ —	\$ 12.5	\$ 17.6
Impairment charges		—	4.1	—	—	6.2
Operating results attributable to held-for-sale business*		—	—	(42.1)	(7.2)	(3.1)
Restructuring charges		—	4.3	—	—	0.3
Acquisition charges and contingent consideration adjustments		—	(2.6)	—	1.0	1.0
Adjusted	\$ 215.9	\$ 127.0	\$ 587.8	\$ 226.3	\$ 138.8	
As a % of reported net sales (2017) / As a % of adjusted net sales (2016)		35.7%	21.0%		38.5%	23.6%

*Held-for-sale business includes the U.S. VMS business, which was sold in Q3 2016.

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

	Three Months Ended April 1, 2017			Three Months Ended April 2, 2016		
	Net Sales	Gross Profit	Operating Income	Net Sales	Gross Profit	Operating Income
Consumer Healthcare Americas						
Reported	\$ 582.8	\$ 188.4	\$ 75.0	\$ 639.1	\$ 196.0	\$ 100.6
As a % of reported net sales		32.3%	12.9%		30.7%	15.7%
<i>Adjustments:</i>						
Amortization expense related primarily to acquired intangible assets		\$ 12.4	\$ 17.1	\$ —	\$ 12.8	\$ 18.1
Impairment charges		—	—	—	—	—
Operating results attributable to held-for-sale business*		—	—	(47.1)	(7.0)	(2.5)
Restructuring charges		—	23.7	—	—	1.5
Acquisition and integration-related charges		—	1.7	—	2.8	3.0
Adjusted		\$ 200.8	\$ 117.5	\$ 592.0	\$ 204.6	\$ 120.7
As a % of reported net sales (2017) / As a % of adjusted net sales (2016)		34.5%	20.2%		34.6%	20.4%

*Held-for-sale business includes the U.S. VMS business, which was sold in Q3 2016.

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

	Three Months Ended December 31, 2016			Three Months Ended December 31, 2015		
	Net Sales	Gross Profit	Operating Income	Net Sales	Gross Profit	Operating Income
Consumer Healthcare Americas						
Reported	\$ 626.8	\$ 210.0	\$ 83.3	\$ 643.2	\$ 206.2	\$ 92.8
As a % of net sales		33.5%	13.3%		32.1%	14.4%
<i>Adjustments:</i>						
Amortization expense related primarily to acquired intangible assets		\$ 12.6	\$ 17.7		\$ 12.2	\$ 17.9
Unusual litigation		—	10.2		—	0.3
Impairment charges		—	27.1		—	1.5
Restructuring charges		—	(0.1)		—	12.8
Acquisition and integration-related charges		—	1.2		—	—
Adjusted		\$ 222.6	\$ 139.4		\$ 218.4	\$ 125.3
As a % of net sales		35.5%	22.2%		34.0%	19.5%
<u>For Comparative Purposes*</u>						
Reported				\$ 643.2		
Operating results attributable to held-for-sale businesses*				(44.3)		
Adjusted				\$ 598.9		

*Q4 2015 net sales adjustment made for comparison purposes only and does not change any other prior year financial information or metrics since the U.S. VMS business was not held-for-sale in 2015. Q4 2015 gross margin and operating margin use reported net sales as the denominator.

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

	Nine Months Ended September 30, 2017					Nine Months Ended October 1, 2016				
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income
Consumer Healthcare Americas										
Reported	\$ 1,786.4	\$ 598.3	\$ 48.4	\$ 217.5	\$ 303.6	\$ 1,880.2	\$ 615.1	\$ 56.0	\$ 227.4	\$ 316.4
As a % of reported net sales		33.5%	2.7%	12.2%	17.0%		32.7%	3.0%	12.1%	16.8%
Adjustments:										
Amortization expense primarily related to acquired intangible assets		\$ 36.6	\$ —	\$ (14.4)	\$ 51.0	\$ —	\$ 37.8	\$ 0.1	\$ (15.3)	\$ 53.3
Impairment charges		—	—	—	4.5	—	—	—	—	9.9
Operating results for held-for-sale businesses*		—	—	—	—	(110.1)	(17.6)	(1.4)	(10.7)	(5.7)
Restructuring charges		—	—	—	27.2	—	—	—	—	5.7
Acquisition charges and contingent consideration adjustments		—	—	—	(2.9)	—	4.7	—	(0.8)	5.1
Adjusted		\$ 634.9	\$ 48.4	\$ 203.1	\$ 383.4	\$ 1,770.1	\$ 640.0	\$ 54.7	\$ 200.6	\$ 384.7
As a % of reported net sales (2017) / As a % of adjusted net sales (2016)		35.5%	2.7%	11.4%	21.5%		36.2%	3.1%	11.3%	21.7%

*Held-for-sale business includes the U.S. VMS business, which was sold in Q3 2016.

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

	Three Months Ended July 1, 2017			Three Months Ended July 2, 2016		
	Net Sales	Gross Profit	Operating Income	Net Sales	Gross Profit	Operating Income
Consumer Healthcare International						
Reported	\$ 376.5	\$ 174.0	\$ 3.9	\$ 415.9	\$ 187.6	\$ 0.6
As a % of net sales		46.2%	1.0%		45.1%	0.1%
<i>Adjustments:</i>						
Amortization expense related primarily to acquired intangible assets		\$ 20.8	\$ 48.9	\$ —	\$ 17.1	\$ 46.6
Impairment charges		—	3.7	—	—	—
Unusual litigation		—	(8.8)	—	—	—
Operating results attributable to held-for-sale business*		—	—	(0.1)	0.7	4.8
Restructuring charges		—	6.6	—	—	4.8
Acquisition charges and contingent consideration adjustments		—	0.6	—	—	(0.2)
Adjusted		\$ 194.8	\$ 54.9	\$ 415.8	\$ 205.4	\$ 56.6
As a % of net sales		51.7%	14.6%		49.4%	13.6%

*Held-for-sale business includes the European sports brand, which was sold in Q4 2016.

	Three Months Ended April 1, 2017			Three Months Ended April 2, 2016		
	Net Sales	Gross Profit	Operating Income	Net Sales	Gross Profit	Operating Income (Loss)
Consumer Healthcare International						
Reported	\$ 374.9	\$ 169.5	\$ 0.2	\$ 439.4	\$ 199.3	\$ (396.4)
As a % of net sales		45.2%	0.1%		45.4%	(90.2)%
<i>Adjustments:</i>						
Amortization expense related primarily to acquired intangible assets		\$ 20.1	\$ 46.9	\$ 13.1	\$ 42.9	
Impairment charges		—	1.1	—	403.9	
Restructuring charges		—	2.9	—	3.1	
Operating results attributable to held-for-sale business*		0.5	0.5	—	—	
Acquisition and integration-related charges		—	—	—	1.3	
Adjusted		\$ 190.1	\$ 51.6	\$ 212.4	\$ 54.8	
As a % of net sales		50.7%	13.8%		48.3%	12.5%

*Held-for-sale business includes the European sports brand, which was sold in Q4 2016.

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

	Three Months Ended December 31, 2016		
	Net Sales	Gross Profit	Operating Income (Loss)
Consumer Healthcare International			
Reported	\$ 419.5	\$ 151.3	\$ (76.1)
As a % of net sales		36.1%	(18.1)%
<i>Adjustments:</i>			
Amortization expense related primarily to acquired intangible assets		\$ 20.8	\$ 48.4
Impairment charges		—	34.1
Restructuring charges		—	10.5
Unusual litigation		—	8.2
Operating results attributable to held-for-sale business*		3.6	10.3
Acquisition and integration-related charges		—	1.0
Adjusted		\$ 175.7	\$ 36.4
As a % of net sales		41.9%	8.7%

*Held-for-sale business includes the European sports brand, which was sold in Q4 2016.

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

	Nine Months Ended September 30, 2017					Nine Months Ended October 1, 2016				
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income (Loss)
Consumer Healthcare International										
Reported	\$ 1,116.8	\$ 509.4	\$ 31.3	\$ 450.8	\$ 8.7	\$ 1,232.7	\$ 542.1	\$ 31.7	\$ 502.9	\$ (2,011.3)
As a % of net sales		45.6%	2.8%	40.4%	0.8%		44.0%	2.6%	40.8%	(163.2)%
Adjustments:										
Amortization expense primarily related to acquired intangible assets		\$ 62.8	\$ (0.9)	\$ (83.8)	\$ 147.5	\$ —	\$ 47.1	\$ (0.8)	\$ (87.9)	\$ 135.8
Unusual litigation		—	—	8.8	(8.8)	—	—	—	—	—
Impairment charges		—	—	—	4.8	—	—	—	—	2,008.4
Restructuring charges		—	—	—	13.2	—	—	—	—	10.4
Operating results for held-for-sale businesses*		0.5	—	—	0.5	(0.3)	0.8	—	(6.8)	7.8
Acquisition charges and contingent consideration adjustments		—	—	—	0.6	—	—	—	(0.9)	0.8
Adjusted		\$ 572.7	\$ 30.4	\$ 375.8	\$ 166.5	\$ 1,232.4	\$ 590.0	\$ 30.9	\$ 407.3	\$ 151.9
As a % of net sales		51.3%	2.7%	33.7%	14.9%		47.9%	2.5%	33.0%	12.3%

*Held-for-sale business includes the European sports brand, which was sold in Q4 2016.

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

	Three Months Ended July 1, 2017		
	Net Sales	Gross Profit	Operating Income
Prescription Pharmaceuticals			
Reported	\$ 240.4	\$ 119.1	\$ 69.3
As a % of net sales		49.6%	28.8%
<i>Adjustments:</i>			
Amortization expense related primarily to acquired intangible assets		\$ 22.3	\$ 22.4
Gain on divestitures		—	(1.1)
Restructuring charges		—	0.2
Impairment charges		—	19.6
Acquisition charges and contingent consideration adjustments		—	1.4
Adjusted	\$ 141.4	\$ 111.8	
As a % of net sales		58.8%	46.5%

	Three Months Ended April 1, 2017		
	Net Sales	Gross Profit	Operating Income
Prescription Pharmaceuticals			
Reported	\$ 217.4	\$ 96.3	\$ 88.2
As a % of net sales		44.3%	40.5%
<i>Adjustments:</i>			
Amortization expense related primarily to acquired intangible assets		\$ 22.0	\$ 22.1
Gain on divestitures		—	(21.8)
Restructuring charges		—	5.6
Impairment charges		—	11.1
Acquisition and integration-related charges		—	(16.1)
Adjusted	\$ 118.3	\$ 89.1	
As a % of net sales		54.4%	41.0%

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

	Three Months Ended December 31, 2016		
	Net Sales	Gross Profit	Operating Income
Prescription Pharmaceuticals			
Reported	\$ 265.9	\$ 121.0	\$ (258.5)
As a % of net sales		45.5%	(97.3)%
<i>Adjustments:</i>			
Amortization expense related primarily to acquired intangible assets		\$ 28.0	\$ 28.1
Restructuring charges		—	2.1
Impairment charges			342.4
Acquisition and integration-related charges		—	0.9
Adjusted		\$ 149.0	\$ 115.0
As a % of net sales		56.1%	43.2%

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

	Nine Months Ended September 30, 2017					Nine Months Ended October 1, 2016				
	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income	Net Sales	Gross Profit	R&D Expense	DSG&A Expense	Operating Income
Prescription Pharmaceuticals										
Reported	\$ 708.4	\$ 332.1	\$ 35.6	\$ 54.8	\$ 239.6	\$ 776.9	\$ 380.2	\$ 49.7	\$ 72.2	\$ 258.3
As a % of reported net sales		46.9%	5.0%	7.7%	33.8%		48.9%	6.4%	9.3%	33.3%
Adjustments:										
Amortization expense primarily related to acquired intangible assets		\$ 65.3		\$ (0.3)	\$ 65.6		\$ 78.3		\$ (0.3)	\$ 78.6
Gain on divestitures		—		—	(23.0)		—		—	—
Restructuring charges		—		—	5.9		—		—	—
Impairment charges		—		—	34.8		—		—	—
Acquisition charges and contingent consideration adjustments		(0.1)		—	(15.7)		—		(5.1)	5.0
Adjusted		\$ 397.3		\$ 54.5	\$ 307.2		\$ 458.5		\$ 66.8	\$ 341.9
As a % of reported net sales		56.1%		7.7%	43.4%		59.0%		8.6%	44.0%

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

	Three Months Ended		Total Change	FX Change	Constant Currency Change
	September 30, 2017	October 1, 2016			
Net sales					
Consolidated*	\$ 1,214.8	\$ 1,239.7	(2)%	(1)%	(3)%
CHCA*	598.8	590.2	1%	—%	1%
CHCI*	365.4	377.2	(3)%	(3)%	(6)%
RX	250.6	251.9	(1)%	1%	—%
CHCI*	\$ 365.4	\$ 377.2			
Less: Belgium distribution net sales	—	(41.7)			
	<u>\$ 365.4</u>	<u>\$ 335.5</u>	9%	(4)%	5%
	Nine Months Ended		Total Change	FX Change	Constant Currency Change
	September 30, 2017	October 1, 2016			
CHCA*	\$ 1,786.4	\$ 1,770.1	1%	—%	1%
CHCI*	\$ 1,116.8	\$ 1,232.4	(9)%	2%	(7)%
Less: Belgium distribution net sales	(10.6)	(118.4)			
	<u>\$ 1,106.2</u>	<u>\$ 1,114.0</u>	(1)%	3%	2%

*2016 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
2017 GUIDANCE
(unaudited)

Reported	Full Year 2017 EPS Guidance
	\$0.74 - \$0.89
Amortization expense related primarily to acquired intangible assets	2.52
Loss on early debt extinguishment	0.95
Restructuring charges	0.42
Impairment charges	0.33
Change in financial assets	0.17
Loss on hedges related to the extinguishment of debt	0.04
Operating results attributable to held-for-sale business ⁽¹⁾	(0.02)
Unusual litigation	(0.06)
Acquisition charges and contingent consideration adjustments	(0.13)
Gain on divestitures	(0.17)
Tax effect of non-GAAP adjustments ⁽²⁾	0.01
Adjusted	\$4.80 - \$4.95

(1) Held-for-sale business includes the India API business.

(2) Includes tax effect of pretax non-GAAP adjustments calculated based upon the specific rate of the applicable jurisdiction of the pretax item and certain adjustments for discrete tax items in the first nine months of the year.

TABLE IV
PERRIGO COMPANY PLC
RECONCILIATION OF NON-GAAP
MEASURES
2017 GUIDANCE
(unaudited)

Reported	Full Year 2017 EPS Guidance Provided on August 10, 2017
	<u>\$.84 - \$1.09</u>
Amortization expense related primarily to acquired intangible assets	2.48
Loss on early debt extinguishment	0.94
Restructuring charges	0.39
Impairment charges	0.28
Change in financial assets	0.15
Loss on hedges related to the extinguishment of debt	0.04
Operating results attributable to held-for-sale business ⁽¹⁾	0.01
Unusual litigation	(0.06)
Israel API business	(0.08)
Acquisition charges and contingent consideration adjustments	(0.10)
Gain on divestitures	(0.16)
Tax effect of non-GAAP adjustments ⁽²⁾	(0.28)
Adjusted	<u>\$4.45 - \$4.70</u>

(1) Held-for-sale business includes the India API business.

(2) Includes tax effect of pretax non-GAAP adjustments calculated based upon the specific rate of the applicable jurisdiction of the pretax item and certain adjustments for discrete tax items in the first six months of the year.

TABLE IV (CONTINUED)
PERRIGO COMPANY PLC
RECONCILIATION OF NON-GAAP
MEASURES
2017 GUIDANCE
(in millions)
(unaudited)

	Full Year 2017 Guidance		
Consolidated Net Sales			
Reported	Approx. \$4,817 - \$4,917 million		
Operating results attributable to held-for-sale business*	(17)		
Adjusted	Approx. \$4,800 - \$4,900 million		
 Consolidated DSG&A as a % of Net Sales			
Reported	Approx. 22.7%		
Unusual litigation	0.2%		
Amortization expense related primarily to acquired intangible assets	(2.8)%		
Operating results attributable to held-for-sale business*	(0.1)%		
Adjusted	Approx. 20.0%		
 Consolidated Operating Income			
Reported	Approx. \$578 - \$598 million		
Amortization expense related primarily to acquired intangible assets	357		
Impairment charges	47		
Restructuring charges, acquisition-related charges and contingent consideration adjustments	41		
Gain on divestitures	(23)		
Unusual litigation	(9)		
Operating results attributable to held-for-sale business*	(1)		
Adjusted	Approx. \$990 - \$1,010 million		
 Effective Tax Rate			
Reported	Tax expense	Pre-tax income	Effective Tax Rate
Non-GAAP adjustments	\$ 138	\$ 256	Approx. 53.9%
Adjusted	3	575	
	\$ 141	\$ 831	Approx. 17.0%
 Operating Cash			
Operating cash flow	\$ 620		
Less: Tax payment	74		
Less: Restructuring payments	60		
Adjusted operating cash flow	\$ 754		

*Held-for-sale business includes the Israel API business.

TABLE IV (CONTINUED)
PERRIGO COMPANY PLC
RECONCILIATION OF NON-GAAP MEASURES
2017 SEGMENT GUIDANCE
(unaudited)

	<u>Full Year 2017 Guidance</u> <u>Operating margin</u>
CHCA	
Reported	Approx. 17 - 18%
Amortization expense related primarily to acquired intangible assets	3%
Restructuring charges	1%
Adjusted	<u>Approx. 21 - 22%</u>
CHCI	
Reported	Approx. 0 - 1%
Amortization expense related primarily to acquired intangible assets	14%
Restructuring charges	1%
Unusual litigation	(1)%
Adjusted	<u>Approx. 14 - 15%</u>
RX	
Reported	Approx. 31 - 32%
Amortization expense related to acquired intangible assets	9%
Impairment charges	4%
Gain on divestitures	(2)%
Restructuring charges and acquisition-related items	(1)%
Adjusted	<u>Approx. 41 - 42%</u>

TABLE IV (CONTINUED)
PERRIGO COMPANY PLC
RECONCILIATION OF NON-GAAP
MEASURES
2017 GUIDANCE
(in millions)
(unaudited)

Full Year
2017 Guidance provided on August 10, 2017

Consolidated DSG&A as a % of Net Sales

Reported

Amortization expense related primarily to acquired intangible assets

Unusual litigation

Adjusted

Approx. 22.7%

(2.6)%

(0.1)%

Approx. 20%

Consolidated Operating Income

Reported

Amortization expense related primarily to acquired intangible assets

Restructuring charges, acquisition-related items, and operating results attributable to held-for-sale businesses

Impairment charges

Unusual litigation

Israel API business

Gain on divestitures

Adjusted

Approx. \$568 - \$608 million

353

43

40

(9)

(12)

(23)

Approx. \$960 - \$1,000 million

Effective Tax Rate

Reported

Non-GAAP adjustments

Adjusted

	Tax expense		Pre-tax income		Effective Tax Rate
\$	107	\$	269		Approx. 39.8%
	45		555		
\$	152	\$	824		Approx. 18.5%

TABLE IV (CONTINUED)
PERRIGO COMPANY PLC
RECONCILIATION OF NON-GAAP MEASURES
2017 SEGMENT GUIDANCE
(unaudited)

	Full Year 2017 Guidance Provided on August 10, 2017
	<u>Operating margin</u>
CHCA	
Reported	Approx. 16 - 18%
Amortization expense related to acquired intangible assets	3%
Integration and restructuring-related charges	1%
Adjusted	Approx. 20 - 22%
CHCI	
Reported	Approx. (2) - 0%
Amortization expense related primarily to acquired intangible assets	14%
Unusual litigation	(1)%
Restructuring charges	1%
Adjusted	Approx. 12 - 14%
RX	
Reported	Approx. 31 - 32%
Amortization expense related to acquired intangible assets	9%
Restructuring charges and acquisition-related items	(1)%
Gain on divestitures	(2)%
Impairment charges	3%
Adjusted	Approx. 40 - 41%

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

	Three Months Ended	
	September 30, 2017	October 1, 2016
RX reported net sales	\$ 250.6	\$ 251.9
Less: Entocort® net sales	(3.3)	(13.7)
RX net sales excluding Entocort® net sales	\$ 247.3	\$ 238.2
RX net sales growth excluding Entocort®	4%	
RX adjusted operating income	\$ 106.3	\$ 106.5
Entocort®:		
Reported Entocort® operating income	\$ 2.7	\$ 6.0
Add back: amortization expense	0.5	6.5
Adjusted operating income attributable to Entocort®	3.2	12.5
RX adjusted operating income less contribution from Entocort®	\$ 103.1	\$ 94.0
RX operating income growth excluding Entocort®	\$ 9.1	
RX operating income percent growth excluding Entocort®	10%	
	Nine Months Ended	
	September 30, 2017	
2017 RX reported net sales guidance	\$ 965.0	
Less: Q1 2017 actual sales	(217.4)	
Less: Q2 2017 actual sales	(240.4)	
Less: Q2 and Q3 2017 Entocort® net sales	(8.8)	
RX Q3 - Q4 net sales excluding Entocort® net sales	\$ 498.4	
2016 RX reported net sales YTD	\$ 1,042.8	
Less: Q1 2016 actual sales	\$ (248.2)	
Less: Q2 2016 actual sales	\$ (276.9)	
Less: Q2 and Q3 2016 Entocort® net sales	(25.7)	
RX Q3 - Q4 net sales excluding Entocort® net sales	\$ 492.0	
RX net sales growth excluding Entocort®	1.3%	

TABLE V (CONTINUED)
PERRIGO COMPANY PLC
RECONCILIATION OF NON-GAAP
MEASURES
(in millions)
(unaudited)

CHCI adjusted net sales excluding Belgium distribution net sales and Fx

Q3 2017 CHCI reported net sales	\$	365.4
Q3 2016 CHCI reported net sales	\$	377.4
Less: Fx		11.6
Less: Belgium Distribution net sales		(41.7)
Q3 2016 CHCI net sales excluding Belgium distribution net sales and Fx	\$	<u>347.3</u>
Total change		5%

Nine Months Ended

September 30, 2017

Operating cash flow	\$	482.0
Less: Tax payment		74.2
Less: Restructuring payments		47.6
Adjusted operating cash flow	\$	<u>603.8</u>
Adjusted net income	\$	522.5
Cash conversion ratio		116%

TABLE V (CONTINUED)
PERRIGO COMPANY PLC
RECONCILIATION OF NON-GAAP
MEASURES
(in millions)
(unaudited)

Consumer-facing businesses

	<u>Three months ended</u>
	<u>October 1, 2016</u>
Consolidated reported net sales	\$ 1,231.3
CHCA reported net sales	\$ 598.8
CHCI reported net sales	365.4
Total consumer-facing businesses	\$ 964.2

78%

CHCA adjusted net sales growth over the past nine months

<u>Three months ended</u>	<u>Net sales</u>	<u>Three months ended</u>	<u>Net sales</u>	<u>Total change</u>
April 1, 2017	582.8	April 2, 2016*	592.0	(2)%
July 1, 2017	604.9	July 2, 2016*	587.8	3%
September 30, 2017	598.8	October 1, 2016*	590.2	1%
	<u>\$ 1,786.5</u>		<u>\$ 1,770.0</u>	<u>1%</u>

*Net sales are adjusted to exclude sales attributable to held-for-sale businesses. See Table II for non-GAAP reconciliations.

CHCI net sales less Belgium Distribution net sales

	<u>Three Months Ended</u>	
	<u>October 1, 2016</u>	<u>December 31, 2016</u>
CHCI reported net sales	\$ 377.4	\$ 419.5
Less: Belgium Distribution net sales	(42.4)	(81.5)
	<u>\$ 335.0</u>	<u>\$ 338.0</u>

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

	Three Months Ended		
	September 30, 2017	October 1, 2016	Total Change
Consolidated adjusted net sales	\$ 1,214.8	\$ 1,239.7	(2)%
Consolidated adjusted net income	197.2	176.4	12%
Consolidated adjusted EPS	1.39	1.23	13%
Consolidated adjusted diluted shares	N/A	143.6	(1)%
Adjusted net sales			
CHCA	N/A	\$ 590.2	1%
Adjusted operating income			
CHCA	\$ 138.9	\$ 125.2	11%
CHCI	60.0	40.5	48%
RX	106.3	106.5	—%
Adjusted operating margin			
CHCA	23.2%	21.2%	200 bps
CHCI	16.4%	10.7%	570 bps
RX	42.4%	42.3%	10 bps
Adjusted gross profit			
CHCA	\$ 218.2	\$ 209.1	4%
CHCI	187.8	172.3	9%
RX	137.6	148.0	(7)%
Adjusted gross margin			
CHCA	36.4%	35.4%	100 bps
CHCI	51.4%	45.7%	570 bps
RX	54.9%	58.7%	(380) bps