

# Mylan

## Q3 2020 Non-GAAP Reconciliations

November 6, 2020



Better Health  
*for a Better World*<sup>®</sup>

# Non-GAAP Financial Measures

This presentation includes the presentation and discussion of certain financial information that differs from what is reported under U.S. GAAP. These non-GAAP financial measures, including, but not limited to, adjusted gross profit, adjusted gross margins, adjusted net earnings, EBITDA, adjusted EBITDA, adjusted R&D and as a % of total revenues, adjusted SG&A and as a % of total revenues, adjusted earnings from operations, adjusted interest expense, adjusted other (income) expense, net adjusted effective tax rate, notional debt to Credit Agreement Adjusted EBITDA leverage ratio, long-term average debt to Credit Agreement Adjusted EBITDA leverage ratio target, adjusted net cash provided by operating activities, adjusted free cash flow, adjusted capital expenditures, constant currency total revenues, constant currency net sales and adjusted segment profitability for North America are presented in order to supplement investors' and other readers' understanding and assessment of the financial performance of Mylan N.V. ("Mylan" or the "Company"). Mylan has provided reconciliations of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures. Investors and other readers are encouraged to review the related U.S. GAAP financial measures and the reconciliations of the non-GAAP measures to their most directly comparable U.S. GAAP measures set forth in this presentation and this appendix, and investors and other readers should consider non-GAAP measures only as supplements to, not as substitutes for or as superior measures to, the measures of financial performance prepared in accordance with U.S. GAAP.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Adjusted Net Earnings**

<i>(in millions)</i>	Three Months Ended September 30,		Nine months Ended September 30,	
	2020	2019	2020	2019
U.S. GAAP net earnings (loss)	\$ 185.7	\$ 189.8	\$ 245.9	\$ (3.7)
Purchase accounting related amortization (primarily included in cost of sales)	368.5	408.5	1,072.5	1,283.9
Litigation settlements and other contingencies, net	18.9	(51.9)	36.5	(30.3)
Interest expense (primarily clean energy investment financing and accretion of contingent consideration)	5.3	6.6	16.6	20.8
Clean energy investments pre-tax loss	2.9	10.4	37.4	43.6
Acquisition related costs (primarily included in SG&A) <sup>(a)</sup>	72.3	43.0	218.2	56.6
Restructuring related costs <sup>(b)</sup>	14.5	0.8	47.0	78.3
Share-based compensation expense	15.1	16.1	49.8	50.9
Other special items included in:				
Cost of sales <sup>(c)</sup>	83.6	70.9	299.3	268.1
Research and development expense <sup>(d)</sup>	3.7	40.3	45.8	100.5
Selling, general and administrative expense	7.5	8.4	12.9	33.1
Other expense, net	—	—	(16.4)	—
Tax effect of the above items and other income tax related items	(98.3)	(138.5)	(344.3)	(342.7)
<b>Adjusted net earnings</b>	<b>\$ 679.7</b>	<b>\$ 604.4</b>	<b>\$1,721.2</b>	<b>\$1,559.1</b>

- (a) Acquisition related costs consist primarily of transaction costs including legal and consulting fees and integration activities. The increase for the three and nine months ended September 30, 2020 relates to transaction costs for the pending Combination, including approximately \$30.0 million and \$115.0 million, respectively, related to the Company's obligation to reimburse Pfizer for certain financing costs under the Business Combination Agreement (as amended), dated as of July 29, 2019, between Mylan, Pfizer Inc., Upjohn Inc. and certain other affiliated entities and the Separation and Distribution Agreement (as amended), dated as of July 29, 2019, between Pfizer Inc. and Upjohn Inc.
- (b) For the three months ended September 30, 2020, charges of approximately \$8.7 million are included in cost of sales, approximately \$0.1 million is included in R&D, and approximately \$5.7 million is included in SG&A. For the nine months ended September 30, 2020, charges of approximately \$17.6 million are included in cost of sales, approximately \$0.3 million is included in R&D, and approximately \$29.0 million is included in SG&A. Refer to Note 15 Restructuring included in Part I, Item 1 of our Form 10-Q for the quarter ended September 30, 2020 for additional information.
- (c) Costs incurred during the three and nine months ended September 30, 2020 include incremental manufacturing variances and site remediation activities as a result of the activities at the Company's Morgantown plant of approximately \$57.8 million and \$179.6 million, respectively. In addition, the three and nine months ended September 30, 2020 includes incremental manufacturing variances incurred as a result of the COVID-19 pandemic of approximately \$8.0 million and \$32.0 million, respectively. Also, the nine months ended September 30, 2020 includes \$27.0 million related to a special bonus for plant employees as a result of the COVID-19 pandemic. The three months ended September 30, 2019 includes costs related to incremental manufacturing variances and site remediation activities as a result of the activities at the Company's Morgantown plant of approximately \$50.0 million. The nine months ended September 30, 2019 includes charges for certain incremental manufacturing variances and site remediation activities as a result of the activities at the Company's Morgantown plant, product recall costs, including inventory write-offs, and charges related to the cancellation of a contract.
- (d) R&D expense for the three and nine months ended September 30, 2020 consists primarily of amounts for product development arrangements, including with Revance Therapeutics, Inc., of approximately \$3.0 million and \$41.0 million, respectively. R&D expense for the three months ended September 30, 2019 consists primarily of payments for product development. R&D expense for the nine months ended September 30, 2019 consists primarily of payments for product development arrangements of approximately \$46.8 million, including \$18.5 million for the expansion of the Yupelri® agreement and \$23.3 million related to non-refundable upfront licensing amounts for a product in development. The remaining expense relates to on-going development collaborations.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Net Earnings to Adjusted EBITDA**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
U.S. GAAP net earnings (loss)	\$ 185.7	\$ 189.8	\$ 245.9	\$ (3.7)
Add / (deduct) adjustments:				
Clean energy investments pre-tax loss	2.9	10.4	37.4	43.6
Income tax provision (benefit)	55.9	(4.0)	46.4	22.9
Interest expense <sup>(a)</sup>	117.3	128.9	353.4	391.3
Depreciation and amortization <sup>(b)</sup>	432.3	469.7	1,263.0	1,471.6
<b>EBITDA</b>	<b>\$ 794.1</b>	<b>\$ 794.8</b>	<b>\$ 1,946.1</b>	<b>\$ 1,925.7</b>
Add / (deduct) adjustments:				
Share-based compensation expense	15.1	16.1	49.8	50.9
Litigation settlements and other contingencies, net	18.9	(51.9)	36.5	(30.3)
Restructuring, acquisition related and other special items <sup>(c)</sup>	181.6	163.8	606.6	534.1
<b>Adjusted EBITDA</b>	<b>\$ 1,009.7</b>	<b>\$ 922.8</b>	<b>\$ 2,639.0</b>	<b>\$ 2,480.4</b>

(a) Includes clean energy investment financing and accretion of contingent consideration.

(b) Includes purchase accounting related amortization.

(c) See items detailed in the Reconciliation of U.S. GAAP Net Earnings to Adjusted Net Earnings.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Summary of Total Revenues by Segment**

Three Months Ended September 30,						
	2020	2019	% Change	2020 Currency Impact <sup>(1)</sup>	2020 Constant Currency Revenues	Constant Currency % Change <sup>(2)</sup>
Net sales						
North America	\$ 1,028.8	\$ 1,088.6	(5)%	\$ 0.8	\$ 1,029.6	(5)%
Europe	1,123.8	1,045.9	7 %	(57.9)	1,065.9	2 %
Rest of World	795.5	793.7	—%	18.7	814.2	3 %
Total net sales	<u>2,948.1</u>	<u>2,928.2</u>	1 %	<u>(38.4)</u>	<u>2,909.7</u>	<u>(1)%</u>
Other revenues <sup>(3)</sup>	24.0	33.5	(28)%	(0.2)	23.8	(29)%
Consolidated total revenues <sup>(4)</sup>	<u>\$ 2,972.1</u>	<u>\$ 2,961.7</u>	—%	<u>\$ (38.6)</u>	<u>\$ 2,933.5</u>	<u>(1)%</u>
Nine Months Ended September 30,						
	2020	2019	% Change	2020 Currency Impact <sup>(1)</sup>	2020 Constant Currency Revenues	Constant Currency % Change <sup>(2)</sup>
Net sales						
North America	\$ 3,023.3	\$ 3,035.0	—%	\$ 4.1	\$ 3,027.4	—%
Europe	3,080.7	2,930.7	5 %	(3.3)	3,077.4	5 %
Rest of World	2,128.2	2,241.3	(5)%	92.7	2,220.9	(1)%
Total net sales	<u>8,232.2</u>	<u>8,207.0</u>	—%	<u>93.5</u>	<u>8,325.7</u>	<u>1 %</u>
Other revenues <sup>(3)</sup>	90.3	101.7	(11)%	—	90.3	(11)%
Consolidated total revenues <sup>(4)</sup>	<u>\$ 8,322.5</u>	<u>\$ 8,308.7</u>	—%	<u>\$ 93.5</u>	<u>\$ 8,416.0</u>	<u>1 %</u>

(1) Currency impact is shown as unfavorable (favorable).

(2) The constant currency percentage change is derived by translating net sales or revenues for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2020 constant currency net sales or revenues to the corresponding amount in the prior year.

(3) For the three months ended September 30, 2020, other revenues in North America, Europe, and Rest of World were approximately \$17.4 million, \$3.4 million, and \$3.2 million, respectively. For the nine months ended September 30, 2020, other revenues in North America, Europe, and Rest of World were approximately \$51.8 million, \$11.1 million, and \$27.4 million, respectively. For the three months ended September 30, 2019, other revenues in North America, Europe, and Rest of World were approximately \$17.6 million, \$3.8 million, and \$12.1 million, respectively. For the nine months ended September 30, 2019, other revenues in North America, Europe, and Rest of World were approximately \$58.8 million, \$12.3 million, and \$30.6 million, respectively.

(4) Amounts exclude intersegment revenue that eliminates on a consolidated basis.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Cost of Sales**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>U.S. GAAP cost of sales</b>	\$ 1,813.6	\$ 1,889.3	\$ 5,232.2	\$ 5,498.5
Deduct:				
Purchase accounting amortization and other related items	(368.5)	(408.6)	(1,072.5)	(1,284.0)
Acquisition related items	(9.4)	(0.8)	(11.5)	(2.9)
Restructuring and related costs	(8.7)	(11.4)	(17.6)	(72.2)
Share-based compensation expense	(0.4)	(0.3)	(1.1)	(0.8)
Other special items	(83.6)	(70.9)	(299.3)	(268.1)
Adjusted cost of sales	<u>\$ 1,343.0</u>	<u>\$ 1,397.3</u>	<u>\$ 3,830.2</u>	<u>\$ 3,870.5</u>
Adjusted gross profit <sup>(a)</sup>	<u>\$ 1,629.1</u>	<u>\$ 1,564.4</u>	<u>\$ 4,492.3</u>	<u>\$ 4,438.2</u>
Adjusted gross margin <sup>(a)</sup>	<u>55 %</u>	<u>53 %</u>	<u>54 %</u>	<u>53 %</u>

(a) U.S. GAAP gross profit is calculated as total revenues less U.S. GAAP cost of sales. U.S. GAAP gross margin is calculated as U.S. GAAP gross profit divided by total revenues. Adjusted gross profit is calculated as total revenues less adjusted cost of sales. Adjusted gross margin is calculated as adjusted gross profit divided by total revenues.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**R&D**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>U.S. GAAP R&amp;D</b>	\$ 129.8	\$ 167.9	\$ 400.3	\$ 488.1
Deduct:				
Acquisition related costs	(0.1)	(0.3)	(0.3)	(0.6)
Restructuring and related costs	0.1	0.1	(0.3)	—
Share-based compensation expense	(0.5)	(0.6)	(1.6)	(1.6)
Other special items	(3.7)	(40.3)	(45.8)	(100.5)
Adjusted R&D	<u>\$ 125.6</u>	<u>\$ 126.8</u>	<u>\$ 352.3</u>	<u>\$ 385.4</u>
Adjusted R&D as % of total revenues	<u>4 %</u>	<u>4 %</u>	<u>4 %</u>	<u>5 %</u>

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**SG&A**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>U.S. GAAP SG&amp;A</b>	\$ 658.4	\$ 632.7	\$ 1,983.2	\$ 1,909.2
Add / (deduct):				
Acquisition related costs	(62.9)	(41.9)	(206.5)	(53.1)
Restructuring and related costs	(5.7)	10.5	(29.0)	(6.1)
Purchase accounting amortization and other related items	—	0.1	—	0.1
Share-based compensation expense	(14.2)	(15.2)	(47.1)	(48.5)
Other special items and reclassifications	(7.5)	(8.4)	(12.9)	(33.1)
<b>Adjusted SG&amp;A</b>	<b>\$ 568.1</b>	<b>\$ 577.8</b>	<b>\$ 1,687.7</b>	<b>\$ 1,768.5</b>
 Adjusted SG&A as % of total revenues	 19 %	 20 %	 20 %	 21 %



**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Total Operating Expenses**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>U.S. GAAP total operating expenses</b>	\$ 807.1	\$ 748.7	\$ 2,420.0	\$ 2,367.0
Add / (deduct):				
Litigation settlements and other contingencies, net	(18.9)	51.9	(36.5)	30.3
R&D adjustments	(4.2)	(41.1)	(48.0)	(102.7)
SG&A adjustments	(90.3)	(54.9)	(295.5)	(140.7)
Adjusted total operating expenses	<u>\$ 693.7</u>	<u>\$ 704.6</u>	<u>\$ 2,040.0</u>	<u>\$ 2,153.9</u>
Adjusted earnings from operations <sup>(a)</sup>	<u>\$ 935.4</u>	<u>\$ 859.8</u>	<u>\$ 2,452.3</u>	<u>\$ 2,284.3</u>

(a) U.S. GAAP earnings from operations is calculated as U.S. GAAP gross profit less U.S. GAAP total operating expenses. Adjusted earnings from operations is calculated as adjusted gross profit less adjusted total operating expenses.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Interest Expense**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
<b>U.S. GAAP interest expense</b>	\$ 117.3	\$ 128.9	\$ 353.4	\$ 391.3
Deduct:				
Interest expense related to clean energy investments	(0.9)	(1.4)	(3.0)	(4.6)
Accretion of contingent consideration liability	(3.0)	(3.8)	(9.4)	(12.0)
Other special items	(1.4)	(1.4)	(4.2)	(4.2)
Adjusted interest expense	<u>\$ 112.0</u>	<u>\$ 122.3</u>	<u>\$ 336.8</u>	<u>\$ 370.5</u>

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Other Expense**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>U.S. GAAP other (income) expense, net</b>	\$ (7.5)	\$ 9.0	\$ 24.6	\$ 32.7
Add / (Deduct):				
Clean energy investments pre-tax loss <sup>(a)</sup>	(2.9)	(10.4)	(37.4)	(43.6)
Other items	—	—	16.4	—
<b>Adjusted other (income) expense, net</b>	<b>\$ (10.4)</b>	<b>\$ (1.4)</b>	<b>\$ 3.6</b>	<b>\$ (10.9)</b>

(a) Adjustment represents exclusion of activity related to Mylan's clean energy investments, the activities of which qualify for income tax credits under section 45 of the U.S. Internal Revenue Code of 1986, as amended.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Earnings Before Income Taxes and Income Tax Provision**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>U.S. GAAP earnings (loss) before income taxes</b>	\$ 241.6	\$ 185.8	\$ 292.3	\$ 19.2
Total pre tax non-GAAP adjustments	592.4	553.0	1,819.6	1,905.6
Adjusted earnings before income taxes	<u>\$ 834.0</u>	<u>\$ 738.8</u>	<u>\$ 2,111.9</u>	<u>\$ 1,924.8</u>
<b>U.S. GAAP income tax provision (benefit)</b>	\$ 55.9	\$ (4.0)	\$ 46.4	\$ 22.9
Adjusted tax expense	98.4	138.4	344.3	342.8
Adjusted income tax provision	<u>\$ 154.3</u>	<u>\$ 134.4</u>	<u>\$ 390.7</u>	<u>\$ 365.7</u>
Adjusted effective tax rate	<u>18.5 %</u>	<u>18.2 %</u>	<u>18.5 %</u>	<u>19.0 %</u>

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Adjusted Net Cash Provided by Operating Activities**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>U.S. GAAP net cash provided by (used in) operating activities</b>	\$ 525.0	\$ 487.8	\$ 1,195.6	\$ 1,117.0
Add / (deduct):				
Restructuring and related costs <sup>(a)</sup>	61.6	58.4	192.3	198.6
Corporate contingencies	1.0	(43.5)	16.2	(50.1)
Acquisition related costs	27.1	22.2	80.8	22.2
R&D expense	34.9	59.5	85.1	125.5
Other	18.6	—	63.4	19.2
<b>Adjusted net cash provided by operating activities</b>	<b>\$ 668.2</b>	<b>\$ 584.4</b>	<b>\$ 1,633.4</b>	<b>\$ 1,432.4</b>
Deduct:				
Capital expenditures	(38.2)	(42.3)	(126.1)	(139.6)
Proceeds from sale of property, plant and equipment	0.7	—	2.0	—
<b>Adjusted free cash flow</b>	<b>\$ 630.7</b>	<b>\$ 542.1</b>	<b>\$ 1,509.3</b>	<b>\$ 1,292.8</b>

(a) For the three and nine months ended September 30, 2020 includes approximately \$54.6 million and \$172.6 million, respectively, of certain incremental manufacturing variances and site remediation expenses as a result of the activities at the Company's Morgantown plant.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**  
(Unaudited; in millions)  
**Net Earnings to Adjusted EBITDA**

	<b>Three Months Ended</b>			
	<b>December 31, 2019</b>	<b>March 31, 2020</b>	<b>June 30, 2020</b>	<b>September 30, 2020</b>
U.S. GAAP net earnings (loss)	\$ 20.5	\$ 20.8	\$ 39.4	\$ 185.7
Add / (deduct) adjustments:				
Clean energy investments pre-tax loss	18.5	17.3	17.2	2.9
Income tax (benefit) provision	114.7	9.9	(19.4)	55.9
Interest expense	126.0	119.9	116.2	117.3
Depreciation and amortization	547.7	415.0	415.7	432.3
EBITDA	\$ 827.4	\$ 582.9	\$ 569.1	\$ 794.1
Add / (deduct) adjustments:				
Share-based compensation expense	5.9	19.4	15.3	15.1
Litigation settlements and other contingencies, net	8.9	1.8	15.8	18.9
Restructuring, acquisition related and other special items	217.1	146.6	278.4	181.6
Adjusted EBITDA	<u>\$ 1,059.3</u>	<u>\$ 750.7</u>	<u>\$ 878.6</u>	<u>\$ 1,009.7</u>

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**

(Unaudited; in millions)

**September 30, 2020 Notional Debt to Twelve Months Ended September 30, 2020 Mylan N.V. Adjusted EBITDA as calculated under our Credit Agreement ("Credit Agreement Adjusted EBITDA") Leverage Ratio**

The stated non-GAAP financial measure September 30, 2020 notional debt to twelve months ended September 30, 2020 Credit Agreement Adjusted EBITDA leverage ratio is based on the sum of (i) Mylan's adjusted EBITDA for the quarters ended December 31, 2019, March 31, 2020, June 30, 2020 and September 30, 2020 and (ii) certain adjustments permitted to be included in Credit Agreement Adjusted EBITDA as of September 30, 2020 pursuant to the revolving credit facility dated as of July 27, 2018 (as amended, supplemented or otherwise modified from time to time), among Mylan Inc., as borrower, the Company, as guarantor, certain affiliates and subsidiaries of the Company from time to time party thereto as guarantors, each lender from time to time party thereto and Bank of America, N.A., as administrative agent (the "Credit Agreement") as compared to Mylan's September 30, 2020 total debt and other current obligations at notional amounts.

	Three Months Ended				Twelve Months Ended
	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	September 30, 2020
Mylan N.V. Adjusted EBITDA	\$ 1,059.3	\$ 750.7	\$ 878.6	\$ 1,009.7	\$ 3,698.3
Add: other adjustments including estimated synergies					(4.8)
Credit Agreement Adjusted EBITDA					<u>\$ 3,693.5</u>
Reported debt balances:					
Long-term debt, including current portion					\$ 12,284.1
Short-term borrowings and other current obligations					1.4
Total					<u>\$ 12,285.5</u>
Add / (deduct):					
Net discount on various debt issuances					28.0
Deferred financing fees					52.0
Fair value adjustment for hedged debt					(35.4)
Total debt at notional amounts					<u>\$ 12,330.1</u>
Notional debt to Credit Agreement Adjusted EBITDA Leverage Ratio					3.3

**Long-term average debt to Credit Agreement Adjusted EBITDA leverage ratio target of ~3.0x**

The stated forward-looking non-GAAP financial measure, targeted long term average leverage of ~3.0x debt-to-Credit Agreement Adjusted EBITDA, is based on the ratio of (i) targeted long-term average debt, and (ii) targeted long-term Credit Agreement Adjusted EBITDA. However, the Company has not quantified future amounts to develop the target but has stated its goal to manage long-term average debt and adjusted earnings and EBITDA over time in order to generally maintain the target. This target does not reflect Company guidance.

**Mylan N.V. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**

(Unaudited; in millions)

**North America Segment Profitability to Adjusted North America Segment Profitability**

	<b>Three Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
<b>North America Segment Profitability</b>	\$ 497.9	\$ 489.9
Add:		
Morgantown Restructuring & Remediation Expenses	65.3	58.3
<b>Adjusted North America Segment Profitability</b>	<b>\$ 563.2</b>	<b>\$ 548.2</b>





Better Health  
*for a* Better World®