

Mylan

Nasdaq's 39th London Conference
December 4, 2018



Better Health
for a Better World[®]

Forward-Looking Statements

This presentation contains “forward-looking statements.” These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may include, without limitation, statements about Mylan’s future operations, anticipated business levels, future earnings, planned activities, anticipated growth, market opportunities, strategies, competition, and other expectations and targets for future periods. These may often be identified by the use of words such as “will,” “may,” “could,” “should,” “would,” “project,” “believe,” “anticipate,” “expect,” “plan,” “estimate,” “forecast,” “potential,” “pipeline,” “intend,” “continue,” “target” and variations of these words or comparable words. Because forward-looking statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: actions and decisions of healthcare and pharmaceutical regulators; failure to achieve expected or targeted future financial and operating performance and results; uncertainties regarding future demand, pricing and reimbursement for our products; any regulatory, legal, or other impediments to Mylan’s ability to bring new products to market, including, but not limited to, where Mylan uses its business judgment and decides to manufacture, market, and/or sell products, directly or through third parties, notwithstanding the fact that allegations of patent infringement(s) have not been finally resolved by the courts (i.e., an “at-risk launch”); success of clinical trials and Mylan’s ability to execute on new product opportunities; any changes in or difficulties with our manufacturing facilities, supply chain or inventory or our ability to meet anticipated demand; the scope, timing, and outcome of any ongoing legal proceedings, including government investigations, and the impact of any such proceedings on our financial condition, results of operations, and/or cash flows; the ability to meet expectations regarding the accounting and tax treatments of acquisitions, including Mylan’s acquisition of Mylan Inc. and Abbott Laboratories’ non-U.S. developed markets specialty and branded generics business; changes in relevant tax and other laws, including but not limited to changes in the U.S. tax code and healthcare and pharmaceutical laws and regulations in the U.S. and abroad; any significant breach of data security or data privacy or disruptions to our information technology systems; the ability to protect intellectual property and preserve intellectual property rights; the effect of any changes in customer and supplier relationships and customer purchasing patterns; the ability to attract and retain key personnel; the impact of competition; identifying, acquiring, and integrating complementary or strategic acquisitions of other companies, products, or assets being more difficult, time-consuming or costly than anticipated; the possibility that Mylan may be unable to achieve expected synergies and operating efficiencies in connection with strategic acquisitions or restructuring programs within the expected time-frames or at all; uncertainties and matters beyond the control of management, including but not limited to general political and economic conditions and global exchange rates; and inherent uncertainties involved in the estimates and judgments used in the preparation of financial statements, and the providing of estimates of financial measures, in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and related standards or on an adjusted basis. Historical performance is not indicative of future results. For more detailed information on the risks and uncertainties associated with Mylan’s business activities, see the risks described in Mylan’s Annual Report on Form 10-K for the year ended December 31, 2017, as amended, and our other filings with the Securities and Exchange Commission (the “SEC”). You can access Mylan’s filings with the SEC through the SEC website at www.sec.gov or through our website, and Mylan strongly encourages you to do so. Mylan routinely posts information that may be important to investors on our website at investor.mylan.com, and we use this website address as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC’s Regulation Fair Disclosure (Reg FD). The contents of our website are not incorporated into this presentation. Mylan undertakes no obligation to update any statements herein for revisions or changes after the date of this presentation.

At Mylan,

We are committed to setting new standards in healthcare.

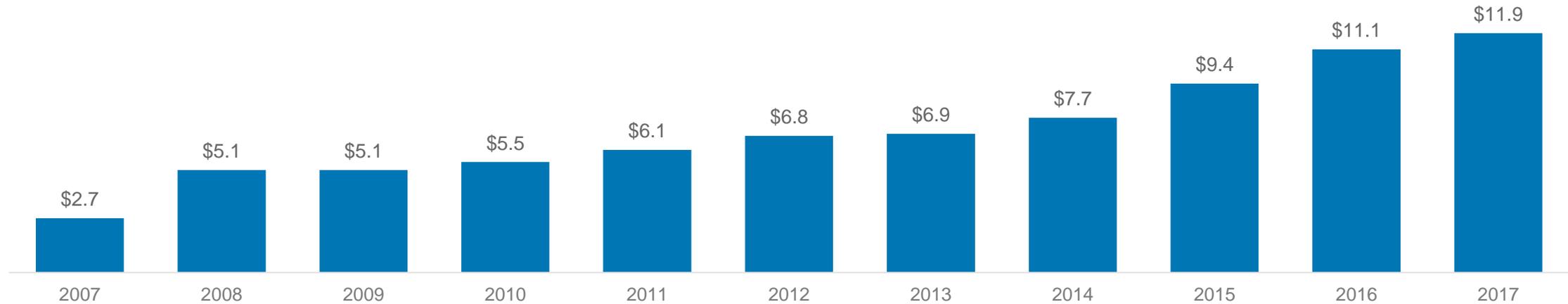
Working together around the world to provide 7 billion people access to high quality medicine, we:

- Innovate to satisfy unmet needs
- Make reliability and service excellence a habit
- Do what's right, not what's easy
- Impact the future through passionate global leadership

7B:1

Overview of Mylan's Transformational Journey

Total Revenue Over Time (\$ in billions)



Capabilities Added

-  Expand API portfolio
-  European presence & expand range of therapeutic categories and dosage forms

-  Injectables business foundation

-  Leading global Injectables platform
- Entry into new high-growth markets

-  Further strengthen non-US
- Scale in Europe / Japan
- Flu Vaccine

-  Accelerate growth in global women's health
- Oral and Hormonal Contraceptive

-  Portfolio of 25 branded and generic topicals
-  Expand European presence
- OTC and Nasal

Transformation Into a Global, Diversified, Durable Cash Flow Generative Company Through Organic and Inorganic Investments

Our Differentiated Business Model

ACCESS is our core purpose.

The more diversification we achieve through driving access, the more it enhances the

DURABILITY

of our business model.



To drive access, Mylan has built tremendous

DIVERSIFICATION

into our commercial, operational and scientific platforms.

Access for the World's 7 Billion People

North America

Second-largest provider of prescription medicine in the U.S.

Portfolio of **>650 distinct products** in the U.S.

Leadership: >50% of Mylan's prescription products are ranked **#1** or **#2** by value and volume in the **U.S.**

Europe

Scale across **35 European countries**

Portfolio of **>1,500 distinct products**

Leadership: #1 by Gx volume and value in **France**; **#2** by Gx volume and value in **Italy**; **#3** by Gx volume in **UK** (est.)

Key growth opportunities in Germany and Spain

Rest of World

Selling into **~125 countries** in ROW region

Portfolio of **~800 distinct products**

>40% of all patients globally being treated for HIV/AIDS depend on a Mylan product

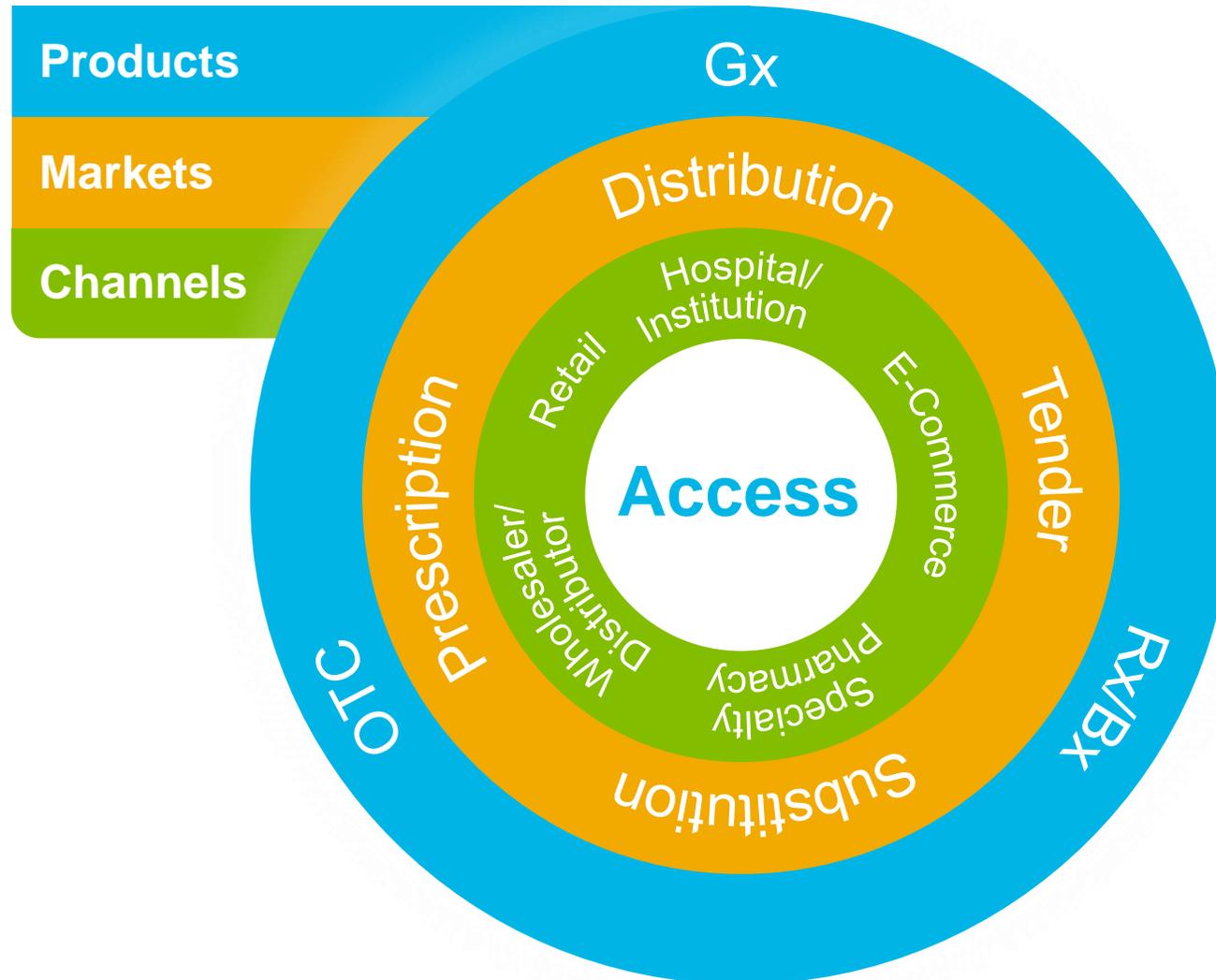
Leadership: #1 by Gx volume in **Australia**; **#5** by Gx value in **Japan**

Key growth opportunities in China, Brazil and Russia

Market and product information as of 12/17

Mylan N.V. © 2018

Diversification Across Products, Markets and Channels



Diversification Across Franchises

	 CNS and Anesthesia	 Gastroenterology	 Oncology	
Current Products	2,000	700	350	
Pipeline Products	400	100	400	
	 Respiratory & Allergy	 Dermatology	 Women's Healthcare	 Infectious Disease
Current Products	700	400	500	800
Pipeline Products	150	50	150	700
	 Cardiovascular	 Diabetes & Metabolism	 Immunology	
Current Products	1,250	400	60	
Pipeline Products	200	200	30	

>7,500 Products
>2,500 Pipeline Products*

Across many growing franchises, geographies, and businesses

*Product is by product/dosage form/country basis, "All Other" franchise not shown. Current products taken from internal data. Product information as of 12/17.

Diversified and Deep R&D Platform



>3,000 Scientific Affairs workforce

12 Technology – focused R&D sites

~1,800 products pending approval

>\$3B of cumulative U.S. GAAP R&D spend
2013-2017

INCREASING DELIVERY SYSTEM COMPLEXITY

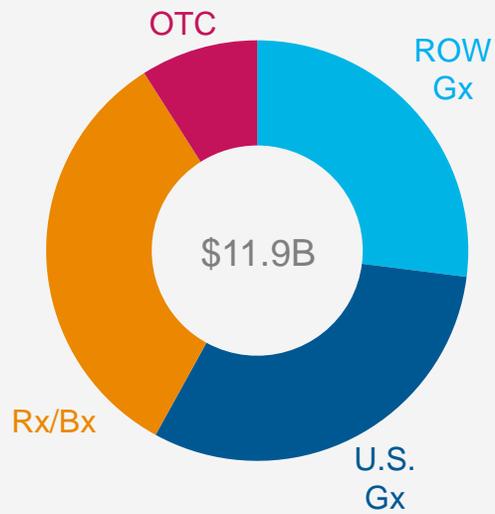
- ▶ Biosimilars and insulin analogs
- ▶ Respiratory
- ▶ Complex sterile products
- ▶ Dermatological and transdermals
- ▶ Complex OSD
- ▶ Modified-release dosage forms
- ▶ OTC/parapharmaceuticals
- ▶ High potency
- ▶ Traditional generics

Information above as of 12/17

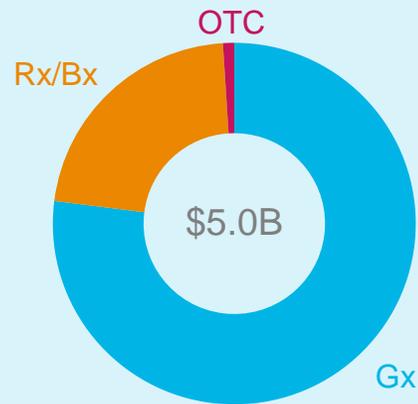
Diversification Across Geographies

2017 Total Revenue Mix

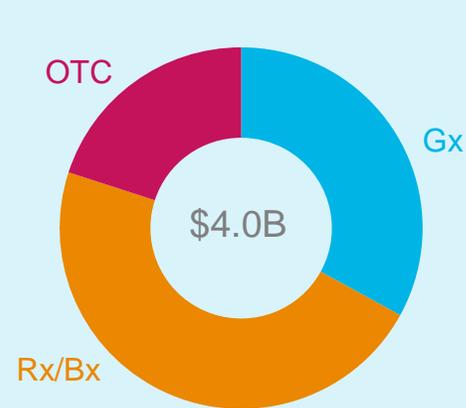
Global



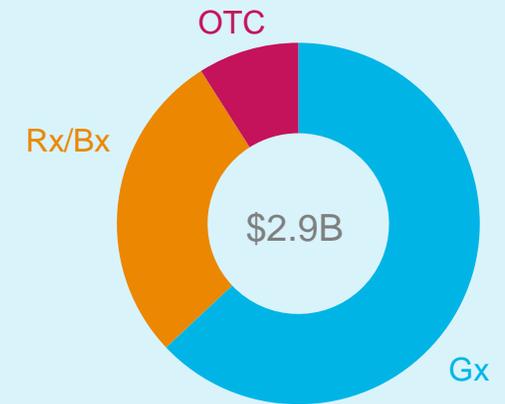
NA



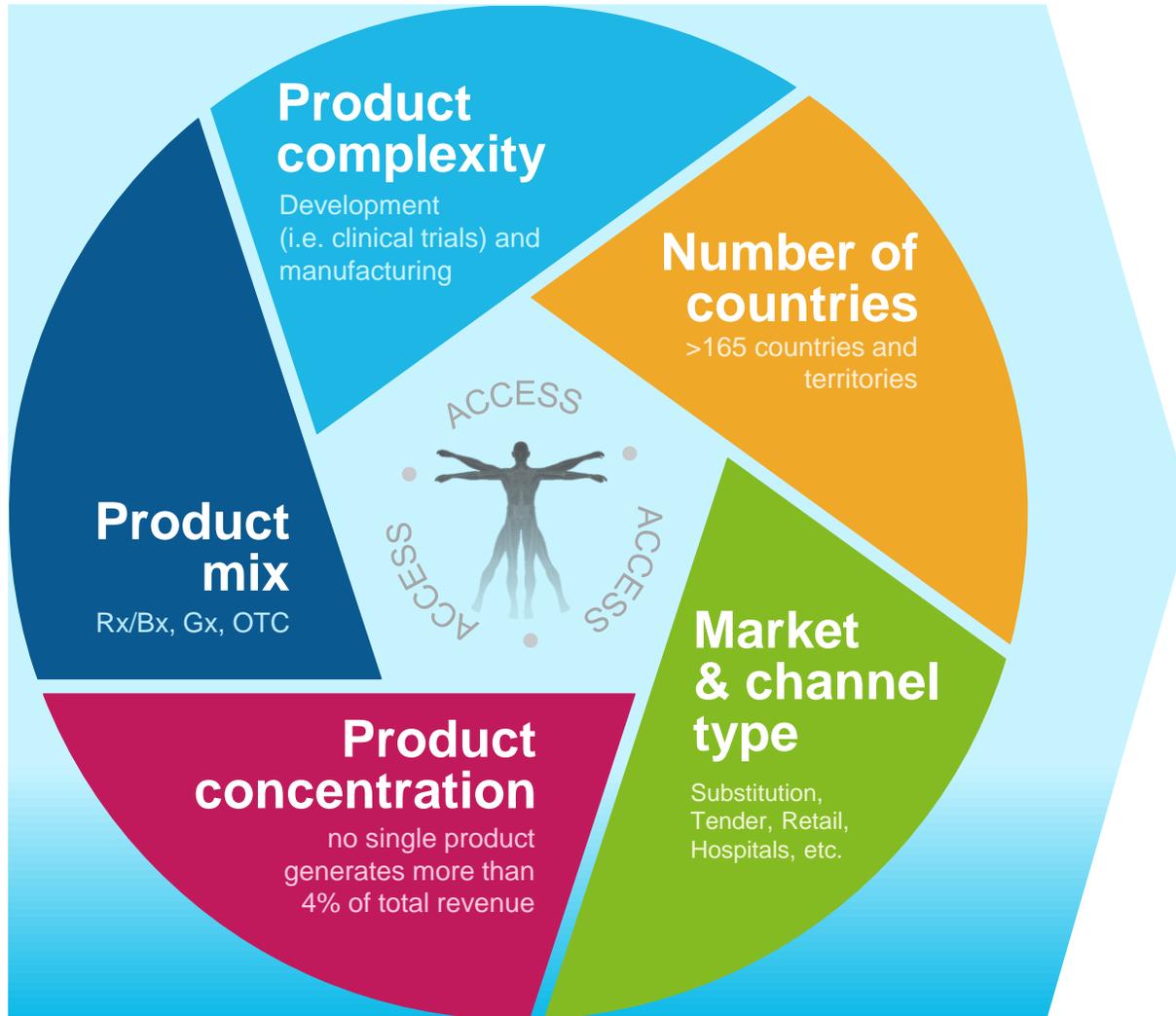
Europe



ROW



Diversification + Complexity + Scale = Global Durability



ONE Mylan

~7,000
SALES & MARKETING
PROFESSIONALS

>7,500
MARKETED
PRODUCTS

>250
DISTINCT BRAND
AND BRANDED
GENERIC PRODUCTS

>2,500
PIPELINE
PRODUCTS

Global scale with local action serving
the needs of patients around the world

Better Health for a Better World[®]

Doing Good

- Champion for access to medicine for almost 60 years
- Formalize and showcase our Global Social Responsibility commitments
- Stakeholder-focused company



Doing Well

- Deliver consistent and reliable results for shareholders
- Significant financial strength and flexibility
- Continue to deliver long-term growth

Segment Overview

North America – Maintaining and Strengthening Our Leadership



Durability

- 2nd largest provider of prescription medicine in the U.S. at **>316M prescriptions**⁽¹⁾
- Robust **complex product launches**
- One of industry's **broadest pipelines**
- Portfolio of **>650 distinct products** in the U.S.
- Prudent managing of portfolio

\$467B Prescription Market Value⁽²⁾

Generics account for **89% of prescriptions** dispensed but **only 26% of total drug costs**⁽³⁾

57 ANDA approvals in 2017⁽⁴⁾

Over the last 5 years, **Mylan launched more generic products** than any other company⁽⁵⁾

In the U.S., **>50%** of Mylan's prescription products are ranked **#1** or **#2** by value and volume⁽¹⁾

Differentiated Capabilities

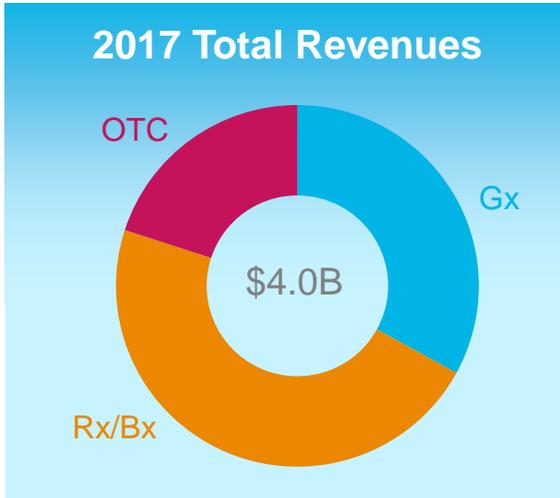
- Ability to execute on customer/market opportunities
- Long-term customer relationships
- Strong position across key therapeutic franchises (e.g. Respiratory)
- Strategically focused sales force teams building product and brand equity

(1) Based on IQVIA NSP data for 12 months ended 12/17
(2) IQVIA 2018 and Beyond: Outlook and Turning Points

(3) Source is AAM
(4) Source: <https://www.accessdata.fda.gov/scripts/cder/daf/index.cfm>

(5) IQVIA NSP generic Rx calendar years 2013-2017

Europe – A Diversified Platform



Durability

Scale across **35 European countries**

No single product **greater than 4.5%** of European Net Sales

Cover **all major therapeutic areas** with many leading brands⁽¹⁾

Portfolio of **>1,500 distinct branded, generic and OTC** products

Most of the top European markets are **outpacing market growth**

~2,500
SALES FORCE

Differentiated
Capabilities

Expertise in Rx, Gx and OTC

KOL networks in key therapeutic areas

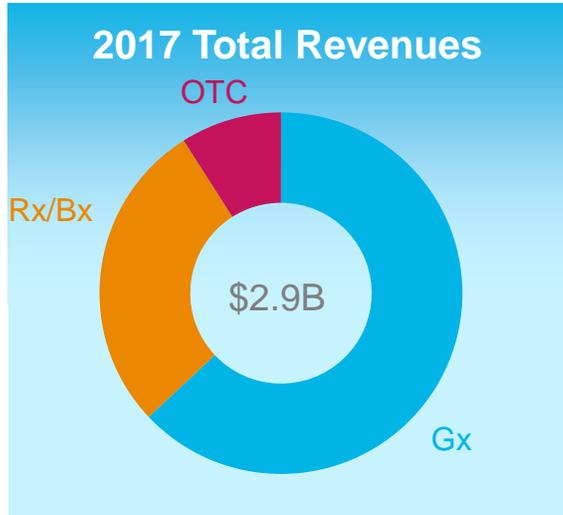
Existing leadership in key therapeutic areas

Vertically integrated global supply chain

Strong presence in national and European associations

(1) Based on IQVIA MIDAS data for 12 months ended 12/17

ROW - Exciting Opportunities for Long-Term Growth



Durability

- Market-leading ARV business supported by strong R&D and vertical integration
- Established, **robust commercial platform** and partnership network across ROW
- Broad product portfolio diversified across key therapeutic areas and across product types with **strong durable brands** to support long-term growth
- Broad and diversified portfolio, with no product more than 6% of ROW sales
- Significant ability to further diversify and grow in emerging markets

Emerging market trends support continued growth into the future



Focus for long-term growth:

- China
- Russia
- Brazil
- India
- Turkey
- Mexico
- Southeast Asia

Sales across ~125 countries in ROW region

~800 distinct products across the region

~60 countries with in-house commercial presence



Financial Durability and Diversification

Financial Performance: Consistent Execution on Commitments

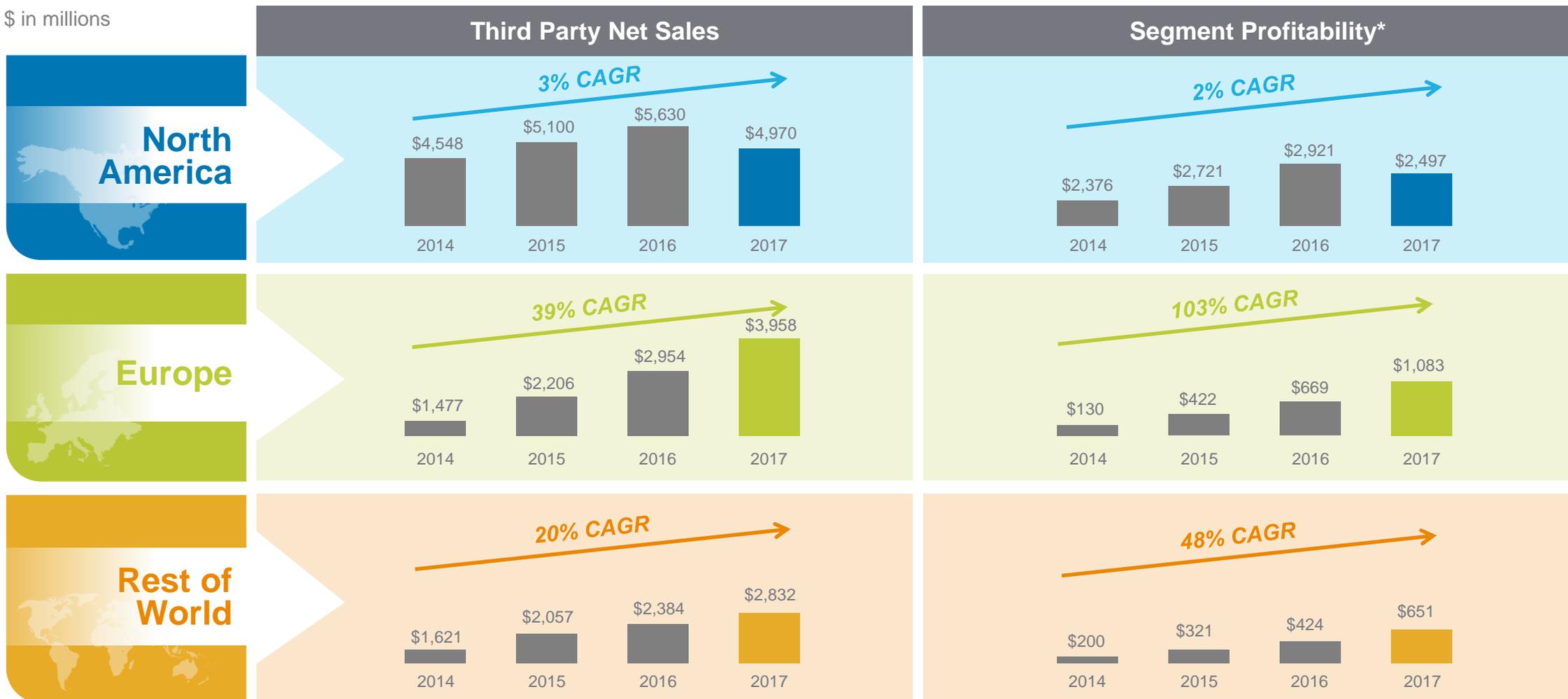
\$ in billions, except adjusted EPS



(1) Adjusted metrics are non-GAAP financial measures. Please see Appendix or investor.mylan.com for the most directly comparable U.S. GAAP financial measures and reconciliations of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures

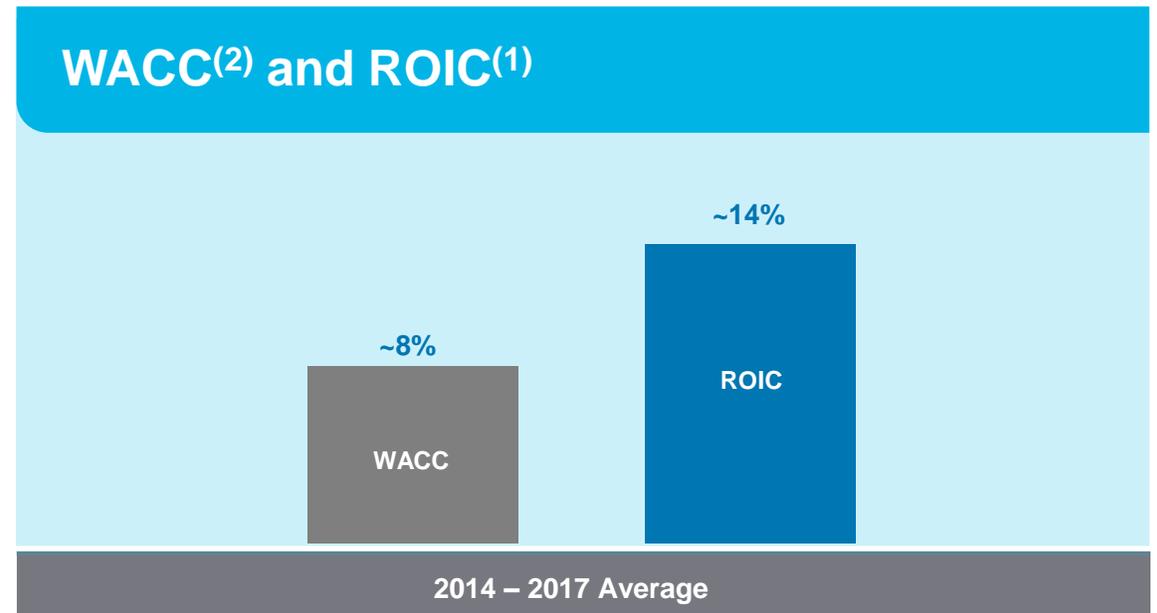
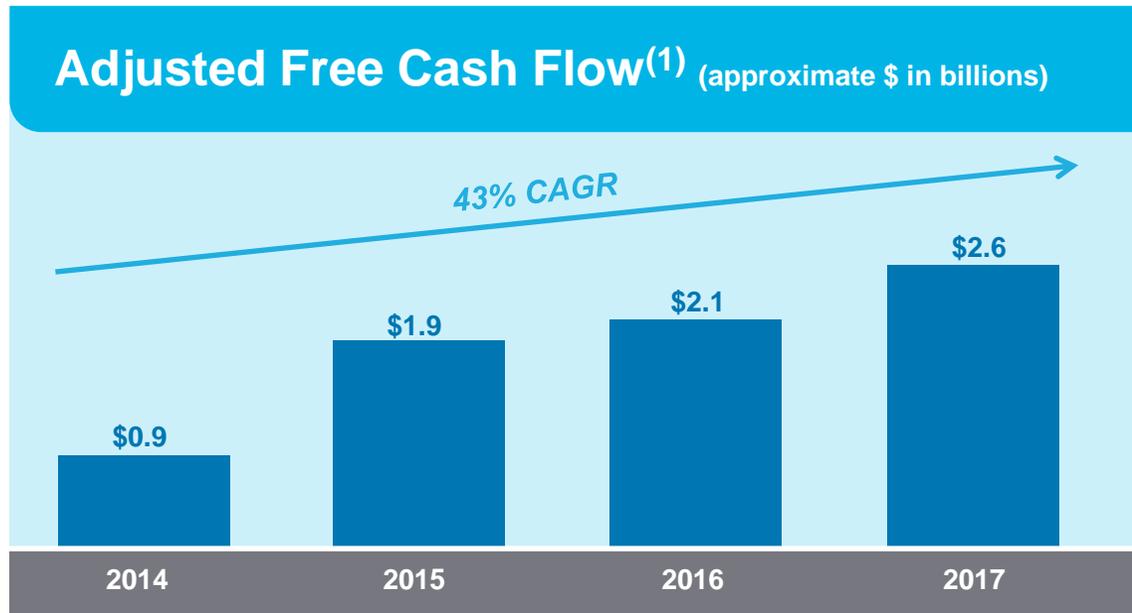
Strong Performance Across Geographies

\$ in millions



*Segment profitability represents segment gross profit less direct R&D expenses and direct SG&A expenses. See Mylan's Form 10-K for the year ended December 31, 2017 for more information.

Strong and Consistent Cash Flow and Returns on Invested Capital (ROIC)

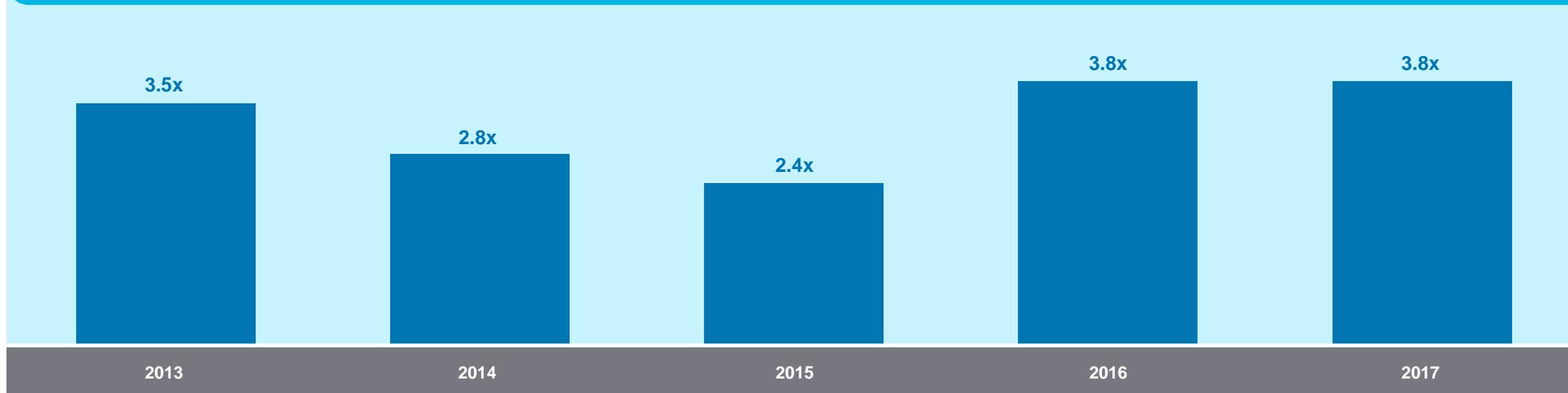


Committed to retain ample financial flexibility to maintain strong balance sheet and invest in the right future opportunities

- (1) Adjusted metrics are non-GAAP financial measures. Please see Appendix or investor.mylan.com for the most directly comparable U.S. GAAP financial measures and reconciliations of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures.
- (2) Weighted average cost of capital (WACC) is calculated as the company's weighted average cost of debt and equity, using end of period notional debt and market capitalization for respective weights. Cost of debt is based on the estimated cost of the company's long term unsecured debt, net of tax benefit, as determined by third party pricing. Cost of equity is calculated as the risk free rate (10 Year U.S. treasury bond) plus the company's modified beta multiplied by the market risk premium (expected U.S. market return - risk free rate). See appendix for 2014- 2017 average calculation.

Growth Achieved with Balance Sheet Discipline

Leverage Ratio⁽¹⁾



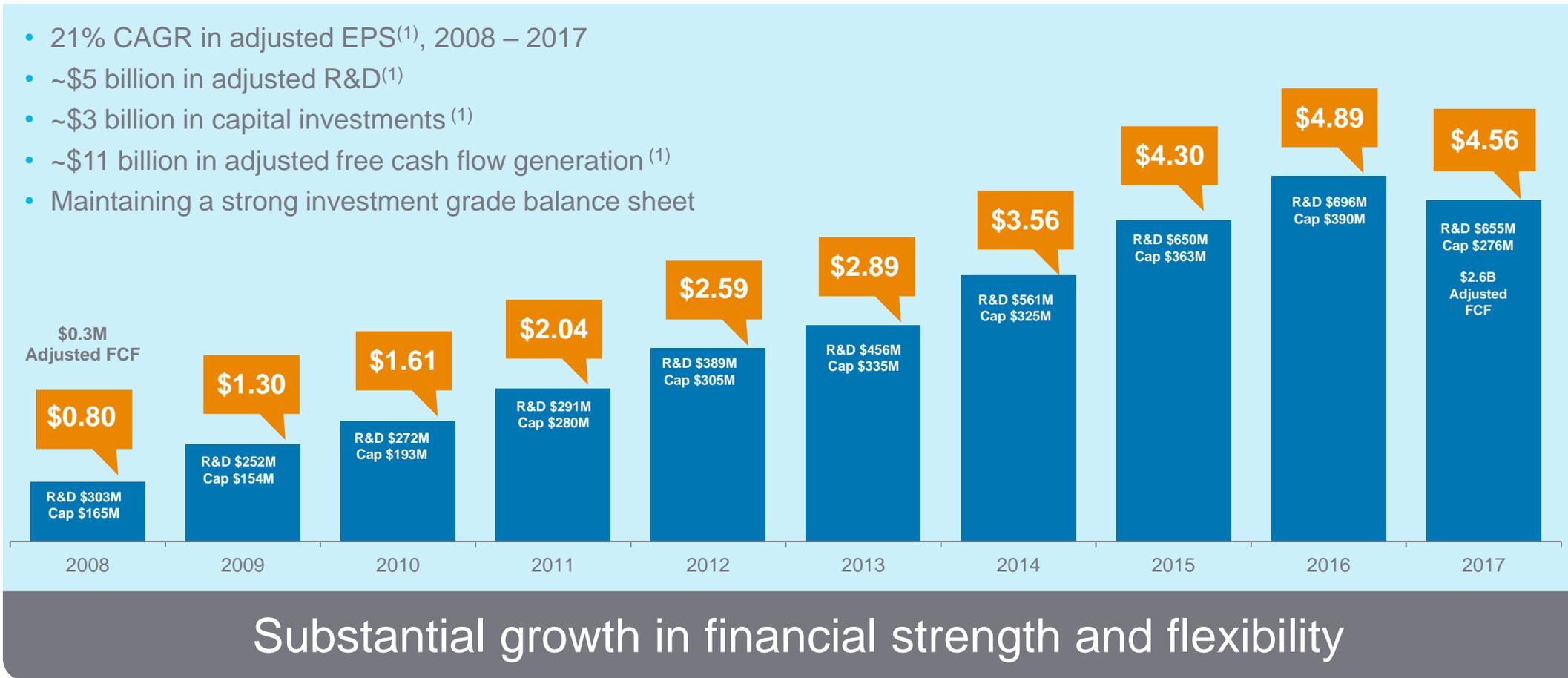
Committed to investment grade rating and long-term average leverage ratio target of ~3.0x⁽²⁾

(1) Leverage ratio refers to total notional debt to Credit Agreement Adjusted EBITDA leverage ratio, which is a non-GAAP financial measures. Please see the Appendix or investor.mylan.com for the most directly comparable U.S. GAAP financial measures and reconciliations of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures.

(2) This target does not reflect Company guidance.

Ongoing Execution, Performance and Investment

- 21% CAGR in adjusted EPS⁽¹⁾, 2008 – 2017
- ~\$5 billion in adjusted R&D⁽¹⁾
- ~\$3 billion in capital investments⁽¹⁾
- ~\$11 billion in adjusted free cash flow generation⁽¹⁾
- Maintaining a strong investment grade balance sheet



(1) 2008 – 2017. Capital investments refer to U.S. GAAP capital expenditures. Adjusted EPS, adjusted R&D and adjusted free cash flow are non-GAAP financial measures. Please see Appendix or investor.mylan.com for the most directly comparable U.S. GAAP financial measures and reconciliations of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures.

Appendix

Non-GAAP Financial Measures

This presentation includes the presentation and discussion of certain financial information that differs from what is reported under accounting U.S. GAAP. These non-GAAP financial measures, including, but not limited to, adjusted EBITDA, adjusted EPS, adjusted R&D, adjusted free cash flow, ROIC, WACC and leverage ratio 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"). In the presentation and this Appendix, 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 below, 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 EBITDA

	Year Ended				
	December 31,				
	2017	2016	2015	2014	2013
<i>Amounts may not sum due to rounding</i>					
U.S. GAAP net earnings attributable to Mylan N.V.	\$ 696	\$ 480	\$ 848	\$ 929	\$ 624
Add adjustments:					
Net contribution attributable to the noncontrolling interest and equity method investments	58	113	105	95	38
Income tax (benefit) provision	207	(358)	68	41	121
Interest expense	535	455	339	333	313
Depreciation and amortization	1,806	1,523	1,032	567	516
EBITDA	\$ 3,301	\$ 2,212	\$ 2,392	\$ 1,966	\$ 1,611
Add / (deduct) adjustments:					
Share-based compensation expense	75	89	93	66	47
Litigation settlements and other contingencies, net	(13)	673	(97)	48	(10)
Restructuring & other special items	428	704	625	286	307
Adjusted EBITDA	\$ 3,791	\$ 3,678	\$ 3,012	\$ 2,366	\$ 1,955

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions, except per share amounts)

	Year Ended December 31,					
	2017		2016		2015	
<i>Amounts may not sum due to rounding</i>						
U.S. GAAP net earnings and U.S. GAAP diluted earnings per share	\$ 696	\$ 1.30	\$ 480	\$ 0.92	\$ 848	\$ 1.70
Purchase accounting related amortization (primarily included in cost of sales)	1,530		1,412		901	
Litigation settlements and other contingencies, net	(13)		673		(97)	
Interest expense (primarily related to clean energy investment financing)	20		23		44	
Interest expense related to the accretion of contingent consideration liabilities	28		43		40	
Clean energy investments pre-tax loss	47		92		93	
Financing related costs (included in other expense, net)	—		—		112	
Acquisition related costs (primarily included in SG&A and cost of sales)	70		335		420	
Acquisition related customer incentive (included in third party net sales)	—		—		17	
Restructuring related costs	188		150		19	
Other special items included in:						
Cost of sales	64		45		36	
Research and development expense	118		121		20	
Selling, general and administrative expense	14		36		48	
Other expense, net	14		(18)		7	
Tax effect of the above items and other income tax related items	(330)		(844)		(370)	
Adjusted earnings and adjusted EPS	<u>\$ 2,445</u>	<u>\$ 4.56</u>	<u>\$ 2,547</u>	<u>\$ 4.89</u>	<u>\$ 2,137</u>	<u>\$ 4.30</u>
Weighted average diluted ordinary shares outstanding	<u>537</u>		<u>521</u>		<u>497</u>	

It is not mathematically possible to calculate the CAGR for U.S. GAAP EPS for the period 2008-2017 since the U.S. GAAP diluted EPS for 2008, the first year in the period, was a negative number. Excluding 2008, when the U.S. GAAP diluted EPS was \$(1.10), the CAGR for U.S. GAAP diluted EPS for the period 2009-2017 is 20%.

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions, except per share amounts)

	Year Ended December 31,					
	2014		2013		2012	
<i>Amounts may not sum due to rounding</i>						
U.S. GAAP net earnings attributable to Mylan N.V. and U.S. GAAP diluted EPS	\$ 929	\$ 2.34	\$ 624	\$ 1.58	\$ 641	\$ 1.52
Purchase accounting related amortization (primarily included in cost of sales)	419		371		391	
Litigation settlements, net	48		(10)		(3)	
Interest expense (primarily related to clean energy investment financing)	46		38		36	
Accretion of contingent consideration liability and other fair value adjustments	35		35		39	
Clean energy investments pre-tax loss	79		22		17	
Financing related costs (included in other (income) expense, net)	33		73		—	
Acquisition related costs (primarily included in cost of sales and selling, general and administrative expense)	140		50		—	
Restructuring related costs	10		—		—	
Other special items included in:						
Cost of sales	41		49		66	
Research and development expense	18		52		12	
Selling, general and administrative expense	61		71		105	
Other (income) expense, net	(11)		25		(1)	
Tax effect of the above items and other income tax related items	(432)		(260)		(216)	
Adjusted net earnings attributable to Mylan N.V. and adjusted diluted EPS	<u>\$ 1,416</u>	<u>\$ 3.56</u>	<u>\$ 1,140</u>	<u>\$ 2.89</u>	<u>\$ 1,087</u>	<u>\$ 2.59</u>
Weighted average diluted common shares outstanding	<u>398</u>		<u>395</u>		<u>420</u>	

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions, except per share amounts)

	Year Ended December 31,															
	2011		2010		2009		2008									
<i>Amounts may not sum due to rounding</i>																
U.S. GAAP net earnings (loss) attributable to Mylan N.V. and U.S. GAAP diluted EPS	\$	537	\$	1.22	\$	224	\$	0.68	\$	94	\$	0.30	\$	(335)	\$	(1.10)
Purchase accounting related amortization (primarily included in cost of sales)		365		309		283		489								
Goodwill impairment charges		—		—		—		385								
Bystolic revenue		—		—		—		(468)								
Litigation settlements, net		49		127		226		17								
Interest expense (primarily related to clean energy investment financing)		49		60		43		30								
Financing related costs (included in other (income) expense, net)		34		37		—		—								
Acceleration of deferred revenue		—		—		(29)		—								
Non-controlling interest		—		—		9		—								
Other special items included in:		—		—		—		—								
Cost of sales		8		7		33		53								
Research and development expense		4		10		22		14								
Selling, general and administrative expense		45		63		49		89								
Other (income) expense, net		—		1		(13)		1								
Tax effect of the above items and other income tax related items		(198)		(253)		(273)		(31)								
Preferred dividend		—		122		139		—								
Adjusted net earnings attributable to Mylan N.V. and adjusted diluted EPS	\$	893	\$	2.04	\$	707	\$	1.61	\$	583	\$	1.30	\$	244	\$	0.80
Weighted average diluted common shares outstanding		439		438		450		304								

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions)

Notional Debt to Credit Agreement Adjusted EBITDA Leverage Ratio and Target Leverage Ratio

Notional Debt to Credit Agreement Adjusted EBITDA Leverage Ratio

The stated non-GAAP financial measure notional debt to Credit Agreement Adjusted EBITDA leverage ratio is based on the sum of (i) Mylan's adjusted EBITDA for the specified year and (ii) certain adjustments permitted to be included in Credit Agreement Adjusted EBITDA for the specified year pursuant to the Company's revolving credit facility or term credit facility in place from time to time (together, the "Credit Agreements") as compared to Mylan's total debt at notional amounts.

Adjusted EBITDA for the year ended December 31, 2016 is based on the sum of (i) \$3,678 million of the year ended December 31, 2016 adjusted EBITDA (unaudited) for Mylan, (ii) \$336 million adjusted EBITDA (unaudited) for the period of January 1, 2016 to the date of acquisition (translated from SEK to USD at an average exchange rate of 0.119) for Meda1 and (iii) \$34 million adjusted EBITDA (unaudited) for the period of January 1, 2016 to the date of acquisition for Renaissance. The stated measures represent an aggregation of Mylan figures, Renaissance figures derived from financial information prepared in accordance with U.S. GAAP and Meda figures derived from financial information prepared in accordance with IFRS as issued by the IASB and does not reflect pro forma adjustments (including the elimination of transactions between Mylan and Meda and Mylan and Renaissance). For the years ended December 31, 2017, 2016, 2015, 2014 and 2013, all amounts presented below are derived from Mylan's historical financial statements.

	Year Ended December 31,				
	2017	2016	2015	2014	2013
<i>Amounts may not sum due to rounding</i>					
Mylan N.V. Adjusted EBITDA	\$ 3,791	\$ 3,678	\$ 3,012	\$ 2,366	\$ 1,955
Add:					
Other adjustments including estimated synergies	118	—	—	—	—
Pro-forma impact of acquisitions	—	370	—	—	—
Credit Agreement Adjusted EBITDA	<u>3,909</u>	<u>4,048</u>	<u>3,012</u>	<u>2,366</u>	<u>1,955</u>
Reported debt balances:					
Long-term debt, including current portion	14,615	15,426	7,294	8,104	7,587
Short-term borrowings	47	46	—	331	440
Total reported debt balances	<u>14,661</u>	<u>15,473</u>	<u>7,294</u>	<u>8,435</u>	<u>8,026</u>
Add / (deduct):					
Net discount on various debt issuances	37	41	8	19	55
Deferred financing fees	75	92	38	34	—
Conversion feature of cash convertible notes	—	—	—	(1,854)	(1,303)
Fair value of hedged debt	(15)	(26)	(36)	(30)	(4)
Total debt at notional amounts	<u>\$ 14,758</u>	<u>\$ 15,579</u>	<u>\$ 7,304</u>	<u>\$ 6,604</u>	<u>\$ 6,774</u>
 Notional debt to Credit Agreement Adjusted EBITDA Leverage Ratio	 3.8x	 3.8x	 2.4x	 2.8x	 3.5x

Long-term average debt-to-adjusted EBITDA leverage 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 net 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)
Adjusted R&D

	Year Ended December 31,				
	2017	2016	2015	2014	2013
U.S. GAAP R&D	\$ 783	\$ 827	\$ 672	\$ 582	\$ 508
Deduct:					
Acquisition related costs	(2)	(2)	(2)	(3)	—
Restructuring and other special items	(126)	(129)	(20)	(18)	(52)
Adjusted R&D	\$ 655	\$ 696	\$ 650	\$ 561	\$ 456
	Year Ended December 31,				
	2012	2011	2010	2009	2008
U.S. GAAP R&D	\$ 401	\$ 295	\$ 282	\$ 275	\$ 317
Deduct:					
Acquisition related costs	—	—	—	—	—
Restructuring and other special items	(12)	(4)	(10)	(23)	(14)
Adjusted R&D	\$ 389	\$ 291	\$ 272	\$ 252	\$ 303

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions)
Adjusted Free Cash Flow

	Year Ended December 31,				
	2017	2016	2015	2014	2013
<i>Amounts may not sum due to rounding</i>					
U.S. GAAP net cash provided by operating activities	\$ 2,065	\$ 2,047	\$ 2,009	\$ 1,015	\$ 1,107
Add:					
Payment of litigation settlements	533	69	(113)	96	(2)
Restructuring related costs	152	—	—	—	—
Financing related expense	—	67	137	24	61
Contingent consideration	50	—	—	—	—
Acquisition related costs	30	244	191	64	13
R&D expense	55	123	12	21	46
Income tax items	—	(26)	(22)	(13)	(22)
Other	—	—	4	3	2
Adjusted net cash provided by operating activities	<u>\$ 2,884</u>	<u>\$ 2,524</u>	<u>\$ 2,217</u>	<u>\$ 1,210</u>	<u>\$ 1,205</u>
Add / (deduct):					
Capital expenditures	(276)	(390)	(363)	(325)	(335)
Proceeds from sale of certain property, plant and equipment	19	—	—	9	25
Adjusted free cash flow	<u>\$ 2,627</u>	<u>\$ 2,134</u>	<u>\$ 1,854</u>	<u>\$ 894</u>	<u>\$ 895</u>

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions)
Adjusted Free Cash Flow

	Year Ended December 31,				
	2012	2011	2010	2009	2008
<i>Amounts may not sum due to rounding</i>					
U.S. GAAP net cash provided by operating activities	\$ 949	\$ 720	\$ 931	\$ 605	\$ 384
Add:					
Payment of litigation settlements	109	81	78	52	—
Sale of product rights	—	—	—	—	(219)
Payment to Merck KGaA related to income tax benefits on indemnified litigation	—	60	(51)	—	—
Payment of interest rate swap settlement	—	14	33	—	—
Adjustments for timing of cash receipts deducted in prior periods	62	7	(90)	—	—
Income tax items	(14)	—	(99)	—	—
Other	18	—	(21)	—	—
Adjusted net cash provided by operating activities	<u>\$ 1,124</u>	<u>\$ 882</u>	<u>\$ 781</u>	<u>\$ 657</u>	<u>\$ 165</u>
Add / (deduct):					
Capital expenditures	(305)	(280)	(193)	(154)	(165)
Proceeds from sale of certain property, plant and equipment	16	—	—	—	—
Other	(6)	—	—	—	—
Preferred dividend	—	—	(121)	(139)	—
Adjusted free cash flow	<u>\$ 829</u>	<u>\$ 602</u>	<u>\$ 467</u>	<u>\$ 364</u>	<u>\$ —*</u>

* 2008 Adjusted free cash flow was \$0.3 million.

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions)
Adjusted Pre-tax Income and Adjusted Interest Expense

Amounts may not sum due to rounding

	Year Ended December 31,			
	2017	2016	2015	2014
Adjusted net earnings attributable to Mylan N.V.	\$ 2,445	\$ 2,547	\$ 2,137	\$ 1,416
Add / (Deduct):				
Tax effect of non-GAAP adjustments and other income tax related items	330	844	370	432
U.S. GAAP reported income tax (benefit) provision	207	(358)	68	45
Adjusted pre-tax income	\$ 2,982	\$ 3,033	\$ 2,575	\$ 1,893

Amounts may not sum due to rounding

	Year Ended December 31,			
	2017	2016	2015	2014
U.S. GAAP interest expense	\$ 535	\$ 455	\$ 339	\$ 333
Deduct:				
Interest expense related to clean energy investments	(12)	(14)	(16)	(16)
Accretion of contingent consideration liability	(28)	(41)	(38)	(35)
Acquisition related costs	(0)	(46)	(57)	-
Non-cash interest	-	-	(29)	(30)
Other special items	(7)	(10)	-	-
Adjusted interest expense	\$ 487	\$ 343	\$ 199	\$ 252

Mylan N.V. and Subsidiaries
Reconciliation of non-GAAP financial measures
(Unaudited; in millions)
Return on Invested Capital

(Unaudited; in millions, except %)

	Year Ended December 31,			
	2017	2016	2015	2014
Adjusted pre-tax income	\$ 2,982	\$ 3,033	\$ 2,575	\$ 1,893
Adjusted interest expense	487	343	199	252
Adjusted income before interest and tax	3,469	3,376	2,774	2,145
Estimated adjusted income tax expense (1)	(624)	(540)	(472)	(536)
Adjusted net operating profit after tax	\$ 2,845	\$ 2,835	\$ 2,302	\$ 1,609

	As of December 31,			
	2016	2015	2014	2013
Total assets	\$ 34,726	\$ 29,003	\$ 20,878	\$ 15,295
Cash and near cash items	(999)	(2,211)	(553)	(291)
Short-term investments	(113)	(98)	(71)	(44)
Deferred income taxes	(633)	(460)	(470)	(328)
Cash Convertible Note hedge	-	-	(1,105)	(1,303)
Forward starting swaps	-	40	45	(164)
Clean energy investments	(333)	(363)	(422)	(415)
Agila CEV escrow	-	-	-	(100)
Restricted cash	(148)	(215)	(124)	(130)
Total invested assets	\$ 32,500	\$ 25,697	\$ 18,178	\$ 12,520
Accounts payable	(1,348)	(1,161)	(1,070)	(953)
Other current liabilities	(3,259)	(2,472)	(1,615)	(1,146)
Income taxes payable	(98)	(104)	(98)	(50)
Total invested capital	\$ 27,796	\$ 21,959	\$ 15,395	\$ 10,370

					Avg.
Cash Return on Total Invested Capital (2)	10%	13%	15%	16%	14%
Weighted Average Cost of Capital (3)	8%	7%	8%	9%	8%

(1) Estimated adjusted income tax expense is the adjusted income tax rate multiplied by adjusted income before interest and tax.

(2) Calculated using adjusted net operating profit after tax / total invested capital.

(3) Calculated as the company's weighted average cost of debt and equity, using end of period notional debt and market capitalization for respective weights. Cost of debt is based on the estimated cost of the company's long term unsecured debt, net of tax benefit, as determined by third party pricing. Cost of equity is calculated as the risk free rate (10 Year U.S. treasury bond) plus the company's modified beta multiplied by the market risk premium (expected U.S. market return - risk free rate).



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