

JAZZ PHARMACEUTICALS PLC
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION
2015 TO 2018

To supplement Jazz Pharmaceuticals plc's financial results presented in accordance with U.S. generally accepted accounting principles (GAAP), the company uses certain non-GAAP (also referred to as adjusted or non-GAAP adjusted) financial measures. The tables that follow present certain financial information on a GAAP reported and non-GAAP adjusted basis for Jazz Pharmaceuticals plc and its consolidated subsidiaries for the periods specified, along with reconciliations of the non-GAAP financial measures presented to the most directly comparable GAAP reported measures. The company believes that each of these non-GAAP financial measures provides useful supplementary information to, and facilitates additional analysis by, investors and analysts. In particular, the company believes that each of these non-GAAP financial measures, when considered together with the company's financial information prepared in accordance with GAAP, can enhance investors' and analysts' ability to meaningfully compare the company's results from period to period and to its forward-looking guidance, and to identify operating trends in the company's business. In addition, these non-GAAP financial measures are regularly used by investors and analysts to model and track the company's financial performance. Jazz Pharmaceuticals' management also regularly uses these non-GAAP financial measures internally to understand, manage and evaluate the company's business and to make operating decisions, and compensation of executives is based in part on certain of these non-GAAP financial measures. Because these non-GAAP financial measures are important internal measurements for Jazz Pharmaceuticals' management, the company also believes that these non-GAAP financial measures are useful to investors and analysts since these measures allow for greater transparency with respect to key financial metrics the company uses in assessing its own operating performance and making operating decisions.

The non-GAAP financial measures included in the accompanying tables are not meant to be considered in isolation or as a substitute for comparable GAAP measures; should be read in conjunction with the company's condensed consolidated financial statements prepared in accordance with GAAP; have no standardized meaning prescribed by GAAP; and are not prepared under any comprehensive set of accounting rules or principles. In addition, from time to time in the future there may be other items that the company may exclude for purposes of its non-GAAP financial measures; and the company has ceased, and may in the future cease, to exclude items that it has historically excluded for purposes of its non-GAAP financial measures. Likewise, the company may determine to modify the nature of its adjustments to arrive at its non-GAAP financial measures. Because of the non-standardized definitions of non-GAAP financial measures, the non-GAAP financial measures as used by the company in the accompanying tables have limits in their usefulness to investors and may be calculated differently from, and therefore may not be directly comparable to, similarly titled measures used by other companies.

JAZZ PHARMACEUTICALS PLC
CERTAIN STATEMENT OF INCOME LINE ITEMS - GAAP REPORTED
(In thousands, except share amounts)
(Unaudited)

GAAP REPORTED:	Three Months Ended				Twelve Months Ended	Three Months Ended			Nine Months Ended
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	December 31, 2017	March 31, 2018	June 30, 2018	September 30, 2018	September 30, 2018
Product sales, net	\$ 373,678	\$ 389,655	\$ 407,971	\$ 430,095	\$ 1,601,399	\$ 440,847	\$ 496,095	\$ 465,197	\$ 1,402,139
Total revenues	376,053	394,386	411,855	436,399	1,618,693	444,613	500,479	469,373	1,414,465
Cost of product sales (excluding amortization of intangible assets)	25,065	28,672	31,203	25,248	110,188	33,919	34,714	26,574	95,207
Selling, general and administrative	144,255	132,328	124,523	143,050	544,156	207,213	158,579	155,873	521,665
Research and development	44,928	40,157	47,362	65,995	198,442	62,667	56,132	51,160	169,959
Intangible asset amortization	25,665	26,186	47,313	52,901	152,065	53,007	54,959	46,989	154,955
Impairment charges	—	—	—	—	—	—	42,896	—	42,896
Acquired in-process research and development	—	2,000	75,000	8,000	85,000	—	—	—	—
Income from operations	136,140	165,043	86,454	141,205	528,842	87,807	153,199	188,777	429,783
Interest expense, net	18,844	18,294	19,192	21,426	77,756	20,605	19,646	18,920	59,171
Foreign exchange loss	1,464	5,427	2,224	854	9,969	1,728	2,697	756	5,181
Loss on extinguishment and modification of debt	—	—	—	—	—	—	1,425	—	1,425
Income before income tax provision (benefit) and equity in loss of investees	115,832	141,322	65,038	118,925	441,117	65,474	129,431	169,101	364,006
Income tax provision (benefit)	29,160	35,515	1,239	(113,654)	(47,740)	19,146	36,524	19,348	75,018
Equity in loss of investees	161	203	273	372	1,009	337	586	437	1,360
Net income	\$ 86,511	\$ 105,604	\$ 63,526	\$ 232,207	\$ 487,848	\$ 45,991	\$ 92,321	\$ 149,316	\$ 287,628
Net income per diluted share	\$ 1.41	\$ 1.72	\$ 1.03	\$ 3.79	\$ 7.96	\$ 0.75	\$ 1.50	\$ 2.41	\$ 4.68
Weighted-average ordinary shares used in diluted per share calculation	61,178	61,463	61,436	61,189	61,317	61,178	61,438	61,857	61,493

JAZZ PHARMACEUTICALS PLC
CERTAIN STATEMENT OF INCOME LINE ITEMS - NON-GAAP ADJUSTED⁽¹⁾
(In thousands, except share amounts)
(Unaudited)

NON-GAAP ADJUSTED:	Three Months Ended				Twelve Months Ended	Three Months Ended			Nine Months Ended
	March 31, 2017	June 30, 2017	September 30, 2017	December 31, 2017	December 31, 2017	March 31, 2018	June 30, 2018	September 30, 2018	September 30, 2018
Product sales, net	\$ 373,678	\$ 389,655	\$ 407,971	\$ 430,095	\$ 1,601,399	\$ 440,847	\$ 496,095	\$ 465,197	\$ 1,402,139
Total revenues	376,053	394,386	411,855	436,399	1,618,693	444,613	500,479	469,373	1,414,465
Cost of product sales (excluding amortization of intangible assets)	23,819	27,145	29,630	23,782	104,376	32,225	32,911	25,049	90,185
Selling, general and administrative	118,450	111,454	103,620	121,414	454,938	131,979	137,706	136,895	406,580
Research and development	40,786	35,298	42,712	43,276	162,072	47,292	51,423	46,560	145,275
Acquired in-process research and development	—	2,000	—	—	2,000	—	—	—	—
Income from operations	192,998	218,489	235,893	247,927	895,307	233,117	278,439	260,869	772,425
Interest expense, net	13,229	12,530	11,337	10,634	47,730	9,988	8,759	7,755	26,502
Foreign exchange loss	1,464	5,427	2,224	854	9,969	1,728	2,697	756	5,181
Loss on extinguishment and modification of debt	—	—	—	—	—	—	1,425	—	1,425
Income before income tax provision and equity in loss of investees	178,305	200,532	222,332	236,439	837,608	221,401	265,558	252,358	739,317
Income tax provision	36,922	42,975	24,410	55,574	159,881	38,693	50,336	30,266	119,295
Equity in loss of investees	161	203	273	372	1,009	337	586	437	1,360
Net income	\$ 141,222	\$ 157,354	\$ 197,649	\$ 180,493	\$ 676,718	\$ 182,371	\$ 214,636	\$ 221,655	\$ 618,662
Net income per diluted share	\$ 2.31	\$ 2.56	\$ 3.22	\$ 2.95	\$ 11.04	\$ 2.98	\$ 3.49	\$ 3.58	\$ 10.06
Weighted-average ordinary shares used in diluted per share calculation	61,178	61,463	61,436	61,189	61,317	61,178	61,438	61,857	61,493

(1) Please refer to the pages that follow for more details on these non-GAAP financial measures, the most directly comparable GAAP reported financial measures and the related reconciliations between these financial measures.

JAZZ PHARMACEUTICALS PLC
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION - 2018
CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

	Three Months Ended March 31, 2018			Three Months Ended June 30, 2018			Three Months Ended September 30, 2018			Nine Months Ended September 30, 2018		
	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾
Product sales, net	\$ 440,847	—	\$ 440,847	\$ 496,095	—	\$ 496,095	\$ 465,197	—	\$ 465,197	\$ 1,402,139	—	\$ 1,402,139
Total revenues	444,613	—	444,613	500,479	—	500,479	469,373	—	469,373	1,414,465	—	1,414,465
Cost of product sales (excluding amortization of intangible assets)	33,919	(1,694) ^(a)	32,225	34,714	(1,803) ^(a)	32,911	26,574	(1,525) ^(a)	25,049	95,207	(5,022) ^(a)	90,185
<i>% of Product sales, net</i>	7.7%		7.3%	7.0%		6.6%	5.7%		5.4%	6.8%		6.4%
<i>Gross margin ^(b)</i>	92.3%		92.7%	93.0%		93.4%	94.3%		94.6%	93.2%		93.6%
Selling, general and administrative	207,213	(75,234) ^(c)	131,979	158,579	(20,873) ^(c)	137,706	155,873	(18,978) ^(c)	136,895	521,665	(115,085) ^(c)	406,580
<i>% of Total revenues</i>	46.6%		29.7%	31.7%		27.5%	33.2%		29.2%	36.9%		28.7%
Research and development	62,667	(15,375) ^(d)	47,292	56,132	(4,709) ^(d)	51,423	51,160	(4,600) ^(d)	46,560	169,959	(24,684) ^(d)	145,275
<i>% of Total revenues</i>	14.1%		10.6%	11.2%		10.3%	10.9%		9.9%	12.0%		10.3%
Intangible asset amortization	53,007	(53,007)	—	54,959	(54,959)	—	46,989	(46,989)	—	154,955	(154,955)	—
Impairment charges	—	—	—	42,896	(42,896)	—	—	—	—	42,896	(42,896)	—
Income from operations	87,807	145,310 ^(e)	233,117	153,199	125,240 ^(e)	278,439	188,777	72,092 ^(e)	260,869	429,783	342,642 ^(e)	772,425
<i>Operating income margin ^(f)</i>	19.7%		52.4%	30.6%		55.6%	40.2%		55.6%	30.4%		54.6%
Interest expense, net	20,605	(10,617) ^(g)	9,988	19,646	(10,887) ^(g)	8,759	18,920	(11,165) ^(g)	7,755	59,171	(32,669) ^(g)	26,502
Foreign currency loss	1,728	—	1,728	2,697	—	2,697	756	—	756	5,181	—	5,181
Loss on extinguishment and modification of debt	—	—	—	1,425	—	1,425	—	—	—	1,425	—	1,425
Income before income tax provision and equity in loss of investees	65,474	155,927 ^(h)	221,401	129,431	136,127 ^(h)	265,558	169,101	83,257 ^(h)	252,358	364,006	375,311 ^(h)	739,317
Income tax provision	19,146	19,547 ⁽ⁱ⁾	38,693	36,524	13,812 ⁽ⁱ⁾	50,336	19,348	10,918 ^(m)	30,266	75,018	44,277 ^(p)	119,295
<i>Effective tax rate ^(j)</i>	29.2%		17.5%	28.2%		19.0%	11.4%		12.0%	20.6%		16.1%
Equity in loss of investees	337	—	337	586	—	586	437	—	437	1,360	—	1,360
Net income	\$ 45,991	\$ 136,380 ^(k)	\$ 182,371	\$ 92,321	\$ 122,315 ^(k)	\$ 214,636	\$ 149,316	\$ 72,339 ^(k)	\$ 221,655	\$ 287,628	\$ 331,034 ^(k)	\$ 618,662
Net income per diluted share	\$ 0.75		\$ 2.98	\$ 1.50		\$ 3.49	\$ 2.41		\$ 3.58	\$ 4.68		\$ 10.06

	Three Months Ended March 31, 2018	Three Months Ended June 30, 2018	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2018
GAAP reported net income	\$ 45,991	\$ 92,321	\$ 149,316	\$ 287,628
Intangible asset amortization	53,007	54,959	46,989	154,955
Share-based compensation expense	24,303	26,312	25,103	75,718
Estimated loss contingency	57,000	—	—	57,000
Impairment charges and disposal costs	—	43,969	—	43,969
Upfront and milestone payments	11,000	—	—	11,000
Non-cash interest expense	10,617	10,887	11,165	32,669
Income tax effect of above adjustments	(19,547)	(13,812)	(13,786)	(47,145)
U.S. Tax Act impact ⁽²⁾	—	—	2,868	2,868
Non-GAAP adjusted net income	\$ 182,371	\$ 214,636	\$ 221,655	\$ 618,662
GAAP reported net income per diluted share	\$ 0.75	\$ 1.50	\$ 2.41	\$ 4.68
Non-GAAP adjusted net income per diluted share	\$ 2.98	\$ 3.49	\$ 3.58	\$ 10.06
Weighted-average ordinary shares used in diluted per share calculation	61,178	61,438	61,857	61,493

(1) See next page for an explanation of certain adjustments and line items.

(2) In 2017, the company recorded provisional estimates based on the company's analysis of the U.S. Tax Cuts and Jobs Act (U.S. Tax Act) signed into law on December 22, 2017. During the three and nine months ended September 30, 2018, the company recorded an income tax expense of \$2.9 million as a provisional measurement period adjustment to the provisional estimates recorded as of December 31, 2017 in accordance with the SEC's Staff Accounting Bulletin No. 118, or SAB 118. The provisional measurement period adjustment was due to additional analysis on the one-time transition tax on deemed repatriated earnings of foreign subsidiaries. The company will continue to analyze the impact of the U.S. Tax Act under SAB 118 and may record further adjustments to provisional amounts as additional analyses are completed in the fourth quarter of 2018.

JAZZ PHARMACEUTICALS PLC
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION - 2018
CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

Explanation of Adjustments and Certain Line Items:

- (a) Share-based compensation expense.
- (b) Net of product sales, net and cost of product sales divided by product sales, net.
- (c) Estimated loss contingency of \$57,000 and share-based compensation expense of \$18,234.
- (d) Upfront and milestone payments of \$11,000 and share-based compensation expense of \$4,375.
- (e) Sum of the operating expense adjustments for the period.
- (f) Income from operations divided by total revenues.
- (g) Non-cash interest expense associated with debt discount and debt issuance costs.
- (h) Sum of the expense adjustments for the period.
- (i) Income tax effect of the adjustments between GAAP reported and non-GAAP adjusted net income.
- (j) Income tax provision divided by income before income tax provision and equity in loss of investees.
- (k) Net of adjustments (h) and (i).
- (l) Share-based compensation expense of \$19,800 and disposal costs of \$1,073.
- (m) Income tax effect of adjustments between GAAP reported and non-GAAP adjusted net income of \$13,786 offset by the impact of the U.S. Tax Act of \$2,868.
- (n) Share-based compensation of \$57,012, estimated loss contingency of \$57,000 and disposal costs of \$1,073.
- (o) Share-based compensation of \$13,684 and upfront and milestone payments of \$11,000.
- (p) Income tax effect of adjustments between GAAP reported and non-GAAP adjusted net income of \$47,145 offset by the impact of the U.S. Tax Act of \$2,868.

JAZZ PHARMACEUTICALS PLC
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION - 2017
CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

	Three Months Ended March 31, 2017			Three Months Ended June 30, 2017			Three Months Ended September 30, 2017			Three Months Ended December 31, 2017			Twelve Months Ended December 31, 2017		
	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾
Product sales, net	\$ 373,678	—	\$ 373,678	\$ 389,655	—	\$ 389,655	\$ 407,971	—	\$ 407,971	\$ 430,095	—	\$ 430,095	\$1,601,399	—	\$1,601,399
Total revenues	376,053	—	376,053	394,386	—	394,386	411,855	—	411,855	436,399	—	436,399	1,618,693	—	1,618,693
Cost of product sales (excluding amortization of intangible assets)	25,065	(1,246) ^(a)	23,819	28,672	(1,527) ^(a)	27,145	31,203	(1,573) ^(a)	29,630	25,248	(1,466) ^(a)	23,782	110,188	(5,812) ^(a)	104,376
<i>% of Product sales, net</i>	6.7%		6.4%	7.4%		7.0%	7.6%		7.3%	5.9%		5.5%	6.9%		6.5%
<i>Gross margin ^(b)</i>	93.3%		93.6%	92.6%		93.0%	92.4%		92.7%	94.1%		94.5%	93.1%		93.5%
Selling, general and administrative	144,255	(25,805) ^(c)	118,450	132,328	(20,874) ^(c)	111,454	124,523	(20,903) ^(c)	103,620	143,050	(21,636) ^(c)	121,414	544,156	(89,218) ^(c)	454,938
<i>% of Total revenues</i>	38.4%		31.5%	33.6%		28.3%	30.2%		25.2%	32.8%		27.8%	33.6%		28.1%
Research and development	44,928	(4,142) ^(c)	40,786	40,157	(4,859) ^(c)	35,298	47,362	(4,650) ^(c)	42,712	65,995	(22,719) ^(c)	43,276	198,442	(36,370) ^(c)	162,072
<i>% of Total revenues</i>	11.9%		10.8%	10.2%		9.0%	11.5%		10.4%	15.1%		9.9%	12.3%		10.0%
Acquired in-process research and development	—	—	—	2,000	—	2,000	75,000	(75,000)	—	8,000	(8,000)	—	85,000	(83,000)	2,000
Intangible asset amortization	25,665	(25,665)	—	26,186	(26,186)	—	47,313	(47,313)	—	52,901	(52,901)	—	152,065	(152,065)	—
Income from operations	136,140	56,858 ^(d)	192,998	165,043	53,446 ^(d)	218,489	86,454	149,439 ^(d)	235,893	141,205	106,722 ^(d)	247,927	528,842	366,465 ^(d)	895,307
<i>Operating income margin ^(e)</i>	36.2%		51.3%	41.8%		55.4%	21.0%		57.3%	32.4%		56.8%	32.7%		55.3%
Interest expense, net	18,844	(5,615) ^(f)	13,229	18,294	(5,764) ^(f)	12,530	19,192	(7,855) ^(f)	11,337	21,426	(10,792) ^(f)	10,634	77,756	(30,026) ^(f)	47,730
Foreign currency loss	1,464	—	1,464	5,427	—	5,427	2,224	—	2,224	854	—	854	9,969	—	9,969
Income before income tax provision (benefit) and equity in loss of investees	115,832	62,473 ^(g)	178,305	141,322	59,210 ^(g)	200,532	65,038	157,294 ^(g)	222,332	118,925	117,514 ^(g)	236,439	441,117	396,491 ^(g)	837,608
Income tax provision (benefit)	29,160	7,762 ^(h)	36,922	35,515	7,460 ^(h)	42,975	1,239	23,171 ^(h)	24,410	(113,654)	169,228 ^(h)	55,574	(47,740)	207,621 ^(h)	159,881
<i>Effective tax rate ⁽ⁱ⁾</i>	25.2%		20.7%	25.1%		21.4%	1.9%		11.0%	(95.6)%		23.5%	(10.8)%		19.1%
Equity in loss of investees	161	—	161	203	—	203	273	—	273	372	—	372	1,009	—	1,009
Net income	\$ 86,511	\$ 54,711 ^(j)	\$ 141,222	\$ 105,604	\$ 51,750 ^(j)	\$ 157,354	\$ 63,526	\$ 134,123 ^(j)	\$ 197,649	\$ 232,207	\$ (51,714) ^(m)	\$ 180,493	\$ 487,848	\$ 188,870 ^(j)	\$ 676,718
Net income per diluted share	\$ 1.41		\$ 2.31	\$ 1.72		\$ 2.56	\$ 1.03		\$ 3.22	\$ 3.79		\$ 2.95	\$ 7.96		\$ 11.04

	Three Months Ended March 31, 2017	Three Months Ended June 30, 2017	Three Months Ended September 30, 2017	Three Months Ended December 31, 2017	Twelve Months Ended December 31, 2017
GAAP reported net income	\$ 86,511	\$ 105,604	\$ 63,526	\$ 232,207	\$ 487,848
Intangible asset amortization	25,665	26,186	47,313	52,901	152,065
Share-based compensation expense	25,193	27,260	27,126	27,321	106,900
Upfront and milestone payments	—	—	75,000	26,500	101,500
Expenses related to certain legal proceedings and restructuring	6,000	—	—	—	6,000
Non-cash interest expense	5,615	5,764	7,855	10,792	30,026
Income tax effect of above adjustments	(7,762)	(7,460)	(23,171)	(20,425)	(58,818)
U.S. Tax Act benefit ⁽²⁾	—	—	—	(148,803)	(148,803)
Non-GAAP adjusted net income	\$ 141,222	\$ 157,354	\$ 197,649	\$ 180,493	\$ 676,718
GAAP reported net income per diluted share	\$ 1.41	\$ 1.72	\$ 1.03	\$ 3.79	\$ 7.96
Non-GAAP adjusted net income per diluted share	\$ 2.31	\$ 2.56	\$ 3.22	\$ 2.95	\$ 11.04
Weighted-average ordinary shares used in diluted per share calculation	61,178	61,463	61,436	61,189	61,317

(1) See next page for an explanation of certain adjustments and line items.

(2) In the fourth quarter and full year ended December 31, 2017, the company recorded a net tax benefit on a GAAP basis of \$148.8 million, or \$2.43 per diluted share, resulting from provisional estimates based on the company's analysis of the U.S. Tax Act.

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CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

Explanation of Adjustments and Certain Line Items:

- (a) Share-based compensation expense.
- (b) Net of product sales, net and cost of product sales divided by product sales, net.
- (c) Share-based compensation expense of \$19,805 and expenses related to certain legal proceedings and restructuring of \$6,000.
- (d) Sum of the operating expense adjustments for the period.
- (e) Income from operations divided by total revenues.
- (f) Non-cash interest expense associated with debt discount and debt issuance costs.
- (g) Sum of the expense adjustments for the period.
- (h) Income tax effect of the adjustments between GAAP reported and non-GAAP adjusted net income.
- (i) Income tax provision divided by income before income tax provision and equity in loss of investees.
- (j) Net of adjustments (g) and (h).
- (k) Upfront and milestone payments of \$18,500 and share-based compensation expense of \$4,219.
- (l) Income tax adjustments related to the impact of the U.S. Tax Act of \$148,803 and the income tax effect of adjustments between GAAP reported and non-GAAP adjusted net income of \$20,425.
- (m) Net of adjustments (g) and (l).
- (n) Share-based compensation expense of \$83,218 and expenses related to certain legal proceedings and restructuring of \$6,000.
- (o) Upfront and milestone payments of \$18,500 and share-based compensation expense of \$17,870.
- (p) Income tax adjustments related to the impact of the U.S. Tax Act of \$148,803 and the income tax effect of adjustments between GAAP reported and non-GAAP adjusted net income of \$58,818.
- (q) Net of adjustments (g) and (p).

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RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION - 2016
CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

	Three Months Ended March 31, 2016			Three Months Ended June 30, 2016			Three Months Ended September 30, 2016			Three Months Ended December 31, 2016			Twelve Months Ended December 31, 2016		
	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾
Product sales, net	\$ 333,916	—	\$ 333,916	\$ 379,110	—	\$ 379,110	\$ 371,621	—	\$ 371,621	\$ 392,614	—	\$ 392,614	\$ 1,477,261	—	\$ 1,477,261
Total revenues	336,010	—	336,010	381,161	—	381,161	374,181	—	374,181	396,621	—	396,621	1,487,973	—	1,487,973
Cost of product sales (excluding amortization of intangible assets)	23,439	(799) ^(a)	22,640	23,980	(963) ^(d)	23,017	24,311	(1,348) ^(e)	22,963	33,656	(1,479) ^(e)	32,177	105,386	(4,589) ⁽ⁱ⁾	100,797
<i>% of Product sales, net</i>	7.0%		6.8%	6.3%		6.1%	6.5%		6.2%	8.6%		8.2%	7.1%		6.8%
<i>Gross margin ^(b)</i>	93.0%		93.2%	93.7%		93.9%	93.5%		93.8%	91.4%		91.8%	92.9%		93.2%
Selling, general and administrative	128,765	(26,154) ^(c)	102,611	122,618	(23,130) ^(f)	99,488	124,368	(29,834) ^(e)	94,534	127,141	(18,937) ^(e)	108,204	502,892	(98,055) ⁽ⁱ⁾	404,837
<i>% of Total revenues</i>	38.3%		30.5%	32.2%		26.1%	32.2%		25.3%	32.1%		27.3%	33.8%		27.2%
Research and development	31,252	(3,290) ^(d)	27,962	39,091	(3,529) ^(m)	35,562	47,796	(4,473) ^(e)	43,323	44,158	(4,539) ^(e)	39,619	162,297	(15,831) ^(v)	146,466
<i>% of Total revenues</i>	9.3%		8.3%	10.3%		9.3%	12.8%		11.6%	11.1%		10.0%	10.9%		9.8%
Acquired in-process research and development	8,750	(8,750)	—	—	—	—	15,000	(15,000)	—	—	—	—	23,750	(23,750)	—
Intangible asset amortization	22,642	(22,642)	—	26,737	(26,737)	—	26,453	(26,453)	—	26,162	(26,162)	—	101,994	(101,994)	—
Income from operations	121,162	61,635 ^(e)	182,797	168,735	54,359 ^(e)	223,094	136,253	77,108 ^(e)	213,361	165,504	51,117 ^(e)	216,621	591,654	244,219 ^(e)	835,873
<i>Operating income margin ^(g)</i>	36.1%		54.4%	44.3%		58.5%	36.4%		57.0%	41.7%		54.6%	39.8%		56.2%
Interest expense, net	12,192	(5,362) ^(e)	6,830	12,121	(5,414) ^(e)	6,707	18,498	(5,642) ^(e)	12,856	19,131	(5,715) ^(e)	13,416	61,942	(22,133) ^(e)	39,809
Foreign currency loss	819	—	819	—	—	—	749	—	749	(4,940)	—	(4,940)	(3,372)	—	(3,372)
Loss on extinguishment and modification of debt	—	—	—	—	—	—	638	(638)	—	—	—	—	638	(638)	—
Income before income tax provision and equity in loss of investee	108,151	66,997 ^(h)	175,148	156,614	59,773 ^(h)	216,387	116,368	83,388 ^(h)	199,756	151,313	56,832 ^(h)	208,145	532,446	266,990 ^(h)	799,436
Income tax provision	32,339	8,241 ⁽ⁱ⁾	40,580	42,112	8,471 ⁽ⁱ⁾	50,583	26,437	12,063 ⁽ⁱ⁾	38,500	34,348	7,884 ⁽ⁱ⁾	42,232	135,236	36,659 ⁽ⁱ⁾	171,895
<i>Effective tax rate ^(j)</i>	29.9%		23.2%	26.9%		23.4%	22.7%		19.3%	22.7%		20.3%	25.4%		21.5%
Equity in loss of investee	—	—	—	—	—	—	103	—	103	276	—	276	379	—	379
Net income	\$ 75,812	\$ 58,756 ^(k)	\$ 134,568	\$ 114,502	\$ 51,302 ^(k)	\$ 165,804	\$ 89,828	\$ 71,325 ^(k)	\$ 161,153	\$ 116,689	\$ 48,948 ^(k)	\$ 165,637	\$ 396,831	\$ 230,331 ^(k)	\$ 627,162
Net income per diluted share	\$ 1.21	\$ 2.15	\$ 2.15	\$ 1.85	\$ 2.67	\$ 2.67	\$ 1.45	\$ 2.61	\$ 2.61	\$ 1.91	\$ 2.71	\$ 2.71	\$ 6.41	\$ 10.14	\$ 10.14

	Three Months Ended March 31, 2016	Three Months Ended June 30, 2016	Three Months Ended September 30, 2016	Three Months Ended December 31, 2016	Twelve Months Ended December 31, 2016
GAAP reported net income	\$ 75,812	\$ 114,502	\$ 89,828	\$ 116,689	\$ 396,831
Intangible asset amortization	22,642	26,737	26,453	26,162	101,994
Share-based compensation expense	24,183	25,433	24,874	24,281	98,771
Upfront and milestone payments	8,750	—	15,000	—	23,750
Expenses related to certain legal proceedings and restructuring	6,060	—	—	—	6,060
Transaction and integration related costs	—	2,189	10,781	674	13,644
Non-cash interest expense	5,362	5,414	5,642	5,715	22,133
Loss on extinguishment and modification of debt	—	—	638	—	638
Income tax effect of adjustments	(8,241)	(8,471)	(12,063)	(7,884)	(36,659)
Non-GAAP adjusted net income	\$ 134,568	\$ 165,804	\$ 161,153	\$ 165,637	\$ 627,162
GAAP reported net income per diluted share	\$ 1.21	\$ 1.85	\$ 1.45	\$ 1.91	\$ 6.41
Non-GAAP adjusted net income per diluted share	\$ 2.15	\$ 2.67	\$ 2.61	\$ 2.71	\$ 10.14
Weighted-average ordinary shares used in diluted per share calculation	62,616	62,043	61,795	61,033	61,870

(1) See next page for an explanation of certain adjustments and line items.

JAZZ PHARMACEUTICALS PLC
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION - 2016
CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

Explanation of Adjustments and Certain Line Items:

- (a) Share-based compensation expense of \$689 and expenses related to certain legal proceedings and restructuring of \$110.
- (b) Net of product sales, net and cost of product sales divided by product sales, net.
- (c) Share-based compensation expense of \$20,204 and expenses related to certain legal proceedings and restructuring of \$5,950.
- (d) Share-based compensation expense.
- (e) Sum of the operating expense adjustments for the period.
- (f) Income from operations divided by total revenues.
- (g) Non-cash interest expense associated with debt discount and debt issuance costs.
- (h) Sum of the expense adjustments for the period.
- (i) Income tax effect of the adjustments between GAAP reported and non-GAAP adjusted net income.
- (j) Income tax provision divided by income before income tax provision and equity in loss of investee.
- (k) Net of adjustments (h) and (i).
- (l) Share-based compensation expense of \$20,949 and transaction and integration related costs of \$2,181.
- (m) Share-based compensation expense of \$3,521 and transaction and integration related costs of \$8.
- (n) Share-based compensation expense of \$1,307 and transaction and integration related costs of \$41.
- (o) Share-based compensation expense of \$19,511 and transaction and integration related costs of \$10,323.
- (p) Share-based compensation expense of \$4,056 and transaction and integration related costs of \$417.
- (q) Share-based compensation expense of \$1,479.
- (r) Share-based compensation expense of \$18,373 and transaction and integration related costs of \$564.
- (s) Share-based compensation expense of \$4,429 and transaction and integration related costs of \$110.
- (t) Share-based compensation expense of \$4,438, expenses related to certain legal proceedings and restructuring of \$110 and transaction and integration related costs of \$41.
- (u) Share-based compensation expense of \$79,037, expenses related to certain legal proceedings and restructuring of \$5,950 and transaction and integration related costs of \$13,068.
- (v) Share-based compensation expense of \$15,296 and transaction and integration related costs of \$535.

JAZZ PHARMACEUTICALS PLC
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION - 2015
CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

	Three Months Ended March 31, 2015			Three Months Ended June 30, 2015			Three Months Ended September 30, 2015			Three Months Ended December 31, 2015			Twelve Months Ended December 31, 2015		
	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾	GAAP Reported	Adjustments	Non-GAAP Adjusted ⁽¹⁾
Product sales, net	\$ 307,035	—	\$ 307,035	\$ 332,106	—	\$ 332,106	\$ 338,754	—	\$ 338,754	\$ 338,924	—	\$ 338,924	\$ 1,316,819	—	\$ 1,316,819
Total revenues	309,303	—	309,303	333,747	—	333,747	340,872	—	340,872	340,881	—	340,881	1,324,803	—	1,324,803
Cost of product sales (excluding amortization and impairment of intangible assets)	28,298	(695) ^(a)	27,603	21,813	(772) ^(a)	21,041	28,385	(786) ^(a)	27,599	24,030	(1,821) ^(a)	22,209	102,526	(4,074) ^(a)	98,452
<i>% of Product sales, net</i>	9.2%		9.0%	6.6%		6.3%	8.4%		8.1%	7.1%		6.6%	7.8%		7.5%
<i>Gross margin ^(b)</i>	90.8%		91.0%	93.4%		93.7%	91.6%		91.9%	92.9%		93.4%	92.2%		92.5%
Selling, general and administrative	112,388	(17,347) ^(c)	95,041	107,132	(18,662) ^(c)	88,470	104,044	(19,542) ^(c)	84,502	125,555	(38,146) ^(c)	87,409	449,119	(93,697) ^(c)	355,422
<i>% of Total revenues</i>	36.3%		30.7%	32.1%		26.5%	30.5%		24.8%	36.8%		25.6%	33.9%		26.8%
Research and development	27,181	(3,485) ^(a)	23,696	27,833	(3,866) ^(a)	23,967	50,784	(27,786) ^(a)	22,998	29,455	(3,438) ^(a)	26,017	135,253	(38,575) ^(a)	96,678
<i>% of Total revenues</i>	8.8%		7.7%	8.3%		7.2%	14.9%		6.7%	8.6%		7.6%	10.2%		7.3%
Intangible asset amortization	24,677	(24,677)	—	23,668	(23,668)	—	26,127	(26,127)	—	23,690	(23,690)	—	98,162	(98,162)	—
Impairment charges	—	—	—	—	—	—	—	—	—	31,523	(31,523)	—	31,523	(31,523)	—
Income from operations	116,759	46,204 ^(d)	162,963	153,301	46,968 ^(d)	200,269	131,532	74,241 ^(d)	205,773	106,628	98,618 ^(d)	205,246	508,220	266,031 ^(d)	774,251
<i>Operating income margin ^(e)</i>	37.7%		52.7%	45.9%		60.0%	38.6%		60.4%	31.3%		60.2%	38.4%		58.4%
Interest expense, net	16,245	(6,016) ^(f)	10,229	15,812	(6,032) ^(f)	9,780	12,650	(5,300) ^(f)	7,350	12,210	(5,390) ^(f)	6,820	56,917	(22,738) ^(f)	34,179
Foreign currency (gain) loss	(2,245)	—	(2,245)	1,914	—	1,914	977	—	977	(2,091)	—	(2,091)	(1,445)	—	(1,445)
Loss on extinguishment and modification of debt	—	—	—	16,815	(16,815)	—	—	—	—	—	—	—	16,815	(16,815)	—
Income before income tax provision	102,759	52,220 ^(a)	154,979	118,760	69,815 ^(a)	188,575	117,905	79,541 ^(a)	197,446	96,509	104,008 ^(a)	200,517	435,933	305,584 ^(a)	741,517
Income tax provision	32,059	7,405 ^(b)	39,464	30,647	13,776 ^(b)	44,423	29,945	8,199 ^(b)	38,144	13,748	10,253 ^(b)	24,001	106,399	39,633 ^(b)	146,032
<i>Effective tax rate ^(g)</i>	31.2%		25.5%	25.8%		23.6%	25.4%		19.3%	14.2%		12.0%	24.4%		19.7%
Net income	70,700	44,815 ⁽ⁱ⁾	115,515	88,113	56,039 ⁽ⁱ⁾	144,152	87,960	71,342 ⁽ⁱ⁾	159,302	82,761	93,755 ⁽ⁱ⁾	176,516	329,534	265,951 ⁽ⁱ⁾	595,485
Net income (loss) attributable to noncontrolling interests	—	— ^(k)	—	(1)	2 ^(k)	1	—	— ^(k)	—	—	— ^(k)	—	(1)	2 ^(k)	1
Net income attributable to Jazz Pharmaceuticals plc	\$ 70,700	\$ 44,815 ⁽ⁱ⁾	\$ 115,515	\$ 88,114	\$ 56,037 ⁽ⁱ⁾	\$ 144,151	\$ 87,960	\$ 71,342 ⁽ⁱ⁾	\$ 159,302	\$ 82,761	\$ 93,755 ⁽ⁱ⁾	\$ 176,516	\$ 329,535	\$ 265,949 ⁽ⁱ⁾	\$ 595,484
Net income attributable to Jazz Pharmaceuticals plc per diluted share	\$ 1.12		\$ 1.83	\$ 1.4		\$ 2.28	\$ 1.39		\$ 2.52	\$ 1.32		\$ 2.81	\$ 5.23		\$ 9.45

	Three Months Ended March 31, 2015	Three Months Ended June 30, 2015	Three Months Ended September 30, 2015	Three Months Ended December 31, 2015	Twelve Months Ended December 31, 2015
GAAP reported net income attributable to Jazz Pharmaceuticals plc	\$ 70,700	\$ 88,114	\$ 87,960	\$ 82,761	\$ 329,535
Intangible asset amortization	24,677	23,668	26,127	23,690	98,162
Share-based compensation expense	20,819	23,300	23,114	24,317	91,550
Impairment charges	—	—	—	31,523	31,523
Upfront and milestone payments	—	—	25,000	—	25,000
Transaction and integration related costs	155	—	—	18,000	18,155
Restructuring charges	553	—	—	1,088	1,641
Non-cash interest expense	6,016	6,032	5,300	5,390	22,738
Loss on extinguishment and modification of debt	—	16,815	—	—	16,815
Income tax effect of adjustments	(7,405)	(13,776)	(8,199)	(10,253)	(39,633)
Amount attributable to noncontrolling interests ⁽²⁾	—	(2)	—	—	(2)
Non-GAAP adjusted net income attributable to Jazz Pharmaceuticals plc	\$ 115,515	\$ 144,151	\$ 159,302	\$ 176,516	\$ 595,484
GAAP reported net income attributable to Jazz Pharmaceuticals plc per diluted share	\$ 1.12	\$ 1.40	\$ 1.39	\$ 1.32	\$ 5.23
Non-GAAP adjusted net income attributable to Jazz Pharmaceuticals plc per diluted share	\$ 1.83	\$ 2.28	\$ 2.52	\$ 2.81	\$ 9.45
Weighted-average ordinary shares used in diluted per share calculation	62,964	63,090	63,154	62,928	63,036

(1) See next page for an explanation of certain adjustments and line items.

(2) The noncontrolling interests' share of the above adjustments as applicable.

JAZZ PHARMACEUTICALS PLC
RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION - 2015
CERTAIN LINE ITEMS AND OTHER INFORMATION
(In thousands, except share amounts and percentages)
(Unaudited)

Explanation of Adjustments and Certain Line Items:

- (a) Share-based compensation expense.
- (b) Net of product sales, net and cost of product sales divided by product sales, net.
- (c) Share-based compensation expense of \$16,639, restructuring charges of \$553 and transaction and integration related costs of \$155.
- (d) Sum of the operating expense adjustments for the period.
- (e) Income from operations divided by total revenues.
- (f) Non-cash interest expense associated with debt discount and debt issuance costs.
- (g) Sum of the expense adjustments for the period.
- (h) Income tax effect of the adjustments between GAAP reported and non-GAAP adjusted net income.
- (i) Income tax provision divided by income before income tax provision.
- (j) Net of adjustments (g) and (h).
- (k) Adjustment for amount attributable to noncontrolling interests.
- (l) Net of adjustments (j) and (k).
- (m) Milestone of \$25,000 and share-based compensation expense of \$2,786.
- (n) Share-based compensation expense of \$1,288 and restructuring charges of \$533.
- (o) Share-based compensation expense of \$19,810, transaction and integration related costs of \$18,000 and restructuring charges of \$336.
- (p) Share-based compensation expense of \$3,219 and restructuring charges of \$219.
- (q) Share-based compensation expense of \$3,541 and restructuring charges of \$533.
- (r) Share-based compensation expense of \$74,653, transaction and integration related costs of \$18,155 and restructuring charges of \$889.
- (s) Milestone of \$25,000, share-based compensation expense of \$13,356 and restructuring charges of \$219.