

**JAZZ PHARMACEUTICALS PLC**  
**RECONCILIATIONS OF GAAP REPORTED TO NON-GAAP ADJUSTED INFORMATION**  
**2016 TO 2019**

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)

<b>GAAP REPORTED:</b>	Three Months Ended				Twelve Months Ended	Three Months Ended
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	December 31, 2018	March 31, 2019
Product sales, net	\$ 440,847	\$ 496,095	\$ 465,197	\$ 467,334	\$ 1,869,473	\$ 503,331
Total revenues	444,613	500,479	469,373	476,457	1,890,922	508,186
Cost of product sales (excluding amortization of intangible assets)	33,919	34,714	26,574	26,337	121,544	33,506
Selling, general and administrative	207,213	158,579	155,873	161,865	683,530	167,947
Research and development	62,667	56,132	51,160	56,657	226,616	60,105
Intangible asset amortization	53,007	54,959	46,989	46,543	201,498	56,885
Impairment charges	—	42,896	—	—	42,896	—
Acquired in-process research and development	—	—	—	—	—	56,000
Income from operations	87,807	153,199	188,777	185,055	614,838	133,743
Interest expense, net	20,605	19,646	18,920	17,904	77,075	17,922
Foreign exchange loss	1,728	2,697	756	1,694	6,875	611
Loss on extinguishment and modification of debt	—	1,425	—	—	1,425	—
Income before income tax provision and equity in loss of investees	65,474	129,431	169,101	165,457	529,463	115,210
Income tax provision	19,146	36,524	19,348	5,144	80,162	29,116
Equity in loss of investees	337	586	437	843	2,203	893
Net income	\$ 45,991	\$ 92,321	\$ 149,316	\$ 159,470	\$ 447,098	\$ 85,201
Net income per diluted share	\$ 0.75	\$ 1.50	\$ 2.41	\$ 2.64	\$ 7.30	\$ 1.47
Weighted-average ordinary shares used in diluted per share calculation	61,178	61,438	61,857	60,413	61,221	58,081

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

NON-GAAP ADJUSTED:	Three Months Ended				Twelve Months Ended	Three Months Ended
	March 31, 2018	June 30, 2018	September 30, 2018	December 31, 2018	December 31, 2018	March 31, 2019
Product sales, net	\$ 440,847	\$ 496,095	\$ 465,197	\$ 467,334	\$ 1,869,473	\$ 503,331
Total revenues	444,613	500,479	469,373	476,457	1,890,922	508,186
Cost of product sales (excluding amortization of intangible assets)	32,225	32,911	25,049	24,725	114,910	31,847
Selling, general and administrative	131,979	137,706	136,895	142,107	548,687	147,577
Research and development	47,292	51,423	46,560	51,304	196,579	54,582
Income from operations	233,117	278,439	260,869	258,321	1,030,746	274,180
Interest expense, net	9,988	8,759	7,755	6,613	33,115	6,789
Foreign exchange loss	1,728	2,697	756	1,694	6,875	611
Loss on extinguishment and modification of debt	—	1,425	—	—	1,425	—
Income before income tax provision and equity in loss of investees	221,401	265,558	252,358	250,014	989,331	266,780
Income tax provision	38,693	50,336	30,266	29,220	148,515	52,714
Equity in loss of investees	337	586	437	843	2,203	893
Net income	\$ 182,371	\$ 214,636	\$ 221,655	\$ 219,951	\$ 838,613	\$ 213,173
Net income per diluted share	\$ 2.98	\$ 3.49	\$ 3.58	\$ 3.64	\$ 13.70	\$ 3.67
Weighted-average ordinary shares used in diluted per share calculation	61,178	61,438	61,857	60,413	61,221	58,081

(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 - 2019**  
**CERTAIN LINE ITEMS AND OTHER INFORMATION**  
(In thousands, except share amounts and percentages)  
(Unaudited)

	Three Months Ended March 31, 2019		
	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>
Product sales, net	\$ 503,331	—	\$ 503,331
Total revenues	508,186	—	508,186
Cost of product sales (excluding amortization of intangible assets)	33,506	(1,659) (a)	31,847
<i>% of Product sales, net</i>	6.7%		6.3%
<i>Gross margin <sup>(b)</sup></i>	93.3%		93.7%
Selling, general and administrative	167,947	(20,370) (a)	147,577
<i>% of Total revenues</i>	33.0%		29.0%
Research and development	60,105	(5,523) (a)	54,582
<i>% of Total revenues</i>	11.8%		10.7%
Intangible asset amortization	56,885	(56,885)	—
Acquired in-process research and development	56,000	(56,000)	—
Income from operations	133,743	140,437 (c)	274,180
<i>Operating income margin <sup>(d)</sup></i>	26.3%		54.0%
Interest expense, net	17,922	(11,133) (e)	6,789
Foreign currency loss	611	—	611
Income before income tax provision and equity in loss of investees	115,210	151,570 (f)	266,780
Income tax provision	29,116	23,598 (g)	52,714
<i>Effective tax rate <sup>(h)</sup></i>	25.3%		19.8%
Equity in loss of investees	893	—	893
Net income	\$ 85,201	\$ 127,972 (i)	\$ 213,173
Net income per diluted share	\$ 1.47		\$ 3.67

	Three Months Ended March 31, 2019	
GAAP reported net income	\$	85,201
Intangible asset amortization		56,885
Share-based compensation expense		27,552
Upfront and milestone payments		56,000
Non-cash interest expense		11,133
Income tax effect of above adjustments		(23,598)
Non-GAAP adjusted net income	\$	213,173
GAAP reported net income per diluted share	\$	1.47
Non-GAAP adjusted net income per diluted share	\$	3.67
Weighted-average ordinary shares used in diluted per share calculation		58,081

(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 - 2019**  
**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) Sum of the operating expense adjustments for the period.
- (d) Income from operations divided by total revenues.
- (e) Non-cash interest expense associated with debt discount and debt issuance costs.
- (f) Sum of the expense adjustments for the period.
- (g) Income tax effect of the adjustments between GAAP reported and non-GAAP adjusted net income.
- (h) Income tax provision divided by income before income tax provision and equity in loss of investees.
- (i) Net of adjustments (f) and (g).

**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			Three Months Ended December 31, 2018			Twelve Months Ended December 31, 2018		
	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>
Product sales, net	\$ 440,847	—	\$ 440,847	\$ 496,095	—	\$ 496,095	\$ 465,197	—	\$ 465,197	\$ 467,334	—	\$ 467,334	\$ 1,869,473	—	\$ 1,869,473
Total revenues	444,613	—	444,613	500,479	—	500,479	469,373	—	469,373	476,457	—	476,457	1,890,922	—	1,890,922
Cost of product sales (excluding amortization of intangible assets)	33,919	(1,694) <sup>(a)</sup>	32,225	34,714	(1,803) <sup>(a)</sup>	32,911	26,574	(1,525) <sup>(a)</sup>	25,049	26,337	(1,612) <sup>(a)</sup>	24,725	121,544	(6,634) <sup>(a)</sup>	114,910
<i>% of Product sales, net</i>	7.7%		7.3%	7.0%		6.6%	5.7%		5.4%	5.6%		5.3%	6.5%		6.1%
<i>Gross margin <sup>(b)</sup></i>	92.3%		92.7%	93.0%		93.4%	94.3%		94.6%	94.4%		94.7%	93.5%		93.9%
Selling, general and administrative	207,213	(75,234) <sup>(c)</sup>	131,979	158,579	(20,873) <sup>(c)</sup>	137,706	155,873	(18,978) <sup>(c)</sup>	136,895	161,865	(19,758) <sup>(c)</sup>	142,107	683,530	(134,843) <sup>(c)</sup>	548,687
<i>% of Total revenues</i>	46.6%		29.7%	31.7%		27.5%	33.2%		29.2%	34.0%		29.8%	36.1%		29.0%
Research and development	62,667	(15,375) <sup>(d)</sup>	47,292	56,132	(4,709) <sup>(d)</sup>	51,423	51,160	(4,600) <sup>(d)</sup>	46,560	56,657	(5,353) <sup>(d)</sup>	51,304	226,616	(30,037) <sup>(d)</sup>	196,579
<i>% of Total revenues</i>	14.1%		10.6%	11.2%		10.3%	10.9%		9.9%	11.9%		10.8%	12.0%		10.4%
Intangible asset amortization	53,007	(53,007)	—	54,959	(54,959)	—	46,989	(46,989)	—	46,543	(46,543)	—	201,498	(201,498)	—
Impairment charges	—	—	—	42,896	(42,896)	—	—	—	—	—	—	—	42,896	(42,896)	—
Income from operations	87,807	145,310 <sup>(e)</sup>	233,117	153,199	125,240 <sup>(e)</sup>	278,439	188,777	72,092 <sup>(e)</sup>	260,869	185,055	73,266 <sup>(e)</sup>	258,321	614,838	415,908 <sup>(e)</sup>	1,030,746
<i>Operating income margin <sup>(f)</sup></i>	19.7%		52.4%	30.6%		55.6%	40.2%		55.6%	38.8%		54.2%	32.5%		54.5%
Interest expense, net	20,605	(10,617) <sup>(g)</sup>	9,988	19,646	(10,887) <sup>(g)</sup>	8,759	18,920	(11,165) <sup>(g)</sup>	7,755	17,904	(11,291) <sup>(g)</sup>	6,613	77,075	(43,960) <sup>(g)</sup>	33,115
Foreign currency loss	1,728	—	1,728	2,697	—	2,697	756	—	756	1,694	—	1,694	6,875	—	6,875
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 <sup>(h)</sup>	221,401	129,431	136,127 <sup>(h)</sup>	265,558	169,101	83,257 <sup>(h)</sup>	252,358	165,457	84,557 <sup>(h)</sup>	250,014	529,463	459,868 <sup>(h)</sup>	989,331
Income tax provision	19,146	19,547 <sup>(i)</sup>	38,693	36,524	13,812 <sup>(i)</sup>	50,336	19,348	10,918 <sup>(m)</sup>	30,266	5,144	24,076 <sup>(i)</sup>	29,220	80,162	68,353 <sup>(i)</sup>	148,515
<i>Effective tax rate <sup>(j)</sup></i>	29.2%		17.5%	28.2%		19.0%	11.4%		12.0%	3.1%		11.7%	15.1%		15.0%
Equity in loss of investees	337	—	337	586	—	586	437	—	437	843	—	843	2,203	—	2,203
Net income	\$ 45,991	\$ 136,380 <sup>(k)</sup>	\$ 182,371	\$ 92,321	\$ 122,315 <sup>(k)</sup>	\$ 214,636	\$ 149,316	\$ 72,339 <sup>(k)</sup>	\$ 221,655	\$ 159,470	\$ 60,481 <sup>(k)</sup>	\$ 219,951	\$ 447,098	\$ 391,515 <sup>(k)</sup>	\$ 838,613
Net income per diluted share	\$ 0.75		\$ 2.98	\$ 1.50		\$ 3.49	\$ 2.41		\$ 3.58	\$ 2.64		\$ 3.64	\$ 7.30		\$ 13.70

  

	Three Months Ended March 31, 2018	Three Months Ended June 30, 2018	Three Months Ended September 30, 2018	Three Months Ended December 31, 2018	Twelve Months Ended December 31, 2018
GAAP reported net income	\$ 45,991	\$ 92,321	\$ 149,316	\$ 159,470	\$ 447,098
Intangible asset amortization	53,007	54,959	46,989	46,543	201,498
Share-based compensation expense	24,303	26,312	25,103	26,723	102,441
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	11,291	43,960
Income tax effect of above adjustments	(19,547)	(13,812)	(13,786)	(13,751)	(60,896)
U.S. Tax Act impact <sup>(2)</sup>	—	—	2,868	(10,325)	(7,457)
Non-GAAP adjusted net income	\$ 182,371	\$ 214,636	\$ 221,655	\$ 219,951	\$ 838,613
GAAP reported net income per diluted share	\$ 0.75	\$ 1.50	\$ 2.41	\$ 2.64	\$ 7.30
Non-GAAP adjusted net income per diluted share	\$ 2.98	\$ 3.49	\$ 3.58	\$ 3.64	\$ 13.70
Weighted-average ordinary shares used in diluted per share calculation	61,178	61,438	61,857	60,413	61,221

(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 third quarter of 2018, the company recorded a further provisional measurement period adjustment of \$2.9 million of income tax expense to the provisional estimates recorded as of December 31, 2017 in accordance with SEC's Staff Accounting Bulletin No. 118 primarily due to additional analysis on the one-time transition tax on deemed repatriated earnings of foreign subsidiaries. During the fourth quarter of 2018, the company finalized its analysis and recorded an adjusting deferred tax benefit of \$10.3 million.

**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) 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) Net of adjustments (h) and (m).
- (o) Income tax effect of adjustments between GAAP reported and non-GAAP adjusted net income of \$13,751 and the impact of the U.S. Tax Act of \$10,325.
- (p) Net of adjustments (h) and (o).
- (q) Share-based compensation of \$76,770, loss contingency of \$57,000 and disposal costs of \$1,073.
- (r) Share-based compensation of \$19,037 and upfront and milestone payments of \$11,000.
- (s) Income tax effect of adjustments between GAAP reported and non-GAAP adjusted net income of \$60,896 and the impact of the U.S. Tax Act of \$7,457.
- (t) Net of adjustments (h) and (s).

**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 <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>
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) <sup>(a)</sup>	23,819	28,672	(1,527) <sup>(a)</sup>	27,145	31,203	(1,573) <sup>(a)</sup>	29,630	25,248	(1,466) <sup>(a)</sup>	23,782	110,188	(5,812) <sup>(a)</sup>	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 <sup>(b)</sup></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) <sup>(c)</sup>	118,450	132,328	(20,874) <sup>(c)</sup>	111,454	124,523	(20,903) <sup>(c)</sup>	103,620	143,050	(21,636) <sup>(c)</sup>	121,414	544,156	(89,218) <sup>(c)</sup>	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) <sup>(c)</sup>	40,786	40,157	(4,859) <sup>(c)</sup>	35,298	47,362	(4,650) <sup>(c)</sup>	42,712	65,995	(22,719) <sup>(c)</sup>	43,276	198,442	(36,370) <sup>(c)</sup>	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 <sup>(d)</sup>	192,998	165,043	53,446 <sup>(d)</sup>	218,489	86,454	149,439 <sup>(d)</sup>	235,893	141,205	106,722 <sup>(d)</sup>	247,927	528,842	366,465 <sup>(d)</sup>	895,307
<i>Operating income margin <sup>(e)</sup></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) <sup>(f)</sup>	13,229	18,294	(5,764) <sup>(f)</sup>	12,530	19,192	(7,855) <sup>(f)</sup>	11,337	21,426	(10,792) <sup>(f)</sup>	10,634	77,756	(30,026) <sup>(f)</sup>	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 <sup>(g)</sup>	178,305	141,322	59,210 <sup>(g)</sup>	200,532	65,038	157,294 <sup>(g)</sup>	222,332	118,925	117,514 <sup>(g)</sup>	236,439	441,117	396,491 <sup>(g)</sup>	837,608
Income tax provision (benefit)	29,160	7,762 <sup>(h)</sup>	36,922	35,515	7,460 <sup>(h)</sup>	42,975	1,239	23,171 <sup>(h)</sup>	24,410	(113,654)	169,228 <sup>(h)</sup>	55,574	(47,740)	207,621 <sup>(h)</sup>	159,881
<i>Effective tax rate <sup>(i)</sup></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 <sup>(j)</sup>	\$ 141,222	\$ 105,604	\$ 51,750 <sup>(j)</sup>	\$ 157,354	\$ 63,526	\$ 134,123 <sup>(j)</sup>	\$ 197,649	\$ 232,207	\$ (51,714) <sup>(m)</sup>	\$ 180,493	\$ 487,848	\$ 188,870 <sup>(j)</sup>	\$ 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 <sup>(2)</sup>	—	—	—	(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.



**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)**

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).

**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)

	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 <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>	GAAP Reported	Adjustments	Non-GAAP Adjusted <sup>(1)</sup>
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) <sup>(a)</sup>	22,640	23,980	(963) <sup>(a)</sup>	23,017	24,311	(1,348) <sup>(a)</sup>	22,963	33,656	(1,479) <sup>(a)</sup>	32,177	105,386	(4,589) <sup>(a)</sup>	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 <sup>(b)</sup></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) <sup>(c)</sup>	102,611	122,618	(23,130) <sup>(c)</sup>	99,488	124,368	(29,834) <sup>(c)</sup>	94,534	127,141	(18,937) <sup>(c)</sup>	108,204	502,892	(98,055) <sup>(c)</sup>	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) <sup>(d)</sup>	27,962	39,091	(3,529) <sup>(m)</sup>	35,562	47,796	(4,473) <sup>(e)</sup>	43,323	44,158	(4,539) <sup>(e)</sup>	39,619	162,297	(15,831) <sup>(v)</sup>	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 <sup>(e)</sup>	182,797	168,735	54,359 <sup>(e)</sup>	223,094	136,253	77,108 <sup>(e)</sup>	213,361	165,504	51,117 <sup>(e)</sup>	216,621	591,654	244,219 <sup>(e)</sup>	835,873
<i>Operating income margin <sup>(f)</sup></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) <sup>(g)</sup>	6,830	12,121	(5,414) <sup>(g)</sup>	6,707	18,498	(5,642) <sup>(g)</sup>	12,856	19,131	(5,715) <sup>(g)</sup>	13,416	61,942	(22,133) <sup>(g)</sup>	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 <sup>(h)</sup>	175,148	156,614	59,773 <sup>(h)</sup>	216,387	116,368	83,388 <sup>(h)</sup>	199,756	151,313	56,832 <sup>(h)</sup>	208,145	532,446	266,990 <sup>(h)</sup>	799,436
Income tax provision	32,339	8,241 <sup>(i)</sup>	40,580	42,112	8,471 <sup>(i)</sup>	50,583	26,437	12,063 <sup>(i)</sup>	38,500	34,348	7,884 <sup>(i)</sup>	42,232	135,236	36,659 <sup>(i)</sup>	171,895
<i>Effective tax rate <sup>(j)</sup></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 <sup>(k)</sup>	\$ 134,568	\$ 114,502	\$ 51,302 <sup>(k)</sup>	\$ 165,804	\$ 89,828	\$ 71,325 <sup>(k)</sup>	\$ 161,153	\$ 116,689	\$ 48,948 <sup>(k)</sup>	\$ 165,637	\$ 396,831	\$ 230,331 <sup>(k)</sup>	\$ 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**  
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**(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.