



ROYALTY PHARMA

PERRIGO TO DIVEST TYSABRI® ROYALTY STREAM FOR UP TO \$2.85 BILLION

DUBLIN, Ireland and New York (NY) — February 27, 2017 — Perrigo Company plc (NYSE; TASE: PRGO) today announced it has signed a definitive agreement to divest its rights to the royalty stream from the global net sales of the multiple sclerosis drug Tysabri® (natalizumab) to Royalty Pharma. This transaction is valued at a total consideration of up to \$2.85 billion, composed of \$2.2 billion in cash at closing and up to \$650 million in potential milestone payments based upon future global net sales of Tysabri during 2018 and 2020. This transaction is expected to close within 30 business days, subject to certain specified closing deliverables.

Perrigo's CEO John T. Hendrickson stated, "Today's announcement is the result of Perrigo's review of strategic alternatives for the Tysabri royalty stream announced in November 2016. We are pleased to have reached an agreement that maximizes the value of this non-core asset. This transaction furthers our stated strategy to enhance our portfolio and focus on our consumer-facing and Rx businesses. This is a meaningful step in our portfolio review process and I am confident that the Board and management will focus on creating value for shareholders."

Royalty Pharma's CEO, Pablo Legorreta, stated, "We are pleased to complete this important transaction with Perrigo and help Perrigo meet its strategic objective. Our diversified portfolio results in a low cost of capital, enabling us to provide the highest value to holders of royalties. Tysabri is a product we have followed for many years, serving an important need in patients suffering from multiple sclerosis. We are excited to have a royalty interest in this critical therapy."

Under the terms of the agreement, Royalty Pharma will acquire all of Perrigo's rights to receive Tysabri royalty payments from and after January 1, 2017, which Perrigo has under an agreement with Biogen, Inc. Royalty Pharma will pay a cash purchase price of \$2.2 billion at closing, plus additional payments of \$250 million if the royalties earned on global net sales of Tysabri meet specified thresholds during 2018 and \$400 million if the royalties earned on global net sales of Tysabri meet specified thresholds in 2020. Perrigo will also assign to Royalty Pharma certain information and audit rights and the parties have agreed to allocate certain other obligations under Perrigo's existing agreement with Biogen. The agreement provides that the transaction will close within 20 business days, subject to a 10 business day extension at Royalty Pharma's option upon Royalty Pharma making a \$1 billion purchase price deposit.

Tysabri is an FDA approved treatment for multiple sclerosis. Perrigo acquired the rights to the Tysabri royalty stream through the Company's 2013 acquisition of Elan Corporation plc.

Morgan Stanley is acting as a financial advisor and Wachtell, Lipton, Rosen & Katz is acting as a legal advisor to Perrigo. J.P. Morgan Securities LLC and BofA Merrill Lynch acted as financial advisors, and Goodwin Procter LLP and Matheson acted as legal advisors, to Royalty Pharma in connection with this transaction.

About Perrigo

Perrigo Company plc, a leading global over-the-counter (“OTC”) consumer goods company, offers patients and customers high quality products at affordable prices. From its beginning in 1887 as a packager of home remedies, Perrigo, headquartered in Ireland, has grown to become the world's largest manufacturer of OTC healthcare products and supplier of infant formulas for the store brand market. The Company is also a leading provider of generic extended topical prescription products in the U.S., and we receive royalties from sales of the multiple sclerosis drug, Tysabri®. Perrigo provides “Quality Affordable Healthcare Products®” across a wide variety of product categories and geographies, primarily in North America, Europe, and Australia, as well as in other markets, including Israel, China, and Latin America. Visit Perrigo online at (<http://www.perrigo.com>).

About Royalty Pharma

Founded in 1996, Royalty Pharma is the industry leader in acquiring revenue-producing intellectual property, with over \$15 billion in royalty assets. Royalty Pharma funds innovation in life sciences both directly and indirectly: directly when it partners with life sciences companies to co-develop and co-fund products in late-stage clinical trials, and indirectly when it acquires existing royalty interests from the original innovators (academic institutions, research hospitals, foundations and inventors). The company's portfolio includes royalty interests in over 40 approved products including AbbVie's Humira, AbbVie and J&J's Imbruvica, Biogen's Tecfidera, Vertex's Kalydeco and Orkambi, J&J's Remicade, Merck's Januvia, Gilead's Atripla and Truvada, Pfizer's Lyrica, and Astellas and Pfizer's Xtandi. Royalty Pharma is also a leading investor in pre-approval royalties, having committed over \$850 million to direct R&D funding in exchange for royalties, and having invested over \$4 billion in royalties on pre-approval products since 2011.

Perrigo Contacts

Bradley Joseph, Vice President, Global Investor Relations & Corporate Communications
(269) 686-3373; e-mail: bradley.joseph@perrigo.com

Arthur J. Shannon, Vice President, Global Corporate Affairs and European Investor Relations
+353 1709 4709, ajshannon@perrigo.com

Royalty Pharma Contact

Alexander v. Perfall, Vice President, Investor Relations & Public Affairs
(212) 883-2298, email: erfall@royaltypharma.com