

Horizon Pharma plc

GAAP to Non-GAAP Tax Rate Reconciliation (Unaudited)

(in millions, except percentages)

	Q1 2016				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income (Loss)	Diluted Earnings (Loss) Per Share
As reported - GAAP	\$ (46.8)	\$ (1.4)	3.1%	\$ (45.4)	\$ (0.28)
Non-GAAP adjustments	104.0	17.3		86.7	
Non-GAAP - new methodology	\$ 57.2	\$ 15.9	27.7%	\$ 41.3	\$ 0.25
As reported - GAAP	\$ (46.8)	\$ (1.4)	3.1%	\$ (45.4)	\$ (0.28)
Non-GAAP adjustments	104.0	3.2		100.8	
Non-GAAP - prior methodology	\$ 57.2	\$ 1.8	3.0%	\$ 55.4	\$ 0.34

	Q2 2016				
	Pre-tax Net Income	Income Tax Expense (Benefit)	Tax Rate	Net Income	Diluted Earnings Per Share
As reported - GAAP	\$ 12.2	\$ (2.8)	(22.5)%	\$ 15.0	\$ 0.09
Non-GAAP adjustments	94.3	18.0		76.3	
Non-GAAP - new methodology	\$ 106.5	\$ 15.2	14.4%	\$ 91.3	\$ 0.56
As reported - GAAP	\$ 12.2	\$ (2.8)	(22.5)%	\$ 15.0	\$ 0.09
Non-GAAP adjustments	94.3	8.2		86.1	
Non-GAAP - prior methodology	\$ 106.5	\$ 5.4	5.1%	\$ 101.1	\$ 0.62

	Q2 2016 YTD				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income (Loss)	Diluted Earnings (Loss) Per Share
As reported - GAAP	\$ (34.6)	\$ (4.2)	12.1%	\$ (30.4)	\$ (0.19)
Non-GAAP adjustments	198.3	35.3		163.0	
Non-GAAP - new methodology	\$ 163.7	\$ 31.1	19.0%	\$ 132.6	\$ 0.81
As reported - GAAP	\$ (34.6)	\$ (4.2)	12.1%	\$ (30.4)	\$ (0.19)
Non-GAAP adjustments	198.3	11.4		186.9	
Non-GAAP - prior methodology	\$ 163.7	\$ 7.2	4.4%	\$ 156.5	\$ 0.96

	Q1 2015				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income (Loss)	Diluted Earnings (Loss) Per Share
As reported - GAAP	\$ (17.6)	\$ 1.9	(10.8)%	\$ (19.5)	\$ (0.16)
Non-GAAP adjustments	42.4	0.2		42.2	
Non-GAAP - new methodology	\$ 24.8	\$ 2.1	8.4%	\$ 22.7	\$ 0.16
As reported - GAAP	\$ (17.6)	\$ 1.9	(10.8)%	\$ (19.5)	\$ (0.16)
Non-GAAP adjustments	42.4	(1.6)		44.0	
Non-GAAP - prior methodology	\$ 24.8	\$ 0.3	1.1%	\$ 24.5	\$ 0.18

	Q2 2015				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income (Loss)	Diluted Earnings Per Share
As reported - GAAP	\$ (128.9)	\$ (160.7)	124.7%	\$ 31.8	\$ 0.20
Non-GAAP adjustments	191.2	59.0		132.2	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - new methodology	\$ 62.3	\$ 3.4	5.6%	\$ 58.9	\$ 0.37
As reported - GAAP	\$ (128.9)	\$ (160.7)	124.7%	\$ 31.8	\$ 0.20
Non-GAAP adjustments	191.2	56.0		135.2	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - prior methodology	\$ 62.3	\$ 0.4	0.7%	\$ 61.9	\$ 0.39

	Q2 2015 YTD				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income (Loss)	Diluted Earnings Per Share
As reported - GAAP	\$ (146.5)	\$ (158.8)	108.4%	\$ 12.3	\$ 0.08
Non-GAAP adjustments	233.6	59.2		174.4	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - new methodology	\$ 87.1	\$ 5.5	6.4%	\$ 81.6	\$ 0.56
As reported - GAAP	\$ (146.5)	\$ (158.8)	108.4%	\$ 12.3	\$ 0.08
Non-GAAP adjustments	233.6	54.4		179.2	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - prior methodology	\$ 87.1	\$ 0.7	0.8%	\$ 86.4	\$ 0.60

	Q3 2015				
	Pre-tax Net Income	Income Tax Expense (Benefit)	Tax Rate	Net Income	Diluted Earnings Per Share
As reported - GAAP	\$ 25.2	\$ 22.0	87.0%	\$ 3.2	\$ 0.02
Non-GAAP adjustments	91.6	25.0		66.6	
Non-GAAP - new methodology	\$ 116.8	\$ 47.0	40.2%	\$ 69.8	\$ 0.42
As reported - GAAP	\$ 25.2	\$ 22.0	87.0%	\$ 3.2	\$ 0.02
Non-GAAP adjustments	91.6	(22.2)		113.8	
Non-GAAP - prior methodology	\$ 116.8	\$ (0.2)	(0.2)%	\$ 117.0	\$ 0.70

	Q3 2015 YTD				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income (Loss)	Diluted Earnings Per Share
As reported - GAAP	\$ (121.3)	\$ (136.8)	112.8%	\$ 15.5	\$ 0.10
Non-GAAP adjustments	325.2	84.2		241.0	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - new methodology	\$ 203.9	\$ 52.5	25.8%	\$ 151.4	\$ 0.98
As reported - GAAP	\$ (121.3)	\$ (136.8)	112.8%	\$ 15.5	\$ 0.10
Non-GAAP adjustments	325.2	32.2		293.0	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - prior methodology	\$ 203.9	\$ 0.5	0.3%	\$ 203.4	\$ 1.32

	Q4 2015				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income	Diluted Earnings Per Share
As reported - GAAP	\$ (11.4)	\$ (35.4)	309.3%	\$ 24.0	\$ 0.15
Non-GAAP adjustments	119.5	38.0		81.5	
Non-GAAP - new methodology	\$ 108.1	\$ 2.6	2.4%	\$ 105.5	\$ 0.64
As reported - GAAP	\$ (11.4)	\$ (35.4)	309.3%	\$ 24.0	\$ 0.15
Non-GAAP adjustments	119.5	41.1		78.4	
Non-GAAP - prior methodology	\$ 108.1	\$ 5.7	5.2%	\$ 102.4	\$ 0.63

	FY 2015				
	Pre-tax Net Income (Loss)	Income Tax Expense (Benefit)	Tax Rate	Net Income (Loss)	Diluted Earnings Per Share
As reported - GAAP	\$ (132.7)	\$ (172.2)	129.8%	\$ 39.5	\$ 0.25
Non-GAAP adjustments	444.7	122.2		322.5	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - new methodology	\$ 312.0	\$ 55.1	17.7%	\$ 256.9	\$ 1.65
As reported - GAAP	\$ (132.7)	\$ (172.2)	129.8%	\$ 39.5	\$ 0.25
Non-GAAP adjustments	444.7	73.3		371.4	
Other Non-GAAP tax adjustment	-	105.1		(105.1)	
Non-GAAP - prior methodology	\$ 312.0	\$ 6.2	2.0%	\$ 305.8	\$ 1.96