

OVERVIEW OF FIRST QUARTER 2017 FINANCIAL RESULTS COMPARED TO FIRST QUARTER 2016

1. Product Sales

Product sales increased 110% to \$3,412 million (Q1 2016: \$1,627 million), primarily due to including legacy Baxalta sales since June 2016. Excluding legacy Baxalta, product sales increased 11%.

(in millions)				Total Sales	
				Year on year growth	
Product sales by franchise	U.S. Sales	International Sales	Total Sales	Reported	Non GAAP CER
HEMOPHILIA	\$ 341.5	\$ 308.9	\$ 650.4	N/A	N/A
INHIBITOR THERAPIES	70.7	149.8	220.5	N/A	N/A
Hematology total	412.2	458.7	870.9	N/A	N/A
CINRYZE	216.4	9.5	225.9	+38%	+38%
ELAPRASE	38.2	102.4	140.6	+14%	+14%
FIRAZYR	111.6	16.9	128.5	+0%	+0%
REPLAGAL	—	109.7	109.7	+6%	+8%
VPRIV	35.5	44.3	79.8	-5%	-3%
KALBITOR	11.7	—	11.7	+13%	+13%
Genetic Diseases total	413.4	282.8	696.2	+14%	+14%
IMMUNOGLOBULIN THERAPIES	405.4	92.9	498.3	N/A	N/A
BIO THERAPEUTICS	69.7	108.2	177.9	N/A	N/A
Immunology total	475.1	201.1	676.2	N/A	N/A
VYVANSE	508.5	55.2	563.7	+11%	+10%
ADDERALL XR	59.3	5.6	64.9	-34%	-35%
Other Neuroscience	1.6	23.1	24.7	+12%	+15%
Neuroscience total	569.4	83.9	653.3	+4%	+4%
LIALDA/MEZAVANT	153.1	22.0	175.1	+4%	+4%
PENTASA	69.1	—	69.1	+8%	+8%
GATTEX/REVESTIVE	57.0	12.0	69.0	+33%	+34%
NATPARA	29.6	0.1	29.7	+90%	+90%
Other Internal Medicine	25.0	50.9	75.9	-10%	-9%
Internal Medicine total	333.8	85.0	418.8	+9%	+9%
Oncology total	42.3	16.0	58.3	N/A	N/A
Ophthalmology total	38.6	—	38.6	N/A	N/A
Total product sales	\$ 2,284.8	\$ 1,127.5	\$ 3,412.3	+110%	+110%

Hematology

Hematology, acquired with Baxalta in June 2016, reported product sales of \$871 million. Hematology includes sales of recombinant and plasma-derived hemophilia products (primarily factor VIII and factor IX) and inhibitor therapies. Pro forma Q1 2017 growth in Hematology was approximately 4%, with strong inhibitor therapies growth of 12%. Q1 2017 results for both the hemophilia and inhibitor therapies benefited from the timing of large orders in our international markets.

OVERVIEW OF SECOND QUARTER 2017 FINANCIAL RESULTS COMPARED TO SECOND QUARTER 2016

1. Product sales

Product sales increased 55% to \$3,592 million (Q2 2016: \$2,322 million), primarily due to the inclusion of a full quarter of legacy Baxalta sales in Q2 2017. Excluding legacy Baxalta, product sales increased 7%.

(in millions)				Total Sales	
				Year on year growth	
Product sales by franchise	U.S. Sales	International Sales	Total Sales	Reported	Non GAAP CER
HEMOPHILIA	\$ 383.1	\$ 360.8	\$ 743.9	N/M	N/M
INHIBITOR THERAPIES	76.1	144.6	220.7	N/M	N/M
Hematology total	459.2	505.4	964.6	N/M	N/M
CINRYZE	164.7	11.2	175.9	+2%	+2%
ELAPRASE	39.8	121.2	161.0	+5%	+5%
FIRAZYR	118.1	19.3	137.4	+1%	+1%
REPLAGAL	—	122.1	122.1	+3%	+6%
VPRIV	37.3	50.6	87.9	-0%	+2%
KALBITOR	20.6	—	20.6	+16%	+16%
Genetic Diseases total	380.5	324.4	704.9	+2%	+3%
IMMUNOGLOBULIN THERAPIES	407.9	102.6	510.5	N/M	N/M
BIO THERAPEUTICS	75.9	96.3	172.2	N/M	N/M
Immunology total	483.8	198.9	682.7	N/M	N/M
VYVANSE	460.1	58.1	518.2	+0%	+0%
ADDERALL XR	67.2	4.2	71.4	-30%	-30%
MYDAYIS	15.7	—	15.7	N/A	N/A
Other Neuroscience	5.2	24.9	30.1	-16%	-12%
Neuroscience total	548.2	87.2	635.4	-3%	-2%
LIALDA/MEZAVANT	187.5	20.3	207.8	+7%	+8%
PENTASA	83.3	—	83.3	+14%	+14%
GATTEX/REVESTIVE	63.7	11.6	75.3	+69%	+70%
NATPARA	34.5	—	34.5	+73%	+73%
Other Internal Medicine	31.2	52.2	83.4	-6%	-3%
Internal Medicine total	400.2	84.1	484.3	+15%	+16%
Oncology total	45.8	16.7	62.5	N/M	N/M
Ophthalmology total	57.4	—	57.4	N/A	N/A
Total product sales	\$ 2,375.1	\$ 1,216.7	\$ 3,591.8	+55%	+56%

Hematology

Hematology, acquired with Baxalta in June 2016, reported product sales of \$965 million. Hematology includes sales of recombinant and plasma-derived hemophilia products (primarily factor VIII and factor IX) and inhibitor therapies. Pro forma Q2 2017 growth in Hematology was approximately 1%. U.S. sales growth in Hemophilia, which benefited from stocking in the quarter, was partially offset by overall hematology performance in our international markets due to the timing of large orders.