
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 OR 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **April 27, 2018**

Mallinckrodt public limited company

(Exact name of registrant as specified in its charter)

Ireland
(State or other jurisdiction of
incorporation)

001-35803
(Commission File Number)

98-1088325
(IRS Employer Identification No.)

**3 Lotus Park, The Causeway, Staines-Upon-Thames,
Surrey TW18 3AG, United Kingdom**
(Address of principal executive offices) (Zip Code)

Telephone: +44 017 8463 6700
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On February 27, 2018, Mallinckrodt plc ("the Company") disclosed in its Annual Report on Form 10-K filed with the United States Securities and Exchange Commission ("SEC") that the Company's Board of Directors authorized commencement of a process to dispose of (1) the Company's Specialty Generics business comprised of the previously externally reported Specialty Generics segment, with the exception of BioVectra - a contract manufacturing business in Canada, (2) certain of the Company's non-promoted brands business, which were previously reflected in the Specialty Brands segment; and (3) the Company's ongoing, post-divestiture supply agreement with the acquirer of the contrast media and delivery systems ("CMDS") business, which was previously reflected in the Other non-operating segment (referred to collectively as the "Specialty Generics Disposal Group"). The Company determined that the Specialty Generics Disposal Group met the criteria prescribed by United States ("U.S.") Generally Accepted Accounting Principles ("GAAP") to be recorded as held for sale and discontinued operations during the first quarter of fiscal 2018.

The Company is providing recast historical financial information reflecting the estimated impact of discontinued operations and the adoption of Accounting Standard Update ("ASU") 2017-07, "Compensation - Retirement Benefits: Improving the Presentation of Net Periodic Pension Cost and Net Periodic Post Retirement Benefit Cost" in the attached Exhibit 99.1. The Company has not yet issued its first quarter financial statements for fiscal 2018 reflecting this disposal group as a discontinued operation. All of the recast historical financial information included in Exhibit 99.1 is considered non-GAAP financial information.

Exhibit 99.1 contains financial measures, including adjusted income from continuing operations, adjusted diluted income from continuing operations per share, adjusted gross profit, and adjusted selling, general and administrative expenses ("SG&A"), which are considered "non-GAAP" financial measures under applicable SEC rules and regulations. Reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the tables furnished as part of Exhibit 99.1.

Adjusted income from continuing operations, adjusted gross profit and adjusted SG&A represent amounts, prepared in accordance with GAAP, adjusted for certain items (on a pre-tax basis for adjusted gross profit and adjusted SG&A and on an after-tax basis for adjusted income from continuing operations) that management believes are not reflective of the operational performance of the business. Adjustments to GAAP amounts include, as applicable to each measure, intangible amortization expense and non-restructuring impairments, restructuring and related charges, net; inventory step-up expense; income or loss from discontinued operations; change in contingent consideration fair value; acquisition-related expenses; income taxes; significant legal and environmental charges; pension settlement charges; gain on divestiture; debt refinancing costs; and other items identified by the Company. Adjusted diluted income from continuing operations per share represents adjusted income from continuing operations divided by the number of diluted shares.

The Company has provided these non-GAAP financial measures because they are used by management, along with financial measures in accordance with GAAP, to evaluate the Company's operating performance. In addition, the Company believes that these non-GAAP measures will be used by certain investors to measure Mallinckrodt's operating results. Management believes that presenting these non-GAAP measures provides useful information about the Company's performance across reporting periods on a consistent basis by excluding items (which may be favorable or unfavorable) that the Company does not believe are indicative of its core operating performance.

These non-GAAP measures should be considered supplemental to and not a substitute for financial information prepared in accordance with GAAP. The Company's definition of these non-GAAP measures may differ from similarly titled measures used by others.

Because non-GAAP financial measures exclude the effect of items that will increase or decrease the Company's reported results of operations, management strongly encourages investors to review the Company's consolidated financial statements and publicly filed reports in their entirety. A reconciliation of certain of these historical non-GAAP financial measures to the most directly comparable GAAP financial measures is included in the tables accompanying this release.

The information in this Current Report on Form 8-K, including Exhibit 99.1, is being "furnished" and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Exhibit</u>
99.1	Recast Historical Financial Information

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MALLINCKRODT PUBLIC LIMITED COMPANY
(registrant)

Date: April 27, 2018

By: /s/ Matthew K. Harbaugh

Matthew K. Harbaugh
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.

99.1

Exhibit

[Recast Historical Financial Information](#)

MALLINCKRODT PLC
INCOME STATEMENT FINANCIAL INFORMATION
Fiscal Year Ended December 29, 2017
(unaudited, in millions, except per share data)

	GAAP Historical As Reported	Adoption of ASU 2017-07 ⁽¹⁾	Discontinued Operations	Estimated Amounts Reflective of Impacts
Net sales	\$ 3,221.6	\$ —	\$ (869.4)	\$ 2,352.2
Cost of sales	1,565.3	(1.2)	(499.2)	1,064.9
Gross profit	1,656.3	1.2	(370.2)	1,287.3
Selling, general and administrative expenses	920.9	(71.2)	(77.3)	772.4
Research and development expenses	277.3	(0.4)	(61.6)	215.3
Restructuring charges, net	31.2	—	(5.7)	25.5
Non-restructuring impairment charges	63.7	—	—	63.7
Gains on divestiture and license	(56.9)	—	—	(56.9)
Operating income	420.1	72.8	(225.6)	267.3
Interest expense	(369.1)	—	—	(369.1)
Interest income	4.6	—	—	4.6
Other income (expense), net	6.0	(72.8)	(4.4)	(71.2)
Income (loss) from continuing operations before income taxes	61.6	—	(230.0)	(168.4)
Income tax (benefit) expense	(1,709.6)	—	(80.4)	(1,790.0)
Income from continuing operations	1,771.2	—	(149.6)	1,621.6
Income from discontinued operations, net of income taxes	363.2	—	149.6	512.8
Net income	\$ 2,134.4	\$ —	\$ —	\$ 2,134.4

Basic earnings per share:				
Income from continuing operations	\$ 18.13		\$ 16.60	
Income from discontinued operations	3.72		5.25	
Net income	21.85		21.85	
Diluted earnings per share:				
Income from continuing operations	\$ 18.09		\$ 16.56	
Income from discontinued operations	3.71		5.24	
Net income	21.80		21.80	
Weighted-average number of shares outstanding:				
Basic	97.7		97.7	
Diluted	97.9		97.9	

⁽¹⁾ Effective December 30, 2017, the Company adopted Accounting Standard Update ("ASU") 2017-07, "Compensation - Retirement Benefits: Improving the Presentation of Net Periodic Pension Cost and Net Periodic Post Retirement Benefit Cost" issued by the Financial Accounting Standards Board. This update requires that the service cost component be disaggregated from the other components of net benefit cost. Service cost should be reported in the same line item or items as other compensation costs arising from services rendered by pertinent employees during the period. The other components of net benefit cost should be presented in the income statement separately from the service cost component and outside a subtotal of income from operations. This ASU requires retroactive application upon adoption.

MALLINCKRODT PLC
NON-GAAP MEASURES
Fiscal Year Ended December 29, 2017
(unaudited, in millions except per share data)

	Gross profit	Selling, general and administrative expenses	Income from continuing operations	Diluted income from continuing operations per share
GAAP Historical As Reported	\$ 1,656.3	\$ 920.9	\$ 1,771.2	\$ 18.09
ASU Adoption	1.2	(71.2)	—	—
Discontinued operations	(370.2)	(77.3)	(149.6)	(1.53)
Estimated Amounts Reflective of Impacts	1,287.3	772.4	1,621.6	16.56
Adjustments:				
Intangible asset amortization	668.6	(8.5)	677.1	6.92
Restructuring and related charges, net ⁽¹⁾	—	(3.2)	28.7	0.29
Inventory step-up expense	10.1	—	10.1	0.10
Change in contingent consideration fair value	—	41.4	(41.4)	(0.42)
Non-restructuring impairment charges	—	—	63.7	0.65
Debt refinancing	—	—	10.0	0.10
Acquisition related expenses	—	(7.4)	7.4	0.08
Intrathecal divestiture	—	—	(56.6)	(0.58)
Pension settlement charge	—	—	69.2	0.71
Reorganization of legal entity ownership ⁽²⁾	—	—	(1,045.9)	(10.68)
U.S. Tax Reform ⁽³⁾	—	—	(457.4)	(4.67)
Income taxes ⁽⁴⁾	—	—	(327.0)	(3.34)
As adjusted	\$ 1,966.0	\$ 794.7	\$ 559.5	\$ 5.72
Percent of net sales	83.6%	33.8%	23.8%	

⁽¹⁾ Includes pre-tax accelerated depreciation.

⁽²⁾ Represents the incremental tax and interest expense associated with non-cash internal legal entity reorganization. Of the total adjustment, \$8.9 million represents a one-time charge to interest expense related to the reduction in the Company's interest-bearing deferred tax liabilities.

⁽³⁾ Represents the incremental tax and interest expense associated with the impact of the U.S. tax reform bill being signed into law. Of the total adjustment, \$0.5 million represents a one-time reduction to interest expense related to the reduction in the Company's interest-bearing deferred tax liabilities.

⁽⁴⁾ Includes tax effects of above adjustments as well as the elimination of deferred tax benefits recognized upon pay down of intercompany installment notes created by internal sales of acquired intangible assets.

MALLINCKRODT PLC
INCOME STATEMENT FINANCIAL INFORMATION
Three Months Ended December 29, 2017
(unaudited, in millions, except per share data)

	GAAP Historical As Reported	Adoption of ASU 2017-07 ⁽¹⁾	Discontinued Operations	Estimated Amounts Reflective of Impacts
Net sales	\$ 792.3	\$ —	\$ (200.8)	\$ 591.5
Cost of sales	371.3	—	(114.7)	256.6
Gross profit	421.0	—	(86.1)	334.9
Selling, general and administrative expenses	175.0	(0.4)	(20.7)	153.9
Research and development expenses	86.4	—	(15.3)	71.1
Restructuring charges, net	(0.9)	—	0.1	(0.8)
Non-restructuring impairment charges	63.7	—	—	63.7
Gains on divestiture and license	(0.3)	—	—	(0.3)
Operating income	97.1	0.4	(50.2)	47.3
Interest expense	(90.1)	—	—	(90.1)
Interest income	1.8	—	—	1.8
Other expense, net	(0.2)	(0.4)	—	(0.6)
Income (loss) from continuing operations before income taxes	8.6	—	(50.2)	(41.6)
Income tax (benefit) expense	(1,598.8)	—	(37.8)	(1,636.6)
Income from continuing operations	1,607.4	—	(12.4)	1,595.0
Income from discontinued operations, net of income taxes	1.3	—	12.4	13.7
Net income	\$ 1,608.7	\$ —	\$ —	\$ 1,608.7
Basic earnings per share:				
Income from continuing operations	\$ 17.43			\$ 17.30
Income from discontinued operations	0.01			0.15
Net income	17.45			17.45
Diluted earnings per share:				
Income from continuing operations	\$ 17.40			\$ 17.26
Income from discontinued operations	0.01			0.15
Net income	17.41			17.41
Weighted-average number of shares outstanding:				
Basic	92.2			92.2
Diluted	92.4			92.4

⁽¹⁾ Reflects the adoption of ASU 2017-07, as previously discussed.

MALLINCKRODT PLC
NON-GAAP MEASURES
Three Months Ended December 29, 2017
(unaudited, in millions except per share data)

	Gross profit	Selling, general and administrative expenses	Income from continuing operations	Diluted income from continuing operations per share
GAAP Historical As Reported	\$ 421.0	\$ 175.0	\$ 1,607.4	\$ 17.40
ASU Adoption	—	(0.4)	—	—
Discontinued operations	(86.1)	(20.7)	(12.4)	(0.13)
Estimated Amounts Reflective of Impacts	334.9	153.9	1,595.0	17.26
Adjustments:				
Intangible asset amortization	167.0	(1.7)	168.7	1.83
Restructuring and related charges, net ⁽¹⁾	—	(1.1)	0.3	—
Inventory step-up expense	1.5	—	1.5	0.02
Change in contingent consideration fair value	—	45.5	(45.5)	(0.49)
Acquisition related expenses	—	(5.1)	5.1	0.06
Non-restructuring impairment charges	—	—	63.7	0.69
Reorganization of legal entity ownership ⁽²⁾	—	—	(1,082.0)	(11.71)
U.S. Tax Reform ⁽³⁾	—	—	(457.4)	(4.95)
Income taxes ⁽⁴⁾	—	—	(107.9)	(1.17)
As adjusted	\$ 503.4	\$ 191.5	\$ 141.5	\$ 1.53
Percent of net sales	85.1%	32.4%	23.9%	

⁽¹⁾ Includes pre-tax accelerated depreciation.

⁽²⁾ Represents the incremental tax and interest expense associated with non-cash internal legal entity reorganization. Of the total adjustment, \$8.9 million represents a one-time charge to interest expense related to the reduction in the Company's interest-bearing deferred tax liabilities.

⁽³⁾ Represents the incremental tax and interest expense associated with the impact of the U.S. tax reform bill being signed into law. Of the total adjustment, \$0.5 million represents a one-time reduction to interest expense related to the reduction in the Company's interest-bearing deferred tax liabilities.

⁽⁴⁾ Includes tax effects of above adjustments as well as the elimination of deferred tax benefits recognized upon pay down of intercompany installment notes created by internal sales of acquired intangible assets.

MALLINCKRODT PLC
INCOME STATEMENT FINANCIAL INFORMATION
Three Months Ended September 29, 2017
(unaudited, in millions, except per share data)

	GAAP Historical As Reported	Adoption of ASU 2017-07 ⁽¹⁾	Discontinued Operations	Estimated Amounts Reflective of Impacts
Net sales	\$ 793.9	\$ —	\$ (193.3)	\$ 600.6
Cost of sales	393.3	—	(125.3)	268.0
Gross profit	400.6	—	(68.0)	332.6
Selling, general and administrative expenses	205.7	(0.1)	(19.3)	186.3
Research and development expenses	59.5	—	(12.6)	46.9
Restructuring charges, net	14.3	—	1.1	15.4
Non-restructuring impairment charges	—	—	—	—
Gains on divestiture and license	0.4	—	—	0.4
Operating income	120.7	0.1	(37.2)	83.6
Interest expense	(92.6)	—	—	(92.6)
Interest income	1.3	—	—	1.3
Other income (expense), net	3.7	(0.1)	(0.6)	3.0
Income (loss) from continuing operations before income taxes	33.1	—	(37.8)	(4.7)
Income tax (benefit) expense	(31.2)	—	(26.6)	(57.8)
Income from continuing operations	64.3	—	(11.2)	53.1
(Loss) income from discontinued operations, net of income taxes	(0.6)	—	11.2	10.6
Net income	\$ 63.7	\$ —	\$ —	\$ 63.7

Basic earnings per share:

Income from continuing operations	\$ 0.66	\$ 0.55
(Loss) income from discontinued operations	(0.01)	0.11
Net income	0.66	0.66

Diluted earnings per share:

Income from continuing operations	\$ 0.66	\$ 0.55
(Loss) income from discontinued operations	(0.01)	0.11
Net income	0.66	0.66

Weighted-average number of shares outstanding:

Basic	96.7	96.7
Diluted	97.0	97.0

⁽¹⁾ Reflects the adoption of ASU 2017-07, as previously discussed.

MALLINCKRODT PLC
NON-GAAP MEASURES
Three Months Ended September 29, 2017
(unaudited, in millions except per share data)

	Gross profit	Selling, general and administrative expenses	Income from continuing operations	Diluted income from continuing operations per share
GAAP Historical As Reported	\$ 400.6	\$ 205.7	\$ 64.3	\$ 0.66
ASU Adoption	—	(0.1)	—	—
Discontinued operations	(68.0)	(19.3)	(11.2)	(0.12)
Estimated Amounts Reflective of Impacts	332.6	186.3	53.1	0.55
Adjustments:				
Intangible asset amortization	167.1	(2.2)	169.3	1.75
Restructuring and related charges, net ⁽¹⁾	—	(0.7)	16.1	0.17
Inventory step-up expense	2.7	—	2.7	0.03
Change in contingent consideration fair value	—	(3.9)	3.9	0.04
Acquisition related expenses	—	(1.2)	1.2	0.01
Intrathecal divestiture	—	—	0.4	—
Reorganization of legal entity ownership	—	—	36.1	0.37
Income taxes ⁽²⁾	—	—	(106.5)	(1.10)
As adjusted	\$ 502.4	\$ 178.3	\$ 176.3	\$ 1.82
Percent of net sales	83.6%	29.7%	29.4%	

⁽¹⁾ Includes pre-tax accelerated depreciation.

⁽²⁾ Includes tax effects of above adjustments as well as the elimination of deferred tax benefits recognized upon pay down of intercompany installment notes created by internal sales of acquired intangible assets.

MALLINCKRODT PLC
INCOME STATEMENT FINANCIAL INFORMATION
Three Months Ended June 30, 2017
(unaudited, in millions, except per share data)

	GAAP Historical As Reported	Adoption of ASU 2017-07 ⁽¹⁾	Discontinued Operations	Estimated Amounts Reflective of Impacts
Net sales	\$ 824.5	\$ —	\$ (224.4)	\$ 600.1
Cost of sales	408.4	—	(128.0)	280.4
Gross profit	416.1	—	(96.4)	319.7
Selling, general and administrative expenses	232.1	(1.3)	(16.2)	214.6
Research and development expenses	69.2	—	(16.9)	52.3
Restructuring charges, net	0.6	—	—	0.6
Gains on divestiture and license	2.1	—	—	2.1
Operating income	112.1	1.3	(63.3)	50.1
Interest expense	(92.2)	—	—	(92.2)
Interest income	0.6	—	—	0.6
Other income (expense), net	10.0	(1.3)	(2.4)	6.3
Income (loss) from continuing operations before income taxes	30.5	—	(65.7)	(35.2)
Income tax (benefit) expense	(40.1)	—	(13.5)	(53.6)
Income from continuing operations	70.6	—	(52.2)	18.4
(Loss) income from discontinued operations, net of income taxes	(7.8)	—	52.2	44.4
Net income	\$ 62.8	\$ —	\$ —	\$ 62.8
Basic earnings per share:				
Income from continuing operations	\$ 0.72			\$ 0.19
(Loss) income from discontinued operations	(0.08)			0.45
Net income	0.64			0.64
Diluted earnings per share:				
Income from continuing operations	\$ 0.72			\$ 0.19
(Loss) income from discontinued operations	(0.08)			0.45
Net income	0.64			0.64
Weighted-average number of shares outstanding:				
Basic	98.5			98.5
Diluted	98.7			98.7

⁽¹⁾ Reflects the adoption of ASU 2017-07, as previously discussed.

MALLINCKRODT PLC
NON-GAAP MEASURES
Three Months Ended June 30, 2017
(unaudited, in millions except per share data)

	Gross profit	Selling, general and administrative expenses	Income from continuing operations	Diluted income from continuing operations per share
GAAP Historical As Reported	\$ 416.1	\$ 232.1	\$ 70.6	\$ 0.72
ASU Adoption	—	(1.3)	—	—
Discontinued operations	(96.4)	(16.2)	(52.2)	(0.53)
Estimated Amounts Reflective of Impacts	319.7	214.6	18.4	0.19
Adjustments:				
Intangible asset amortization	167.0	(2.3)	169.3	1.72
Restructuring and related charges, net ⁽¹⁾	—	(0.4)	1.0	0.01
Inventory step-up expense	2.9	—	2.9	0.03
Change in contingent consideration fair value	—	(2.0)	2.0	0.02
Acquisition related expenses	—	(1.1)	1.1	0.01
Intrathecal divestiture	—	—	2.1	0.02
Income taxes ⁽²⁾	—	—	(63.0)	(0.64)
As adjusted	\$ 489.6	\$ 208.8	\$ 133.8	\$ 1.36
Percent of net sales	81.6%	34.8%	22.3%	

⁽¹⁾ Includes pre-tax accelerated depreciation.

⁽²⁾ Includes tax effects of above adjustments as well as the elimination of deferred tax benefits recognized upon pay down of intercompany installment notes created by internal sales of acquired intangible assets.

MALLINCKRODT PLC
INCOME STATEMENT FINANCIAL INFORMATION
Three Months Ended March 31, 2017
(unaudited, in millions, except per share data)

	GAAP Historical As Reported	Adoption of ASU 2017-07 ⁽¹⁾	Discontinued Operations	Estimated Amounts Reflective of Impacts
Net sales	\$ 810.9	\$ —	\$ (250.9)	\$ 560.0
Cost of sales	392.3	(1.2)	(131.2)	259.9
Gross profit	418.6	1.2	(119.7)	300.1
Selling, general and administrative expenses	308.1	(69.4)	(21.1)	217.6
Research and development expenses	62.2	(0.4)	(16.8)	45.0
Restructuring charges, net	17.2	—	(6.9)	10.3
Gains on divestiture and license	(59.1)	—	—	(59.1)
Operating income	90.2	71.0	(74.9)	86.3
Interest expense	(94.2)	—	—	(94.2)
Interest income	0.9	—	—	0.9
Other expense, net	(7.5)	(71.0)	(1.4)	(79.9)
(Loss) income from continuing operations before income taxes	(10.6)	—	(76.3)	(86.9)
Income tax (benefit) expense	(39.5)	—	(2.5)	(42.0)
Income (loss) from continuing operations	28.9	—	(73.8)	(44.9)
Income from discontinued operations, net of income taxes	370.3	—	73.8	444.1
Net income	\$ 399.2	\$ —	\$ —	\$ 399.2
Basic earnings per share:				
Income (loss) from continuing operations	\$ 0.28			\$ (0.43)
Income from discontinued operations	3.58			4.30
Net income	3.86			3.86
Diluted earnings per share:				
Income (loss) from continuing operations	\$ 0.28			\$ (0.43)
Income from discontinued operations	3.57			4.29
Net income	3.85			3.85
Weighted-average number of shares outstanding:				
Basic	103.3			103.3
Diluted	103.6			103.6

⁽¹⁾ Reflects the adoption of ASU 2017-07, as previously discussed.

MALLINCKRODT PLC
NON-GAAP MEASURES
Three Months Ended March 31, 2017
(unaudited, in millions except per share data)

	Gross profit	Selling, general and administrative expenses	Income (loss) from continuing operations	Diluted income from continuing operations per share
GAAP Historical As Reported	\$ 418.6	\$ 308.1	\$ 28.9	\$ 0.28
ASU Adoption	1.2	(69.4)	—	—
Discontinued operations	(119.7)	(21.1)	(73.8)	(0.71)
Estimated Amounts Reflective of Impacts	300.1	217.6	(44.9)	(0.43)
Adjustments:				
Intangible asset amortization	167.5	(2.3)	169.8	1.64
Restructuring and related charges, net ⁽¹⁾	—	(1.0)	11.3	0.11
Inventory step-up expense	3.0	—	3.0	0.03
Change in contingent consideration fair value	—	1.8	(1.8)	(0.02)
Debt refinancing	—	—	10.0	0.10
Pension settlement charge	—	—	69.2	0.67
Intrathecal divestiture	—	—	(59.1)	(0.57)
Income taxes ⁽²⁾	—	—	(49.6)	(0.48)
As adjusted	\$ 470.6	\$ 216.1	\$ 107.9	\$ 1.04
Percent of net sales	84.0%	38.6%	19.3%	

⁽¹⁾ Includes pre-tax accelerated depreciation.

⁽²⁾ Includes tax effects of above adjustments as well as the elimination of deferred tax benefits recognized upon pay down of intercompany installment notes created by internal sales of acquired intangible assets.

MALLINCKRODT PLC
INCOME STATEMENT FINANCIAL INFORMATION
Three Months Ended December 30, 2016
(unaudited, in millions, except per share data)

	GAAP Historical As Reported	Adoption of ASU 2017-07 ⁽¹⁾	Discontinued Operations	Estimated Amounts Reflective of Impacts
Net sales	\$ 829.9	\$ —	\$ (229.5)	\$ 600.4
Cost of sales	384.1	(0.9)	(117.8)	265.4
Gross profit	445.8	0.9	(111.7)	335.0
Selling, general and administrative expenses	368.3	(47.2)	(20.0)	301.1
Research and development expenses	66.2	(0.1)	(21.1)	45.0
Restructuring charges, net	3.8	—	(0.3)	3.5
Non-restructuring impairment charges	214.3	—	(207.0)	7.3
Operating (loss) income	(206.8)	48.2	136.7	(21.9)
Interest expense	(91.3)	—	—	(91.3)
Interest income	0.5	—	—	0.5
Other expense, net	(0.9)	(48.2)	6.1	(43.0)
Income from continuing operations before income taxes	(298.5)	—	142.8	(155.7)
Income tax (benefit) expense	(121.7)	—	(24.7)	(146.4)
(Loss) income from continuing operations	(176.8)	—	167.5	(9.3)
Income (loss) from discontinued operations, net of income taxes	23.6	—	(167.5)	(143.9)
Net loss	\$ (153.2)	\$ —	\$ —	\$ (153.2)
Basic earnings per share:				
(Loss) income from continuing operations	\$ (1.67)			\$ (0.09)
Income (loss) from discontinued operations	0.22			(1.36)
Net loss	(1.45)			(1.45)
Diluted earnings per share:				
(Loss) income from continuing operations	\$ (1.67)			\$ (0.09)
Income (loss) from discontinued operations	0.22			(1.36)
Net loss	(1.45)			(1.45)
Weighted-average number of shares outstanding:				
Basic	105.7			105.7
Diluted	105.7			105.7

⁽¹⁾ Reflects the adoption of ASU 2017-07, as previously discussed.

MALLINCKRODT PLC
NON-GAAP MEASURES
Three Months Ended December 30, 2016
(unaudited, in millions except per share data)

	Gross profit	Selling, general and administrative expenses	Income (loss) from continuing operations	Diluted income from continuing operations per share
GAAP Historical As Reported	\$ 445.8	\$ 368.3	\$ (176.8)	\$ (1.67)
ASU Adoption	0.9	(47.2)	—	—
Discontinued operations	(111.7)	(20.0)	167.5	1.58
Estimated Amounts Reflective of Impacts	335.0	301.1	(9.3)	(0.09)
Adjustments:				
Intangible asset amortization	168.7	(1.6)	170.3	1.61
Restructuring and related charges, net ⁽¹⁾	—	(1.0)	4.5	0.04
Inventory step-up expense	3.6	—	3.6	0.03
Change in contingent consideration fair value	—	(1.3)	1.3	0.01
Acquisition related expenses	—	(0.1)	0.1	—
Significant legal and environmental charges	—	(102.0)	102.0	0.96
Pension settlement charge	—	(45.0)	45.0	0.43
Income taxes ⁽²⁾	—	—	(156.7)	(1.48)
As adjusted	\$ 507.3	\$ 150.1	\$ 160.8	\$ 1.52
Percent of net sales	84.5%	25.0%	26.8%	

⁽¹⁾ Includes pre-tax accelerated depreciation.

⁽²⁾ Includes tax effects of above adjustments as well as the elimination of deferred tax benefits recognized upon pay down of intercompany installment notes created by internal sales of acquired intangible assets.

MALLINCKRODT PLC
INCOME STATEMENT FINANCIAL INFORMATION
Fiscal Year Ended September 30, 2016
(unaudited, in millions, except per share data)

	GAAP Historical As Reported	Adoption of ASU 2017-07 ⁽¹⁾	Discontinued Operations	Estimated Amounts Reflective of Impacts
Net sales	\$ 3,380.8	\$ —	\$ (1,088.9)	\$ 2,291.9
Cost of sales	1,525.8	(2.6)	(481.8)	1,041.4
Gross profit	1,855.0	2.6	(607.1)	1,250.5
Selling, general and administrative expenses	925.3	(11.6)	(81.5)	832.2
Research and development expenses	262.2	(1.0)	(75.8)	185.4
Restructuring charges, net	33.3	(0.6)	(1.6)	31.1
Non-restructuring impairment charges	16.9	—	—	16.9
Operating income	617.3	15.8	(448.2)	184.9
Interest expense	(384.6)	—	—	(384.6)
Interest income	1.3	—	0.1	1.4
Other expense, net	(0.6)	(15.8)	4.1	(12.3)
Income from continuing operations before income taxes	233.4	—	(444.0)	(210.6)
Income tax (benefit) expense	(255.6)	—	(163.0)	(418.6)
Income from continuing operations	489.0	—	(281.0)	208.0
Income from discontinued operations, net of income taxes	154.7	—	281.0	435.7
Net income	\$ 643.7	\$ —	\$ —	\$ 643.7
Basic earnings per share:				
Income from continuing operations	\$ 4.42			\$ 1.88
Income from discontinued operations	1.40			3.94
Net income	5.82			5.82
Diluted earnings per share:				
Income from continuing operations	\$ 4.39			\$ 1.87
Income from discontinued operations	1.39			3.91
Net income	5.77			5.77
Weighted-average number of shares outstanding:				
Basic	110.6			110.6
Diluted	111.5			111.5

⁽¹⁾ Reflects the adoption of ASU 2017-07, as previously discussed.

MALLINCKRODT PLC
NON-GAAP MEASURES
Fiscal Year Ended September 30, 2016
(unaudited, in millions except per share data)

	Gross profit	Selling, general and administrative expenses	Income from continuing operations	Diluted income from continuing operations per share
GAAP Historical As Reported	\$ 1,855.0	\$ 925.3	\$ 489.0	\$ 4.39
ASU Adoption	2.6	(11.6)	—	—
Discontinued operations	(607.1)	(81.5)	(281.0)	(2.52)
Estimated Amounts Reflective of Impacts	1,250.5	832.2	208.0	1.87
Adjustments:				
Intangible asset amortization	671.6	(7.1)	678.7	6.09
Restructuring and related charges, net ⁽¹⁾	—	(3.1)	34.8	0.31
Inventory step-up expense	24.3	—	24.3	0.22
Change in contingent consideration fair value	—	(4.4)	4.4	0.04
Acquisition related expenses	—	(6.9)	6.9	0.06
Non-restructuring impairment charges	—	—	16.9	0.15
Income taxes ⁽²⁾	—	—	(409.4)	(3.67)
As adjusted	\$ 1,946.4	\$ 810.7	\$ 564.6	\$ 5.06
Percent of net sales	84.9%	35.4%	24.6%	

⁽¹⁾ Includes pre-tax accelerated depreciation.

⁽²⁾ Includes tax effects of above adjustments as well as the elimination of deferred tax benefits recognized upon pay down of intercompany installment notes created by internal sales of acquired intangible assets.