United Drug
International Healthcare Services

2010 Interim Results Conference Call

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UNITED DRUG | INTERNATIONAL HEALTHCARE SERVICES

Excellent Manufacturer Solutions, Better Patient Care

- International provider of services to healthcare manufacturers and pharmaceutical retailers operating in UK, Ireland, Continental Europe and US. Providing the most innovative global outsourcing value to the healthcare industry.

- Route to market solutions for pharma and medical device companies:

  - Market leader in wholesale and pre-wholesale – Ireland and UK
  - Leading contract sales service provider – UK and Ireland, niche player in US
  - Major international pharma contract packager – UK, Continental Europe and US
  - Major medical & scientific service provider – UK and Ireland

- Developing specialist services for manufacturers, healthcare authorities and patients (higher value-add, higher margin):

  - Speciality homecare services in UK and Ireland
  - Specials medicines manufacturer and distributor in UK
  - Speciality vaccine services for physicians and patients
  - Regulatory services

TRADING HIGHLIGHTS

- Strengthened wholesale and pre-wholesale market leading positions and maintained revenues despite regulatory changes
- Continued new business wins and excellent performance in Contract Sales & Marketing Services division
- Continued tight capital spending in hospitals
- Strong performance in packaging business, particularly in US
- Successful launch of UK homecare joint venture with Medco Inc.
- Another strong cash flow performance

2010 INTERIM FINANCIAL REVIEW

	2010 €'mn	2009 €'mn	% Inc / (Dec)	Constant Currency % Inc / (Dec)
Revenue	853.3	850.9	-	2
EBITDA	41.9	41.9	-	2
EBIT	35.0	35.0	-	2
PBT	31.5	30.0	5	7
EPS (cent)	10.68	10.63	-	2
Dividend per share (cent)	2.34	2.23	5	5

2010 INTERIM FINANCIAL REVIEW

	2010 €'mn	2009 €'mn	% Inc / (Dec)	Constant Currency % Inc / (Dec)
Revenue				
HSC	715.3	717.5	-	-
CSMS	78.3	76.7	2	5
P&S	59.7	56.7	5	22
	853.3	**850.9**	**-**	**2**
EBIT*				
HSC	24.5	26.6	(8)	(7)
CSMS	7.4	6.9	8	12
P&S	3.8	2.4	54	64
	35.7	**35.9**	**-**	**2**
Stock option expense	(0.7)	(0.9)		
	35.0	**35.0**	**-**	**2**

HSC Healthcare Supply Chain
CSMS Contract Sales & Marketing Services
P&S Packaging & Speciality

*before amortisation and 2009 exceptional item

Balance Sheet

	31.3.10 €'mn	30.9.09 €'mn	31.3.09 €'mn
Net Debt	140.2	162.5	209.0
***Gearing %**	40.6	50.5	68.6
Interest Cover (times)			
EBITA	9.9	7.8	7.0
EBITDA	11.9	9.2	8.3
Net Debt/EBITDA (times)	1.67	1.78	2.24

* Gearing – Net Debt/Net Assets

BUSINESS RISKS AND OPPORTUNITIES

RISKS

- Government intervention on prices/margins or changes in spending
- M&A activity amongst outsourcing clients
- Contract delays or in-sourcing decisions in outsourcing businesses
- FX movements

OPPORTUNITIES

- Strong position in defensive, cash generative, wholesale and pre-wholesale
- Increasing outsourcing trend amongst healthcare manufacturers
- Medco JV
- M&A opportunities in fragmented key strategic areas
- Balance sheet

United drug

SUMMARY

From Distribution To Global Outsourced Healthcare Value Based Solutions

- ► Strong positions in defensive, cash generative, businesses
- ► Positioned to benefit from increased outsourcing trend
- ► Continued diversification by geography and business sector
- ► Infrastructure and Balance Sheet to support growth