UNITED DRUG
International Healthcare Services

Contents

United Drug | International Healthcare Services

- International provider of services to healthcare manufacturers and pharmaceutical retailers

- Strong positions in wholesale and pre-wholesale business with strong cash generation – UK and Ireland

- Range of services to meet healthcare manufacturers growing outsourcing requirements:

    - Medical & Scientific
    - Contract Sales & Marketing
    - Contract Packaging
    - Speciality Distribution
    - Homecare

in Europe and US

- Annual turnover over €1.65 billion

- Over 4,500 employees

TRADING HIGHLIGHTS

- Strengthened wholesale positions
- Reduced consumer and government spending impacting on consumer products and Medical & Scientific businesses
- Strong performance in Contract Sales & Marketing
- Delays in customer decision making impacting on packaging business
- Revised divisional structure to improve offering and drive efficiencies on track to deliver €7-8 million annualised savings
- Fall in value of sterling reduces reported revenues and profits

2009 H1 Financial Review

	2009 €'mn	2008 €'mn	% Inc / (Dec)	Constant Currency % Inc / (Dec)
Revenue	850.9	845.1	1	6
EBITDA*	41.9	41.8	-	7
EBIT**	35.0	36.6	(4)	5
PBT**	30.0	33.3	(10)	-
EPS (cent)**	10.63	12.13	(13)	(3)
Dividend per share	2.23	2.23	-	-

*before exceptional item

**before exceptional item and intangible amortisation

2009 H1 Financial Review

	2009 €'mn	2008 €'mn	% Inc / (Dec)	Constant Currency % Inc / (Dec)
Revenue				
HSC	717.5	756.4	(5.1)	(1.2)
CSMS	76.7	56.5	35.8	56.9
P&S	56.7	32.2	75.7	74.3
	850.9	**845.1**	**0.7**	**5.6**
EBIT*				
HSC	26.6	27.7	(4.0)	3.3
CSMS	6.9	5.2	31.1	51.6
P&S	2.4	4.3	(43.0)	(39.5)
	35.9	**37.2**	**(3.6)**	**5.2**
Stock option expense	(0.9)	(0.6)		
	35.0	**36.6**	**(4.3)**	**4.7**

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

*before amortisation and exceptional item

2009 H1 Financial Review

Balance Sheet

	31.3.09 €'mn	30.9.08 €'mn	31.3.08 €'mn
Net Debt	209.0	159.1	82.7
Interest Cover (times)			
EBITA	7.0	10.2	11.0
EBITDA	8.3	11.5	12.6
Net Debt/EBITDA (times)	2.24	1.65	0.99

Debt: €200mn bank facilities; $100mn private placement.
First maturity ($40mn) mid 2011

Business Risks And Opportunities

Risks

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

Opportunities

- Strong position in defensive, cash generative, wholesale and pre-wholesale
- Increasing outsourcing trends amongst healthcare manufacturers.
- Restructuring driving efficiencies
- M&A opportunities in fragmented key strategic areas
- Balance sheet

Summary

- Strong positions in defensive wholesale and pre-wholesale markets
- Positioned to benefit from increased outsourcing trend
- Continued diversification by geography and business sector
- Infrastructure and Balance Sheet to support growth objectives