

United Drug plc International Healthcare Services



Consistently Delivering Long-term Superior Growth



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Investment Case

- Consistently delivering superior growth
- Strong position in strong growth markets
- Positioning to benefit from growing outsourcing trends within delivery of healthcare
- Low risk profile/defensive growth
- Continued diversification by geography and healthcare business sector
- Significant operating leverage and Balance Sheet strength to enhance growth

Business Model

Manufacturer Services(MS)

Supply chain related solutions and sales & marketing services for international healthcare companies

The logo for United drug, with "United" in blue and "drug" in grey, separated by a horizontal line.

Pharma Wholesale(PW)

Leading supplier of drugs and medicines to retail and hospital pharmacies on the Island of Ireland

MS | 62% of EBIT

PW | 38 % of EBIT

MS | 3 sub-divisions

Supply Chain Services	29%
Medical & Scientific	19%
Contract Sales & Marketing Services	14%

2008 | H1 Financial Highlights

Consistently Delivering Superior Growth

	2008 €mn	2007 €mn	% Incr	Constant Currency Growth %
Revenue	845.1	773.0	+9	+11
EBITDA	41.8	34.3	+22	+25
EBIT*	36.6	30.6	+20	+23
PBT*	33.3	29.0	+15	+18
EPS*(cent)	12.13	10.73	+13	+16
Dividend per share (cent)	2.23	1.97	+13	
Margins	2008	2007	2006	2005
EBIT*	4.33	3.96	3.71	3.64
PBT*	3.94	3.75	3.52	3.42

*Excluding intangible amortisation

2008 | H1 Strategic & Operating Highlights

Consistently Delivering Superior Growth

- Strong performance from emerging Pharma packaging business in Europe
- Expansion of presence in the Irish Medical & Scientific market through the acquisition of JVA
- Broadening of contract sales and marketing services with acquisitions in the US and UK markets
- Continued market share gains in both the Republic of Ireland and Northern Ireland wholesale businesses

Expansion into higher margin activities driving growth & margin expansion

2008 | H1 Divisional Overview

Consistently Delivering Superior Growth

	2008 €mn	2007 €mn	% Incr	Constant Currency Growth %
Revenue				
Supply Chain Services	223.6	200.5	11.5	12.1
Medical & Scientific	52.2	48.2	8.2	11.6
Contract Sales & Marketing	56.5	50.3	12.4	18.1
Pharma Wholesale	<u>512.8</u>	<u>474.0</u>	<u>8.2</u>	<u>9.9</u>
	<u>845.1</u>	<u>773.0</u>	<u>9.3</u>	<u>11.1</u>
EBIT				
Supply Chain Services	10.1	7.7	31.2	33.4
Medical & Scientific	7.2	6.9	4.5	7.4
Contract Sales & Marketing	5.2	4.6	13.2	19.1
Pharma Wholesale	<u>14.7</u>	<u>11.9</u>	<u>23.2</u>	<u>25.6</u>
	37.2	31.1	19.6	23.1
Stock option expense	<u>(0.6)</u>	<u>(0.5)</u>		
	<u>36.6</u>	<u>30.6</u>	19.6	23.1

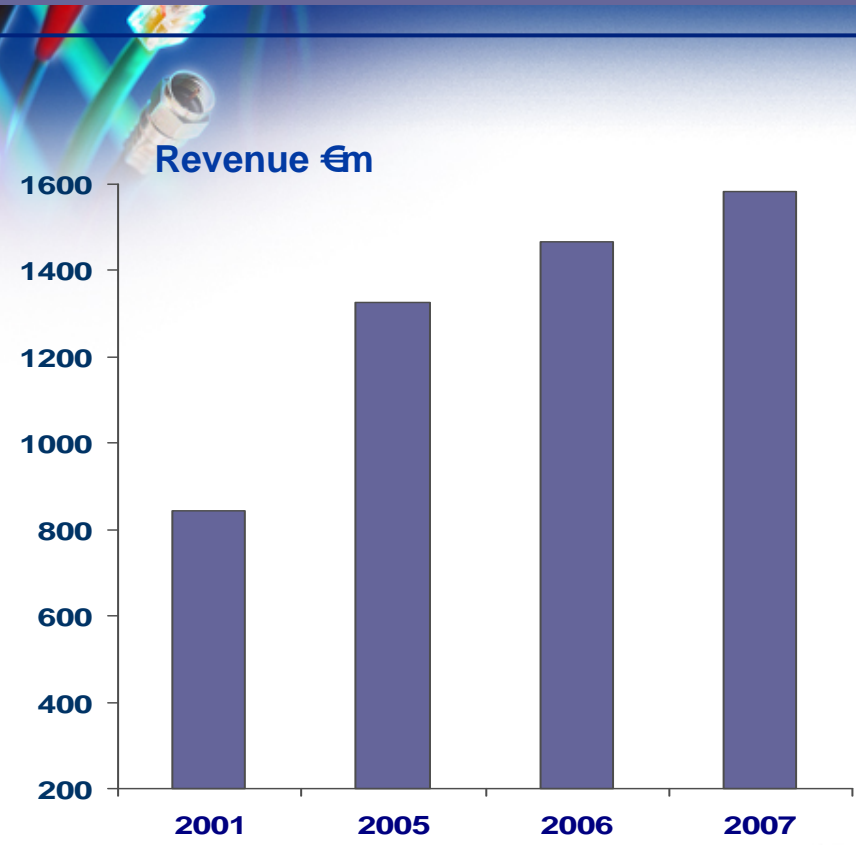
2008 | H1 Balance Sheet Highlights

Internal resource to deliver superior growth

	31.3.08 €mn	30.9.07 €mn	31.3.07 €mn
Net Debt	<u>82.7</u>	<u>68.3</u>	<u>35.0</u>
Acquisition Spend	32.4	63.2	13.1
Gearing %	25.9	20.6	11.4
Interest Cover (times)			
EBIT*	11.0	15.6	19.4
EBITDA	12.6	17.5	21.3
Net Debt/EBITDA	0.99	0.91	0.51

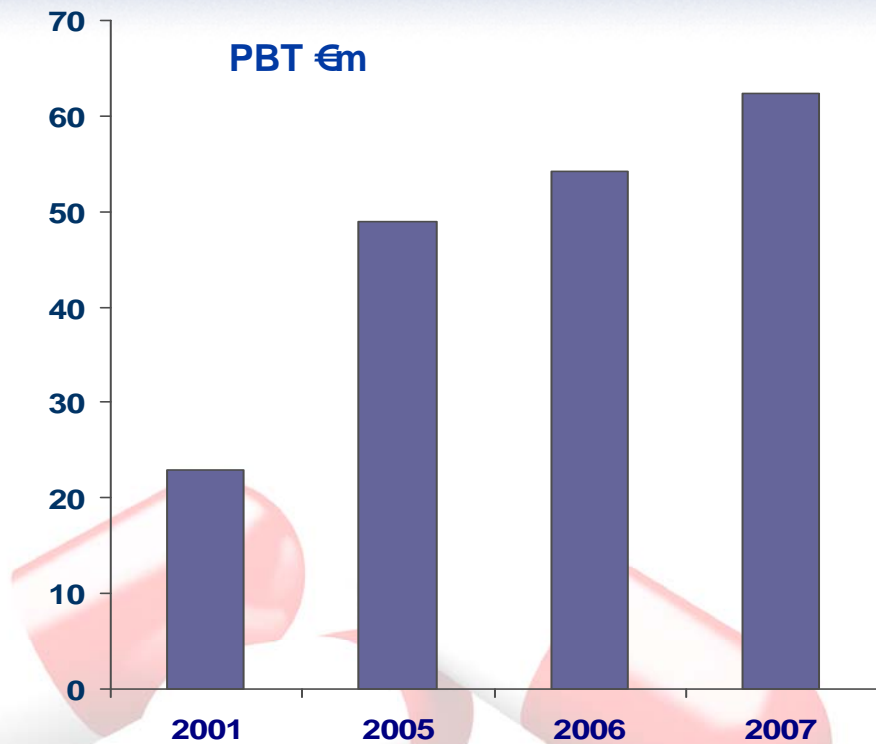
**Excluding intangible amortisation*

Delivering Consistently Superior Returns



TURNOVER | CAGR %

5 year	10%	15 year	20%
10 year	15%	20 year	19%

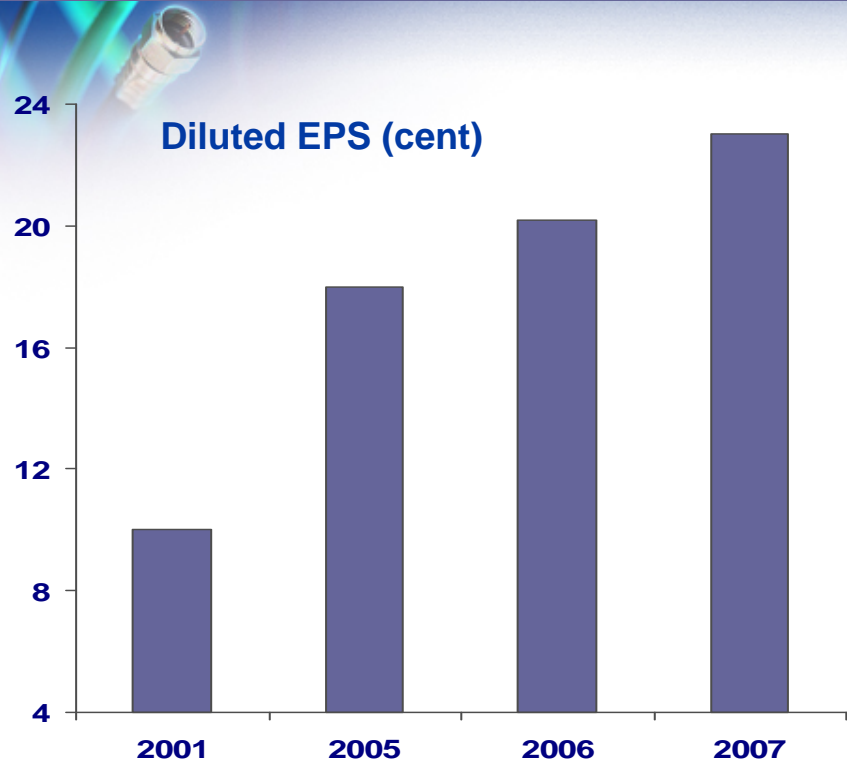


PBT | CAGR %

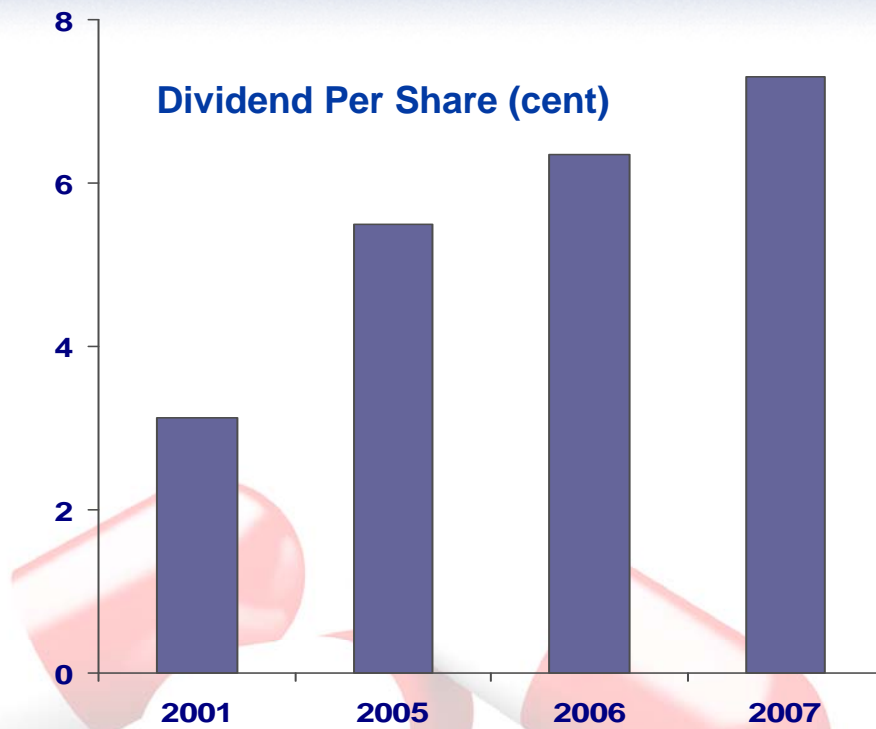
5 year	17%	15 year	20%
10 year	21%	20 year	21%

Consistent double digit growth over 5, 10, 15 or 20-year timeframe

Delivering Consistently Superior Returns



FD EPS CAGR %			
5 year	15%	15 year	14%
10 year	19%	20 year	16%



DPS CAGR %			
5 year	15%	15 year	13%
10 year	15%	20 year	14%

Consistent double digit growth over 5, 10, 15 or 20-year timeframe

Divisional Review

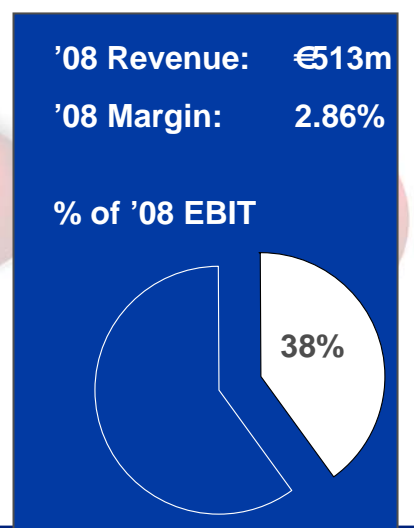
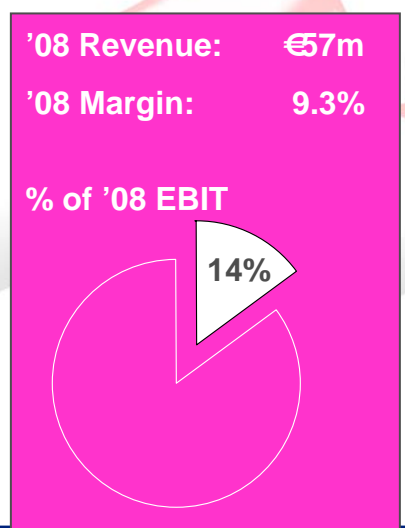
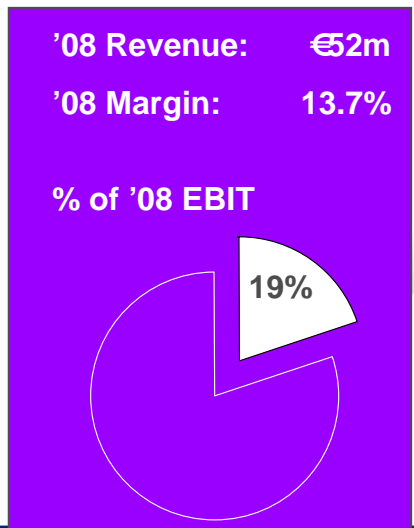
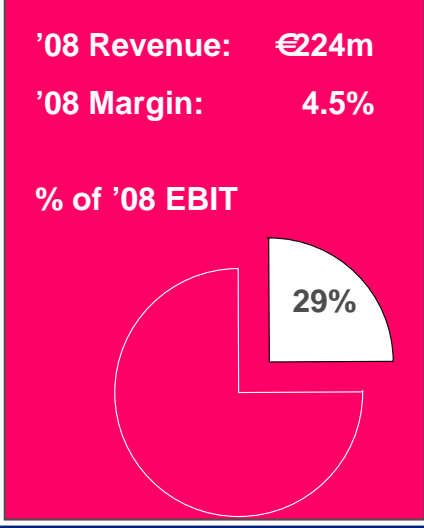


Supply Chain Services

Medical & Scientific

Contract Sales & Marketing Services

Pharma Wholesale



Manufacturer Services

Over 200 Blue-Chip Clients | Long-Term Relationships

SCS

AstraZeneca
Boots
Bristol-Myers Squibb
Clarins
Eli Lilly
Gerard
Johnson & Johnson
Pfizer
Proctor & Gamble
Schering-Plough
Solvay
UCB Pharma

CSMS

AstraZeneca
Boehringer Ingelheim
Eli Lilly
GSK-Consumer
Janssen-Cilag
Napp
Pfizer
Roche
Schering-Plough
Takeda
Trinity-Chiesi

M&S

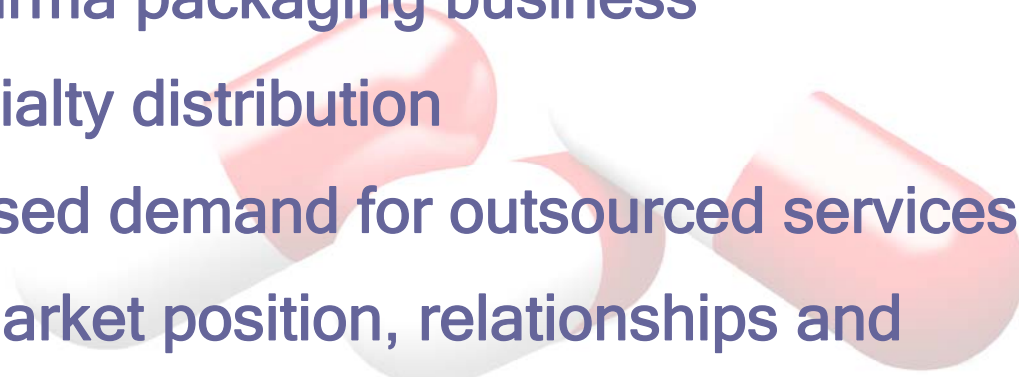
Becton Dickinson
Biotest
Cardinal Health
CTC
Eppendorf
Fujinon
Intersurgical
Intuitive
Sysmex
Teledyne Isco
Waldemar Link

Supply Chain Services

Provide Quality Healthcare Supply Chain Outsourcing Solutions



- Value-added supply chain related services for pharma manufacturers and healthcare authorities
- Market leader in pre-wholesale services in UK and Ireland
- Developing European pharma packaging business
- Emerging position in specialty distribution
- Positioned to meet increased demand for outsourced services
- Growth from leveraging market position, relationships and infrastructure and adding higher margin services



Medical & Scientific

Full Value-added Partner in UK & Ireland

- Full service outsourcing solutions for equipment, consumables and devices manufacturers
- Focus on high tech, value-add, higher margin activities
- Market growth supported by demographics and investment in healthcare systems
- Growth from leveraging market position, relationships and infrastructure in growing markets and broadening service offering

Contract Sales & Marketing Services

Provide Flexibility for Pharma Sales & Marketing Efforts

- Market leader in contract sales services in UK and Ireland, built on flexibility and high quality recruitment, training and administration of sales teams
- Value-add solutions through sales force effectiveness and training support
- Developing international marketing services business to complement sales offering
- Growth through provision of flexibility and leveraging market position, relationships and infrastructure

Pharma Wholesale

Market Leader in ROI and NI

- Supply medicines to retail and hospital pharmacies
- Clear market leader in growing markets
- Niche distributor in the UK through 'specials' business
- Capacity to derive operating efficiencies in market subject to government intervention on pricing/margins
- Growth through leveraging market position and infrastructure in strong growth market

United Drug

Business Risks & Opportunities

Business Opportunities

- Good organic growth profile across all businesses
- M&A opportunities in fragmented key strategic areas
- Continued margin improvement opportunities
- Strong Balance Sheet

Risks

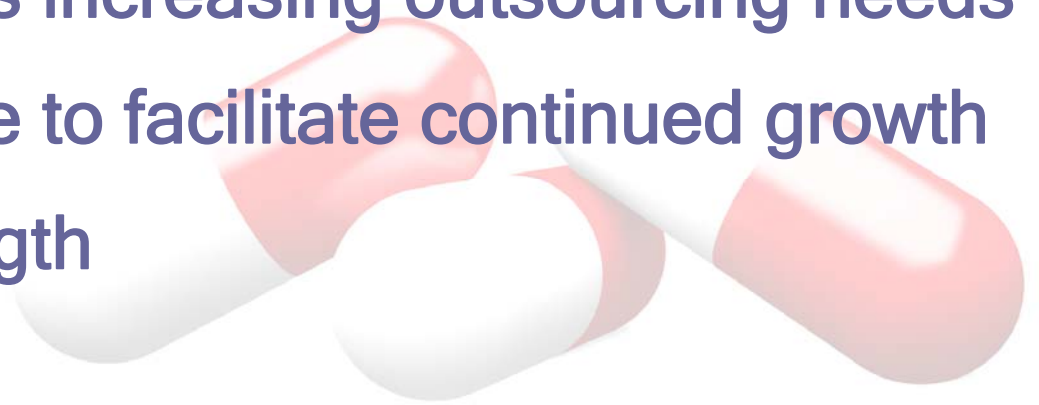
- M&A activity amongst outsourcing clients
- Government intervention on prices/margins or changes in spending
- Integration risk on acquisitions
- Foreign currency movements



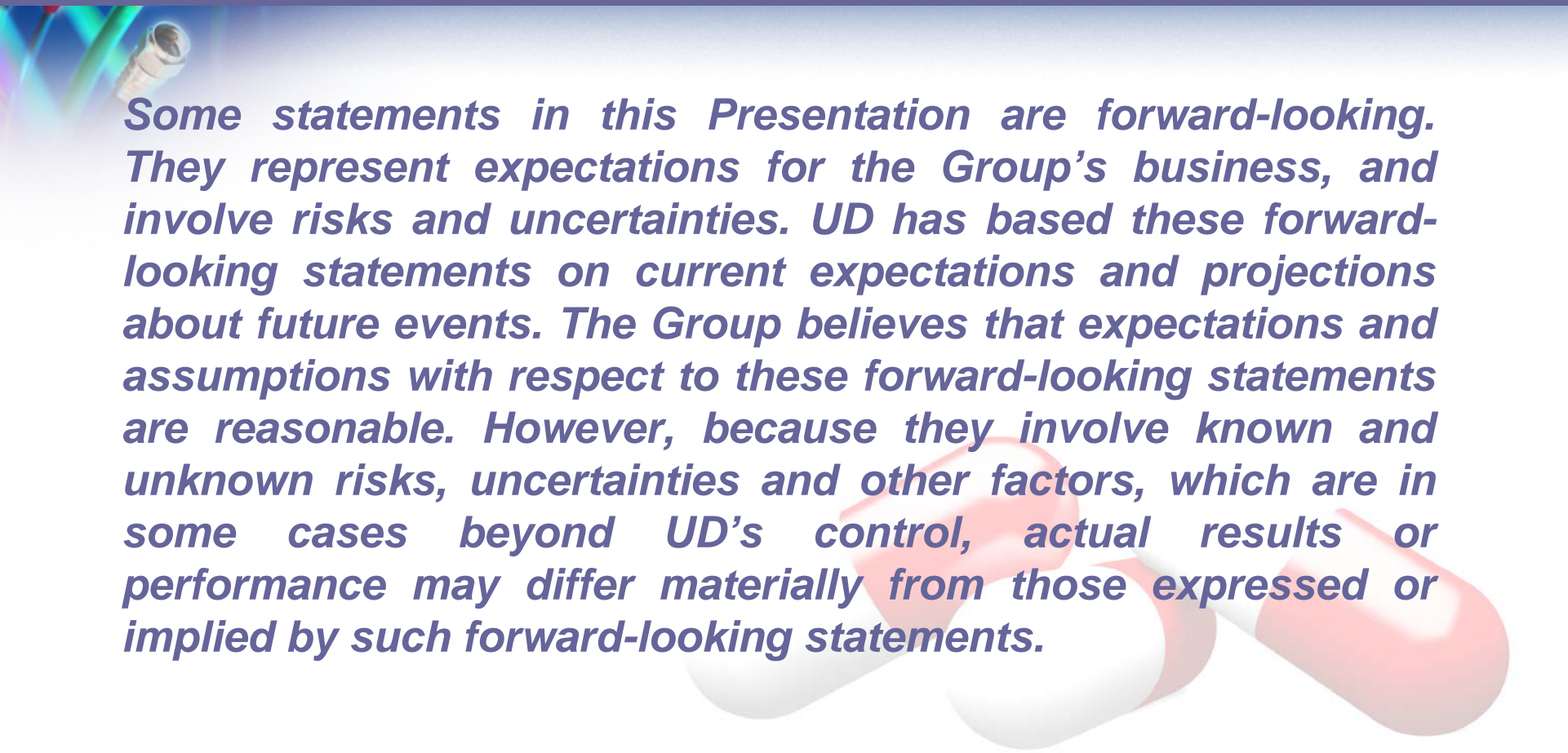
Summary

Continued strong profit, earnings & dividend growth, supported by:

- ✓ Strong position in growth markets
- ✓ Positioned to address increasing outsourcing needs
- ✓ Infrastructure in place to facilitate continued growth
- ✓ Balance Sheet Strength



Forward Looking Statements

A decorative graphic in the background features a microscope on the left and several red and white capsules on the right, set against a light blue gradient background.

Some statements in this Presentation are forward-looking. They represent expectations for the Group's business, and involve risks and uncertainties. UD has based these forward-looking statements on current expectations and projections about future events. The Group believes that expectations and assumptions with respect to these forward-looking statements are reasonable. However, because they involve known and unknown risks, uncertainties and other factors, which are in some cases beyond UD's control, actual results or performance may differ materially from those expressed or implied by such forward-looking statements.

OECD COUNTRIES 2005

Total Expenditure on Health/% GDP (Expenditure on Health, Public & Private)

	%
US	15.3
Switzerland	11.6
France	11.1
Germany	10.7
Belgium	10.7
Austria	10.2
Portugal	10.2
Greece	10.1
Canada	9.8
Iceland	9.5
Denmark	9.1

	%
Sweden	9.1
Norway	9.1
New Zealand	9.0
Italy	8.9
<i>UK</i>	<i>8.3</i>
Luxembourg	7.9
Turkey	7.6
<i>Ireland</i>	<i>7.5</i>
Finland	7.5
Czech Rep	7.2
Slovak Rep	7.1
Mexico	6.4

OECD COUNTRIES 2005

Health Care Resources-Acute Beds in Hospitals Per 1,000 Population

Japan	8.2
Korea	6.5
Germany	6.4
Austria	6.1
Czech Rep	5.7
Hungary	5.5
Luxembourg	5.2
Slovak Rep	5.0
Poland	4.7
Belgium	4.4
France	3.7

Switzerland	3.6
Italy	3.3
Netherlands	3.1
<i>UK</i>	<i>3.1</i>
Portugal	3.0
Norway	3.0
Finland	2.9
<i>Ireland</i>	<i>2.8</i>
US	2.7
Sweden	2.2
Turkey	2.2

European Population Statistics

Increasing & Ageing Populations – Ireland & UK

	Population (mn)		Over 65 as % of 15-64 Age Group		
	2005	2020	% Change	2005	2020
EU 25	455.3	456.9	+0.4%	24.8	31.6
Eu 15	381.2	385.2	+1.0%	26.0	32.4
Ireland	4.1	5.3	+29.3%	16.4	21.0
UK	59.6	62.3	+4.5%	24.1	28.4
Germany	82.6	82.3	-0.4%	27.8	34.2
France	60.7	63.6	+4.8%	25.0	32.5
Italy	57.3	54.3	-5.2%	29.4	36.7
Spain	41.2	40.8	-1.0%	25.1	30.6
Poland	38.5	37.8	-1.8%	18.2	26.0

SOURCE: NCB Stockbrokers