



MDS Nordion Provides Update to Customers on AECL's Medical Isotope Supply Disruption

Ottawa, Canada, December 5, 2007 – MDS Nordion, a leading provider of medical isotopes and radiopharmaceuticals, has provided a further update to their medical isotope customers about a supply issue at Atomic Energy of Canada Limited (AECL) that is now expected to extend into January 2008. AECL has advised MDS Nordion that a further extension of the maintenance shutdown at the National Research Universal reactor will be required to complete its upgrade of the electrical back-up system to address a regulatory issue.

AECL is working closely with their regulator, the Canadian Nuclear Safety Commission, to finalize and complete implementation of their upgrade plan. Based on the most current information from AECL, we understand that they are now targeting a return to full production in early to mid-January.

MDS Nordion is concerned with the impact that AECL's supply disruption is having on customers and patients. As the global leader in the supply of medical isotopes, MDS Nordion is working closely with its back-up supply network to mitigate the impact.

Based on this latest update from AECL, the financial impact of this extended interruption is currently expected to reduce MDS Nordion's adjusted EBITDA by approximately US \$8-9 million in total for the first quarter of 2008.

About MDS Nordion

MDS Nordion (www.mdsnordion.com) is a world leader in medical isotopes, radiation and related technologies. It is a business unit of MDS Inc. (TSX:MDS)(NYSE:MDZ). MDS Inc. is a global life sciences company that provides market-leading products and services for the development of drugs and diagnosis and treatment of disease. We are a leading global provider of pharmaceutical contract research, medical isotopes for molecular imaging, radiotherapeutics, and analytical instruments. MDS Inc. has more than 6,200 highly skilled people in 28 countries. Find out more at www.mdsinc.com or by calling 1-888-MDS-7222, 24 hours a day.

Forward-Looking Statement

This document contains forward-looking statements. Some forward-looking statements may be identified by words like "expects", "anticipates", "plans", "intends", "indicates", "targeted" or similar expressions. The statements are not a guarantee of future impact or performance and are inherently subject to risks and uncertainties. The actual impact to the Company of the maintenance shutdown could differ materially from that currently anticipated due to a number of factors, including, the actual timing of a return to full production and other risk factors identified in other documents filed by the Company with Canadian and US securities regulatory authorities from time to time.

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