



A Stronger MDS

MDS Inc. Q2 F2007 Conference Call
June 7, 2007



Sharon Mathers

Senior Vice-President,
Investor Relations & External Communications
MDS Inc.



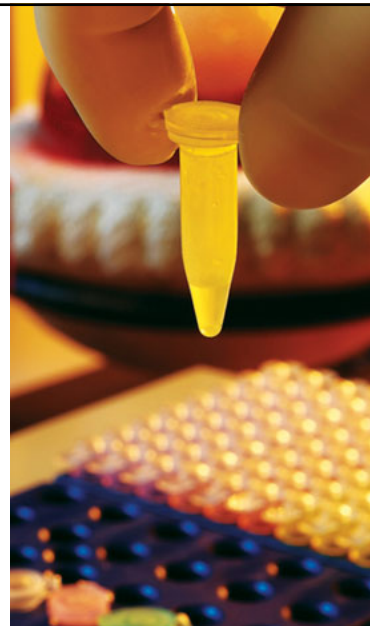
Safe Harbor Statement



This presentation contains forward-looking statements. Some forward-looking statements may be identified by words like "expects", "anticipates", "plans", "intends", "indicates" or similar expressions. The statements are not a guarantee of future performance and are inherently subject to risks and uncertainties, including risks to both companies that the acquisition of Molecular Devices will not be consummated as the transaction is subject to certain closing conditions, when the transaction is consummated, there will be risks and uncertainties related to MDS's ability to successfully integrate the two companies. MDS's actual results could differ materially from those currently anticipated due to these risks and a number of other factors, including, but not limited to, successful integration of structural changes, including restructuring plans, acquisitions, technical or manufacturing or distribution issues, the competitive environment for MDS's products, the degree of market penetration of its products, and other factors set forth in reports and other documents filed by MDS with Canadian and US securities regulatory authorities from time to time.

Stephen DeFalco

**President & Chief Executive Officer
MDS Inc.**



New in Q2



- **FlashQuant™**, a first-of-its-kind mass spectrometry platform, designed to help pharmaceutical companies accelerate the drug compound screening process.
- **ProteinPilot™ and enhancements to 4800 MALDI TOF/TOF™** mass spectrometer to help scientists gain deeper quantitative insight into biomarkers.
- **Neurotransmitter Transporter Uptake Kit** to support research into diseases like Alzheimer's and Parkinson's.
- **Collaborative Deal with Avid Pharmaceuticals** to support clinical trials of novel radiopharmaceuticals in the diagnosis and monitoring of Alzheimer's disease.
- **Four Centers of Excellence in Europe** to expand the use of TheraSphere®

Doug
Prince

Executive Vice-President & Chief Financial Officer
MDS Inc.



Q2 F2007 Performance



(US\$ millions)	2007	2006	% Change	
			Reported	Organic
Net Revenues	\$ 273	\$ 242	13%	1%
Operating Income	\$ (80)	\$ 2		
Adjustments:				
Restructuring charges	28	1		
Valuation provision	6	6		
Mark-to-market on interest rate swaps	(1)	2		
MAPLE settlement	(3)	9		
Loss on sale of business	3	-		
FDA Provision	61	-		
Acquisition integration	3	-		
Adjusted operating income	17	20		
Depreciation and amortization	20	16		
Adjusted EBITDA	\$ 37	\$ 36	3%	-7%
Adjusted EBITDA margin	14%	15%		



Q2 F2007 Performance



(US\$/Common Share)	2007	2006
Basic and diluted EPS from Continuing Operations - as reported	\$ (0.42)	\$ (0.01)
Adjustments:		
Restructuring charges	0.17	-
Valuation provision	0.04	0.04
Mark-to-market on interest rate swaps	-	0.01
MAPLE settlement	(0.02)	0.04
Loss (gain) on sale of investment/business	0.03	-
FDA provision	0.29	-
Acquisition integration	0.02	-
Tax rate changes	-	-
Adjusted EPS	\$ 0.11	\$ 0.08

+38%



Q2 F2007 – MDS Pharma Services



(US\$ millions)	2007 \$	2006 \$	% Change	
			Reported	Organic
Early-Stage	60	68	-12%	
Late-Stage	55	45	22%	
Net Revenues	\$ 115	\$ 113	2%	-
Operating income (loss)	\$ (97)	\$ (5)		
Adjustments				
Restructuring charges	26	1		
Loss on sale of a business	4	-		
FDA Provision	61	-		
Depreciation and amortization	9	7		
Adjusted EBITDA	\$ 3	\$ 3	-	100%
Capital Expenditures	\$ 5	\$ 7		



Q2 F2007 – MDS Nordion



(US\$ millions)	2007 \$	2006 \$	% Change	
			Reported	Organic*
Net Revenues	\$ 70	\$ 72	-3%	-2%
Operating income	\$ 22	\$ 9		
Adjustments				
MAPLE settlement	\$ (3)	\$ 9		
Gain on sale of a business	\$ (1)	\$ -		
Depreciation and amortization	3	4		
Adjusted EBITDA	\$ 21	\$ 22	-5%	4%
Capital Expenditures	\$ 1	\$ -		



Q2 F2007 – MDS Analytical Technologies



(US\$ millions)	2007 \$	2006 \$	% Change	
			Reported	Organic
Net Revenues	\$ 88	\$ 57	54%	5%
Operating income	\$ 10	\$ 14		
Adjustments				
Acquisition integration	3	-		
Depreciation and amortization	7	5		
Adjusted EBITDA	\$ 20	\$ 19	5%	-32%
Capital Expenditures	\$ 2	\$ 2		



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