



MDS Second Quarter F2009  
Teleconference

**MDS Inc.**  
June 11, 2009



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**Kim Lee**  
Senior Director, Investor Relations  
June 11, 2009



## Safe Harbour Statement & Use of Non-GAAP Measures

This document 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. MDS's actual results could differ materially from those expressed in the forward-looking statements due to these risks and uncertainties and a number of other factors, including, but not limited to, successful implementation of structural changes, including restructuring plans and acquisitions, technical or manufacturing or distribution issues, the competitive environment for MDS's products and services, the degree of market penetration of its products and services, the ability to secure a reliable supply of raw materials particularly cobalt and critical medical isotopes, the impact of our clients' exercising rights to cancel certain contracts, the strength of global economies, in particular the economies of Canada, United States, European Union, Asia, and the other countries in which we conduct business, the stability of global equity markets, the cost and availability of financing, and our ability to obtain such financing given the restrictions in our Senior Unsecured Notes and bank credit facilities, our ability to remain in compliance with our Senior Unsecured Notes and credit facilities covenants, the impact of the movement of the U.S. dollar relative to other currencies, particularly the Canadian dollar and the euro, our ability to complete strategic transactions and to execute them successfully, including successful closure of negotiated deals, regulatory actions and the outcome of judicial judgments and legal proceedings, uncertainties associated with critical accounting assumptions and estimates, and other factors set forth in reports and other documents filed by MDS with Canadian and US securities regulatory authorities from time to time, including MDS's quarterly and annual MD&A, annual information form, and annual report on Form 40-F for the fiscal year ended October 31, 2008 filed with the Securities & Exchange Commission.



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**Stephen P. DeFalco**  
President & CEO  
June 11, 2009





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**Doug Prince**  
Chief Financial Officer  
June 11, 2009

Q2 F2009 MDS Inc.

(US\$ millions)	2009	2008	% Change
<b>Total revenues</b>	\$ 282	\$ 350	
Reimbursement revenues	(25)	(24)	
<b>Net revenues</b>	\$ 257	\$ 326	(21%)
<b>Income (loss) from continuing operations</b>	(17)	13	nm
Income taxes (recovery) expense	8	6	
Net interest expense (income)	2	(1)	
Change in fair value of interest rate swaps	-	-	
Depreciation and amortization	23	23	
<b>EBITDA</b>	16	41	(61%)
Restructuring charges, net	-	1	
Impairment of property, plant and equipment (net)	16	-	
Write-down of investments/Valuation provisions	-	3	
Change in FDA estimate	-	(10)	
Acquisition integration	(1)	(1)	
<b>Adjusted EBITDA</b>	\$ 31	\$ 34	(9%)
<b>Adjusted EBITDA margin</b>	12%	10%	



## Q2 F2009 MDS Inc.

	Net income		Earnings per share	
	2009	2008	2009	2008
	(US\$ millions)		(US\$/share)	
<b>From continuing operations - as reported</b>	\$ (17)	\$ 13	\$ (0.15)	\$ 0.11
Adjusted for - after tax				
Restructuring charges, net	-	1	-	0.01
Write-down of investments and valuation provisions	-	3	-	0.03
Impairment of property, plant and equipment, net	13	-	0.11	-
Change in FDA estimate	-	(7)	-	(0.06)
Acquisition integration	(1)	(1)	(0.01)	(0.01)
Write-off of tax assets	9	-	0.08	-
<b>Adjusted</b>	\$ 4	\$ 9	\$ 0.03	\$ 0.08



## Q2 F2009 – MDS Pharma Services

(US\$ millions)	2009	2008	% Change
Early-Stage	56	68	(18%)
Late-Stage	49	60	(18%)
<b>Net revenues</b>	\$ 105	\$ 128	(18%)
Reimbursement revenues	25	24	
<b>Total revenues</b>	\$ 130	\$ 152	
<b>Adjusted EBITDA</b>	\$ 3	\$ (1)	nm
<b>Margin</b>	3%	(1%)	



## Q2 F2009 – MDS Nordion

(US\$ millions)

	2009	2008	% Change
<b>Revenues</b>	\$ 65	\$ 80	(19%)
<b>Adjusted EBITDA</b>	\$ 23	\$ 24	(4%)
<b>Margins</b>	35%	30%	



## Q2 F2009 – MDS Analytical Technologies

(US\$ millions)

	2009	2008	% Change
<b>Revenues</b>	\$ 87	\$ 118	(26%)
<b>Adjusted EBITDA</b>	\$ 13	\$ 17	(24%)
<b>Margins</b>	15%	14%	





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