Valeant Pharmaceuticals'

Investor Day 2010

Thursday, June 17, 2010

8:00 a.m.—12:30 p.m. ET

The New York Stock Exchange
2 Broad Street — New York, NY

Time	Agenda	Presenters
8:00 a.m.	Registration Begins	
8:30 a.m.	Opening Remarks	J. Michael Pearson
8:50 a.m.	Branded Generics Discussion	
	Europe	Mariusz Gajowniczek
	Mexico	Dr. Javier Rovalo
	Brazil	Carlos Picosse
	Q&A	All
10:20 a.m.	Break	
10:35 a.m.	Specialty Pharmaceuticals Discussion	
	Canada	Tom Schlader
	Australia	Stewart Fairbairn
	U.S	Rajiv De Silva
	Q&A	All
12:05 a.m.	Closing Remarks	J. Michael Pearson
12:30 p.m.	Conclusion	

VALEANT
Pharmaceuticals International

Valeant Pharmaceuticals International

Investor Day
June 17, 2010

Valeant's Investor Day Agenda

- **Today's Schedule**
- **Opening Remarks – J. Michael Pearson**
- **Branded Generics Discussion**
  - Branded Generics Q&A
- **Specialty Pharmaceuticals Discussion**
  - Specialty Pharmaceuticals Q&A
- **Wrap up / Lunch**

Forward-looking Statements

This presentation contains forward-looking statements, including, but not limited to, statements regarding: our future growth and drivers of that growth; projected product launches; future pipeline projects; sales potential of product candidates; our ability to identify and consummate future acquisitions and add to our growth; future market growth and the drivers of that growth; our revenue goals for 2010 through 2015; our estimates of 2010 product sales; our estimates of 2011 product sales and operating income (EBIT); financial guidance with respect to 2010 adjusted non-GAAP (Cash) EPS; the potential impact of certain opportunities and risks; and our aspirations, plans and objectives for future operations or otherwise. Forward-looking statements may be identified by the use of the words "anticipates," "expects," "intends," "plans," "should," "could," "would," "may," "will," "believes," "estimates," "potential," or "continue" and variations or similar expressions. These statements are based upon the current expectations and beliefs of management and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, risks and uncertainties discussed in the company's most recent annual or quarterly report filed with the Securities and Exchange Commission, which factors are incorporated herein by reference. Readers are cautioned not to place undue reliance on any of these forward-looking statements. Valeant undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect actual outcomes.

Note on Financial Guidance

The guidance contained in this presentation regarding 2010 Adjusted non-GAAP (Cash) EPS is only effective as of the date given, June 17, 2010, and will not be updated or confirmed until the Company publicly announces updated or affirmed guidance. All other financial data for 2010 and beyond are internal estimates and goals only and should not be viewed as financial guidance.

Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, please see Investor Day – June 17, 2010 materials available under the Investor Relations section at www.valeant.com

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J. Michael Pearson
Chairman and Chief Executive Officer

Investor Day
June 17, 2010

VALEANT Pharmaceuticals International

Agenda

- **Valeant's Operating Philosophy**
- **Establishing a Track Record**
- **Financial Update**
- **Ground Rules for Today**

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Valeant's Operating Philosophy (1/3)

Truly low cost operating structure

- **Minimal headquarters staff**
- **All managers work in addition to manage – starting with CEO and Board**
- **Perks and entitlements traded for true performance-based pay**

Don't bet on science, bet on management

- **Avoid discovery**
- **Litmus test all development efforts through partnering**
- **Pick low cost, low risk programs – singles and doubles, not home runs**

Invest in branded, generic, and OTC across multiple, select attractive geographies

- **Don't become overly dependent on any one product or geography**
- **Manage your risk, avoid gambling on NCEs**
- **Acquiring under managed small companies with marketed products has higher returns than traditional R&D**

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Valeant's Operating Philosophy (2/3)

Avoid the big guys in the areas where they are strong

- Broad indications in high profile therapeutics areas – cardiovascular, oncology, neurology, vaccines
- Countries – US, Western Europe, Japan, China
- Primary care, building new diseases, blockbuster categories

Do not fall in love with your assets – be willing to sell, partner, shut down

- Big pharma has and will continue to overpay for scarce "strategic" assets
- Ultimate scorecard is shareholder return
- If an asset is worth more to someone else, recognize it

Be prudent about investing ahead of need – curse of the industry

- Spending on future indications before drug is approved
- Building sales force—which is a commodity—ahead of demand
- Infrastructure – either geographic, corporate (e.g., IT)

Business Development is a CEO and line responsibility

- Deployment of capital is most important decision for CEO and Board
- Business Development is a weak staff function in most pharma companies
- Line management should select, negotiate, own and be held accountable for deals

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Valeant's Operating Philosophy (3/3)

Change is good – management change quickly in underperforming units

- Reinforces accountability – both in and beyond unit
- New ideas, new energy
- It is usually inevitable anyways and better for all parties in the end

Speed and lack of bureaucracy is the greatest advantage for a small company

- Clear accountabilities, clear strategy
- Clear performance metrics
- No excuses culture

Embrace fact-based decision-making, eradicate arrogance

- Positional power if not accompanied by open-mindedness, smarts, and track record is dangerous
- Facts trump opinion
- Meritocratic culture coupled with obligation to dissent is hallmark of all great institutions, but few companies

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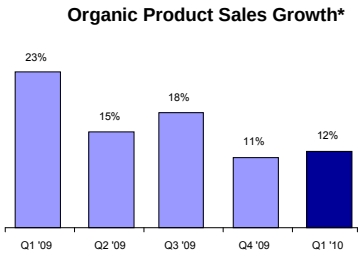
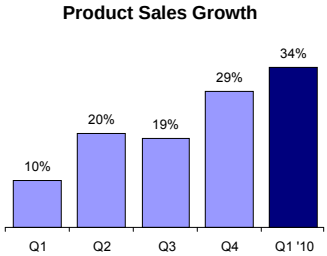
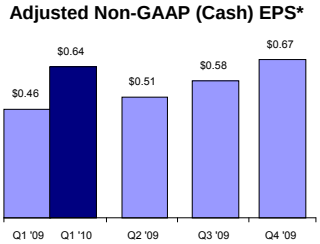
Establishing a Track Record







* Denotes Non-GAAP financial measure

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Financial Update

Second Quarter Product Sales 2010 → **Product Sales Growth > 30% All Business Units > 20%**

Full Year Adjusted Non-GAAP (Cash) EPS 2010 → **Reiterate Full Year Guidance Adjusted Non-GAAP (Cash) EPS $2.65 - $2.90**

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Ground Rules for Today

- **Each presentation will be 10-15 minutes**
  - Plenty of time for Q&A
- **English is a second language for some presenters**
  - Some clarification might be needed
- **I will be moderating the Q&A session**
  - General Managers will head up panel
- **All Valeant numbers are in USD and in constant currency**
  - All financial data for 2010 and beyond are internal estimates only and should not be viewed as financial guidance*
- **Not included in Revenue and Operating Income (EBIT)**
  - Dow Service Revenue
  - Dow Royalties
  - Alliance Revenue
  - Export sales
  - IPD-111 Profit share
  - GSK Alliance Revenue
  - Ribavirin Royalty

*Other than Adjusted non-GAAP (Cash) EPS 2010

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Branded Generics Europe
Mariusz Gajowniczek

Investor Day

June 17, 2010

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Market Overview – Europe

- Pharmaceutical market growth in Poland

	2008 / 2007	2009 / 2008	2010 / 2009 e	2011 / 2013e
Growth %	10.4%	11.5%	~5.0%	~10%*

- Branded generics' share in the market
  - 55% Central Europe; 67% Poland
- Branded generics' share in the growth of the market
  - 60% Central Europe; 82% Poland
- High loyalty to the brands (incl. branded generics)

*Source: IMS Health and company estimates

Business Overview and Sources of Competitive Advantages

- Diversified business:
  - Cardiology 35%; CNS 15%; OTC 15%; Dermatology 10%
- Numerous launches:

Year	2007	2008	2009	2010e	2011e
No. of Products Launched	**9**	**5**	**6**	**~17**	**~11**
Value $ Millions Cumulative	**$6.5**	**$10.0**	**$16.0**	**~$35**	**~46**

- High level of expertise of management and the team
- Effective business model
- Two state of the art factories

Turnaround Results: 2007-2011e

2007 Actual	Variable	2011e
$125M	Product sales	~$ 220M
34%	Operating Income (EBIT)	~30 - 35%
Cardiology, OTC	Key Products	Cardiology, CNS, Dermatology

Key Management Decisions Driving Turnaround

- 3 acquisitions (EMO-FARM, BLAUFARMA portfolio, Fenardin)
- Opening of dermatology business
- Opening of the new geographies
- Intensive growth of Czech & Slovak businesses

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Estimated Product Pipeline Launches

2010	2011	2012	2013	2014	2015
■ Perindopril / Indapamide ■ Latanoprost ■ Dorzolamide ■ Montelukast ■ Exemestane ■ MMF (MOFETIL M.) ■ Ciclosporin ■ Tamsulosin ■ **Gemcitabine** ■ Clopidogrel ■ Rivastigmine ■ Irinotecan ■ Olanzapine ODT ■ **Letrozole** ■ **Quetiapine** ■ **Donepezil**	■ 3 Cardio ■ 2 Ophthalmology ■ 2 Anti-infective ■ 1 CNS ■ 1 Transplant ■ 1 Allergy ■ 1 G.I.	■ 2 Allergy ■ 1 G.I. ■ 1 CNS	■ 1 Oncology ■ 1 Cardiology	■ Biosimilars ■ Inhalers ■ Extentions	■ Biosimilars ■ Extentions

Bold: Already launched

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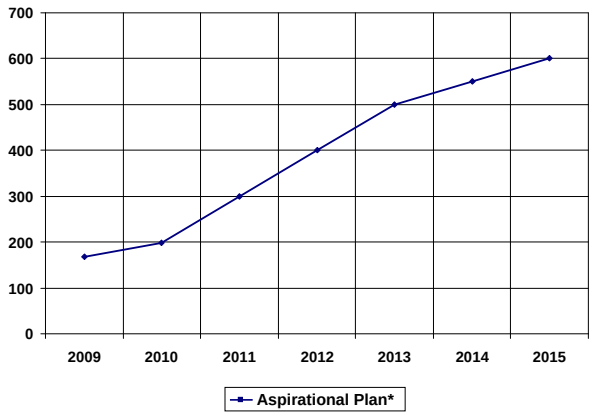
Projected Product Launches in 2011

Description / Tx Area	Segment	Projected Launch
Cardiology	Rx	2Q 2011
Cardiology	Rx	1Q 2011
Cardiology	Rx	3Q 2011
Ophthalmology	Rx	2Q 2011
Ophthalmology	Rx	3Q 2011
Antibiotics	Rx	4Q 2011
Antibiotics	Rx	1Q 2011
Central Nervous System	Rx	2Q 2011
Transplantology	Rx / Hospital	2Q 2011
Allergy	Rx	2Q 2011
Alimentary	OTC	3Q 2011

Revenue Goals 2010 - 2015



Key Drivers

1. New acquisitions
2. New launches
3. New geographies
4. Key products' growth

*Includes potential acquisitions

Opportunities & Risks

Opportunities	Impact
1. New acquisitions	●
2. New geographies	◕
3. New launches	◑
4. New therapeutic areas	◑

Risks	Impact
1. Price erosion	●
2. Launches delay	◑

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Branded Generics Mexico
Dr. Javier Rovalo

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Market Overview

Pharma Market (Mexico)

Structural Changes and Tendencies of the Pharmaceutical Market

- Increase prescription and purchase of Generics
- Migration of channels from traditional “Primary Market” to “Alternate Market”
- Changes in shopping patterns, oriented towards Supermarkets Drugstore chains, Private label products, “Farmacias Similares” vs. Independent Pharmacies

Business Overview and Sources of Competitive Advantage

Effective Business Model

- **Valeant has a strong structure to participate in all the possible selling channels.**
- **Valeant has specific product portfolio to meet the needs of the doctors and patients in different segments of the market.**

Business Overview and Sources of Competitive Advantage

Branded Generics

- Two sales forces (~300) promote our products to more than 25,000 MD's each 4 weeks.
- Comprehensive portfolio of the main Branded Generics and Supergenerics.

Hospital

- Our hospital sales force (~50) promote and sell our broad Hospital Lines:
  - Pain management
  - Anesthetics
  - Antibiotics
  - Parenteral Nutrition

Valeant Mexico

Business Overview and Sources of Competitive Advantage

Private Label

- Vast experience in manufacturing for the major Supermarket Chains and Pharmacy Chains.

Generics

- A separate sales force (~50) call on Regional Distributors, Regional Pharmacy Chains and Dispensing Doctors, to promote and sell our products in these market segments.

Business Overview and Sources of Competitive Advantage

GOVERNMENT

- The Department of Government Sales allows the company to participate in the major Government tenders, as well as in direct purchase orders.
- Valeant Mexico has an organizational structure to participate in all the Market Channels in Mexico.

Business Overview and Sources of Competitive Advantage

Export Business

- With different Business Models, we cover all countries in Latin America.
- Our own commercial structure in Central America and the Caribbean.
- Supply and Distribution agreement with Andean countries and South American countries.

Operations

- Mexico and Brazil
  - Complete operations
- Distribution Center
  - Panama

Turnaround Results: 2008-2011e

	2008	2011e
Product sales	$115M	~$225M
Operating Income (EBIT)	22%	~30 – 40%
Pipeline		~20 products
New Product Launches	None	~17 products Ophthalmologic line

Key Management Decisions:

- Changed Management
- Restructure Organization
- Restore Relationship with Distributors, Wholesalers and Pharmacy Chains
- Tecnofarma Acquisition

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Estimated Product Pipeline Launches

2008	2009	2010	2011	2012	2013	2014	2015
▪ None	▪ Argentafil 120 ml ▪ Fito gauze 10 3pz ▪ Virazide injectable	▪ Argentafil 30 ml ▪ Yurelax 10mg Q-3 ▪ Cynocuatro Q3 ▪ Cefepime 0.5 1gr Q4 ▪ Risedronato 5 35mg Q3	▪ Dermatology ▪ Anti-flu ▪ Women's health ▪ Bedoyecta line extension ▪ 5 Ophthalmology	▪ Anti-biotic ▪ Anti-inflammatory ▪ Respiratory ▪ 6 Ophthalmology	▪ 2 Fibromyalgia ▪ 3 CNS	▪ TBD	▪ TBD

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Product Pipeline - Tecnofarma

2008	2009	2010	2011	2012	2013	2014	2015
▪ None	▪ None	▪ Buprenorfina ▪ Clonazepam drops ▪ Dorzolamida ▪ Cefuroxima 750mg ~Q4 ▪ Cesamet ~Q4	▪ Anti-anxiety ▪ Anti Nausea ▪ Osteoporosis ▪ Antibiotic	▪ TBD	▪ TBD	▪ TBD	▪TBD

More than 20 products

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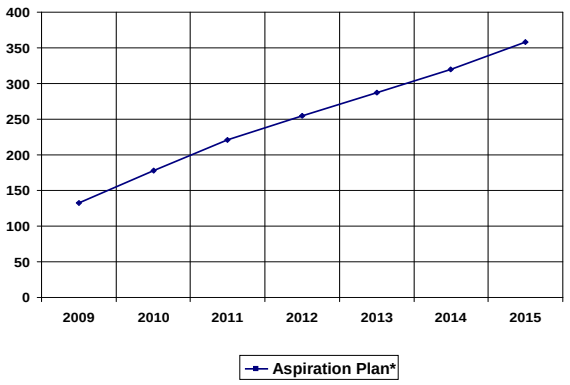
Revenue Goals 2010 — 2015



Key Drivers

- New products development and introduction.
- Increase our presence in all territories.
- New acquisitions.

*Includes potential acquisitions

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Opportunities & Risks

Opportunities	Impact
1. New Acquisitions	●
2. New Geographic areas (e.g. Argentina)	●
3. New Products Launches	●
4. New Therapeutic Areas	●

Risks	Impact
1. Price Erosion	◑
2. Economic Environment	◑
3. Delays on Regulatory Process	◑

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Branded Generics Brazil Carlos Picosse

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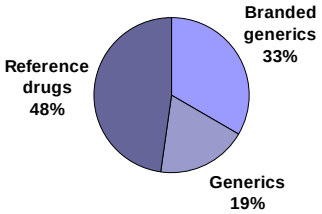
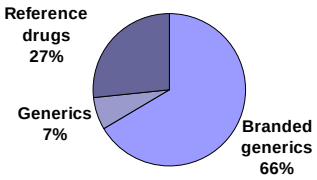
Brazilian Market Overview

Ethical Market
$12.2B USD



OTC Market
$4.9B USD



Key Market Drivers

- 17% growth over last year in local currency
- Possibility to launch the same product in generic and branded generic markets
- Top products will have the patent expiration in the next two years
- Generic sales expected to represent 25% in units of the overall pharmacy sector in 2011

- 19% growth over last year in local currency
- Opportunities for cosmeceuticals and devices products
- Woman skin care growth more than 30% a year
- Prescription or spontaneous purchases more difficult to change by generic
- No price control in cosmetics, devices and nutraceuticals (Vitamins)

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Valeant Brazil—Dermatology

Skin Whitening	Alopecia	Scar Treatment
▪ Glyquin XM ▪ Solaquin	▪ Pilexil	▪ Skimatix
▪ Market size: $29M USD ▪ Valeant: $6M USD ▪ MS: 21.6%	▪ Market size: $17M USD ▪ Valeant: $3M USD ▪ MS: 18.3%	▪ Market size: $12M USD ▪ Valeant: $1M USD ▪ MS: 8.3%

Sources of Advantages

- High recognition and excellent relationship with the top prescribers.
- Strength of present line with the new products pipeline (owned and third parts).
- Well cover, call monthly more than 80% of all dermatologist in the country.
- Very well positioned at all levels of distribution channels.

Aspiration: To enter in other potential dermatological segments (wound healing, anti acne and intensive skin care) and assume one of the top 5 position in Dermatological prescription.

Source: IMS Health

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Bunker + Delta Brazil

Ethical	OTC	Total
▪ Market size: $6B USD ▪ Bunker / Delta: $38M USD ▪ MS: 0.61%	▪ Market size: $3B USD ▪ Bunker / Delta: $32M USD ▪ MS: 0.89%	▪ Market size: $10B USD ▪ Bunker / Delta: $70M USD ▪ MS: 0.71%

Sources of Advantages

- Two independent and experienced sales force, powered by the Valeant sales management relationship in the main distributors and pharmacies chain.
- Generics and branded generics products pipeline available to get the new generation of products that the patent will expired in the next years.
- New cosmeceuticals and nutraceuticals in final development phase.

Aspiration: Double the actual market share in the Ethical and OTC until the end of 2012.

Source: IMS Health

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Turnaround Results: 2007 - 2011e

	2007	2011e
Product Sales	**$23M**	**~$90M**
Operating Income (EBIT)	**<10%**	**~25 - 30%**
New Product Launches	**1**	**Delta Bunker ~14**

Key Management Decisions:
- Two important acquisition that opened the branded / generics, generics and OTC markets.
- Hire high level of expertise and committed new management team.
- Invest in the OTCs market which has sustained growth due the population wage increase.

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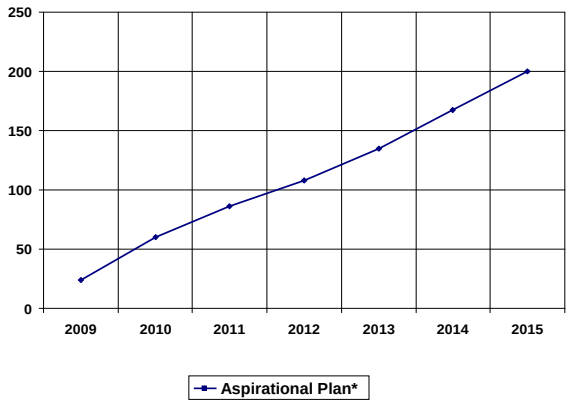
Estimated Product Pipeline Launches

2010	2011	2012	2013	2014	2015
■ Pilexterida ■ Skim Ultra ■ Redeplus ■ Licolife ■ Dipro AS ■ Valbet ■ Regederm	■ 5 Dermatology ■ 2 Erectile disfunction	■ 2 Dermatology ■ 3 Anti-depresants ■ 1 Alzheimer's ■ 1 Parkinson's	■ TBD	■ TBD	■ TBD

Revenue Goals 2010 – 2015



Key Drivers

- Double digit grow in all companies
- New products in the three lines: Generic, branded generic and OTC
- New acquisition

*Includes potential acquisitions

Opportunities and Risks

Opportunities — **Impact**

- New products development in top generics, branded generics and branded / cosmeceuticals devices to be produced in our plant.
- Explore the OTC segments for woman beauty care
- Use generics to attend government tenders
- Identify new acquisition

Risks — **Impact**

- Delay of new product registration approval by ANVISA

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Specialty Pharmaceuticals Canada
Tom Schlader

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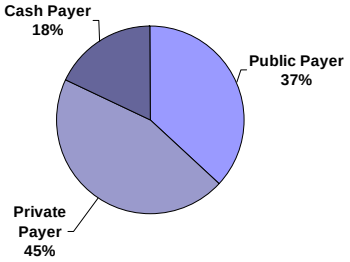
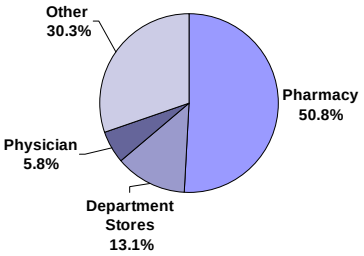
Canadian Market Overview

Prescription Pharmaceutical Reimbursement



Consumer Dermatology Channels



Key Market Drivers

- Strength in ON and QC
- Favorable pricing through PMPRB
- Relationship with Health Canada
- Knowledge & access to key prescribers
- Channel scale
- Relationships with major chains
- Product innovation
- Access to channels

Source: CIHI - 2009, Cosmetics and Toiletries in Canada.
Euro monitor International, 2007

Valeant Canada—Dermatology

Prescription	Retail	Spa
▪ Ultravate	▪ Dermaglow ▪ Heiko	▪ Dr. Renaud □ Skin Care
▪ Clin RA ▪ IDP 107 ▪ IDP 108	▪ CeraVe ▪ Hissyfit	▪ Dr. Renaud □ Acne ▪ Kinerase Pro+Therapy

Sources of Advantage

- Strength in ON through Vital Science acquisition
- Strength in QC through Dr. Renaud acquisition
- Outstanding R&D capability at Dr. Renaud
- State-of-the-art topicals manufacturing facility
- Relationship with key pharmacy chains (e.g., Shoppers Drug Mart)
- Leading presence in medi-spas

Aspiration: To become the leading diversified dermatology company in Canada

Valeant Canada—Pain & Other

Supportive Care / Other	Pain	Sleep Disorders
■ Cesamet	■ Kadian ■ Onsolis	■ Xyrem
■ Cesamet AG	■ Opana	■ Sublinox

Sources of Advantage

- Broad reimbursement in QC and ON
- Outstanding track record with Health Canada
  - BEMA Fentanyl fast track
  - Sublinox submission
- Strong field force
- Relationship with pain and sleep patient associations
- Solid dosage manufacturing facility (with capacity to absorb new acquisitions)

Aspiration: To become a leader in niche therapeutic areas such as pain and sleep

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Turnaround Results: 2007-2011e

	2007	2011e
Product sales	**$52M**	**~$110M**
% Cesamet	**54%**	**~50%**
% Derm	**<5%**	**~25%**
Operating Income (EBIT)	**35%**	**~45 - 50%**
Key Products	**Cesamet**	**Cesamet Dr. Renaud Vital Science**
New Product Launches	**None**	**~10**

Key Management Decisions:
- Support Cesamet to provide steady cash flow
- MEDA JV (BEMA Fentanyl, Sublinox)
- 3 Acquisitions in Dermatology (Dr. Renaud, VitalScience, Ultravate)

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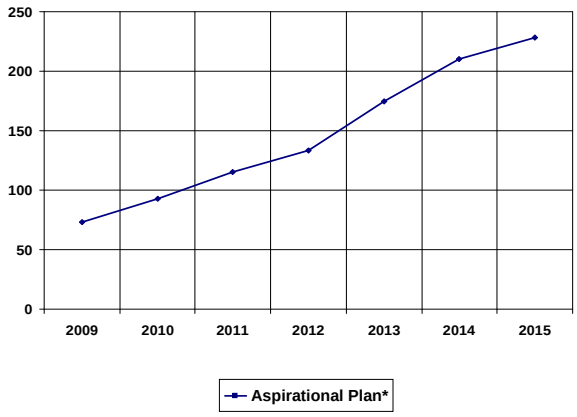
Canada Pipeline

Product	Indication / Condition	Segment	Projected Launch
Ultravate	Psoriasis / Dermatoses	Derm Rx	2H 2010
BEMA Fentanyl	Breakthrough Pain	Pain Rx	2H 2010
Dr. Renaud (line extension)	Acne	Derm Cosmeceutical	2H 2010
Opana	Moderate/Severe Pain	Pain Rx	2H 2011
Clin RA (Ziana)	Acne	Derm Rx	2H 2011
CeraVe	Moisturizer	Derm OTC	1H 2011
Sublinox	Insomnia	Sleep Rx	2H 2011 / 1H 2012

Key Highlights
- BEMA Fentanyl / Opana – potential $20 - $40M pain franchise
- Sublinox – potential $20 - $30M insomnia franchise

Revenue Goals 2010 – 2015



Key Drivers
- Cesamet defense
- Pain launches
- New Derm business unit
- Sublinox launch

*Includes potential acquisitions

Opportunities and Risks

Opportunities — **Impact**

- Onsolis
- Sublinox
- New Derm pipeline
- Dr. Renaud/VitalScience geographic expansion

Risks — **Impact**

- Cesamet Gx
- OTC channel pressure

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Specialty Pharmaceuticals Australia
Stewart Fairbairn

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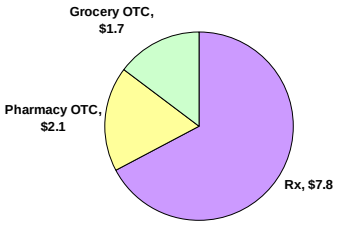
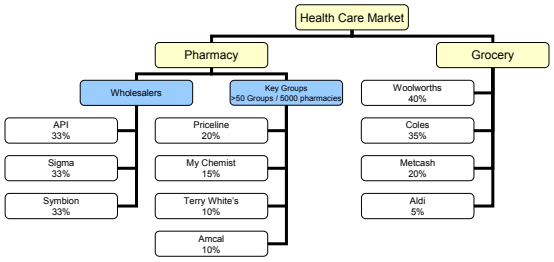
Australian Market Overview

Rx and OTC Market Split (AUD$ bn)



Distribution Channels

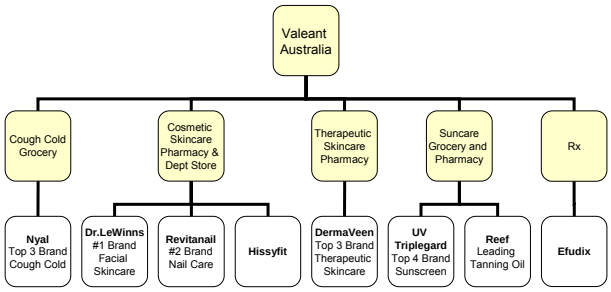


Key Market Drivers

- Strength in OTC, especially dermatology
- Significant SOV in pharmacy front of shop
- Expertise in Grocery
- Valeant is one of the few players able to distribute via all channels (wholesaler or direct)
- Potential to leverage via Dr LeWinns brand

VALEANT Pharmaceuticals International

Valeant Australia – Business Overview



Sources of Advantage

- Leading local brands
- Leverage on Global synergies (source of new line extensions)
- Ability to use both direct and indirect distribution channels
- Synergy between brands e.g. use of Dr.LeWinns Rewards scheme for DermaVeen
- Training capability with pharmacy assistants

Aspiration : To improve from our current position as the #2 OTC skincare company in Australia and become the #1 company

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Turnaround Results: 2007-2011e

	2007	2011e
Product sales	$20M	~$80M
% Nyal	57%	~15%
% Derm	16%	~70%
Operating Income (EBIT)	<10%	~15 - 25%
Key Products	Nyal Efudix	Dr.LeWinns Nyal DermaVeen Efudix UV Triplegard Reef Revitanail Hissyfit

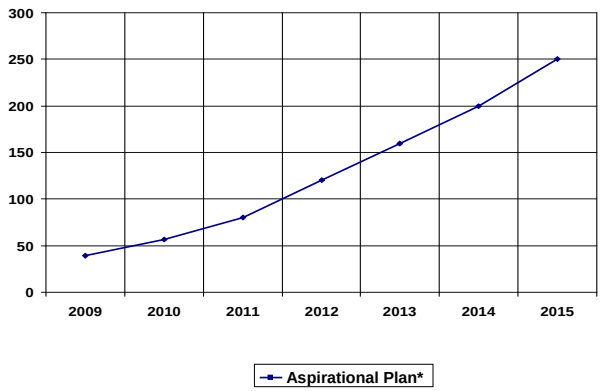
Key Management Decisions:

- Conscious decision to minimize dependence on cough cold and Grocery channel, expand into dermatology and increase footprint in pharmacy
- 3 Acquisitions in Dermatology (Private Formula International, Dermatech, Local brands from a large multi-national)

Australia Pipeline

Product	Indication / Condition	Segment	Projected Launch
UV Triplegard + Reef (various line extension)	Suncare	Derm OTC	2H 2010
Hissyfit (line extension)	Suncare	Derm OTC	2H 2010
Dr.LeWinns (line extension)	Cosmetic Skincare	Derm OTC	2H 2010
Revitanail (line extension)	Nail Care	Derm OTC	2H 2010
DermaVeen (line extension)	Therapeutic Skincare	Derm OTC	1H 2011
Nyal (line extension)	Cough Cold	OTC	1H 2011
Clin RA (Ziana)	Acne	Derm Rx	2012
Opana	Moderate/Severe Pain	Pain Rx	2014
BEMA Fentanyl	Breakthrough Pain	Pain Rx	2014

Revenue Goals 2010 – 2015



Key Drivers

- Growth in key OTC skincare brands
- Launch of Rx derm brands
- Meda JV
- Further acquisition opportunities

*Includes potential acquisitions

Opportunities and Risks

Opportunities — **Impact**

- Launch of Dr.LeWinns and DermaVeen to additional channels
- Growth in export markets for Dr. LeWinns and DermaVeen
- Growth in acne segment

Risks — **Impact**

- Efudix Gx
- Decline in Nyal due to increased competition from pharmacy brands

Specialty Pharmaceuticals USA
Rajiv De Silva

Investor Day

June 17, 2010

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Valeant US Overview

Dermatology	Neurology / Other	Aton Pharma
■ Coria (Rx and OTC) ■ Cosmeceuticals (Retail and physician dispensed)	■ Non-promoted brands (some non-personal promotion) ■ Retigabine / Ezogabine	■ Orphan products ■ Ophthalmology
■ 2011 product sales: ~$200M	■ 2011 product sales: ~$150M	■ 2011 product sales: ~$100M

Locations	
	■ Derm commercial—Coria (TX) ■ Derm R&D / Dow Services (CA) ■ Cosmeceuticals (CA) ■ Neurology / Other (NC/NJ) ■ Aton (NJ)

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Valeant USA—Dermatology

Coria – Rx	Coria – OTC	Cosmeceuticals
■ Acanya ■ Atralin ■ Refissa	■ CeraVe	■ Kinerase ■ Kinerase Pro+Therapy
■ Acanya pump ■ IDP 107 / 108 / 113 / 115	■ SPF 30 ■ Foaming cleanser	■ Hissyfit ■ Dr. Lewinns / Renunail ■ Dr. Renaud

Sources of Advantage

- Coria prescription product portfolio (Acanya, Atralin, and Refissa)
- CeraVe reputation among dermatologists & retail
- Dow pipeline and formulation capabilities
- Kinerase medical heritage
- Pipeline of distinctive new cosmeceuticals from Australia / Canada acquisitions

Aspiration: To become the leading dermatology company in the US

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Valeant USA—Neurology / Other

Non-promoted brands	Non-personal promotion	Retigabine / Ezogabine
■ Diastat ■ Virazole ■ Other	■ Bedoyecta ■ Zelapar / Tasmar ■ Migranal	■ IR formulation ■ MR formulation
■ Authorized generics	■ Bedoyecta line extensions	

Sources of Advantage

- High margins of mature, relatively stable brands
- A few orphan products (e.g., Virazole)
- Bedoyecta loyalty among Mexican-American populations
- Retigabine / Ezogabine first new mechanism of action in epilepsy in 10 years

Aspiration: To maximize cashflows from mature brands and Retigabine / Ezogabine partnership

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Valeant USA—Aton Pharma

Orphan Products	Ophthalmology
■ Mephyton ■ Lodosyn ■ Edecrin ■ Cuprimine ■ Syprine ■ Demser	■ Lacrisert ■ Timoptic ■ Timoptic Occudose
■ Mephyton reformulation ■ Cuprimine / Syprine for heavy metal poisoning ■ Demser in VCFS	■ Lacrisert reformulation ■ Lacrisert drug delivery ■ Timoptic reformulation

Sources of Advantage

- Only supplier of oral prescription Vitamin K in the world
- Orphan products in areas of high unmet need
- Pipeline opportunities to extend orphan product lifecycles
- Lacrisert—only once-a-day dry eye treatment
- Timoptic Occudose—only preservative free glaucoma treatment
- Lacrisert as a drug delivery platform

Aspiration: To source and maximize value of orphan product, and build a viable ophthalmics business

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Turnaround Results: 2007-2011e

	2007	2011e
Product Sales	$225M	~$450M
% Derm	41%	~50%
Operating Income (EBIT)	<10%	~40 - 50%
Key Products	Efudex Diastat	Mephyton Acanya/Atralin CeraVe Kinerase RTG / EZG
New Product Launches	None	~10

Key Management Decisions:

- Restructuring of US cost base (2008 / 2009)
- Key acquisitions (Coria, Dow, Aton, Refissa)
- Expansion of Coria field force

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Key US Pipeline Projects

Product	Indication / Condition	Segment
Retigabine / Ezogabine	Epilepsy	Neuro Rx
IDP 108	Onychomycosis	Derm Rx
IDP 107	Acne	Derm Rx
Hissyfit	Skincare/color	Cosmeceuticals
CeraVe (SPF / Foaming cleanser)	Skincare	Derm OTC
Mephyton reformulations	Coagulation disorders	Orphan Rx
Lacrisert drug delivery	Various	Ophthalmics Rx

Key Highlights
- Retigabine / Ezogabine— $700M - $1.5B peak sales potential
- IDP 107 / 108—opportunity for leadership in Rx dermatology

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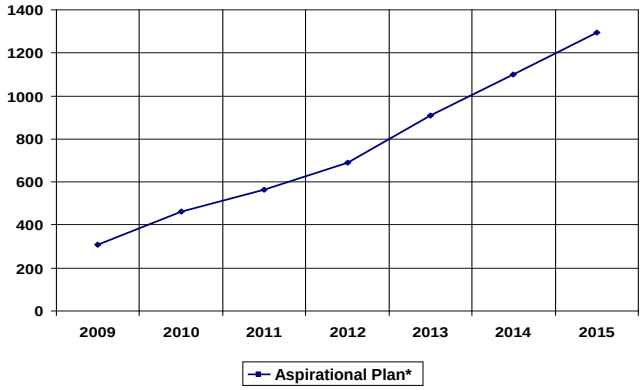
Revenue Goals 2010 – 2015



Key Drivers
- Impact of Diastat Gx and Efudex erosion
- Derm launches
- Aton impact
- Ezogabine launch

*Includes potential acquisitions

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Opportunities and Risks

Opportunities — **Impact**

- Ezogabine launch impact
- New Derm pipeline
- Aton pipeline
- Continued volume stability in mature products
- New cosmeceutical launches

Risks — **Impact**

- Diastat / other product Gx erosion
- Competitive launches in dermatology
- Derm pipeline risk

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Valeant Pharmaceuticals Investor Day 2010
Speaker Bios
Thursday, June 17, 2010

J. Michael Pearson
Chairman and Chief Executive Officer

J. Michael Pearson was appointed Chairman and Chief Executive Officer of Valeant Pharmaceuticals in February 2008. He has led Valeant through a major restructuring in 2008 and strategically refocused the company to what it is today. Prior to joining Valeant, Mr. Pearson was a Director at McKinsey & Company. Over a 23-year career, he worked with leading CEOs and was an integral driver of major turnarounds, acquisitions, and corporate strategy.

Peter Blott
Executive Vice President, Chief Financial Officer

Peter Blott is Executive Vice President, Chief Financial Officer of Valeant Pharmaceuticals. With over 20 years of finance and accounting experience, Mr. Blott oversees Operations Finance, Financial Consolidations and Reporting, and Accounting Shared Services for the company. Mr. Blott has an extensive background in accounting and operations in the pharmaceutical industry.

Rajiv De Silva
Chief Operating Officer of Specialty Pharmaceuticals

Rajiv De Silva joined Valeant Pharmaceuticals in January 2009 as Chief Operating Officer of Specialty Pharmaceuticals. Mr. De Silva has a broad international experience, having worked in the United States, Europe, Canada and Latin America. Mr. De Silva is responsible for overseeing the U.S., Canadian and Australian specialty pharmaceuticals operations. Previously, Mr. De Silva held various leadership positions with Novartis AG. His most recent position was President, Novartis Vaccines USA and Head, Vaccines of the Americas.

Bhaskar Chaudhuri
President, Valeant Pharmaceuticals International

Dr. Bhaskar Chaudhuri was appointed to the position of President, Valeant Pharmaceuticals in March 2009. In this role, Dr. Chaudhuri oversees corporate business development activities, the branded generics business and the Dow operations. Prior to joining Valeant upon the Company's acquisition of Dow Pharmaceutical Sciences, Inc., Dr. Chaudhuri served as President and Chief Executive Officer and a Member of Dow's Board of Directors. Before joining Dow, Dr. Chaudhuri served as Executive Vice President of Scientific Affairs at Bertek Pharmaceuticals, a subsidiary of Mylan Laboratories, where he oversaw the research and development activities for its Cardiovascular, Neurology and Dermatology businesses, as well as a segment of its manufacturing operations.

Thomas Schlader
President, Valeant Canada

Thomas Schlader has worked within the pharmaceutical industry since 1979 and joined Valeant in 1993, where for the last seven years he was President and General Manager of Valeant Canada. Prior to his current role, he was VP Marketing and Sales for nearly 10 years. Mr. Schlader is responsible for overseeing two manufacturing facilities and three commercial sites in Canada which include Valeant's two recent acquisitions, Laboratoire Dr Renaud and Vital Science Corp.

Stewart Fairbairn
Managing Director of Valeant Pharmaceuticals Australasia

Stewart Fairbairn is Managing Director of Valeant Pharmaceuticals Australasia. He joined Valeant in 2007 and has led the Australian affiliate to its present position mainly through a strategy of targeted growth in the dermatology arena. Mr. Fairbairn oversees the Valeant business in Australia and New Zealand and its growing export business to Asia and the Middle East using the Australian brands acquired in the recent acquisition process.

Dr. Javier Rovalo
Chairman of Latin America

Dr. Javier Rovalo is Chairman of Latin America and rejoined Valeant in March 2008 after coming out of retirement. Prior to entering retirement, Dr. Rovalo worked at the company's Latin America operations for 22 years. Dr. Rovalo leveraged his strong network and knowledge of the marketplace to rebuild Valeant's relationships with its doctors, customers, distributors and pharmacies. Dr. Rovalo contributes his vast experience and knowledge of the pharmaceutical industry and provides strategic advice for the Latin America region.

Carlos Picosse
General Manager, Valeant Brazil

Carlos A. Picosse, joined Valeant in 1998 as General Manager, Valeant Brazil after divesting his company, Pharmaway, to Valeant. Prior to Pharmaway, Mr. Picosse worked for ICN USAFARMA from 1973 to 1982. Mr. Picosse oversees Valeant's operations in Brazil as well as the integration process of the two Brazilian companies that Valeant has acquired in 2010.

Mariusz Gajowniczek
The President of Management Board of ICN Polfa Rzeszów S.A
President Europe of Valeant Pharmaceuticals International

Mariusz Gajowniczek joined ICN Polfa Rzeszów S.A. / Valeant Pharmaceuticals International in 1996. With over 30 years of experience in the pharmaceutical industry, he is responsible for the overall leadership and management of ICN Polfa. In his role, Mr. Gajowiczek oversees ICN Polfa's strategy development, planning, budgeting, and business development. Prior joining Valeant, Mariusz was headed the Hoffman La Roche operations in Poland.