

CORPORATE PROFILE

Founded in 1996, Paladin Labs Inc. is a leading Canadian specialty pharmaceutical company headquartered in Montreal, Canada. Paladin's strategy is to leverage its strong sales and marketing capabilities to enhance the performance of existing and newly acquired pharmaceutical products. Paladin's focus on specialty pharmaceuticals enables the Company to aggressively capitalize on market opportunities that may be under-served by large pharmaceutical companies. With approximately \$200.9 million in working capital (at September 30, 2011), and a growing pharmaceutical business, Paladin is well positioned to execute its growth strategy.

2011 FINANCIAL RESULTS (\$000s)

	Sept 30, 2011 \$	Sept 30, 2010 \$
Revenue	104,383	95,555
EBITDA ⁽¹⁾	53,643	40,990
Net Income	34,379	15,964
Cash and marketable securities	226,700	127,369
Investment in Product and Corporate Acquisitions	10,553	15,982

INVESTMENT HIGHLIGHTS

- Proven partner for the Canadian market
- Demonstrated track record of profitable growth
- Proven ability to fill a product pipeline
- Experienced & dynamic management team
- Financial strength to execute our strategy

MARKET FACTS

Exchange/Symbol: TSX:PLB Recent Price: \$39.00
 Shares Outstanding: 20.2 M Market Capitalization: Approx. \$788 M
 52 Week high/low: \$45.60/\$27.50 Float: 12.7 M shares

ANALYST COVERAGE

Lennox Gibbs TD Securities lennox.gibbs@tdsecurities.com	Douglas Loe Byron Capital Markets Ltd. dloe@byroncapitalmarkets.com
Pooya Hemami Desjardins Securities pooya.hemami@vmd.desjardins.com	Douglas Mieh RBC Dominion Securities Inc. douglas.miehm@rbccm.com
Cosme Ordoñez GMP Securities Ltd. cosmeo@gmpsecurities.com	Philippa Flint Bloom Burton & Co. pflint@bloomburton.com
Alan Ridgeway Paradigm Capital aridgeway@paradigmcap.com	

MANAGEMENT TEAM

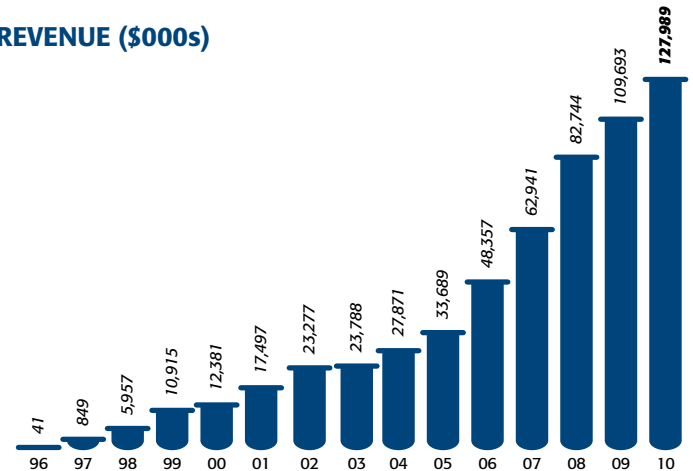
President & CEO
 Jonathan Goodman, B.A., LL.B., M.B.A.; formerly a Consultant with Bain & Company; and in brand management for Procter & Gamble's Health Care division

Chief Financial Officer
 Samira Sakhia, B.Comm., C.A., M.B.A.; formerly a controller with Discreet Logic; and Senior Auditor at Arthur Andersen & Co.

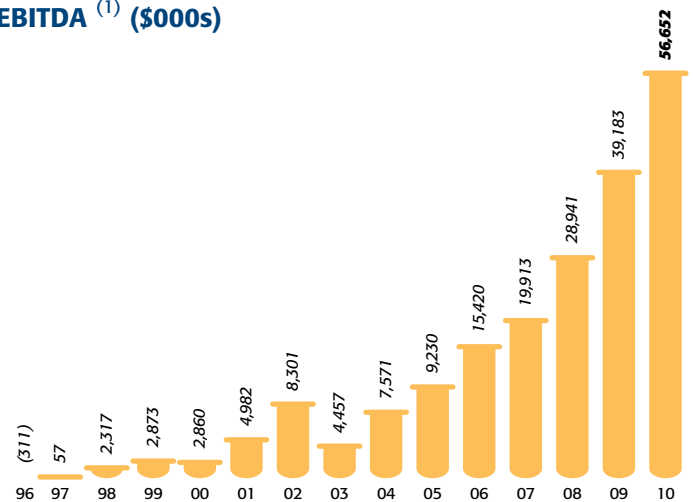
Vice President, Marketing & Sales
 Mark Beaudet, B.Comm.; formerly a Marketing Manager with Pepsico; and a Brand Manager in Procter & Gamble's Health Care division

Vice President, Business and Corporate Development
 Mark Nawacki, B.Comm., C.A., M.B.A.; formerly Business Development Director at Pharmacia Canada Inc.

REVENUE (\$000s)



EBITDA ⁽¹⁾ (\$000s)



Vice President, Scientific Affairs
 Patrice Larose, B. Pharm, Ph.D.; formerly Vice President at Schering Canada Inc.

Vice President, Government Affairs
 Michael Freeman, LL.B., M.B.A.; formerly Marketing Director with Paladin Labs Inc.; and a Group Product Director at Johnson & Johnson Consumer Canada Inc.

INVESTOR CONTACT

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⁽¹⁾ EBITDA (earnings before interest, taxes, depreciation and amortization) does not have any standardized meaning under Canadian Generally Accepted Accounting Principles ("GAAP") and therefore may not be comparable to similar measures presented by other companies. The Company defines EBITDA as earnings before interest expense, taxes, amortization, foreign exchange gains (losses), share of net income in companies subject to significant influence and unusual items; such as write-downs and gains (losses) on intellectual property and investments. EBITDA is calculated and presented consistently from period to period and agrees, on a consolidated basis, with the amount disclosed as "Earnings before under noted items" on the consolidated statement of income. The Company believes EBITDA to be an important measurement that allows it to assess the operating performance of its ongoing business on a consistent basis without the impact of amortization expenses. The Company excludes amortization expenses because their level depends substantially on non-operating factors such as the historical cost of intangible and capital assets. The Company's method for calculating EBITDA may differ from that used by other issuers and, accordingly, this measure may not be comparable to EBITDA used by other issuers.