

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 \$97.5 million in working capital (at Jun 30, 2010), and a growing pharmaceutical business, Paladin is well positioned to execute its growth strategy.

2010 FINANCIAL RESULTS (\$000s)

	Jun 30, 2010 \$	Jun 30, 2009 \$
Revenue	63,773	52,040
EBITDA ⁽¹⁾	25,202	19,361
Net Income	7,730	30,782
Cash, and marketable securities	105,538	91,279
Investment in Product and Corporate Acquisitions	24,995	130

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: \$24.19
 Shares Outstanding: 18.7 M Market Capitalization: Approx. \$452.5 M
 52 Week high/low: \$25.79/\$15.11 Float: 11.8 M shares

ANALYST COVERAGE

Lennox Gibbs
 TD Securities
 lennox.gibbs@tdsecurities.com

Maher Yaghi
 Desjardins Securities
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Cosme Ordoñez
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Douglas Miehm
 RBC Dominion Securities Inc.
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Philippa Flint
 Bloom Burton & Co.
 pflint@bloomburton.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

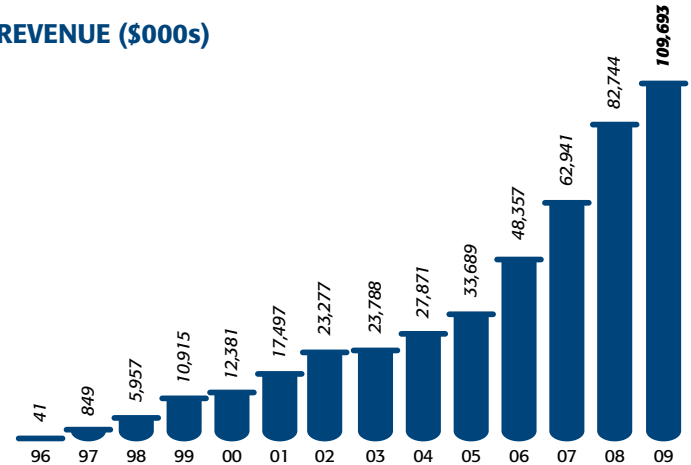
Vice President, Business and Corporate Development

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

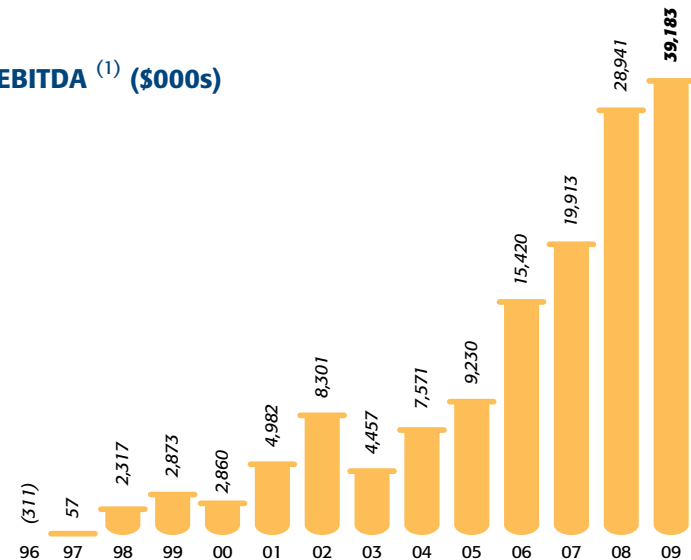
Vice President, Scientific Affairs

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

REVENUE (\$000s)



EBITDA ⁽¹⁾ (\$000s)



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.

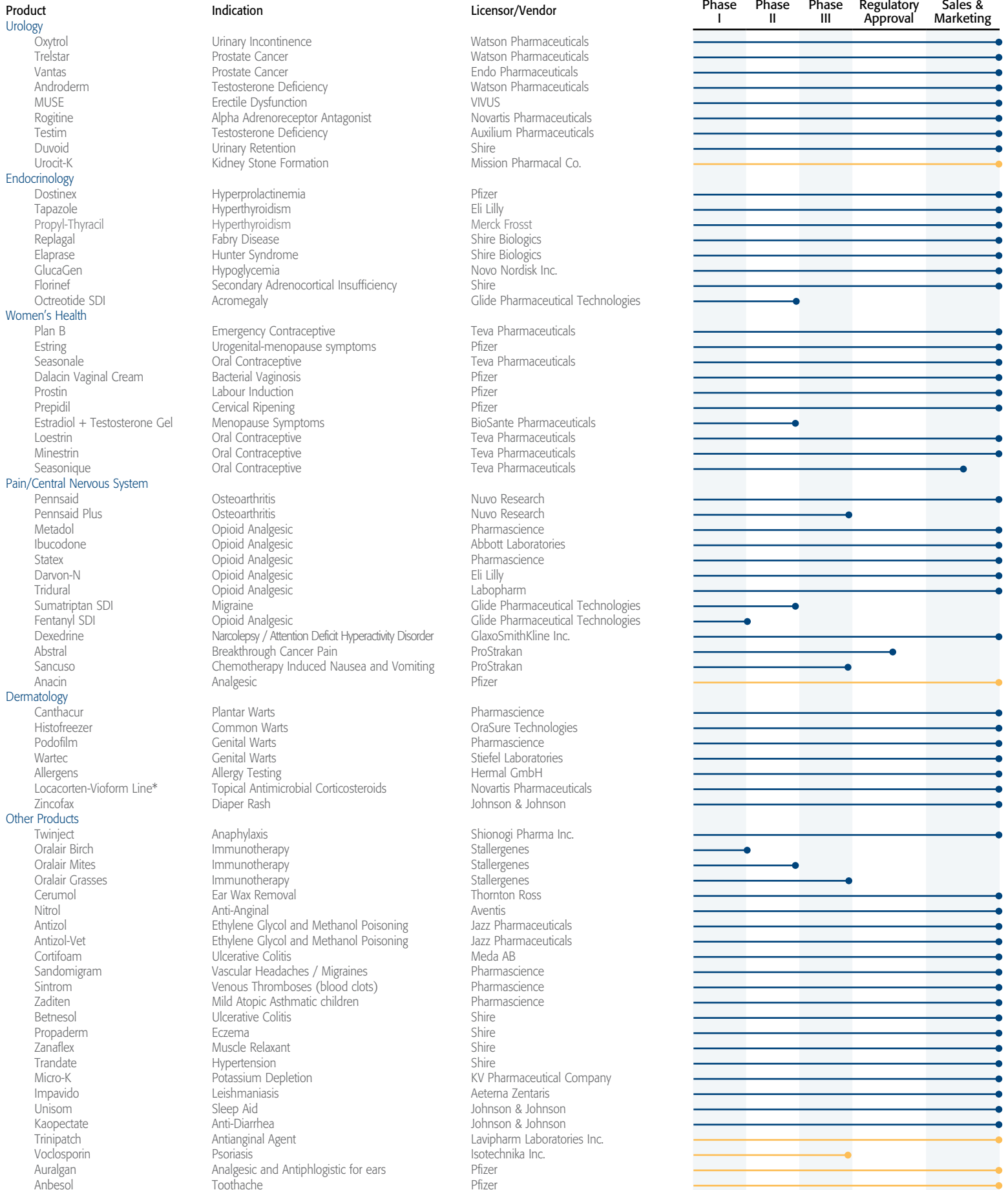
Vice President, Special Projects

Joseph Walewicz, B.Sc., C.F.A., M.B.A.; Formerly Executive Director of Equity Research at CIBC World Markets; and Vice President and Senior Health Care Analyst at Orion Securities

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.



* The Locacorten Vioform Line consists of: Locacorten Vioform cream, Locacorten Vioform eardrops and Vioform Hydrocortisone cream