

# 2003 2<sup>nd</sup> Quarter and Year to Date Results

# Alcon<sup>®</sup>

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# Financial Results



# Second Quarter Financial Highlights

	Q2 03	Q2 02	Growth
<b>Global Sales</b>	<b>\$ 925.4</b>	<b>\$ 809.5</b>	<b>14.3%</b>
<b>Net Earnings</b>	<b>\$ 178.2</b>	<b>\$ 162.8</b>	<b>9.5%</b>
<b>Proforma Net Earnings</b>	<b>\$ 178.2</b>	<b>\$ 156.4</b>	<b>13.9%</b>
<b>Reported EPS*</b>	<b>\$ 0.57</b>	<b>\$ 0.53</b>	<b>7.5%</b>

**\*Diluted**

*(dollars in millions, except per share amounts)*



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# Year to Date Financial Highlights

	YTD 03	YTD 02	Growth
<b>Global Sales</b>	<b>\$ 1,732.5</b>	<b>\$ 1,516.0</b>	<b>14.3%</b>
<b>Net Earnings</b>	<b>\$ 308.4</b>	<b>\$ 256.8</b>	<b>20.1%</b>
<b>Proforma Net Earnings</b>	<b>\$ 308.4</b>	<b>\$ 264.6</b>	<b>16.6%</b>
<b>Reported EPS*</b>	<b>\$ 1.00</b>	<b>\$ 0.87</b>	<b>14.9%</b>

**\*Diluted**

*(dollars in millions, except per share amounts)*



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# Reported vs. Proforma Net Earnings

	Q2 03	Q2 02	YTD 03	YTD 02
<b>Reported Net Earnings</b>	<b>\$ 178.2</b>	<b>\$ 162.8</b>	<b>\$ 308.4</b>	<b>\$ 256.8</b>
<b>Deferred Comp Conversion</b>	--	--	--	22.6
<b>IPO Net Interest Expense</b>	--	(9.5)	--	(9.5)
<b>Tax Impact of Above Items</b>	--	3.1	--	(5.3)
<b>Proforma Net Earnings</b>	<b>\$ 178.2</b>	<b>\$ 156.4</b>	<b>\$ 308.4</b>	<b>\$ 264.6</b>

(dollars in millions)



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# Second Quarter Income Statement Detail

	Q2 03	% of Sales	Q2 02	% of Sales
<b>Gross Profit</b>	<b>\$ 658.3</b>	<b>71.1%</b>	<b>\$ 575.0</b>	<b>71.0%</b>
<b>SG &amp; A</b>	<b>\$ 291.1</b>	<b>31.5%</b>	<b>\$ 246.8</b>	<b>30.5%</b>
<b>Research &amp; Development</b>	<b>\$ 89.3</b>	<b>9.6%</b>	<b>\$ 74.2</b>	<b>9.2%</b>
<b>Effective Tax Rate</b>	<b>30.4%</b>	<b>N/A</b>	<b>32.3%</b>	<b>N/A</b>

(dollars in millions)



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# Year to Date Income Statement Detail

	YTD 03	% of Sales	YTD 02	% of Sales
<b>Gross Profit</b>	<b>\$1,212.1</b>	<b>70.0%</b>	<b>\$1,071.1</b>	<b>70.7%</b>
<b>SG &amp; A</b>	<b>\$ 555.3</b>	<b>32.1%</b>	<b>\$ 499.2</b>	<b>32.9%</b>
<b>Research &amp; Development</b>	<b>\$ 167.5</b>	<b>9.7%</b>	<b>\$ 149.5</b>	<b>9.9%</b>
<b>Effective Tax Rate</b>	<b>30.4%</b>	<b>N/A</b>	<b>32.5%</b>	<b>N/A</b>

(dollars in millions)



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# Balance Sheet Highlights

	6/30/03	12/31/02
<b>Net Debt</b>	<b>\$ 713.6</b>	<b>\$ 908.8</b>
<b>Consolidated S/H Equity</b>	<b>\$ 1,240.8</b>	<b>\$ 974.3</b>
<b>Net Debt-to-Total Capital Ratio</b>	<b>37%</b>	<b>48%</b>
<b>A/R Change</b> (constant currency vs. 12/31/02)	<b>+24.1%</b>	<b>NA</b>
<b>Inventory Change</b> (constant currency vs. 12/31/02)	<b>- 4.3%</b>	<b>NA</b>

(dollars in millions)



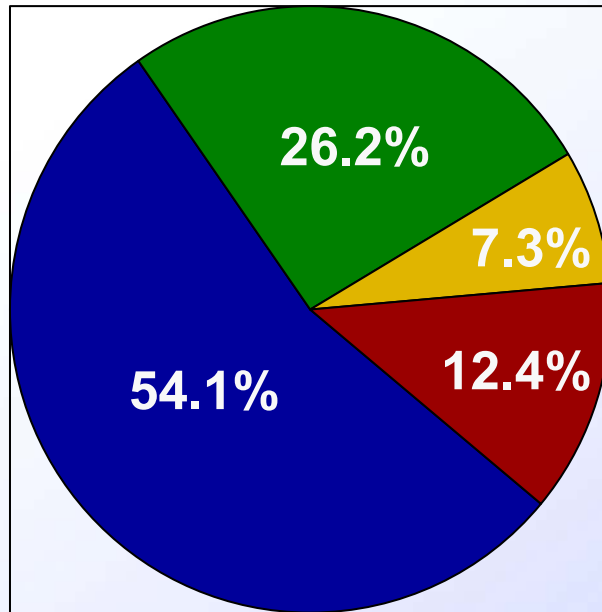
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# Geographic and Product Line Sales



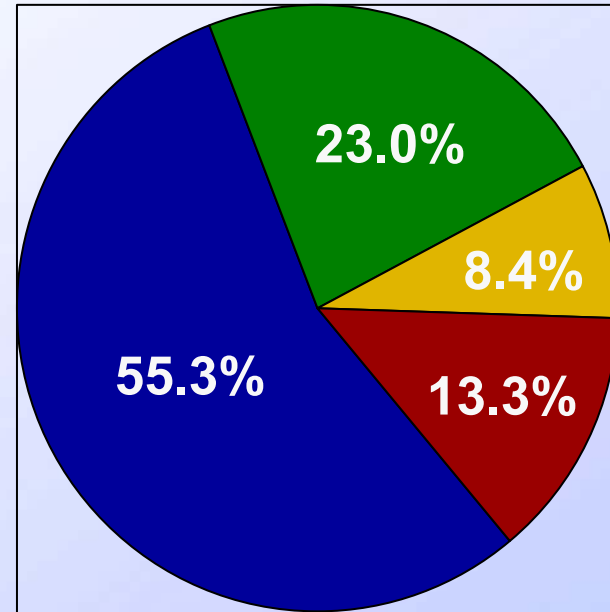
# Geographic Sales Breakdown

**YTD 2003**



■ United States  
■ Europe  
■ Japan  
■ Rest of World

**YTD 2002**

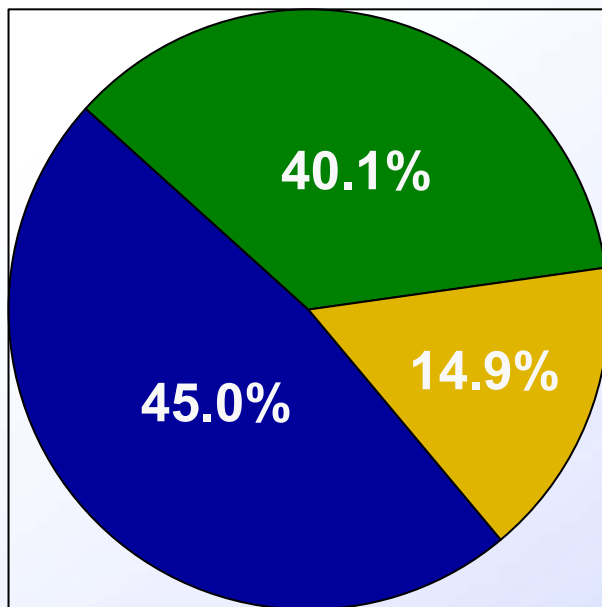


■ United States  
■ Europe  
■ Japan  
■ Rest of World



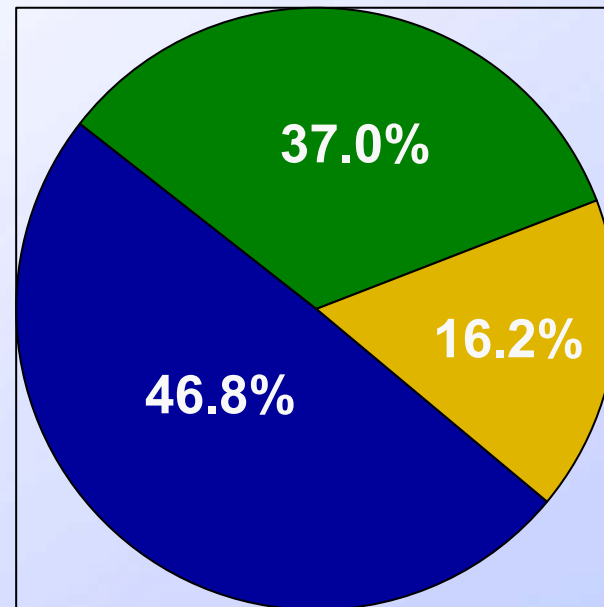
# Product Line Sales - Global

YTD 2003



■ Surgical  
■ Pharmaceuticals  
■ Consumer

YTD 2002

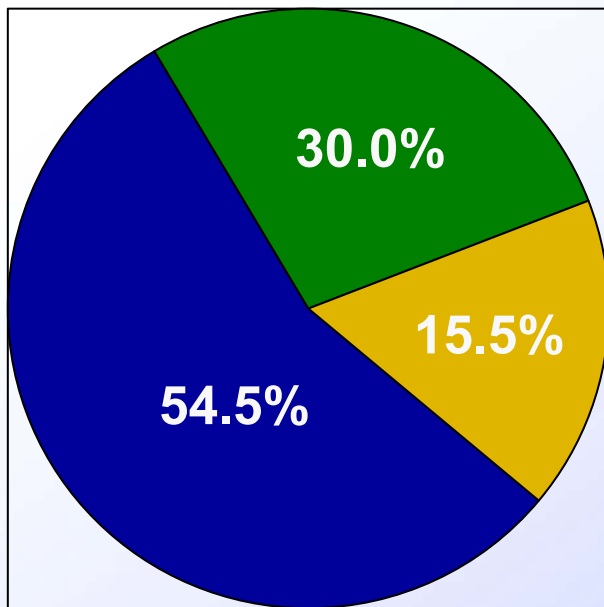


■ Surgical  
■ Pharmaceuticals  
■ Consumer



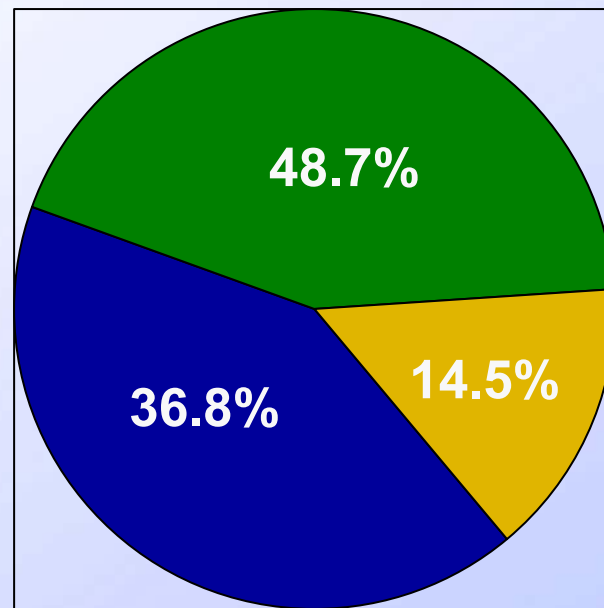
# Product Line Sales – U.S. vs. Non-U.S.

YTD 2003 Non-U.S.



■ Surgical  
■ Pharmaceuticals  
■ Consumer

YTD 2003 U.S.



■ Surgical  
■ Pharmaceuticals  
■ Consumer



# Pharmaceutical Sales



*(dollars in millions)*



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# Pharmaceutical Sales Detail

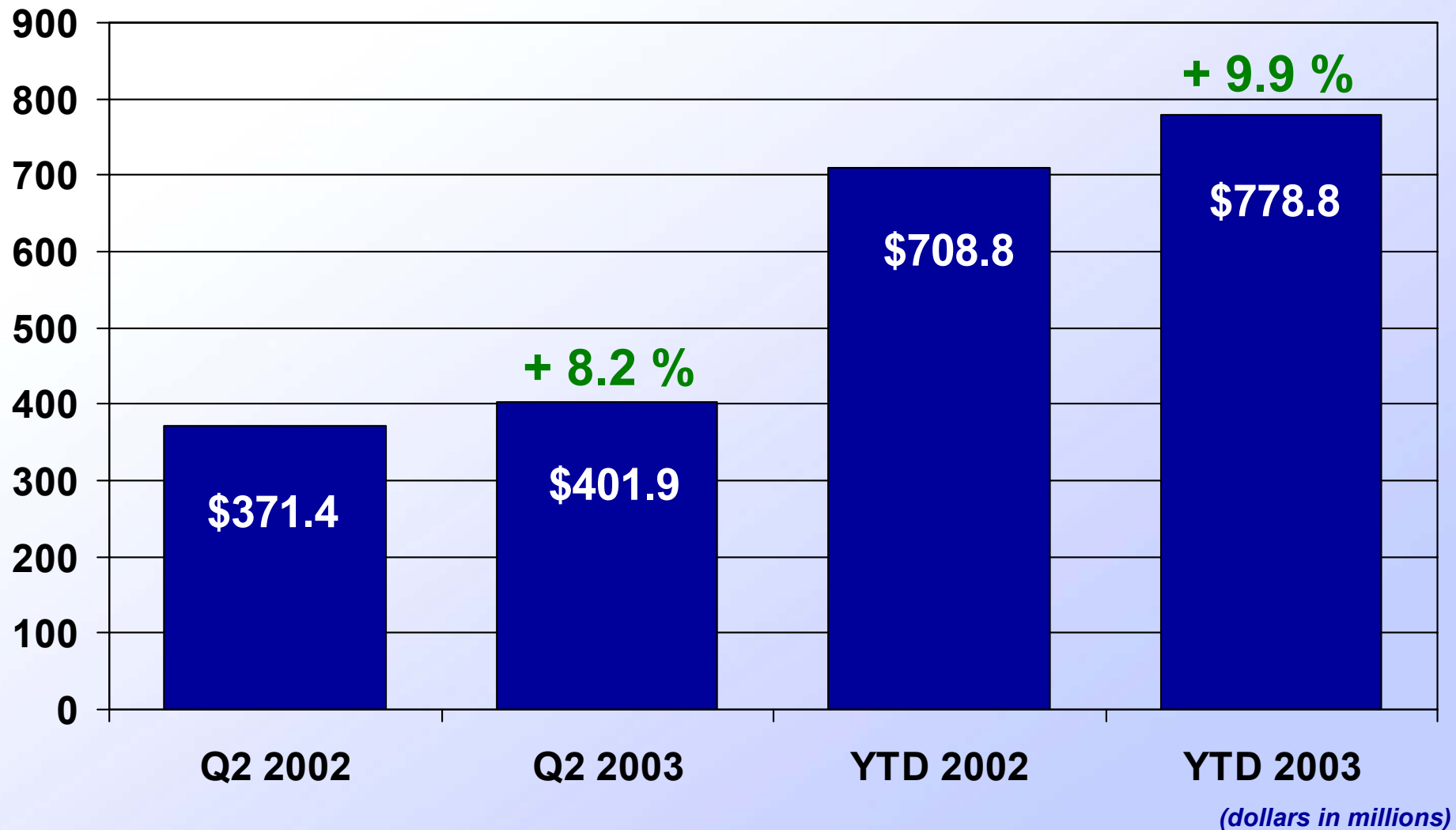
	Q2 03	Q2 02	Growth	YTD 03	YTD 02	Growth
<b>Infection/ Inflammation</b>	140.1	116.5	<b>20.3%</b>	266.2	225.1	<b>18.3%</b>
<b>Glaucoma</b>	106.3	89.6	<b>18.6%</b>	207.9	169.9	<b>22.4%</b>
<b>Allergy</b>	119.4	87.1	<b>37.1%</b>	176.0	134.9	<b>30.5%</b>
<b>Otic</b>	40.4	26.2	<b>54.2%</b>	62.3	40.0	<b>55.8%</b>

(dollars in millions)



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# Surgical Sales



# Surgical Sales Detail

	Q2 03	Q2 02	Growth	YTD 03	YTD 02	Growth
<b>IOL's</b>	126.5	113.5	<b>11.5%</b>	244.1	215.1	<b>13.5%</b>
<b>Cat/Vit</b>	256.3	238.5	<b>7.5%</b>	497.1	454.5	<b>9.4%</b>
<b>Refractive</b>	19.1	19.4	<b>-1.5%</b>	37.6	39.2	<b>-4.1%</b>

*(dollars in millions)*



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# Consumer Eye Care Sales



(dollars in millions)



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# Consumer Sales Detail

	Q2 03	Q2 02	Growth	YTD 03	YTD 02	Growth
<b>Contact Lens Disinfectants</b>	72.4	68.4	<b>5.8%</b>	142.5	138.8	<b>2.7%</b>
<b>Artificial Tears</b>	29.8	27.1	<b>10.0%</b>	58.2	51.3	<b>13.5%</b>
<b>Other</b>	29.1	29.9	<b>-2.7%</b>	58.2	56.1	<b>3.7%</b>

*(dollars in millions)*



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# 2003 Outlook





# 2003 Financial Guidance

- Sales range from \$3.36 to \$3.39 billion
- Product line growth rates:
  - Pharmaceutical 16-18%
  - Surgical 7-9%
  - Consumer 4-6%
- EPS range from \$1.85 to \$1.90



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