



**Alcon**<sup>®</sup>

Seeing Beyond Today



# Safe Harbor Statement

*Statements contained in this presentation that are forward-looking are based on current expectations that are subject to a number of uncertainties and risks, and actual results may differ materially. This presentation is being made on September 11, 2006, and Alcon does not undertake any obligation to update any of the forward-looking statements or forward-looking information. Although Alcon believes that these statements are based on reasonable assumptions within the bounds of its knowledge of its businesses and operations, there are a number of factors that may cause actual results to differ from these statements. Factors that might cause these differences include, but are not limited to, the uncertainty of market acceptance of our products by the worldwide medical community; uncertainty of clinical trial results for expanded FDA approval submissions for our current products and initial approval of our products under development; product liability claims; the occurrence of excessive property and casualty, general liability or business interruption losses, for which we are self insured; manufacturing issues; and risks inherent in international transactions. For additional factors, which could cause actual results to differ from expectations, reference is made to the periodic reports filed by the company with the Securities and Exchange Commission under the Securities Exchange Act of 1934 as amended. Additional information about risk factors also can be found in the Company's Form 20-F filed with the SEC dated March 15, 2006, under the heading "Risk Factors". All these documents are available publicly and upon request from the Alcon Investor Relations Department at 817-551-8805 or [www.alconinc.com](http://www.alconinc.com).*

# Worldwide Leader in Eye Care

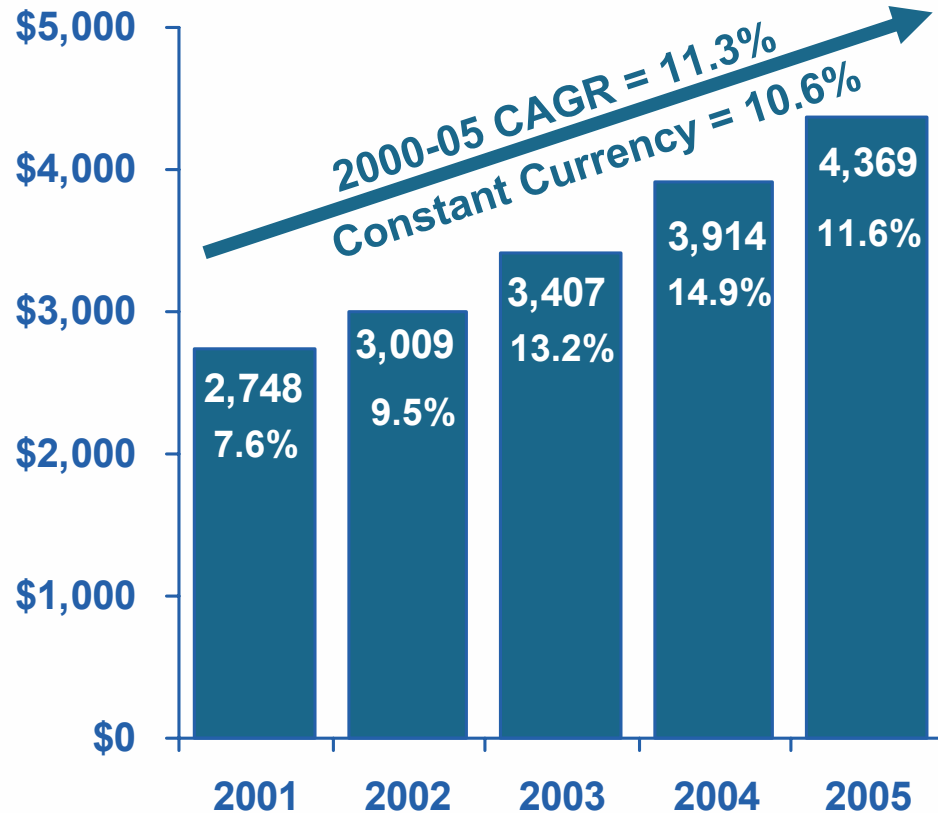


<b>Sales</b>	<b>\$4.4 billion in 2005</b>
<b>Scope</b>	<b>12,700 total employees 2,800 person sales force 75 local operating companies 60 physician training centers</b>
<b>Share</b>	<b>#1 or #2 position in main segments #1 share in most product categories</b>
<b>Science</b>	<b>\$2.5 billion planned R&amp;D investment over next 5 years</b>

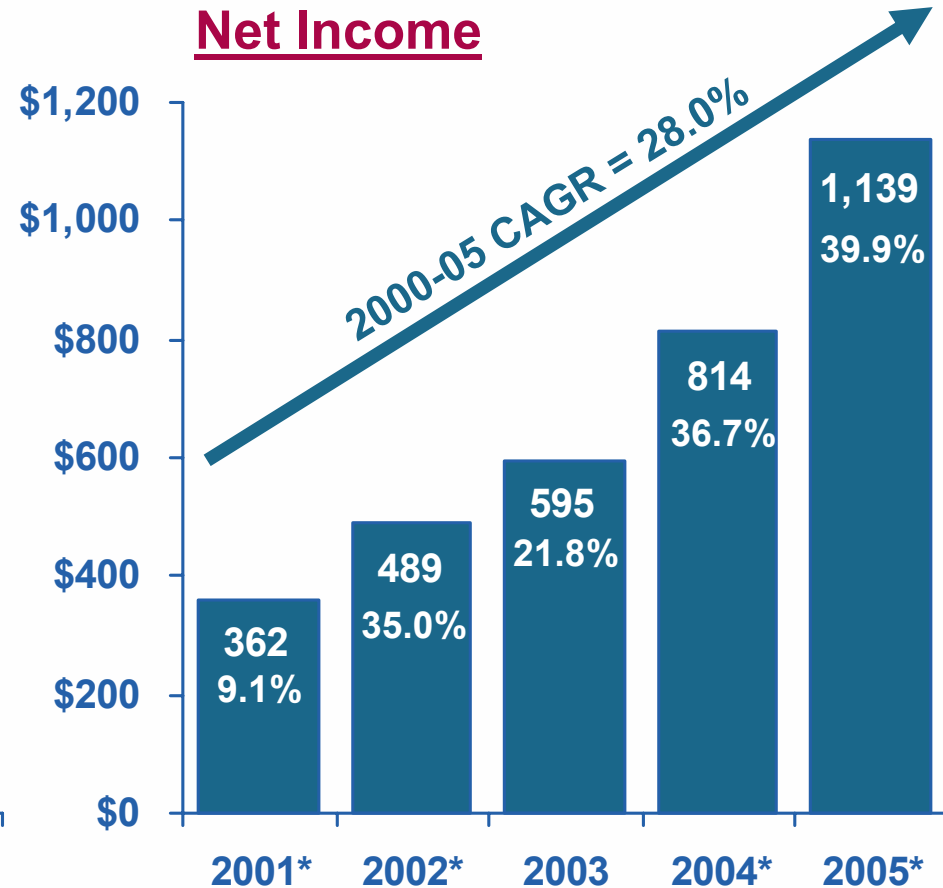
# Long-Term Financial Execution



## Revenue



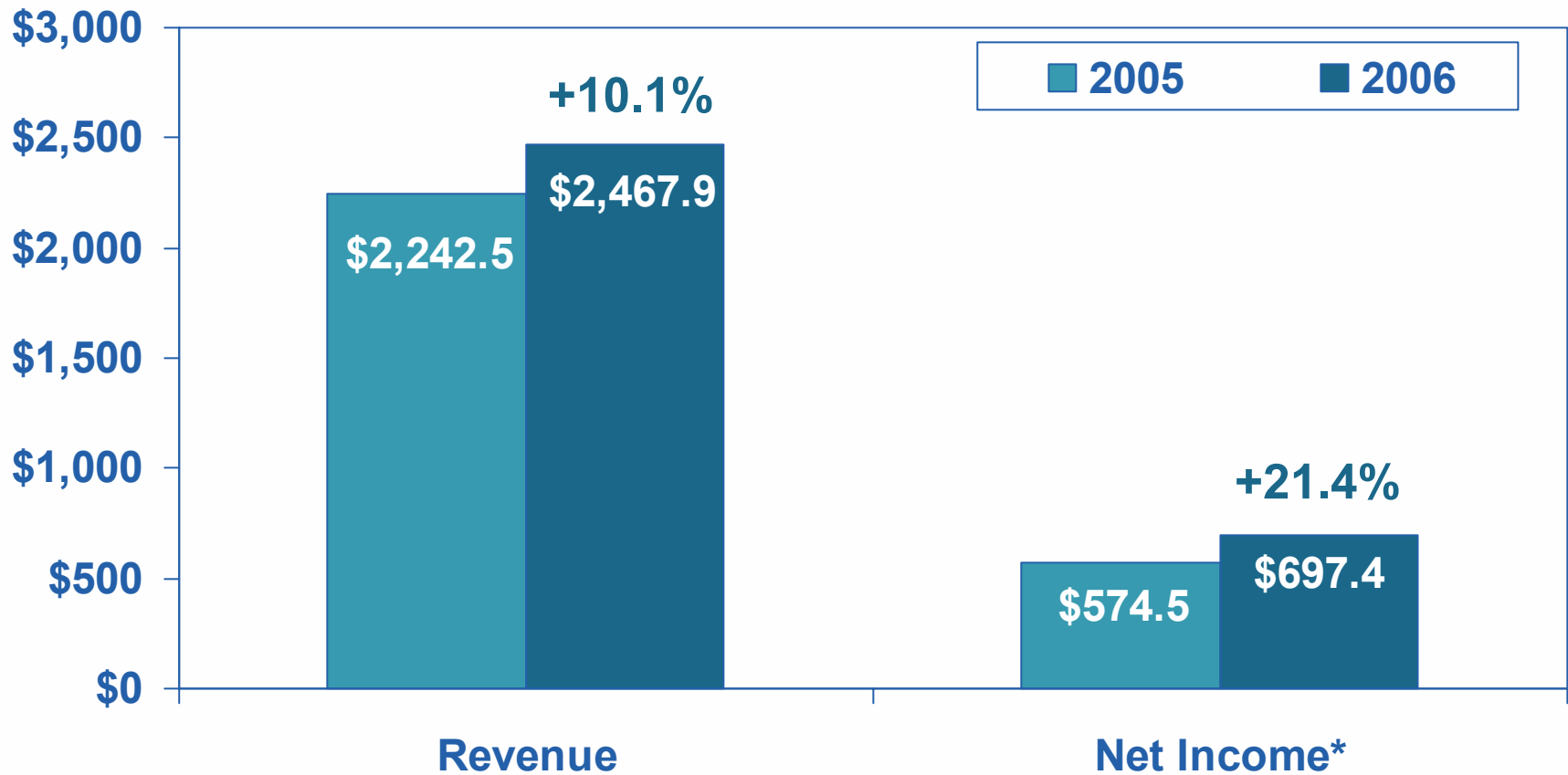
## Net Income



(Dollars in US Millions)

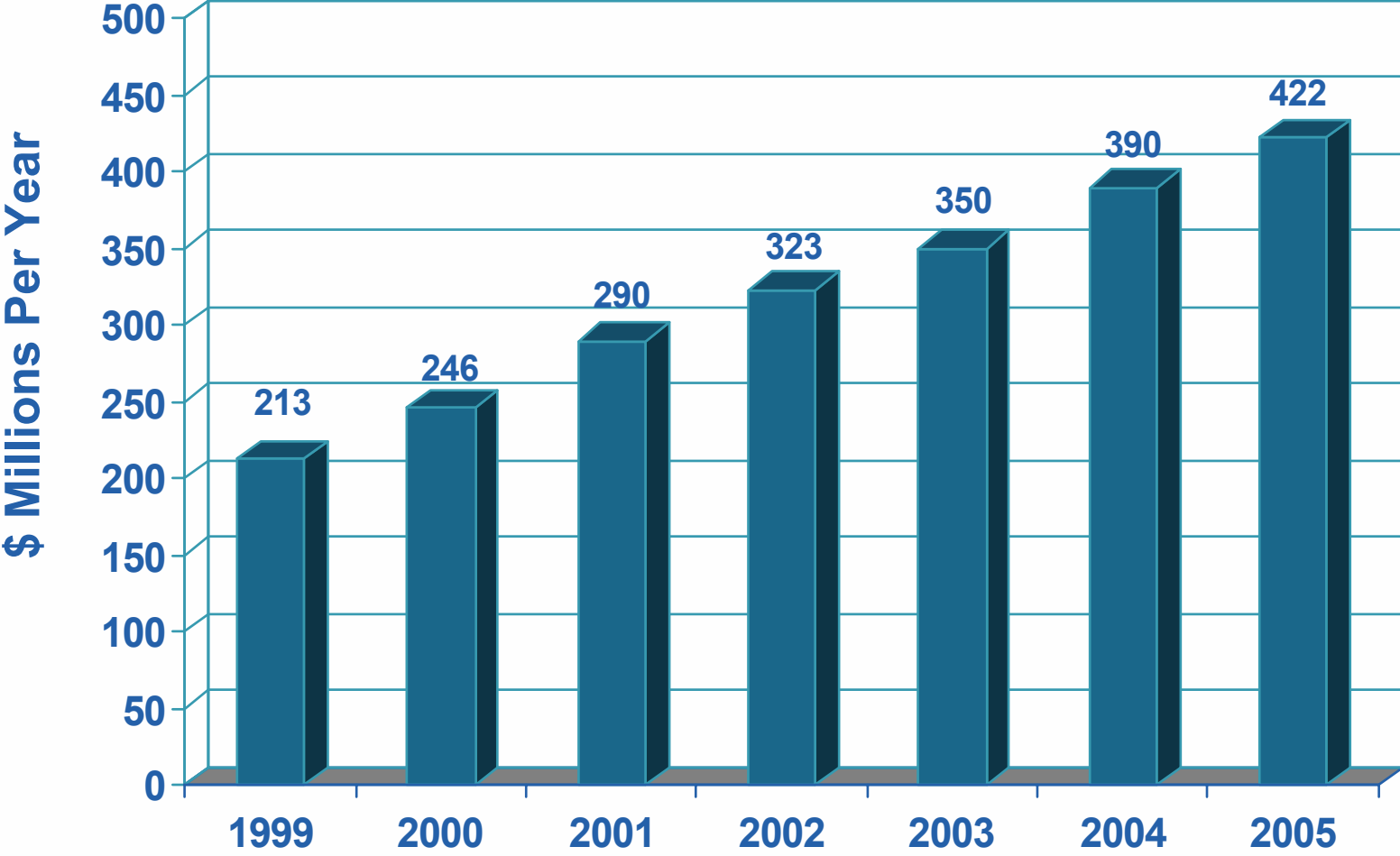
\* Non-GAAP adjusted Net Income – See appendix for reconciliation

# Continued Growth Q2 YTD



\* Non-GAAP adjusted Net Income – See appendix for reconciliation

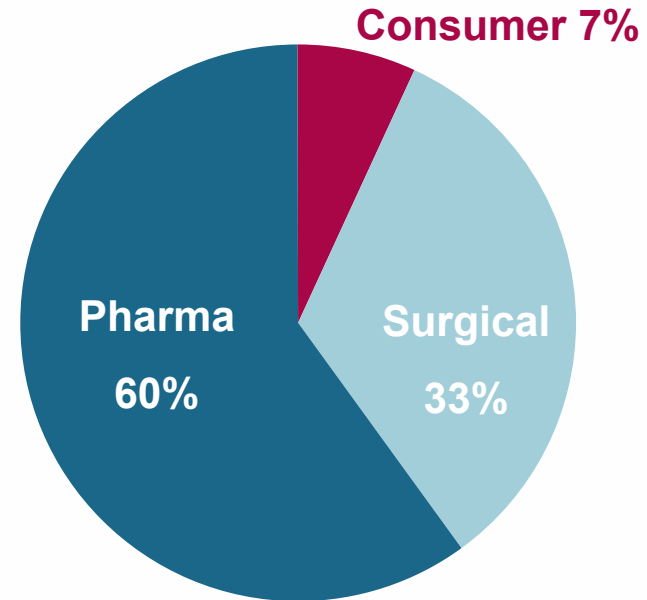
# Enhancing Leadership Through Research



# Alcon R&D Strategic Principles



- **Develop new products differentiated from our competitors through innovation**
- **Invest appropriate to market opportunity**
- **Blend internal research with external licensing and partnering**
- **Register products globally**



- **Pharmaceutical 15 – 17% of Sales**
- **Surgical 8 – 9% of Sales**
- **Consumer 4 – 5% of Sales**

# Expanding Research Collaborations



	<u>Glaucoma</u>	<u>Retina</u>	<u>Allergy/Dry Eye</u>
Abbott		●	
Albany Molecular	●		
Amgen	●	●	●
Dharmacon	●	●	●
Jerini AG	●		
Kalypsys	●	●	●
Origenis AG			●



# 2006 Launches Adding to Growth



DuoTrav™  
(EU)

Systane® Liquid Gel  
(US)

OPTI-FREE® RepleniSH®  
(US)

LADAR6000™  
(US)

AcrySert®  
(JP)

OZil™  
(US/EU)

AcrySof® Natural  
(JP)

AcrySof® Toric  
(US)

Pending

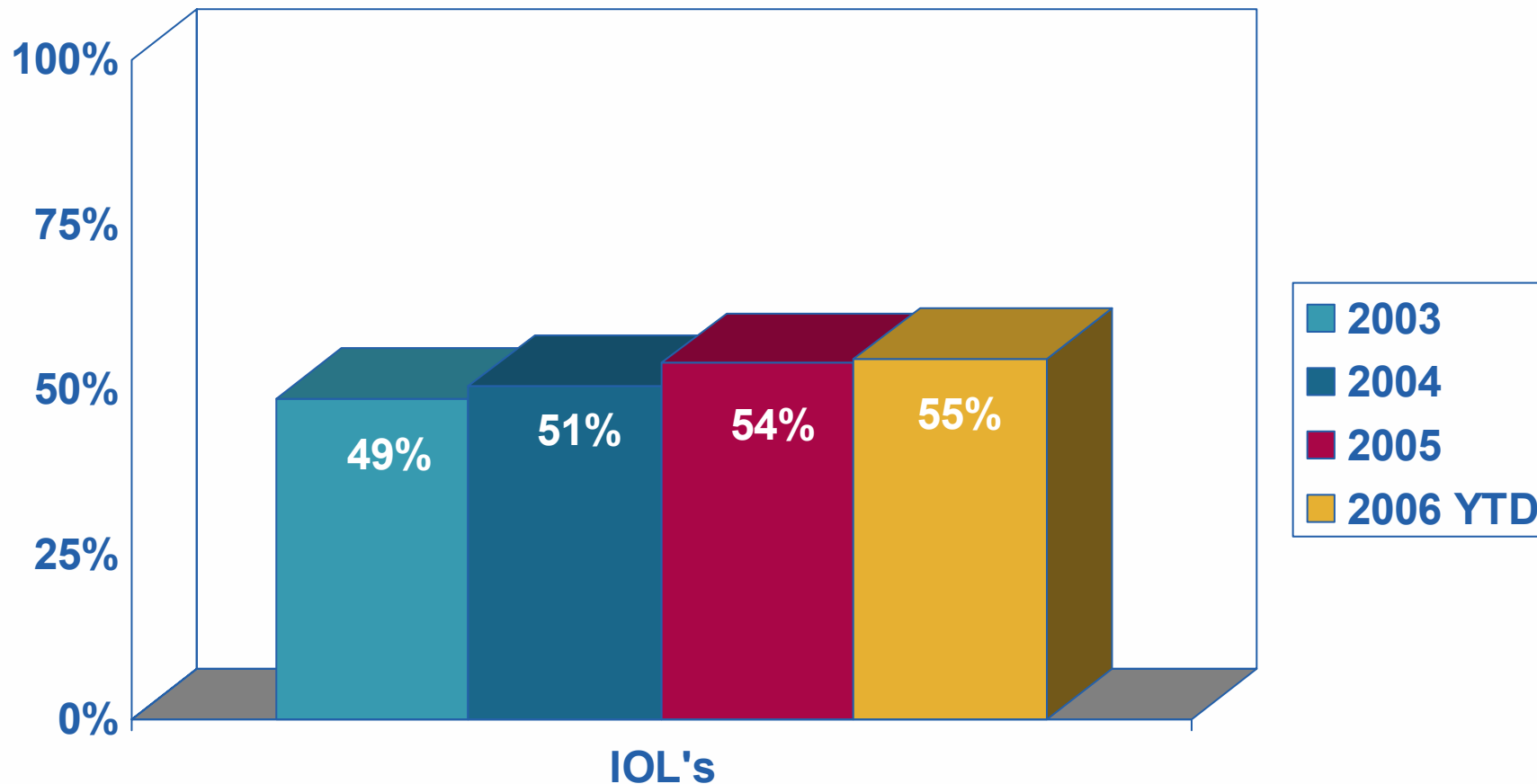
Vegamox™  
(JP)

Patanol®  
(JP)

# New Technologies Support Market Share and Gains

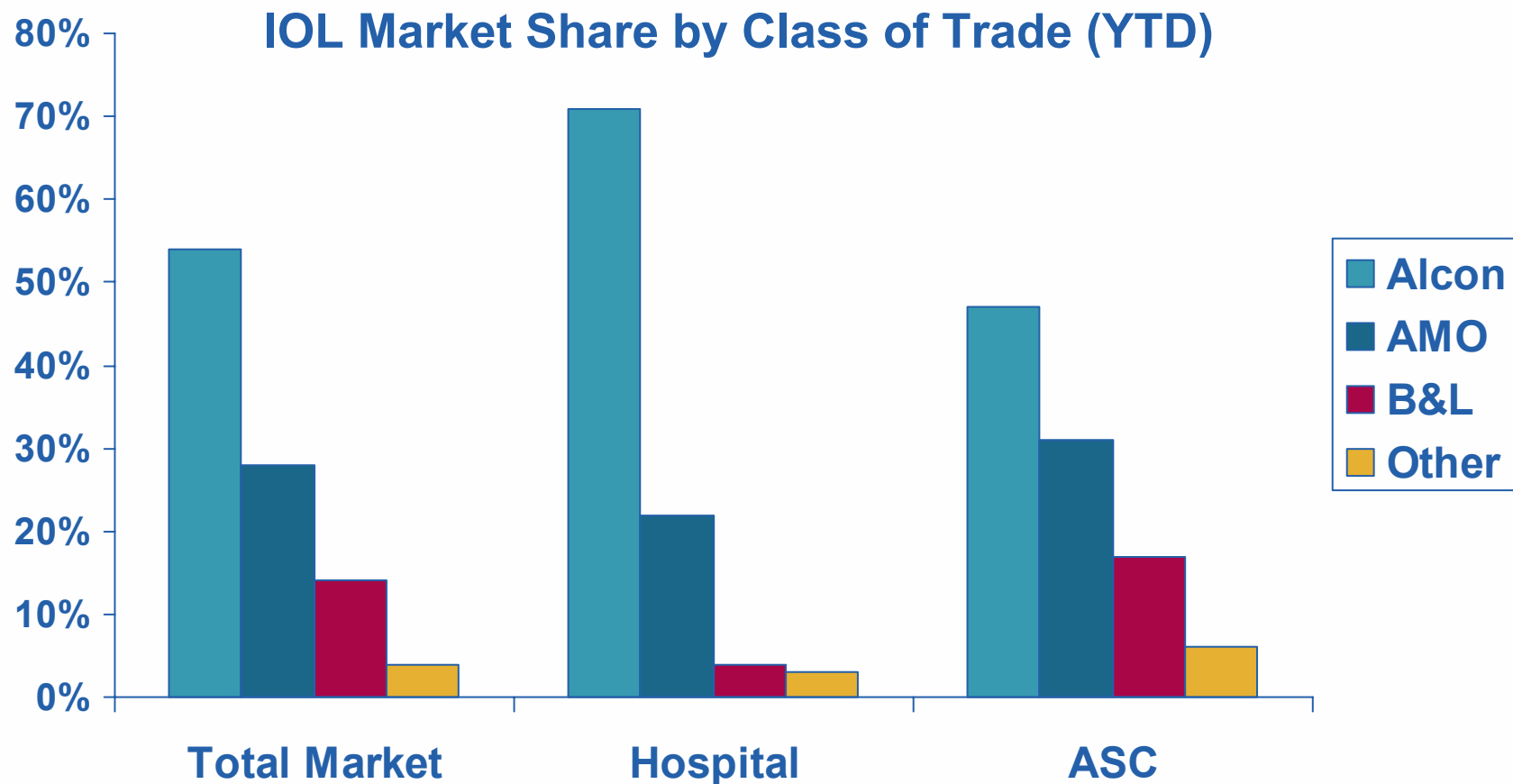


## U.S. Unit Market Shares



SOURCE: Alcon Data on File

# Cataract Share Leader in Hospitals and ASCs

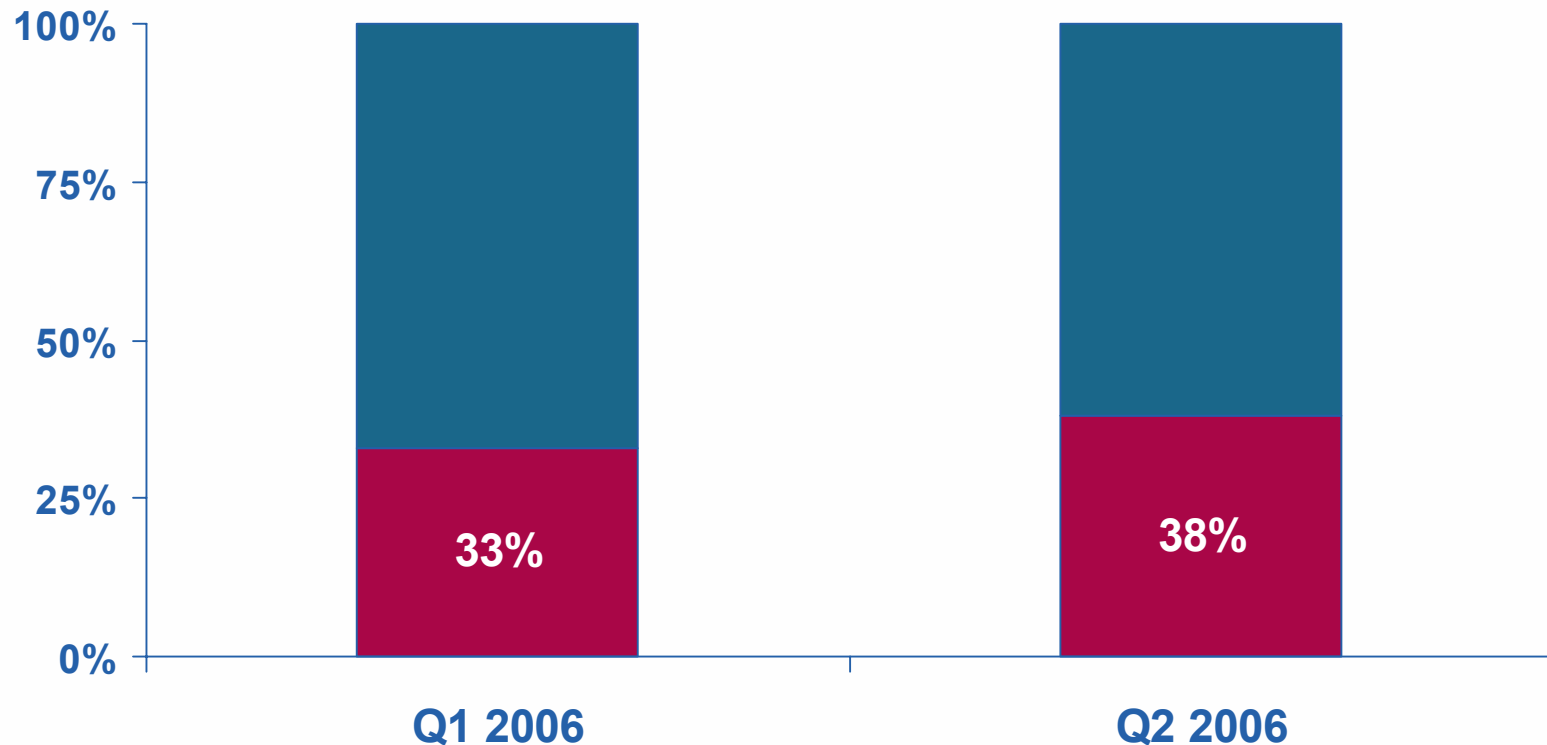


SOURCE: Market Scope Annual Cataract Surgeon Report (August 2006)

# NTIOL Status is Increasing Use of Aspheric IOLs



Penetration of Aspheric Monofocal IOLs  
(% of procedures)



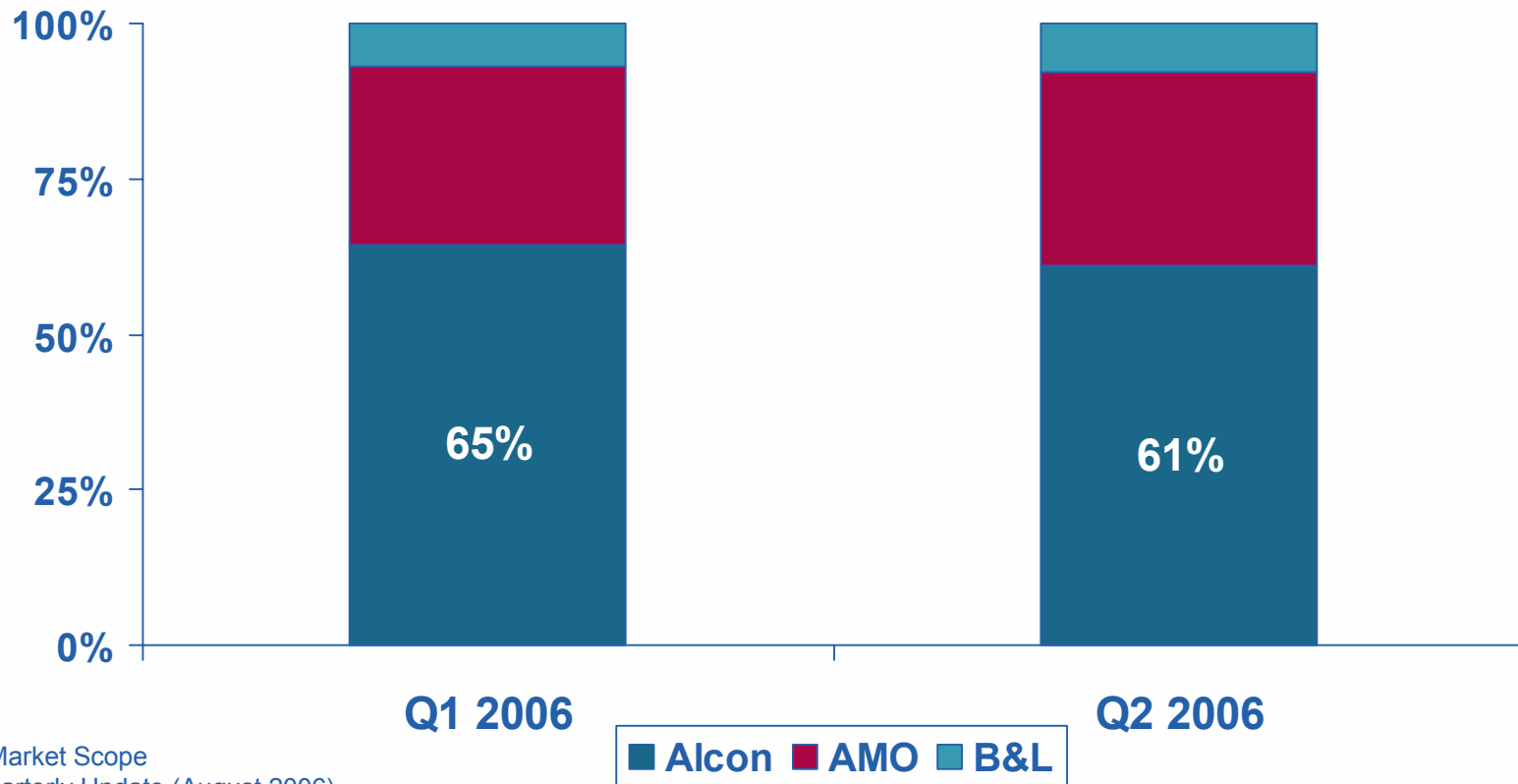
SOURCE: Market Scope  
Cataract Quarterly Update (August 2006)

■ Aspheric Mono-Focal IOLs ■ All Other IOLs

# Alcon Maintains Dominant Aspheric IOL Market Share



Aspheric IOL Use by Manufacturer  
(% of procedures)

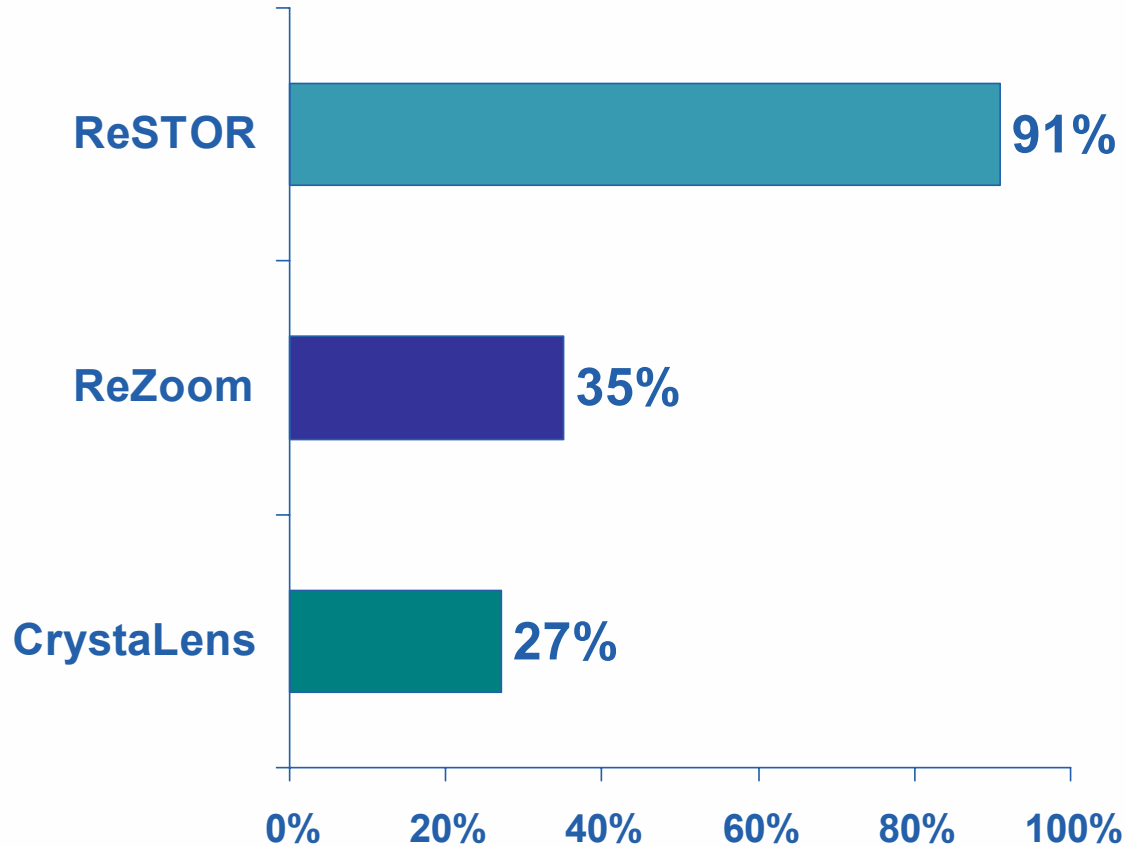


SOURCE: Market Scope  
Cataract Quarterly Update (August 2006)

# More Surgeons Use ReSTOR than Any Other Brand of PC-IOL



**% of Surgeons Using PC-IOLs by Brand**

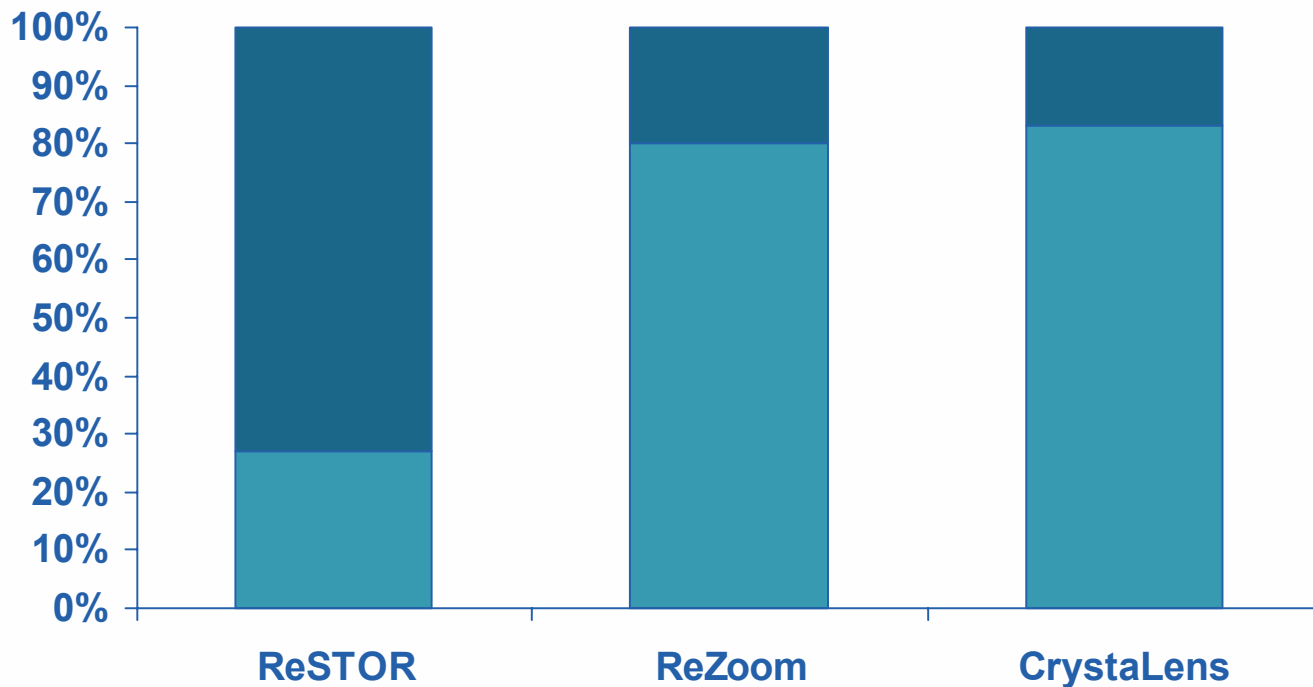


SOURCE: Market Scope Annual Cataract Surgeon Report (June 2006)

# Vast Majority of Physicians Implant ReSTOR® Bilaterally



% of Physicians Using Mix & Match by Brand



% of Surgeons Using

91%

35%

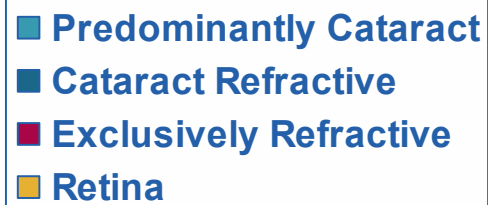
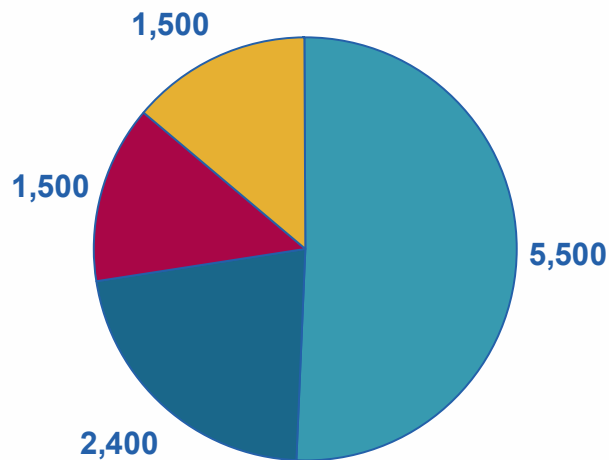
27%

■ Mix & Match ■ Bilateral

# Near Term Challenges to Adoption and Penetration



## U.S. Surgeon Segmentation



- Predominantly cataract surgeons unlikely to embrace LVC for PC-IOLs
- Predominantly Cataract surgeons will move into this market when the presbyopia correcting IOL can help them manage astigmatism and other clinical issues
- Alcon and ReSTOR are positioned best to deliver this technology to the predominantly cataract surgeon

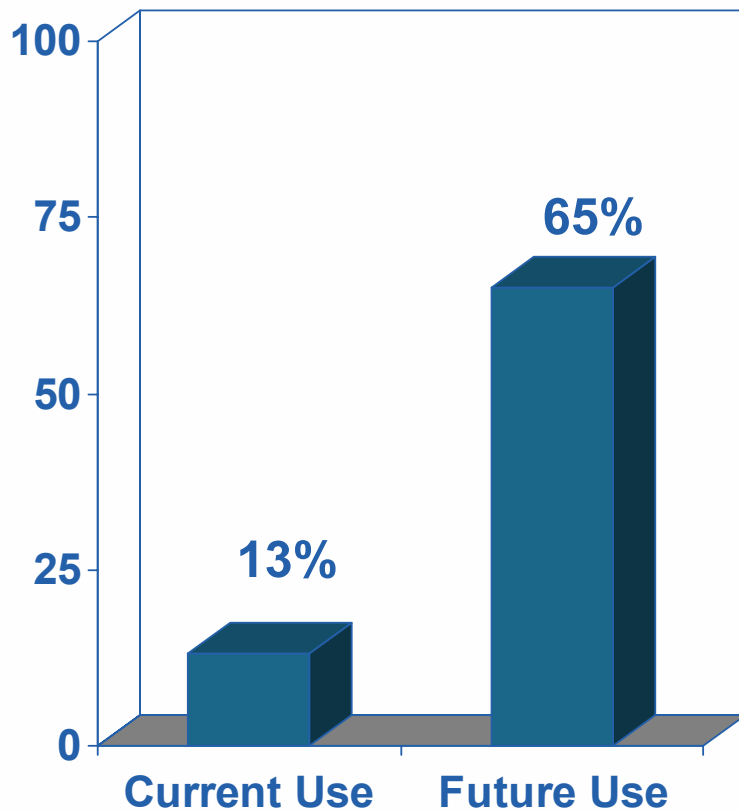
SOURCE: Market Scope Estimates 2006



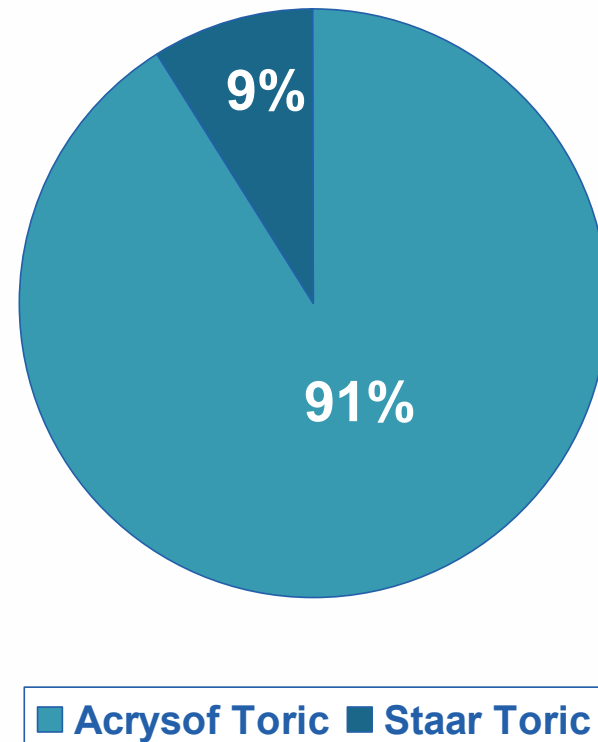
# AcrySof® Toric Opportunity Has Significant Potential



## Surgeons Using Toric Lenses



## Expected IOL Brand Preference

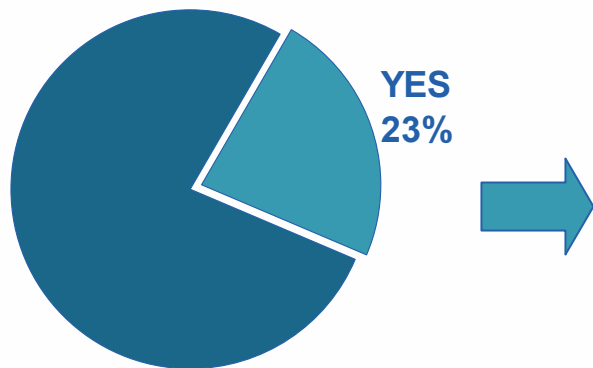


SOURCE: Alcon Data on File

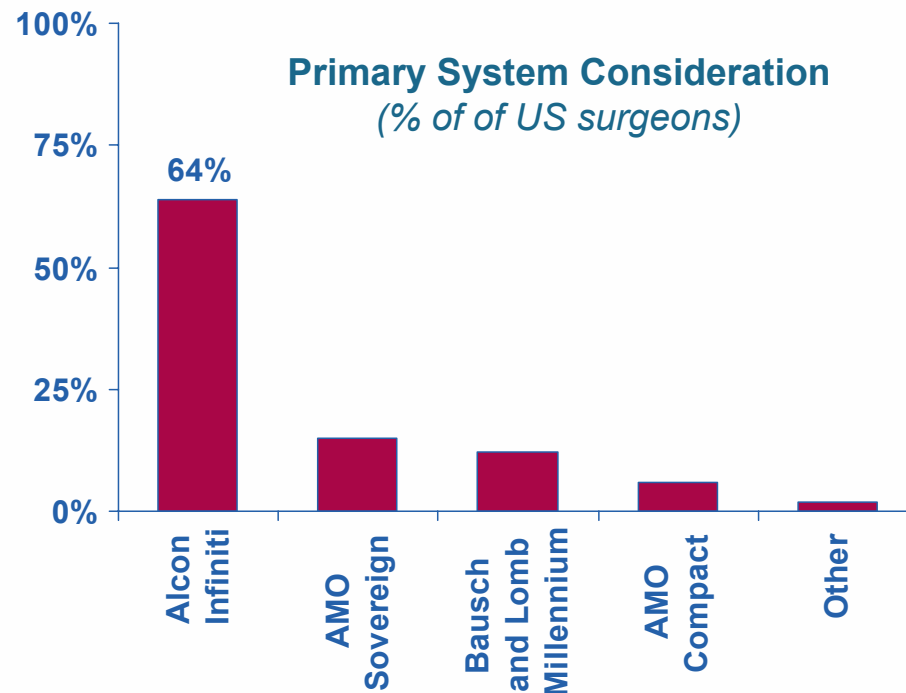
# Infiniti® is Upgrading and Converting Surgeons



**Planning to Acquire New Phaco in the Next 12 Months**  
(% of US surgeons)



**Primary System Consideration**  
(% of of US surgeons)

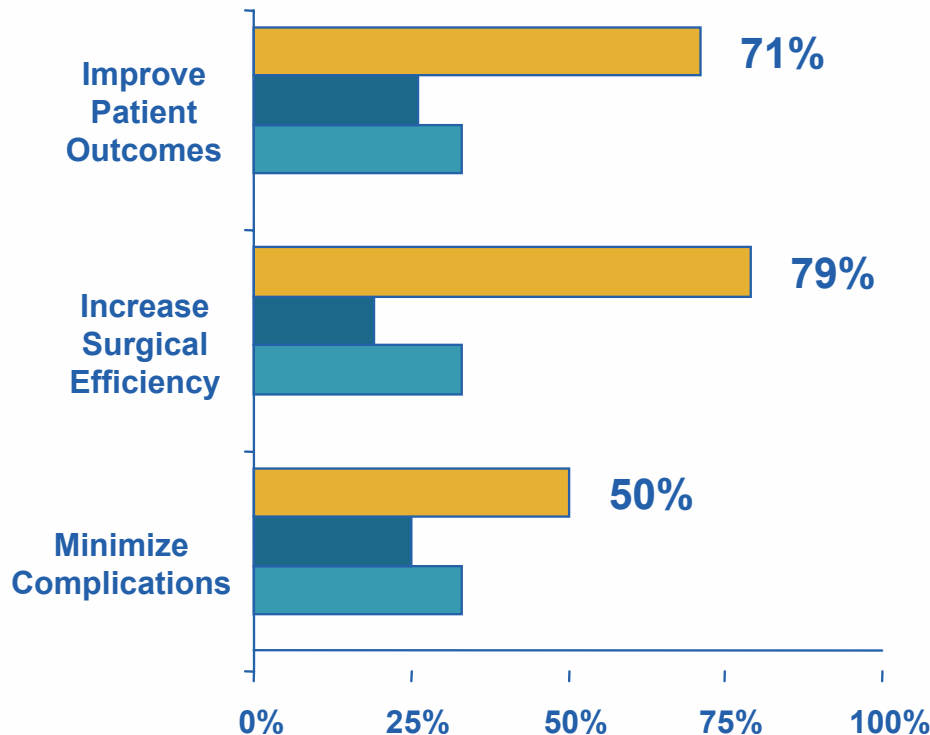


SOURCE: Market Scope: Annual Cataract Surgeon Report (June 2006)

# OZil™ Torsional Technology Differentiates Infiniti®



**Performance Ratings (Scale 1-10)**  
(% of US surgeons indicating 9 or 10)



- The OZil™ torsional hand piece is a ***leap*** in lens removal technology
- OZil™ is a proprietary, patented technology which allows doctors to further customize their procedures with the Infiniti® Vision System

■ B&L CCS ■ Whitestar ■ OZil®

SOURCE: Alcon Data on File

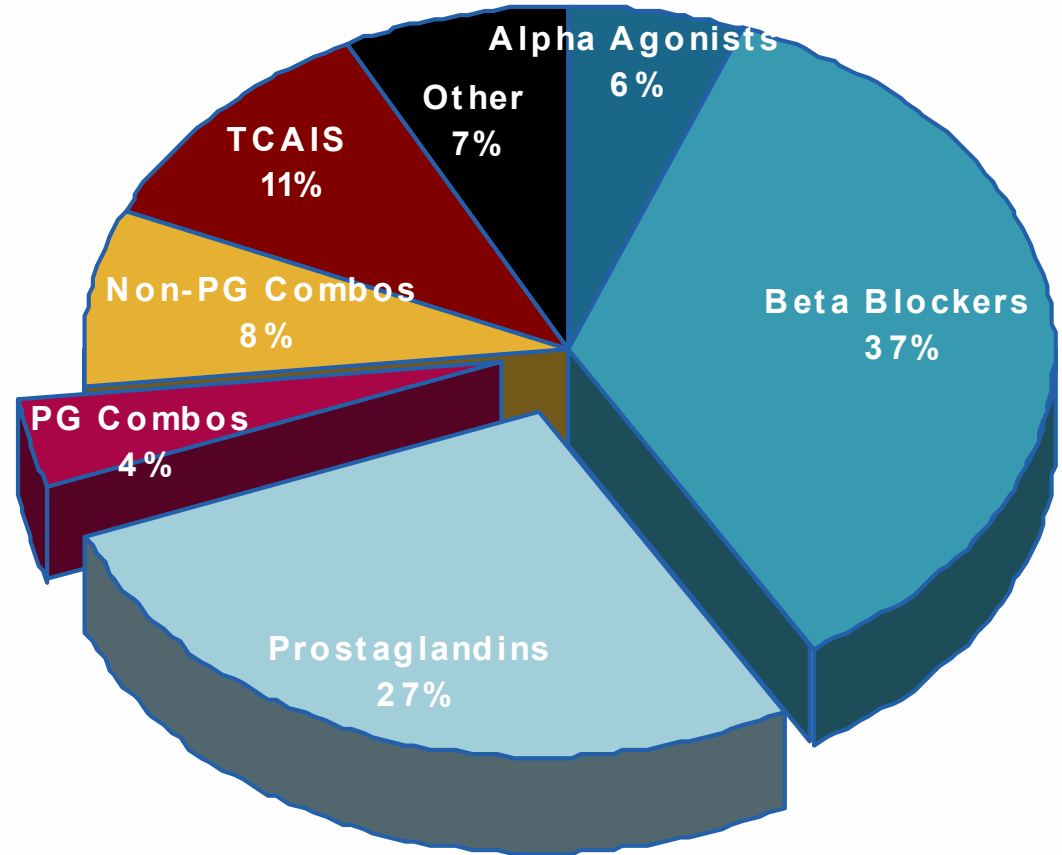
# EURMEA Glaucoma Market



**\$US 1.27 Billion  
Market in 2005**

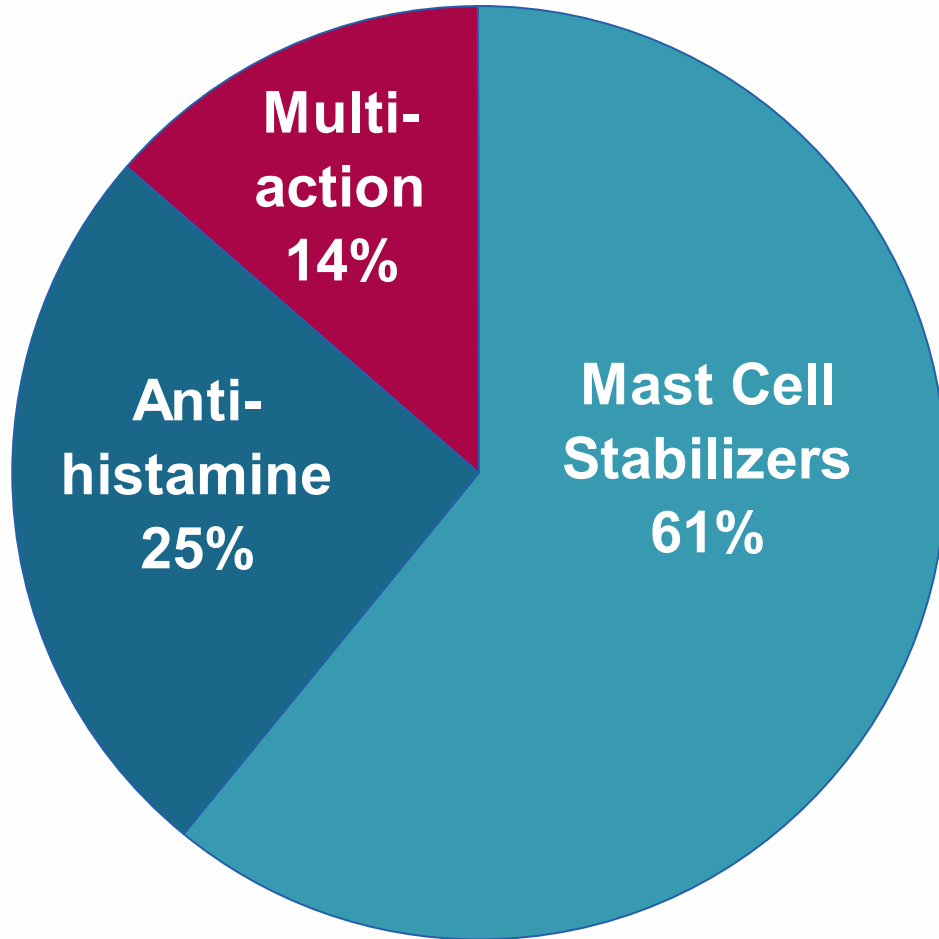
## 2003-2010E CAGR

Total Glaucoma	3.9%
Prostaglandins	7.2%
Prostaglandin Combos	22.2%



(Source: Internal estimates)

# Patanol® in Japan



US\$ 200 million Market

- January to March – Mountain Cedar
- Anti-histamine, Livostin (Santen) is current market leader with 25% share
- Mast Cell Stabilizers led by Intal (Astellas) & Rizaben (Kissei)
- Zaditen (Novartis) is lead multi-action

**Patanol® provides  
the most effective relief**

# Vegamox™ in Japan

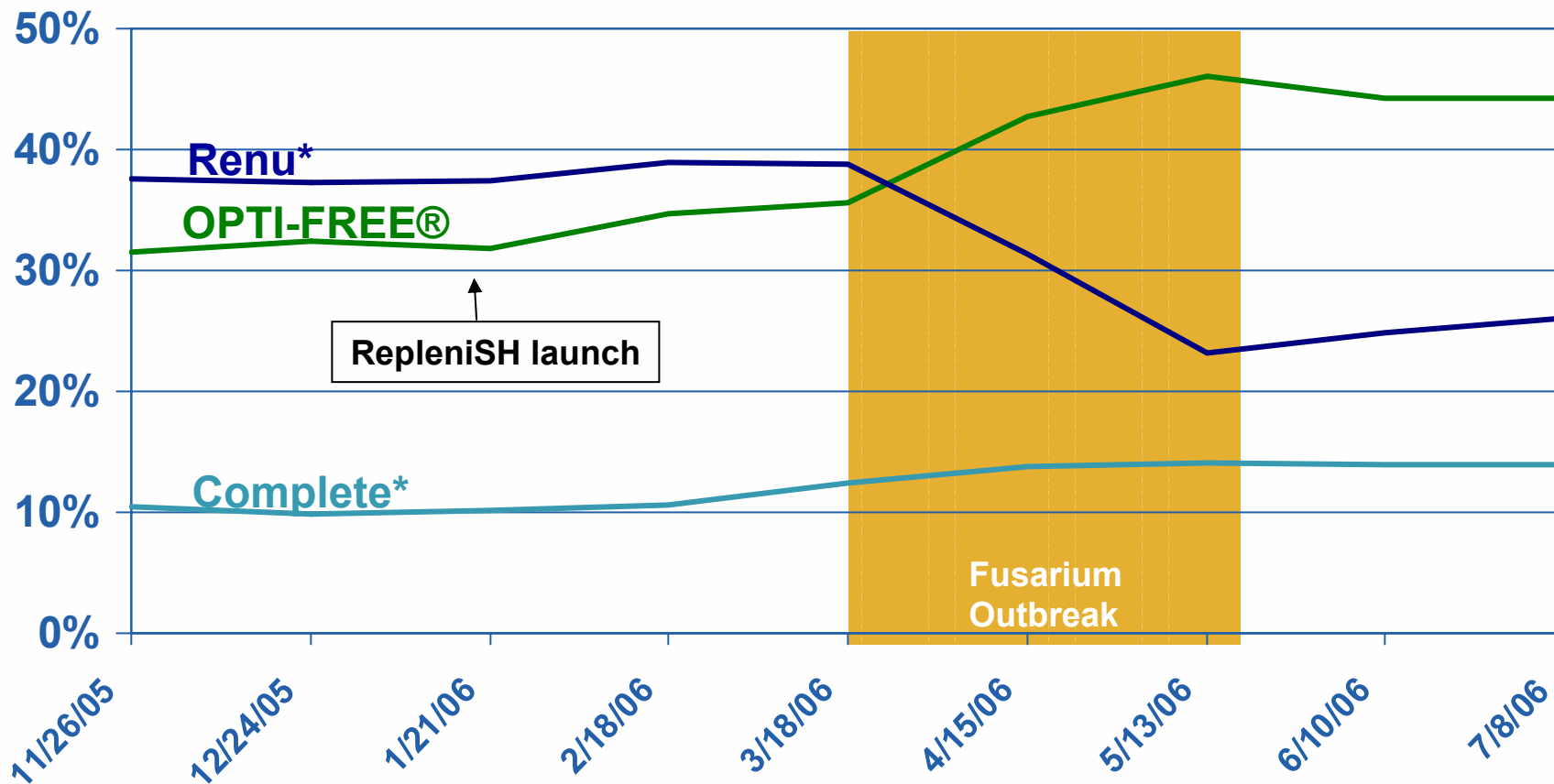


- Large and developed market
  - Approximately US\$ 200 million
  - Extended course of therapy post-surgery - up to 6 months
  - 80% converted to fluoroquinolones
  - Lead products by Japanese firms dominate market
    - Santen (Cravit & Taravid)
    - Senju (Gatiflo)
  - Flat to declining growth due to pricing pressure
- 90% of anti-infective Rx's written by ophthalmologists
  - Alcon Japan positioned well to reach this market
  - Able to leverage presence in surgical suite

# RepleniSH™ Driving Opti-Free® Gains



## U.S. Share of Branded Disinfectants



\* Renu is a registered trademark of Bausch & Lomb. Complete is a registered trademark of Advanced Medical Optics.

Source: AC Nielson

# Future Opportunity



## U.S. Pipeline

### Pharmaceutical

Travatan® BAC Free	Glaucoma	Filed (2006)
RETAANE®	Wet AMD	Amending (2008+)
15(S) HETE	Dry Eye	Phase III (2008+)
Rimexolone	Dry Eye	Phase II (2008+)
Moxifloxacin/Dexamethasone	Anti-infective/anti-inflammatory	Phase II (2008+)
Moxifloxacin, new formulation	Anti-infective	Phase III (2007)
Patanase	Nasal Allergy	Amending (2007)

### Surgical

AcrySof® ReSTOR® Natural IQ	Cataract	Advanced (2006)
AcrySof® ReSTOR® Toric	Cataract	Advanced (2008+)
Next generation vitreoretinal system	Vitreoretinal	Advanced (2007)
AcrySof® phakic lens	Refractive	Early (2008+)



# Sustaining Eye Care Market Leadership



- **Maintain business focus on eye care**
- **Capitalize on global infrastructure to gain operating synergies and expand presence in emerging markets**
- **Deliver strong and consistent financial performance**
- **Build core brands on global basis**
- **Increase R&D investment in age related eye diseases and bring novel treatments for eye disease**

# Appendix: Non-GAAP Adjustments



	Reported	Non-GAAP Adjustment	Adjusted	
<b>2002</b>				
Operating Profit	703.7	42.5	746.2	
Op Profit Growth	19.5%		26.7%	
Net Income	466.9	21.8	488.7	Expense for employee deferred comp, SKBM recall, and IPO proceeds effect in interest expense
Net Income Growth	47.9%		35.1%	
Fully Diluted EPS	1.53	0.09	1.62	
<b>2004</b>				
Net Income	871.8	(57.6)	814.2	R&D tax credits and resolution of tax audits
Net Income Growth	46.4%		36.7%	
Fully Diluted EPS	2.80	(0.18)	2.62	
<b>2005</b>				
Operating Profit	1,187.9	248.7	1,436.6	AMO lawsuit judgment and UK facility damage
Op Profit Growth	5.0%		26.9%	
Net Income	931.0	207.7	1,138.7	
Net Income Growth	6.8%		39.9%	
Diluted EPS	2.98	0.67	3.65	

# Appendix: Non-GAAP Adjustments



	Reported	Non-GAAP Adjustment	Adjusted	
<b>June 2006 YTD</b>				
Gross Profit	1,854.4	5.8	1,860.2	
Gross Profit Margin	75.1%		75.4%	
Operating Profit	918.2	(69.6)	848.6	Settlement of AMO lawsuit and removal of share-based compensation expenses
Op Profit Growth	23.0%		13.7%	
Net Income	761.3	(63.9)	697.4	
Net Income Growth	32.5%		21.4%	
Fully Diluted EPS	2.45	(0.21)	2.24	