

Full year Results to December 31, 2010

Shire plc
February 10, 2011

Angus Russell
Chief Executive Officer

Graham Hetherington
Chief Financial Officer



Our purpose

We enable people with life-altering conditions to lead better lives

THE “SAFE HARBOR” STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Statements included herein that are not historical facts are forward-looking statements. Such forward-looking statements involve a number of risks and uncertainties and are subject to change at any time. In the event such risks or uncertainties materialize, Shire’s results could be materially adversely affected. The risks and uncertainties include, but are not limited to, risks associated with: the inherent uncertainty of research, development, approval, reimbursement, manufacturing and commercialization of Shire’s Specialty Pharmaceutical and Human Genetic Therapies products, as well as the ability to secure new products for commercialization and/or development; government regulation of Shire’s products; Shire’s ability to manufacture its products in sufficient quantities to meet demand; the impact of competitive therapies on Shire’s products; Shire’s ability to register, maintain and enforce patents and other intellectual property rights relating to its products; Shire’s ability to obtain and maintain government and other third-party reimbursement for its products; and other risks and uncertainties detailed from time to time in Shire’s filings with the Securities and Exchange Commission.

Agenda

-
- **2010 Highlights** | Angus Russell

 - **Financial Review** | Graham Hetherington

 - **2011 Priorities** | Angus Russell

 - **Q & A** | All

2010 Highlights

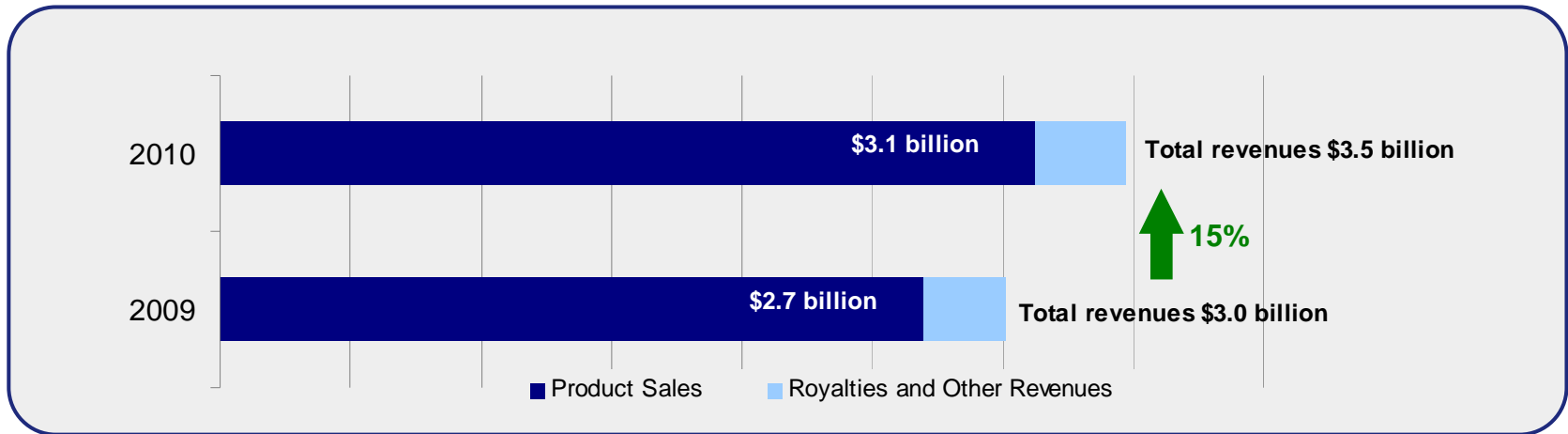
Angus Russell
Chief Executive Officer



Our purpose

We enable people with life-altering conditions to lead better lives

Strong top-line growth



Total revenues **↑ 15%** to \$3.5 billion

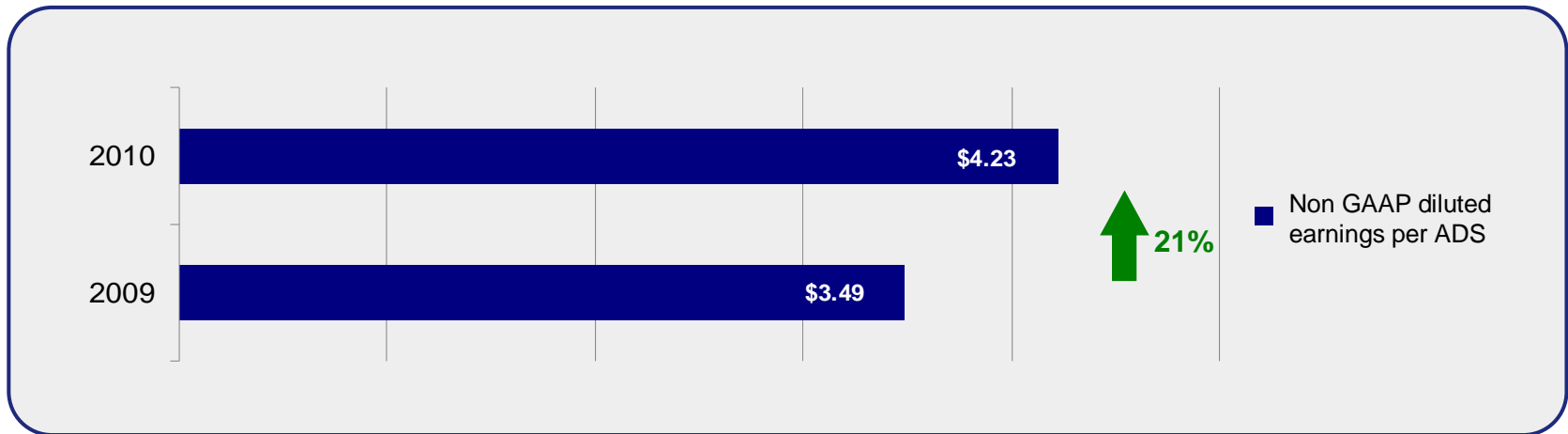
- Q4 2010 total revenues up 14%* to \$931 million

Product sales **↑ 16%** to \$3.1 billion

- Q4 2010 product sales up 21%* to \$851 million

*After adjusting Q4 2009 for the change in best estimate of the Medicaid rebate liability for ADDERALL XR relating to Q1 to Q3 2009

Revenue growth drives increase in Non GAAP earnings



FY 2010 Non GAAP diluted earnings per ADS: \$4.23

- Q4 2010 Non GAAP diluted earnings per ADS: \$1.03

Strong cash generation of \$1.4 billion  48% on 2009

Balance sheet supported by new bank facility

Financial results support our aspirational target of mid-teens growth

Specialty Pharma Highlights



- ✓ Adolescent use approved in the US
 - ✓ Pediatric indication launched in Canada and approved in Brazil
 - ✓ 14 hour efficacy in adults added to the US label
 - ✓ Potential Non-ADHD indications - new value in pipeline
-



- ✓ Approaching 3%* US market share in first full year
 - ✓ Prescribed by 28,000* physicians in US
-



- ✓ Approaching 20%* US market share
-



- ✓ Addressing symptomatic unmet need of chronic constipation & expanding ex-US GI franchise and pipeline
 - ✓ Launched in three countries
 - ✓ Recommended by NICE
-

* Source: IMS WxDM Weekly

HGT Highlights



- ✓ Approved in 35 countries worldwide, including those in North America and the EU
- ✓ Over 1,000 patients on therapy globally
- ✓ 18% global market share



- ✓ Over 2,300 patients on therapy globally
- ✓ ~80% market share in Western Europe



- ✓ Over 1,000 patients on therapy globally

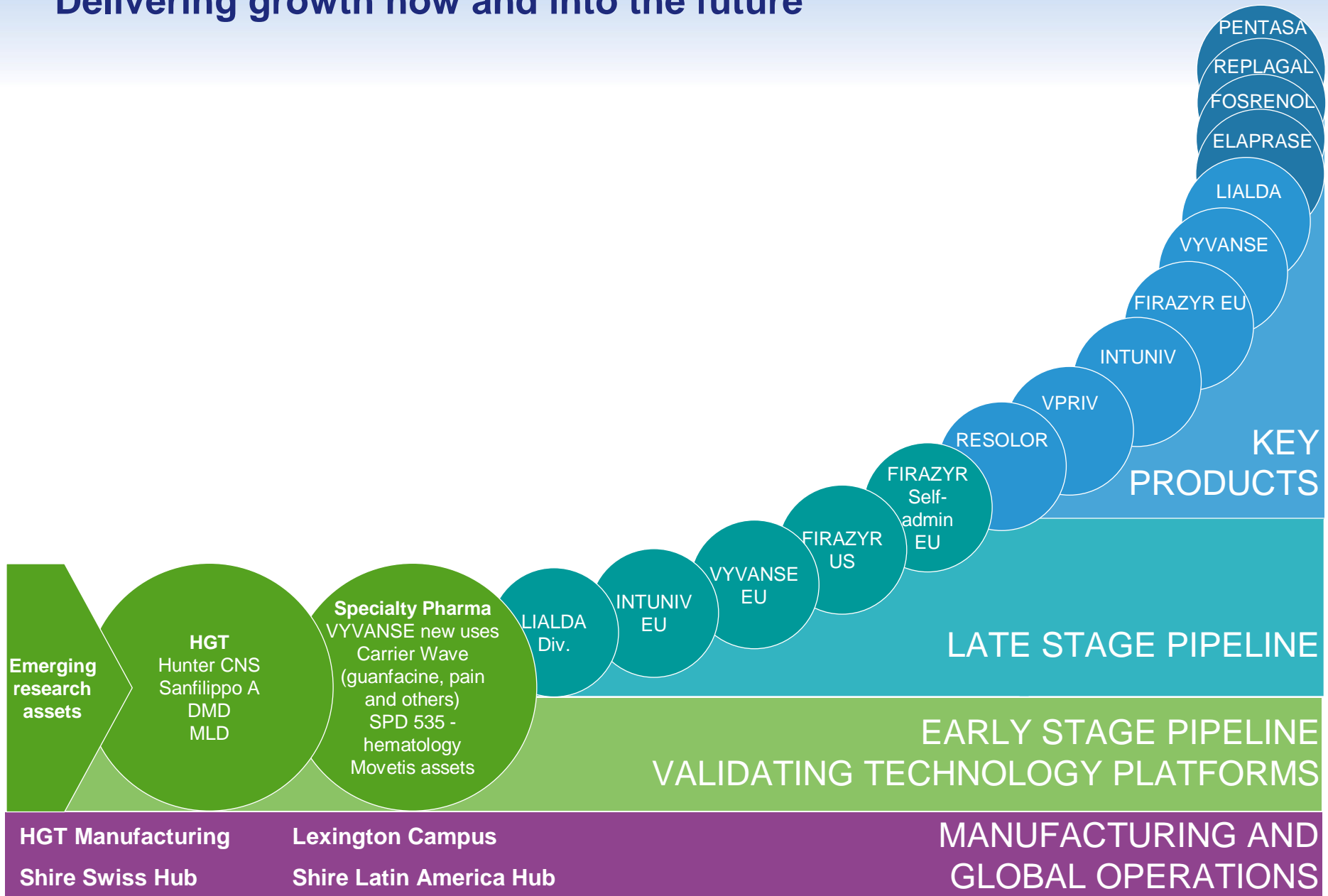


- ✓ Positive efficacy and safety US Phase 3 results
- ✓ CHMP positive opinion of self administration label



- ✓ Exclusive ex-North American rights to an innovative class of ActRIIB molecules, including ACE-031, being investigated for the treatment of Duchenne Muscular Dystrophy

Delivering growth now and into the future



Strategy is delivering

Financial Impact 2003-2010

	Growth	CAGR
Total Revenues	235%	16%
EBITDA	198%	15%

Driving growth from balanced product portfolio

Delivering tangible stakeholder value for:

- Patients
- Physicians
- Payors
- Investors
- Policymakers

Note: represents growth over the 8 years from 1/1/2003 through 12/31/2010

Financial Review

Graham Hetherington
Chief Financial Officer



Our purpose

We enable people with life-altering conditions to lead better lives

2010 Full Year performance summary

	2010 \$m	2009 \$m	Growth	Like for Like Growth ⁽¹⁾
Product sales	3,128	2,694	+16%	+17%
Royalties and other revenues	343	314	+9%	+9%
Total revenues	3,471	3,008	+15%	+16%
EBITDA ⁽²⁾	1,165	982	+19%	+21%
EPS - ADS ⁽²⁾	\$4.23	\$3.49	+21%	
Cash generation ⁽²⁾	1,353	917	+48%	

(1) 'Like for Like Growth' excludes movements in exchange rates by applying 2009 exchange rates to 2010 results.

(2) These are Non GAAP financial measures. See appendix for a list of items excluded from the US GAAP equivalent used to calculate these measures.

2010 Fourth Quarter performance summary

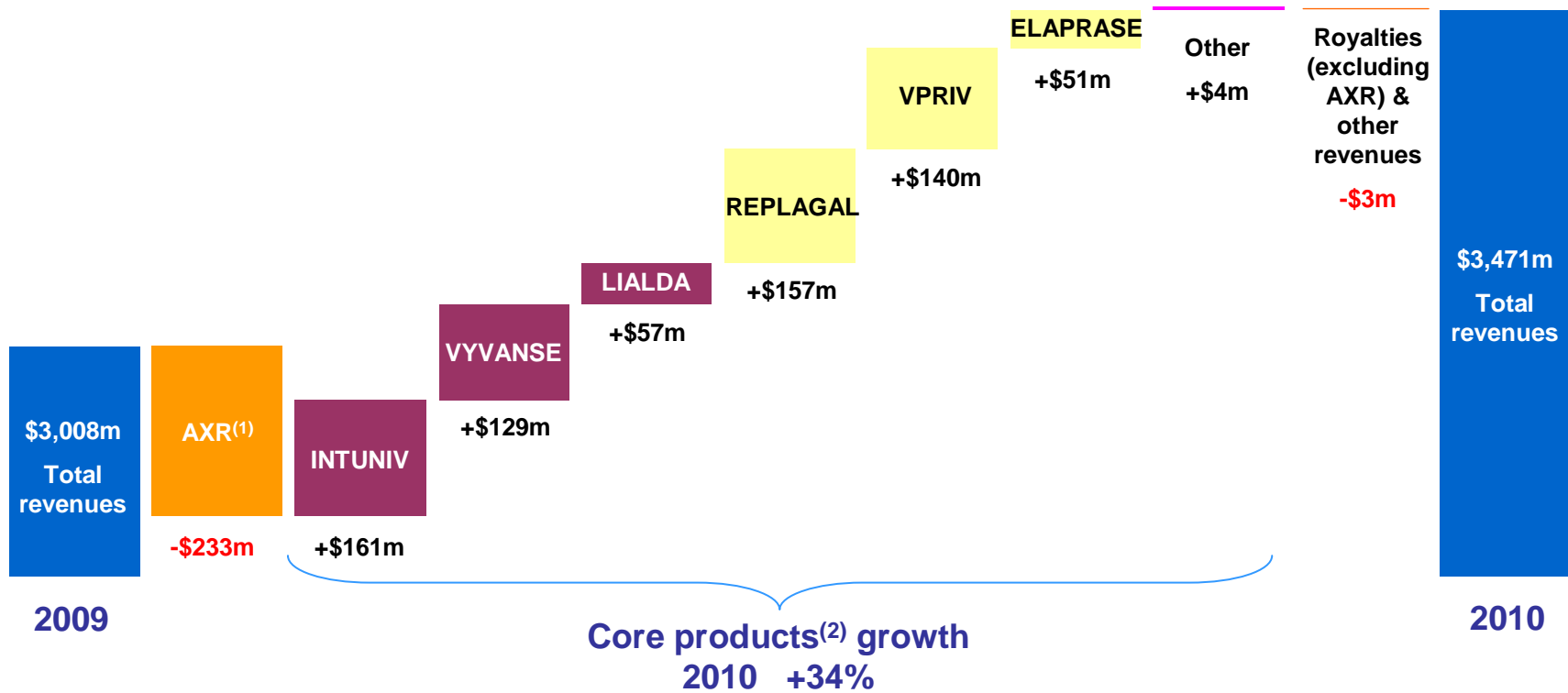
	2010	2009	Adjusted ⁽¹⁾ 2009	Growth	Adjusted ⁽¹⁾⁽²⁾ Like for Like Growth
	\$m	\$m	\$m		
Product sales	851	777	703	+10%	+23%
Royalties and other revenues	80	116	116	-31%	-31%
Total revenues	931	893	819	+4%	+16%
EBITDA⁽³⁾	263	336	262	-22%	+5%
EPS - ADS⁽³⁾	\$1.03	\$1.11	\$0.85	-7%	+30%
Cash generation⁽³⁾	394	269	269	+47%	

(1) The Q4 2009 adjusted results show Q4 2009 results adjusted for the change in best estimate of the Medicaid rebate liability for ADDERALL XR relating Q1 to Q3 2009

(2) 'Like for Like Growth' excludes movements in exchange rates by applying 2009 exchange rates to 2010 results.

(3) These are Non GAAP financial measures. See appendix for a list of items excluded from the US GAAP equivalent used to calculate these measures.

2010 Core product sales up \$700m



(1) Product sales and royalties

(2) Core product sales represent Shire's product sales excluding ADDERALL XR.

Operating leverage emerging – key financial ratios

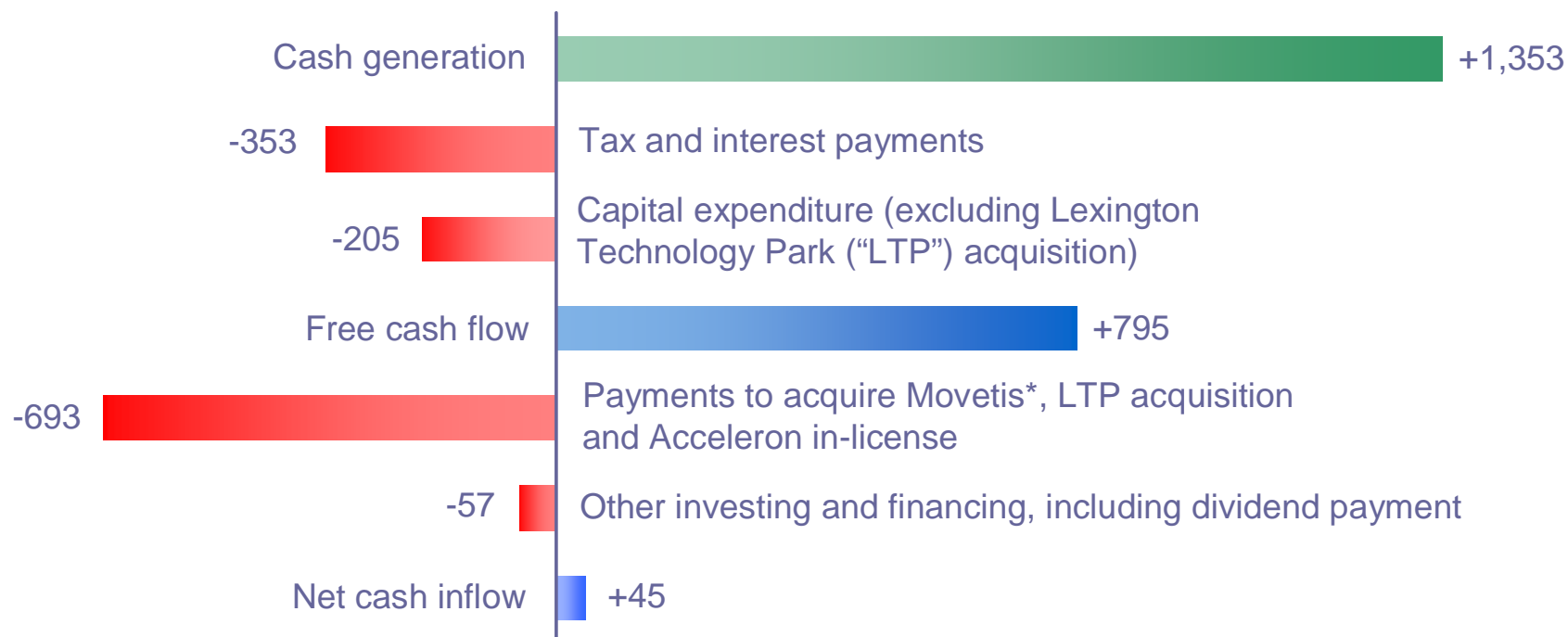
Year on Year:	2010	2009
Product sales	+16%	-2%
Core product sales	+34%	+25%
R&D⁽¹⁾	+14%	+10%
SG&A⁽¹⁾	+13%	-3%
Ratios:		
% of product sales		
Gross margin⁽¹⁾	86.5%	86.5%
R&D⁽¹⁾	19%	19%
SG&A⁽¹⁾	41%	42%
EBITDA^{(1) (2)}	26%	25%

(1) These are Non GAAP financial measures. See appendix for a list of items excluded from the US GAAP equivalents used to calculate these measures.

(2) Excluding royalties and other revenues

2010 Full Year cashflow

Millions of USD

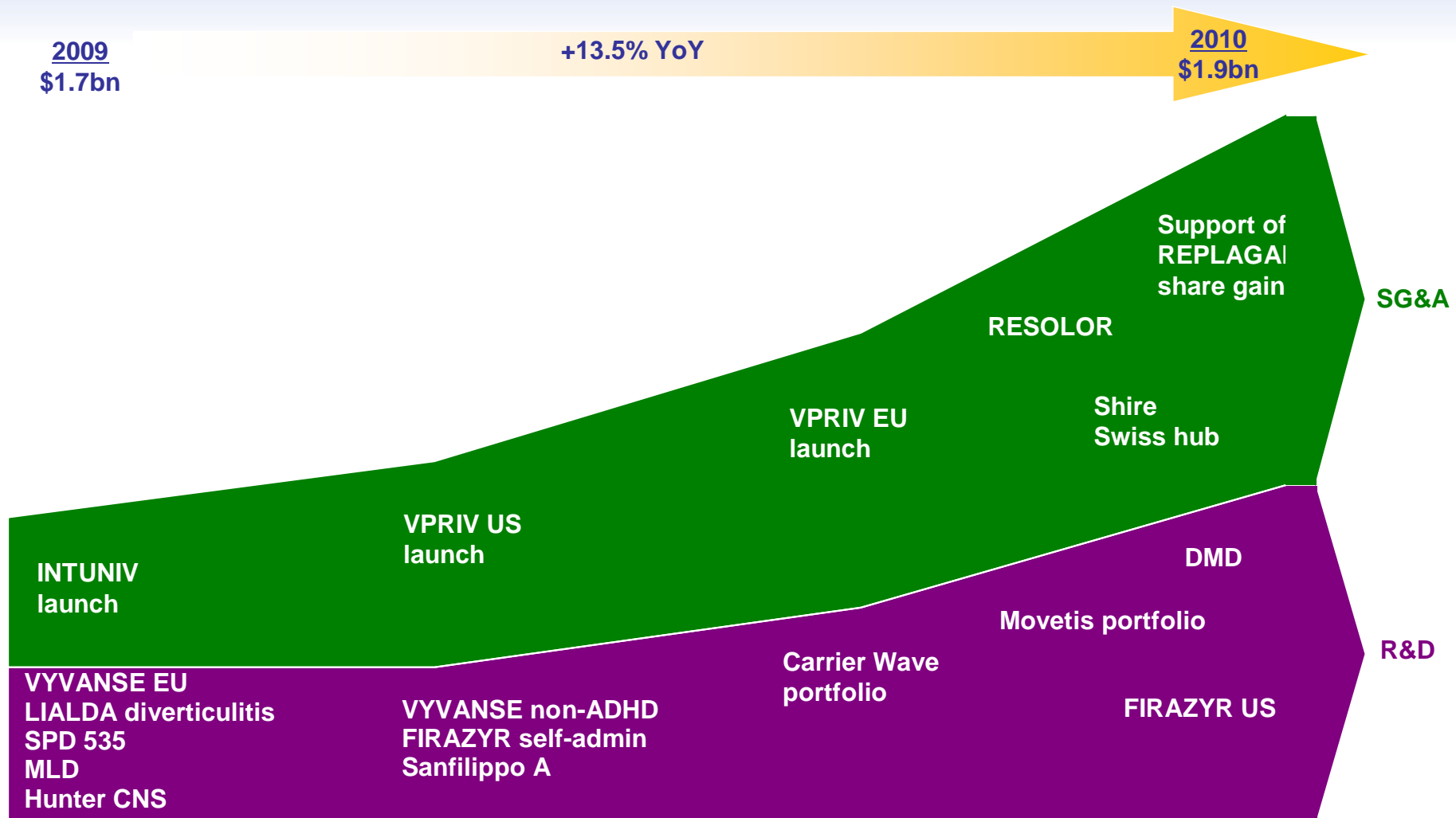


* Net of cash acquired of \$109m

Note: in November 2010, Shire signed a new \$1.2bn 5 year revolving credit facility extending to November 2015, which remained undrawn at December 31, 2010.

Patient-focused investments driving sustained growth and returns

- New product opportunities and pipeline progress enhanced through 2010 and beyond



To be as brave as the people we help

Dynamics beyond 2010

DRIVERS

KEY ELEMENTS

SUSTAINED PRODUCT SALES GROWTH

- Young growing portfolio
- Significant diversification of sources of growth

INVESTING IN FUTURE GROWTH

- Progressing the pipeline
- Optimising the global reach of our products
- Infrastructure to sustain future growth

ABSORBING THE IMPACT OF RECENT TRANSACTIONS

- Movetis acquisition
- DAYTRANA divestment

DELIVERING FINANCIAL PERFORMANCE

- Expanded operating margins
- Earnings growth
- Strong cash generation

Shire 2011 outlook

Full year 2011 dynamics

Direction
versus FY 2010

Product sales	↑	Growth continuing at 2010 rate
Royalties	↓	Generic erosion (Total royalties & other revenue -10%)
Product gross margins	≈	
R&D and SG&A	↑	10-13% growth
Tax rate	≈	22-24% tax rate cemented by Swiss operations
Reported EPS-ADS	↑	Good Earnings growth

2011 Priorities

Angus Russell
Chief Executive Officer



Our purpose

We enable people with life-altering conditions to lead better lives

2011 Priorities



Launching new products and new indications



Advancing the pipeline




**Investing in biologic manufacturing
and global operations**

2011 Priorities



Launching new products and new indications

- 
- Brazil; Adolescent launch (US & Canada); Adult launch in Canada
 - File MAA in Europe
 - Continue development of new uses



- Co-administration with stimulants PDUFA Feb 2011*
- Progress EU Phase 3



- Self-administration label
- US launch*



- Maintenance indication*



- Continue European launches

*Pending regulatory approval

2011 Priorities



Advancing the pipeline

- SPD 535 - Platelet reduction
- Guanfacine Carrier Wave
- Movetis programs
- HGT IT programs – Hunter CNS, Sanfilippo A, MLD
- HGT 4510 - DMD



Investing in biologic manufacturing and global operations



Complete REPLAGAL and VPRIV submissions for new plant approval



Continue build-out of EU hub in Switzerland

Solid foundation for future growth

Sustaining growth in a challenging macroeconomic environment

Continuing to build our global presence

Meeting the needs of patients and families with innovative, truly valued products



Shire

We enable people with
life-altering conditions to
lead better lives.



Questions and Answers



Our purpose

We enable people with life-altering conditions to lead better lives

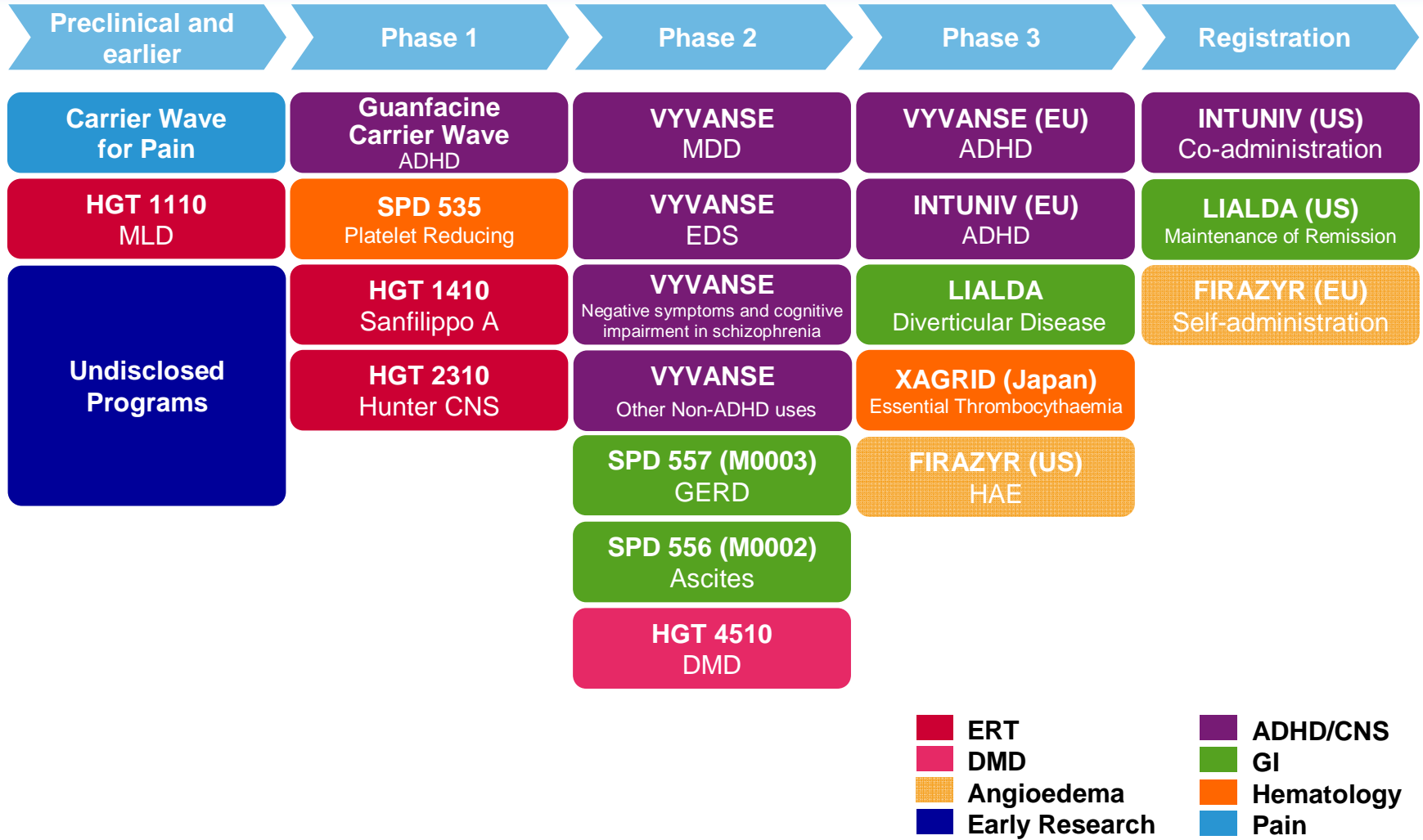
APPENDIX



Our purpose

We enable people with life-altering conditions to lead better lives

Replenishing our pipeline



2010 Portfolio strength and diversity – Core product sales⁽¹⁾

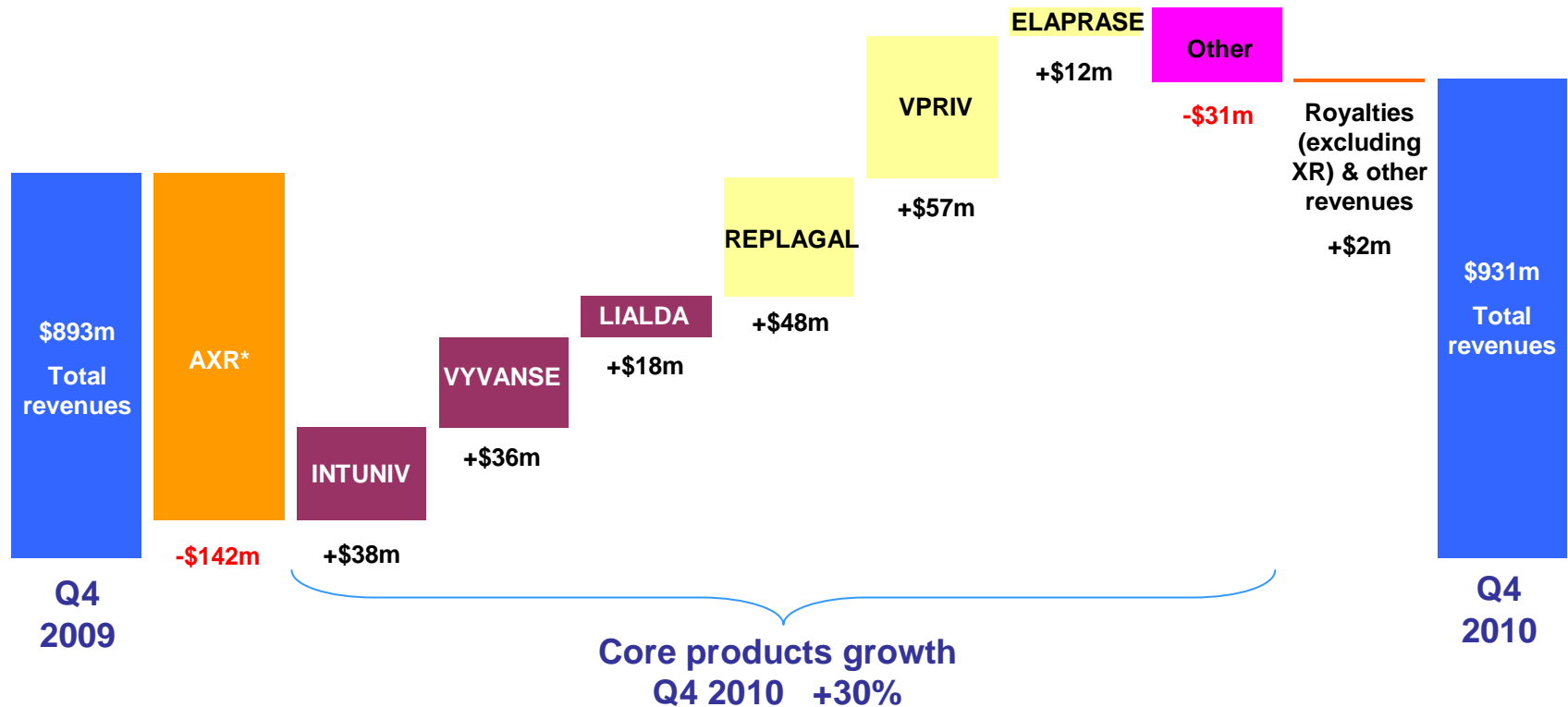
	Financial Year				Fourth Quarter		
	2010 \$m	2009 \$m	Growth	Like for Like Growth ⁽²⁾	2010 \$m	Growth	Like for Like Growth ⁽²⁾
VYVANSE	634	505	+26%	+26%	181	+25%	+25%
ELAPRASE	404	353	+14%	+16%	106	+13%	+17%
REPLAGAL	351	194	+81%	+87%	109	+80%	+88%
LIALDA / MEZAVANT	293	236	+24%	+24%	84	+27%	+27%
PENTASA	236	215	+10%	+10%	60	+3%	+3%
FOSRENOL	182	184	-1%	<1%	45	-5%	-2%
INTUNIV	166	5	n/a ⁽³⁾	n/a ⁽³⁾	43	n/a ⁽³⁾	n/a ⁽³⁾
VPRIV	143	3	n/a ⁽³⁾	n/a ⁽³⁾	59	n/a ⁽³⁾	n/a ⁽³⁾
FIRAZYR	11	6	+82%	+91%	3	+48%	+59%
OTHER	347	366	-5%	-4%	73	-29%	-27%
CORE PRODUCT SALES	2,767	2,067	+34%	+35%	763	+30%	+33%

(1) Core product sales represent Shire's product sales excluding ADDERALL XR.

(2) 'Like for Like Growth' excludes movements in exchange rates by applying 2009 exchange rates to 2010 results.

(3) INTUNIV was launched in the US in Q4 2009 (2009 sales \$5.4m). In 2009 VPRIV generated sales from early access programs (2009 sales \$2.5m).

2010 Q4 Core product sales driving revenue growth



* Product sales and royalties

Emerging shape of Shire income statement

- Normalized Medicaid rebate

	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2009 FY	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2010 FY	FY 2011 Dynamics	
											Direction v. FY 10	Explanations
Core Product sales	\$459m	\$491m	\$532m	\$585m	\$2,067m	\$626m	\$684m	\$694m	\$763m	\$2,767m		
versus prior year	+24%	+20%	+20%	+36%	+25%	+36%	+39%	+31%	+30%	+34%		
Product Sales	\$793m	\$557m	\$641m	\$703m	\$2,694m	\$719m	\$764m	\$794m	\$851m	\$3,128m	↑	Growth continuing at 2010 rate
versus prior year	+26%	-21%	-10%	+0%	-2%	-9%	+37%	+24%	+21%	+16%		
Royalties	\$51m	\$67m	\$60m	\$115m	\$293m	\$94m	\$83m	\$77m	\$74m	\$328m	↓	Generic erosion (Total royalties & other revenue - 10%)
versus prior year	-22%	+3%	-1%	+109%	+19%	+88%	+24%	+27%	-36%	+12%		
Gross Margin ^{(1) (2)}	90%	84%	85%	86%	86.5%	87%	86%	87%	86%	86.5%	≈	
R&D ⁽²⁾	\$117m	\$118m	\$144m	\$144m	\$523m	\$128m	\$143m	\$149m	\$178m	\$598m	↑	10-13% growth
versus prior year	+\$9m	-\$9m	+\$27m	+\$21m	+\$48m	+\$11m	+\$25m	+\$5m	+\$34m	+\$75m		
SG&A ⁽²⁾	\$271m	\$285m	\$267m	\$315m	\$1,138m	\$309m	\$304m	\$302m	\$373m	\$1,288m		
versus prior year	-\$27m	-\$14m	-\$16m	+\$26m	-\$31m	+\$38m	+\$19m	+\$35m	+\$58m	+\$150m		
Tax Rate ⁽²⁾	24%	2%	33%	31%	25%	26%	25%	24%	16%	23%	≈	22-24% tax rate cemented by Swiss operations

(1) Gross margin calculated as a percentage of product sales

(2) These are Non GAAP financial measures. See appendix for a list of items excluded from the US GAAP equivalents used to calculate these measures.

2010 Royalties

Financial Year

2010 \$m	2009 \$m	Growth
-------------	-------------	--------

Fourth Quarter

2010 \$m	Growth
-------------	--------

3TC and ZEFFIX	154	164	-6%
ADDERALL XR	100	68	+48%
REMINYL	42	48	-13%
Other	32	13	+146%
Total Royalties	328	293	+12%

39	-11%
14	-73%
8	-43%
13	n/a
74	-36%

Non GAAP cashflow measures

Non GAAP cash generation reconciliation	Fourth Quarter		Financial Year	
	2010 \$m	2009 \$m	2010 \$m	2009 \$m
Net cash provided by operating activities	343	237	955	627
Tax and interest payments, net	51	32	353	253
Payments for acquired and in-licensed products	-	-	45	37
Non GAAP cash generation⁽¹⁾	394	269	1,353	917

Non GAAP free cashflow reconciliation	Fourth Quarter		Financial Year	
	2010 \$m	2009 \$m	2010 \$m	2009 \$m
Net cash provided by operating activities	343	237	955	627
Payments for acquired and in-licensed products	-	-	45	37
Capital expenditure excluding LTP acquisition	(65)	(85)	(205)	(255)
Non GAAP free cash flow⁽²⁾	278	152	795	409

(1) Non GAAP cash generation represents net cash provided by operating activities, excluding upfront and milestone payments for in-licensed and acquired products, tax and interest payments

(2) Non GAAP free cash flow represents net cash provided by operating activities, excluding upfront and milestone payments for in-licensed and acquired products, but including capital expenditure in the normal course of business

Non GAAP net debt

	December, 31 2010 \$m	December, 31 2009 \$m
Cash and cash equivalents	550	499
Restricted cash	27	33
Convertible bonds	(1,100)	(1,100)
Building finance obligation	(8)	(47)
Net debt	(531)	(615)

Non GAAP measures

- This presentation contains financial measures not prepared in accordance with US GAAP.
- These Non GAAP financial measures are used by Shire's management to make operating decisions because they facilitate internal comparisons of the Company's performance to historical results and to competitors' results. They should not be considered in isolation from, as substitutes for, or superior to financial measures prepared in accordance with US GAAP.
- The following items are excluded from these non-GAAP financial measures:

Amortization and asset impairments:

- Intangible asset amortization and impairment charges; and
- Other than temporary impairment of investments.

Acquisitions and integration activities:

- Upfront payments and milestones in respect of in-licensed and acquired products;
- Costs associated with acquisitions, including transaction costs, fair value adjustments on contingent consideration and acquired inventory;
- Costs associated with the integration of companies; and
- Non-controlling interest in consolidated variable interest entities.

Divestments, re-organizations and discontinued operations:

- Gains and losses on the sale of non-core assets;
- Costs associated with restructuring and re-organization activities;
- Termination costs; and
- Income / (losses) from discontinued operations.