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ICN PHARMACEUTICALS INC
Form DEFA14A
May 13, 2002

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant To Section 14(a) Of
The Securities Exchange Act Of 1934

- Filed by the Registrant [X]
- Filed by a Party other than the Registrant []
- Check the appropriate box:
- [] Preliminary Proxy Statement
- [] CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14A-6(E) (2))
- [] Definitive Proxy Statement
- [X] Definitive Additional Materials
- [] Soliciting Material Pursuant to Section 240.14a-12

ICN Pharmaceuticals, Inc.

(Name of Registrant as Specified in its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
Payment of Filing Fee (Check the appropriate box):

- [X] No fee required.
- [] Fee computed on table below per Exchange Act Rules 14a-6(i) (4) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

[] Fee paid previously with preliminary materials.

[] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a) (2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Following is the text of additional presentation materials delivered to ICN Pharmaceuticals, Inc. stockholders on or about May 13, 2002:

[LOGO - ICN] ICN PHARMACEUTICALS, INC.

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MAY 2002

FORWARD LOOKING STATEMENTS

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

- o Except for the historical information herein, the matters discussed in this presentation include forward-looking statements that may involve a number of risks and uncertainties, including but not limited to, projections of future sales, operating income, returns on invested assets, obtaining and maintaining regulatory approval processes, market acceptance of, and continuing demand for ICN pharmaceuticals' products and other risks detailed from time to time in the Company's Securities and Exchange Commission filings

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RESTRUCTURING RATIONAL

RESTRUCTURING HISTORY

- o The restructuring was ALWAYS ICN's and UBS's idea; no one else had it.
- o It was ALWAYS designed to unlock value for shareholders.
- o The restructuring is a complicated process that cannot be rushed.
- o The timing has been SOLELY impacted by market conditions.

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RESTRUCTURING OVERVIEW

- o Initiatives to unlock significant shareholder value

	Biotechnology	Ribapharm
		- RNA listed on NYSE on April 12, 2002
		- IPO Completed
		- tax-free spin-off in 2002
ICN Pharmaceuticals	Specialty Pharmaceuticals Americas	ICN Americas
	Specialty	

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Pharmaceuticals
Europe

ICN International

- o IPO Prospectus filed

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GOVERNANCE

- o ICN has had a long history of dependable corporate governance.
- o Corporate governance provisions adopted that codify what ICN has practiced all along.
- o Nominating committee established that it is comprised solely of independent directors.
 - Membership
 - Process
- o CEO succession process established that will result in a timely and orderly change in leadership.

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BOARD INDEPENDENCE

- o ICN's board has ALWAYS been comprised of independent directors.
- o Since ICN's founding, 39 out of 42 directors have been non-insiders.
- o As of May 29, 2002, five elected within the last year:
 - Three as shareholder candidates
 - Two as qualified by nominating committee
 - Roderick Hills
 - Barry Cohen
 - Gen. Ronald Fogleman
 - Ed Burkhardt
 - Steven Lee

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COUNTERACT - SUBSTANTIAL RISK TO SHAREHOLDERS

- o There is ENORMOUS RISK to shareholders in siding with the opposition.
- o They have no track record, no experience and no strategy.
- o ICN management has CONSISTENTLY delivered on its promises.
- o A vote for the opposition places shareholders' investment in ICN at substantial risk

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FINANCIAL OVERVIEW

SPECIALTY PHARMACEUTICALS REVENUES 1.2.

1995 - 2001 CAGR: +18%

[BAR GRAPH OMITTED]

1995-273 \$mm
 1996-347 \$mm
 1997-527 \$mm
 1998-659 (2) \$mm
 1999-639 \$mm
 2000-645 \$mm
 2001-721 \$mm

1 Excluding Royalties

2 Excludes ICN Yugoslavia

2. Reflects effect of Major Russia Devaluation in Q3 1998 through 2001

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SPECIALTY PHARMACEUTICALS OPERATING INCOME STATEMENT (1)
 2001 VS. 2000 FULL YEAR
 (000's)

	NORTH AMERICA		LATIN AMERICA		WESTERN EUROPE	
	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	ACTUAL 2000
Product Sales	155,201	119,994	128,218	127,485	206,374	187,192
Royalties	--	--	--	--	2	14
Services	18,473	593	--	--	--	--
Revenues	173,674	120,587	128,218	127,485	206,376	187,206
Cost of Sales	23,576	13,692	34,745	35,662	106,597	96,021
Gross Profit	131,625	106,302	93,473	91,823	99,777	91,171

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Gross Margin	85%	89%	73%	72%	48%	49%
Operating Expenses:						
Selling	42,276	22,606	26,996	26,831	39,505	35,654
Advertising	22,045	19,918	11,364	10,563	9,629	9,815
Goodwill	11,507	10,872	3,642	3,313	8,605	7,797
R & D	2,304	1,746	168	273	478	2,571
G & A	6,145	1,027	6,616	5,434	14,272	15,096
Other	(2,408)	2,795	3,880	3,459	863	3,848
Total Op. Exp.	81,869	58,964	52,666	49,873	73,352	74,781
Operating Income	68,229	47,931	40,807	41,950	26,427	16,404
O.P. %	39%	40%	32%	33%	13%	9%

	AAA		BIOMEDICAL		SPECIALTY PHA	
	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	ACTU 200
Product Sales	49,826	45,133	59,955	58,522	702,640	644,59
Royalties	--	--	--	--	2	1
Services	--	--	--	--	18,473	59
Revenues	49,826	45,133	59,955	58,522	721,115	645,20

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Cost of Sales	25,174	25,420	27,949	28,013	284,095	263,45

Gross Profit	24,652	19,713	32,006	30,509	418,545	381,13

Gross Margin	49%	44%	53%	52%	60%	5

Operating Expenses:						

Selling	9,995	10,320	18,456	17,476	162,358	137,67

Advertising	3,126	2,479	2,317	3,469	53,974	49,72

Goodwill	4,156	4,562	2,089	1,657	28,022	26,28

R & D	161	175	--	--	3,218	5,54

G & A	1,879	2,571	3,500	3,178	40,414	37,77

Other	29	106	745	3,032	9,279	21,11

Total Op. Exp.	19,346	20,213	27,107	28,812	297,265	278,11

Operating Income	5,306	(500)	4,899	1,697	139,755	103,62

O.P. %	11%	(1%)	8%	3%	19%	1

* Before Corporate allocations

(1) EXCLUDING ROYALTIES

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FINANCIAL POSITION

SELECTED CONSOLIDATED BALANCE SHEET DATA

(US\$mm)	DECEMBER 31, 2000	DECEMBER 31, 2001

Cash	155.6	327.6
Total Assets	1,477.1	1,754.4

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Senior Debt	496.9	191.2*
Convertible Debt	-	525.0
Total Debt	510.8	740.7
Total Stockholders Equity	757.2	810.7

CREDIT STATISTICS

	2000	2001
Total Debt/EBITDA	1.86x	2.80x
EBITDA/Interest	4.56x	4.73x
Total Debt/Total Book Cap.	40%	48%

* paid off in April 2002 reflecting improvement of ratios

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Q1 2002 CONSOLIDATED RESULTS FINANCIAL PERFORMANCE

	Q1 02	Q1 01	%CHG.
Revenues	\$246M R	\$199M	23
Royalties	57M R	28M	103
REVENUES - SPECIALTY PHARMA	189M	171M	10
Operating income	66M R	41M	60
Net Interest	13M up \$2M	11M	22
Income before tax and MI	51M	30M	
Translation	2M	.4M	nm
Provision for income taxes	20M up \$11M	9M	119
Net Income (1)	30M R	21M	43
Cumulative effect	4M	--	nm
Net Income	34M R	21M	62
EPS (diluted)-income	0.36 R	0.26	38
Cumulative effect	0.04	--	
Net Income	0.40 R	0.26	54

(1) Before Cumulative Effect of Accounting Change
R = Record results

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Q1 2002 - Continued Growth and Records

- o Record revenue

- o Record Gross Margin

- o Record royalties

- o Record Operating Income

- o Record pre-tax income

- o Record Earning per Share

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SPECIALTY PHARMACEUTICALS

SPECIALTY PHARMA INVESTMENT HIGHLIGHTS

- o High margin specialty business in Americas
 - Record of historical growth in Latin America since 1970
 - Consistent new product flow in pharmaceuticals
 - New growth platform in vast cosmetic dermatology market
- o One of the largest specialty pharmaceutical businesses in Europe
 - 57% of international revenues from Western Europe
 - New product pipeline

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SPECIALTY PHARMACEUTICALS REVENUES

SPECIALITY PHARMA REVENUES ANNUAL GROWTH 12% [BAR GRAPH OMITTED]

ICN International Annual Growth 6%

2000	\$338mm	50%
2001	\$359mm	of specialty pharma revenues

ICN Americas Annual Growth 18%

2000	\$307mm	50%
2001	\$362mm	of specialty pharma revenues
2000	\$645mm	
2001	\$721mm	

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SPECIALTY PHARMACEUTICALS OPERATING INCOME*

SPECIALTY PHARMA OPERATING INCOME ANNUAL GROWTH 35% [BAR GRAPH OMITTED]

ICN International Annual Growth 114%

2000	\$12mm	22%
2001	\$26mm	of specialty pharma OI

ICN Americas Annual Growth 24%

2000	\$94mm	
2001	\$117mm	78%
		of specialty pharma OI

2000	\$105mm
2001	\$142mm

* Before corporate charges

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SPECIALTY PHARMACEUTICALS EBITDA*

SPECIALTY PHARMA EBITDA ANNUAL GROWTH 26% [BAR GRAPH OMITTED]

ICN International Annual Growth 32%

2000	\$41mm	30%
2001	\$54mm	of specialty pharma EBITDA

ICN Americas Annual Growth 24%

2000	\$121mm	70%
2001	\$150mm	of specialty pharma EBITDA

2000	\$162mm
2001	\$204mm

*Before corporate charges

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SPECIALTY PHARMACEUTICALS
OPERATING INCOME STATEMENT (1)
Q4 2001 vs. Q4 2000

(000's)

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	NORTH AMERICA		LATIN AMERICA		WESTERN EUROPE	
	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	ACT 2000
Product Sales	44,637	37,756	41,806	37,079	56,436	50,
Royalties	-	-	-	-	-	
Services	3,601	593	-	-	-	
Revenues	48,238	38,349	41,806	37,079	56,436	50,
Cost of Sales	8,231	5,296	11,009	10,469	29,087	28,
Gross Profit	36,406	32,460	30,797	26,610	27,349	21,
Gross Margin	82%	86%	74%	72%	48%	
Operating Expenses:						
Selling	10,103	6,030	7,441	7,114	10,479	9,
Advertising	6,704	5,466	3,486	2,767	2,578	3,
Goodwill	2,909	2,750	1,067	830	2,384	1,
R & D	780	641	41	62	397	
G & A	1,577	4,662	1,713	1,464	3,990	5,
Other	(1,931)	57	1,871	1,521	(1,301)	1,
Total Op. Exp.	20,142	19,606	15,619	13,758	18,527	22,
Operating Income	19,865	13,447	15,178	12,852	8,822	(
O.P. %	41%	35%	36%	35%	16%	

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	AAA		BIOMEDICAL		SPECIALTY PHARMA	
	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	ACTUAL 2000	ACTUAL 2001	AC 2
Product Sales	13,658	8,685	15,363	13,692	204,702	178
Royalties	-	-	-	-	-	
Services	-	-	-	-	3,601	
Revenues	13,658	8,685	15,363	13,692	208,303	179
Cost of Sales	6,846	7,220	7,073	7,279	80,999	77
Gross Profit	6,812	1,465	8,290	6,413	123,703	101
Gross Margin	50%	17%	54%	47%	60%	
Operating Expenses:						
Selling	3,299	2,545	5,040	4,420	43,105	37
Advertising	646	668	650	808	15,831	14
Goodwill	1,056	1,131	522	423	7,450	6
R & D	22	42	-	-	1,221	1
G & A	558	499	1,014	796	10,555	15
Other	12	35	138	975	996	6
Total Op. Exp.	5,593	4,920	7,364	7,422	79,158	81
Operating Income	1,219	(3,455)	926	(1,009)	48,146	20
O.P. %	9%	(40%)	6%	(7%)	23%	

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* Before Corporate allocations.

(1) EXCLUDING ROYALTIES

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SPECIALTY PHARMACEUTICALS
OPERATING INCOME STATEMENT (1)
Q1 2002 VS. Q1 2001

(000's)

	NORTH AMERICA		LATIN AMERICA		WESTERN EUROPE	
	ACTUAL 2002	ACTUAL 2001	ACTUAL 2002	ACTUAL 2001	ACTUAL 2002	ACTUAL 2001
Product Sales	44,077	37,112	29,487	26,092	54,854	52,500
Royalties	-	-	-	-	-	-
Services	2,862	5,171	-	-	-	-
Revenues	46,939	42,283	29,487	26,092	54,854	52,500
Cost of Sales	6,567	5,013	8,269	6,885	26,945	28,600
Gross Profit	37,510	32,099	21,198	19,207	27,909	23,900
Gross Margin	85%	86%	72%	74%	51%	46%
Operating Expenses:						
Selling	10,421	11,212	6,296	5,782	10,072	9,200
Advertising	6,260	3,989	2,536	2,516	2,923	2,500
Goodwill	2,552	2,867	1,029	827	2,397	1,900
R&D	842	550	11	62	586	500
G&A	1,958	990	1,539	1,468	3,216	3,300
Other	1,747	(648)	740	397	121	2,400
Total Op. Exp.	23,780	18,960	12,151	11,052	19,315	19,500
Operating Income	16,592	18,310	9,047	8,155	8,594	4,300
O.P.%	35%	43%	31%	31%	16%	8%

	AAA		BIOMEDICAL		SPECIALTY PHARMA	
	ACTUAL 2002	ACTUAL 2001	ACTUAL 2002	ACTUAL 2001	ACTUAL 2002	ACTUAL 2001
Product Sales	11,820	10,638	15,785	15,474	185,799	166,000
Royalties	-	-	-	-	-	-
Services	-	-	-	-	2,862	5,000
Revenues	11,820	10,638	15,785	15,474	188,661	171,000
Cost of Sales	5,613	5,619	7,431	7,118	71,722	69,000
Gross Profit	6,207	5,019	8,354	8,356	114,077	96,000
Gross Margin	53%	47%	53%	54%	61%	56%

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Operating Expenses						
Selling	2,533	1,548	4,577	4,200	39,955	37,
Advertising	923	619	867	595	15,163	11,
Goodwill	1,090	1,074	2	523	7,070	6,
R&D	39	52	-	-	1,710	
G&A	684	487	891	783	10,444	9,
Other	(478)	(22)	67	56	3,112	3,
Total Op. Exp.	4,791	3,758	6,404	6,157	77,454	69,
Operating Income	1,416	1,261	1,950	2,199	39,485	32,
O.P.%	12%	12%	12%	14%	21%	

* Before Corporate allocations

(1) EXCLUDING ROYALTIES

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TOP TEN PRODUCTS ICN PHARMACEUTICALS

(\$ in Millions):

Efudex	Antimetabolit	35.3	45.1	27.8
Mestinon	Cholinesterase	33.9	42.4	25.1
Bedoyecta	vitamins	25.6	25.3	-1.2
N-Lite	Derm.	1.3	17.3	1230.8
Bleaches	Derm.	5.0	13.9	178.0
Virazole	antivirals	15.1	13.6	-9.9
Kinerase	Derm.	13.2	13.2	0.0
Nuclosina	Gastro	10.9	12.7	16.5
Oxsoralens	antipsor.	6.5	9.4	44.6
Pentalgin	NSAID	8.3	9.2	10.8
Sub-Total		155.1	202.1	30.3
All Other products		490.1	519.1	5.9
TOTAL SALES		645.2	721.2	11.8
top ten % of total		26	31	

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SPECIALTY PHARMACEUTICALS INTERNATIONAL

SPECIALTY PHARMACEUTICALS INTERNATIONAL - OVERVIEW

- o 466 ethical products
 - o 266 OTC products
 - o A broad product portfolio with
- 2001 Revenue: US\$359mm
2001 EBITDA: US\$54mm*

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increasing focus on:

- central nervous system
- anti-infective / anti-virals [PIE CHART OMITTED]
- dermatology Export (AAA)
- alimentary tract and metabolism 14%
- oncology Eastern Europe
- o 2,100+ sales and marketing staff 29%
- * before corporate allocations Western Europe 57%

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SPECIALTY PHARMACEUTICALS INTERNATIONAL HIGHLIGHTS

ICN Western Europe
Sales Share per Market
[GRAPH OMITTED]

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SPECIALITY PHARMACEUTICALS INTERNATIONAL HIGHLIGHTS

ICN Western Europe
Product Sales per Category
[GRAPH OMITTED]

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SPECIALITY PHARMACEUTICALS INTERNATIONAL HIGHLIGHTS

ICN Western Europe

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Sales Performance

1998-2001 CAGR: +30%

[BAR GRAPH OMITTED]

1998-53\$mm
 1999-85\$mm
 2000-107\$mm
 2001-117\$mm

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SPECIALITY PHARMACEUTICALS INTERNATIONAL HIGHLIGHTS

ICN Russia

'000 EUR Top Ten Products Q1 '01 vs Q2 '02

PRODUCT/ TRADE NAME	Q1 '01	Q1'02	% of increase
Pentalgin line	2079	4427	113%
Inhalypt	595	717	20%
Terpincode	377	1013	169%
Oligovit	1277	2094	64%
Codelac	282	1183	320%
Asvitol	395	1237	213%
Nitrocor Line	1391	2321	67%
Solcoseril Line	590	1563	165%
Renipril Line	290	111	-62%
Solcotrichovac Line	0	192	0%
Sub-Total	7276	14858	104%
All Other Products	12540	11398	-9%
TOTAL SALES	19816	26256	32%

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SPECIALITY PHARMACEUTICALS INTERNATIONAL HIGHLIGHTS

ICN Russia Retail

Sales Performance

1998-2001 CAGR: +133%

[BAR GRAPH OMITTED]

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ICN Pharmacies in Russia

1998-2\$mm	City	Number of Pharmacies
1999-15\$mm	Moscow	48
	St. Petersburg	19
	Kursk	3
2000-23 (1) \$mm	Orel	10
	Chelyabinsk	4
	Tomsk	5
2001-25\$mm	Yoskar-Ola	2
	Krasnoyarsk	1
	Total	92

(1) Closed polyclinics

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SPECIALITY PHARMACEUTICALS INTERNATIONAL HIGHLIGHTS

[GRAPH OMITTED]

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SPECIALTY PHARMACEUTICALS AMERICAS

SPECIALTY PHARMACEUTICALS AMERICAS - OVERVIEW

- o High-margined product portfolio 2001 Revenue: US\$362mm
- o Increasing investment in sales and marketing 2001 EBITDA: US\$150mm*

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- o Significant expansion in dermatology
- o consistent new product flow [PIE CHART OMITTED]
 - Latin America 35%
 - North America 65%

* before corporate allocations

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SPECIALTY PHARMACEUTICALS AMERICAS - GEOGRAPHIC SALES

YEAR ENDED DECEMBER 31, 2001 [PIE CHART OMITTED]

Brazil	\$6mm
Argentina	\$15mm
Mexico	\$107mm
Canada	\$24mm
United States	\$210mm
	\$362mm

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SPECIALTY PHARMACEUTICALS AMERICAS - REVENUE MIX [PIE CHART OMITTED]

2000	2001
----	----
Biomedical \$59mm	Biomedical \$60mm
Ethical Pharma \$248mm	Ethical Pharma \$269mm
\$307	Photonics \$33mm
	\$362mm

THERAPEUTIC MIX - NORTH AMERICA PRODUCT SALES*

YEAR ENDED DECEMBER 31, 2001 [PIE CHART OMITTED]

HRT	8%
Neurology	14%
Dermatology	60%
Other	18%
	\$155mm

*Excluding Biomedicals

TOP TEN PRODUCTS - SALES SUMMARY*

Product	Category	2000 Sales (US\$mm)	2001 Sales (US\$mm)	Gross Margin
Efudex	Dermatologic	32.4	41.4	93%
Bedoyecta	Vitamin	25.5	25.3	71%
Mestinon	Myasthenia Gravis	18.1	24.3	85%
NLite	Dermatologic Laser	na	19.0	64%
Kinerase	Dermatologic	12.6	12.1	86%
GlyQuin	Dermatologic	1.7	9.8	84%
Virazole	Antiviral	11.7	9.8	94%
Oxsoralen	Dermatologic	6.6	9.3	90%
Testred	HRT	5.2	7.9	93%
CES	HRT	5.7	5.3	41%
		119.5	164.2	82%
Percentage of Total Revenue		48%	54%	

*Excluding Biomedicals

ICN NORTH AMERICA

MARKET LEADERSHIP IN PHYSICIAN SKIN CARE

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DEMOGRAPHICS DRIVE DEMAND

- o 78 million Americans between 35-54

- o 22 million women with household income of \$56,000

- o Seek non-invasive products that will treat and prevent aging with minimal downtime

- o Growing importance of AK therapy as risk of skin cancer increases

[GRAPHIC OMITTED]

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SKIN CARE STRATEGY

[GRAPHIC OMITTED]

DERMATOLOGY	---	Rx
DERMATOLOGY	---	Physician Dispensed
DERMATOLOGY	---	Aesthetic Elective

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BROAD SKIN AGING PORTFOLIO

[GRAPHIC OMITTED]

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Top Ten Products North America*

(*\$ in Millions)

Product	2001 Actual	2000 Actual	Inc/ (Dec)	%	
				2001 GM%	2001 GM%
Efudix/Efudex	\$ 39,854	\$ 30,802	29.4%	93.1%	93.1%
Mestinon	21,262	15,250	39.4%	84.6%	84.6%
N-Lite	14,552	1,144	1172.0%	61.5%	61.5%
Kinerase	11,716	12,365	-5.2%	85.6%	85.6%
Bleaches	9,827	1,735	466.4%	84.3%	84.3%
Oxsoralens	9,212	6,478	42.2%	90.3%	90.3%
Androif/Testred	7,962	5,168	54.1%	92.6%	92.6%
C.E.S.	5,350	5,743	-6.8%	41.2%	41.2%
Ancobon/Ancotil	3,758	1,785	110.5%	51.8%	51.8%
Glyderm	3,044	3,278	-7.1%	68.0%	68.0%
Subtotal	\$ 126,537	\$ 83,748	51.1%		83.0%
All Others	47,137	36,839	28.0%		90.0%
Grand Total	\$ 173,674	\$ 120,587	44.0%		85.0%

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Source: ICN North America

GLYQUIN TRx MARKET SHARE

52 WEEK TREND

[GRAPHIC OMITTED]

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Source: IMS Health National Prescription Audit

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WRINKLE REDUCTION PROCEDURE MARKET

Number of Procedures (000s)

	1997	1998	1999	2000	2001
BOTOX	65	180	498	1,097	1,600
ABLATIVE RESURFACING	64	283	1,262	1,358	2,399
COLLAGEN	347	406	475	592	1,099
NONABLATIVE LASER	--	--	--	50	150
TOTAL	476	869	2,235	3,097	5,248

Sources: ASAPS, ICN Estimate

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GROWTH DRIVERS

NLITE

Laser Collagen Replenishment

- o GROWTH OF NON ABLATIVE PROCEDURES
- o CONTINUED PHYSICIAN ADOPTION FOR NON-ABLATIVE LASERS
- [GRAPHIC OMITTED]
- o COMBINATION THERAPY WITH BOTULINUM TOXIN FOR WRINKLES DUE TO COLLAGEN DEFICIENCY
- o MULTI APPLICATION SYSTEM
 - FDA approved: wrinkles

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- Current studies: acne scars, vascular, active acne
- o CONSUMER MARKETING
 - Drive patients directly to physicians

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PHYSICIAN DIRECT

- o DISTRICT OFFICES - AESTHETIC ACCOUNT MANAGEMENT

[] AREAS SERVED

	2000 (ACTUAL)	2001 (ACTUAL)
	-----	-----
PROCEDURES PER MONTH	NA	4200
STATES SERVED	47	50
-----	-----	-----
[GRAPHIC OMITTED]		
DOCTORS SERVED		
PLASTIC SURGEONS	687	1,400
Dermatologists	518	2,977
	---	-----
	1,105	4,377
OBGYN	NA	1,055
Podiatrists	NA	0
	--	-
	1,105	1,105
	-----	-----
TOTAL	2,720	5,432

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R&D PIPELINE

PHOTOTHERAPY NEW INDICATION PIPELINE

DISCOVERY PRECLINICAL CLINICAL SUBMISSION CLEARANCE

PERIOULAR WRINKLE

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GENERAL WRINKLE

[BAR GRAPH OMITTED]

VASCULAR

ACNE SCAR

STRIAE

ACNE

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ICN INTERNATIONAL PIPELINE

[GRAPH OMITTED]

Therapeutic Area Discovery Preclinical Phase I Phase II Phase III NDA

ICN INT 0001*
(extended release)

TRICHOVAC
(new indication)

ICN INT 0002
(new indication)

ICN INT 0003
(topical)

*Bioequivalence/kinetic-study required

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ICN LATIN AMERICA PIPELINE

[GRAPH OMITTED]

Discovery Preclinical Phase I Phase II, Phase III NDA

BIOPROTECT
Antioxidant

ARGENTAFIL
Topical antibacterial

SINPEBAC
Skin infection

CLOBESOL
Anti-allergy &
anti-inflammatory

IVEXTERM
Intestinal parasites

YUREDOL
Muscle pain

EUVENT
Bronchial asthma

KETOPROFEN
Pain, fever, inflammation

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THE VISION

- o Concentrate in the fast growing skin aging market
- o Cross sell Rx, light and cosmetic products.
- o Invest in product development, clinical proof and line extensions.
- o Accelerate consumer advertising.
- o Licensing, product and corporate acquisition consistent with the growth strategy.

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ICN - FORMULA FOR SUCCESS

- o Record Operating Performance
- o Strong Drivers for Future Growth
- o Successful Completion of Ribapharm IPO
- o Final Stages of Restructuring on Target
- o Independent Board
- o Proven Management Team with Global Pharmaceutical Experience

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Following is the text of a press release issued by ICN Pharmaceuticals, Inc. and appearing in the May 13, 2002 edition of the Wall Street Journal:

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[LOGO - ICN]

ICN PHARMACEUTICALS, INC.

BOARD INDEPENDENCE IS NOT AN ISSUE

The dissidents criticize your company for a lack of board independence. Frankly, we think the record speaks for itself:

- o If ICN's slate is elected, five out of nine directors will have been elected within the last year. None of these five directors had any prior affiliation with ICN, and are independent by anyone's definition.
- o Three of the five are shareholder nominated and elected directors.
 - Ronald R. Fogelman, General United States Air Force (Retired), President and Chief Executive Officer of Durango Aerospace, Inc.
 - Edward A. Burkhardt, President of Rail World, Inc.
 - Steven J. Lee, Chairman and Chief Executive Officer of Polymedica Corporation
- o Two directors were recently appointed only after first being qualified by the independent nominating committee.
 - Roderick M. Hills, Former Chairman of the Securities and Exchange Commission (S.E.C.)
 - Abraham (Barry) A. Cohen, Former President of Merck Sharp & Dohme International

HOW MUCH MORE INDEPENDENT CAN A BOARD BE?

"The establishment of sound corporate governance is a director's most important responsibility. At my first meeting as an ICN director, I found an independent and effective Board that dealt with issues in a frank and effective fashion. I am confident that the ICN Board as it is now constituted will effectively act in the best interests of all the company's shareholders. As a member of the succession planning committee, I am also confident that ICN will have a well-planned, orderly succession of management."

Roderick M. Hills, ICN Director and Former
Chairman of the Securities and Exchange
Commission (S.E.C.)

VOTE THE GOLD PROXY CARD

If you have any questions or need assistance voting your shares, please call:

MORROW & CO., INC.
Call 1-800-607-0088

Primar 1059 Morrow & Co., Inc. Independence Ad Draft 6 5/10/02

Following is the text of correspondence sent to ICN Shareholders on May 13, 2002:

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[LOGO - ICN]

ICN PHARMACEUTICALS

May 13, 2002

Dear Shareholder:

We have enclosed copies of two recent ads that explain the importance of your support for ICN's director nominees at the May 29th Annual Shareholders Meeting. We urge you to review them carefully and to sign and return the GOLD proxy card.

Thank you for your consideration and support.

Sincerely,
ICN PHARMACEUTICALS, INC.

/s/ Alan F. Charles

Alan F. Charles
Executive Vice President
Corporate Relations