THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other independent financial adviser authorised under FSMA if you are in the United Kingdom, or, if you are not, from another appropriately authorised independent financial adviser.

If you have sold or transferred all or any of your ordinary shares in Dechra Pharmaceuticals PLC, you should send this document, together with the accompanying Form of Proxy, to the purchaser or transferee or to the stockbroker or other agent through or by whom the sale or transfer was effected for transmission to the purchaser or transferee.

Dechra Pharmaceuticals PLC
Registered in England, No. 3369634
Annual General Meeting
2008
Chairman’s Letter
and
Notice of
Annual General Meeting

A notice convening the Annual General Meeting of Dechra Pharmaceuticals PLC (the “Company”) to be held at Manor House Hotel, Audley Road, Alsager, Stoke-on-Trent, Staffordshire, ST7 2QQ, on Friday 7 November 2008 at 9.00 am is set out at the end of this document. To be valid, a Form of Proxy for use at the Annual General Meeting must be completed and returned in accordance with the instructions printed thereon so as to be received by the Company’s registrars as soon as possible and, in any event, so that it is received not later than 5 November 2008.
Dear Shareholder

Notice of Annual General Meeting

I am writing to explain in detail the matters to be dealt with at this year’s Annual General Meeting (the “Meeting”) to be held on Friday 7 November 2008.

The Annual Report for the year ended 30 June 2008 and a Form of Proxy accompanies this Circular.

The Annual Report and Financial Statements (Resolution 1)
Shareholders will be asked to receive and consider the Company’s accounts, Directors’ Report and Auditors’ Report for the year ended 30 June 2008.

Remuneration Report (Resolution 2)
The Company is required to seek approval of the Directors’ Remuneration Report from Shareholders and the report can be found on pages 38 to 44 of the Annual Report. The vote is advisory in nature; payments which have been made or promised to Directors will not have to be repaid in the event that the Resolution is not passed.

Final Dividend (Resolution 3)
A final dividend of 5.50 pence per ordinary share is recommended by the Directors. Subject to approval at the Meeting, the dividend will be paid on 12 December 2008 to Shareholders registered at 14 November 2008. An interim dividend of 2.75 pence per ordinary share was paid on 11 April 2008.

Re-election of Directors (Resolutions 4 and 5)
As required by the Company’s Articles of Association, Ian Page and Neil Warner will retire by rotation and will offer themselves for re-election as Directors. The Directors believe that both Ian Page and Neil Warner should be re-elected for the following reasons; Ian Page, in his position as Chief Executive, continues to be effective and demonstrate commitment to the role. Neil Warner, in his position as Non-Executive Director, also shows effective performance and commitment to the role. Further, the Board consider him to be independent and bringing recent and relevant financial experience to bear in his position as Chairman of the Audit Committee.

Biographical details for the Directors are located on page 28 of the Annual Report.

Reappointment of Auditors (Resolution 6)
The Company is required to appoint auditors at each Meeting at which accounts are presented and KPMG Audit Plc have indicated their willingness to continue in office. Accordingly, Resolution 6, subject to the approval of the Shareholders, reappoints KPMG Audit Plc as auditors of the Company and authorises the Directors to determine their remuneration.

Adoption of the LTIP 2008 (Resolution 7)
The Remuneration Committee has undertaken a comprehensive review of the remuneration package offered to the Executive Directors. Following the review, the Remuneration Committee proposes to introduce a number of alterations to the existing remuneration structure; these proposals (and the rationale underlying them) are outlined in the Remuneration Report.

One such proposed alteration is the introduction of a new Long Term Incentive Plan 2008 (the “LTIP 2008”) to replace the existing Executive Incentive Plan which expires this year. The LTIP 2008 is considered by the Remuneration Committee to be a key part of the proposed new remuneration structure in that, by rewarding executives for achieving strong Total Shareholder Return relative to other companies, it helps to provide alignment between the interests of the Executives and Shareholders.

The principal terms of the proposed LTIP 2008 are summarised in Appendix I on pages 5 to 7 of this document. A copy of the LTIP 2008 will be available for inspection at Hewitt New Bridge Street, 6 More London Place, London, SE1 2DA, as indicated in note 8 of the accompanying Notice of Meeting.

Amendments to the Approved and Unapproved Share Option Schemes (Resolutions 8 and 9)
The Company introduced the Approved and Unapproved Share Option Schemes (the “Schemes”) in 2000 and through
these Schemes the Company has been able to link the performance of senior employees to the performance of the Company. Participants in the LTIP 2008 do not participate in the Schemes.

The Remuneration Committee, after careful review, wishes to make a number of minor amendments to both Schemes and further detail in relation to these amendments is summarised in Appendix II on page 8 of this document.

The most significant of these proposed amendments would amend the Schemes’ ‘executive scheme’ 10 year dilution limit from 5% of share capital to 7.5% of share capital (consistent with the proposed limit in the LTIP 2008). This increase is required because whilst the Company grants share awards to employees on a relatively widespread basis, such awards are often granted on a discretionary basis (and so captured by this limit) rather than on a strict all-employee basis (which would not be captured by this limit). The Company intends over the medium term to return to a corporate governance compliant 5% ‘executive scheme’ usage.

For completeness, no change is proposed to the overall 10% of share capital in 10 years’ dilution limit that applies in respect of all of the Company’s share schemes (and within which the 7.5% ‘executive scheme’ limit would operate).

A copy of the Schemes (highlighting the proposed amendments) will be available for inspection at Hewitt New Bridge Street, 6 More London Place, London, SE1 2DA, as indicated in note 8 of the accompanying Notice of Meeting.

Authority to Allot Equity Securities (Resolution 10)
The Companies Act 1985 provides that Directors shall only allot unissued shares with the authority of Shareholders in a General Meeting. The authority given to the Directors at the Extraordinary General Meeting held on 8 January 2008 to allot (or issue) unissued shares pursuant to Section 80 of the Companies Act 1985 expires at the conclusion of this year’s Meeting.

Resolution 10 will be proposed as an Ordinary Resolution for the renewal of the Directors’ authority to issue relevant securities up to an aggregate nominal amount of £233,675, representing approximately one third of the current issued share capital of the Company. The Directors have no present intention of exercising this authority.

Pre-Emptive Allotment of Equity Securities (Resolution 11)
The Companies Act 1985 also provides that any allotment of new shares for cash must be made pro rata to individual Shareholders’ holdings, unless such provisions are disapplied pursuant to section 95 of the Companies Act 1985. The authority given to the Directors at the last General Meeting to allot shares for cash pursuant to Section 95 of the Companies Act 1985 expires at the conclusion of this year’s Meeting.

Resolution 11 will be proposed as a Special Resolution for the renewal of the Directors’ authority to allot equity securities for cash, without first offering them to existing Shareholders pro rata to their holdings. This authority facilitates issues made by way of rights to Shareholders which are not strictly in accordance with Section 89 of the Companies Act 1985, and authorises other allotments of up to a maximum aggregate nominal amount of £32,620, representing approximately 5% of the current issued ordinary share capital of the Company. The Directors have no present intention of exercising this authority.

Authority to Purchase Ordinary Shares (Resolution 12)
Resolution 12 will be proposed as a Special Resolution for the renewal of the Company’s authority to purchase its own shares in the market during the period until the next Annual General Meeting of the Company for up to 6,524,191 shares, representing approximately 10% of the issued ordinary share capital of the Company.

The Directors have no current intention of exercising the authority to purchase the Company’s own ordinary shares. The Company will only exercise this authority to make such a purchase in the market when the Directors consider it is in the best interests of the Shareholders generally to do so.

Amendments to the Articles of Association (Resolution 13)
It is proposed in Resolution 13 to adopt changes to the Articles of Association (the “New Articles”) in order to update the Company’s current Articles of Association (the “Current Articles”) to take account of changes in English Company law in respect of Directors’ conflicts of interest being brought about by the Companies Act 2006 (the “2006 Act”).

The 2006 Act is being implemented in stages: some of its provisions are already in force, further provisions are to be implemented on 1 October 2008 and the remaining provisions are proposed to be implemented on 1 October 2009.

The New Articles will, if approved, take effect from 7 November 2008, being the date of the Meeting. Due to the phased nature of implementation of the 2006 Act, the Company proposes that all other changes made by the 2006 Act that are currently in force and any further changes, will be adopted at the Annual General Meeting to be held in 2009.

The changes introduced in the New Articles are summarised in Appendix III set out on page 9 of this document. The New Articles showing the changes regarding the conflicts of interest provisions to the Current Articles will be available for inspection at Hewitt New Bridge Street, 6 More London Place, London, SE1 2DA, as indicated in note 8 of the accompanying Notice of Meeting.
Recommendation and Action to be taken
The Directors believe that all the proposals to be considered at the Meeting are in the best interests of the Company and its Shareholders. They recommend that you vote in favour of the proposed Resolutions. The Directors will be voting in favour of the proposed Resolutions in respect of their own shareholdings in the Company.

Whether or not you are able to attend the Meeting, please complete and return the enclosed Form of Proxy so as to reach the Registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY not less than 48 hours before the appointed time for the holding of the Meeting. Please note that the completion and return of Form of Proxy will not prevent you from attending and voting in person at the Meeting if you so wish.

Yours sincerely

Michael Redmond
Chairman
APPENDIX I
SUMMARY OF THE PRINCIPAL TERMS OF THE DECHRA PHARMACEUTICALS
LONG TERM INCENTIVE PLAN 2008 (the “LTIP 2008”)

Operation
The Remuneration Committee of the Board of Directors (the “Committee”) will supervise the operation of the LTIP 2008.

Eligibility
Any employee (including an Executive Director) of the Company and its subsidiaries will be eligible to participate in the LTIP 2008 at the discretion of the Committee.

Grant of awards
The Committee may grant awards to acquire ordinary shares in the Company (the “Shares”) within six weeks following the Company’s announcement of its results for any period. The Committee may also grant awards within six weeks of Shareholder approval of the LTIP 2008 or at any other time when the Committee considers there are exceptional circumstances which justify the granting of awards. It is intended that the first awards will be made shortly following the approval of the LTIP 2008.

The Committee may grant awards as a conditional award of shares or as a nil (or nominal) cost option with a short exercise period. The Committee may also decide to grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash, although it does not currently intend to do so.

An award may not be granted more than 10 years after Shareholder approval of the LTIP 2008.

No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

Individual limit
An employee may not receive awards in any financial year over Shares having a market value in excess of 150% of his annual base salary in that financial year. In exceptional circumstances, such as recruitment or retention, this limit is increased to 200% of an employee’s annual base salary.

Performance conditions
The vesting of awards will be subject to performance conditions set by the Committee. The performance conditions for the initial awards to be made to senior executives will be determined by reference to the Company’s adjusted diluted Earnings Per Share (“EPS”) growth and its Total Shareholder Return (“TSR”) relative to the other constituent companies of the FTSE Small Cap Total Return Index over a three-year performance period.

The EPS condition will act as an “underpin” condition so that unless the growth in the Company’s EPS has exceeded the increase in the Retail Prices Index by at least 3% per year over the performance period (on a simple basis), no awards will vest.

Assuming the EPS “underpin” condition is satisfied, vesting will be determined by the Company’s TSR performance over the performance period compared to the other constituents of the FTSE Small Cap Total Return Index at the start of the performance period.

TSR will be calculated by comparing average performance over three months prior to the start and end of the performance period (except in the event of a takeover of the Company prior to the end of the performance period, in which case the final TSR measurement will be taken by reference to the TSR on the day before the takeover occurs). Vesting will be on the basis outlined below:

<table>
<thead>
<tr>
<th>TSR performance</th>
<th>Percentage of Shares subject to an Award which vest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below Median</td>
<td>0%</td>
</tr>
<tr>
<td>Median</td>
<td>25%</td>
</tr>
<tr>
<td>Upper Quartile</td>
<td>100%</td>
</tr>
<tr>
<td>Intermediate performance</td>
<td>Pro-rata vesting based on the Company’s ranking in the comparator group</td>
</tr>
</tbody>
</table>

The Committee can set different performance conditions from those described above for future awards provided that, in the reasonable opinion of the Committee, the new targets are not materially less challenging in the circumstances than those described above.

The Committee may also vary the performance conditions applying to existing awards if an event has occurred which
causes the Committee to consider that it would be appropriate to amend the performance conditions, provided the Committee considers the varied conditions are fair and reasonable and not materially less challenging than the original conditions would have been but for the event in question.

**Vesting of awards**

Awards normally vest three years after grant to the extent that the applicable performance conditions (see previous page) have been satisfied and provided the participant is still employed in the Company's Group at the end of the performance period.

The Committee may decide that participants will receive a payment (in cash and/or Shares) on or shortly following the vesting of their awards of an amount equivalent to the dividends that would have been paid on those Shares between the time when the awards were granted and the time when they vest. Alternatively, participants may have their awards increased as if dividends were paid on the Shares subject to their award and then reinvested in further Shares.

**Leaving employment**

An award will lapse upon a participant ceasing to hold employment or be a Director within the Company's Group for any reason within the first twelve months of the performance period applicable to an award.

However, if a participant ceases to be an employee or a Director after twelve months of the relevant performance period have elapsed, but before the end of the performance period because of his death, ill-health, injury, disability, retirement, redundancy, his employing Company or the business for which he works being sold out of the Company's Group or in other circumstances at the discretion of the Committee, his award will vest on the date when it would have vested if he had not ceased such employment or office. The extent to which an award will vest in these situations will depend upon two factors: (i) the extent to which the performance conditions have been satisfied at the end of the original performance period; and (ii) the pro-rating of the award to reflect the reduced period of time between the beginning of the performance period and the date of the participant's cessation of employment. If a participant leaves for any other reason during this period, his award will lapse on his cessation of employment.

If a participant ceases to be an employee or Director in the Company's Group for one of the “good leaver” reasons specified above, the Committee can decide that his award will vest when he leaves, subject to: (i) the performance conditions measured at that time; and (ii) pro-rating by reference to the time of cessation as described above.

If a participant ceases to be an employee or Director in the Company's Group for any reason after the end of the performance period, his award will not lapse but will continue to subsist subject to the rules of the LTIP 2008.

**Corporate events**

In the event of a takeover or winding up of the Company (not being an internal corporate reorganisation), all awards will vest early subject to: (i) the extent that the performance conditions have been satisfied at that time; and (ii) the pro-rating of the awards to reflect the reduced period of time between the beginning of the performance period and the vesting of the awards; although the Committee can decide not to pro-rate an award if it regards it as inappropriate to do so in the particular circumstances.

In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company unless the Committee decides that awards should vest on the basis that would apply in the case of a takeover.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent, then the Committee may decide that awards will vest on the basis that would apply in the case of a takeover as described above.

**Participants’ rights**

Awards of conditional shares and options will not confer any Shareholder rights until the awards have vested or the options have been exercised and the participants have received their Shares.

**Rights attaching to Shares**

Any Shares allotted when an award vests or is exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

**Variation of capital**

In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Committee may make such adjustment as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

**Overall limits**

The LTIP 2008 may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any ten calendar year period, the Company may not issue (or grant rights to issue) more than:
(a) 10% of the issued ordinary share capital of the Company under the LTIP 2008 and any other employee share plan adopted by the Company; and

(b) 7.5% of the issued ordinary share capital of the Company under the LTIP 2008 and any other executive share plan adopted by the Company.

Treasury Shares will count as new issue Shares for the purposes of these limits unless institutional investors decide that they need not count.

Shares issued or to be issued under awards or options granted before the Company was listed on the London Stock Exchange will not count towards these limits.

**Alterations to the LTIP 2008**

The Committee may, at any time, amend the LTIP 2008 in any respect, provided that the prior approval of Shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant’s entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.

The requirement to obtain the prior approval of Shareholders will not, however, apply to any minor alteration made to benefit the administration of the LTIP 2008, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Company’s Group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award.

**Overseas plans**

The Shareholder resolution to approve the LTIP 2008 will allow the Directors to establish further plans for overseas territories, any such plan to be similar to the LTIP 2008, but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the LTIP 2008.
APPENDIX II

SUMMARY OF THE PRINCIPAL AMENDMENTS TO THE DECHRA PHARMACEUTICALS APPROVED SHARE OPTION SCHEME (the “APPROVED SCHEME”) AND THE DECHRA PHARMACEUTICALS UNAPPROVED SHARE OPTION SCHEME (the “UNAPPROVED SCHEME”)

Age discrimination
It is proposed that the Approved Scheme and the Unapproved Scheme are amended so that the rules are brought into compliance with best practice and regulations which have been brought into force to prevent employees being subject to discrimination on the grounds of their age. This will involve:

- The deletion, from the Approved Scheme and the Unapproved Scheme, of the rule prohibiting the grant of options to employees who are within two years of the date on which they are bound to retire in accordance with their contract of employment; and
- The amendment of the provision in the Approved Scheme which allows employees to exercise their options early when they retire (i.e. within three years of the date of grant of the option). Currently, only employees who retire at contractual retirement age are entitled to exercise their options within three years of the date of grant. It is proposed that for options granted after 7 November 2008 employees will be entitled to exercise their options on retirement regardless of the age at which they retire.

Overall limits
It is proposed that the dilution limits relating to the number of new issue or treasury shares over which options may be granted under the Approved Scheme and the Unapproved Scheme are amended so that they are the same as the limits contained in the LTIP 2008 (see “Overall limits” in relation to the LTIP 2008).

Other changes
A number of other minor drafting changes have also been made to the rules of the Approved Scheme and the Unapproved Scheme to reflect current market practice.
APPENDIX III
EXPLANATORY NOTES OF PRINCIPAL CHANGES TO THE COMPANY’S ARTICLES OF ASSOCIATION

The differences between the Current Articles and the New Articles are summarised below.

Conflicts of interest
The 2006 Act sets out Directors’ general duties which largely codify the existing law but with some changes. Under the 2006 Act, from 1 October 2008 a Director must avoid a situation where he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the Company’s interests. The requirement is very broad and could apply, for example, if a Director becomes a Director of another Company or a trustee of another organisation.

Section 175(5)(b) of the 2006 Act allows Directors of public companies to authorise conflicts and potential conflicts where the Articles of Association contain a provision to this effect. The 2006 Act also allows the Articles of Association to contain other provisions for dealing with Directors’ conflicts of interest so that the relevant Company’s Directors may avoid breaching their duties. The New Articles give the Directors authority to approve conflicts and potential conflicts of interest and include other provisions to allow conflicts of interest to be dealt with in a similar way to the current position.

There are safeguards which will apply when Directors decide whether to authorise a conflict or potential conflict. Firstly, only independent Directors (i.e. those who have no interest in the matter being considered) will be able to take the relevant decision, and secondly, in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company’s success. The Directors will be able to impose limits or conditions when giving authorisation if they think this is appropriate.

It is also proposed that the New Articles should contain provisions relating to confidential information, attendance at Board meetings and availability of Board papers. These provisions will only apply where the position giving rise to the potential conflict has previously been authorised by the Directors as set out above.
Notice is hereby given that the 2008 Annual General Meeting of the Company will be held at the Manor House Hotel, Audley Road, Alsager, Stoke-on-Trent, Staffordshire, ST7 2QQ on Friday 7 November 2008 at 9.00 a.m. for the following purposes:

**Ordinary Business**
To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

1. To receive and consider the accounts of the Company for the year ended 30 June 2008 together with the Directors' Report and the Auditors' Report.
2. To receive and approve the Directors' Remuneration Report for the year ended 30 June 2008.
3. To declare a final dividend for the year ended 30 June 2008 of 5.50 pence per ordinary share, to be paid on 12 December 2008 to members whose names appear on the Register of Members of the Company at the close of business on 14 November 2008.
4. To re-elect Ian Page as a Director of the Company.
5. To re-elect Neil Warner as a Director of the Company.
6. To reappoint KPMG Audit Plc as the auditors of the Company to hold office from the conclusion of the meeting until the conclusion of the next General Meeting of the Company at which accounts are laid and to authorise the Directors to fix their remuneration.

**Special Business**
To consider and, if thought fit, pass the following Resolutions, of which 7–10 will be proposed and voted on as Ordinary Resolutions and Resolutions 11–13 will be proposed and voted on as Special Resolutions.

**Ordinary Resolutions**

7. That the rules of the Dechra Long Term Incentive Plan 2008 (the “LTIP 2008”), the main features of which are summarised on pages 5 to 7 of this document and the rules of which are produced to the meeting and signed by the Chairman for the purposes of identification, be and are approved and the Directors be and are authorised to:
   a. make such modifications to the LTIP 2008 as they may consider appropriate to take account of the requirements of best practice and for the implementation of the LTIP 2008 and to adopt the LTIP 2008 as modified into effect; and
   b. establish further plans based on the LTIP 2008 but modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the LTIP 2008.

8. That the amendments to the rules of the Dechra Pharmaceuticals Approved Share Option Scheme (the “Approved Scheme”), which are explained in the letter from the Chairman to Shareholders dated 19 September 2008, and which are marked in the draft form produced to this meeting which, for the purposes of identification, is initialled by the Chairman, be and are hereby approved and the Directors be authorised to do all acts and things as they may consider appropriate to implement the amendments to the Approved Scheme.

9. That the amendments to the rules of the Dechra Pharmaceuticals Unapproved Share Option Scheme (the “Unapproved Scheme”), which are explained in the letter from the Chairman to Shareholders dated 19 September 2008, and which are marked in the draft form produced to this meeting which, for the purposes of identification, is initialled by the Chairman, be and are hereby approved and the Directors be authorised to do all acts and things as they may consider appropriate to implement the amendments to the Unapproved Scheme.

10. That, in substitution for all existing authorities under that section to the extent unused, the Directors be and are generally and unconditionally authorised pursuant to section 80 of the Companies Act 1985 (“Act”) to exercise all the powers of the Company to allot, grant options over, offer or otherwise deal with or dispose of any relevant securities within the meaning of section 80 of the Act up to an aggregate nominal amount of £233,675 (being approximately one-third of the current issued capital) provided that (unless previously renewed, varied or revoked by the Company in a general meeting) this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is earlier) save that the Company may make an offer or agreement before the expiry of this authority which would or might require the relevant securities to be allotted after such expiry of this authority and the Directors
may allot relevant securities in pursuance of that offer or agreement as if the authority conferred by this Resolution had not expired.

Special Resolutions

11. That, in substitution for all existing authorities and subject to the passing of Resolution 10 above, the Directors be generally empowered pursuant to section 95 of the Act to allot equity securities for cash (within the meaning of section 94(2) of the Act) pursuant to the authority conferred by Resolution 10 above as if section 89(1) of the Act did not apply to any such allotment. This power:

11.1 shall (unless previously revoked, varied or renewed) expire on the date of the next Annual General Meeting of the Company after the passing of this resolution or 15 months after the passing of this resolution (whichever is the earlier) save that the Company may make an offer or agreement before the expiry of this power which would or might require equity securities to be allotted for cash after such expiry of this authority conferred by this resolution had not expired; and

11.2 is limited to:

11.2.1 allotments of equity securities in connection with a rights issue or other issue in favour of ordinary Shareholders where the equity securities respectively attributable to the interests of all ordinary Shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of or the requirements of any recognised regulatory body or any stock exchange in any country or territory; and

11.2.1 allotments of equity securities for cash (otherwise than pursuant to paragraph 11.2.1) up to an aggregate nominal amount of £32,620.

12. That, in accordance with Article 41 of the Articles of Association of the Company and part V of the Act, the Company be, and is hereby, granted general and unconditional authority (pursuant to section 166 of the Act) to make market purchases (as defined in section 163(3) of the Act) on the London Stock Exchange plc of any of its own ordinary shares of £0.01 each on such terms and in such manner as the Board or Directors of the Company may from time to determine provided that:

12.1 the maximum number of ordinary shares authorised to be purchased is 6,524,191 (representing 10% of the Company’s issued ordinary share capital);

12.2 the maximum price which may be paid for a share is an amount equal to not more than 105% of the average middle market quotations for the shares taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made exclusive of advance corporation tax (if any) and attributable expenses paid by the Company;

12.3 the minimum price which may be paid for a share is £0.01 exclusive of advance corporation tax (if any) and attributable expenses payable by the Company; and

12.4 unless previously revoked varied or renewed, the authority conferred by this resolution shall expire on the conclusion of the next Annual General Meeting of the Company held after passing this resolution, or 15 months from the date of passing this resolution (whichever is the earlier), except that the Company may, before such expiry, enter into a contract for the purchase of its own shares which may be completed by or executed wholly or partly after the expiration of this authority as if the authority conferred by this resolution had not expired.

13. That with effect from 7th November 2008, the draft regulations produced to the meeting and for the purposes of identification signed by the Chairman or the meeting be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association.

Registered Office
Dechra House
Jamage Industrial Estate, Talke Pits
Stoke-on-Trent, ST7 1XW

By order of the Board
Secretary

19 September 2008
Notes:

1 Pursuant to Regulation 41 of the Uncertified Securities Regulations 2001, only those members registered in the Register of Members of the Company as at 9.00 a.m. on 5 November 2008 or, in the event that the meeting is adjourned, in the Register of Members 48 hours before the time of any adjourned or postponed meeting shall be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the Register of Members after 9.00 a.m. on 5 November 2008 or, in the event that the meeting is adjourned or postponed, after 48 hours before the time of any adjourned or postponed meeting shall be disregarded in determining the rights of any person to attend or vote at the meeting.

2 A member is entitled to appoint one or more persons as proxies to exercise all or any of his rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy, you will need to complete a separate proxy form in relation to each appointment. If you require additional proxy forms you may photocopy the proxy form. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. A failure to specify the number of shares each proxy appointment relates to or specifying a number in excess of those held by the member may result in the proxy appointment being invalid. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

3 A form of proxy is enclosed. To be valid, it must be deposited at the offices of the Company’s registrars, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZV, by 5 November 2008 (or, in the event that the meeting is adjourned or postponed, no later than 48 hours before the time of any adjourned or postponed meeting).

4 The following information is available for inspection during normal business hours at the registered office of the Company (excluding weekends and public holidays). It will also be available for inspection at the place of the Annual General Meeting from 9.00 a.m. on the day of the meeting until the conclusion of the meeting:

(a) the register of interests of Directors and their connected persons in the share capital of the Company; and

(b) copies of the Directors’ service contracts and non-executives’ letters of appointment.

5 Biographical details of all those Directors who are offering themselves for re-election at the meeting are set out in the Report and Accounts.

6 The Chairman of each of the audit, remuneration and nomination committees will be present at the AGM to take any questions.

7 The total number of ordinary shares of 1 pence each in issue as at 12 September 2008, the last practicable day before printing this document was 65,241,909 ordinary shares and the total level of voting rights was 65,241,909, none of which were attached to shares held in treasury by the Company.

8 A copy of the Proposed Dechra Long Term Incentive Plan 2008, the Dechra Pharmaceuticals Unapproved Share Option Scheme (as marked with the proposed amendments), the Dechra Pharmaceuticals Approved Share Option Scheme (as marked with the proposed amendments) and a copy of the current Articles of Association and the proposed New Articles (as marked with the proposed amendments) will be available for inspection at Hewitt New Bridge Street, 6 More London Place, London, SE1 2DA during normal business hours on any weekday (Saturdays, Sundays and public holidays excluded) until the conclusion of the Annual General Meeting and at the place of the Annual General Meeting for at least 15 minutes prior to, and during, the Annual General Meeting.