

## REBOUND OF GROWTH IN THE LAST QUARTER

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**Virbac consolidated sales in the fourth quarter grew by +8.4%** compared to the same period of 2012, reaching 180.7 M€. Exchange rates have been even more severely impacting revenues this quarter, due to the continuing strengthening of the Euro: excluding this impact, growth at constant rates would have reached +16.2%.

As expected by the Group, this performance is firstly linked to a real rebound of organic growth that started in the third quarter and reached +8.3% in the fourth quarter, with all regions performing better during this last quarter. Recent acquisitions complemented this organic performance, adding another +7.9% growth : Centrovét in Chile (consolidated for only one month in 2012) and Santa Elena in Uruguay, now fully owned and consolidated since last September.

**Total 2013 sales reached 736.1 M€, a +5.9% growth** compared to last year (695.2 M€). Real growth at constant parities, as announced, exceeded 10% (+10.7%) but has been largely offset by the very negative variations of foreign exchange rates this year, especially during the second half.

Organic growth represents +2.3% in this performance, with a significant contrast between the first half (-0.5%) and the second half (+5.1%). Overall this relatively low growth has been due to both market dynamics (poor economic environment, unfavourable weather conditions) and factors of slow down specific to Virbac: few product launches this year; decrease of CaniLeish in Europe due to the vaccination protocol requiring only one repeat injection as from the second year; Iverhart Plus temporarily stopped in the US. These last 2 factors had a significant impact, around -3% in total, on organic growth.

The contribution from recent acquisitions (Centrovét in Chile, Stockguard in New Zealand as well as Santa Elena in Uruguay, now fully controlled and consolidated) has been significant and in line with expectations. In particular sales of Centrovét reached 69 M€ this year.

**From a regional perspective, growth has been mostly driven by emerging markets** (Latin America, Asia, India, South Africa). Business in Europe was stable globally but reflects a certain contrast between regions, with a good level of growth in the UK, in Scandinavian and Eastern European countries, offset by a slight decrease in France and Northern Europe and a decline in Southern Europe. In the US, sales were down around 5% as a consequence of the Iverhart Plus withdrawal, while other specialties (dermatology, endocrinology, dentals) generated a strong performance.

2013 NET SALES  
Estimate

**736.1 M€**

TOTAL GROWTH  
**+5.9%**

GROWTH AT CONSTANT  
EXCHANGE RATES  
**+10.7%**

GROWTH AT CONSTANT  
SCOPE  
**+2.3%**

Of which:  
COMPANION ANIMALS  
**+0.2%**

FOOD PRODUCING  
ANIMALS  
**+5.5%**

**Business by species reflects the geographic trends.** At constant scope, sales in the companion animals segment remained stable (+0.2%) despite the decrease of CaniLeish and the low market trends in Europe on one hand, and the Iverhart situation in the US on the other hand. Growth in the food producing animals segment reached +5.5%, driven by emerging countries but partially offset by the negative trends observed in Europe and a difficult year in Australia. The Group's development has been similar globally, outside Europe, in the bovine sector and in the industrial sector (swine and poultry), with a growth of above 7%. But the situation remains unfavourable in Europe, with a decrease of around 2% in both sectors.

| Consolidated numbers<br><i>Unaudited - in million Euros</i> | 2013         | 2012         | % change     | Evolution<br>at constant<br>exchange<br>rates | Evolution at<br>constant scope<br>and exchange<br>rates |
|---|--------------|--------------|--------------|---|---|
| Net sales - 1st quarter                                     | 182.8        | 176.4        | +3.6%        | +5.6%   | -2.3%   |
| Net sales - 2nd quarter                                     | 189.2        | 173.0        | +9.3%        | +11.7%  | +1.3%   |
| Net sales - 3d quarter                                      | 183.4        | 179.0        | +2.5%        | +9.8%   | +2.1%   |
| Net sales - 4th quarter                                     | 180.7        | 166.8        | +8.4%        | +16.2%  | +8.3%   |
| <b>Net sales - year-to-date</b>                             | <b>736.1</b> | <b>695.2</b> | <b>+5.9%</b> | <b>+10.7%</b>                                 | <b>+2.3%</b>  |