

Virbac : Sustained growth in the fourth quarter

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Virbac consolidated revenue in the fourth quarter reached 204.2 M€, a +13.0% growth compared to the same period of last year. As in the previous quarter, the recent weakening of the Euro impacted positively the performance of the Group, which has grown by +9.8% organically excluding this impact.

The rebound of growth initiated in the third quarter continued, in particular in Europe and in the United States. Europe benefited on one hand from the recent launch of new products and on the other hand from an occasional increase of sales of antibiotics in France before the new legislation on commercial discounts is implemented starting early 2015. In the United States, sales progressed well thanks to the ramp-up of Virbac's internal parasiticide Iverhart Plus, re-introduced on the market last July. In the rest of the world, business continued to record very positive growth rates.

Total 2014 sales reached 773.2 M€ compared to 736.1 M€ last year, a +5.0% growth still strongly impacted by exchange rates in the first half of the year: at constant rates, growth would have reached +7.0%.

At constant perimeter (full year consolidation of Santa Elena in Uruguay in 2014), organic growth is widely in line with the perspectives previously announced and amounts to +6.3%, with a strong contrast between the first half (+3.0%) and the second half (+9.6%), driven by the launch of new

products and the re-introduction of Iverhart Plus.

From a regional perspective, Virbac's growth has still been very steady in emerging countries, notably in Mexico, India and South Africa which enjoyed a double digit sales evolution. The Group's performance has also been very good in large markets such as Australia and New-Zealand, where sales increased by more than 7%. In Europe, contrasting with last years, Virbac recorded a nice growth of more than 6%, driven by new products. Lastly, in the United States after a very negative first half, full year sales increase slightly thanks to the re-introduction of Iverhart Plus.

In terms of species, revenue in the companion animals segment increased by +4.3% thanks to the new products in Europe and to the positive evolution in general of ranges such as dermatology, dental products and pharmaceutical specialties.

The food producing animals segment generated a stronger performance (+10.0%), with a sustained growth in both the ruminants and the industrial (swine and poultry) sectors, driven by the dynamics of emerging countries and a good performance in Europe.

As for the aquaculture sector in Chile, the activity has been slightly decreasing this year due to the regulation by authorities of the "stock" of fish transferred to sea water in salmon farms.



Key figures

2014 NET REVENUE
Estimate

773.2 M€

TOTAL GROWTH
+5.0%

GROWTH AT CONSTANT
EXCHANGE RATES
+7.0%

GROWTH AT CONSTANT
SCOPE
+6.3%

Of which :

COMPANION ANIMALS
+4.3%

FOOD PRODUCING ANIMALS
+10.0%

CONSOLIDATED DATA <i>Unaudited - in million Euros</i>	2014	2013	% change	Evolution at constant exchange rates	Evolution at constant perimeter and exchange rates
Net revenue - 1 st quarter	180.5	182.8	-1.2%	+5.1%	+4.3%
Net revenue - 2 nd quarter	185.8	189.2	-1.8%	+3.0%	+1.8%
Net revenue - 3 rd quarter	202.7	183.4	+10.5%	+10.1%	+9.3%
Net revenue - 4 th quarter	204.2	180.7	+13.0%	+9.8%	+9.8%
Net annual revenue	773.2	736.1	+5.0%	+7.0%	+6.3%

