



## Increase of 2009 earnings

<b>Audited consolidated numbers in million Euros</b>	<b>2009</b>	<b>2008</b>	<b>% change 2009/2008</b>
<b>Net sales</b>	<b>467.4</b>	<b>443.4</b>	<b>+5.4 %</b>
<i>Growth at constant exchange rates</i>			<b>+5.8%</b>
<i>Pro-forma growth at constant exchange rates</i>			<b>+4.4%</b>
<b>Operating profit from ordinary activities</b>	<b>58.3</b>	<b>54.5</b>	<b>+6.9%</b>
As a % of sales	12.5%	12.3%	
<b>Operating profit after non recurring expenses</b>	<b>58.3</b>	<b>54.4</b>	<b>+7.1%</b>
<b>Net profit – Group share</b>	<b>38.8</b>	<b>35.4</b>	<b>+9.6%</b>
<b>Equity – Group share</b>	<b>233.6</b>	<b>198.4</b>	<b>+17.7%</b>
<b>Consolidated net debt</b>	<b>33.8</b>	<b>66.9</b>	<b>-49.4%</b>

The audited financial statements are available at [www.virbac.com](http://www.virbac.com)

The worldwide veterinary market has been more difficult in 2009 due to the global economic crisis, with a low growth year-on-year in companion animals and a decline in food producing animals with the exception of emerging markets. In this environment Virbac did realize a good performance : +7.5% growth at constant exchange rates in companion animals thanks to new products launches in Europe and the development of existing ranges in the United states; +6.2% growth at constant exchange rates in food producing animals - of which +2.0% at constant scope – with the addition of products acquired last year in Europe from Schering Plough and the growth of emerging countries.

This positive trend in sales, combined with a permanent monitoring of operating expenses, have enabled the Group to absorb an increase in commercial and R&D investments, aimed at reinforcing its growth potential. As a consequence, the operating profit is going up by +6.9%, triggering a slight improvement of the profitability ratio which reaches 12.5%. The net profit – Group share increases by +9.6% thanks to a strong decrease of interest expense.

From a financial standpoint, capital expenditures, in particular in manufacturing, have increased significantly. Conversely, Virbac successfully put a particular emphasis in 2009 on cash generation and working capital management. This allowed a large drop of net debt, strengthening the Group's financial situation and reinforcing its capacity to finance external growth.

A dividend of 1.32 euro per share, as compared to 1.20 euro last year, shall be proposed at the next Annual Shareholders Meeting.

### 2010 perspectives

Virbac enjoys several growth levers for 2010 with the ramp-up of products recently launched in Europe, the on-going development of sales in the veterinary channel in the United States, the market dynamics in emerging countries and the recent acquisition of products from Pfizer in Australia. These positive prospects in terms of sales should bring about a new improvement of operating profitability.

### VIRBAC : Passionate about Animal Health

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