

FIRST HALF-YEAR SALES : A 10.7% GROWTH

Press release – 18 July 2011.

Consolidated numbers <i>Unaudited – in million €</i>	2011	2010	% change	Evolution at constant exchange rates	Evolution at constant scope and exchange rates
Net sales - 1 st quarter	159.9	135.9	+17.7%	+14.1%	+12.3%
Net sales - 2 nd quarter	154.5	148.2	+4.3%	+7.0%	+6.4%
Net sales - 1 st half	314.4	284.1	+10.7%	+10.4%	+9.2%

Virbac consolidated sales in the second quarter reached 154.5 M€, a +4.3% change compared to the same period of 2010, or +6.4% at constant perimeter and exchange rates. This solid organic growth has been driven in particular by the double digit growth recorded in Latin America and in Asia. An important event at the end of the quarter has been the launch of the new vaccine against canine Leishmaniosis in a first country, Portugal.

With total half-year sales of 314.4 M€ compared to 284.1 M€ in 2010, the evolution of the business is very positive with a total increase of +10.7% and a growth of +9.2% at constant scope and exchange rates, despite the very high level of sales in the first half 2010 which had recorded a +14.4% organic growth driven by companion animals ranges in Europe and the United States.

Factors that explain such a good performance in the first half this year are the following (at constant scope and exchange rates) :

- **from a regional standpoint**, a growth exceeding 5% in Europe and 6% in the United States, and exceeding 16% globally in the rest of the world;
- **the companion animals segment** records a +7.9% growth with the consolidation of major products positions, in particular Effipro and Fiproline in Europe and Iverhart in the US, as well as the very positive evolution of ranges such as vaccines, dermatology, dental care, antibiotics and specialties;
- **sales in the food producing animals segment** grow by 13.6% with a strong development of bovine product categories : +15% and a good growth in the industrial sector (swine and poultry) : +9.6%. This performance is still driven by the emerging countries but the Group's business in Europe also contributed, despite market drivers remain globally unfavourable.

In addition to this organic growth, the veterinary business acquired from Synthesis in Colombia early February this year has been integrated smoothly and is performing as planned, generating sales of 1.6 M€ over 5 months.