

SALES GROW 8.7% IN 2011

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Virbac consolidated sales in the fourth quarter reached 147.2 M€, a significant growth of +9.3% in total and **+10.3%** at constant perimeter and exchange rates compared to the same period of 2010 which had been relatively moderate. The trend during this quarter in the different markets has remained in line with the evolutions observed during the previous nine months, with a good performance in developed countries (Europe, USA, Australia) and a high level of growth in the emerging countries.

With total annual sales of **622.8 M€** compared to 572.8 M€ in 2010, Virbac records a +8.7% total growth, further demonstrating its ability to develop its business and gain market shares. This growth is based on the regular launch of new products, the strength of its large product portfolio and of its global presence covering all major markets in both developed and emerging countries, complemented by targeted acquisitions.

The 2011 performance is mostly due to organic growth: +8.6%, while the positive impact of acquisitions has been offset by an unfavourable currency impact of around -1%. Major evolutions in 2011 have been the following:

- a **+8.6% organic growth in the companion animals segment**, with a good performance in all product categories. In Europe, this reflects the ramp up of recent specialties, the consolidation of Effipro and Fiproline, parasiticides based on Fipronil, and the successful launch in Portugal and France of CaniLeish®, first vaccine against canine Leishmaniosis. In the United States, sales growth in the veterinary channel has been steady, driven in particular by Iverhart and dental products; on the opposite, manufacturing of equine products for our exclusive licensee have been significantly lower this year due to the high level of inventory built up last year by this partner;

- a **+11.1 % organic growth in the food producing animals segment**, which continues to be a significant source of growth, essentially driven by the ongoing dynamics of emerging markets and favourable weather conditions in key countries like Australia, adding to the very positive development of products acquired last year from Pfizer in this country. Virbac's business in Europe has also slightly grown, even though market drivers remained globally unfavourable. In terms of animal species, sales have recorded a strong increase of +11.8% in bovine product categories and a good growth, +8.0% in the industrial sector (swine and poultry);

- **the business acquired in Colombia** early February 2011 has been successfully integrated into Virbac's existing subsidiary and generated sales of 3.4M€ over 11 months.

2011 NET SALES

Provisional

622.8 M€

TOTAL GROWTH

+ 8.7%

GROWTH AT CONSTANT
EXCHANGE RATES

+9.5%

GROWTH AT CONSTANT
SCOPE

+8.6%

Of which:

COMPANION ANIMALS

+ 8.6%

FOOD PRODUCING
ANIMALS

+ 11.1%

Virbac has launched a share buy-back program in July 2011 for around 3% of its capital; 256 352 shares have been acquired in this regard and shall be cancelled shortly.