

## ORGANIC GROWTH OF 3% IN THE FIRST HALF

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**Virbac consolidated sales in the second quarter** amounted to 185.6 M€, a slight decrease of -1.9% compared to the same period of last year which is due to the unfavourable evolution of exchange rates vs. the Euro. At constant exchange rates, the real revenue growth has reached +1.7% organically and +2.9% globally (i.e. including the integration of Santa Elena in Uruguay, consolidated since last September).

The evolution of the business in the different regions during this quarter has been rather similar to the first quarter, with a good performance in general in most countries in Europe, Latin America and Asia-Pacific, partially offset by a negative evolution in the US due to lower sell-in of Iverhart Max at distributor level pending the expected reintroduction of Iverhart Plus.

**Year-to-date, first-half sales** reached 366.1 M€, a -1.6% nominal decrease compared to 372.0 M€ in the same period of 2013. The unfavourable exchange rate evolution of most currencies that prevailed since about one year because of a strong Euro has impacted the Group's performance very significantly and hides entirely its real growth. In actual terms, growth reached +4.0% in total and +3.0% organically thanks to a very positive evolution, with the exception of the US, in all geographies: around 5% in Europe and 7% globally in the rest of the world. In the United States, sales declined by 16% due to the absence of Iverhart Plus.

**In terms of species**, sales in the companion animals segment decreased by -1.5% as a consequence of the decrease in the US. But except this factor, the evolution of most companion animals specialties has been positive thanks to a certain rebound in Europe (around +2%) after the weak trends observed in 2013, and to good dynamics in other parts of the world (around +9%). In the food producing animals segment, Virbac's growth has been strong, +9.5%, thanks to its continuous development in large emerging markets such as India, South Africa, Latin America, coupled with a good performance in Europe, Australia and New Zealand. This performance has been driven by a high growth in both the ruminants and the industrial sector (swine and poultry), while the activity in the aquaculture sector has been slightly below last year after the strong growth recorded by Centrovet in Chile in 2013 following the outbreak of diseases in salmon farms.

**Perspectives** for the second part of the year are positive: in the United States, Virbac has recently announced to its distributors and customers that its internal parasiticide Iverhart Plus is being re-introduced on the market; delivery of the product has gradually resumed as from early July. In Europe and Latin America, the Group is preparing for the launch of significant new products in the coming months.

NET SALES  
FIRST HALF 2014  
provisional

**366.1 M€**

TOTAL EVOLUTION

**-1.6%**

GROWTH AT CONSTANT  
EXCHANGE RATES

**+4.0%**

GROWTH AT CONSTANT  
SCOPE

**+3.0%**

Of which:  
COMPANION ANIMALS

**-1.5%**

FOOD PRODUCING  
ANIMALS

**+9.5%**

Consolidated numbers <i>Unaudited – in million Euros</i>	2014	2013	% change	Evolution at constant exchange rates	Evolution at constant scope and exchange rates
Net sales - 1 <sup>st</sup> quarter	180.5	182.8	-1.2%	+5.1%	+4.3%
Net sales - 2 <sup>nd</sup> quarter	185.6	189.2	-1.9%	+2.9%	+1.7%
Net sales - 1 <sup>st</sup> half	<b>366.1</b>	<b>372.0</b>	<b>-1.6%</b>	<b>+4.0%</b>	<b>+3.0%</b>