

2018 SALES: UP 3.2% TO €367.9 MILLION

9.1% GROWTH IN ESSENTIALS PRODUCTS AT CONSTANT EXCHANGE RATES

Vetoquinol posted 2018 sales of €367.9m, up 5.8% at constant exchange rates and 3.2% as reported compared to the previous year. For the 2018 financial year, Group sales increased in every territory (Europe: +2.9%, Americas: +8.7% and Asia Pacific: +8.6% at constant exchange rates).

2018 KEY FIGURES

Sales

€367.9m (up 3.2%)

up 5.8% like-for-like*

Essentials products

€179.4m (up 7.3%)

up +9.1% like-for-like*

Essentials products, the Group's primary growth drivers, earned sales of €179.4 million at end December 2018, increasing by 9.1% at constant exchange rates and by 7.3% as reported. They account for 48.8% of 2018 Group sales, up from 46.9% in 2017 and are growing steadily in the companion animal market and the livestock segment. In the Americas and Asia Pacific, Essentials products rose by more than 10% compared to 2017.

Sales of companion animal products came to €204.8 million, up 4.0% as reported and 6.1% at constant exchange rates partly fueled by the launches of Sonotix® and Zylkene® Chew. At the same time, livestock product sales, at €163.1 million, increased 2.2% as reported, and 5.5% at constant exchange rates.

* constant consolidation scope and exchange rates

Strong sales in the fourth quarter

Q4 2018 sales came in at €99.9 million, with a sharp increase of 12.1% at constant exchange rates compared to the same period last year. The group posted strong growth in all regions: 6.5%, 19.1% and 14.3% in Europe, the Americas and Asia Pacific respectively.

The figures presented in this press release take the application of IFRS 15 "Revenue from Contracts with Customers" into account. For the statements to be comparable, the Group performed an adjustment of its 2017 figures, which showed a €4.4 million increase in sales at the end of 2017 (€1.2m in Q4 2017) and an equivalent increase in expenses. This restatement had no impact on the Group's EBIT in 2017, expressed in euros.

The Group recorded a negative currency impact of €9.5 million (-2.7%) for 2018, mainly due to the weakening of the US and Canadian dollars, Indian rupee and British pound.

At 31 December 2018, no material events had affected the Group's strong balance sheet. The audit of the Group's financial statements is underway and was not yet complete on the date of this press release.

"Vetoquinol's strong sales growth was once again driven by growth in our Essentials products. Our three geographical regions were up, posting a particularly marked increase in sales in the Americas and Asia Pacific. This performance shows that our decision to focus on Essentials products and our strategic regions is entirely justified" stated Matthieu Frechin, Vetoquinol CEO. "The business growth achieved in 2018 will enable us to continue improving profitability."

€m	2018	2017*	Change (reported data)	Change at constant exchange rates
Q1 Sales	87.6	87.2	+0.4%	+5.6%
Q2 Sales	90.3	90.4	-0.2%	+3.8%
Q3 Sales	90.2	89.5	+0.8%	+1.9%
Q4 Sales	99.9	89.4	+11.6%	+12.1%
Aggregate 12-months Sales	367.9	356.6	+3.2%	+5.8%

* Sales adjusted for the impact of applying IFRS 15.

Next update: 2018 Annual Results - March 21, 2019 before opening the stock exchange.

About Vetoquinol

Vetoquinol is a leading global player in the animal health sector with a presence in Europe, the Americas and the Asia-Pacific region.

As an independent pure player, Vetoquinol designs, develops and sells veterinary drugs and non-medicinal products intended for the livestock (cattle and pigs) and for pet (dogs and cats) markets.

Since its foundation in 1933, Vetoquinol has pursued a strategy combining innovation with geographical diversification. The Group's hybrid growth is driven by the reinforcement of its product portfolio coupled with acquisitions in high potential growth markets. Vetoquinol employs 2,132 people as at December 31, 2018.

Vetoquinol has been listed on Euronext Paris since 2006 (symbol: VETO).

For further information, go to: www.vetoquinol.com.

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ALTERNATIVE PERFORMANCE INDICATORS

Vetoquinol Group management considers that these indicators, which are not defined by IFRS, provide additional information that is relevant for shareholders seeking to analyze underlying trends and Group performance and financial position. They are used by management for performance analysis.

Essentials products: The products referred to as "Essentials" comprise veterinary drugs and non-medical products sold by the Vetoquinol Group. They are existing or potential market-leading products designed to meet the daily requirements of vets in the companion animal or livestock sector. They are intended for sale worldwide and their scale effect improves their economic performance.

Constant exchange rates: Application of the previous period's exchange rates to the current financial year, all other things remaining equal.