



## **ACQUISITION OF VET SOLUTIONS**

Vétoquinol extends its presence to the United States

January 2, 2007 (Paris) – Vétoquinol (Euronext Paris: FR FR0004186856) announced that on December 29, 2006 it had acquired all of the assets of Vet Solutions, an independent veterinary laboratory based in Fort Worth, Texas.

### **An American laboratory specializing in the pet segment**

Founded in 1996, Vet Solutions is a veterinary laboratory specializing in the pet segment, where it earned revenue of more than 10 million dollars in 2006 and generated a high level of profitability. A value-added laboratory that deals exclusively with veterinarians, Vet Solutions is recognized for the quality and practicality of its products. Vet Solutions has a solid image and a well-established network of 14 reps.

### **Natural synergies**

Vet Solutions offers an excellent fit with Vétoquinol's businesses in the United States, in terms of both product and geographic mix (i.e. the US states covered by the reps). In addition, synergies are expected in the areas of logistics, marketing and production sourcing.

The new unit will be comprised of 28 reps with more dense nationwide coverage of the United States to offer better client service, and will have greater visibility in the market. The expected synergies will also extend to Canada, where Vet Solutions has commercial positioning that is complementary to that of Vétoquinol.

Finally, Vétoquinol USA's portfolio of new products will be strengthened by this deal.

### **An acquisition at the heart of Vétoquinol's growth strategy**

This acquisition is central to the strategy of Vétoquinol, which, when it completed its IPO in November 2006, clearly stated its intention of gaining strength in the US pet segment.

*"This is a very nice acquisition," commented Dominique Henryon, the Vétoquinol COO who conducted the negotiations. "With Vet Solutions, we are getting closer to our goal of having 40 representatives covering the US territory. Already, with 28 representatives we will acquire nationwide reach and send a strong signal to the market. Vétoquinol is clearly positioning itself as a preferred partner/partner of choice for vets and as a player in the game of consolidating the independents operating in this market."*

**About Vétoquinol**

Vétoquinol, established in 1933, is an independent veterinary pharmaceutical laboratory for both commercial animal breeding and pets. This family-owned Group, dedicated to animal health, is the world's 13<sup>th</sup> largest laboratory in its field. Nearly 77% of its revenue is now generated in export markets.

Its business includes research on production and marketing of drugs and health products. Vétoquinol, positioned in the treatment field, has extensive expertise in 3 major therapeutic fields: anti-infection agents, pain and anti-inflammatory, and cardiology-nephrology.

The Group, which has been very attentive to the international sector since the outset, now distributes its products in about one hundred countries (in Europe, North America and Asia), working through 16 subsidiaries and a network of 110 distributor-partners. At year-end 2005, the company had more than 1,100 employees worldwide.

For more information: [www.vetoquinol.com](http://www.vetoquinol.com)

**OUR BUSINESS: ANIMALS. OUR ADVANTAGE: PEOPLE**

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**Our complementary strengths**

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**About the North American animal health market**

With revenues in 2005 of 5,100 billion dollars, North America is the world's largest animal health market.

According to the consulting firm Wood Mackenzie, this market is expected to grow by more than 2.1% in real terms between 2005 and 2010, reaching 5,600 billion dollars in 2010.

**The US pet segment**

- ➔ Revenue: 3 billion dollars
- ➔ 25,000 clinics employing around 40,000 vets
- ➔ 20 distributors, 8,500 retailers, 7,500 toiletry experts, 1,650 pet shops