



Earnings Call 2Q17 and 1H17



Disclaimer



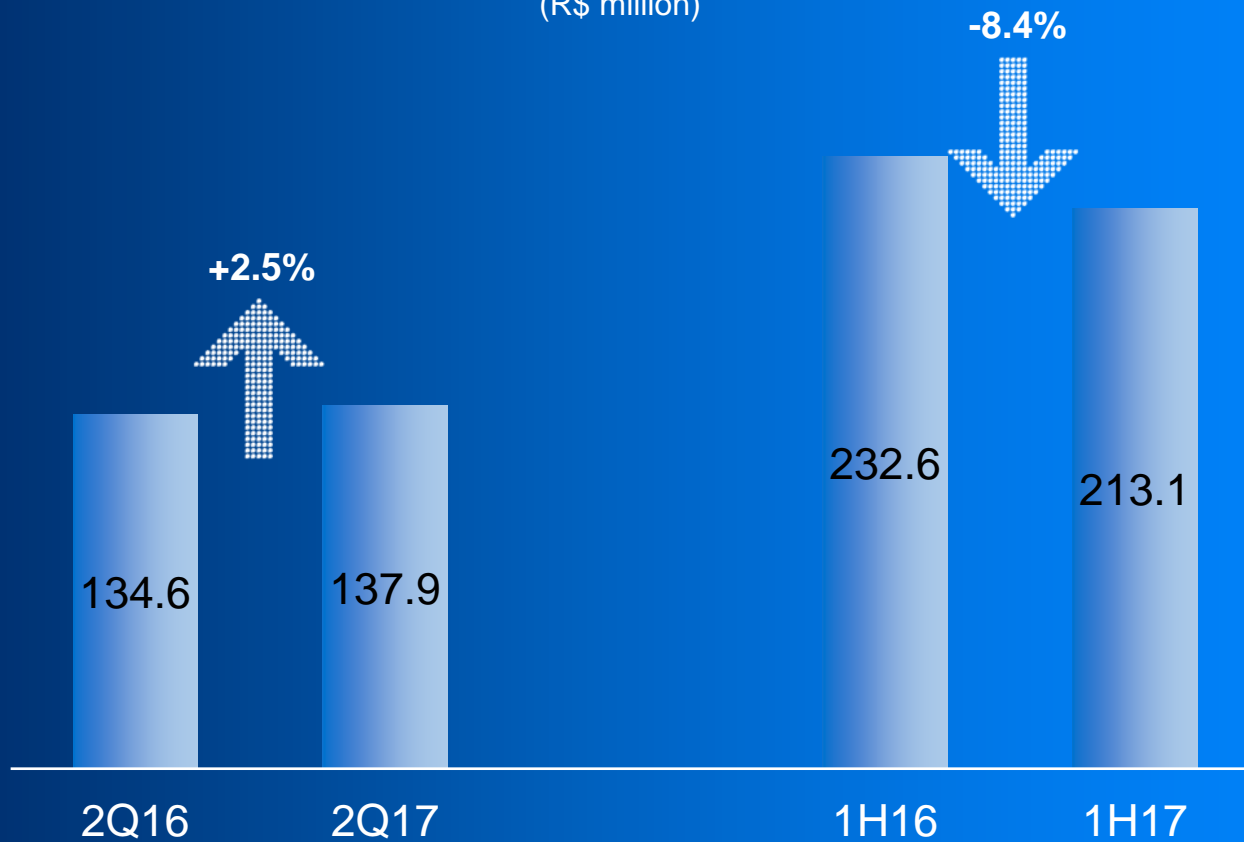
This presentation brings statements about future events that are subject to risks and uncertainties. Such statements are based on our Management's beliefs and assumptions and on information that the Company currently has access to. Statements about future events include information regarding our intentions, beliefs or current expectations, as well as those of the members of the Management Board and Company Directors.

Disclaimers according to the statements and the information about the future also include information about possible or presumed operating results, as well as statements preceded by, followed by or that include the words "believes", "may", "will", "continue", "expects", "anticipates", "intends", "plans", "estimates" or similar expressions.

The statements and information are not guarantees of future performance. They involve risks, uncertainties and assumptions because they are related to future events and, therefore, depending on circumstances that may or may not occur. Future results and value creation for our shareholders may differ materially from those expressed or implied by the statements made about the future. Many of the factors that will determine these results and values are beyond our ability to control or predict.

Total Net Revenue

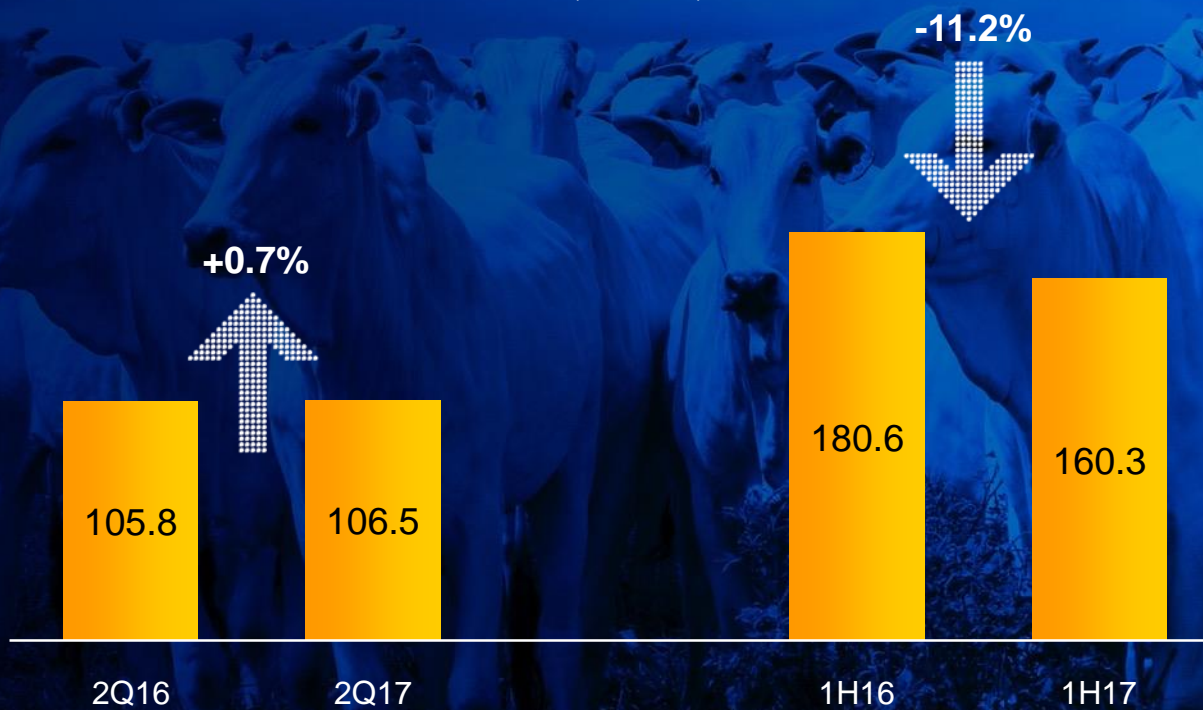
Consolidated
(R\$ million)



Net Revenue by Segment

Production Animals

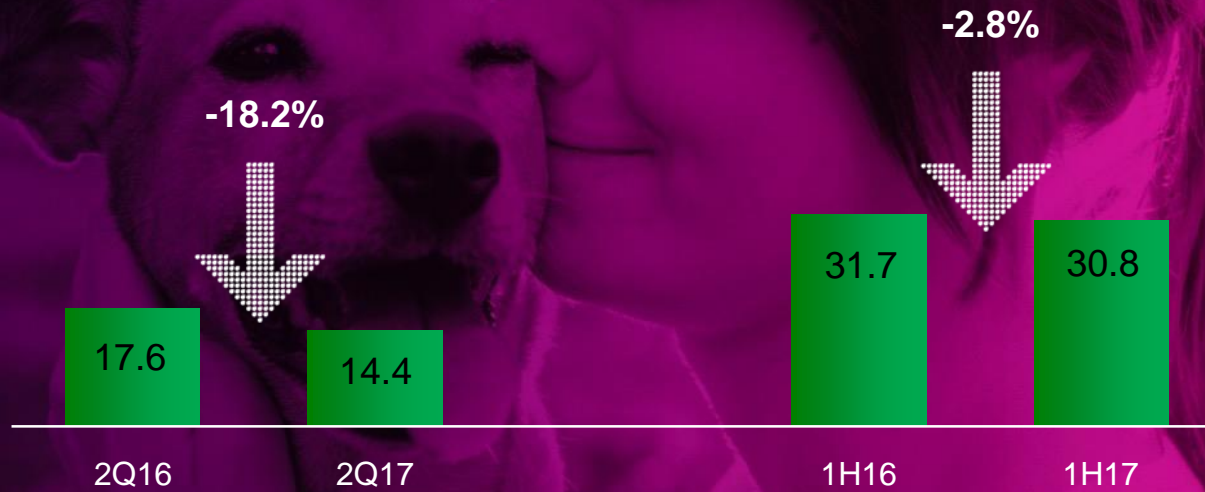
(R\$ million)



Net Revenue by Segment

Companion Animals

(R\$ million)



Net Revenue by Segment

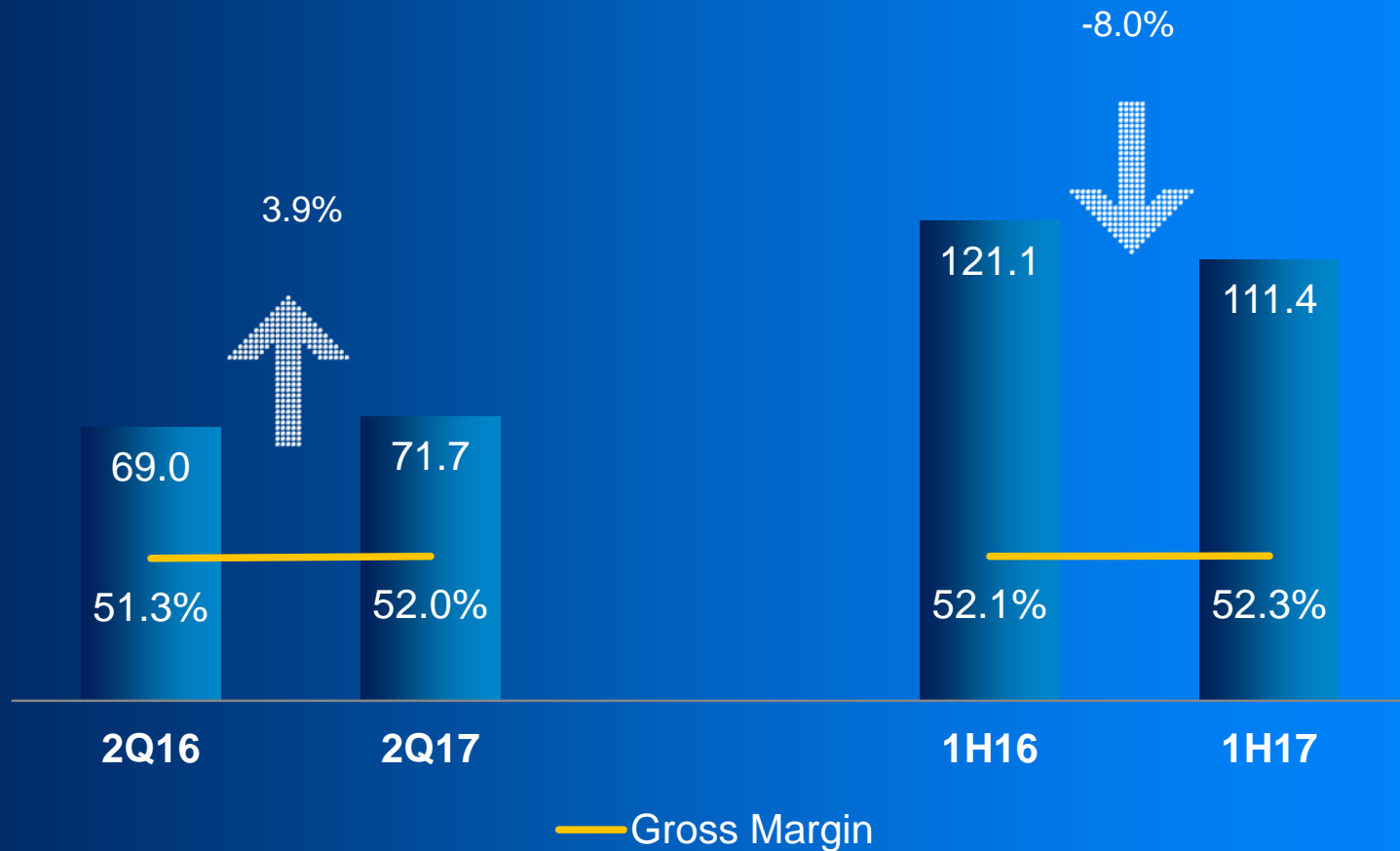
International Operations

(R\$ million)



Gross Profit and Gross Margin

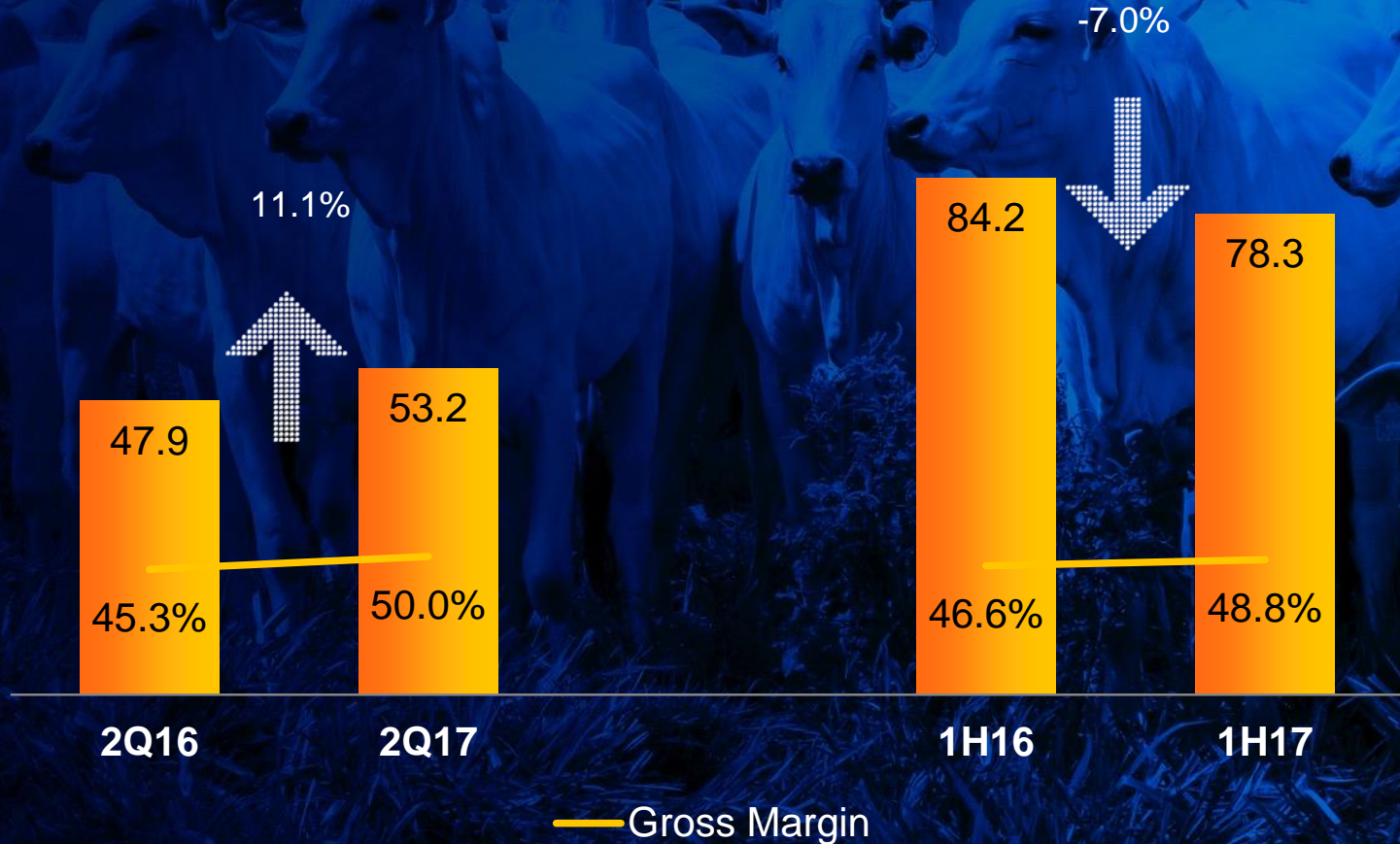
Consolidated
(R\$ million)



Gross Profit and Gross Margin by Segment

Production Animals

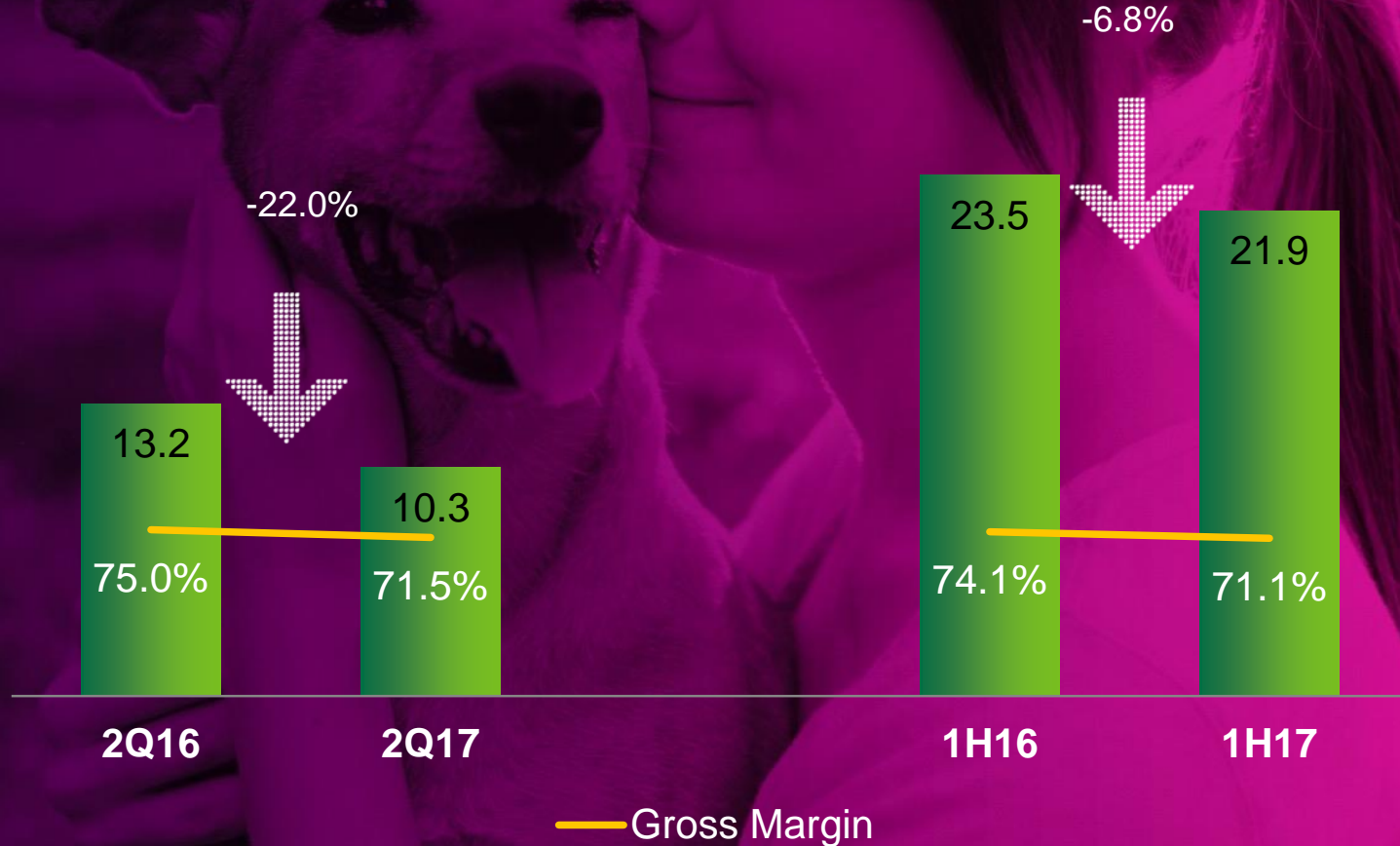
(R\$ million)



Gross Profit and Gross Margin by Segment

Companion Animals

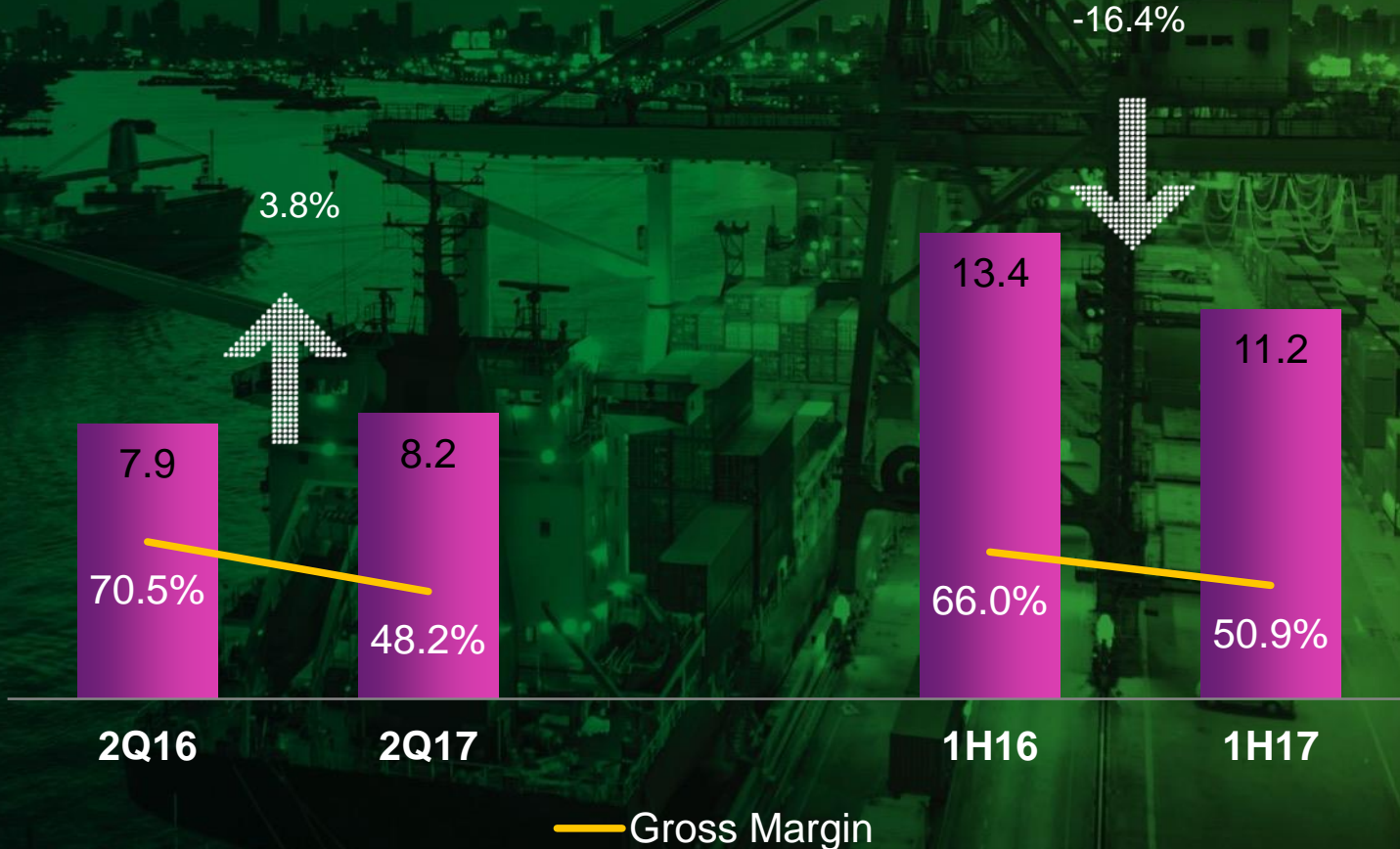
(R\$ million)



Gross Profit and Gross Margin by Segment

International Operations

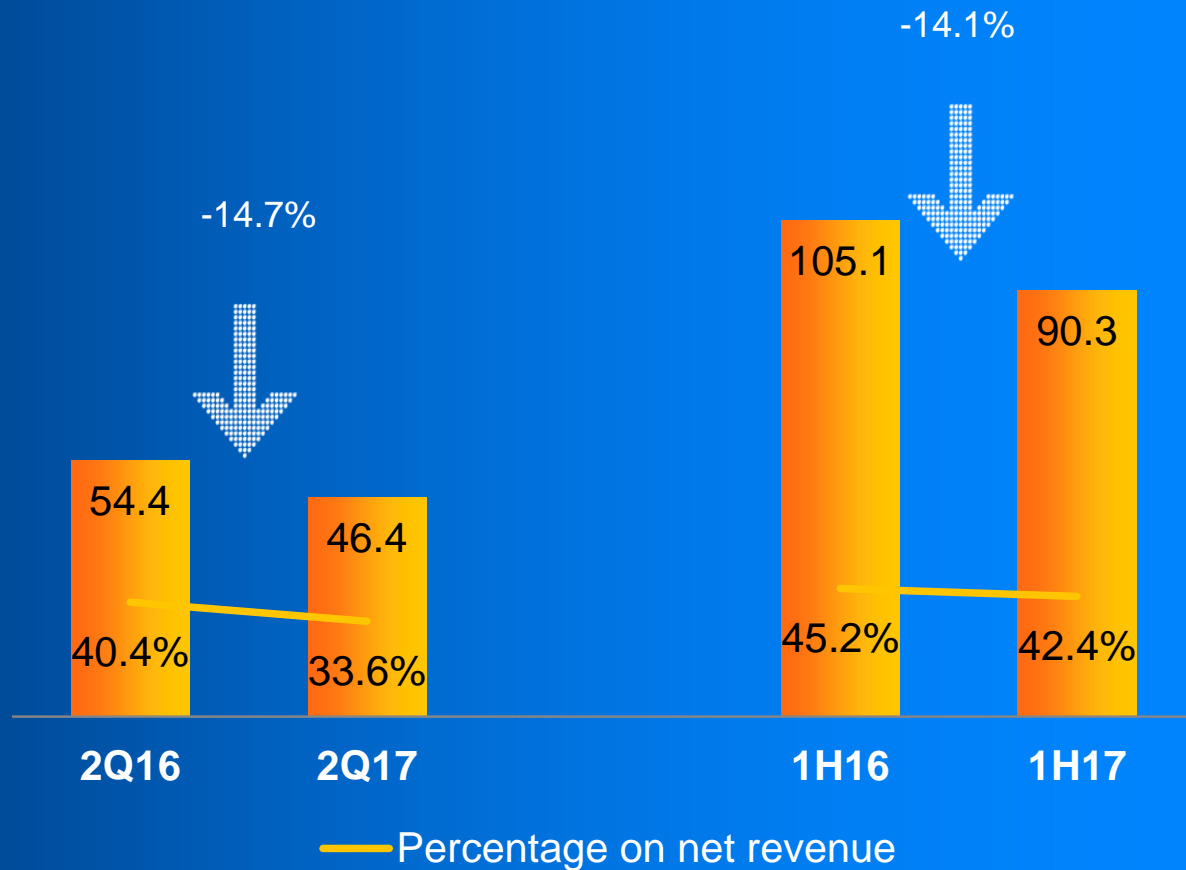
(R\$ million)



Financial Performance

SG&A

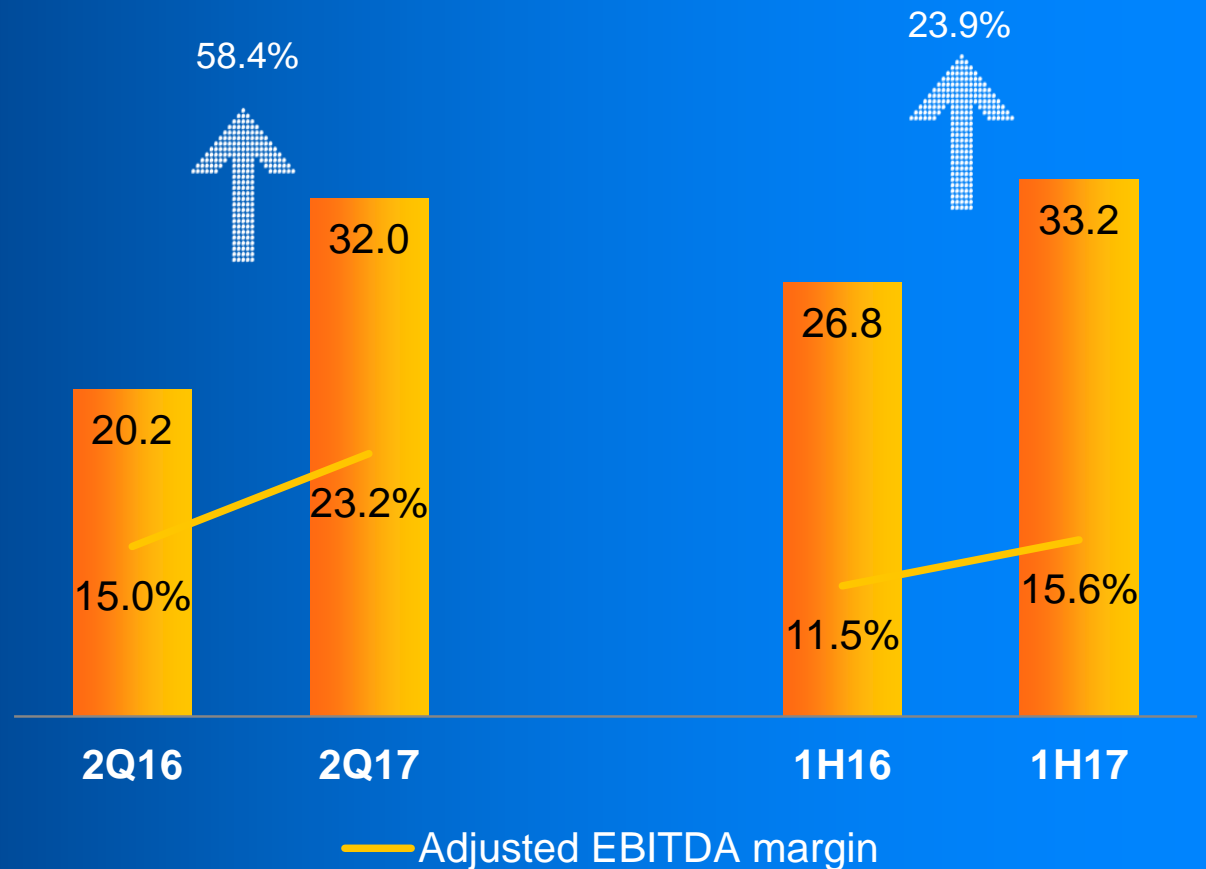
(R\$ million)



Financial Performance

Adjusted EBITDA

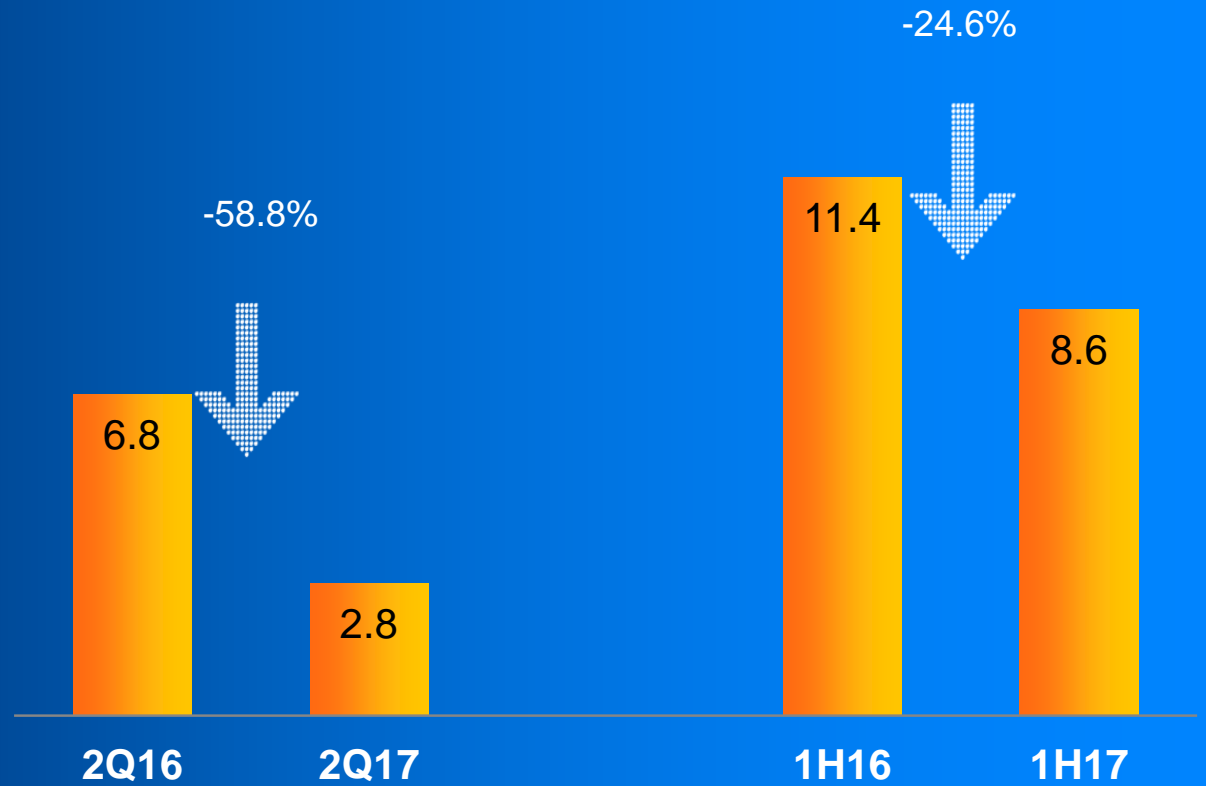
(R\$ million)



Net Financial Expense

(R\$ million)

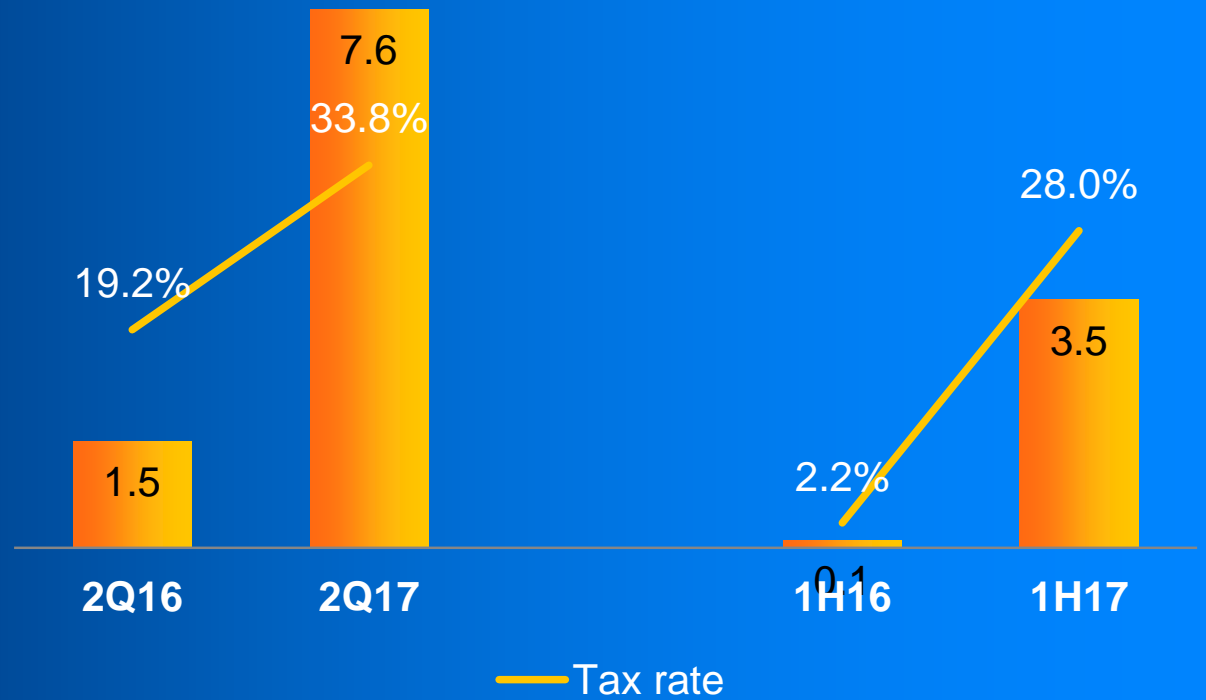
Financial
Performance



Income Tax

(R\$ million)

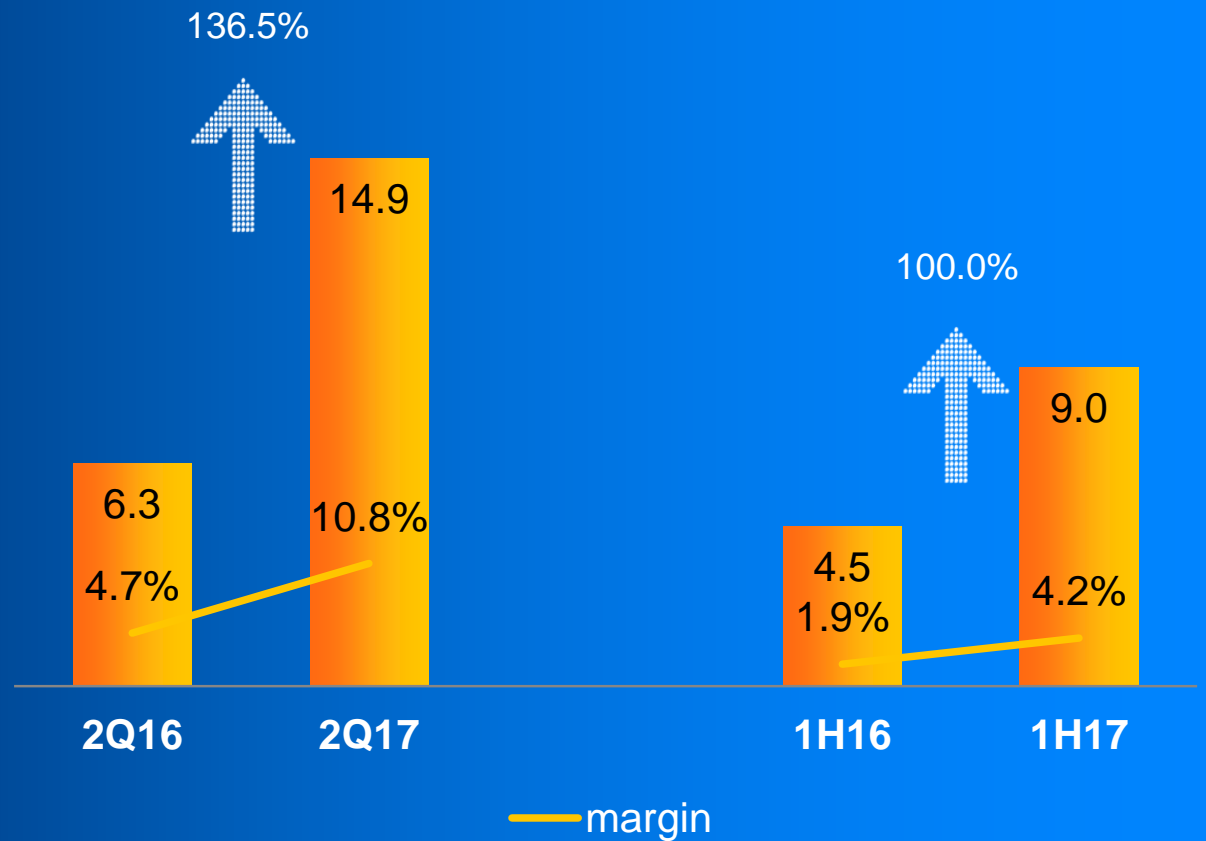
Financial Performance



Financial Performance

Net Profit

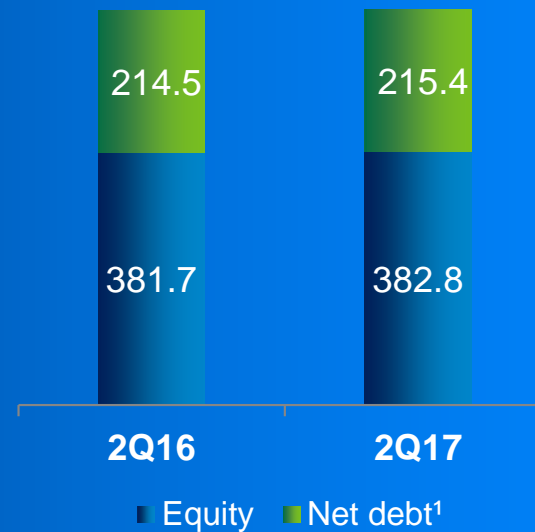
(R\$ million)



Indebtedness

Net Debt and Equity

(R\$ million)



Net Debt.¹ / Adjusted EBITDA

2.1x

4.2x

Average interest on debt in June 30th ¹

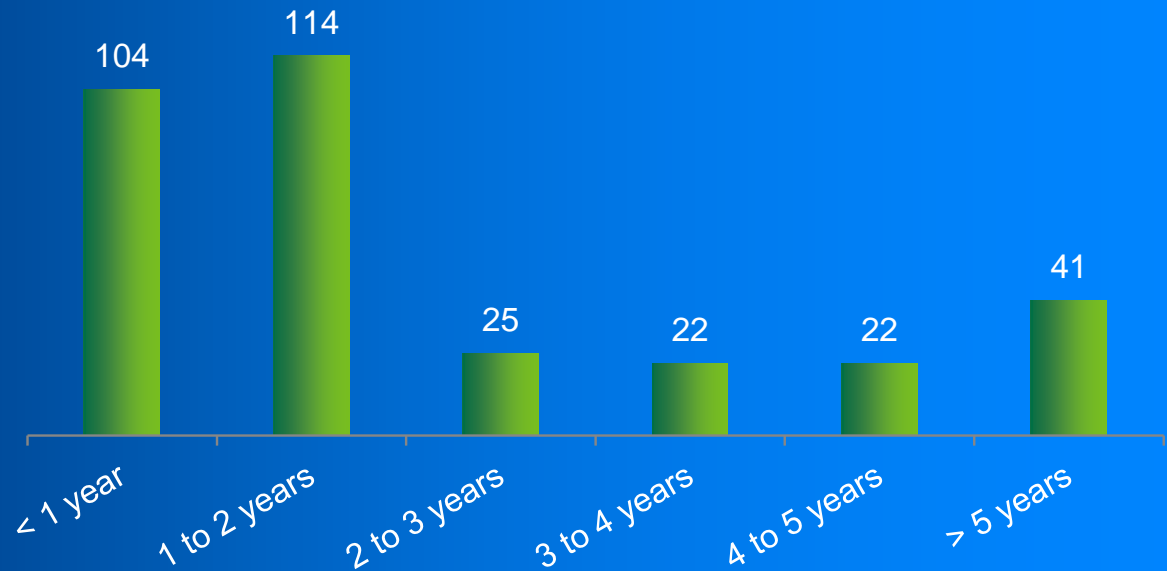
9.5%

7.7%

Note 1: Average cost calculated on the debt considering linked derivatives.

Indebtedness

Debt Aging¹ (R\$ million)

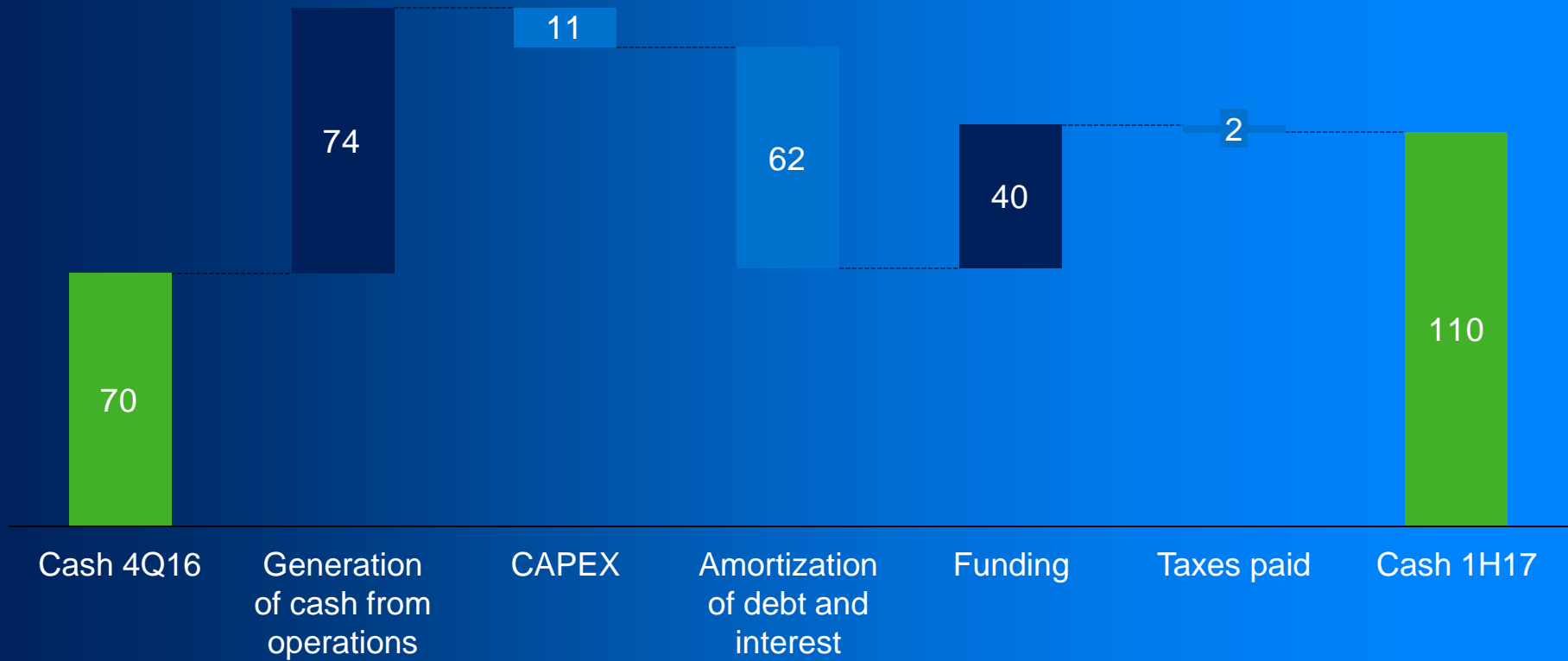


- Cash in excess for short term debt
- New biological facility CAPEX done

Note 1: Aging is for debt considering linked derivatives

Generation of Cash

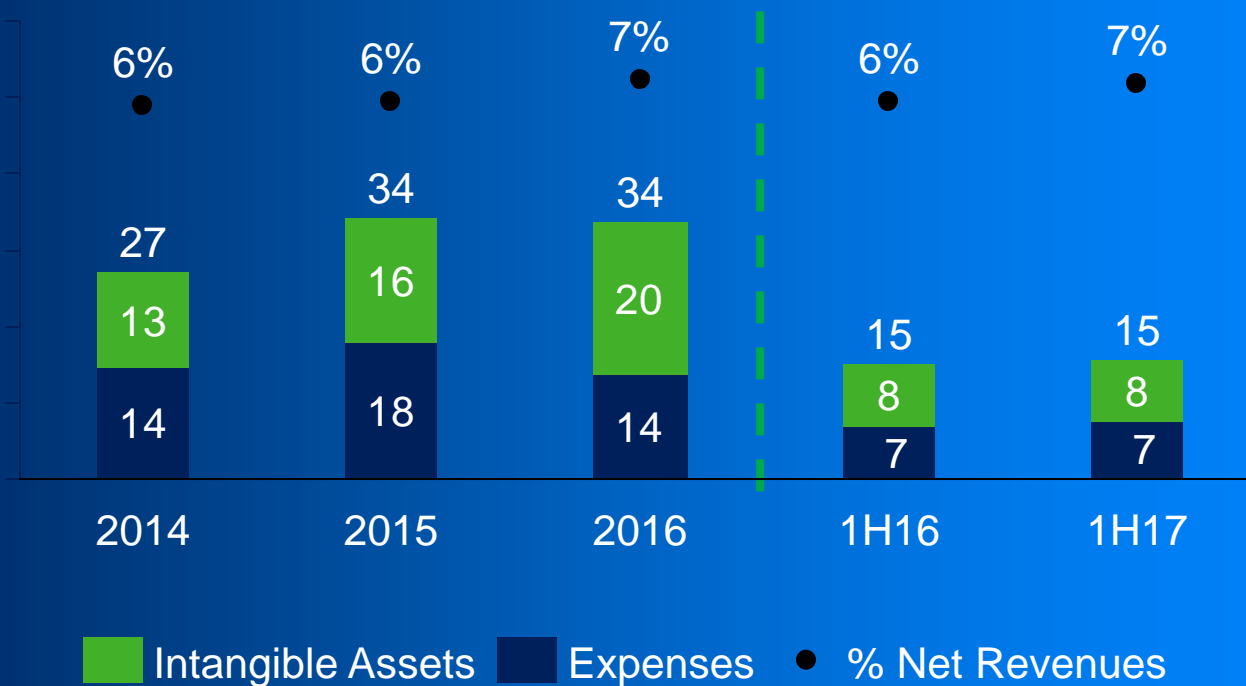
(R\$ million)



R&D

R&D Investment

(R\$ million)



Launches in 1H17

Companion
Animals



Regepil

Description: For treatment of general, chronic and localized wounds in areas of difficult healing;
Surgical wounds helping in reducing the dehiscence index of stitches;
Contribute and accelerate the healing process in animals with physiological impairment.

Launches in 1H17

Production
Animals



GalliPro Max

Description: Probiotic additive (*Bacillus subtilis*) that helps to maintain the equilibrium of the intestinal flora of animals. For weight gain and improvement of the feed efficiency of broilers and breeding chickens. It is also recommended for improving the production of eggs of laying hens.

Launches in 1H17

Production
Animals

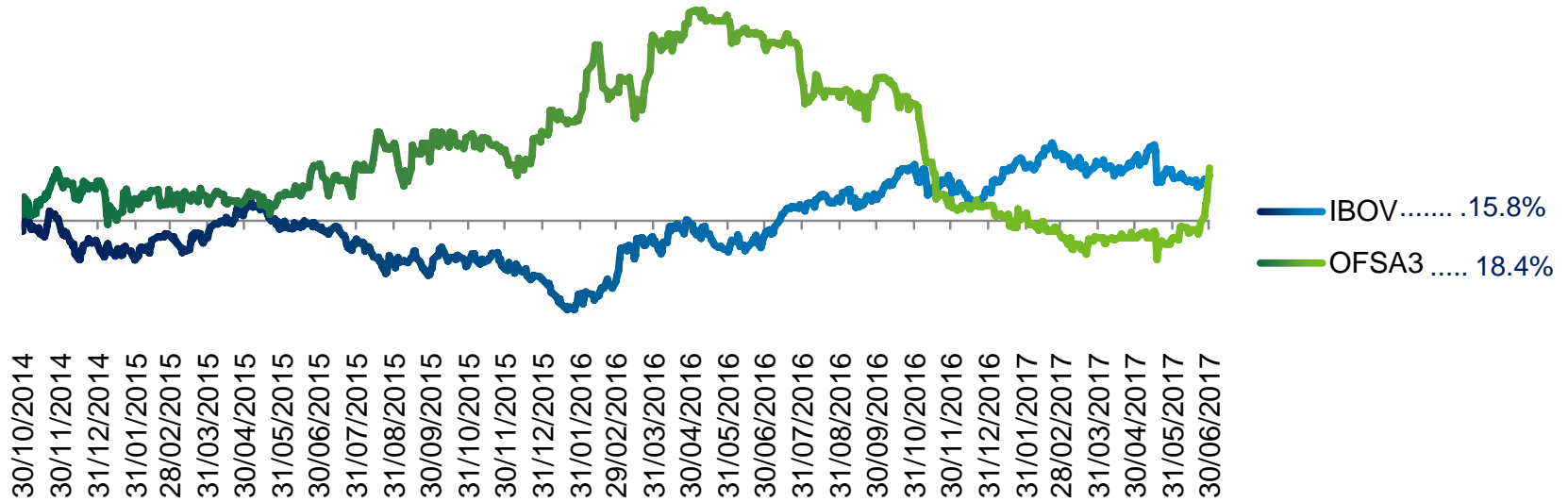


Gallipro Tect and Gallipro Tect Concentrado

Description: Probiotic additive (*Bacillus licheniformis*) that helps to maintain the equilibrium of the intestinal flora of animals. For weight gain and improvement of the feed efficiency of broilers and breeding chickens.

OFSA3 Return vs Ibovespa*

Normalized



*Dividends are included in the return

Q&A Session

