



1Q17 Earnings Call



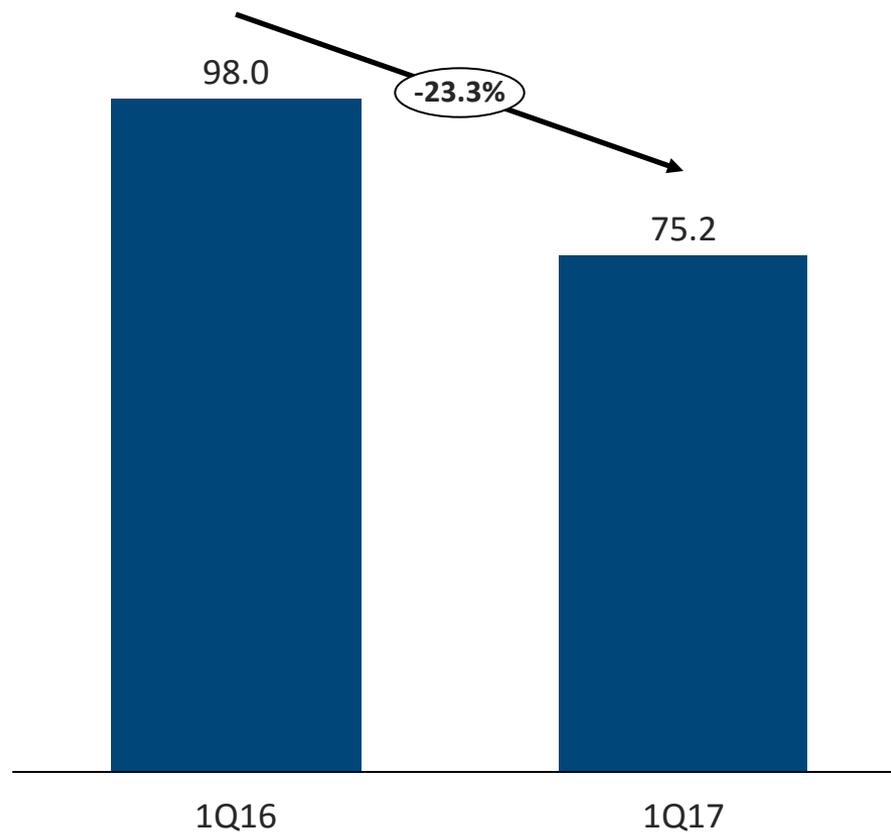
This presentation brings statements about future events that are subject to risks and uncertainties. Such statements are based on our Management's beliefs and assumptions and on information that the Company currently has access to. Statements about future events include information regarding our intentions, 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.



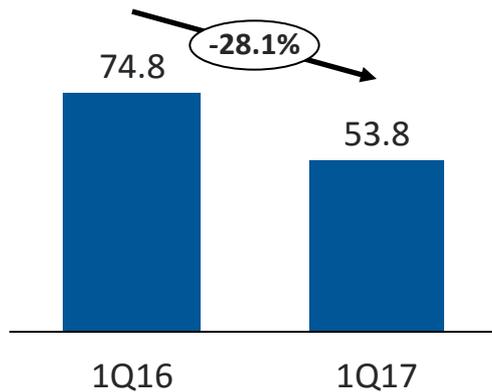
Ourofino Saúde Animal (R\$ million)



Net Revenue by Segment

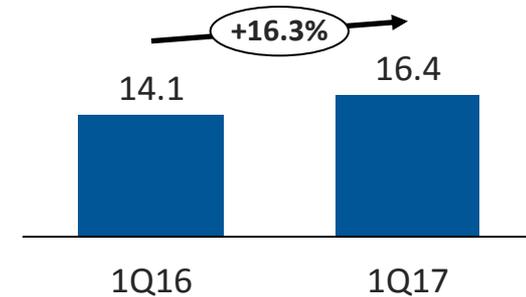
Production Animals

Net Revenue – (R\$ million)



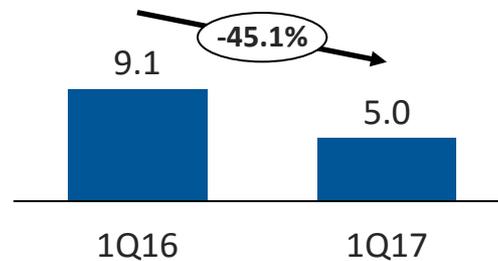
Companion Animals

Net Revenue – (R\$ million)



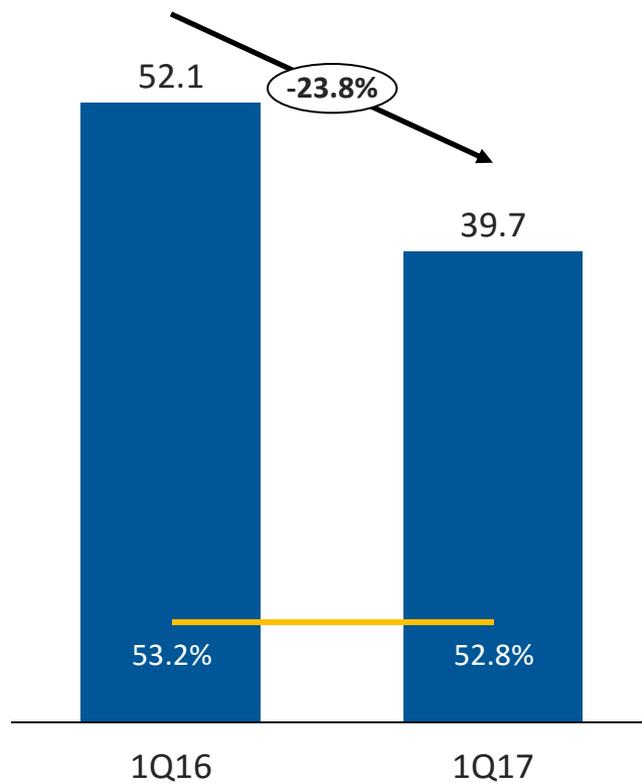
International Operations

Net Revenue – (R\$ million)



Gross Profit and Gross Margin

Ourofino Saúde Animal (R\$ million)

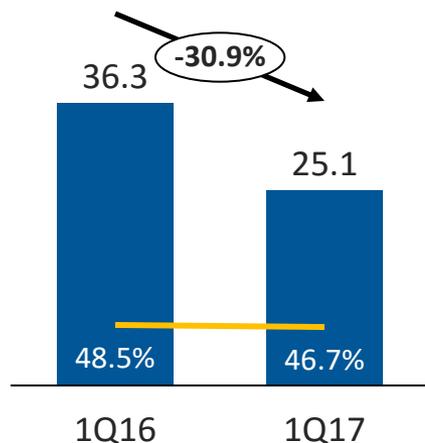


— Percentage over net revenue

Gross Profit and Gross Margin by Segment

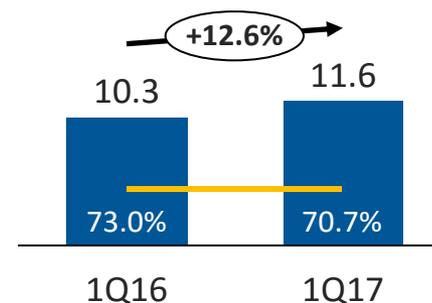
Production Animals

Net Revenue – (R\$ million)



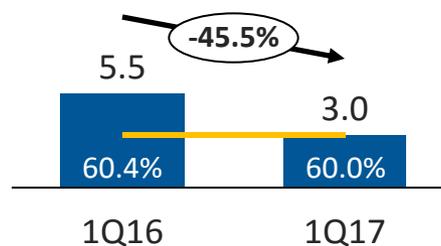
Companion Animals

Net Revenue – (R\$ million)



Operações Internacionais

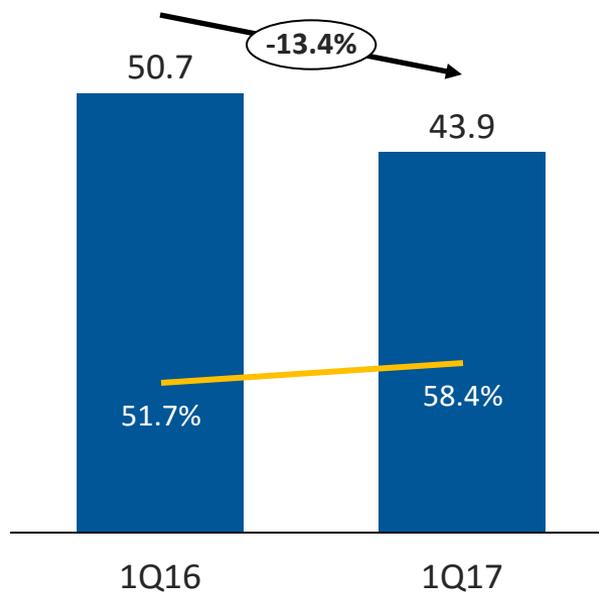
(R\$ milhões)



Gross Margin



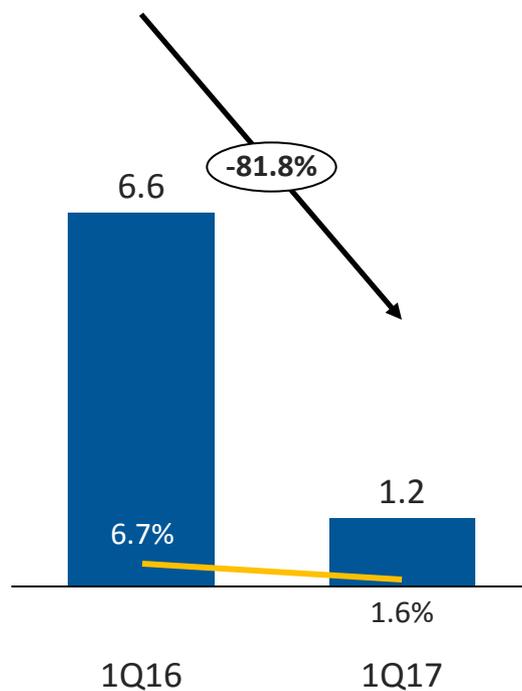
SG&A (R\$ million)



— Percentage over net revenue



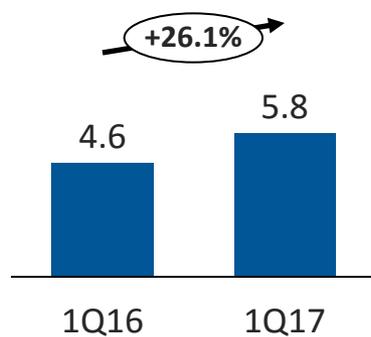
Adjusted EBITDA (R\$ million)



Adjusted EBITDA margin

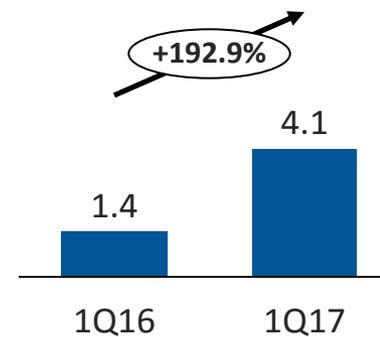
Net Financial Expense

(R\$ million)



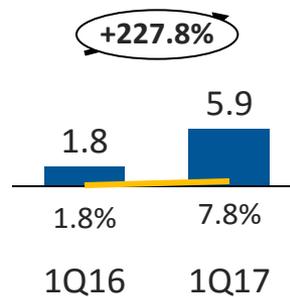
Positive tax effect

(R\$ million)



Net Loss

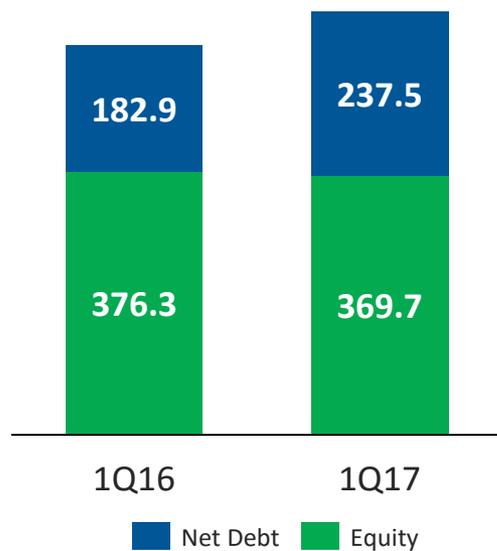
(R\$ million)



— Loss Margin



Net Debt and Equity (R\$ million)



Net Debt.¹ / Adjusted EBITDA

1.64x

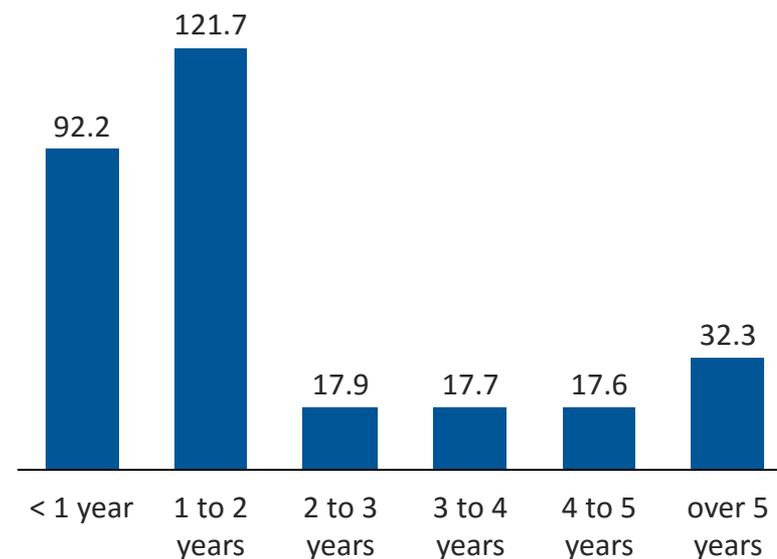
6.09x

Average interest on debt in Mar 31st¹

8.98%

7.93%

Debt Aging² (R\$ million)

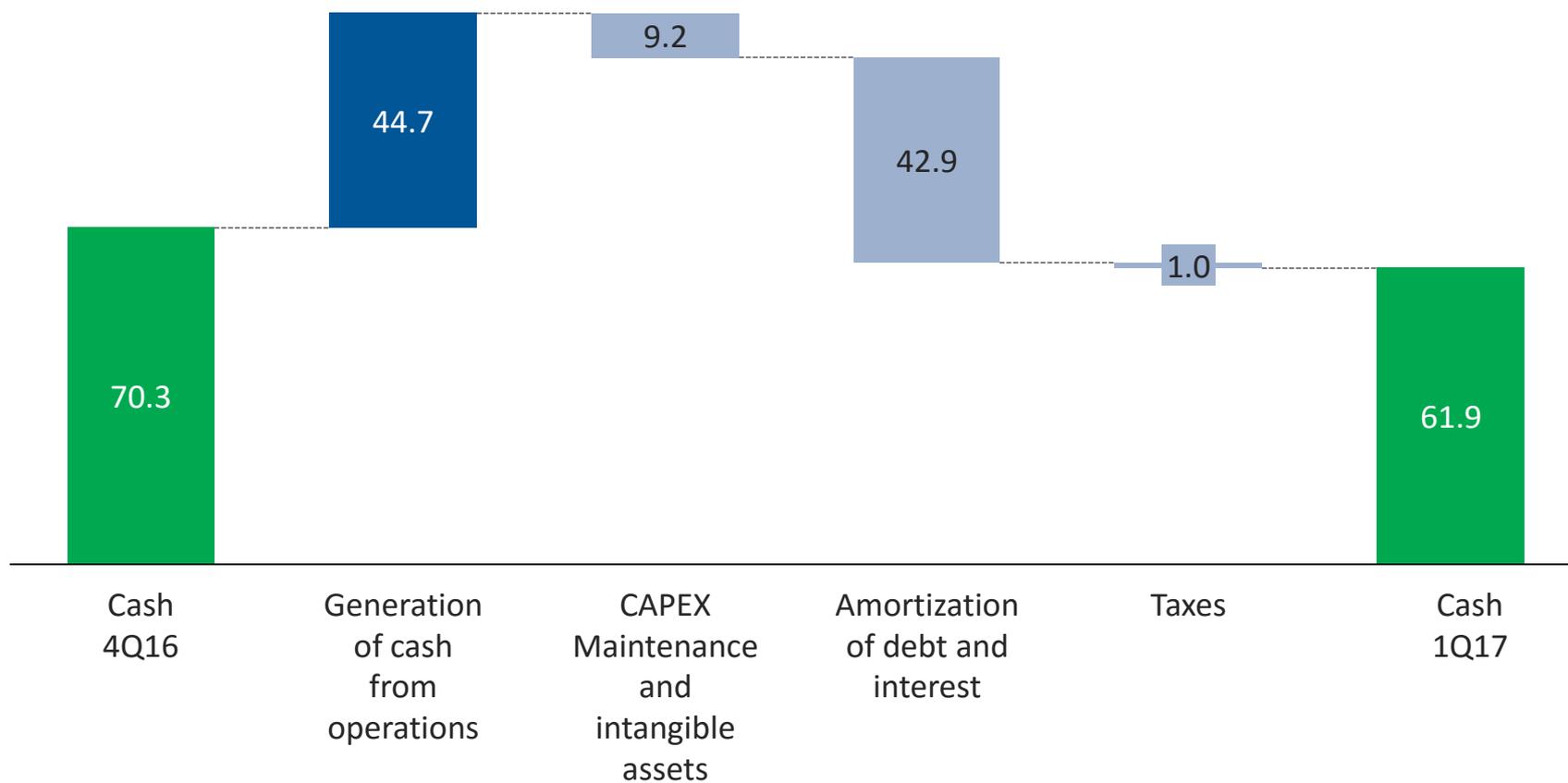


- Settlement of CDI linked debts.
- New biological facility CAPEX almost entirely done

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

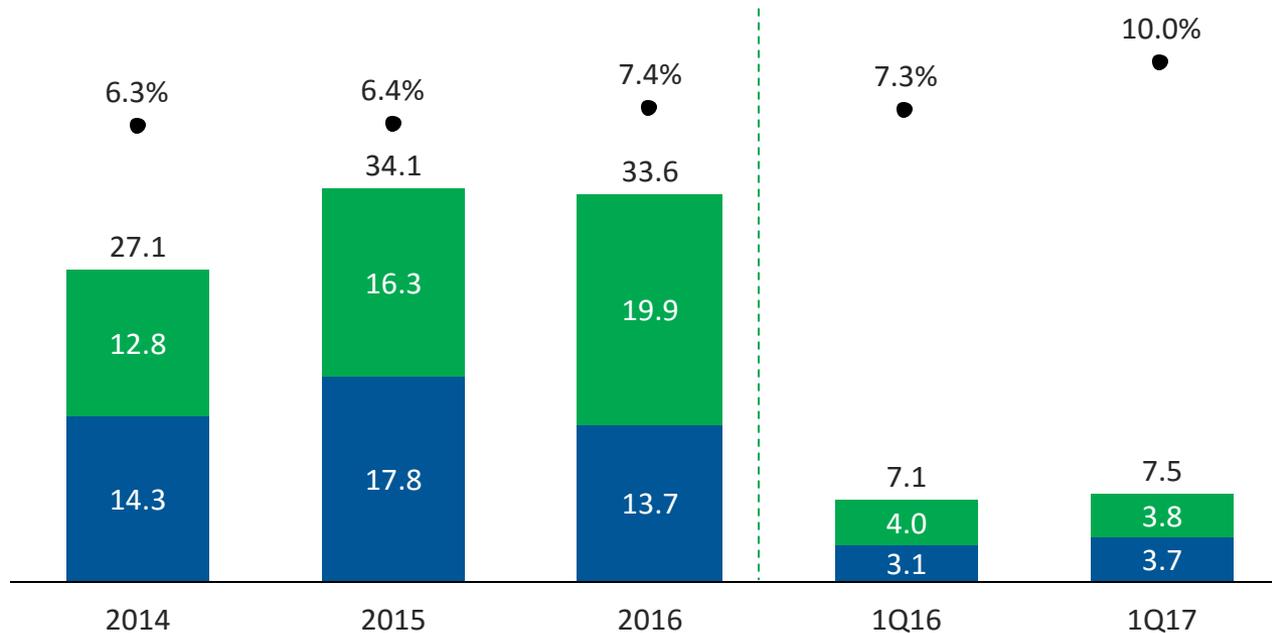
Note 2: Aging is for debt considering linked derivatives.

Generation of Cash





R&D Investment (R\$ million)



■ Intangible
 ■ Expenses
 ● % Net Revenue



1Q17 Launches



Gallipro Max

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. For improvement of the egg production of layers.

**Production
Animals**



Gallipro Tect

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

**Production
Animals**



Gallipro Tect Concentrado

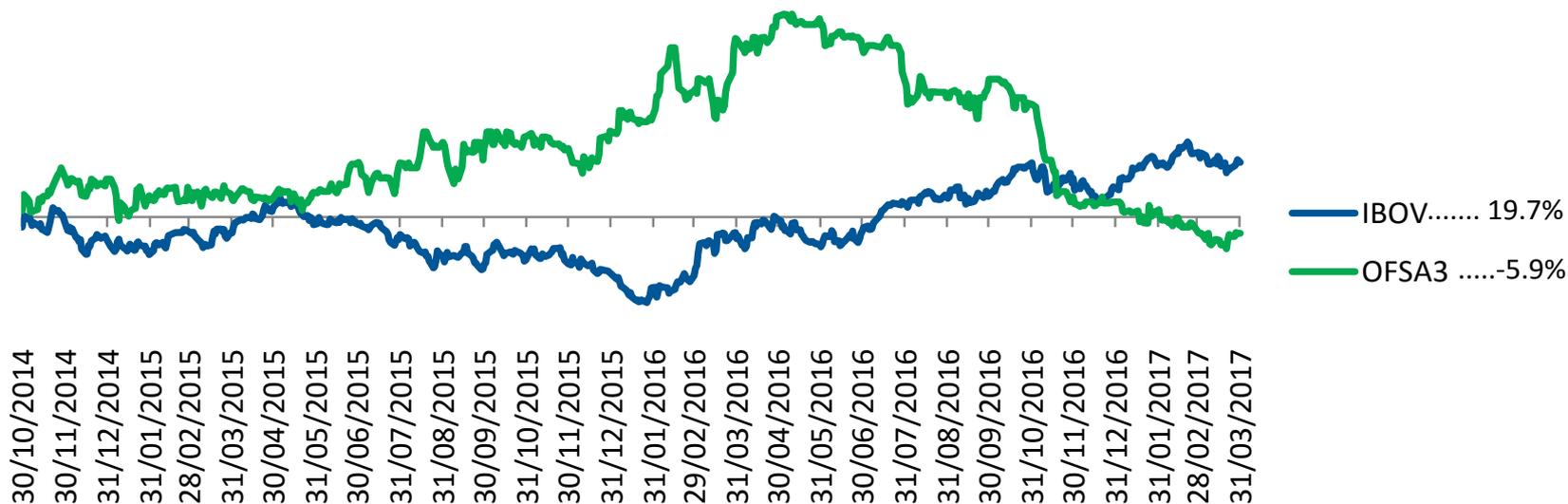
Probiotic additive (*Bacillus licheniformis*) that helps to maintain the equilibrium of the intestinal microbiota of animals. For weight gain and improvement of the feed efficiency of broilers and breeding chickens..

**Production
Animals**

OFSA3 Return vs Ibovespa*



Normalized



*Dividends are included in the return