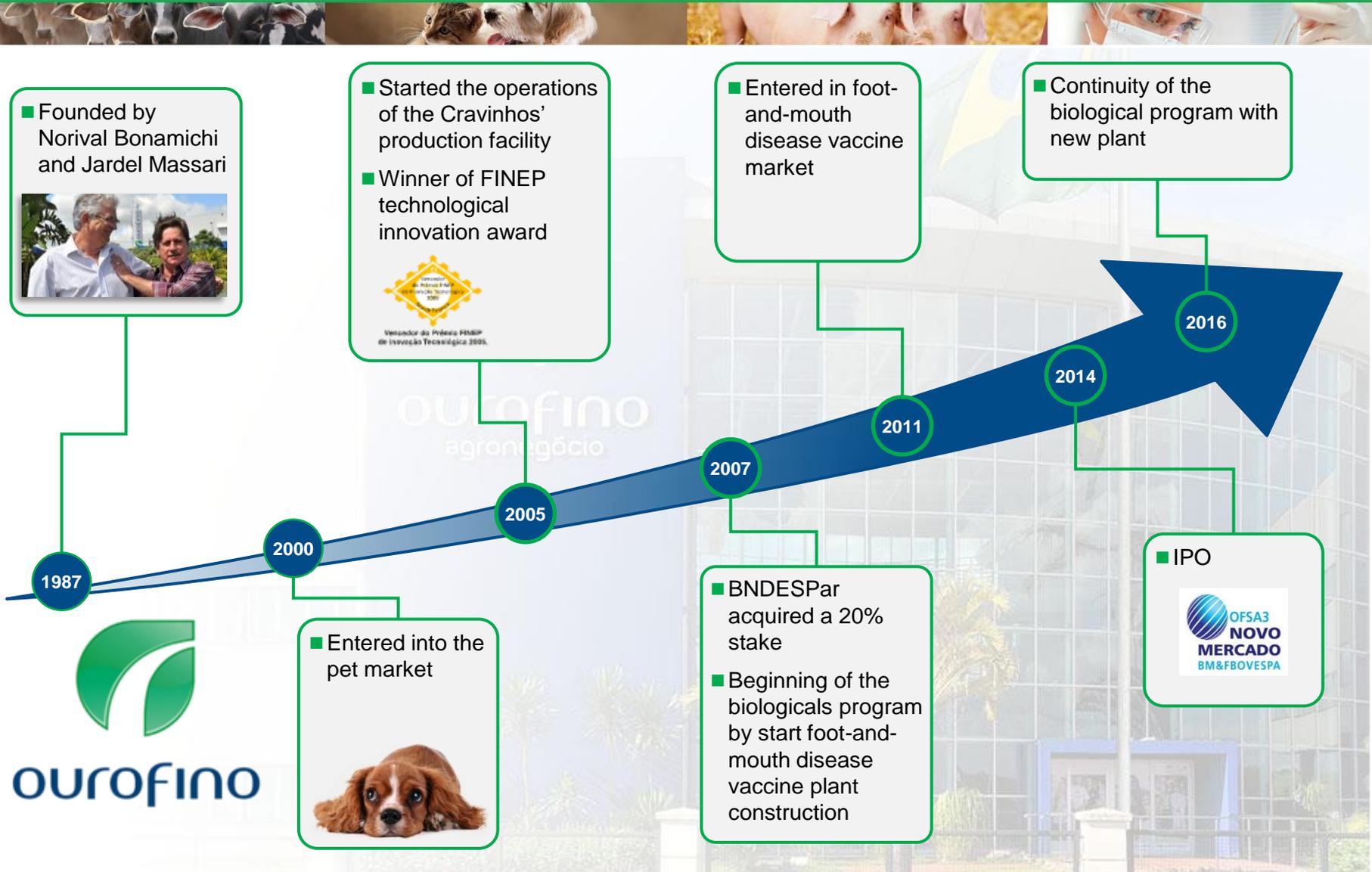




Ourofino Saúde Animal
35th Annual J.P. Morgan Healthcare Conference

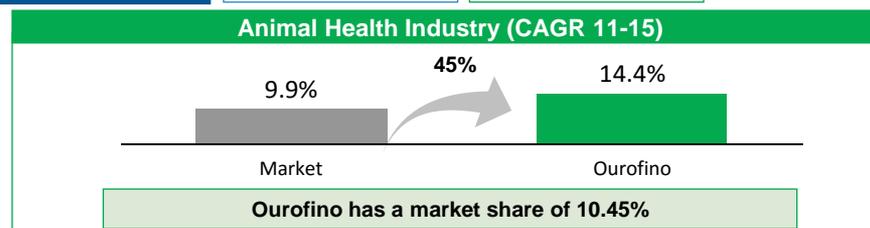
29 Year History



What we do

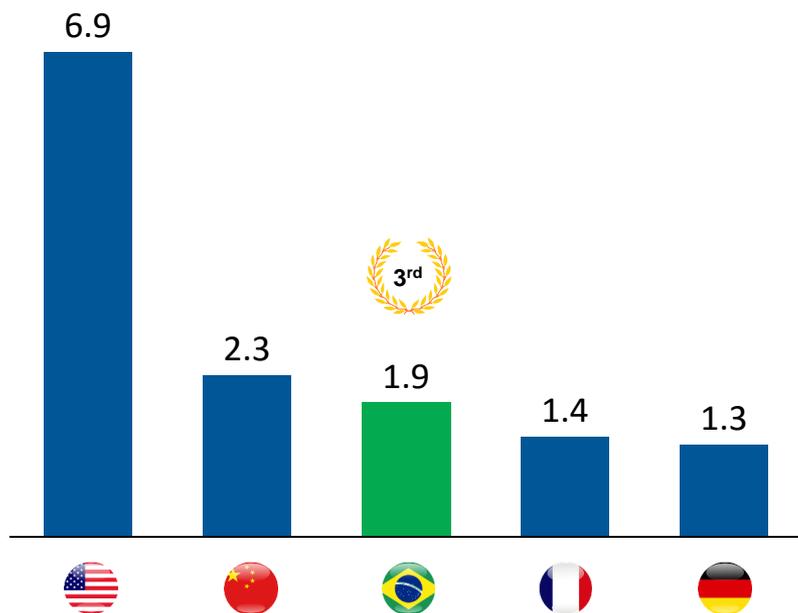
A veterinary pharmaceutical company

		% of net revenues	Production animals	Companion animals	International operations	Selected products
Products per Category	Vaccines	9.7%	4	-	Ouro Fino currently exports to 14 countries throughout the world	 Ourovac Aftosa Ourovac Clostridium
	Antiparasitics	40.0%	24	4		 Colosso FC30 Master LP
	Antibiotics	20.3%	20	6		 Ciproloc Doxifin PS
	Therapeutic	16.6%	16	13		 Sincrocio Dermotrat
	Nutritional	3.1%	9	9		 Enragold Ractosuín
	Others	10.3%	13	1		 Herbalvet MaxicamGel
% of net revenues (2015)			81%	12%	7%	
# of products from current portfolio 2015			86	33		

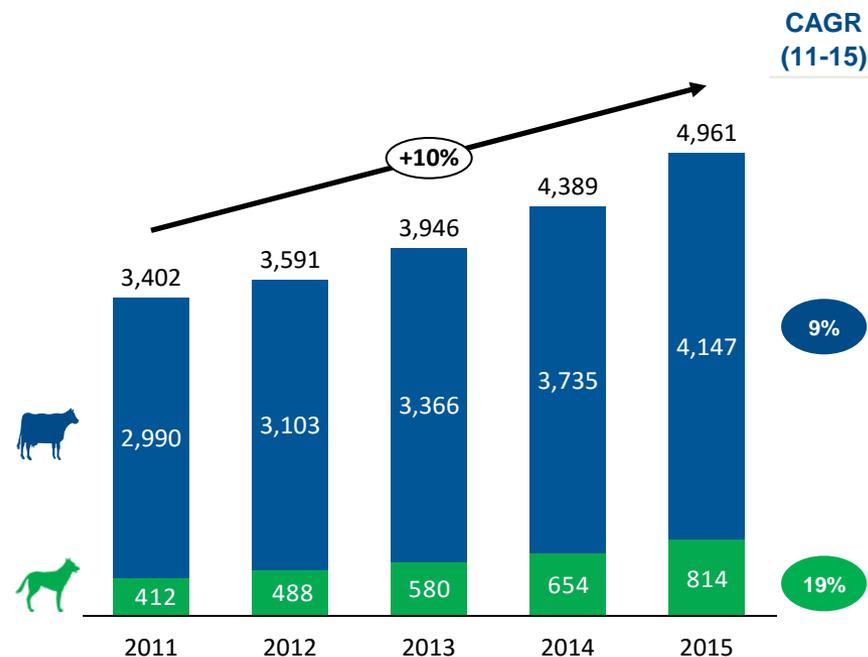




 Global (US\$ bn) – 2014E



 Brazil (R\$ mm)



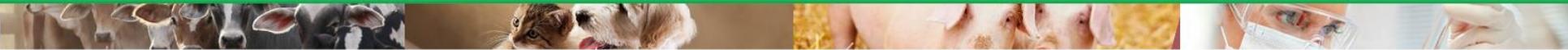
Brazil as the 3rd largest market with strong growth opportunities

Highlights

Major animal protein producer

Still incipient in the use of animal health products

Growing need to improve animal productivity as a key driver of demand for animal health products



Production Animals

Market Size (%)
World Brazil

Brazil
Growth
(11-15)

Companion Animals

- Population and income growth drive demand for meat and dairy
- Lower availability of land puts pressure to increase productivity

- Aging and growth of income driving demand for pets
- Humanization of pets driving growth in average spending
- Also the pets themselves are living longer

Gap

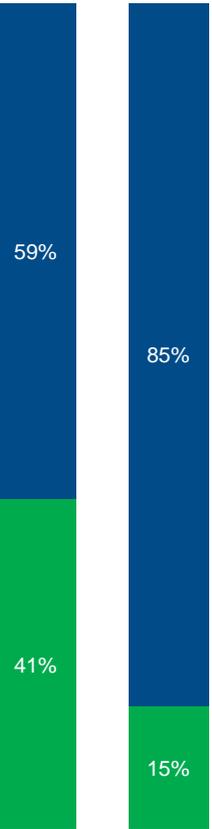
Gap

	Herd Turnover	Annual Spend per Head (US\$)
	36.7%	21
	25.1%	6

+3.5x

	Pet population (million)	Pet Market (US\$ Bi)
	144	60.3
	74	5.4

+11x



9%

19%

Leading Position and Proven Ability to Gain Market Share

Ouro Fino plays a key role in the animal health market, being the largest local player

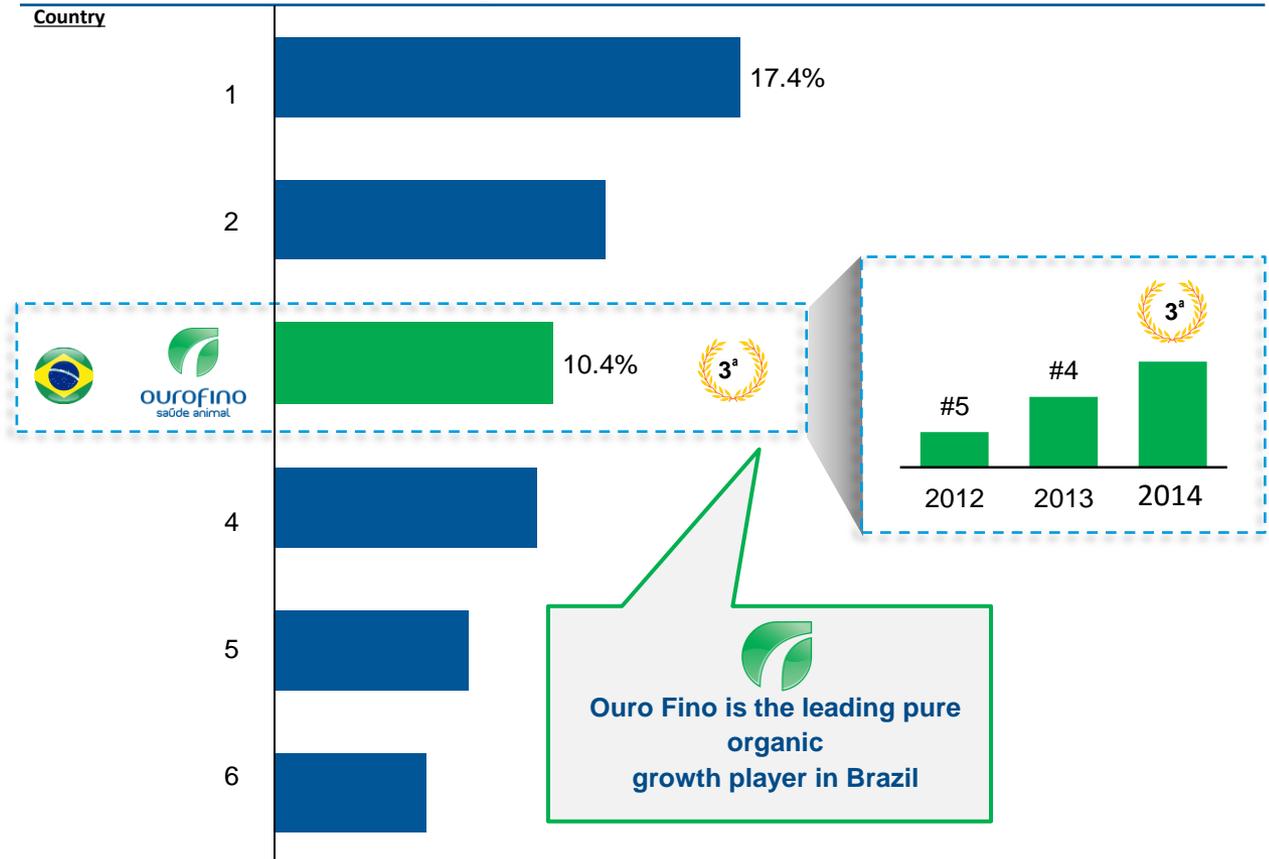
Highlights

Closer relationship with clients

- Direct sale to resellers in production animals
- Technical sales and educational programs

Customization via molecule combination and application methods

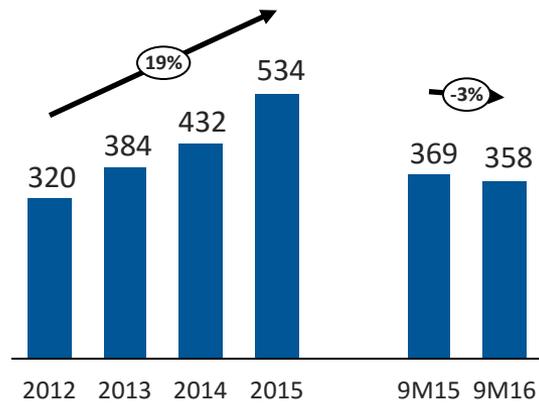
Brazilian Animal Health Ranking¹



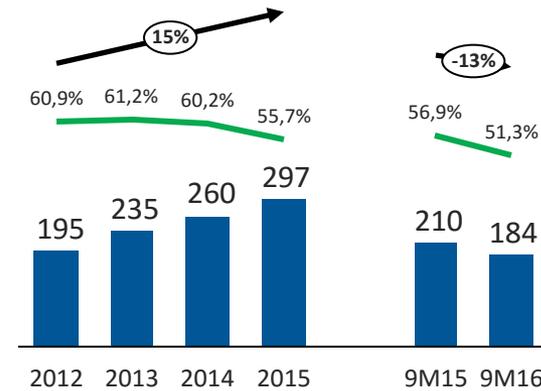
Financial Highlights



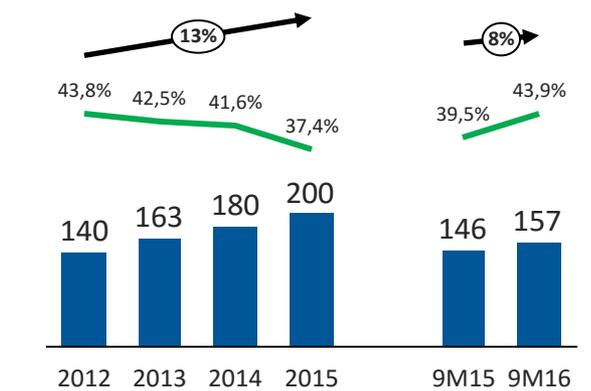
Consolidated net revenues (R\$m)



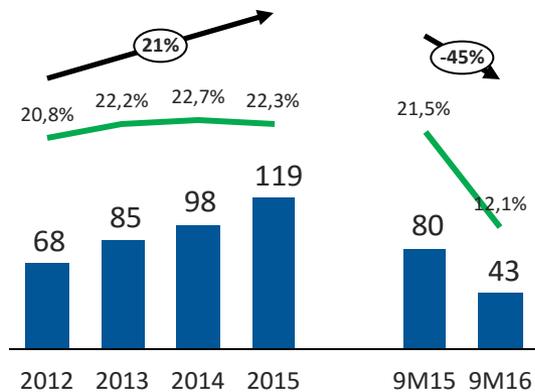
Gross profit (R\$m) and margin



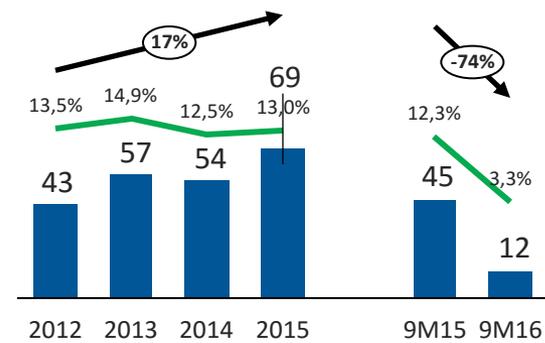
SG&A (R\$m) percentage on net revenue



EBITDA (R\$m) and margin

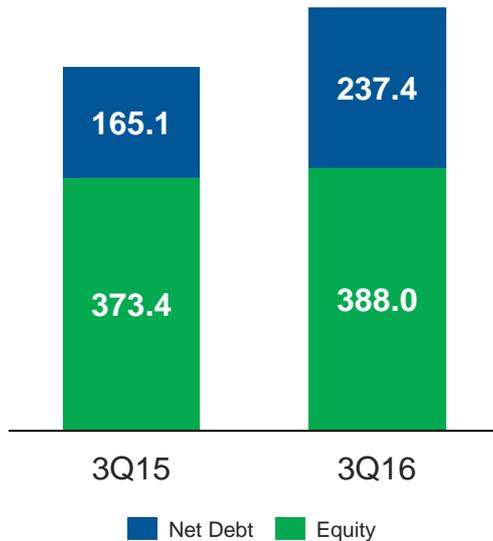


Net profit (R\$m) and margin



Net debt and CAPEX

Net Debt x Equity (R\$ mm)



Net Debt.¹ / Adjusted EBITDA

1.48x

2.95x

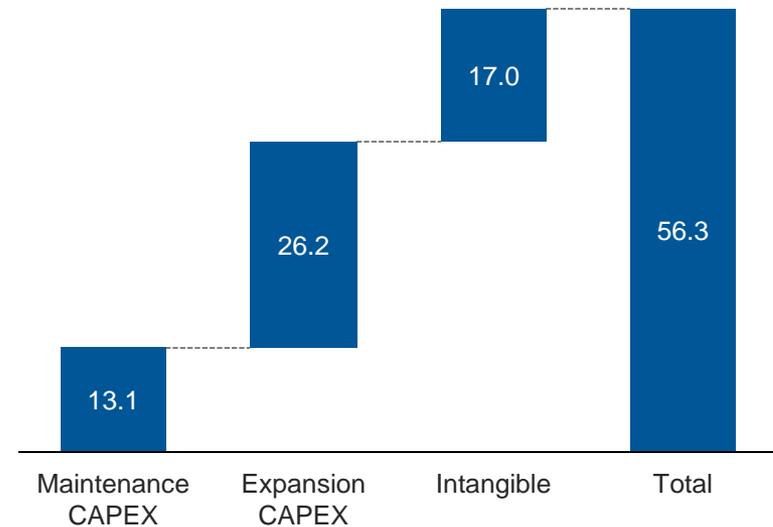
Average interest on debt in sep 30¹

6.75%

9.61%

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

CAPEX in 9M16 (R\$ mm)



- FINEP lines:
 - R\$ 106 MM totally disbursed by the end of 4Q16
 - Completed by R\$ 42 MM tranche in December of 16
 - Fixed interest rate of 4.5% per year in Brazilian Reais
- For 4Q16 the average interest should improve as well as debt profile





Q&A

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