

















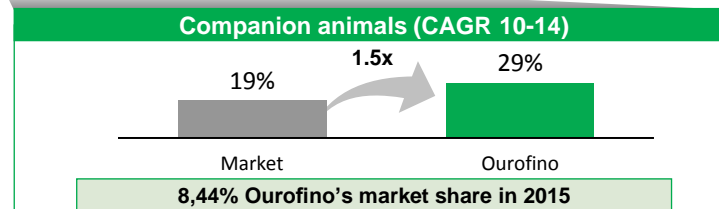
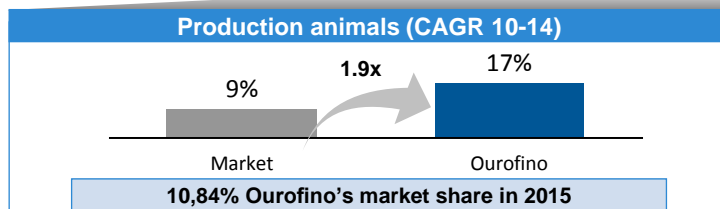




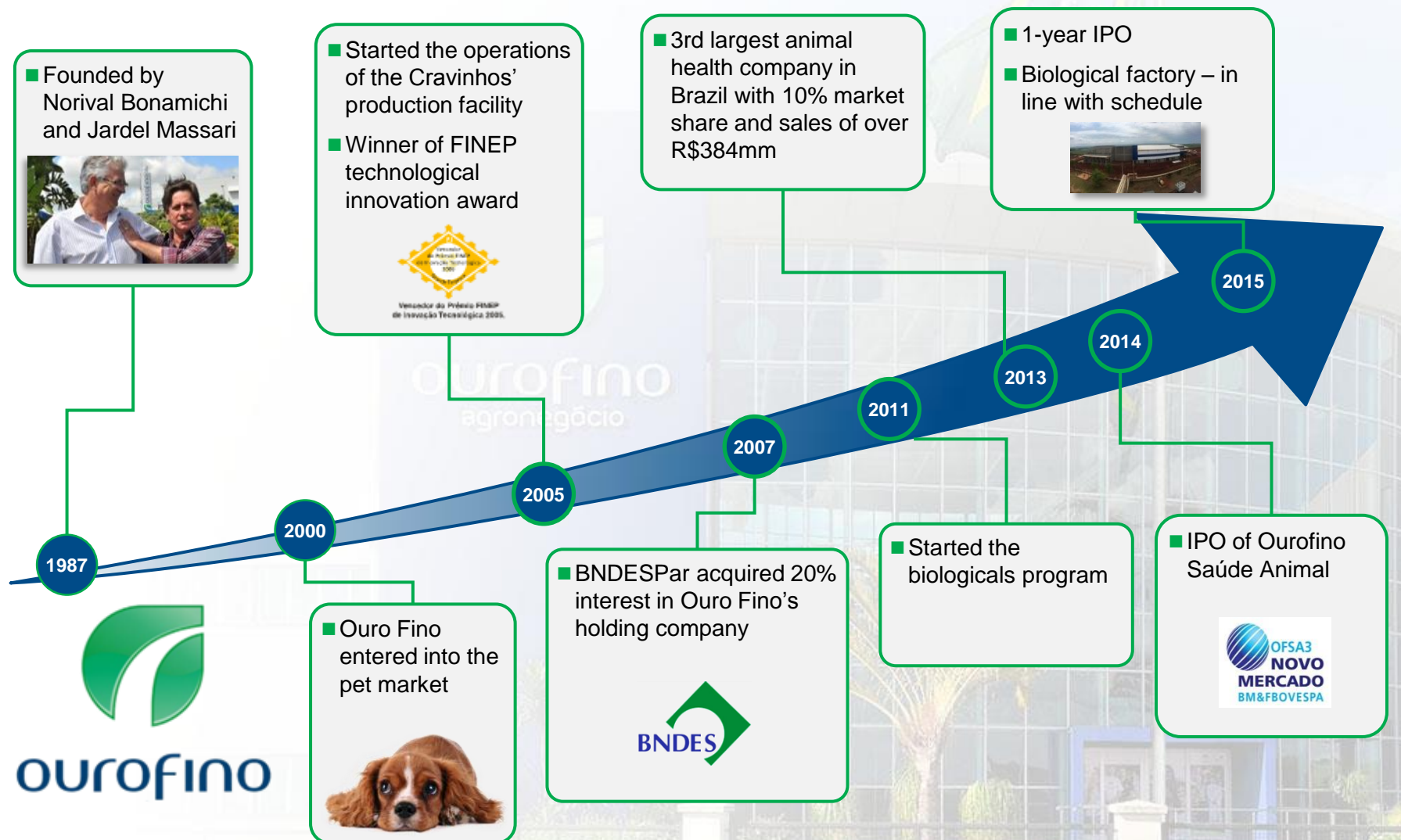
Ourofino: what we do

A veterinary pharmaceutical company

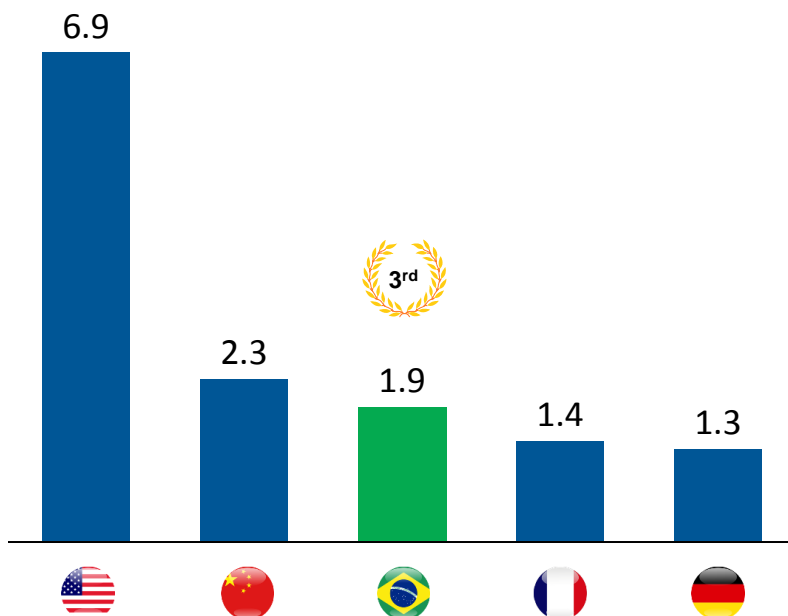
		% of net revenues	Production animals	Companion animals	International operations	Selected products
Products per Category	Vaccines	9.7% 	4	-	Ouro Fino currently exports to 14 countries throughout the world	  Ourovac Aftosa Ourovac Clostridium
	Antiparasitics	40.0% 	24	4		  Colosso FC30 Master LP
	Antibiotics	20.3% 	20	6		  Ciprolac Doxifin 50PS
	Therapeutic	16.6% 	16	13		  Sincrogest Dermotrat
	Nutritional	3.1% 	9	9		  Enragold Biocanis
	Others	10.3% 	13	1		  Herbalvet MaxicamGel
% of net revenues (2015)			81%	12%	7%	
# of products from current portfolio 2015			86	33		



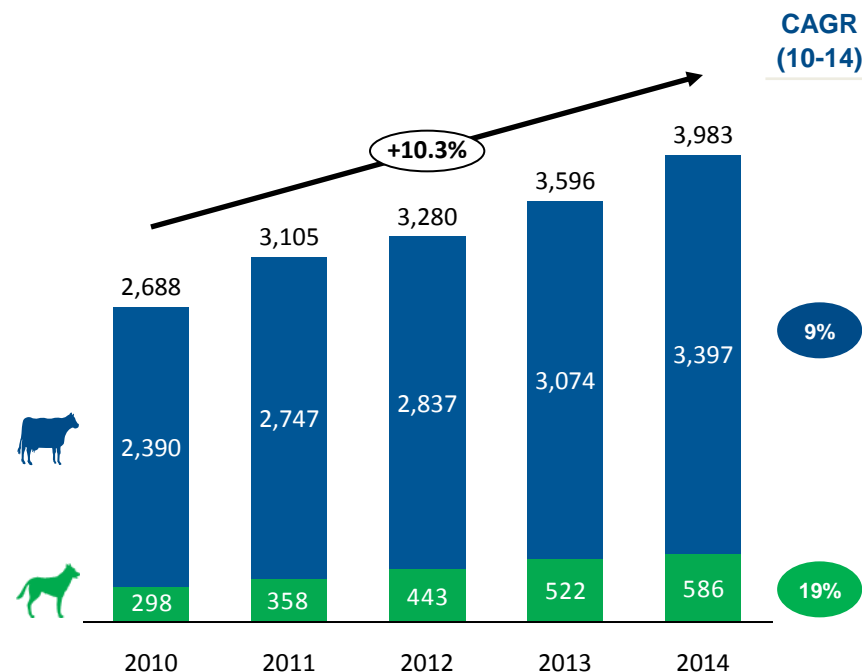
Ouro Fino Has a 29 Year History of Market Leadership



 **Global (US\$ bn) – 2014E**



 **Brazil (R\$ mm)**



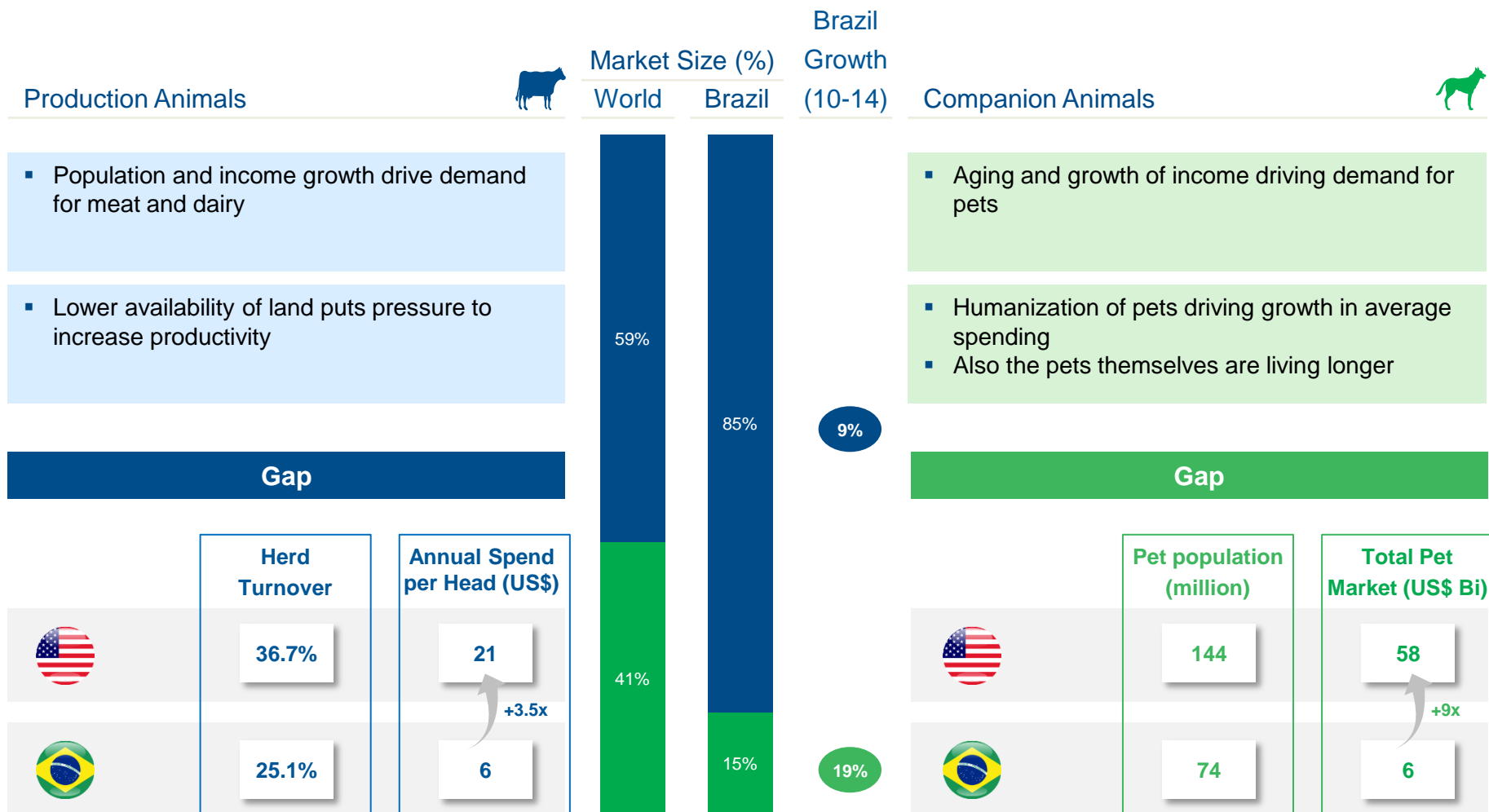
Brazil as the 3rd largest market with strong growth opportunities

Highlights

Major animal protein producer

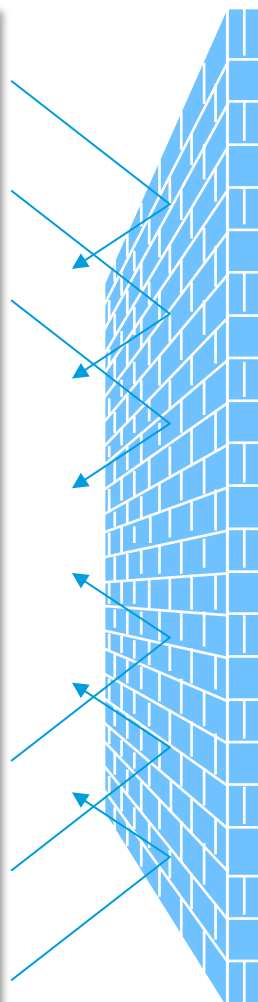
Still incipient in the use of animal health products

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





Barriers to Entry



Entry Barriers in the Sector



Product Registration

- Need operating plant to apply for a new registration
- 4 years, on average, to have a new product registered



Brand

- Track record
- Customer loyalty



Distribution / Sales

- Nationwide and efficient distribution network
- Well trained sales force with a solid network of clients



Products

- Complete portfolio of products
- Products customized for Brazil



Regulatory Framework for Manufacturing Process

- Guidance for the inspection of veterinary products and manufacturers' facilities

Ouro Fino's Main Strengths

- Fully operational plant
- 115 people in R&D
- 39 products launched in the last 5 years

- 29 years track record

- Present in all Brazilian states
- More than 4,500 clients across Brazil and internationally

- Approximately 120 products Flexibility to produce different types of formulas, dosages and application methods

- Plants that meet Brazilian authorities' regulatory requirements and are also fully compliant with international standards

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

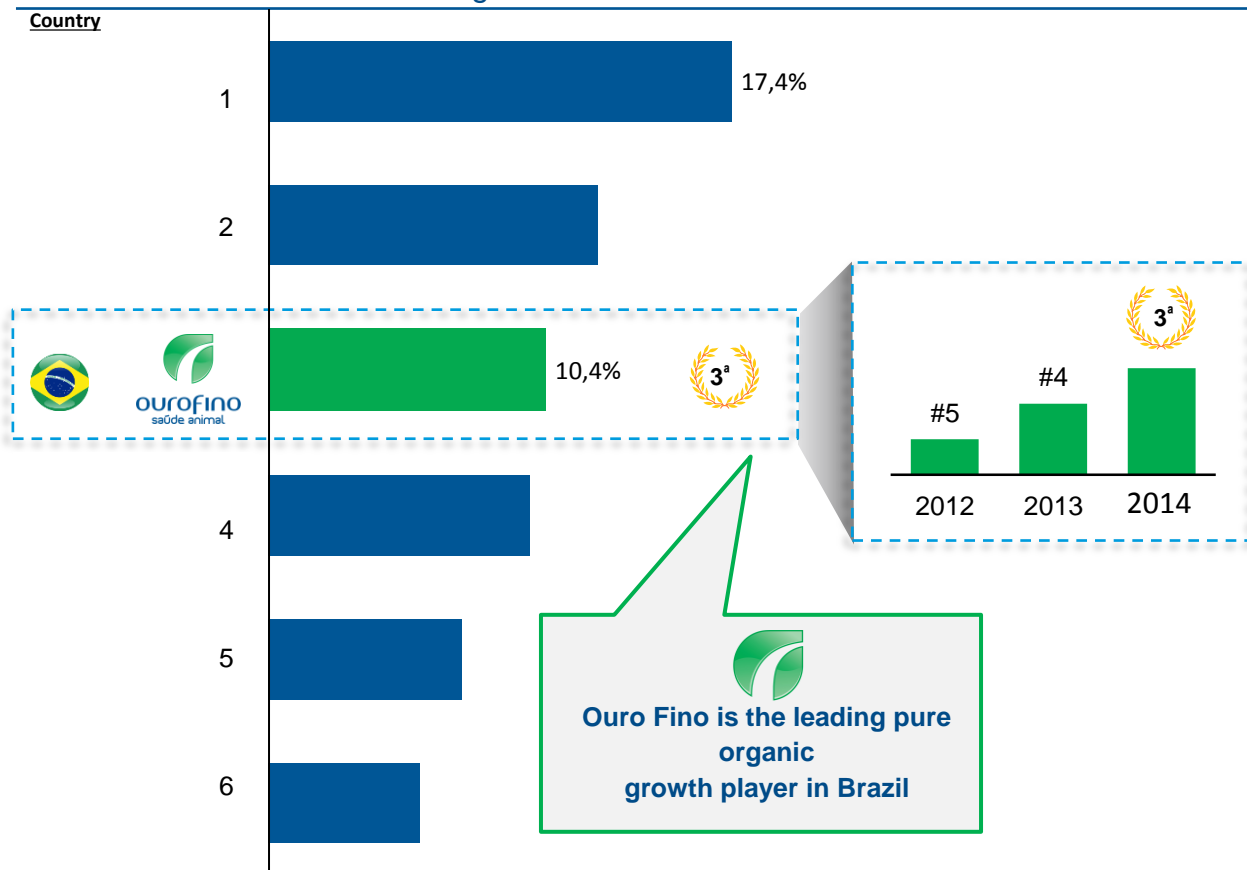
Highlights

Closer relationship with clients

- Direct sale to resellers – No distribution
- Technical sales and educational distribution

Customization via molecule combination and application methods

Brazilian Animal Health Ranking¹

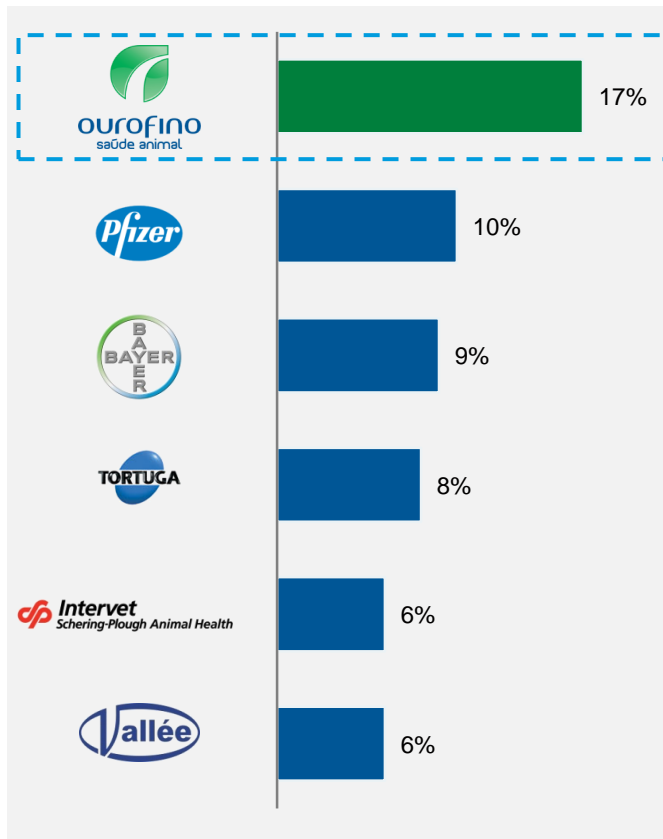


Widely recognized brand

“Top-of-mind” brand in the market, widely recognized by customers, competitors and suppliers and a highly awarded company

Brand recognition in the Brazilian Animal Health sector

Most admired company in the veterinary segment



Source: Carta Capital magazine as of 2010

Recent company achievements



Animal Pharm award for best company – Latin and South America.



Época magazine award for one of the greatest places to work in Brazil in 2005, 2008, 2009, 2010, 2011, 2012, 2013 and 2014



Exame magazine award for one of the 150 best places to work in Brazil in 2005, 2006, 2008, 2009, 2012, 2013 and 2014



Anpei award for innovative approach



FINEP technology innovation award



Ernst & Young award for the top entrepreneur of the year



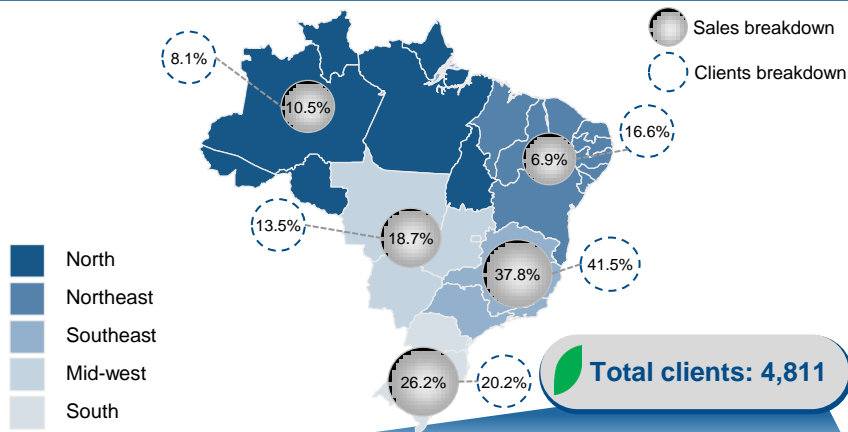
Ouro Fino is recognized since 2000 by Fundação Abrinq as a company that supports child development

Diversified client base and broad distribution network

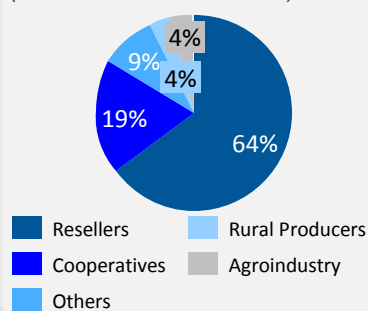
Scope of product portfolio coupled with strong customer relationships leads to one stop shopping for customers

Production animals

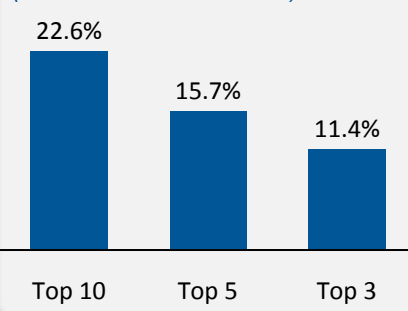
Sales and clients breakdown in Brazil (2015)



Client breakdown
(% of 2015A net revenues)

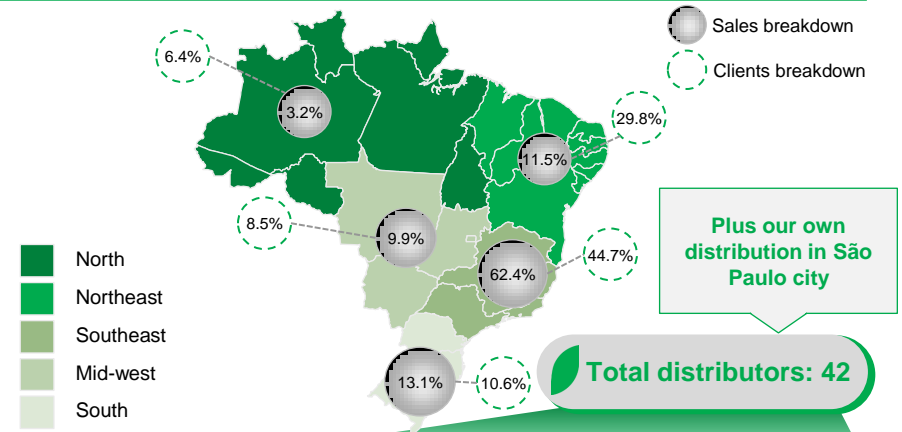


Client concentration
(% of 2015A net revenues)

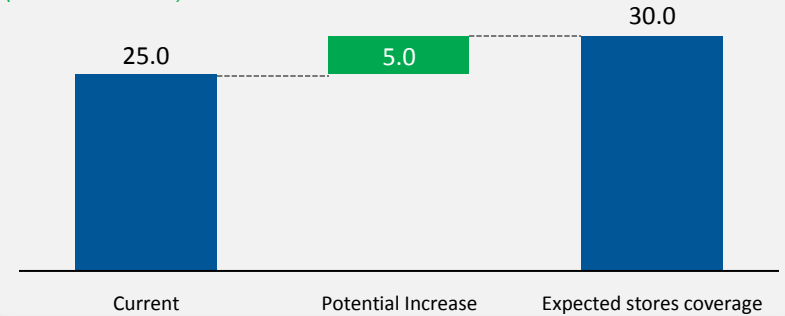


Companion animals

Sales and client breakdown in Brazil (2015)



of PET stores covered ('000 stores)
(As of Dec 2015)



State-of-the-art production facilities

The largest production facility of animal health products in Brazil



Higway Anhanguera, KM298 – Cravinhos / SP

- 1 Headquarters
- 2 Laboratory for quality control and R&D
- 3 Pharmaceuticals production facilities
- 4 Warehouse / shipping facilities
- 5 Animal defensives production facilities
- 6 Hormones production facilities
- 7 Foot-and-mouth vaccine production facilities
- 8 Biological QC and future general vaccines production facilities

One of the most modern plants in the veterinary segment

Compliance with top national and international standards for quality certification: US FDA, MAPA, GMP and EM

Advanced IT system (SAP) implemented

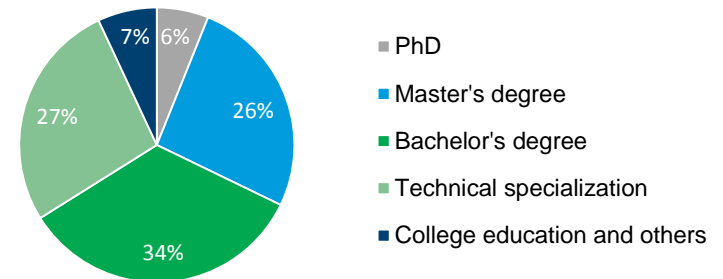
Expertise in product development with best-in-class R&D practices

Partnerships to advance research programs and drive new business opportunities

- ✓ R\$ 86 mm of R&D investments in the last 3 years, an average of 6% of net revenues invested every year
- ✓ Grupo Ouro Fino has its own internal research center to lead clinical studies and field experiments
- ✓ R&D team with over 115 highly capacitated employees
- ✓ Open innovation model: transformation of ideas into products
- ✓ R&D and Marketing teams mapping the trends in the animal health industry



Education profile of the R&D team



Strong relationship with innovation powerhouses



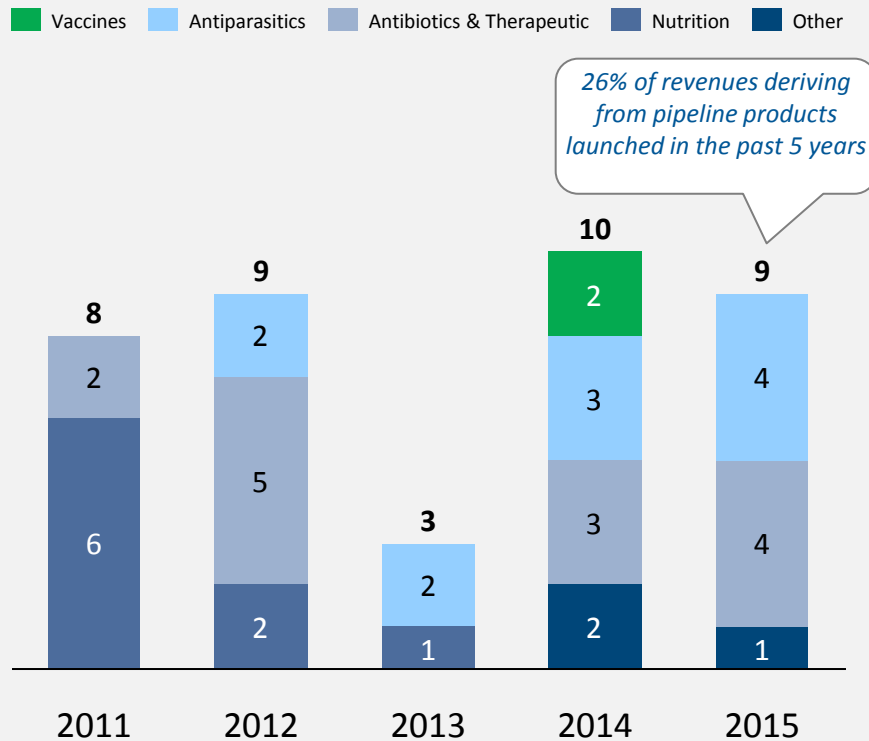
Dedicated farm for product experiments



Expertise in product development with best-in-class R&D practices

With an extensive pipeline of innovative products, Ourofino is well positioned to continue its accelerated growth path

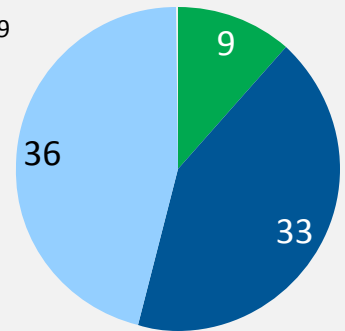
Products launched



39 products launched in the last 5 years

Expected launching schedule

- Launched in 2015
- To be launched until 2018
- To be launched starting 2019



69 products to be launched in the next years












Significant room for growth

of biologicals

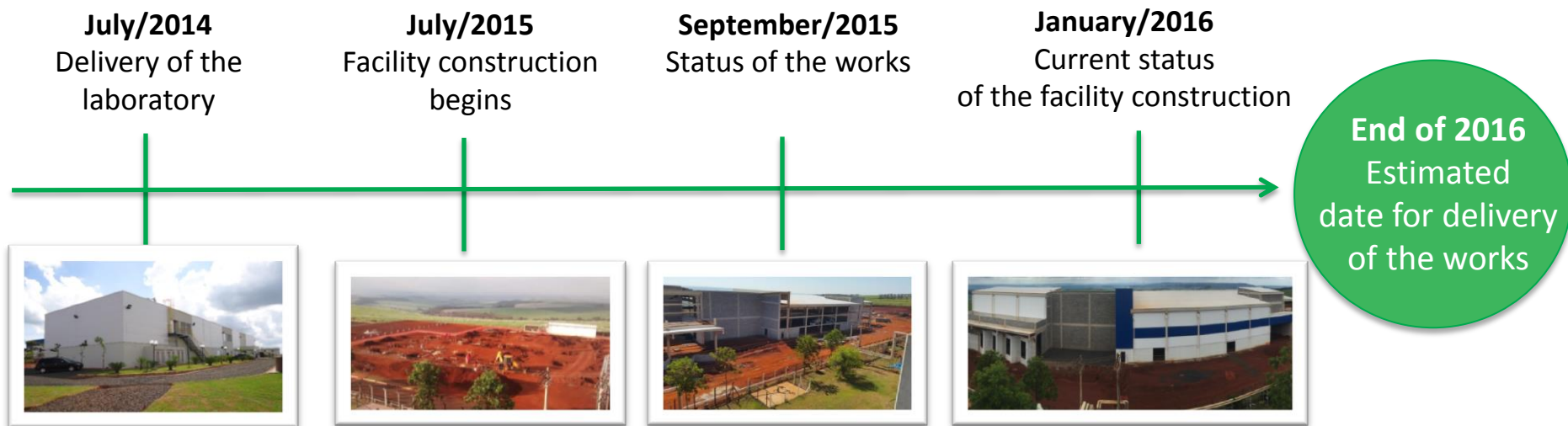
Launched Products in 2015

9 products launched in 2015

Category		Category	
	Voss Performa Eprinomectin-based broad-spectrum endectocide for cattle		Doxifin Tabs Doxycycline-based palatable antimicrobial for dogs and cats
	Enfrent Prescribed for the treatment and prevention of parasitic sadness in cattle		Isocox Support in the treatment of a disease called black diarrhea
	Lactofur For the treatment of severe infections in dairy and beef cattle and swine		Trissulfim SID Prescribed for the treatment of infections in canine
	Ciprolac – Dry Cow For the prevention and healing of mastitis (mammary gland infection) in the dry period, for the cows to produce more milk of a better quality		Superhion Ectoparasite for protecting cattle against ticks, horn fly and screwworm.
	Colosso Avicultura For control of specific type of poultry lice and mealworm beetle.		



Construction Schedule

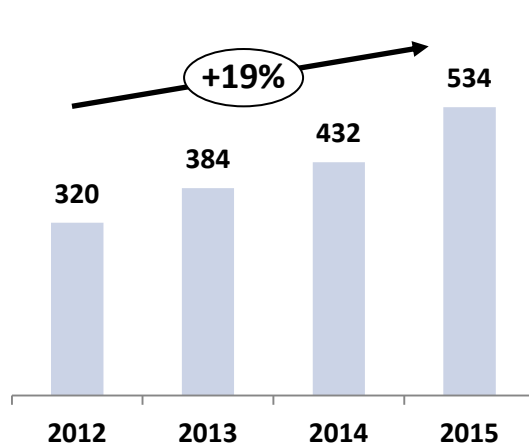


DEVELOPMENT AND REGISTRATION OF PRODUCTS

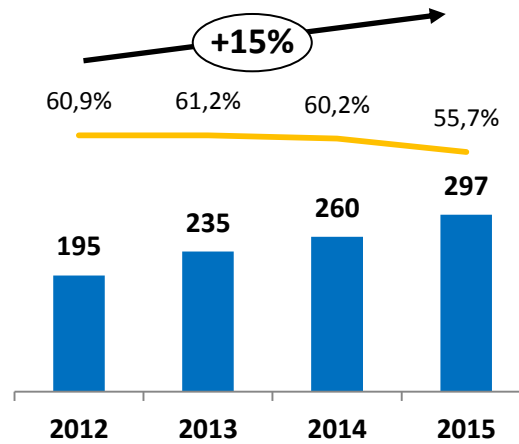
Growth with healthy margins



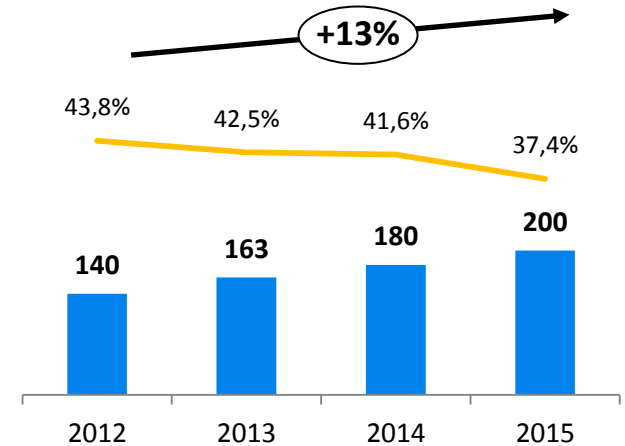
Consolidated net revenues (R\$m)



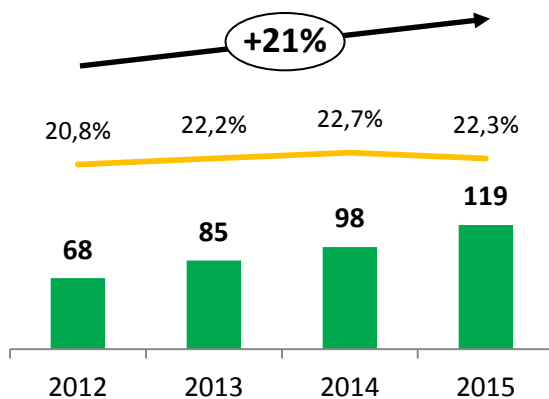
Gross profit (R\$m) and margin



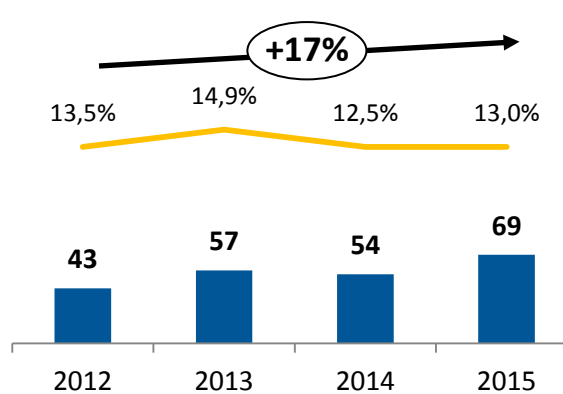
SG&A (R\$m) percentage on net revenue



EBITDA (R\$m) and margin



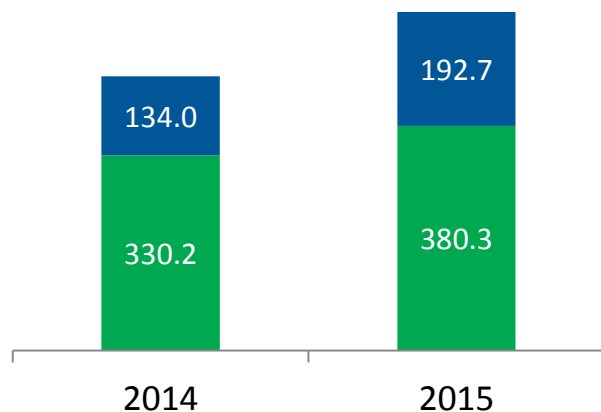
Net profit (R\$m) and margin



**High cash flow
predictability**

Net debt and CAPEX

Net Debt x Equity (R\$ mm)



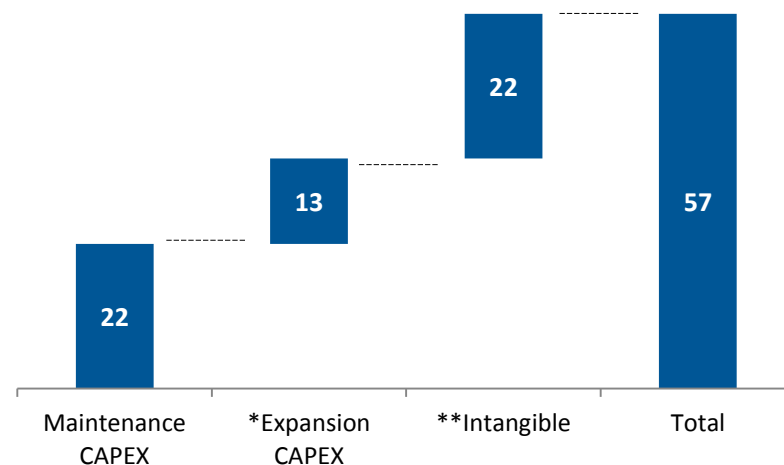
■ Net Debt ■ Equity

Net debt / Equity	0.41x	0.51x
Net Debt / Adjusted EBITDA	1.37x	1.62x
Average cost of debt (in December) ²	7.54%	7.98%

² Average cost calculated taking into account derivative financial instruments for hedging purposes.

Source: Company information

CAPEX in 2015 (R\$ mm)



*Mainly the Biological Center of Technology
**mostly R&D

- In December 2014 we entered into a new loan agreement with FINEP:
 - R\$ 106 million
 - There is still the remaining R\$ 64 million of the FINEP signed facility ready for investment consumption

Ouro Fino's Long Term Strategy

