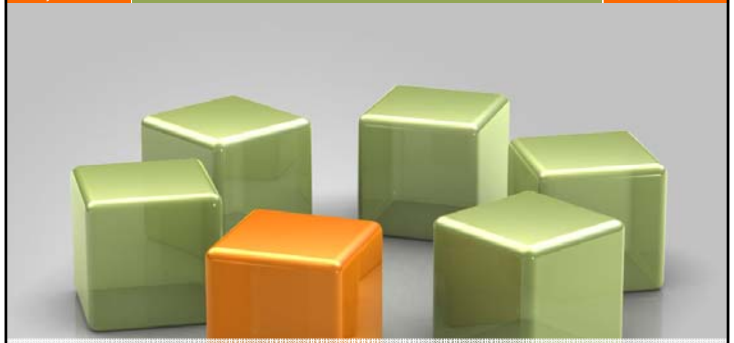
GfK Kynetec | July 2010



VetTrak Republic of Ireland Medicines Review

July 2010

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ROI DATA SUPPLIERS

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- AGRIHEALTH (MONAGHAN)
- C&M (LIMERICK)
- CAHL/CAHL RETAIL (CARLOW)
- CHANELLE (GALWAY)
- UNIPHAR/ALLPHAR (DUBLIN)

- TP WHELEHAN
- CMR
- ALMAN CHEMICALS
- ACRAVET
- COYLE VET
- INTERVET DIRECTS
- VETOQUINOL DIRECTS
- NOVARTIS DIRECTS
- BIMEDA DIRECTS

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Methodology

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- The charts produced in this review are created from the data collected and processed each month.
- Data is received from the 5 major Animal Health wholesalers in the ROI – **Agrihealth, C&M, CAHL, Chanelle, Uniphar**. We also collect data from a number of smaller wholesalers and direct sales manufacturers – Acravet, Allphar, Alman Chemicals, Bimeda, CMR, Coyle Vet, Intervet/SP, TP Whelehan, Vetoquinol.
- From these we receive - a Sales, Product and Customer file, which are imported into our Production system. Each product unit of data we collect is multiplied by the professional/list (trade) price of that product in order to get a €value (excl. VAT).
- The result is a comprehensive monthly survey of the products being sold into vet practices, pharmacies, co-ops, merchants, farms etc in the ROI. Our database monitors **product usage** in ROI.

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Next........

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- **The total market performance**
- **The concentration of outlets/customers**
- **The concentration of manufacturers**
- **The concentration of the market**

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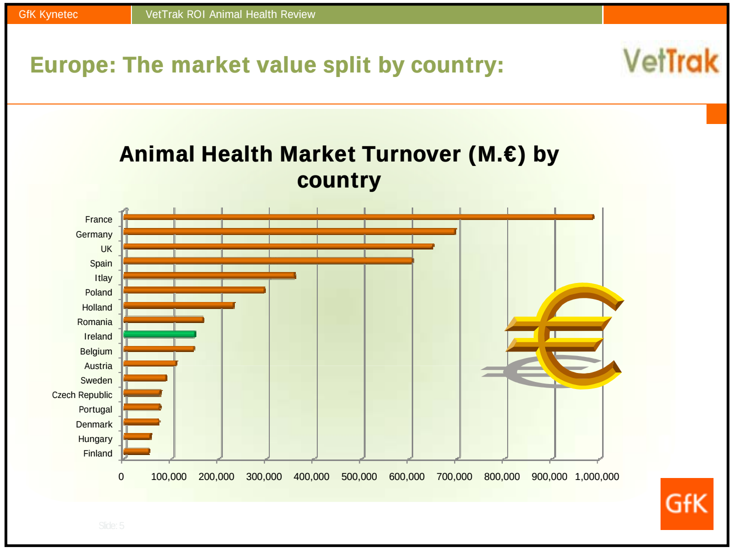
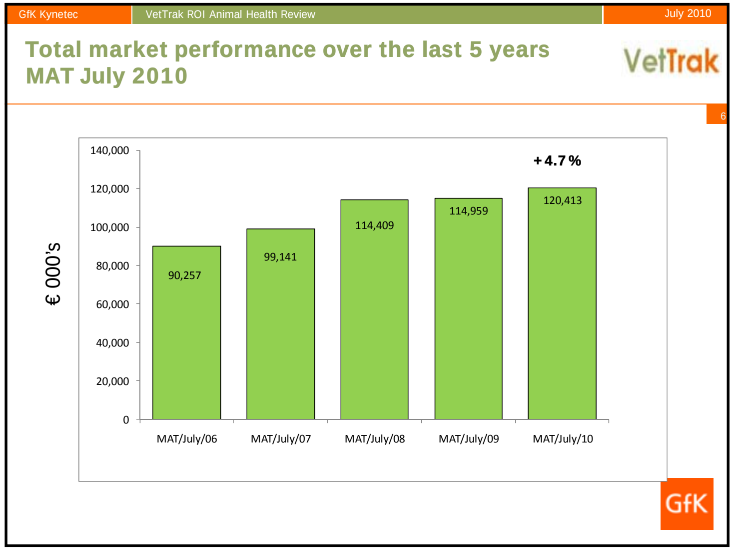
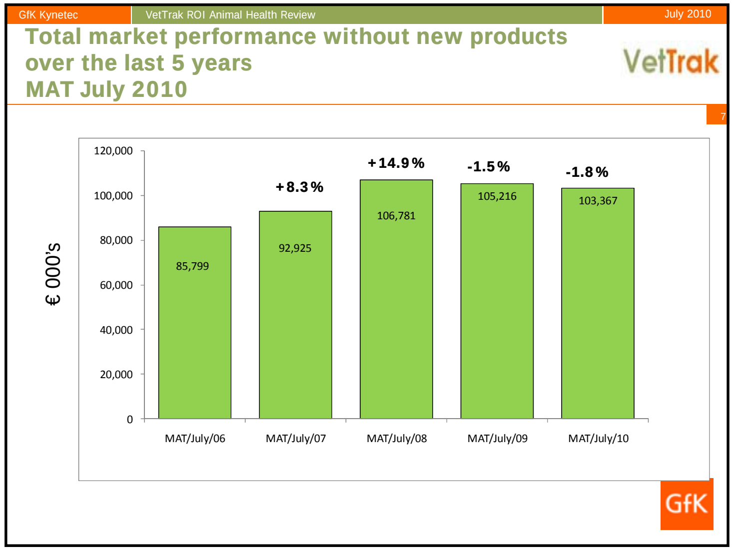
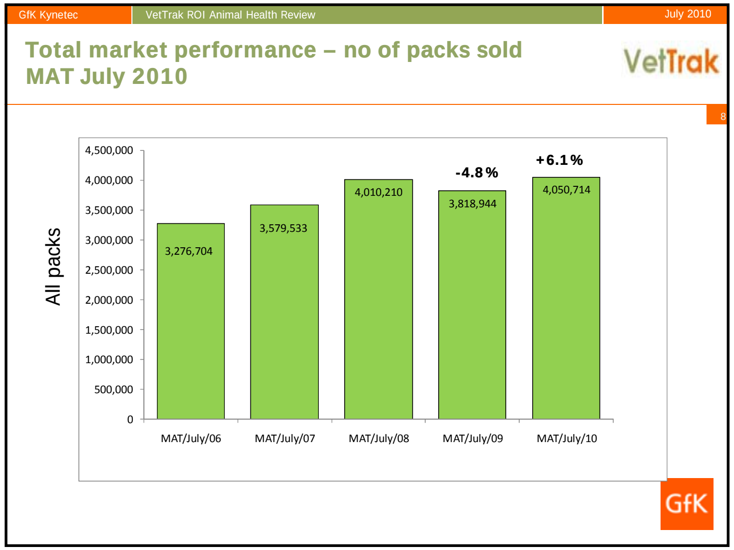

GfK Kynetec
VetTrak ROI Animal Health Review
Europe: The market value split by country:
VetTrak
Animal Health Market Turnover (M.€) by country
France
Germany
UK
Spain
Itlay
Poland
Holland
Romania
Ireland
Belgium
Austria
Sweden
Czech Republic
Portugal
Denmark
Hungary
Finland
0
100,000
200,000
300,000
400,000
500,000
600,000
700,000
800,000
900,000
1,000,000
GfK


GfK Kynetec
VetTrak ROI Animal Health Review
July 2010
Total market performance over the last 5 years
MAT July 2010
VetTrak
6
€ 000's
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
+4.7%
90,257
99,141
114,409
114,959
120,413
MAT/July/06
MAT/July/07
MAT/July/08
MAT/July/09
MAT/July/10
GfK


GfK Kynetec
VetTrak ROI Animal Health Review
July 2010
Total market performance without new products over the last 5 years
MAT July 2010
VetTrak
7
€ 000's
120,000
100,000
80,000
60,000
40,000
20,000
0
+8.3%
+14.9%
-1.5%
-1.8%
85,799
92,925
106,781
105,216
103,367
MAT/July/06
MAT/July/07
MAT/July/08
MAT/July/09
MAT/July/10
GfK


GfK Kynetec
VetTrak ROI Animal Health Review
July 2010
Total market performance – no of packs sold
MAT July 2010
VetTrak
8
All packs
4,500,000
4,000,000
3,500,000
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
0
-4.8%
+6.1%
3,276,704
3,579,533
4,010,210
3,818,944
4,050,714
MAT/July/06
MAT/July/07
MAT/July/08
MAT/July/09
MAT/July/10
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Total market farm v companion animal MAT July 2010 €120 Million (+4.7%)

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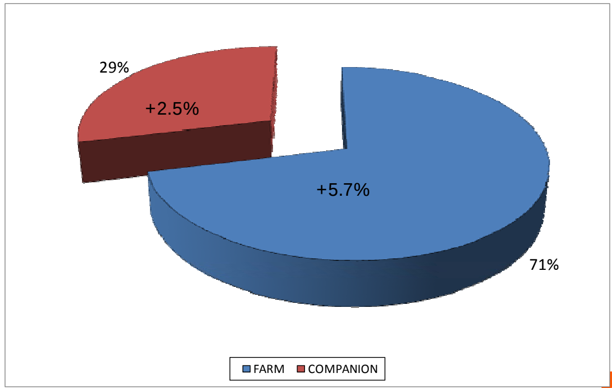

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GfK Kynetec | VetTrak ROI Animal Health Review | July 2010

Total market farm v companion animal incl. Pet food/diets MAT July 2010 €130 Million (+4.8%)

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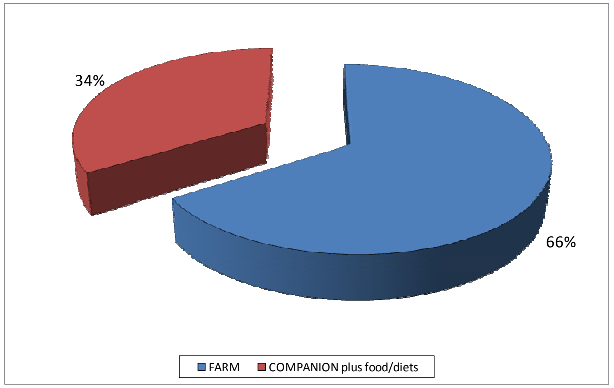
10



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Outlet/customer concentration

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- **Where is the business coming from?**

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Total market by customer type MAT July 2010 €120 Million (+4.7%)

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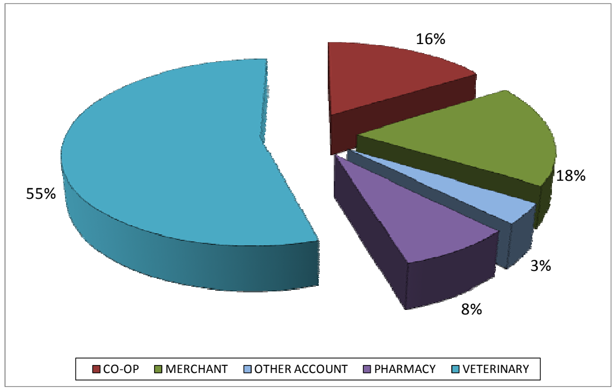

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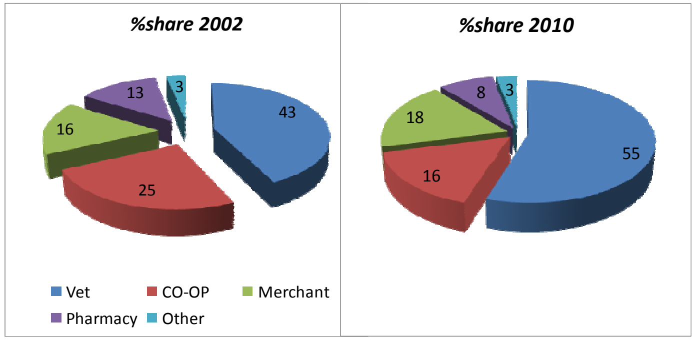
Total market by customer type 2010 v 2002



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Outlet / customer concentration

- Circa 3000 outlets! including co-op branches, merchants, pharmacies and of course vet practices. Many of those with merchant licences are small players.

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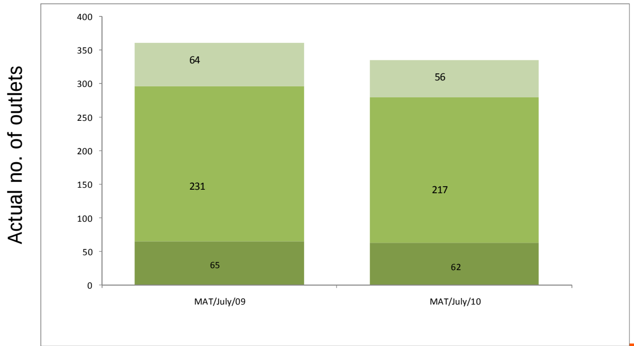
Outlets / customers 80 % concentration MAT July 2010



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Manufacturer concentration

- What companies are driving the market?

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Leading manufacturers' sales 1-10 MAT June 2002

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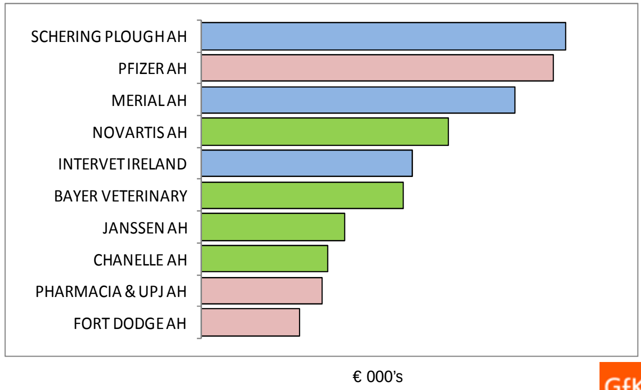

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GfK Kynetec | VetTrak ROI Animal Health Review | July 2010

Leading manufacturers' sales 1-20 MAT July 2010

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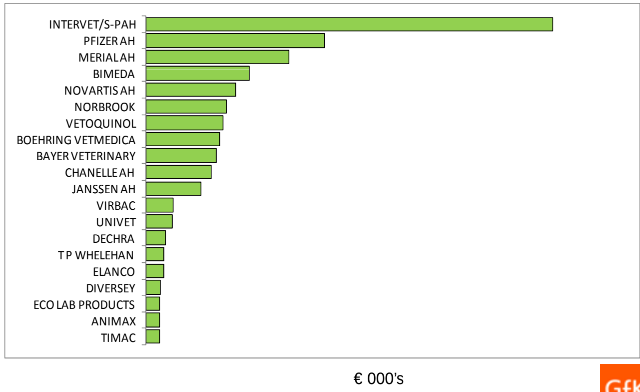
18



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Top 20 manufacturers – % share of market Last 3 years and compared to 2002

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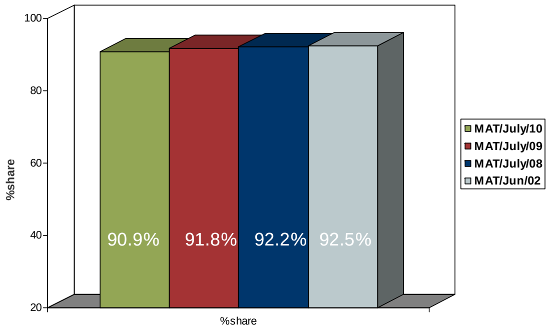
Slide: 19



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Market concentration

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- What are the major markets and products in the animal health market?

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Leading therapy classes
MAT July 2010

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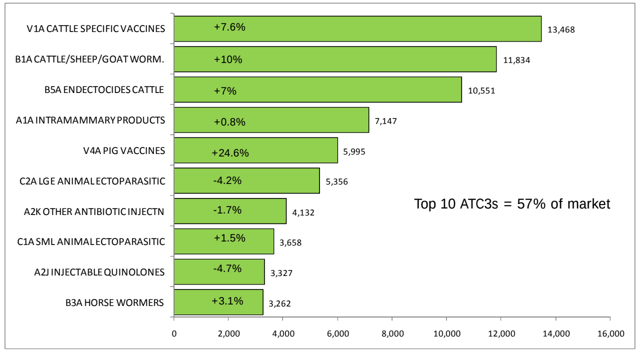

€ 000's

% growth compared to MAT/July/09

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Fastest growing ATC3's with sales over €750,000
MAT to June 2002

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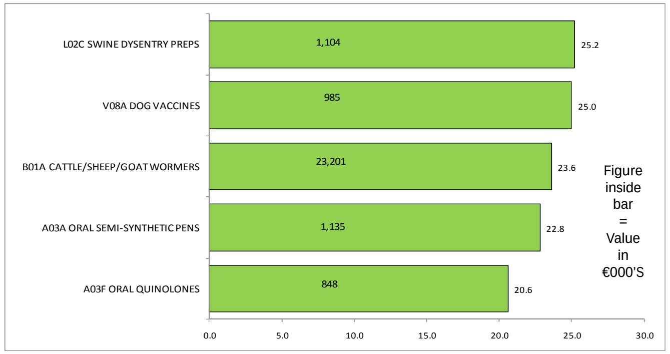

%

Growth MAT/June 2001 V MAT/June 2002

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Fastest growing ATC3's with sales over €1,000,000
MAT to July 2010

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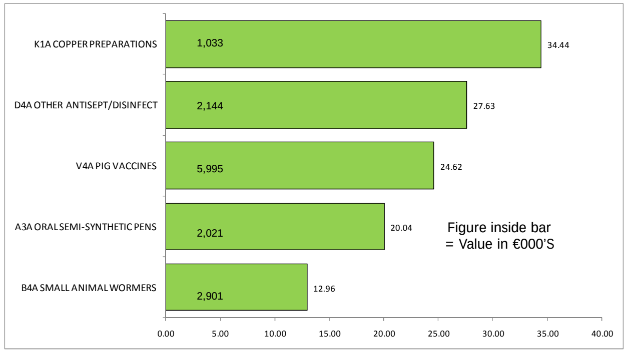

%

Growth MAT/July 2009 V MAT/July 2010

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Leading products 1-20
MAT July 2010

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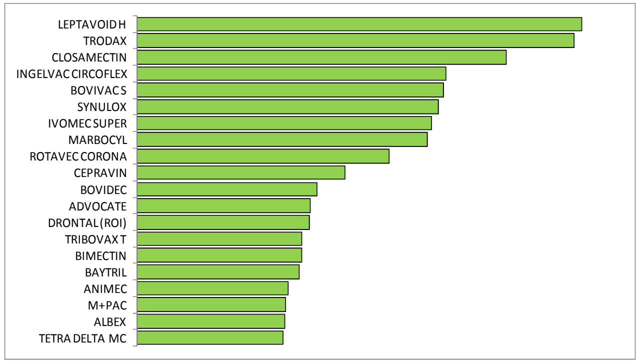

€ 000's

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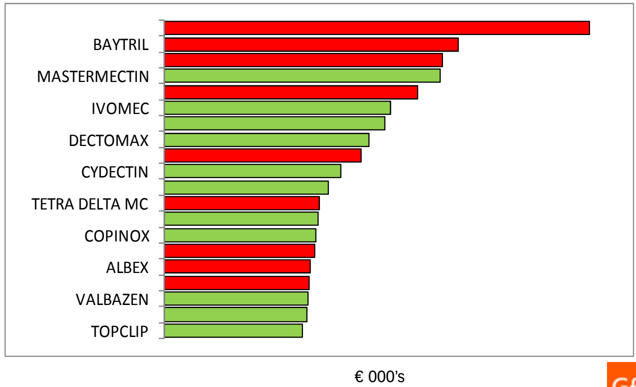
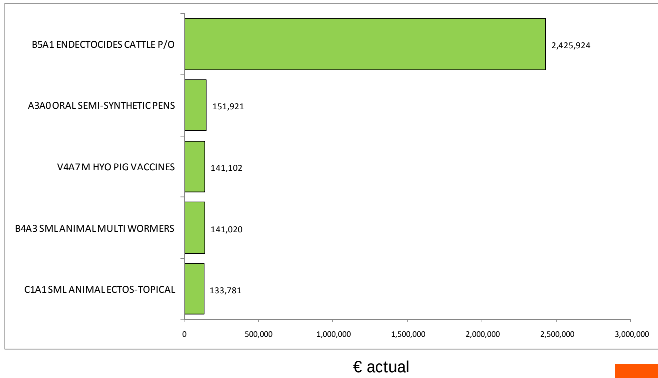
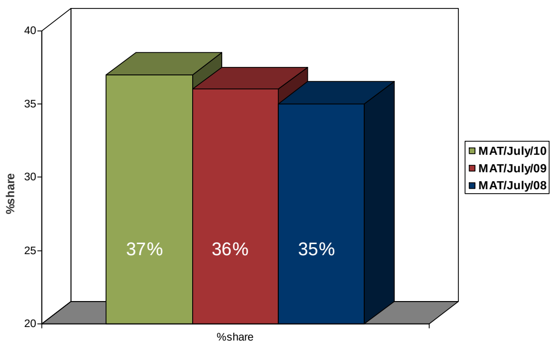
Leading products – who is still in the top 20? MAT June 2002



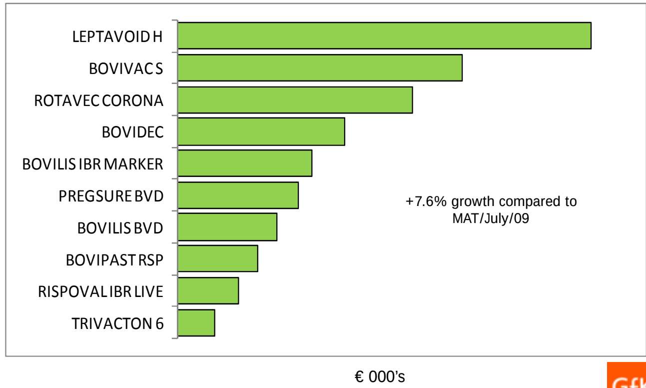
New products Top 5 therapy classes Sales for MAT / July / 10



Top 30 brands – % share of market Last 3 years



Cattle specific vaccines €13.5m MAT July 2010



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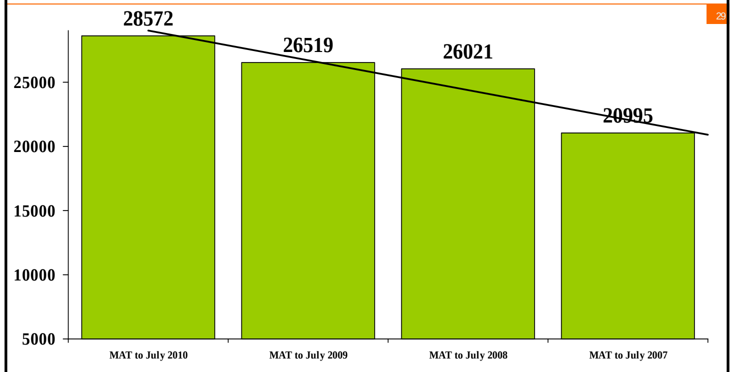
The growth in ALL preventative vaccines for the last 4 years

29



VALUE IN €000'S

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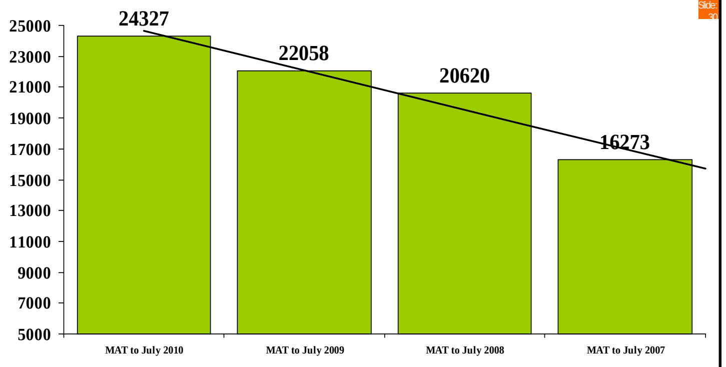
The growth in large animal preventative vaccines for the last 4 years

Slide: 30



VALUE IN €000'S

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Conclusion

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- **Ireland is the 9th biggest country in Europe in terms of animal health with 120m euro worth of trade price sales for the 12 months to July 2010.**
- **Over 70% related to farm animals , up to 30% to companion animals including Equine.**
- **Growth of 4.7% at trade price level and over 6% in the number of packs delivered. This is based on product usage and does not include any discounts.**
- **Without new products - decline of -1.8%. In 2008 the market had increased by 15%.**
- **Concentration of the market across customers, manufacturers and products. Various mergers and acquisitions. Lots of loyalty in the market to manufacturers and to products.**
- **The biggest change is in the type of customers: 1991 Vets =30% , 2002 vets = 43%, 2010 vets= 55% of the market, whilst the co-ops and pharmacies have declined.**
- **Some companies very recently have said they cannot really see much signs of recession in the animal health market.**
- **Thank-you all for listening.**

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Through knowledge, confidence

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Consultant
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denise.roche@gfk.com

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