



ANNUAL EARNINGS FOR 2006: A YEAR OF GOOD PERFORMANCE

The Vétoquinol Board of Directors met on April 13, 2007 to review business operations and approve the financial statements for 2006.

<i>In millions of euros</i>	2006	2005	Change
Revenues	211.6	196.6	+7.6%
<i>Constant exchange rate and scope</i>			+6.0%
Cash earnings from operations	25.6	23.1	+10.8%
<i>As a % of REV</i>	12.1%	11.8%	
Adjusted earnings from operations, after non-recurring items	24.8	18.8	+31.9%
Net income, group share	15.8	12.4	+27.2%

Strong revenue growth: +7.6%

In 2006, Vétoquinol's revenues grew by 7.6% to €211.6M. This performance puts Vétoquinol in 5th place¹ among the world's leading laboratories in its industry. On a constant exchange rate and scope basis, revenue grew by 6.0%.

All of the group's strategic or therapeutic business segments—in terms of species and geographic location (Europe, North America and Asia)—posted growth.

Operating profitability is 12.1%, ahead of target

Cash earnings from operations totaled €25.6M, an increase of 10.8% compared with the previous year (a revenue ratio of 12.1%). This ratio, which exceeded the target, attests to ongoing improvement efforts made by both commercial and production teams.

Net income (group share) was €15.8M, an increase of 27.2% versus 2005.

Proposed dividend of €0.23 per share

The Board of Directors will recommend that the shareholders elect to distribute a dividend of €0.23 per share when they meet on June 4, 2007, an increase of 21% versus the prior year. This dividend represents a payout of 16.4%.

¹ According to the Wood Mackenzie survey published in March 2007

Positive outlook for 2007

According to available surveys, the animal health market will pursue its upward path in 2007, particularly in the segments where Vétoquinol is present. This growth trend is reflected in the revenue data for the first quarter: €53.2M, up by 17.6% compared with the previous year (+14.6% on a constant scope and exchange rate basis). Based on this increase, boosted by favorable seasonal factors, Vétoquinol expects revenue growth in 2007 to pursue the same trend as in 2006.

Commenting on the year in progress, Vétoquinol's Chairman and CEO Etienne Frechin said: *"We are confident with respect to 2007. Our focused strategy enables us to concentrate our efforts on the most buoyant segments and offer products that are well-suited to the needs of veterinarians, who are central to our business. The projects we are currently working on should allow us to improve our product mix and make it available on a larger geographic scale."*

Upcoming events/releases: Annual shareholders' meeting (Monday, June 4, 2007)
2007 half-year revenues (Thursday, July 26, 2007)

About Vétoquinol

Vétoquinol, established in 1933, is an independent veterinary pharmaceutical laboratory for both commercial animal breeding and pets. This family-owned Group, dedicated to animal health, is the world's 13th largest laboratory in its field. Nearly 80% of its revenue is now generated in export markets.

Its business includes research on production and marketing of drugs and health products. Vétoquinol, positioned in the treatment field, has extensive expertise in 3 major therapeutic fields: anti-infection agents, pain and anti-inflammatory, and cardiology-nephrology.

The Group, which has been very attentive to the international sector since the outset, now distributes its products in about one hundred countries, working through 18 subsidiaries and a network of 110 distributor-partners. At year-end 2006, the company had more than 1,200 employees worldwide.

More information: www.vetoquinol.com.

OUR BUSINESS: ANIMALS. OUR ADVANTAGE: PEOPLE.

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