



EARNINGS FOR 2007 ATTEST TO STRENGTH OF BUSINESS GROWTH MODEL

March 17, 2008 – Lure, France - The Vétoquinol board of directors, meeting on February 22, 2008, reviewed the group's business in 2007 and approved the related financial statements.

<i>In millions of euros</i>	2007	2006	Variation
Revenue	233.4	211.6	+10.3%
<i>Constant exchange rate and scope</i>			+7.6%
Cash earnings from operations	29.2	25.6	+13.9%
<i>As a % of REV</i>	12.5%	12.1%	
Adjusted earnings from operations, after non-recurring items	28.1	24.8	+13.3%
Net income (group share)	18.6	15.8	+17.7%

In 2007, Vétoquinol once again achieved significant improvement in its key performance indicators, ahead of its medium-term targets. According to the most recent statistics published by Vetnosis, this substantial rise in revenue has lifted Vétoquinol to third place worldwide.

Revenue up sharply in 2007: +10.3%

For 2007, revenue totaled €233.4 M, an increase of 10.3% over 2006. On a constant exchange rate and scope basis, the increase was 7.6%.

The diversity of its product mix, the introduction of new drugs and the full-year contribution of Vet Solutions fueled this revenue growth.

All of the group's strategic business lines reported improvement, across species and geographic territories (Europe, North America and Asia) as well as across therapeutic domains.

Between 2004 and year-end 2007, group revenue grew by more than 27%.

Active extension policy

In addition to the integration of Vet Solutions in the United States, which was acquired in December 2006, Vétoquinol established operations in Portugal, signed an agreement in December 2007 to acquire its distributor in Scandinavia, and signed a LOI in China.

Pursuing improvement in operating profitability

Cash earnings from operations came to €29.2 M in 2007, up by 13.9% versus the previous year, resulting in a free cash flow ratio of 12.5%. This ratio, which came in ahead of the target, reflects staff efforts to achieve continuous improvement in business processes and sales performance, as well as capex investments in the organization and its information systems.

Net income (group share) totaled €18.6 M, an increase of 17.7% over the preceding year.

In addition, the solid positive cash flow generated by operations allowed the group to post negative net financing debt, including the bond issue convertible into shares with a claim on equity. This financial position gives Vétoquinol the resources needed to pursue its development.

Dividend of €0.27 per share, up by 18%

The Board of Directors will recommend that the shareholders approve a dividend of €0.27 per share, an increase of 18% over last year, when they assemble for their annual meeting on May 19, 2008. If approved, this would amount to a dividend payout ratio of 16.4%.

Outlook in 2008 calls for robust growth

The outlook for Vétoquinol is positive in 2008. The world animal health market is buoyant. Vétoquinol intends to take full advantage of the introduction and geographic extension of its products as well as the synergies initiated in the United States.

"The diversity of our product range, plus the high caliber of our people and the objectives we have set for ourselves consolidate our business model," notes Etienne Frechin, Chairman and CEO of Vétoquinol. *"While remaining vigilant to the economic environment, we confirm the pursuit of our pace of growth, in line with what we presented to you when we went public."*

About Vétoquinol S.A.

Vétoquinol, established in 1933, is an independent veterinary pharmaceutical laboratory for both food producing animals and pets. This family-owned Group, dedicated to animal health, is the world's 12th largest laboratory in its field. Nearly 80% of its revenue is now generated in export markets.

Its business includes research, 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 inflammatory, and cardiology-nephrology.

The Group now distributes its products in about one hundred countries (Europe, North America and Asia), working through 18 subsidiaries and a network of 110 distributor-partners. The company had more than 1,300 employees worldwide.

Upcoming events: 2008 Q1 revenues (May 6, 2008)
Annual shareholders' meeting (May 19, 2008)
2008 half-year revenues (July 22, 2008)

More information: www.vetoquinol.com

OUR BUSINESS: ANIMALS. OUR ADVANTAGE: PEOPLE.

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