



Merial and Zoetis Enter into Strategic Agreement for Dairy Products in India

- Agreement expands Merial portfolio to include 15 new products, making it a key player in the Dairy cattle market in India -

- Zoetis to focus on building market leadership in its Poultry and Companion Animal businesses -

Mumbai, India – March 07, 2016 - [Merial](#), the animal health division of [Sanofi](#), and Zoetis India Limited, a subsidiary of Zoetis Inc, today announced that they have entered into an exclusive marketing and distribution agreement for medicines and vaccines for Dairy cattle in India. Merial will market and sell Zoetis' products, including global/local brands such as Bovical[®], Lutalyse[®], Xnel[®] Dectomax[®] and vaccines like Rispoval[®] and Spirovac[®]. The products will be marketed by Merial India beginning in April 2016. Financial details of the agreement were not disclosed.

"The newly added products complement Merial's existing ruminant business in India, which includes vaccines, therapeutics and nutritional. It increases our presence in the important dairy segment and expands our current product offerings. We now have a robust portfolio that has strong customer loyalty, making us a key player in the rapidly growing India ruminant market," said Sandeep Karkhanis, Country Manager, Merial India. "For Merial, this agreement reinforces the strategic importance of India and the animal health market in the country. We plan to keep our focus and investment in product innovation, acquisitions and alliances, growth areas and services to meet the evolving needs of our customers."

In India, Merial has a diversified local portfolio of over 50 brands comprising of vaccines, therapeutics and nutritional products for ruminants, poultry and pets.

Ketan Dhamanaskar, Managing Director, India, GM South Asia, Zoetis, added "This agreement helps both companies use the strengths of our product portfolios and market strategies to grow in a more effective way. Zoetis' leading dairy brands and innovative vaccines, combined with the strong distribution reach and presence of Merial in India, will enable us to make these products available in the most efficient manner in the Indian market. As a result of this arrangement, Zoetis India Limited will also be able to focus its field force and resources on building a stronger presence and market leadership in the Poultry and Companion Animal sectors in India, which grew at 18.6% and 12.8% respectively in 2015⁵."

India is the world's largest milk producer, with 16 percent of global production¹. Therefore, presence in the ruminant business is strategically important for Merial in India as it constitutes 54 percent of the animal health market in the country². In 2014, the ruminant health market in India was valued at 240M€². The Dairy sector continues to be a major livelihood source for rural India and a significant contributor to the country's agricultural economy³. As per the industry estimates, the share of value added dairy products in the milk and milk derivatives segment is growing by around 25% every year and is expected to continue to grow at the same rate until 2019-20⁴.

India is the sixth largest chicken producing country in the world with annual production of more than 2 billion broilers and is the third largest egg producing country with 4 Million+ metric tons eggs produced in 2015. The India poultry market is expected to grow at 14.4% in the next five years⁵.



Consumption of poultry meat and eggs also witnessed burgeoning growth at 2.7 to 4.2% year on year in the past 5 years and is expected to grow at an accelerated pace in the next five years⁵.

Companion animal is a small but rapid growing market in India, with a total estimate of 15 Million dogs and cats, growing at 9%-10% year on year, coupled with the increasing pet owner spending, India companion animal market has potential and poised to grow in next five years⁶.

¹ FAO ² CEESA and Industry Estimates ³ IFCN, Yes Bank,. (2015). *Dairy farming in India, A global comparison.* ⁴ Credit Analysis & Research Limited,. (2014). Indian Dairy Industry 2014 Report. ⁵ Vetnosis data June 2015 ⁶ Euromonitor

About Merial

Merial is a world-leading, innovation-driven animal health company, providing a comprehensive range of products that focus on disease prevention and overall health and wellness in animals, Merial has three main business areas: pets, farm animals, and veterinary public health, and our health solutions target more than 200 diseases and conditions across a variety of species. Merial employs 6,900 people and operates in more than 150 countries worldwide with over €2.5 billion of sales in 2015. Merial is a Sanofi company. For more information, please see www.merial.com; [@Merial](#)

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About Zoetis

Zoetis (zô-EH-tis) is the leading animal health company, dedicated to supporting its customers and their businesses. Building on more than 60 years of experience in animal health, Zoetis discovers, develops, manufactures and markets veterinary vaccines and medicines, complemented by diagnostic products and genetic tests and supported by a range of services. Zoetis serves veterinarians, livestock producers and people who raise and care for farm and companion animals with sales of its products in more than 100 countries. In 2015, the company generated annual revenue of \$4.8 billion with approximately 9,000 employees. For more information, visit www.zoetis.com.

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