

IDEXX Q2 2018 Earnings Highlights (NASDAQ: IDXX)



Revenue



Operating Profit



Diluted Earnings Per Share (EPS)

Q2 2018 **\$581M** **\$146M** **\$1.23**

Reported growth: + 14%

25.1% of Revenue

Reported growth:

+ 29%

Organic growth: + 12%

Yoy change in basis points:

Comparable constant

+ 33%

Reported yoy change + 100 bps
Constant currency yoy change + 110 bps

currency growth:

Region	Q2 Revenue	Reported Growth year over year	Organic Growth year over year	Selected Business Segments	Q2 Revenue	Reported Growth year over year	Organic Growth year over year
U.S.	\$357M	+13%	+13%	CAG	\$507M	+ 15%	+ 13%
International	\$224M	+16%	+11%	LPD	\$35M	+ 4%	Flat
				Water	\$33M	+ 11%	+ 9%

CAG Detail

Q2 Premium Instrument Placements

	Catalyst®	1,651
	Premium Hematology	874
	SediVue Dx®	716
TOTAL		3,241
	SNAP Pro®	1,344

Net CAG Revenue

	Q2 Revenue	Reported Growth year over year	Organic Growth year over year
CAG Diagnostics Recurring	\$438M	+ 15%	+ 13%
<i>IDEXX VetLab® Consumables</i>	\$159M	+ 20%	+ 18%
<i>Rapid Assay Products</i>	\$63M	+ 5%	+ 4%
<i>Reference Laboratory Dx & Consulting Services</i>	\$197M	+15%	+13%
<i>CAG Diagnostic Service and Accessories</i>	\$18M	+ 11%	+ 9%
CAG Diagnostics Capital – Instruments	\$35M	+25%	+22%
Veterinary Software, Services & Diagnostic Imaging Systems	\$35M	+ 11%	+ 9%

Full Year 2018 Outlook

	2018 Outlook	Growth year over year	Comparison to 2018 Outlook Provided on Q1 Call (provided in Q1 2018 Earnings Call on May 4, 2018)
Revenue	\$2,205 - \$2,230M	Reported: + 12.0% - 13.5% Organic: + 11.5% - 12.5%	▪ Refining Revenue Outlook: Raising organic revenue growth outlook to 11.5%-12.5%. Reported revenue outlook down \$7.5MM at new midpoint due to strengthening of U.S. dollar.
EPS	\$4.10 - \$4.20	Reported: + 39% - 43% Comparable Constant Currency: + 32% - 36%	▪ Higher EPS + \$0.02 per share: Incorporates +\$0.07 from our higher revenue outlook and increased expectations for 90 to 130 basis points in full-year constant currency operating margin improvement, +\$0.02 in benefit from a lower projected effective tax rate, partially offset by -\$0.07 per share impact from updated FX assumptions.
Free Cash Flow	~ 70 - 75% of Net Income		

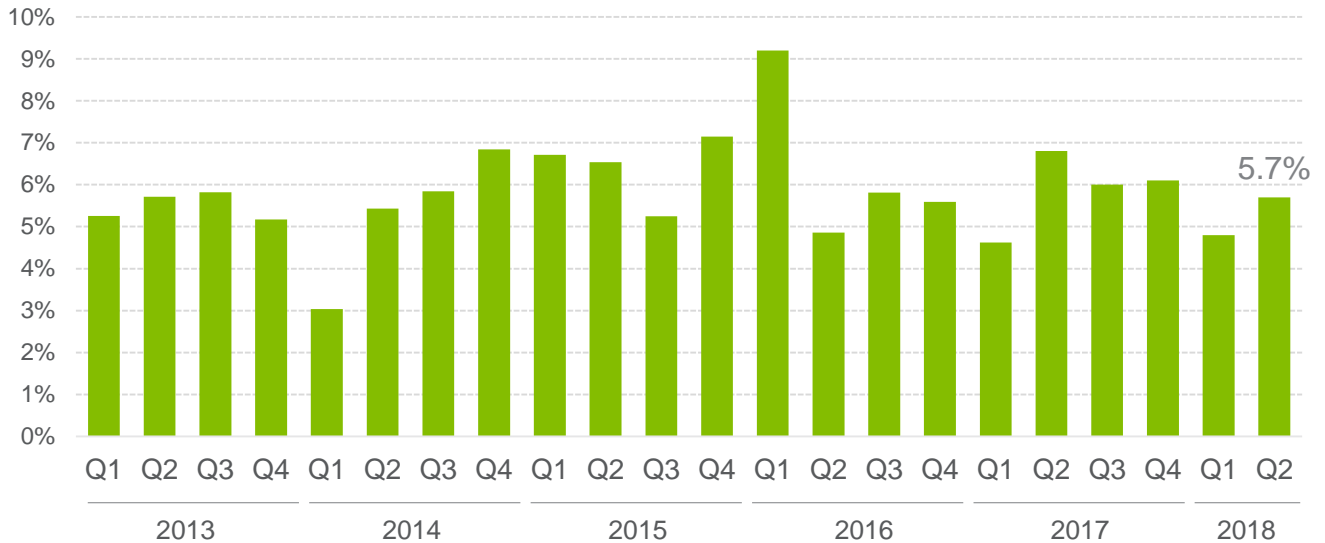
Amounts presented may not recalculate due to rounding. For full financial data, non-GAAP reconciliations and cautionary language regarding forward-looking statements, please refer to IDEXX's fiscal year 2018 second quarter earnings release issued on August 1, 2018 available at <https://www.idexx.com/investors>.

U.S. Companion Animal Practice Growth Update

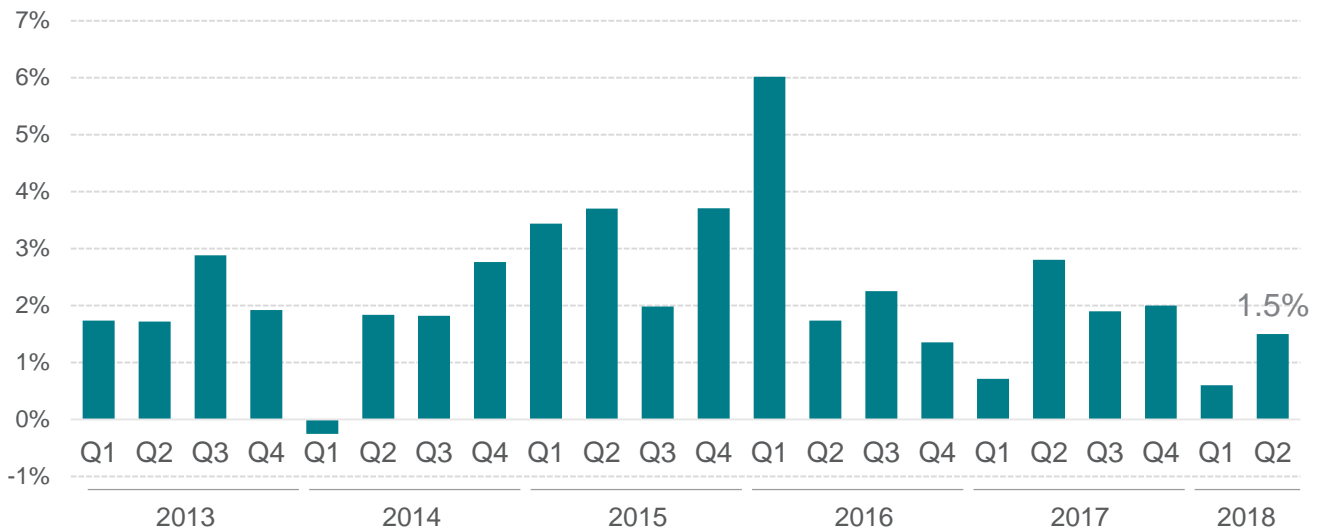
Quarterly U.S. Veterinary Practice Growth Rate

Weighted Average Year-to-Year % Change Per Practice

Practice Revenue Growth



Patient Visit Growth



Source: IDEXX Practice Intelligence data (sample of 4,100 to 7,500 practices), weighted based on region and practice size.