**IDEXX Q3 2018 Earnings Highlights**

(NASDAQ: IDXX)

### Q3 2018

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Operating Profit</th>
<th>Diluted Earnings Per Share (EPS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$545M</td>
<td>$117M</td>
<td>$1.05</td>
</tr>
</tbody>
</table>

- **Reported growth:** + 11%
- **Organic growth:** + 12%

- **21.5% of Revenue**
- **Yoy change in basis points:**
  - Reported yoy change: + 110 bps
  - Constant currency yoy change: + 140 bps
- **Reported growth:** + 33%
- **Comparable constant currency growth:** + 39%

**Region**

- **U.S.**
  - **Q3 Revenue:** $341M
  - **Reported Growth year over year:** + 13%
  - **Organic Growth year over year:** + 13%

- **International**
  - **Q3 Revenue:** $205M
  - **Reported Growth:** + 7%
  - **Organic Growth:** + 10%

**Selected Business Segments**

- **CAG**
  - **Q3 Revenue:** $478M
  - **Reported Growth year over year:** + 12%
  - **Organic Growth:** + 13%

- **Water**
  - **Q3 Revenue:** $33M
  - **Reported Growth:** + 7%
  - **Organic Growth:** + 9%

- **LPD**
  - **Q3 Revenue:** $29M
  - **Reported Growth:** + 4%
  - **Organic Growth:** + 7%

**CAG Detail**

**Q3 Premium Instrument Placements**

- **Catalyst®**
  - 1,611

- **Premium Hematology**
  - 821

- **SediVue® Dx**
  - 594

- **TOTAL**
  - 3,026

**Net CAG Revenue**

<table>
<thead>
<tr>
<th>Q3 Revenue</th>
<th>Reported Growth year over year</th>
<th>Organic Growth year over year</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAG Diagnostics Recurring</td>
<td>$409M</td>
<td>+ 12%</td>
</tr>
<tr>
<td>IDEXX VetLab® Consumables</td>
<td>$153M</td>
<td>+ 18%</td>
</tr>
<tr>
<td>Rapid Assay Products</td>
<td>$54M</td>
<td>+ 6%</td>
</tr>
<tr>
<td>Reference Laboratory Dx &amp; Consulting Services</td>
<td>$184M</td>
<td>+10%</td>
</tr>
<tr>
<td>CAG Diagnostics Service and Accessories</td>
<td>$19M</td>
<td>+ 12%</td>
</tr>
<tr>
<td>CAG Diagnostics Capital – Instruments</td>
<td>$32M</td>
<td>+ 8%</td>
</tr>
<tr>
<td>Veterinary Software, Services &amp; Diagnostic Imaging Systems</td>
<td>$37M</td>
<td>+ 15%</td>
</tr>
</tbody>
</table>

**Full Year 2018 Outlook**

- **Revenue**
  - **Reported:** $2,205 - $2,215M
  - **Organic:** + 12% - 12.5%

- **EPS**
  - **Reported:** $4.16 - $4.21
  - **Comparable:** + 41% - 43%

- **Free Cash Flow**
  - ~ 70 - 75% Of Net Income

Comparison to 2018 Outlook Provided on Q2 Call (provided in Q2 2018 Earnings Call on August 1, 2018)

- **Refining Revenue Outlook:** Narrowed organic revenue growth outlook to 11.5%-12.0%.
- **Higher EPS + $0.04 per share:** Incorporates updated revenue outlook and expectations for 110 to 130 basis points in full year constant currency operating margin improvement – at the higher end of prior guidance range; +$0.03 related to higher projected share-based compensation tax benefit +$0.01 related to operational performance.

**Full Year 2019 Outlook**

- **Revenue**
  - **Reported growth:** + 8% - 9.5%
  - **Organic growth:** + 9.5% - 11%

- **EPS**
  - **Reported growth:** + 10% - 14%
  - **Comparable**
  - **Constant currency growth:** + 15% - 18%
Quarterly U.S. Veterinary Practice Growth Rate
Weighted Average Year-to-Year % Change Per Practice

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