

IDEXX Q3 2019 Earnings Highlights (NASDAQ: IDXX)



Revenue

\$605M

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

CAG Diagnostics Recurring
Organic Growth: + 14%



Operating Profit

\$140M

23% of Revenue

YoY change in basis points:

Reported + 160 bps
Constant currency + 130 bps



Diluted Earnings Per Share

\$1.24

Reported growth: + 18%

Comparable constant
currency growth: + 21%



CAG

Revenue **\$533M**

Reported growth: + 12%
Organic growth: + 13%



Water

Revenue **\$35M**

Reported growth: + 5%
Organic growth: + 7%



LPD

Revenue **\$31M**

Reported growth: + 7%
Organic growth: + 10%

Net CAG Revenue

	Q3 Revenue	Reported Growth <i>year over year</i>	Organic Growth <i>year over year</i>	Q3 Premium Instrument Placements	WW	North America	Intl
CAG Diagnostics Recurring	\$461M	+ 13%	+ 14%	Catalyst®	1,898	535	1,363
<i>IDEXX VetLab® Consumables</i>	\$177M	+ 16%	+ 18%	<i>New and competitive</i>	1,270	360	910
<i>Rapid Assay Products</i>	\$59M	+ 9%	+ 10%	Premium Hematology	965	386	579
<i>Reference Laboratory Dx and Consulting Services</i>	\$205M	+ 11%	+ 12%	SediVue® Dx	589	480	109
<i>CAG Diagnostics Services and Accessories</i>	\$20M	+ 6%	+ 7%	TOTAL	3,452	1,401	2,051
CAG Diagnostics Capital – Instruments	\$33M	+ 3%	+ 5%	SNAP Pro®	2,683	2,325	358
Veterinary Software, Services and Diagnostic Imaging Systems	\$40M	+ 6%	+ 6%				

Full Year 2019 Outlook

Growth
year over year

Comparison to 2019 Outlook Provided on Q2 Call
(provided in Q2 2019 Earnings Call on August 1, 2019)

Revenue **\$2,395 - \$2,405M**
Reported: + 8% - 8.5%
Organic: + 10% - 10.5%
CAG Diagnostics Recurring Revenue
Reported: + 9.5% - 10%
Organic: + 11.5% - 12%

- Updating our organic revenue growth outlook to 10% - 10.5% and 11.5% - 12% organic growth in CAG Diagnostics recurring revenues, reflecting expectations for overall organic growth and CAG Diagnostics recurring organic revenue growth at the high end of previous estimates

EPS **\$4.72 - \$4.78**
Reported: + 11% - 12%
Comparable
Constant Currency: + 15% - 16%

- Lowering EPS Guidance by \$0.12 per share at mid-point as positive revisions to full year operating outlook are offset by a projected \$0.18 negative impact from charges associated with CEO transition in the fourth quarter

Free Cash Flow **~60% - 65%** Of Net Income

Full Year 2020 Outlook



Revenue **\$2,610 - \$2,650M**

Reported growth: + 9% - 10.5%
Organic growth: + 9% - 10.5%



EPS **\$5.30 - \$5.46**

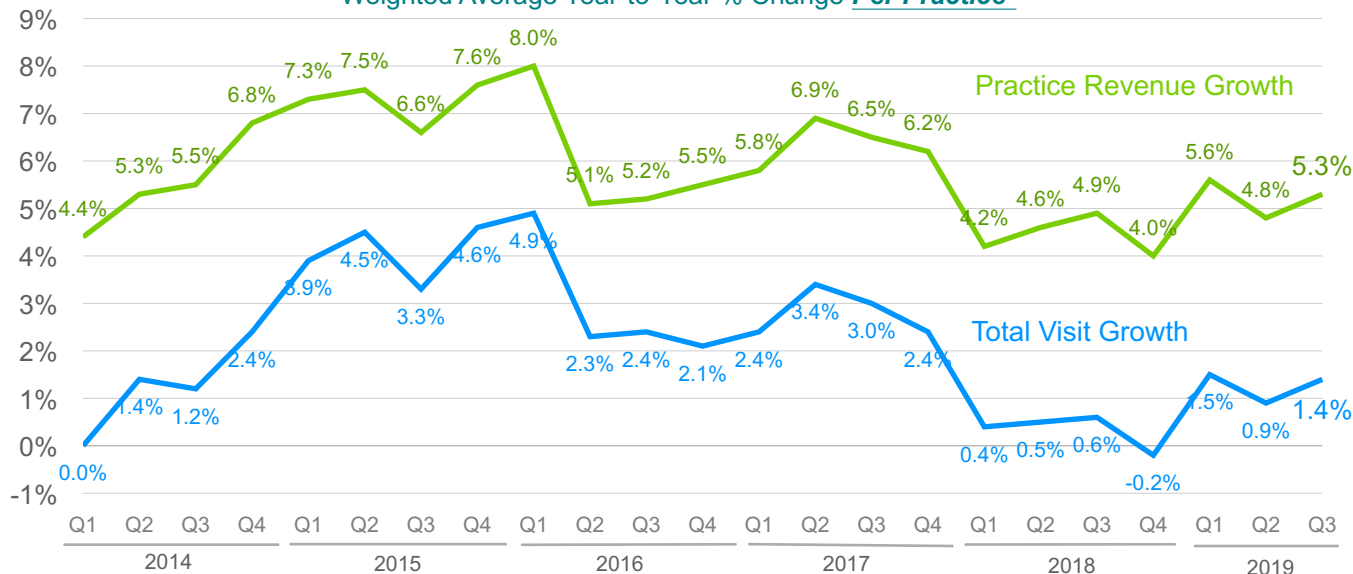
Reported growth: + 12% - 15%
Comparable constant
Currency growth: + 17% 20%

For full financial data, non-GAAP reconciliations and cautionary language regarding forward-looking statements, please refer to IDEXX's fiscal year 2019 third quarter earnings release issued on October 31, 2019 available at <https://www.idexx.com/investors>. Amounts presented may not recalculate due to rounding.

U.S. Companion Animal Practice Growth Update

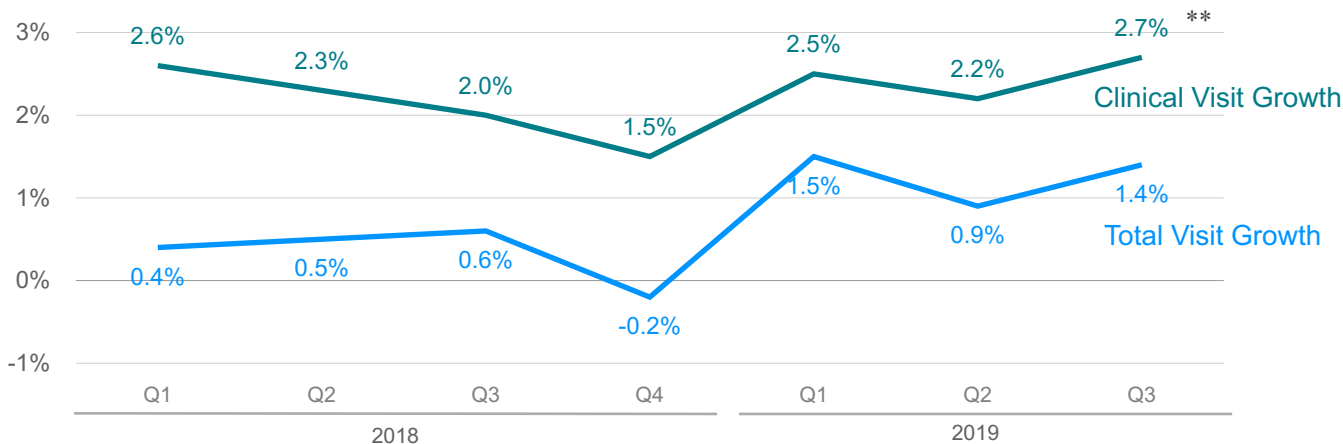
Total Practice Revenue and Visit Growth

Weighted Average Year-to-Year % Change *Per Practice**



Total and Clinical Patient Visit Growth

Weighted Average Year-to-Year % Change *Per Practice**



Source: IDEXX Practice Intelligence data; sample of ~7,500 practices representing five different practice information management systems, weighted based on practice size and region to reflect market composition, based on weighting framework developed in collaboration with AnimateX. 'Clinical visits' are those where the reason for visit involves an interaction between a clinician and a pet. *We estimate net new practice formation adds ~1% of incremental market growth per year beyond per practice growth.

** Growth rate estimate with margin of error of +/- 0.4% at a 95% confidence level.

IDEXX Premium Instruments Installed Base

