

IDEXX Q4 & Full Year 2021 Earnings Highlights (NASDAQ: IDXX)



Revenue

Q4

\$801M

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

CAG Diagnostics Recurring
Organic Growth: +13%



Operating Profit

\$199M

25% of Revenue

YoY change in basis points:

Reported -80
Comparable -70



Diluted Earnings Per Share

\$1.89

Reported growth: -6%

Comparable growth: +12%

2021

\$3,215M

Reported growth: +19%
Organic growth: +16%

CAG Diagnostics Recurring
Organic Growth: +18%

\$932M

29% of Revenue

YoY change in basis points:

Reported +330
Comparable +220

Reported growth: +28%

Comparable growth: +29%



CAG



Water



LPD

Q4 Revenue **\$719M**

Reported growth: +14%

Organic growth: +13%

Q4 Revenue **\$37M**

Reported growth: +12%

Organic growth: +13%

Q4 Revenue **\$34M**

Reported growth: -20%

Organic growth: -19%

Net CAG Revenue

CAG Diagnostics Recurring

Q4 Revenue

\$618M

Reported Growth
year over year

+13%

Organic Growth
year over year

+13%

Q4 Premium Instrument
Placements



Catalyst®

2,353

WW North America Intl

907

1,446

IDEXX VetLab® Consumables

\$252M

+14%

+15%

New and competitive

1,607

428

1,179

Rapid Assay Products

\$66M

+10%

+10%

Second

575

466

109

Reference Laboratory Dx and Consulting Services

\$272M

+12%

+12%



Premium Hematology

2,101

837

1,264

CAG Diagnostics Services and Accessories

\$28M

+16%

+17%



SediVue® Dx

804

535

269

CAG Diagnostics Capital – Instruments

\$43M

+18%

+21%

TOTAL

5,258

2,279

2,979

Veterinary Software, Services and Diagnostic Imaging Systems

\$58M

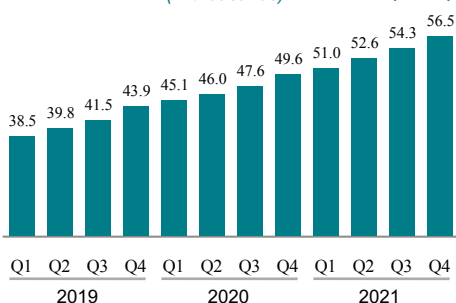
+30%

+13%

IDEXX Premium Instruments Installed Base

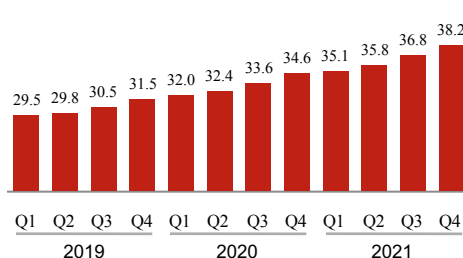
Catalyst Installed Base
(in thousands)

+14%
year over year



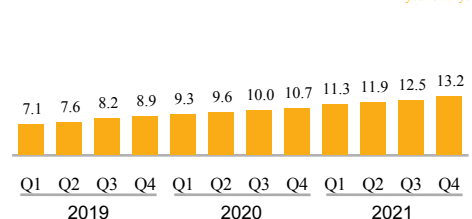
Premium Hematology Installed Base
(in thousands)

+10%
year over year



SediVue Installed Base
(in thousands)

+24%
year over year



IDEXX Q4 & Full Year 2021 Earnings Highlights

2022 Growth and Financial Performance Outlook Commentary

- Provides initial outlook for 2022 revenue of \$3,500 million - \$3,565 million, reflecting reported revenue growth of 9% - 11% and organic revenue growth of 10% - 12%, driven by continued high CAG Diagnostics recurring revenue growth.
- Estimates 2022 EPS of \$9.27 - \$9.59, up 8% - 11% as reported and 12% - 16% on a comparable basis, including ~2% EPS growth impact from higher projected international tax rates.
- Profit outlook reflects a targeted 50 - 100 basis points of comparable operating margin improvement, building on strong 2021 performance.

Growth and Financial Performance Outlook

2022

	Revenue	\$3,500 - \$3,565
	<i>Reported growth</i>	9% - 11%
	<i>Organic growth</i>	10% - 12%
	CAG Diagnostics Recurring Revenue Growth	
	<i>Reported growth</i>	10.5% - 12%
	<i>Organic growth</i>	12% - 14%
	Operating Margin	29.7% - 30.2%
	<i>Reported operating margin expansion</i>	70 - 120 bps
	<i>Comparable operating margin expansion</i>	50 - 100 bps
	EPS	\$9.27 - \$9.59
	<i>Reported growth</i>	8% - 11%
	<i>Comparable growth</i>	12% - 16%
	Other Key Metrics	
	<i>Net interest income</i>	~ 28.5
	<i>Share-based compensation tax benefit</i>	~ \$10
	<i>Effective tax rate</i>	21.5% - 22%
	<i>Reduction in average shares outstanding</i>	1% - 1.5%
	Operating Cash Flow	95% - 100% of net income
	Free Cash Flow	75% - 80% of net income
	Capital Expenditures	\$180MM

Amounts in millions except per share data and percentages

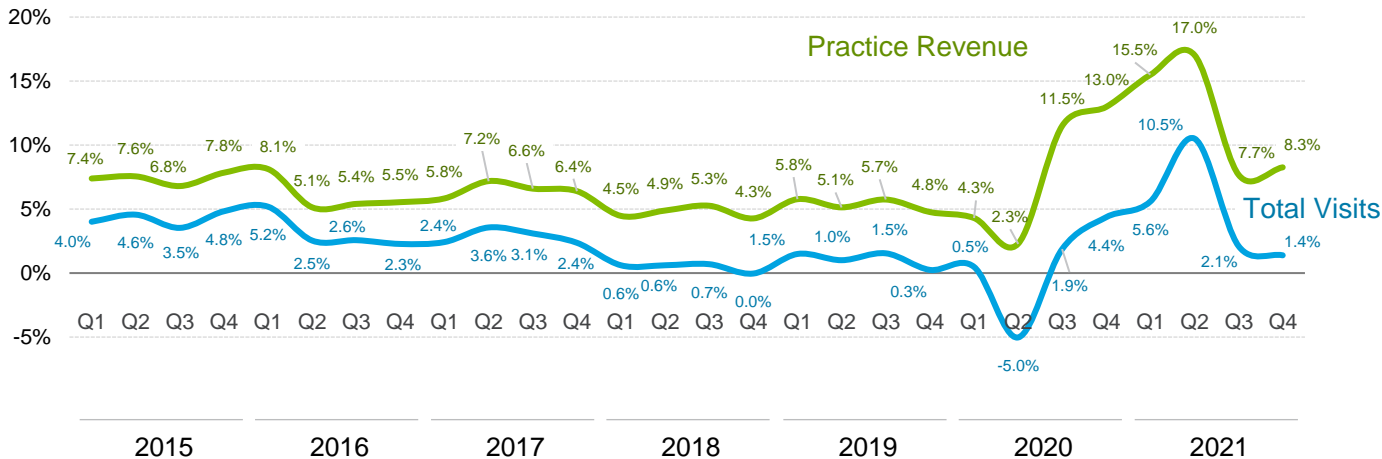
For full financial data, non-GAAP reconciliations and cautionary language regarding forward-looking statements, please refer to IDEXX's fiscal year 2021 fourth quarter and full year earnings release issued on February 2, 2022 available at <https://www.idexx.com/investors>. Amounts presented may not recalculate due to rounding.

U.S. Companion Animal Practice Growth Update

As of December 31, 2021

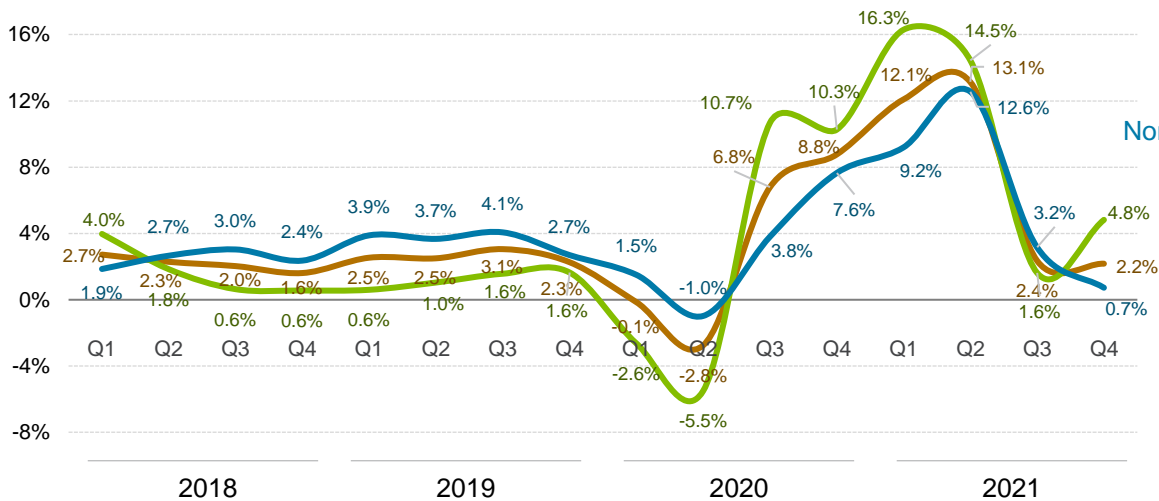
Total Practice Revenue and Visit Growth

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



Clinical Visit Growth

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



Q4 2020 & Q4 2021
Average

Wellness Visits
7.5%

Clinical Visits
5.5%

Non-wellness Visits
4.2%

Total visits include clinical and non-clinical visits. In 2021, there were an estimated 340 million U.S. total visits. Approximately 70% of estimated U.S. companion animal diagnostic market revenue is from non-wellness visits.

Clinical visits are those where the reason for visit involves an interaction between a clinician and a pet.

Non-wellness visits include those for which the reason for visit is sickness, procedure or monitoring.

Wellness visits include those visits for which the reason for visit is an annual exam, vaccination, or routine check-up.

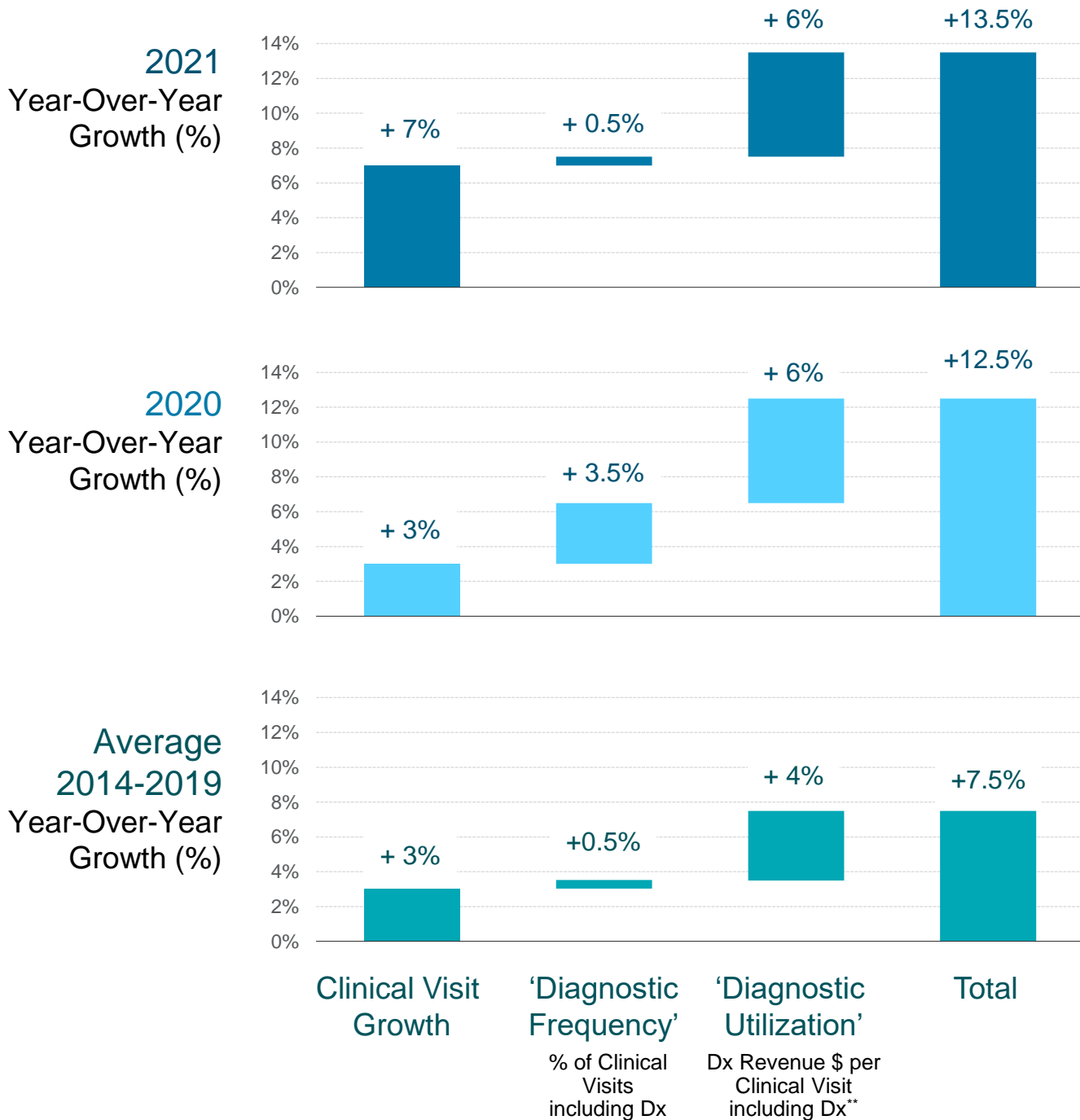
* Note that we estimate net new practice formation adds ~1% of incremental market growth per year beyond *per practice* growth.

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

U.S. Companion Animal Market Trends Update

As of December 31, 2021

Contributors to U.S. Companion Animal Diagnostic Revenue Growth per Practice*



* Rounded to nearest 50 bps.

** Diagnostic revenue per clinical visit includes volume/ intensity of Dx activity and net price realization.

Source: IDEXX Practice Intelligence data; sample of ~8,200 practices representing six different practice information management systems, weighted based on practice size and region to reflect market composition.