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## **Montagu Private Equity announces the sale of VetXX**

*Montagu, a leading European mid-market private equity investor, is pleased to announce the sale of VetXX, a leading developer, producer and marketer of companion animal veterinary products, to Dechra Pharmaceuticals.*

Dechra Pharmaceuticals is an international veterinary pharmaceutical business with a focus on companion animal products. The business is headquartered in Stoke-on-Trent in the UK and employs more than 750 people. In its most recent financial year Dechra enjoyed sales of £253.8m.

VetXX is a sales and marketing group selling companion animal pharmaceutical and diet products solely to the veterinary sector. The Company owns a number of important niche pharmaceutical licences. VetXX employs more than 160 people and is headquartered in Denmark with sales subsidiaries in Sweden, Norway, Finland, UK, France, the Netherlands and Spain. Product distribution arrangements are also held in various countries including Canada, Switzerland, Estonia, Greece and Japan.

The Chairman of VetXX, Peter Fearn, commented "the acquisition of VetXX by Dechra is an important strategic milestone and will give VetXX access to new products and systems and a significant growth opportunity. The strategic fit is excellent and the future is exciting for all involved."

Tom Chaloner and Peter Dahlberg, Directors at Montagu Private Equity, said in a joint statement "The VetXX Group and brand was formed in 2005 as a stand alone business and has firmly established itself in its markets. We believe Dechra is the right long term home for VetXX and we wish everyone at VetXX the best for the future".

"VetXX is well regarded within the companion animal veterinary products market and offers a high quality service to its customer base. The acquisition will create a stronger European footprint and materially increase Dechra's range of licensed veterinary pharmaceutical products. In addition, VetXX will give Dechra access to an established distribution network to market the enlarged product range and future developed products to veterinary practices and wholesalers. I am very pleased this deal has been concluded" said Ian Page, CEO of Dechra.

The transaction is expected to complete in January 2008 subject to approval by Dechra's shareholders.

Montagu was advised by PwC Corporate Finance (Denmark) and Accura Advokataktieselskab.

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### **VetXX A/S**

VetXX develops, manufactures and markets companion animal veterinary pharmaceutical and dietary products for veterinary wholesalers and professionals. Products include medicines for the treatment of skin, ear and eye diseases and tailored life-stage and therapeutic diets. In addition the business has a range of companion animal care products including ear cleaning goods and specialist shampoos.

The Company is based in Denmark where in addition to its head office it has warehousing and manufacturing facilities. In addition to manufacturing a number of its own products, it manufactures products for third parties. VetXX employs more than 160 people and has sales offices in Sweden, Norway, Finland, UK, France, the Netherlands and Spain. It also supplies products through distributor agreements into other countries, including Canada, Switzerland and Japan.

Prior to the buyout by Montagu Private Equity in 2005, VetXX was known as Leo Animal Health.

Visit [www.vetxx.com](http://www.vetxx.com) for more information.

### **Montagu Private Equity LLP**

Montagu is a leading private equity investor in the European mid-market with offices in London, Manchester, Paris, Düsseldorf and Stockholm. Over the last 35 years the firm has supported more than 400 businesses operating across a range of different segments and sectors, and currently has more than €4 billion under management. Montagu is focused on investing in management buyouts in partnership with the incumbent management team. The firm has a strong track record of delivering superior returns over time, an extensive network of contacts and offers its portfolio companies capital, financial expertise and strategic assistance in order to unleash their full development and growth potential.

Recent transactions in the Nordic region include the divestment of Finnish Chemicals to Kemira in 2005, the acquisition of Logstor ([www.logstor.com](http://www.logstor.com)) in 2006 and the acquisition of Unifeeder ([www.unifeeder.com](http://www.unifeeder.com)) in 2007.

Visit [www.montagu.com](http://www.montagu.com) for more information.

### **Dechra Pharmaceuticals PLC**

Dechra is a pharmaceutical company focused on the veterinary market with its key area of specialisation being companion animal products. Dechra was founded in 1997 following a management buyout from Lloyds Chemists. The Company has been publicly listed on the London Stock Exchange since 2000 (LSE Ticker: DPH). Dechra employs more than 750 people globally and is headquartered in Stoke-on-Trent in the UK.

The Group's strategic focus is to deliver growth through the development, both organically and by way of acquisition, of its branded veterinary pharmaceutical portfolio of both novel and generic products, together with the licensing of these key products into international markets.

The Group comprises two divisions; Pharmaceuticals and Services.

Visit [www.dechra.com](http://www.dechra.com) for more information.