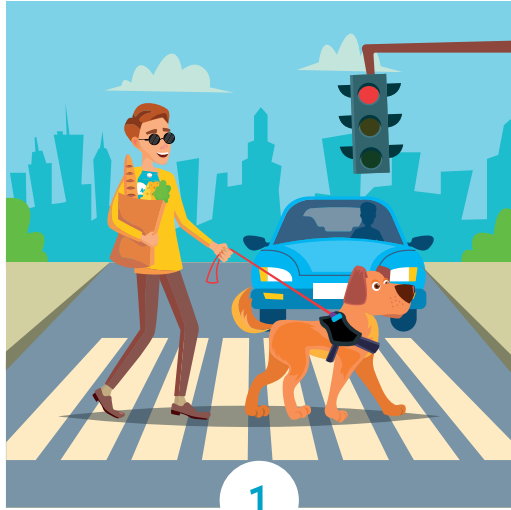


The Pet Economy boom

MEGATREND: Demographic and Social Change



Millennials

- Most likely age group to state “money is no object” when it comes to their pets¹
- Now the biggest pet owning age demographic with 35% of total pet ownership²



Ageing population

- Older generation, with adult children and higher disposable incomes, are the biggest spenders on their pets³
- Expected to represent 33% of US population by 2030³



Changing social attitudes

- Attitude shift: pets have moved from the yard to the house to the bed
- 95% of US pet owners consider their pets to be part of the family⁴



China's rising affluence

- China's middle class has joined pet lovers of the world
- Pet supplies expenditure in China rose 27% in 2017 to USD 25 billion⁵

Sources:

¹ 41% of millennials surveyed stated that money is no object when it comes to their pets – APPA National Pet Owners Survey Debut. Statista. IDEXX Laboratories Inc. Investor Day Presentation 2017.

² The 2017 – 2018 APPA National Pet Owners Survey Debut, The American Pet Products Association.

³ Administration on Aging and U.S. Bureau of Labour Statistics.

⁴ Nielsen survey conducted by Harris Poll, 26th May 2015.

⁵ The World Pet Markets Trend, countries experiencing growth in the pet industry, The Balance Careers.