

2026 Earnings – First Quarter

May 6, 2026

Elanco

Notices and Disclaimers

Forward-Looking Statements. This presentation contains forward-looking statements within the meaning of the federal securities laws, including, without limitation, statements concerning product launches and revenue from such products, our 2026 full year and second quarter guidance, long-term expectations, our expectations regarding debt levels, and expectations regarding our industry and our operations, performance and financial condition, and including, in particular, statements relating to our business, growth strategies, distribution strategies, product development efforts and future expenses. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important risk factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions, including but not limited to the following: operating in a highly competitive industry; the success of our research and development (R&D), regulatory approval and licensing efforts; the impact of disruptive innovations and advances in veterinary medical practices, animal health technologies and alternatives to animal-derived protein; competition from generic products that may be viewed as more cost-effective; changes in regulatory restrictions on the use of antibiotics in farm animals; an outbreak of infectious disease carried by farm animals; risks related to the evaluation of animals; consolidation of our customers and distributors; an increased use of alternative distribution channels or changes within existing distribution channels; our dependence on the success of our top products; our ability to complete acquisitions and divestitures and to successfully integrate the businesses we acquire; our ability to implement our business strategies or achieve targeted cost efficiencies and gross margin improvements; manufacturing problems and capacity imbalances, including at our contract manufacturers; fluctuations in inventory levels in our distribution channels; risks related to the use of artificial intelligence in our business; our dependence on sophisticated information technology systems and infrastructure, including the use of third-party, cloud-based technologies, and the impact of outages or breaches of the information technology systems and infrastructure we rely on; the impact of weather conditions, including those related to climate change, and the availability of natural resources; demand, supply and operational challenges associated with the effects of a human disease outbreak, epidemic, pandemic or other widespread public health concern; the loss of key personnel or highly skilled employees; adverse effects of labor disputes, strikes and/or work stoppages; the effect of our substantial indebtedness on our business, including restrictions in our debt agreements that limit our operating flexibility and changes in our credit ratings that lead to higher borrowing expenses and restrict access to credit; changes in interest rates that adversely affect our earnings and cash flows; risks related to the write-down of goodwill or identifiable intangible assets; the lack of availability or significant increases in the cost of raw materials; risks related to foreign and domestic economic, political, legal and business environments; risks related to foreign currency exchange rate fluctuations; risks related to underfunded pension plan liabilities; our current plan not to pay dividends and restrictions on our ability to pay dividends; the potential impact that actions by activist shareholders could have on the pursuit of our business strategies; risks related to tax expense or exposures; actions by regulatory bodies, including as a result of their interpretation of studies on product safety; the possible slowing or cessation of acceptance and/or adoption of our farm animal sustainability initiatives; the impact of increased regulation or decreased governmental financial support related to the raising, processing or consumption of farm animals; risks related to tariffs, trade protection measures or other modifications of foreign trade policy; the impact of litigation, regulatory investigations and other legal matters, including the risk to our reputation and the risk that our insurance policies may be insufficient to protect us from the impact of such matters; challenges to our intellectual property rights or our alleged violation of rights of others; misuse, off-label or counterfeiting use of our products; unanticipated safety, quality or efficacy concerns and the impact of identified concerns associated with our products; insufficient insurance coverage against hazards and claims; compliance with privacy laws and security of information; risks related to environmental, health and safety laws and regulations; and inability to achieve goals or meet expectations of stakeholders with respect to environmental, social and governance matters. For additional information about the factors that could cause actual results to differ materially from forward-looking statements, please see the company's latest Form 10-K and Form 10-Qs filed with the Securities and Exchange Commission. We undertake no duty to update forward-looking statements.

Non-GAAP Financial Measures. This presentation contains non-GAAP financial measures, such as organic constant currency (CC) revenue growth, adjusted gross profit, adjusted gross margin, adjusted net income, adjusted earnings per share (EPS), EBITDA, adjusted EBITDA and adjusted EBITDA margin and net debt and net debt leverage, which we use to assess and analyze our operational results and trends. Reconciliation of non-GAAP financial measures and reported GAAP financial measures are included in the tables in the appendix to this presentation and are posted on our website at www.elanco.com. These non-GAAP measures are not, and should not be viewed as, substitutes for U.S. GAAP reported measures.

On Today's Call

Jeff Simmons

Elanco Animal Health
*President and
Chief Executive Officer*



Bob VanHimbergen

Elanco Animal Health
*Executive Vice President,
Chief Financial Officer*



Elanco as a Consistent, Reliable Growth Company Delivering Our Diverse Portfolio of Innovation

Q1 2026 vs Guidance¹

✓ Revenue **+\$78M**

✓ Adj. EBITDA² **+\$34M**

✓ Adj. EPS² **+\$0.05**

¹Results compared to the midpoint of the company's first quarter guidance provided February 24, 2026. ²Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

³Organic CC growth represents revenue growth excluding the impacts from royalty revenue that was sold to a third party and the impact of foreign exchange rates



Strong Q1 Exceeding Expectations

Revenue, Adj. EBITDA, and Adj. EPS all above guidance; **10% organic CC³ revenue growth** with contributions from price (+2%) and volume (+8%); **growth across all species and major geographies**; growing base business



Market Share Gains Across Our Global Portfolio

Share gains **across U.S. Pet Health categories, International Pet Health launches**, bolstering **leadership in U.S. Farm Animal**, and **strong growth in International poultry and ruminants**



Raising Our Innovation Target

Q1 innovation revenue contribution of \$287M; **raising 2026 target to \$1.2B** driven by our major innovation products, market share gains, and customer response



Improved 2026 Net Leverage Ratio Target

Achieved **quarter-end net leverage ratio (NLR)² of 3.5x**, enabled by strong Q1 results; **improved year-end 2026 NLR target of 3.0x-3.2x**



Raising 2026 Revenue, Adj. EBITDA, & Adj. EPS Guidance

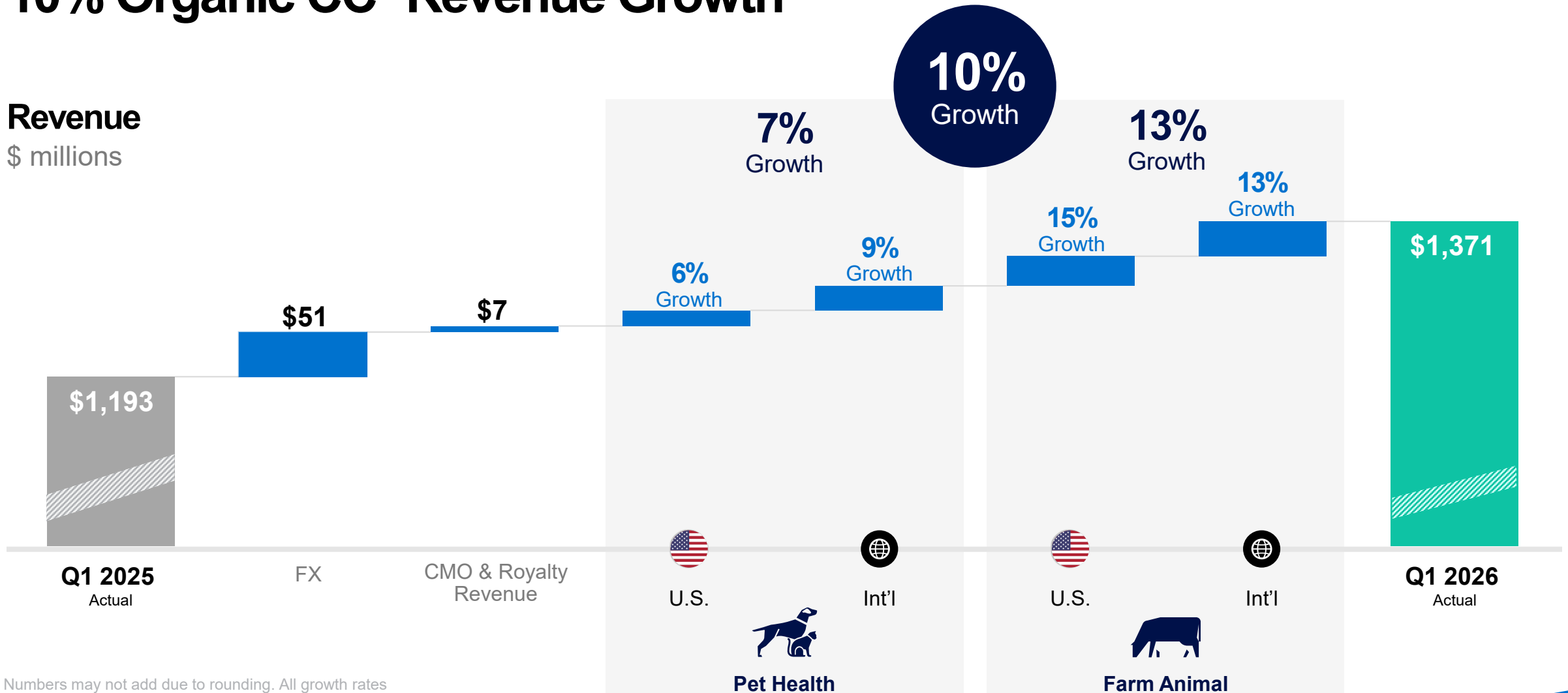
Increasing **organic CC revenue growth to 5%-7%** with **Adj. EBITDA \$975-\$1,005M (10% growth at midpoint)** and **Adj. EPS \$1.03-\$1.09 (13% growth at midpoint)**; expecting immaterial net tariff impact to Adj. EBITDA growth with positive offset from pricing (as of May 5, 2026)

Q1 2025 to Q1 2026 Revenue Bridge

10% Organic CC¹ Revenue Growth

Revenue

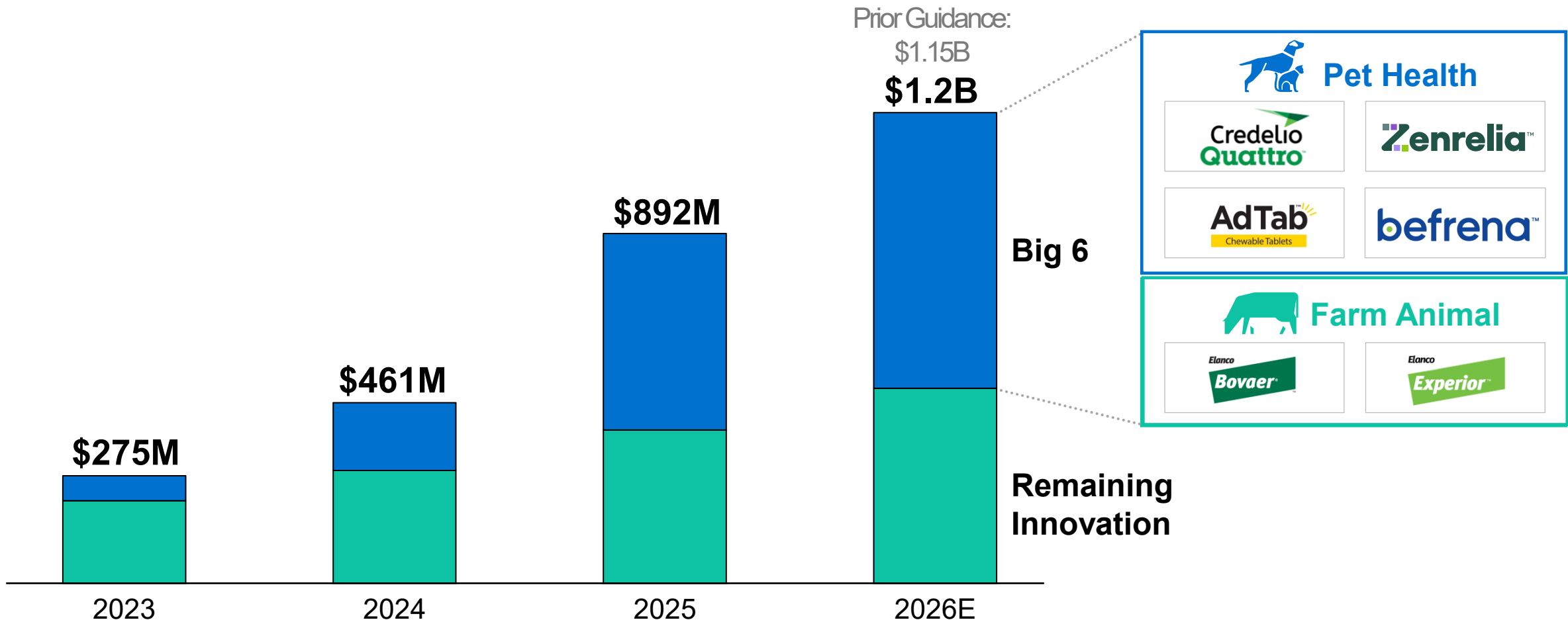
\$ millions



Numbers may not add due to rounding. All growth rates noted are organic constant currency. ¹Organic CC growth represents revenue growth excluding the impacts from royalty revenue that was sold to a third party and the impact of foreign exchange rates.

Q1 Innovation Revenue Contribution of \$287M

Raising 2026 Innovation Revenue Target to \$1.2B



Note: Innovation revenue is incremental in reference to 2020 sales and does not include the expected impact of cannibalization on the base portfolio

Updates on Big 6 Major Innovation Products

Zenrelia™



- Achieved trailing 4-quarter blockbuster status
- Efficacy driving accelerating global momentum and share gains, with 2 million dogs now treated
- U.S. JAK share up 5 points vs. Q4¹
- Largest month yet in March; >50% of U.S. clinics buying, with reorder rate >80%
- ~4,300 new purchasers since Sept. label update
- >50% share of JAK market in Brazil, >35% in Japan²
- High-teens to 30%+ JAK market share in key European markets²
- Moved to 24/7 manufacturing

befrena™



- Phased launch approach on track for Q2 commercialization; product already shipped to early experience influencers and in use
- Differentiation on convenience, value, efficacy
- Effectively reduces itch for at least six weeks
- 83% of surveyed veterinarians are likely to use Befrena, especially in seasonal cases⁵

Credelio Quattro™



- Accelerating dollar share gains of broad-spectrum dispensing sales from U.S. clinics in Q1, up 3 points vs. Q4¹
- Penetrated over 40% of the U.S. clinic base
- 53% share in U.S. clinics that carry Quattro, up 13 points in Q1 vs. Q4³
- Largest month yet in March, creating strong momentum into the parasiticide season
- Highest puppy index vs. other broad-spectrum endectos, with growth vs. Q4⁴
- ~2,500 new purchasers YTD through April
- Launched in Australia; approved in Canada

Elanco Experior™



- ~55% of U.S. cattle on feed using Experior
- Continued growth opportunity with extending days of use, continued adoption, and price; geo-expansion to Mexico
- Growth trajectory moderating with challenging comparisons

AdTab™

Chewable Tablets



- Continued robust growth trajectory with Q1 sales up over 50%
- Fastest-growing brand in the \$600M OTC ecto category in Europe²
- Achieved more than 50% oral OTC market share; became #1 in less than two years on the market²

Elanco

Bovaer®



- CPG demand supports relatively consistent cattle numbers on Bovaer
- Continued investment in enhanced value and user flexibility expected to drive long-term adoption growth
- Expect a measured sales ramp in a dynamic market backdrop

¹Per Kynetec

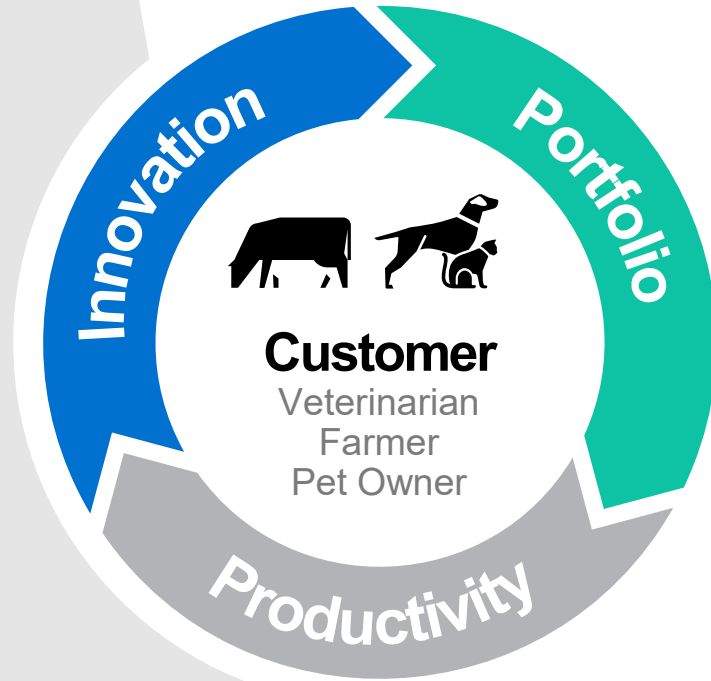
²Internal estimates based on multiple data sources

³Per Animalytix

⁴Kynetec Puppy Index, March YTD

⁵Estimated based on responses to Elanco survey with a close proxy of the approved label

IPP
 Innovation,
 Portfolio,
 Productivity
 Recent Highlights



Consistent Progress Across Our Strategic Priorities

Deliver Consistent, High-Impact Innovation

Befrena

Commercialization in the U.S. expected in Q2; submission in Canada

Next Wave

5-6 blockbuster-potential approvals expected through 2031; >\$2B peak sales potential¹

Platforms for Pipeline Refill

Built in house platforms for small molecules, mAbs, and immune therapeutics

Optimize Our Diverse Portfolio to Grow Share

Broad-Based Growth

All quadrants positive; innovation and base growth in Q1

Corporate Account Growth

U.S. corporate account sales grew 12% in Q1 year-over-year

Accelerating Price Contribution

2% growth in Q1; expect full year acceleration vs. 2025

Continuously Improve Productivity & Cash Flow

Strengthening Balance Sheet

Managed seasonal Q1 cash demands with cash on hand; improved 2026 NLR target of 3.0x-3.2x

Streamlined Organization

Rapid progress in strategic restructuring and expansion of R&D organization in Indianapolis

Elanco Ascend

On track to deliver \$200-\$250M in Adj. EBITDA savings by 2030, with ~30% achieved in 2026

¹Non-risk-adjusted, excluding cannibalization

Financial Results

First Quarter 2026

ElancoTM



First Quarter 2026

Impact of Price, Rate, and Volume on Revenue

\$ Millions	Revenue	Price	FX Rate	Organic Volume	Total	Organic CC ¹ Change
Pet Health	\$710	2%	5%	5%	12%	7%
Cattle	\$316		3%		16%	13%
Poultry	\$230		6%		22%	16%
Swine	\$96		4%		13%	9%
Farm Animal	\$642	2%	4%	11%	18%	13%
Contract Mfg. / Other²	\$19				58%	
Total Elanco	\$1,371	2%	4%	8%	15%	10%

Reported revenue in millions. Numbers may not add due to rounding.

¹Organic CC growth represents revenue growth excluding the impacts from royalty revenue that was sold to a third party and the impact of foreign exchange rates.

²Inclusive of \$9M in sold royalty revenue.

First Quarter 2026

Revenue by Geography and Species

\$ Millions	2026	2025	Change (%)	Organic CC ¹ Change (%)
US Pet Health	\$341	\$323	6%	6%
Int'l Pet Health	\$369	\$312	18%	9%
Total Pet Health	\$710	\$635	12%	7%
US Farm Animal	\$264	\$230	15%	15%
Int'l Farm Animal	\$378	\$316	20%	13%
Total Farm Animal	\$642	\$546	18%	13%
Contract Mfg. / Other²	\$19	\$12	58%	
Total Elanco	\$1,371	\$1,193	15%	10%

Reported revenue in millions. Numbers may not add due to rounding.

¹Organic CC growth represents revenue growth excluding the impacts from royalty revenue that was sold to a third party and the impact of foreign exchange rates.

²Inclusive of \$9M in sold royalty revenue.

First Quarter 2026

Adjusted¹ Income Statement Highlights

\$ millions, except per share values	2026	2025	Change (\$)	Change (%)
Revenue	\$1,371	\$1,193	\$178	15%
Adjusted Gross Profit	\$776	\$685	\$91	13%
Adjusted Gross Margin ²	57.0%	57.4%	NM	(40) bps
Operating Expense	\$478	\$435	\$43	10%
Interest Expense, Net	\$43	\$40	\$3	8%
Other Expense	\$(4)	\$7	\$(11)	NM
Effective Tax Rate	21.2%	9.2%	NM	NM
Adjusted Net Income	\$204	\$184	\$20	11%
Adjusted Earnings Per Share Diluted	\$0.40	\$0.37	\$0.03	8%
Adjusted EBITDA	\$334	\$276	\$58	21%
Adjusted EBITDA Margin ³	24.5%	23.1%	NM	140 bps

Note: Numbers may not add due to rounding.

¹Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

²We define adjusted gross margin as adjusted gross profit divided by total revenue, excluding royalty revenue sold to a third party.

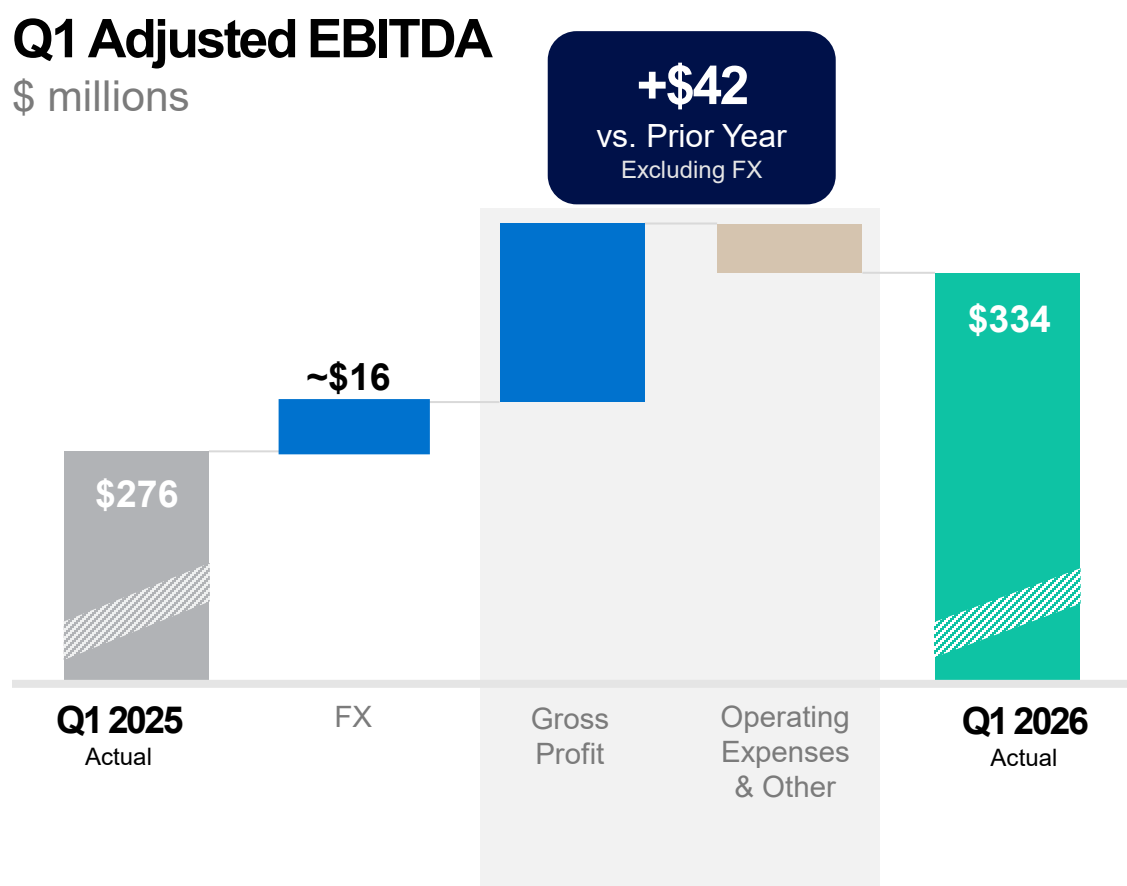
³We define adjusted EBITDA margin as adjusted EBITDA divided by total revenue, excluding royalty revenue sold to a third party.

First Quarter 2026

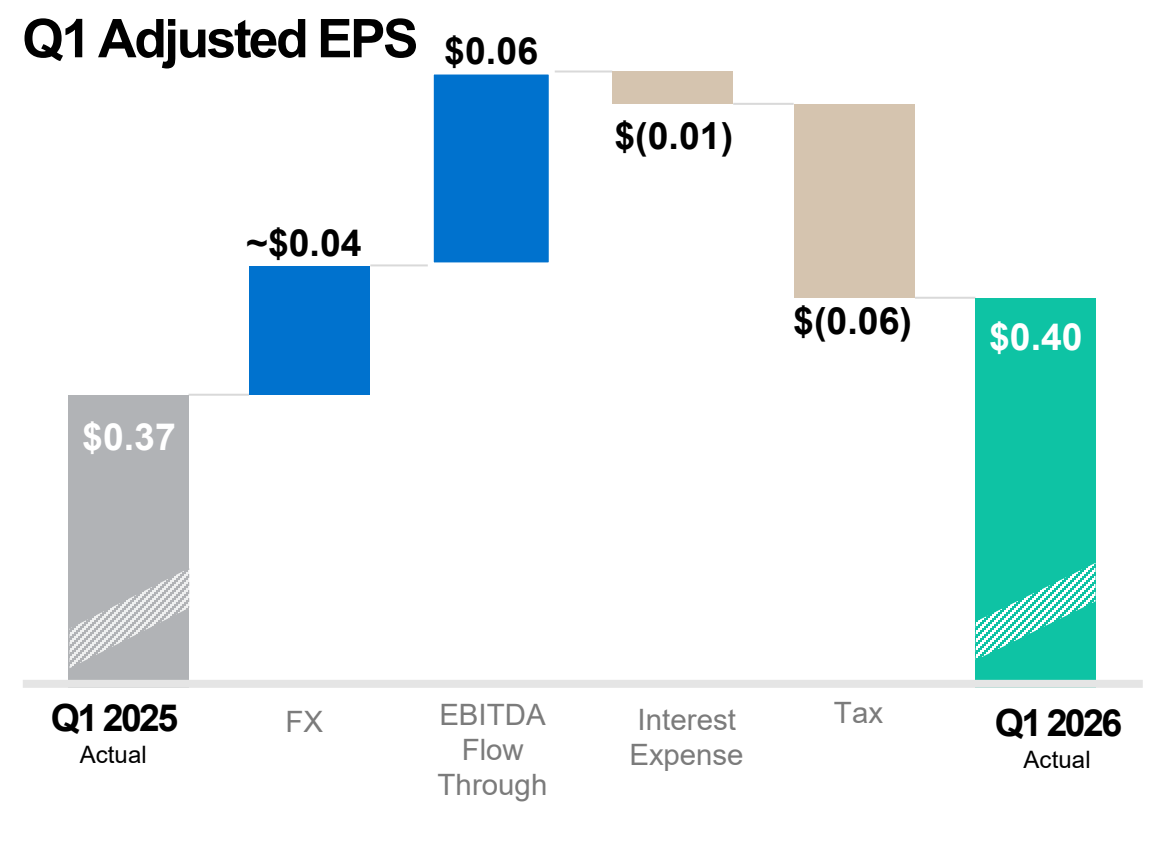
Adjusted EBITDA¹ and Adjusted EPS¹ Drivers

Q1 Adjusted EBITDA

\$ millions



Q1 Adjusted EPS



Note: Numbers may not add due to rounding.

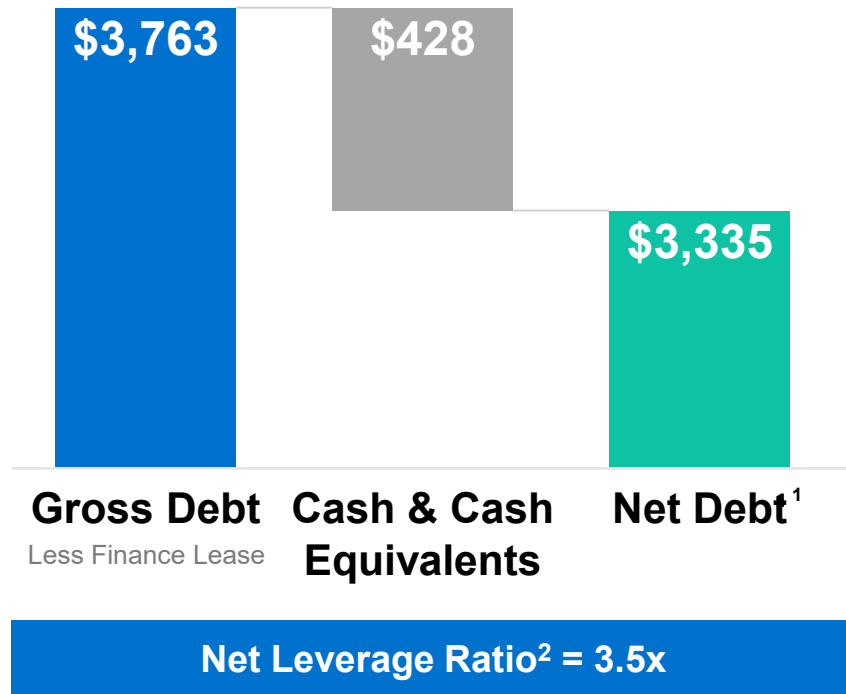
¹Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

Key Balance Sheet and Cash Flow Metrics

Cash and Debt Balances

as of March 31, 2026

\$ millions



Capital Allocation Priorities



**Debt
Paydown**

Primary use of free cash flow

Targeting <3.0x in 2027 and 2.0x-2.5x over time



**Strategic
Investment
in Business**

R&D, manufacturing capex, commercial launches, bolt-on M&A investment expected to drive sustainable topline growth

Note: Numbers may not add due to rounding.

¹Net debt is a non-GAAP measure calculated as gross debt, excluding finance lease liabilities, less cash and cash equivalents on our balance sheet.

Gross debt is the sum of current portion of long-term debt and long-term debt and excludes unamortized debt issuance costs.

²Net leverage ratio calculated as gross debt less cash and cash equivalents and finance lease liabilities on our balance sheet divided by adjusted EBITDA.

Financial Guidance

Second Quarter and Full Year 2026

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TM



2026 Full Year

Financial Guidance

\$ millions, except per share values

	February	May	Comments
Revenue¹	\$4,950 - \$5,020	\$5,010 - \$5,085	5%-7% organic CC ² growth; expecting \$60M tailwind from FX
Adjusted EBITDA³	\$955 - \$985	\$975 - \$1,005	10% growth at midpoint; adj. gross margin up ~40 bps
Adjusted Diluted EPS³	\$1.00 - \$1.06	\$1.03 - \$1.09	13% growth at midpoint



Accelerating Price Contribution YoY

Reflecting our latest innovation and the value of our portfolio to customers



Adj. EBITDA Margin Expansion

Led by Elanco Ascend program, with G&A savings more front-loaded over the 5-year period



'Below the Line' Items

Expecting modest step-up in interest expense with expiration of favorable interest rate swap amortization benefit, and ~21%-22% effective tax rate

¹Revenue guidance excludes royalty revenue that was sold to a third party

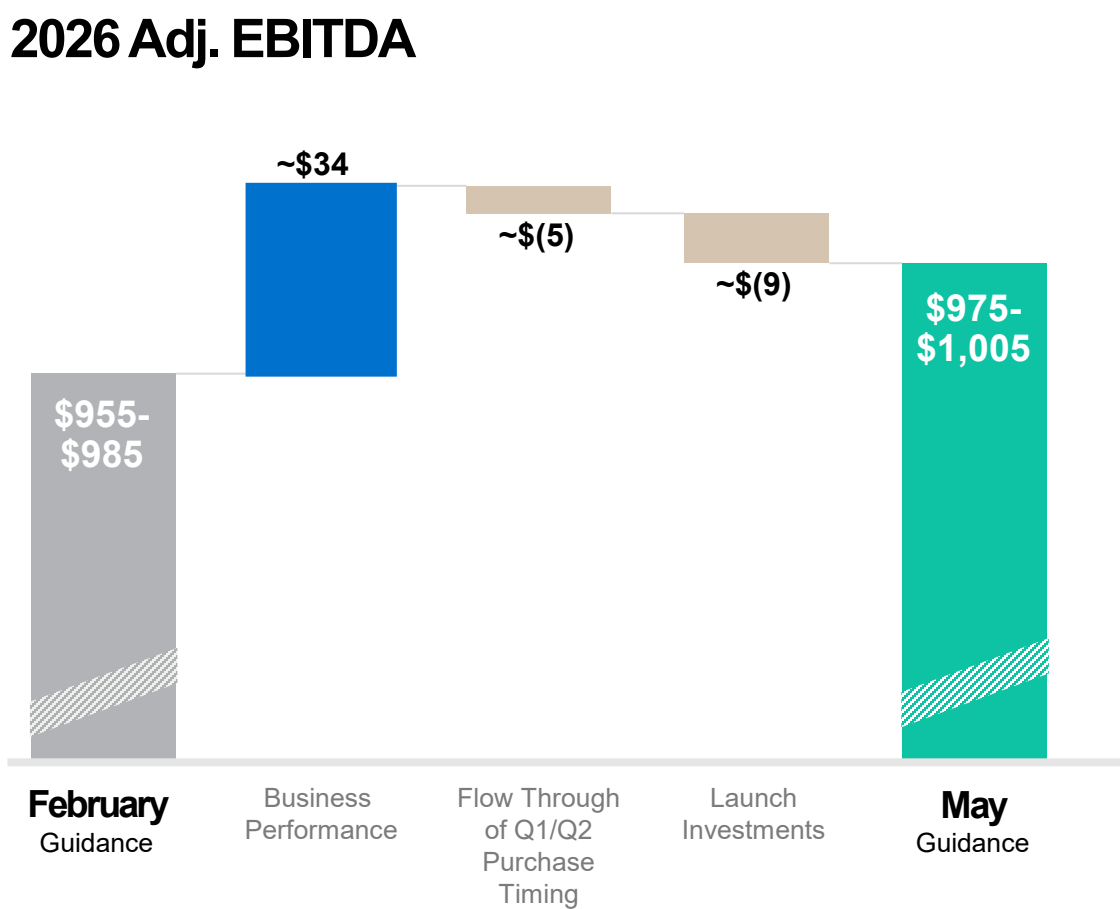
²Organic CC growth represents revenue growth excluding the impacts from royalty revenue that was sold to a third party and the impact of foreign exchange rates

³Non-GAAP financial measure

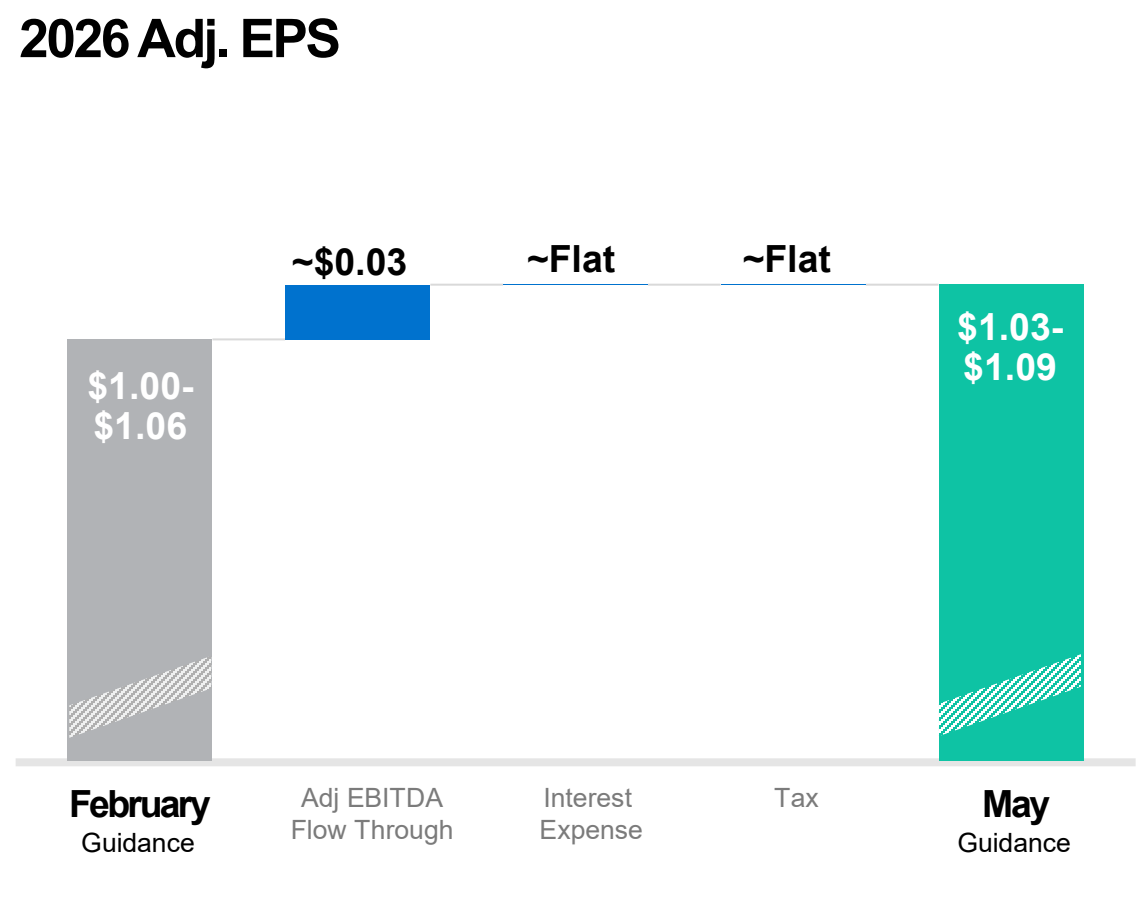
February Guidance to May Guidance Bridge

Raising Adj. EBITDA¹ and Adj. EPS¹ Guidance

2026 Adj. EBITDA



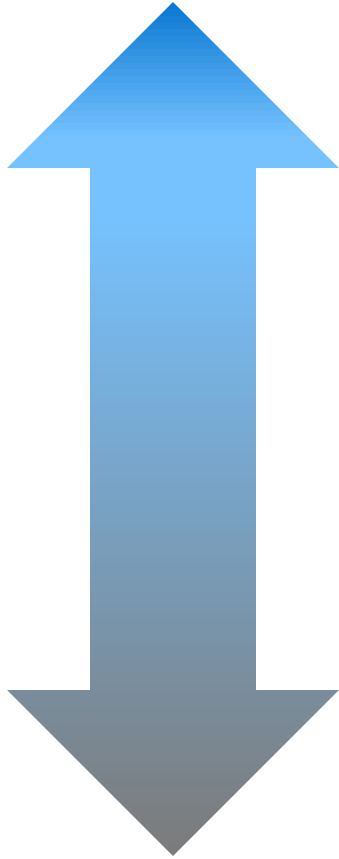
2026 Adj. EPS



Note: Numbers may not add due to rounding.

¹Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

Considerations for 2026 Guidance Range



Potential Drivers to the High-End of Guidance

- Accelerating innovation-led growth
 - Base business growth
 - Ability to leverage our diverse portfolio
 - Favorable macroeconomic backdrop
 - Rapid progress on Elanco Ascend initiatives
-

Potential Drivers to the Low-End of Guidance

- Heightened competitive pressure, including generics
- Consumer/macroeconomic pressure
- Incremental investment in innovation product launches

Guidance Continues Our Prudent, Balanced Approach in a Dynamic Macro Environment

Second Quarter 2026

Financial Guidance

\$ millions, except per share values

	Q2 Guidance	Comments
Revenue¹	\$1,300 - \$1,325	4%-6% organic CC ² growth
Adjusted EBITDA³	\$240 - \$260	Includes opex up ~8% CC with incremental support for innovation products
Adjusted Diluted EPS³	\$0.25 - \$0.28	Effective tax rate expected in line with full-year rate



Revenue Growth

Impacted by lapping Q2 2025 pre-tariff buying primarily in China (~\$15M), accelerated shipments to the Middle East in Q1 2026, and Farm Animal normalization against more challenging comparisons



Adj. EBITDA Margin

Gross margin YoY headwind from timing of inflation and flow-through of inventory costs; expecting Adj. EBITDA margin pressure at midpoint of range with commercial investments



Debt

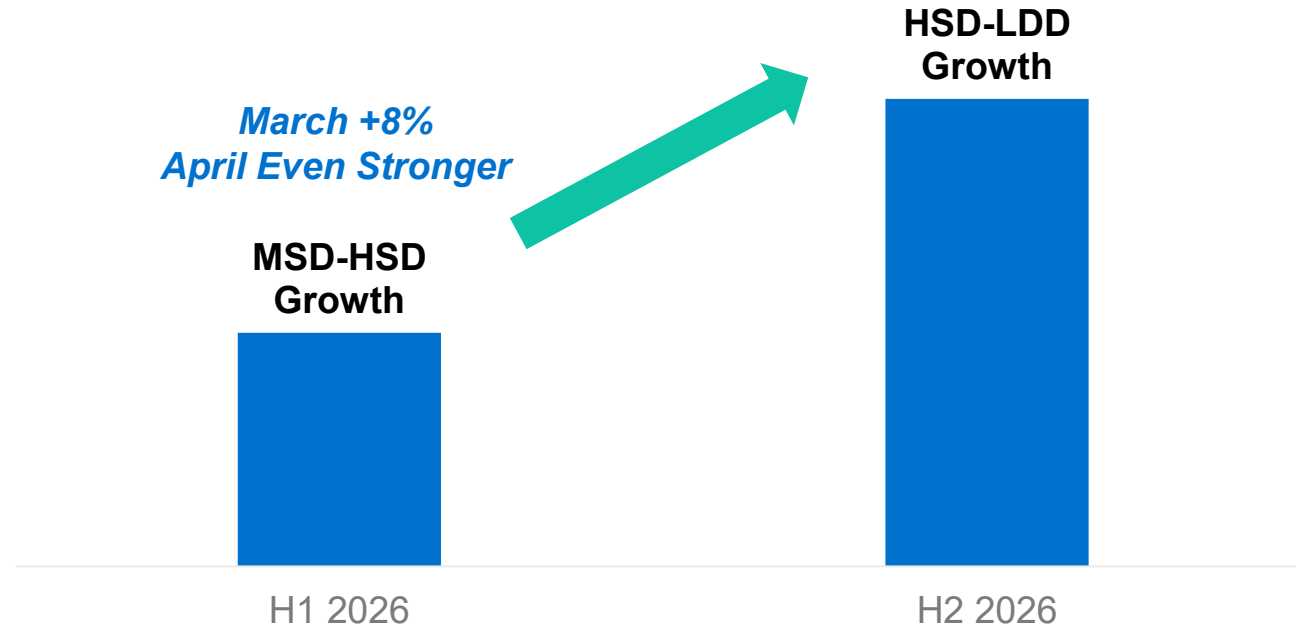
Borrowed \$50M on our Securitization Facility to complete the AHV International acquisition on April 30th

¹Revenue guidance excludes royalty revenue that was sold to a third party

²Organic CC growth represents revenue growth excluding the impacts from royalty revenue that was sold to a third party and the impact of foreign exchange rates

³Non-GAAP financial measure

Drivers of Expected U.S. Pet Health Revenue Acceleration in H2



Key H2 Revenue Growth Drivers

- Continued momentum for Zenrelia and Credelio Quattro
- Befrena launch
- Corporate account growth
- Does not assume improving vet visit volumes

Expecting At Least High-Single Digit Full-Year 2026 Revenue Growth for U.S. Pet Health

The Trends That Matter

A Global Shift in Pet Owner Behavior

- **Convenience** driving compliance¹
- **Omnichannel** access unlocking higher spend²
- **Subscriptions** representing 40% of pet care spend³
- Proven **willingness to spend** on **innovative products** even in challenging economic times
- **Humanization of pets** at the center of the family

Accelerating Global Animal Protein Consumption

- Projected to grow **5% annually** in the U.S. alone⁴
- **Consumer demand** for high protein diets⁵
- **Dietary guidelines** recommending ~2x daily consumption
- **GLP-1 users** consuming ~40%-50% more protein⁶
- **Aging population** with projected 25% increase in adults over 60 by 2030⁷

~\$20B

Projected Industry Value Added Over the Next Decade, Reflecting Consistent MSD Growth

Elanco Is Uniquely Positioned to Lead the Animal Health Industry's Durable and Diverse Growth

¹AAHA Dec 2023 Trends Magazine ³NielsenIQ data

²McKinsey Omnichannel research ⁴Morgan Stanley Protein research

⁵Cargill 2025 Protein Profile

⁶Helmsman Group, The GLP-1 Revolution ⁷World Health Organization

Elanco Today: A Different Company – Consistent Growth, Steady Pipeline of New Products, Stronger Financial Profile

Growth

Innovation

Cash



Appendix

Reference slides and GAAP reported to non-GAAP
adjusted reconciliations

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TM



Full Year 2026

Financial Guidance & Additional Assumptions

\$ millions, except
per share values

	February	May
Total Revenue¹	\$4,950 – \$5,020	\$5,010 – \$5,085
Adjusted Gross Margin ²	55.1% – 55.5%	55.1% – 55.5%
Operating Expenses	\$1,915 – \$1,940	\$1,925 – \$1,945
Adjusted EBITDA²	\$955 – \$985	\$975 – \$1,005
Adjusted EBITDA Margin²	19.3% – 19.6%	19.5% – 19.8%
Adjusted Interest Expense, Net ²	Approx. \$165	Approx. \$165
Tax Rate	21% – 22%	21% – 22%
Adjusted Earnings per Share²	\$1.00 – \$1.06	\$1.03 – \$1.09
Weighted Average Diluted Share Count	Approx. 508 million	Approx. 508 million
Capital Expenditures	Approx. \$185	Approx. \$185
Cash Taxes	Approx. \$105	Approx. \$110
Cash Interest	Approx. \$175	Approx. \$175

¹Revenue guidance excludes royalty revenue that was sold to a third party

²Non-GAAP financial measure

First Quarter 2026

Adjusted EBITDA Reconciliation

\$ millions

	2026	2025
Reported Net Income	\$57	\$67
Net Interest Expense	\$57	\$40
Income Tax Expense (Benefit)	\$30	\$(7)
Depreciation and Amortization	\$170	\$161
EBITDA	\$314	\$261
Non-GAAP Adjustments		
Cost of Sales	\$0	\$1
Asset Impairment, Restructuring, and Other Special Charges	\$16	\$9
Sold Royalty Revenue	\$(9)	\$0
Other Expense, Net	\$13	\$5
Adjusted EBITDA	\$334	\$276
Adjusted EBITDA Margin	24.5%	23.1%

Note: Numbers may not add due to rounding.

First Quarter 2026

Reconciliation of GAAP Reported to Non-GAAP Adjusted Income Statement Items

\$ millions, except
per share values

	2026		2025	
	Net Income	EPS	Net Income	EPS
GAAP Reported Net Income and EPS	\$57	\$0.11	\$67	\$0.13
Cost of Sales Adjustments	-	-	\$1	\$0.00
Amortization of Intangible Assets	\$138	\$0.27	\$128	\$0.26
Asset Impairment, Restructuring, and Other Special Charges ⁽¹⁾	\$16	\$0.03	\$9	\$0.02
Sold Royalty Revenue	\$(9)	\$(0.02)	-	-
Interest Expense, Net of Capitalized Interest ⁽²⁾	\$14	\$0.03	-	-
Other Expense, Net ⁽³⁾	\$13	\$0.03	\$5	\$0.01
Income Tax Benefit ⁽⁴⁾	\$(25)	\$(0.05)	\$(26)	\$(0.05)
Adjusted Net Income and EPS	\$204	\$0.40	\$184	\$0.37

Note: Numbers may not add due to rounding.

First Quarter 2026

Details of Adjustments to Certain GAAP Reported Measures

For the three months ended March 31, 2026 and 2025:

- (1) Adjustments of \$16 million for the three months ended March 31, 2026, primarily related to \$15 million of non-cash shut-down costs for the animal studies portion of our R&D facilities in Monheim, Germany associated with our 2025 Restructuring Plan. Adjustments of \$9 million for the three months ended March 31, 2025, included \$7 million of upfront payments made in relation to new licensing arrangements.
- (2) Adjustments of \$14 million for the three months ended March 31, 2026, related to imputed interest expense on our liability for sale of future revenue.
- (3) Adjustments of \$13 million for the three months ended March 31, 2026, primarily related to currency translation losses reclassified from accumulated other comprehensive loss in conjunction with the substantial liquidation of a dormant legal entity, a litigation settlement, and mark-to-market adjustments on equity investments. Adjustments of \$5 million for the three months ended March 31, 2025, related to mark-to-market adjustments on equity investments and the impact of hyperinflationary accounting in Turkey.
- (4) Adjustments of \$25 million for the three months ended March 31, 2026 primarily represented the income tax expense associated with the adjusted items discussed above. Adjustments of \$26 million for the three months ended March 31, 2025, primarily represented the income tax expense associated with the adjusted items discussed above. The adjustments for the three months ended March 31, 2025, also reflect a \$35 million benefit related to a discrete tax item recognized during the quarter.



Go Beyond. Make Life Better.

