Forward looking statements

This presentation contains management’s statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “estimate,” “seek,” “intend,” “expect,” “believe,” “target,” “anticipate,” “plan” and similar expressions are intended to identify forward-looking statements. Actual results may differ materially due to various factors. Any statements that are not statements of historical fact should be considered to be forward-looking expectations relating to the integration of Bayer Animal health, expected synergies and cost savings, product launches, reduction of debt, independent company stand-up costs and timing, expectations around our sustainability commitments, the impact of the COVID-19 pandemic on our business, our 2020 fourth quarter and 2021 financial outlook, our expected compliance with debt covenants, 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 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: (1) heightened competition, including from innovation or generics; (2) the impact of disruptive innovations and advances in veterinary medical practices, animal health technologies and alternatives to animal-derived protein; (3) changes in regulatory restrictions on the use of antibiotics in food animals; (4) the impact on our operations, the supply chain, customer demand, and our liquidity as a result of the coronavirus (COVID-19) global health pandemic; (5) our ability to implement our business strategies or achieve targeted cost efficiencies and gross margin improvements; (6) an outbreak of infectious disease carried by food animals; (7) the success of our R&D and licensing efforts; (8) our ability to complete acquisitions and successfully integrate the businesses we acquire, including our recent acquisition of Bayer Animal Health; (9) the impact of the COVID-19 global health pandemic on our ability to achieve the anticipated revenue, earnings, accretion and other benefits associated with the acquisition Bayer Animal Health; (10) misuse, off-label or counterfeit use of our products; (11) unanticipated safety, quality or efficacy concerns associated with our products; (12) the impact of weather conditions and the availability of natural resources; (13) disruption in our supply chain due to manufacturing issues experienced by our contract manufacturers; (14) consolidation of our customers and distributors; (15) the impact of increased or decreased sales to our channel distributors resulting in higher or lower inventory levels held by them in advance of or trailing actual customer demand, which could lead to variations in quarterly revenue results; (16) risks related to our presence in emerging markets; (17) changes in U.S. foreign trade policy, imposition of tariffs or trade disputes; (18) the impact of global macroeconomic conditions; and (19) the effect on our business resulting from our separation from Eli Lilly and Company (Lilly), including the various costs associated with transition to a standalone entity, including the ability to stand up our enterprise resource planning (ERP) system and other information technology systems.

For additional information about the factors that could cause actual results to differ materially from forward-looking statements, please refer to Elanco’s most recent Annual Report on Form 10-K and other SEC filings. You should not place undue reliance on forward-looking statements, which speak only as of the date of this presentation. Except as is required by law, Elanco expressly disclaims any obligation to publicly release any revisions to forward-looking statements to reflect events after the date of this presentation.

Non-GAAP Financial Measures:
We use non-GAAP financial measures, such as revenues excluding Contract Manufacturing, adjusted EBITDA, adjusted EBITDA margin, adjusted net (income) loss, adjusted EPS, adjusted gross profit, adjusted gross margin and metrics excluding the impact of foreign exchange rates to assess and analyze our operational results and trends as detailed in this presentation.

We believe these non-GAAP financial measures are useful to investors because they provide greater transparency regarding our operating performance. Reconciliation of non-GAAP financial measures and reported GAAP financial measures are included in the appendix tables in this presentation and are posted on our website at www.elanco.com. The primary material limitations associated with the use of such non-GAAP measures as compared to U.S. GAAP results include the following: (i) they may not be comparable to similarly titled measures used by other companies, including those in our industry, (ii) they exclude financial information and events, such as the effects of an acquisition or amortization of intangible assets, that some may consider important in evaluating our performance, value or prospects for the future, (iii) they exclude items or types of items that may continue to occur from period to period in the future and (iv) they may not exclude all unusual or non-recurring items, which could increase or decrease these measures, which investors may consider to be unrelated to our long-term operations. These non-GAAP measures are not, and should not be viewed as, substitutes for U.S. GAAP reported measures. We encourage investors to review the Company’s latest Forms 10-K and subsequent for 10-Qs filed with the Securities and Exchange Commission. We caution investors to use U.S. GAAP measures as the primary means of evaluating our performance, value and prospects for the future, and non-GAAP measures as supplemental measures. Please see discussion of non-GAAP financial measures and the reconciliations at the end of this presentation for more information.
Welcome and Introduction

Jeff Simmons
President & Chief Executive Officer
Key Milestones Achieved

- Distribution changes complete, resulting in increased competitiveness
- Bayer acquisition financed, closed and antitrust remedied
- Bayer ownership stake largely sold
- Board governance and operational oversight expanded

... a Solid Platform for the Future
Our Expectations

**Innovation**
Pipeline visibility illustrating dependable revenue contributing ~$80-$150M in annual revenue and 2%-3% annual growth, beginning with eight launches in 2021

**Top-Line and EBITDA Growth**
More consistent delivery of ~3%-4% average annual revenue growth, double-digit adj. EBITDA growth

**Commercial Leadership**
Added key roles from Bayer; sophisticated global marketing capability
Positive momentum evidenced by raised and tightened Q4 2020 guidance

**Value Capture and Cost Management**
Achieve $300M synergy two years faster; $500M debt payment in 2021, progressing toward <3x net leverage; clear roadmaps for synergy, cash management, deleveraging and margin targets

**Focus on Accountability**
Increased transparency, simplified reporting, and enhanced governance

Note: All references to forward-looking financials are at constant currency, unless otherwise noted
Today’s Takeaways

An **inflection point** toward accelerated value creation beginning in 2021

**Strengthened and expanded IPP strategy**; Led by dependable revenue growth from innovation balancing **blockbusters with portfolio solutions**

Consistent, profitable **growth through our long-term algorithm**

2021 outlook demonstrating growth, innovation contribution, and **resumed progress toward margin & deleverage targets**

Increased **transparency, accountability, and governance**

Positioned for Sustainable Long-Term Value Creation
Our Long-Term Algorithm for Accelerated Value Creation

**Growth**
- ~3% - 4% Average Annual Revenue Growth
- Innovation and Focus Brands Leading Growth

**Profitability**
- Double-Digit Annual Adjusted EBITDA\(^{(1)}\) Growth
- Progressing Toward Long-Term Targets of 60% Adjusted Gross Margin\(^{(1)}\) and 31% Adjusted EBITDA Margin\(^{(1)}\)

**Results**
- Double-Digit Annual Adjusted EPS\(^{(1)}\) Growth
- Progressing Toward Net Leverage <3x

\(^{(1)}\) Non-GAAP financial measure. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.
Today’s Agenda

Elanco Today
The combined company
Strategic outlook
Enhanced governance

Innovative Future
Robust pipeline
Blockbuster potential
Consistent growth contribution

Balanced Portfolio
Focused brand approach
Valuable portfolios in important markets
Key growth enablers

Focus on Productivity
Culture of continuous improvement
Exceeding our goals, with a path for more
Flat cost of sales

Financial Outlook
Detailed 2021 guidance
Path to long-term targets
Confidence in debt paydown
Positioned for Long-Term Leadership in the Attractive, Durable Animal Health Industry
Today: A Decade of Intentionally Building a Global Leader

### Innovation Pioneer
- Leader in Ruminant Health since 1976
- Leaders in poultry and pig enteric health since 1950s
- Invented monthly oral pet parasiticides in 2007 and offered the first combo in 2011
- On the leading edge of raised without antibiotics, setting new industry standards
- Food safety leader in monogastrics
- Best in class pain portfolio
- First mover and market leader in U.S. PH OTC

### History of Successful, Purposeful Transformation
- Within Lilly: Mandate for countercyclical transformation
- **NYSE: LLY → NYSE: ELAN**
  - As an independent animal health company

### Focus on Value Creation
- U.S. livestock feed-additive division to Global animal health leader
- 4x revenue vs. 2007
- ~22x market value vs. 2007
- Built lasting value through innovation, capabilities, and access to customers

**Inflection Point to Grow, Innovate, and Deliver Increased Value**
Improved Positioning to Manage Industry Shifts and Capitalize on Opportunities

**Opportunities**
- Omnichannel Demand
- Increased Pet Ownership
- Importance of Companionship
- Longer Pet Lives, New Care Challenges
- Competition in Key Markets
- Compliance & Awareness

**Realities**
- Increasing Middle Class
- Increased Demand for Technology, Convenience
- Customer Consolidation

**Global Business**
- Pet Health
- Farm Animal
- Diversification Across Species and Geographies
- Innovation Pipeline Addressing Unmet Customer Needs
- Expanded Portfolio Approach
- Omnichannel Leadership
- Global Protein Demand
- Biosecurity and Animal Wellbeing
- Environmental Sustainability
- Generic Competition
- Regulatory / Policy
- Foodservice Demand Pressure

**Importance of Companionship**

**Compliance & Awareness**

**Convenience**

**Technology**

**Increased Demand for Technology, Convenience**

**Customer Consolidation**

**Increasing Middle Class**
A More Global, Diverse, Balanced Portfolio Now

**Geography**

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>45%</td>
<td>55%</td>
</tr>
</tbody>
</table>

Balanced global revenue base

**Revenue Category**

<table>
<thead>
<tr>
<th></th>
<th>U.S.</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pet Health</td>
<td>30%</td>
<td>20%</td>
</tr>
<tr>
<td>Farm Animal</td>
<td>15%</td>
<td>35%</td>
</tr>
</tbody>
</table>

Pet Health ~50%; More than doubled international Pet Health

**Species**

<table>
<thead>
<tr>
<th></th>
<th>Poultry</th>
<th>Swine</th>
<th>Aqua</th>
<th>Dogs &amp; Cats</th>
<th>Cattle</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>15%</td>
<td>11%</td>
<td>3%</td>
<td>50%</td>
<td>20%</td>
</tr>
</tbody>
</table>

Enhanced cattle portfolio; Poultry remains significant

Note: Percentages represent Elanco 2020 pro forma revenue estimates, exclude Contract Manufacturing of $110M and may not add due to rounding.
Stronger, Deeper Portfolio with Leadership in Important Markets

Balanced Portfolio

35%
Eight blockbusters (>=$100M annual revenue each)

65%
Breadth of relevant global, regional, and local brands

Pet Health

U.S. Retail Channel Leader
Wide-Ranging Pain Offering
Brodest Coverage Parasiticide Portfolio

Farm Animal

#1 in Poultry
#2 in Beef
#1 in Aqua

Note: Elanco analysis based on Vetnosis, AnimalPharm, and other public and proprietary data sources.

Note: Excludes Contract Manufacturing. Percentages represent Elanco 2020 pro forma revenue estimates.
Key Capabilities Driving Value and Success

**R&D**
- Innovative delivery technologies and approaches
- Late-stage portfolio execution
- Partner of choice for external innovation

**Sales & Marketing**
- Retail leadership, paired with long-standing vet relationships
- DTC and digital activation
- Geographic breadth and unparalleled access to animals
- Strong Farm Animal B2B skills

**Manufacturing**
- Successful track record of efficiency and lowering costs
- Innovative mindset, accelerating speed to market for new products

**People & Culture**
- Highly-engaged, purposeful team driven by making a difference
- One Elanco and ownership orientation
- Engagement, execution, and delivery measured quarterly

Underpinned by
Deep Management Team & Experienced, Diverse Board of Directors
Long-Term Growth Algorithm and Strengthened Innovation, Portfolio, Productivity (IPP) Strategy

Unlock Expanded Value Opportunities
Our Long-Term Algorithm for Accelerated Value Creation

Growth

~3% - 4% Average Annual Revenue Growth

Innovation and Focus Brands Leading Growth

Profitability

Double-Digit Annual Adjusted EBITDA(1) Growth

Progressing Toward Long-Term Targets of 60% Adjusted Gross Margin(1) and 31% Adjusted EBITDA Margin(1)

Results

Double-Digit Annual Adjusted EPS(1) Growth

Progressing Toward Net Leverage <3x

(1) Non-GAAP financial measure. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations
Growth: ~3%-4% Average Annual Revenue Growth

<table>
<thead>
<tr>
<th>Innovation</th>
<th>Maximizing Value Of Current Portfolio</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal Pipeline</td>
<td>Focus</td>
<td>Core</td>
</tr>
<tr>
<td>External Innovation</td>
<td>Significant Brands Accretive to Growth</td>
<td>Portfolio Value Drivers</td>
</tr>
</tbody>
</table>

Long-Term Contribution to Average Annual Total Revenue Growth:
- Innovation: 2%-3%
- Maximizing Value Of Current Portfolio: 2%-3%
- Core: 0%-1%
- Defend: (1)%-(2)
- Overall: ~3%-4%

Enabled by:
- Launch Excellence
- Omnichannel Leadership
- Geographic Focus
- Pricing
- Digital Ecosystem

Growth: ~3%-4% Average Annual Revenue Growth

Launch Excellence
Omnichannel Leadership
Geographic Focus
Pricing
Digital Ecosystem
IPP: Our Strengthened & Expanded Strategy

**Dependable Revenue Growth from Innovation**

- ~$80-$150M in annual contribution, driving 2%-3% growth
- Consistent 8%-9% investment
- Intentional pipeline mix to balance blockbusters with portfolio solutions
- Complementary external innovation as partner of choice

**Expanded Portfolio, Capabilities, Access**

- Invest in focus brands; optimize defend brands
- Key enablers drive growth across portfolio
- Enhanced and focused commercial structure
- Cross-functional collaboration supporting new launches

**Unlocking Value**

- Quicker achievement of $300M synergies; $100M+ in productivity savings
- Confidence in debt paydown and path to <3x leverage
- Adj. gross margin\(^{(1)}\) 60% and adj. EBITDA margin\(^{(1)}\) 31% targets intact

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\(^{(1)}\) Non-GAAP financial measure. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations
Healthy Enterprise Foundation for Elanco’s Healthy Purpose

Pledges
Converging our business against important societal needs

Differentiators
People, Access and Innovation with purpose allowing Elanco unique opportunity for impact

Outcomes
Our approach to creating a sustainable enterprise for long-term value creation
Board and Executive Team Bring Capabilities, Experience, and Expertise to **Deliver Consistent, Sustained Value**
Experienced Board Paired with Enhanced Governance to Drive Accountability and Outcomes

Diverse and Complementary Skillset
Directors with a track record of enhancing value for shareholders

<table>
<thead>
<tr>
<th>Sector</th>
<th>Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare / Animal Health</td>
<td>6</td>
</tr>
<tr>
<td>Consumer / Retail</td>
<td>4</td>
</tr>
<tr>
<td>Innovation</td>
<td>4</td>
</tr>
<tr>
<td>Operational / Margin Enhancement</td>
<td>6</td>
</tr>
<tr>
<td>M&amp;A Integration</td>
<td>4</td>
</tr>
<tr>
<td>Financial / M&amp;A</td>
<td>7</td>
</tr>
<tr>
<td>Public Company Leadership</td>
<td>8</td>
</tr>
</tbody>
</table>

Gender and/or Ethnically Diverse: 50%

Independent Directors: 8 of 10

Committees Focused on Enhancing Strategy and Execution

Enhanced Scope
Finance & Oversight Committee
Focus on M&A integration, financial matters and margin expansion, operational initiatives and related areas of oversight

Newly Formed
Innovation, Science & Technology Committee
Focus on growing product pipeline and driving R&D optimization

Expert, independent science and technology advisory board to support committee’s efforts
Expanded Capability and Expertise

William F. Doyle
Managing Director
WFD Ventures, LLC
Executive Chairman
BlinkHealth LLC, Novocure

Animal health and pharma executive, Board member and investor; record of innovation
Operational excellence, capital allocation and business integration leadership
Venture capital expertise

Scott Ferguson
Founder and Managing Partner
Sachem Head Capital Management

Shareholder representative; demonstrated value creation expertise
Extensive public company Board experience
Deep management capability

Paul Herendeen
Executive Vice President and Chief Financial Officer
Bausch Health

Animal health executive experience, former EVP & CFO of Zoetis
Operational efficiency and margin improvement expertise
History of refining capital structure
Seasoned Industry and Business Leaders, Poised for Execution

Aaron Schacht
EVP – Innovation, Regulatory, & Business Development

Racquel Harris Mason
EVP – Chief Marketing Officer

David Urbanek
EVP – Manufacturing & Quality

Todd Young
EVP – Chief Financial Officer, Corporate Governance, & Strategy

Joyce Lee
EVP – President U.S. Pet Health & Commercial Operations

José Simas
EVP – U.S. Farm Animal Business

Dirk Ehle
EVP – President Elanco Europe

Ramiro Cabral
EVP – President Elanco International

Sarena Lin
EVP – Transformation & Technology

Michael-Bryant Hicks
EVP – General Counsel & Corporate Secretary

Dave Kinard
EVP – Human Resources, Corporate Affairs, & Admin
Today’s Agenda

Elanco Today

Jeff Simmons
President & Chief Executive Officer

Innovative Future

Aaron Schacht
EVP – Innovation, Regulatory, & Business Development

Balanced Portfolio

Racquel Harris Mason
EVP – Chief Marketing Officer

Focus on Productivity

David Urbanek
EVP – Manufacturing & Quality

Financial Outlook

Todd Young
EVP – Chief Financial Officer, Corporate Governance, & Strategy

Q&A