



Mindray Medical International Limited
Corporate Presentation
November 2012

mindray

Disclaimer

This material contains "forward-looking statements" within the meaning of the safe harbor provisions of the U. S. Private Securities Litigation Reform Act of 1995. Statements contained herein and in our third quarter 2012 earnings press release that are not historical facts, including, without limitation, statements about Mindray's anticipated net revenues, non-GAAP net income and capital expenditure for 2012, our assumption of a corporate income tax rate of 15% applicable to the Shenzhen subsidiary, the uncertainty to determine at this time when the PRC tax authority will release the list of companies that are eligible for renewal of status of National Key Software Enterprise, that the potential benefits will be included in our financial statements upon such notice, our remaining focused on optimizing our operations, our confidence about our competitive position in the domestic market and our ability to grasp opportunities presented by favorable healthcare spending trends, expectations regarding our strong IVD sales, especially the reagents' revenue growth, reflecting the success of our strategy to penetrate into the consumable products markets, our expectation to make prudent use of our cash and to continue to explore attractive M&A or collaboration opportunities, our making a \$9.7 million G&A expense accrual in the quarter ended September 30, 2012 in anticipation of dispute charges related to the on-going negotiation with an existing supplier, our confidence about delivering our financial targets, our expectation that China and emerging markets will lead our growth based on current trends, our being more cautious about the developed markets in light of the continued troubling economic environments in Western Europe and the weaker-than-expected market trends in North America, that we believe our long-term competitive position in the developed markets remain very strong, that we are mindful of potential challenges in certain emerging countries where there could be political or currency risks, that going forward, our team will continue to work hard in executing our growth strategies and we remain confident about our ability to further accelerate Mindray's growth and expansion, our expanding product offerings in 2012 and beyond, that the favorable macro policies and our strategy to further optimize our sales and distribution make us optimistic about our China performance going forward, our expectation that emerging markets will further lead our international sales growth, that we remain cautious on Western Europe and are more conservative about our North America sales projections, that we believe our long-term competitive positions in developed markets remain very strong over the long run, our expectation that the increasing trend of reagent business will continue, that we believe the Z6, together with DC-8 and DigiEye380 will help us gain a stronger foothold in China and other emerging markets, and statements about our company priorities for 2012 and new products pipeline for 2012, are forward-looking statements. Forward-looking statements represent only the company's beliefs and predictions regarding future events, many of which, by their nature, are inherently uncertain and outside of the company's control. Our actual results and financial condition and other circumstances may differ materially from the anticipated results and financial condition indicated in these forward-looking statements due to a variety of risk, uncertainties and factors, including, without limitation, the growth and expected growth of the medical device market in China and internationally; relevant government policies and regulations relating to the medical device industry; market acceptance of our products; our expectations regarding demand for our products; our ability to expand our production, our sales and distribution network and other aspects of our operations; our ability to stay abreast of market trends and technological advances; our ability to effectively protect our intellectual property rights and not infringe on the intellectual property rights of others; our ability to settle disputes with our customers and suppliers; competition in the medical device industry in China and internationally; and general economic and business conditions in the countries in which we operate. For a discussion of other important factors that could adversely affect our business, financial condition, results of operations and prospects, see "Risk Factors" beginning on page 5 of our annual report on Form 20-F which was filed with the Securities and Exchange Commission on April 30, 2012.

Our results of operations for the third quarter of 2012 are not necessarily indicative of our operating results for any future periods. The financial information contained in this release and presentation should be read in conjunction with the consolidated financial statements and notes thereto included in our public filings with the Securities and Exchange Commission.

Any projections in this release and presentation are based on limited information currently available to us, which is subject to change. Although such projections and the factors influencing them will likely change, we will not necessarily update the information. Such information speaks only as of the date of this release and presentation. Mindray disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law

Who We Are

Mindray is a leading developer, manufacturer and marketer of medical devices worldwide, creating value and driving growth through:

- Meeting the needs of hospitals and health systems in various geographies around the world
- Constant innovation driven by a vertically integrated business model and a world class R&D operation
- A global player, with established leadership position in the fast growing China market





Our Vision

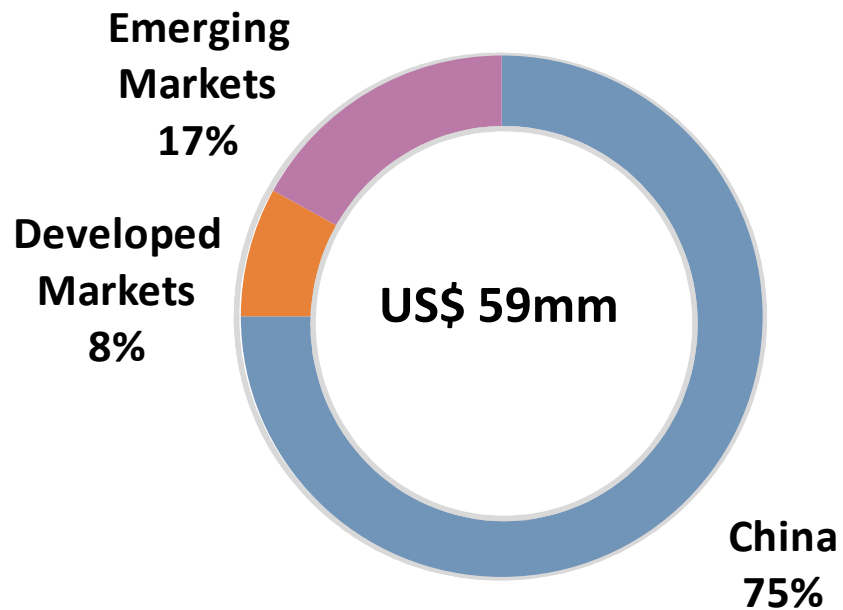
We will make better healthcare solutions more accessible to humanity.

Our Mission

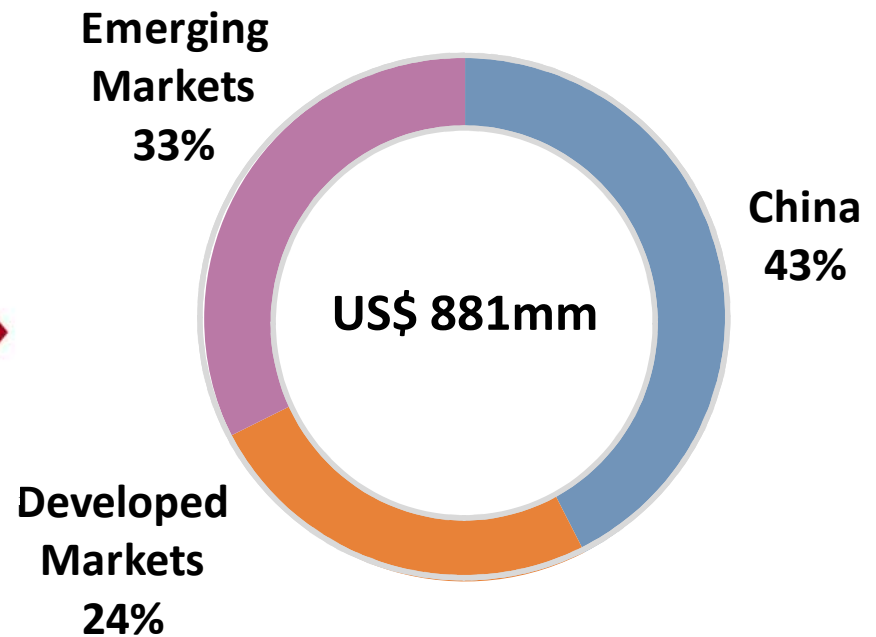
Improve healthcare by optimizing and sharing medical technologies with the world.

A Global Player in Medical Technologies

2003 Total Revenues



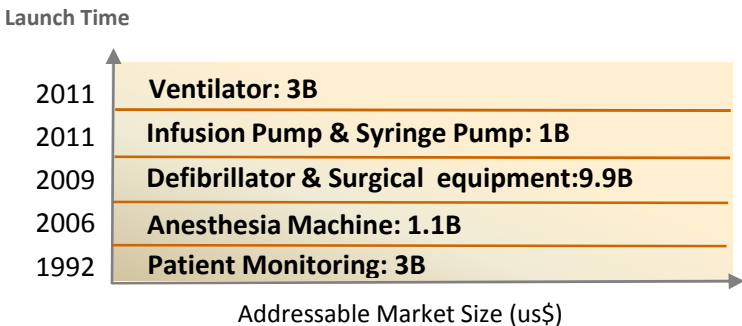
2011 Total Revenues



Note: Emerging Markets represent the countries in all regions except for China and developed markets.
Developed Markets represent the North America and Western European countries.

Expanding Product Offerings

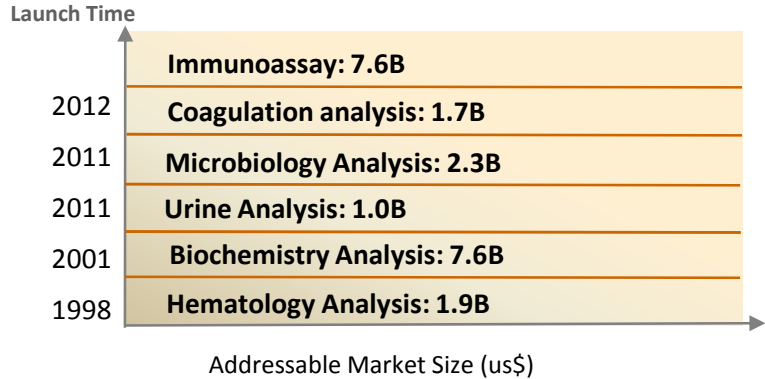
Patient Monitoring & Life Support Products



● Total addressable market size worldwide : ~ 18.0B



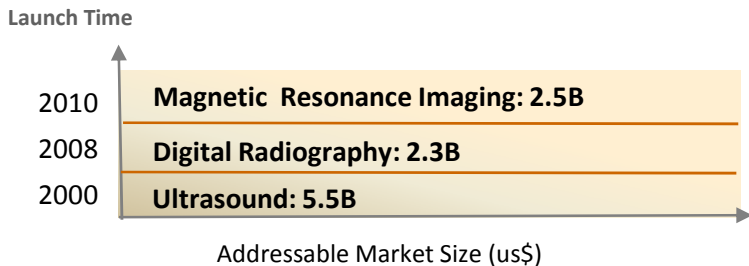
In-Vitro Diagnostic Products



● Total addressable market size worldwide: ~22.1B



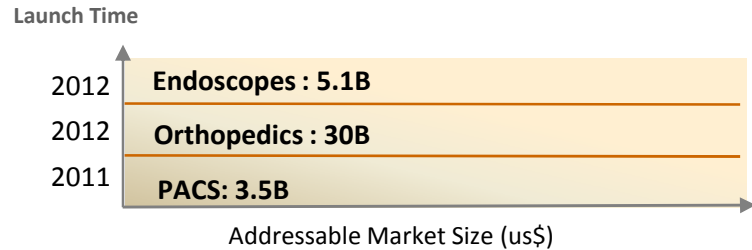
Medical Imaging Systems



● Total addressable market size worldwide: ~ 10.3B



Others

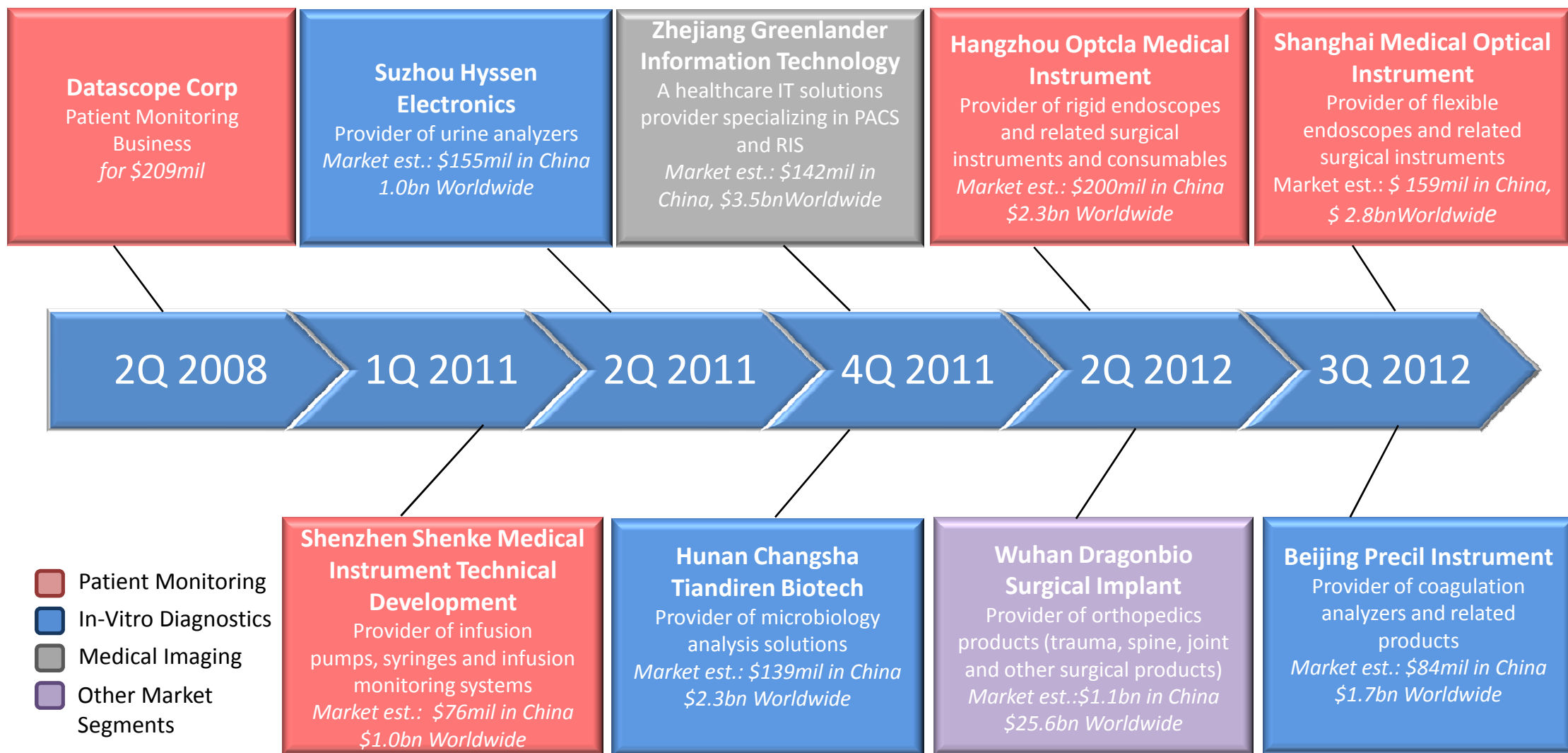


● Total addressable market size worldwide: ~38.6B



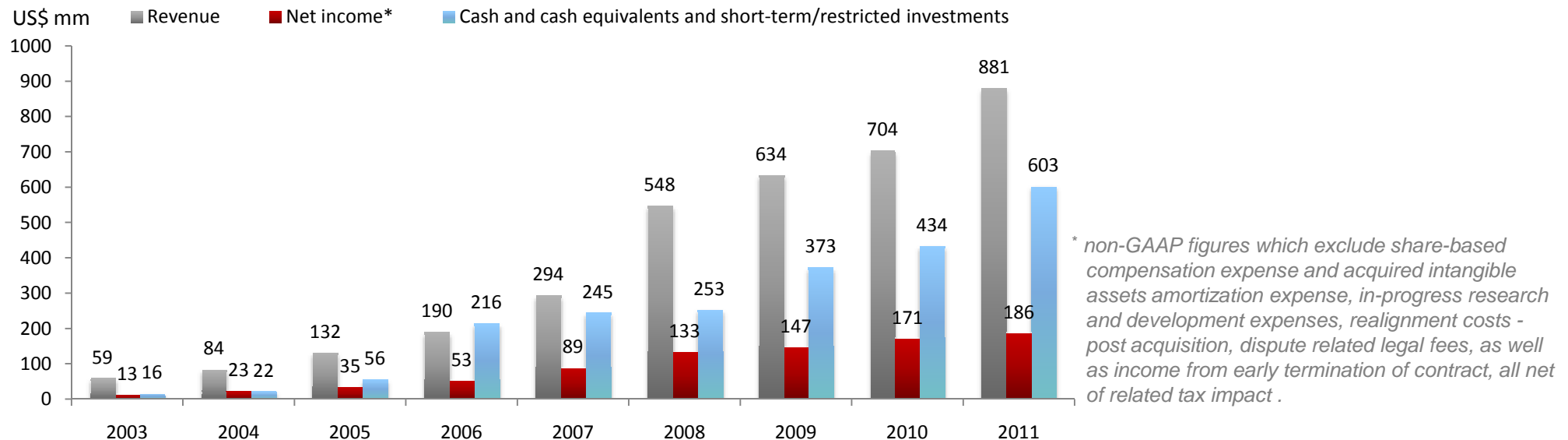
Source: Internal estimate

M&A Road Map



Investment Highlights

- A world-class organization rooted in the world's fastest growing market
- China's leading domestic brand in three product areas, backed by international research centers in U.S. and Europe
- China's one of the most comprehensive sales and service infrastructure, covering all major cities from local sales offices with distributors covering vast rural and remote areas
- A robust growth track record in emerging markets
 - A high quality, value brand that is appealing to value-seeking customers
 - Sales and marketing investment rate among the highest within the industry
- Long-term focus on growth, profitability and cash generation



3Q12 Highlights

- Net revenues were \$257.1 million, an increase of 17.7% year-over-year
 - China revenues grew 25.9%, representing six consecutive quarters of over 25% sales growth in the domestic market
 - International sales increased 11.6%. Emerging markets achieved good sales growth of 20.5% year-over-year
- Non-GAAP gross margin increased to 56.5%, a 100 basis points improvement over the same period last year
- Non-GAAP net income increased 18.1% to 50.1 million
- Net operating cash inflow strengthened significantly to \$59.3 million with 98.4% year over year growth
- In-Vitro diagnostic sales grew 30.3% year-over-year. Reagent revenues increased substantially, contributing 37.4% to the in-vitro diagnostic business
- Acquired two China-based companies – Shanghai Medical Optical Instruments Factory Co., Ltd, a flexible endoscopes manufacturer, and Beijing Precil Instrument Co., Ltd., a coagulation analysis maker

3Q12 Domestic Market Highlights

- 3Q12 China sales continued its strong growth, up 25.9% year-over-year
 - Continued to seize market opportunities and expand our sales to county level hospitals where we have strong presence
 - Our key account team has helped to improve our penetration into private hospitals and top tier level hospitals
 - In addition to strong IVD reagents, anesthesia machine and surgical equipments also achieved very solid growth
 - Favorable macro policies and our strategy to further optimize our sales and distribution network make us optimistic about our China performance going forward

3Q12 Emerging Markets Highlights

- Demand in emerging markets remained strong, achieving 20.5% year-over-year growth
 - Eastern Europe and CIS region together grew over 40%, of which CIS region was the bright spot.
 - Latin America was up over 20%, of which Mexico and Brazil achieved the highest growth, followed by Argentina
 - Despite the unrests in Africa, we delivered over 25% growth thanks to our improved ground sales and service infrastructure
- We remain confident about our expansion plans to capture opportunities in key emerging countries
- We expect emerging markets to further lead our international sales growth

3Q12 Developed Markets Highlights

- Developed markets recorded weaker than expected performance of which sales declined by 1.4% year-over-year
 - Western Europe sales grew 2.7% year-over-year. The moderated growth was primarily due to order delays as a result of the severe economic weakness
 - North America sales recorded a 3.4% decline mainly due to a significant slow down in overall healthcare equipment purchasing environment in the US. Anesthesia products as well as contribution from the GPO contract continued to benefit our sales
- We remain cautious on Western Europe and are more conservative about our North America sales projections. Over the long run, we believe our long-term competitive positions in developed markets remain very strong

Financials – 3Q12 Results Highlights

USD (in millions) <i>except EPS, A/R, A/P, Inventory days</i>	<u>3Q12</u>	<u>3Q11</u>	<u>2Q12</u>	<u>YoY</u>
Net Revenues	257.1	218.4	267.8	17.7%
Operating Income	39.1	38.7	55.9	1.0%
Non-GAAP OI	53.5	43.9	63.5	22.0%
EBITDA	48.3	48.4	66.4	-0.1%
Net Income	35.8	37.3	52.0	-4.2%
Non-GAAP NI	50.1	42.5	59.5	18.1%
Diluted EPS	0.30	0.31	0.44	-4.4%
Non-GAAP Diluted EPS	0.42	0.36	0.50	17.8%
Accounts Receivable Days	66	71	64	
Inventory Days	100	100	87	
Accounts Payable Days	60	58	54	

Note:

Non-GAAP figures excludes share-based compensation expense, dispute related legal fees, dispute charges and acquired intangible assets amortization expense, all net of related tax impact.

Patient Monitoring and Life Support Products

USD (in millions)	<u>3Q12</u>	<u>3Q11</u>	<u>2Q12</u>	<u>YoY%</u>
	\$103.8	\$96.1	\$114.6	8.0%

- The patient monitoring and life support segment contributed 40.4% to total net revenues in 3Q12.
- Anesthesia machines and surgical equipments in particular were the growth contributors for this segment.



• Anesthesia Machine



• ICU/OR IT Solution

In-Vitro Diagnostic Products

USD (in millions)	<u>3Q12</u>	<u>3Q11</u>	<u>2Q12</u>	<u>YoY%</u>
	\$72.6	\$55.7	\$ 73.9	30.3%

- The in-vitro diagnostics segment contributed 28.3% to total net revenues in 3Q12.
- Reagent business maintained its robust growth and made up 37.4% of total segment sales.
- Reagent, 5-part hematology analyzers and mid-to-low end bio-chemistry analyzers contributed to the overall IVD sales growth.



✓ BS-2000 Biochemistry Analyzer



✓ BS-480 Biochemistry Analyzer



• Urinary Sediment Analyzer



✓ EH-2050B Plus Urinary Sediment Analyzer



✓ BC-5390 Hematology Analyzer

Medical Imaging Systems

USD (in millions)	<u>3Q12</u>	<u>3Q11</u>	<u>2Q12</u>	<u>YoY%</u>
	\$60.9	\$53.2	\$ 64.1	14.4%

- The medical imaging system segment contributed 23.7% to total net revenues in 3Q12.
- Color ultrasound products and the DR products were the major contributors for this segment.



✓ Z6 Portable Color Ultrasound



✓ DC-N3 Cart-based Color Ultrasound



✓ DigiEye380 Digital Radiography

Company Priorities for 2012

- To capture growth opportunities in the domestic market, Mindray plans to:
 - Continue to optimize our sales, marketing and service platforms
 - Strengthen our position in areas where private and public healthcare spending take place
- To enhance our presence in emerging markets, Mindray intends to:
 - Continue to expand our key account coverage in the top emerging countries
 - Enhance our capabilities in public sector participation
- To increase our market share in developed markets, Mindray intends to:
 - Enhance brand awareness and focus on introducing new products
 - Further build up direct sales channels and service capabilities
- Focus R&D investment in technology and product development, as well as improving efficiency
- Launch seven to ten new products to broaden product offerings across different market segments
- Speed up the integration of newly acquired companies and actively seek further M&A opportunities

2012 New Products Pipeline

Patient Monitoring & Life Support Products



- Anesthesia Machine



- ICU/OR IT Solution

In-Vitro Diagnostic Products



- ✓ BS-2000 Biochemistry Analyzer



- ✓ EH-2050B Plus Urinary Sediment Analyzer



- ✓ BS-480 Biochemistry Analyzer



- ✓ BC-5390 Hematology Analyzer



- Urinary Sediment Analyzer

Medical Imaging Systems



- ✓ Z6 Portable Color Ultrasound

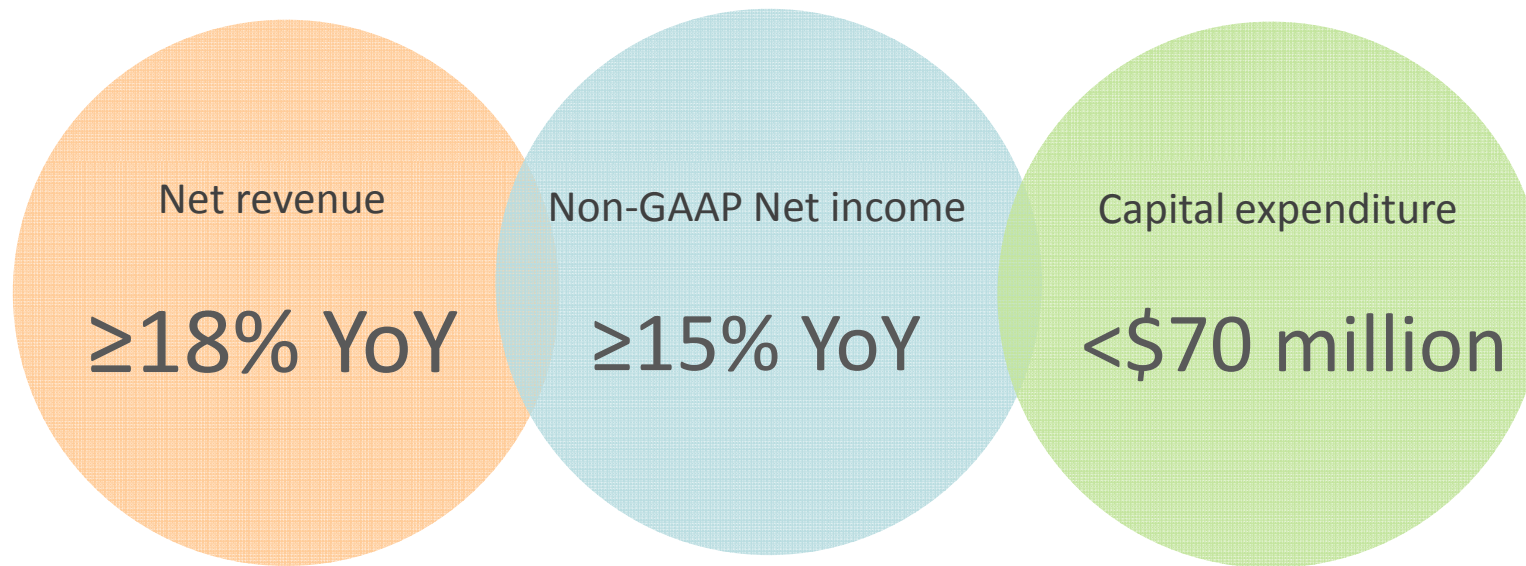


- ✓ DC-N3 Cart-based Color Ultrasound



- ✓ DigiEye380 Digital Radiography

2012 Guidance



Note:

1. Forecast financials as publicly provided on November 5, 2012.

2. This guidance excludes the tax benefits related to the key software enterprise status (\$7.6 million recognized in the first quarter of 2011 for the calendar year 2010 and the potential tax benefit that we may receive in 2012 for the calendar year 2011) and assumes a corporate income tax rate of 15% applicable to the Shenzhen subsidiary.

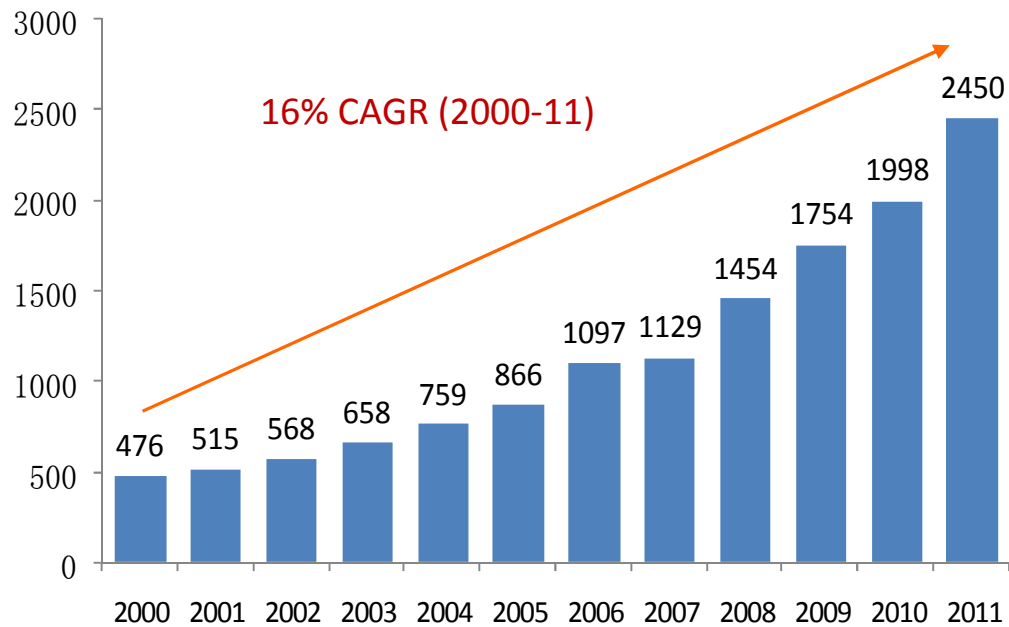
3. Non-GAAP figures excludes share-based compensation expense, dispute related legal fees, dispute charges and acquired intangible assets amortization expense, all net of related tax impact.

Appendix

Growth Catalysts in China—Macro Environment

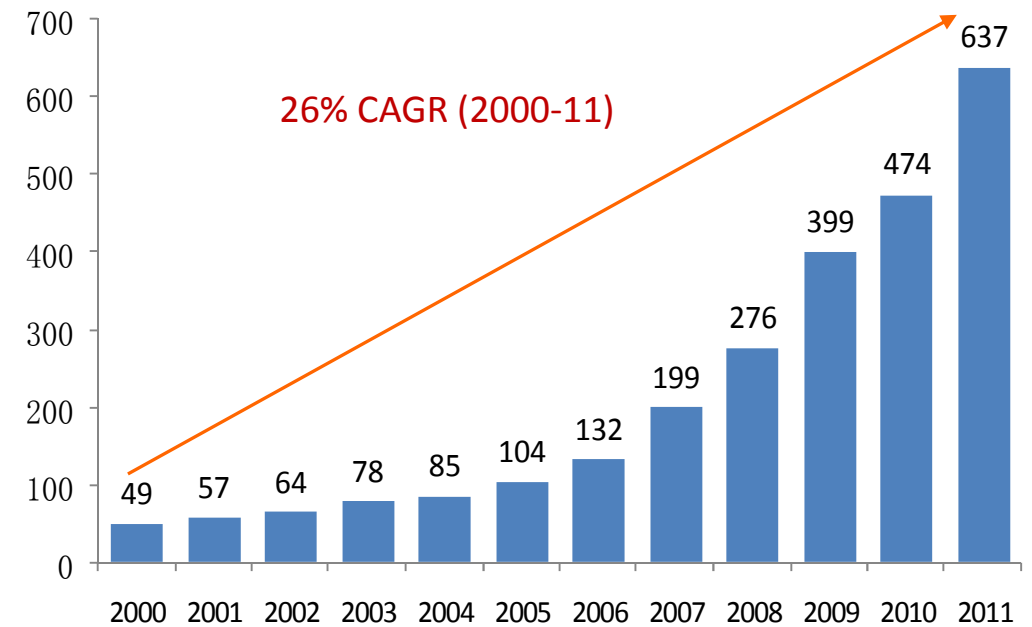
Total national spending on healthcare (2000 to 2011)

RMB bn



Government spending on healthcare (2000 to 2011)

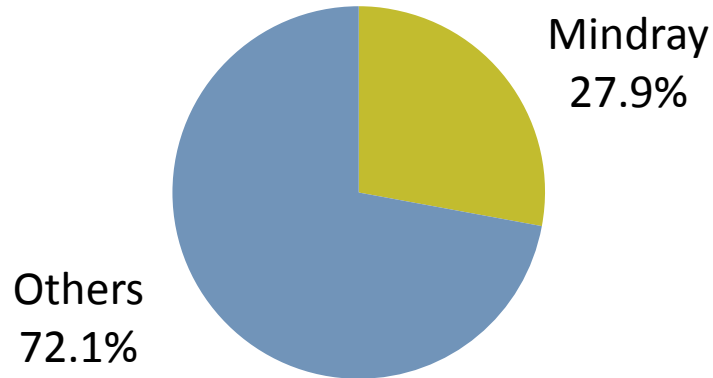
RMB bn



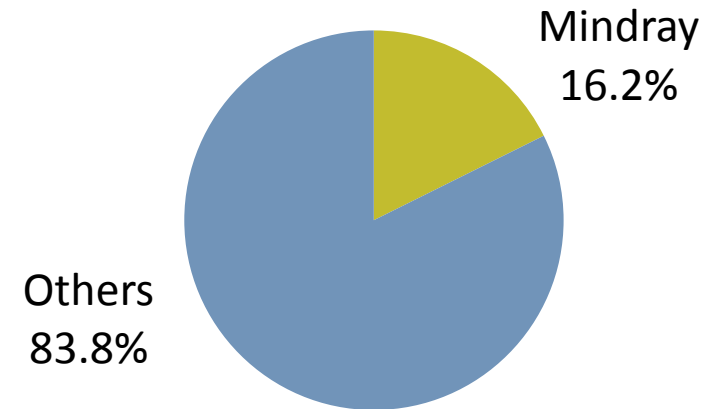
Source: CEIC; MOH

Market Presence in China

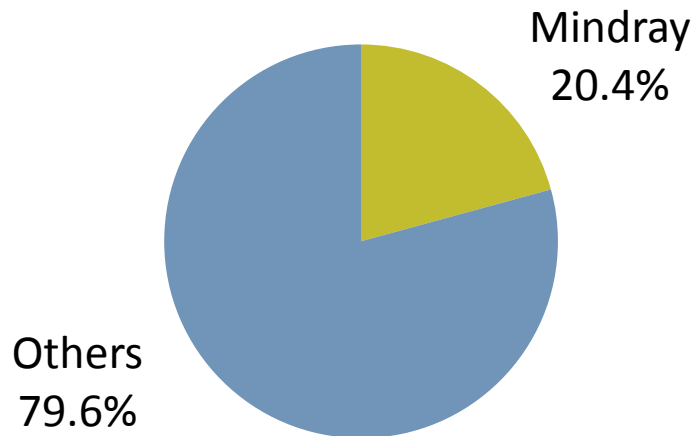
Patient Monitoring Devices & Anesthesia Machine



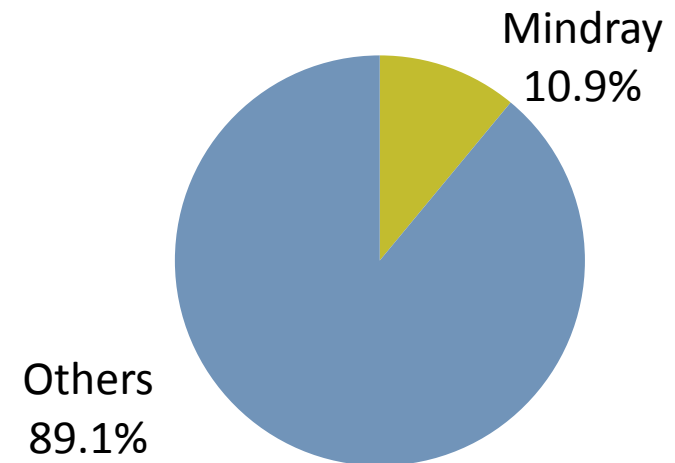
Biochemistry Analyzers



Hematology Analyzers



Ultrasound Systems



Source: Frost & Sullivan research, market data as of 2011