



# Mindray Medical International Limited

Fourth Quarter 2007



**MINDRAY**

# Disclaimer

This material contains forward-looking statements with respect to the company's outlook regarding drivers, developments, and trends affecting its worldwide markets, opening of international offices, new product development and commercial launch dates, projected revenues, net income margins, earnings per share, revenue growth targets, net income growth targets, sales force and distributor targets, projections of the size of China's healthcare market, estimated government expenditures, research and development expenditure targets, the company's manufacturing development plan, and the anticipated results of its product development activities. These statements are based on information available at the time they are made and are subject to a number of risks and uncertainties. Actual results could differ materially from those anticipated by these forward-looking statements as a result of a number of factors, some of which may be beyond the company's control. Factors that affect the Company's business operations and product development, as well as a further list and description of risks and uncertainties associated with Mindray's business, are discussed in its reports filed with the Securities and Exchange Commission, including its most recent annual report on Form 20-F. 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.

# Mission and Vision

## MISSION

To improve the health and well-being of the world's people by providing the **highest quality medical equipment and services** at the most competitive prices



## VISION

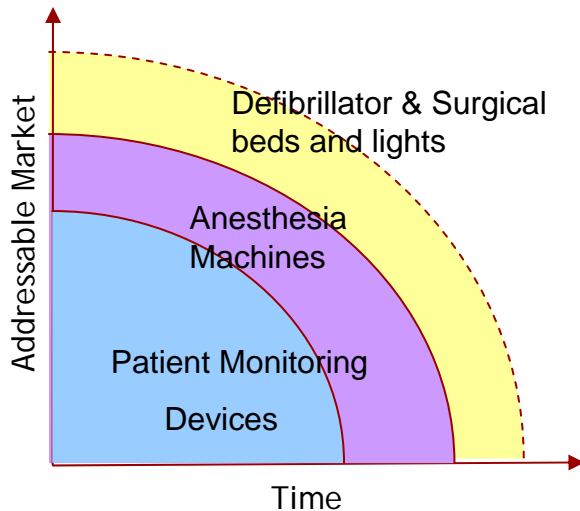
To be a **world-class medical equipment solutions provider** by increasing accessibility to affordable quality health care while creating value for customers, employees, shareholders and society

# Company Snapshot

- **Founded in 1991 in Shenzhen, China - 29 offices in China, 10 offices outside China, more than 4,000 employees worldwide**
- **World-class R&D platform - the largest R&D team in China with over 1,000 staff and a research center in Seattle, USA**
- **Leading market position in China**
  - 850 sales and sales support staff covering major cities all over China
  - 2,000 plus distributors including nearly 900 exclusive distributors
- **Established and rapidly growing presence abroad**
  - Selling to 140 plus countries through 1,200 plus international distributors

# Product Roadmap

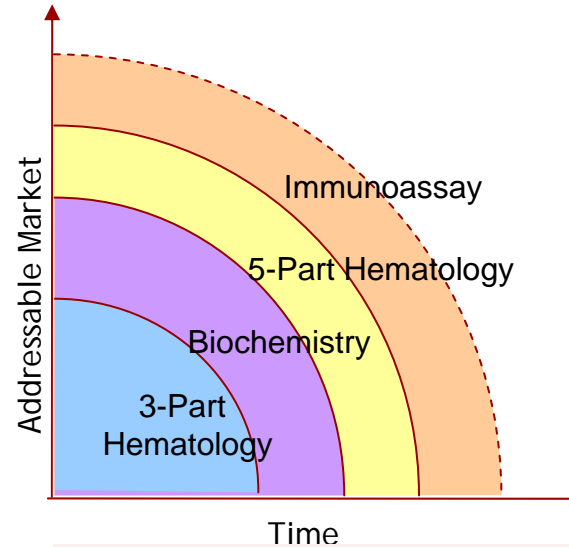
## Patient Monitoring & Life Support Products



■ +20 models currently



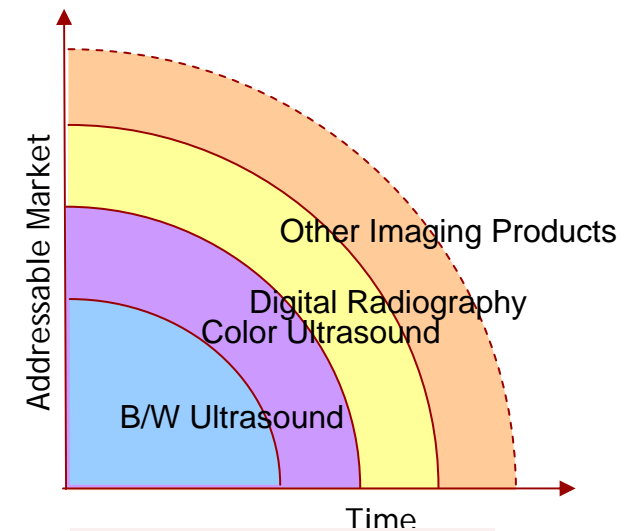
## In-Vitro Diagnostic Products



■ +10 models currently  
 ■ 30 hematology reagents and 35 biochemistry reagents



## Medical Imaging Systems



■ +10 models currently



# 2007 Achievements

## ■ Continue to deliver robust growth

- Non-GAAP net income RMB 672.0 million, a 61% YoY growth
- Net revenues RMB2,230.9 million, a 47% YoY growth

## ■ Leveraged our leading market position in China

- Further expanded No. 1 market share position in multiple product segments
- Became No. 1 domestic player in 5-part hematology analyzers and color ultrasound imaging systems

## ■ Enhanced international presence

- Achieved more than 50% growth rate (60%+ in constant dollar terms) in international markets
- Opened six more international offices in 2007

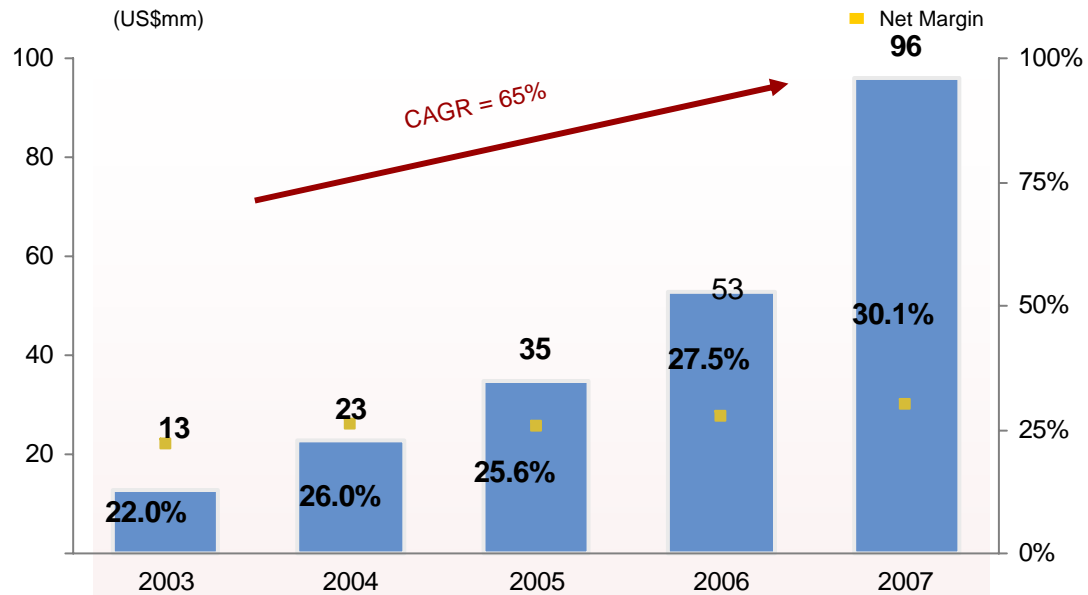
## ■ Expanded current product offerings to broaden market reach

- Launched seven new products
- Entered into a new product segment – Digital Radiography

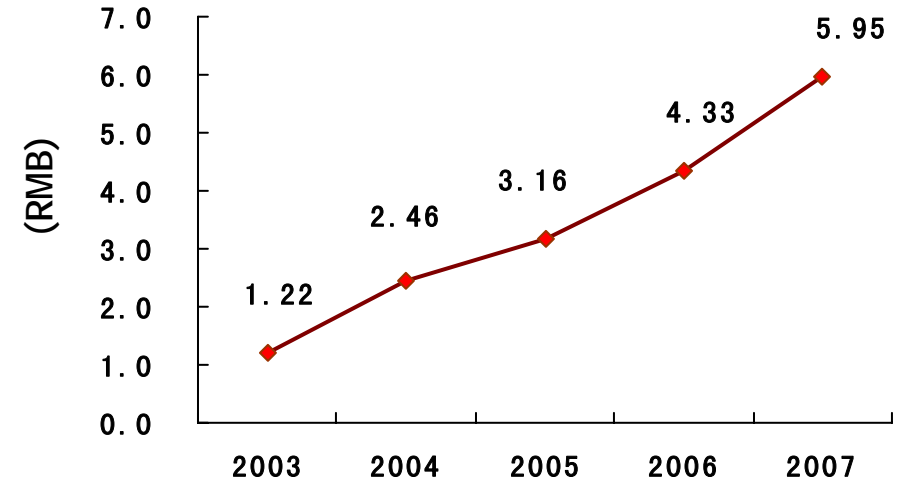
## ■ Maintained a disciplined cost focus

# Focus on Maximizing Shareholder Value

## Net Income<sup>1,2</sup>



## EPS<sup>3</sup>



## Dividend

	<u>2007</u>	<u>2008</u>
Dividend (US\$)	<b>0.15</b>	<b>0.18</b>

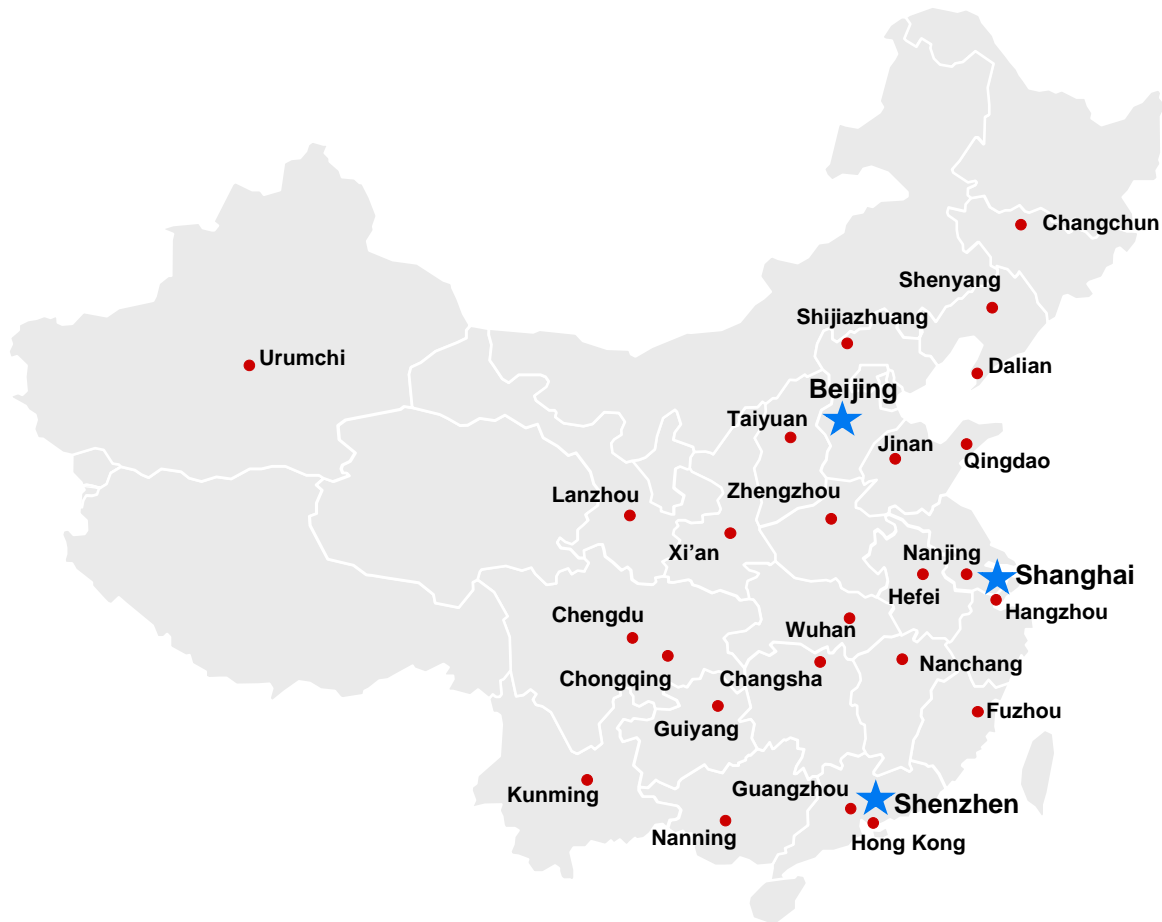
<sup>1</sup> Foreign exchange rate: using the noon buying rate of the Federal Reserve of New York at the quarter/year end

<sup>2</sup> Non-GAAP net income excluding impact from share-based compensation, amortization/expense of acquired intangibles (net of tax impact)

<sup>3</sup> Non- GAAP; 2007 using unaudited data as of December 31, 2007c

# Leading Market Position in China

**More than 80% of our sales are through distributors**



- **Competitive Price to Performance Ratio**

- Around 30% discount vs. international players
- 20% premium vs. domestic players

- **Extensive Sales Network**

- 29 sales and sales support offices
- 800+ sales and service staff
- 2,000+ distributors (incl. over 800+ exclusive distributors)

- **Sales Force Management**

- Low employee turnover rate
- 200+ experienced sales employees

- **Strong Brand Recognition**

- Brand loyalty – recognized domestic hospitals across China
- High-quality products and customer support services

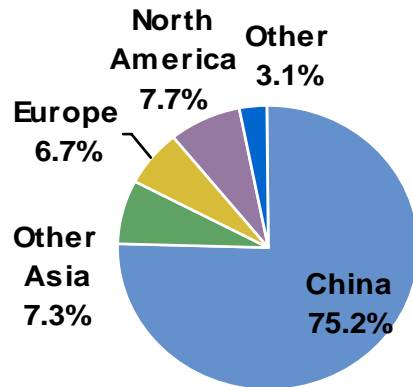
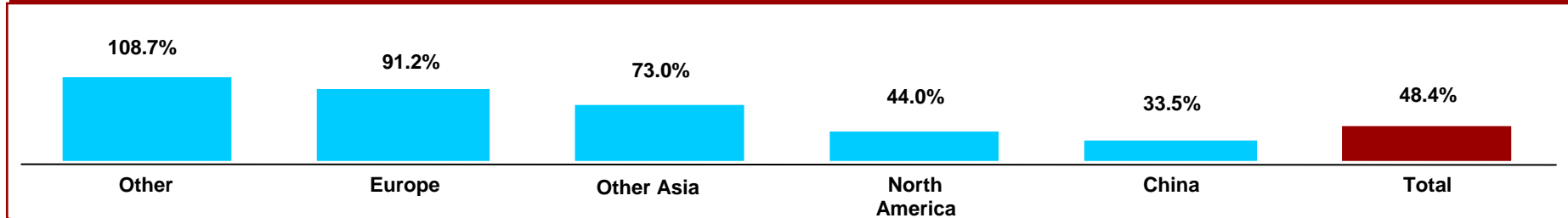


# Rapidly Expanding International Presence

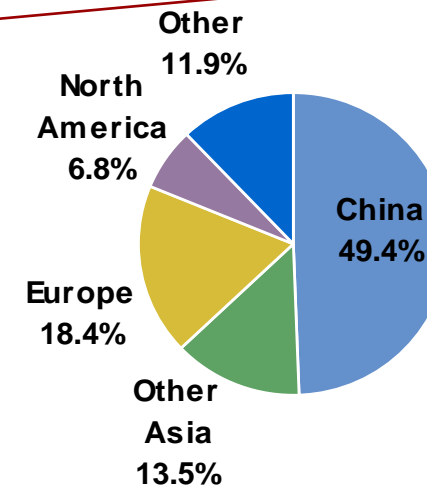


## Revenue Breakdown by Region

2003 – 2007 CAGR



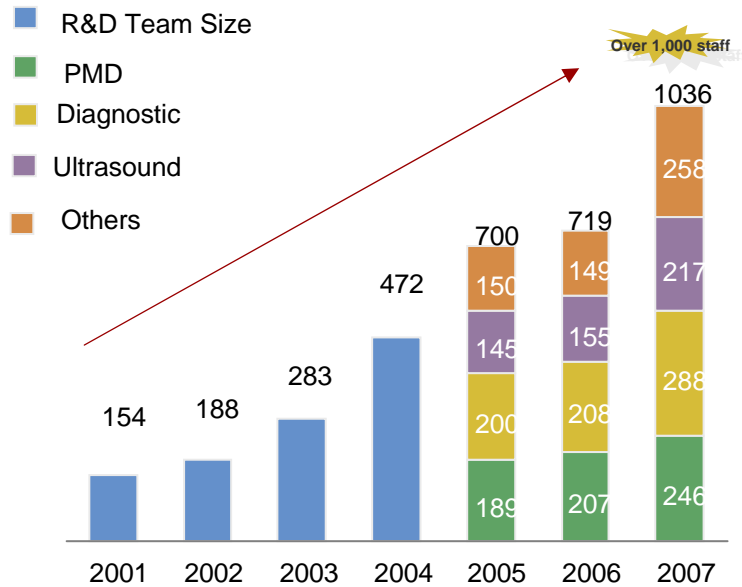
2003 Total Revenues:  
RMB 460million  
(US\$56mm)



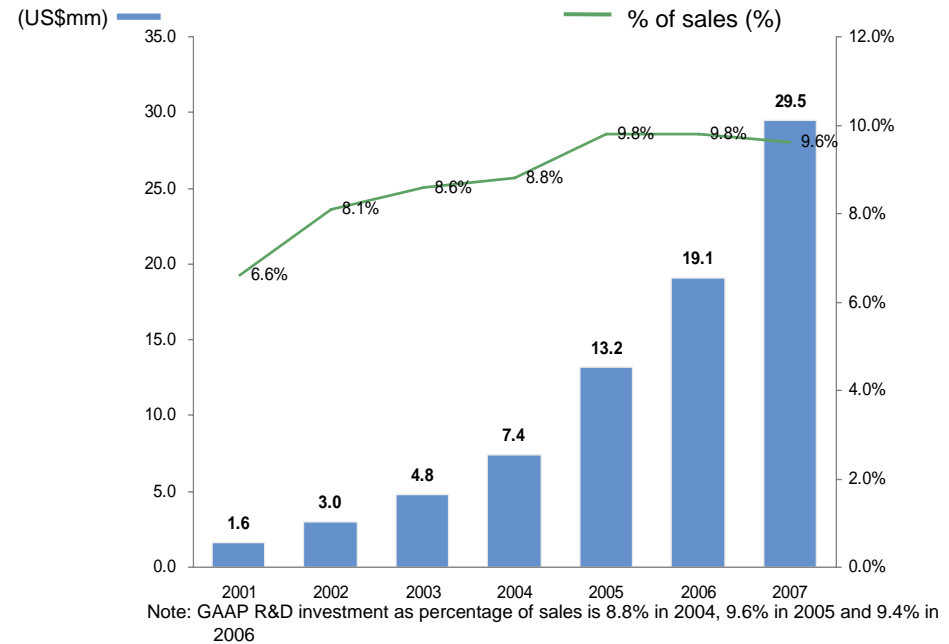
2007 Total Revenues:  
RMB 2,230.9million  
(US\$305.8mm)

# Proven R&D Capabilities

## R&D Headcount

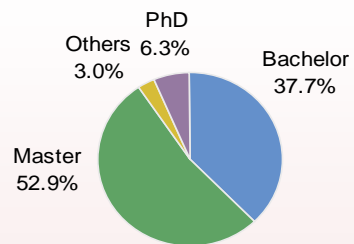


## R&D Investment

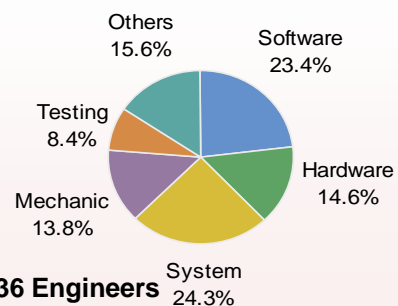


## R&D Structure

### Degree



### Functionality



Total: 1,036 Engineers

## Patents

### Patents

- Authorized (in China): 223
- Pending (in China): 324
- Pending (in USA): 115



# 2008 New Product Pipeline

## Patient Monitoring & Life Support Products



- **iPM Monitor**  
(4Q 2008)



- **Defibrillator**  
(4Q 2008)

## In-Vitro Diagnostic Products



- **BC-5300/5380 5-Part Hematology Analyzer**  
(1Q 2008)



- **BS-380 Biochemistry Analyzer**  
(4Q 2008)

- **6 Reagents**  
(1Q 2008)

## Medical Imaging Systems



- **DC-3 Ultrasound**  
(1Q 2008)



- **DR-50 Digital Radiography**  
(2Q 2008)
- **DR-51**  
(4Q 2008)

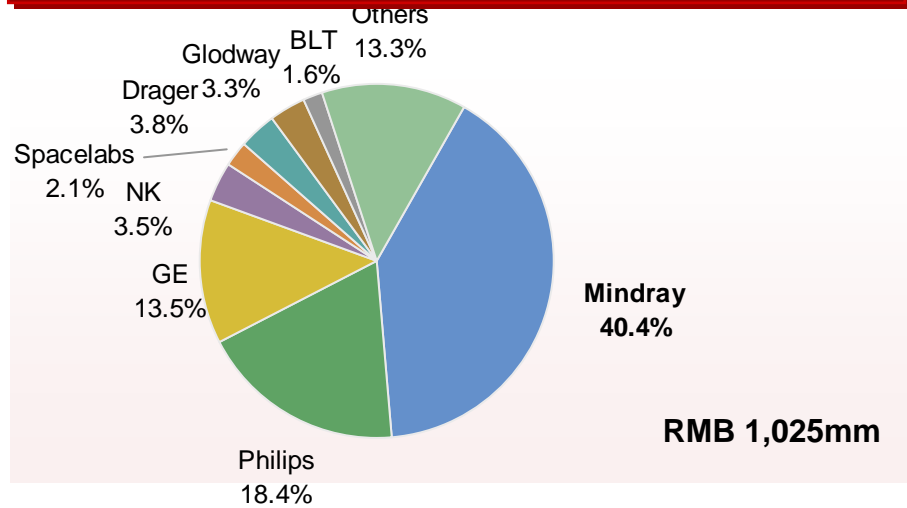


**Thank you!**

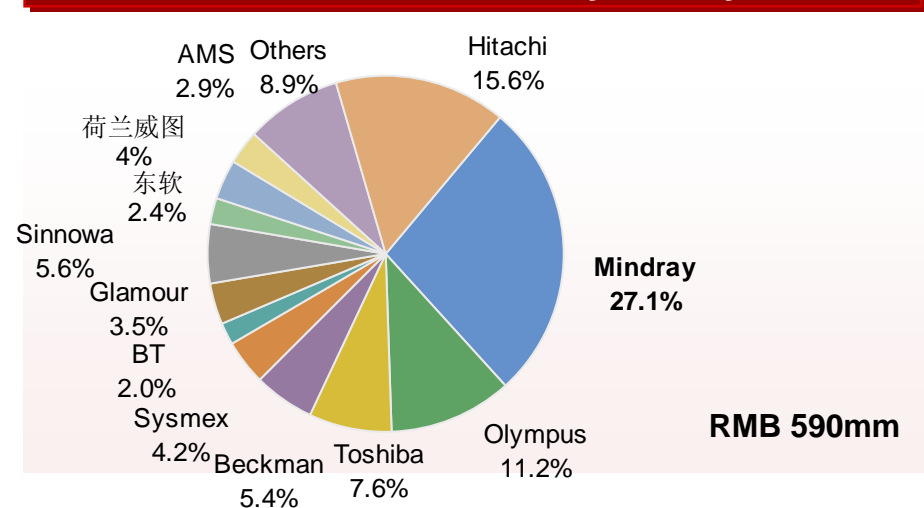
**Q&A**

# Leading Market Positions in China

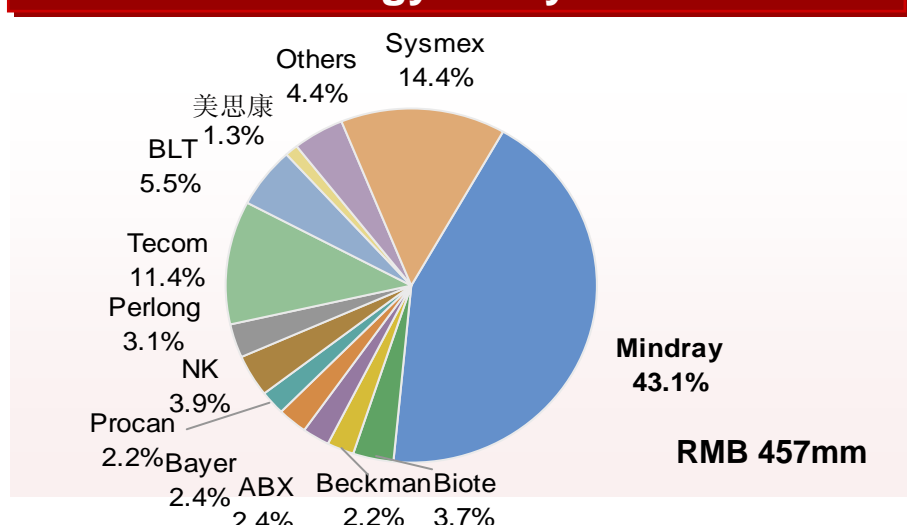
## Patient Monitor Devices



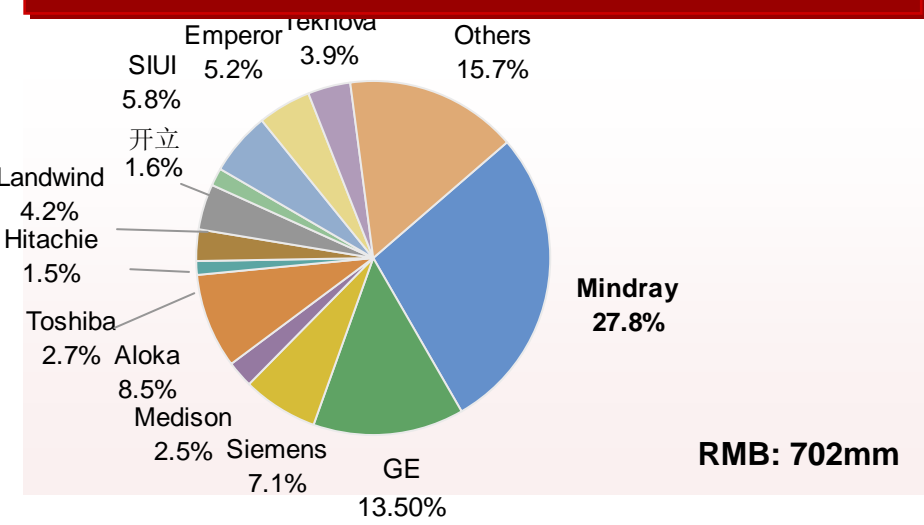
## 200~400 T/H Biochemistry Analyzer



## 3-Part Hematology Analyzer

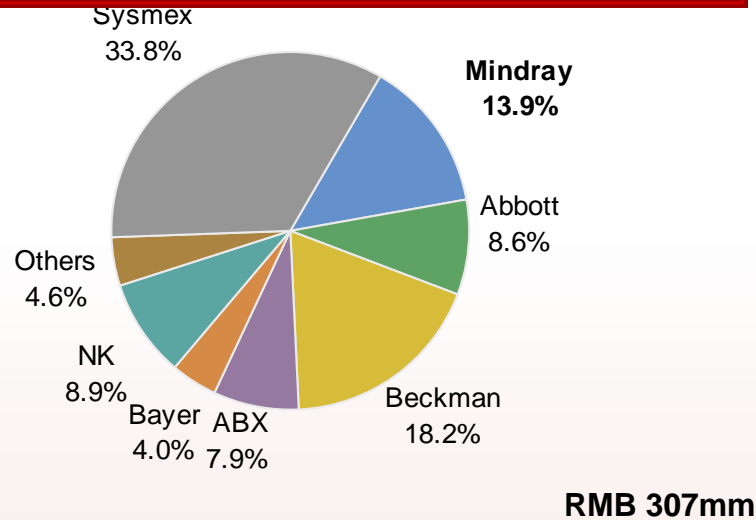


## B/W Ultrasound

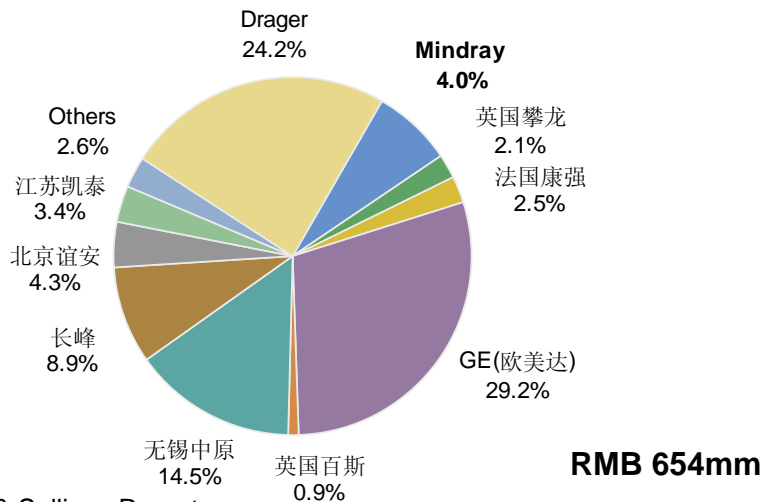


# New Growth Areas in China

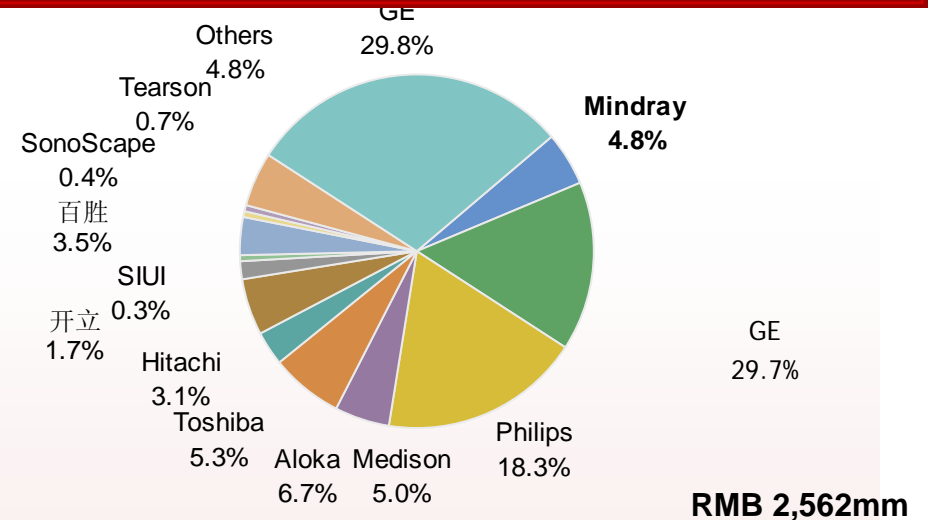
## 5-Part Hematology Analyzer



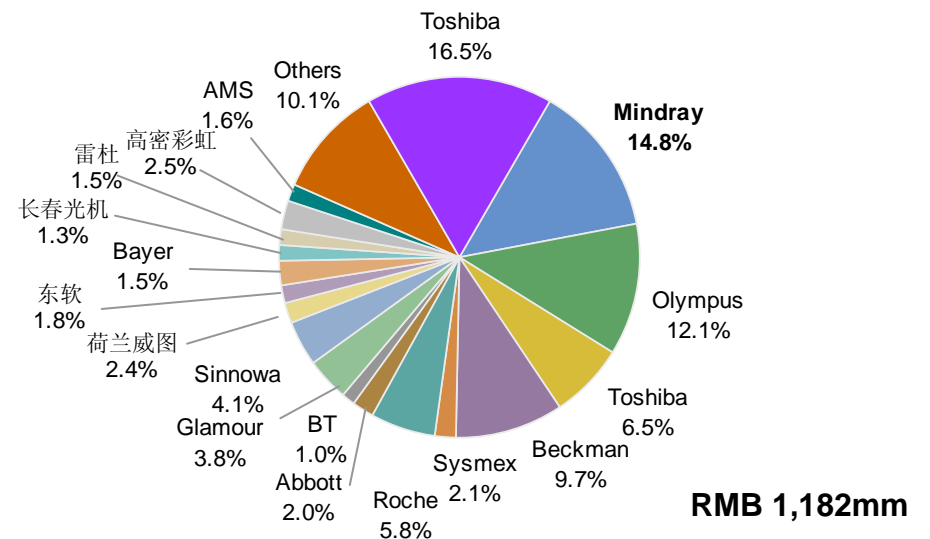
## Anesthesia Machine



## Color Ultrasound



## Biochemistry Analyzer



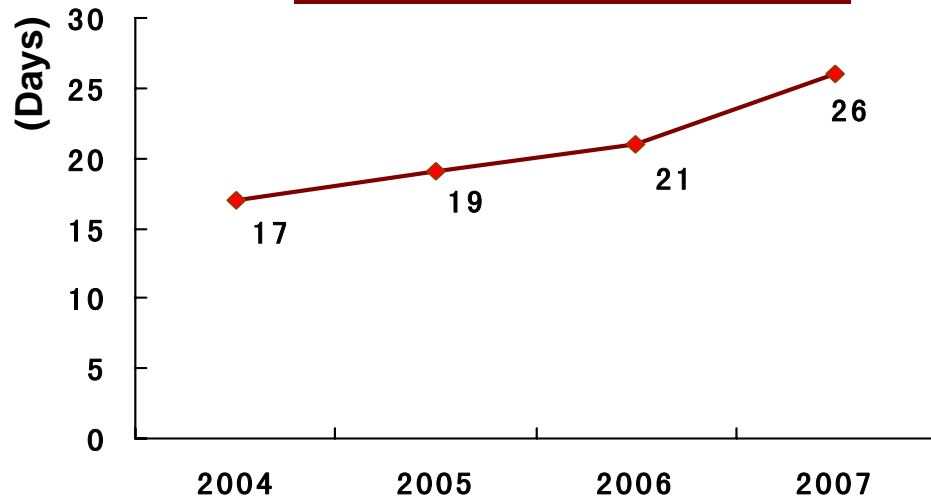
# Financials -- 2007 Results Highlights

(in millions)	2007		2006		Y/Y (%)
	RMB	US\$	RMB	US\$	
Net Revenues	2,230.9	305.8	1,514.9	194.1	47.3%
Gross Profit <sup>1</sup>	1,224.5	167.9	827.5	106.0	48.0%
Operating Income <sup>1</sup>	683.8	93.7	419.0	53.7	63.2%
Net Income <sup>1</sup>	672.0	92.1	416.8	53.4	61.2%
Cash and Cash Equivalents	1,379	189	1,709		
Account Receivables	210	29	105		
Inventories	181	25	122		
Total Liabilities	505	69	352		
Total Shareholder's Equity	2,728	374	2,182		
A/R Days	26		22		
Inventory Days	55		64		
A/P Days	59		57		

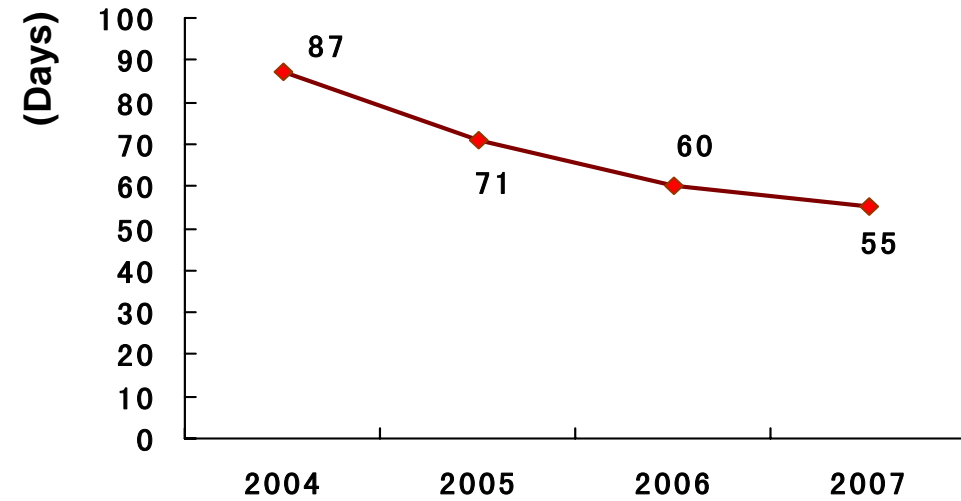
<sup>1</sup> Non-GAAP figures excluding impact from share-based compensation expenses and amortization of intangibles

# Prudent Working Capital Management

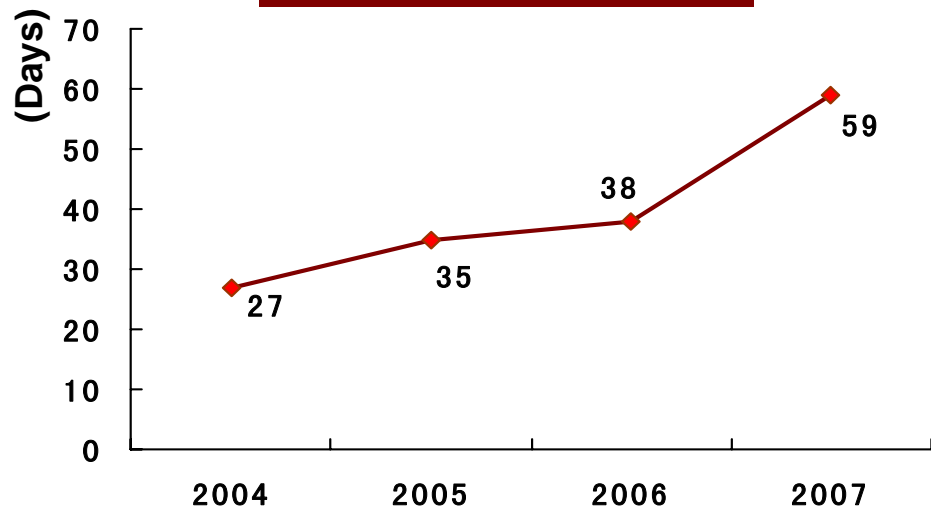
### Accounts Receivable



### Inventory Days



### Accounts Payable



### Operating Cash Flow

