



**Leading in Development,
Manufacturing and Marketing of
Single-use Medical Devices in the PRC**

First Quarter Results 2012

30 May 2012

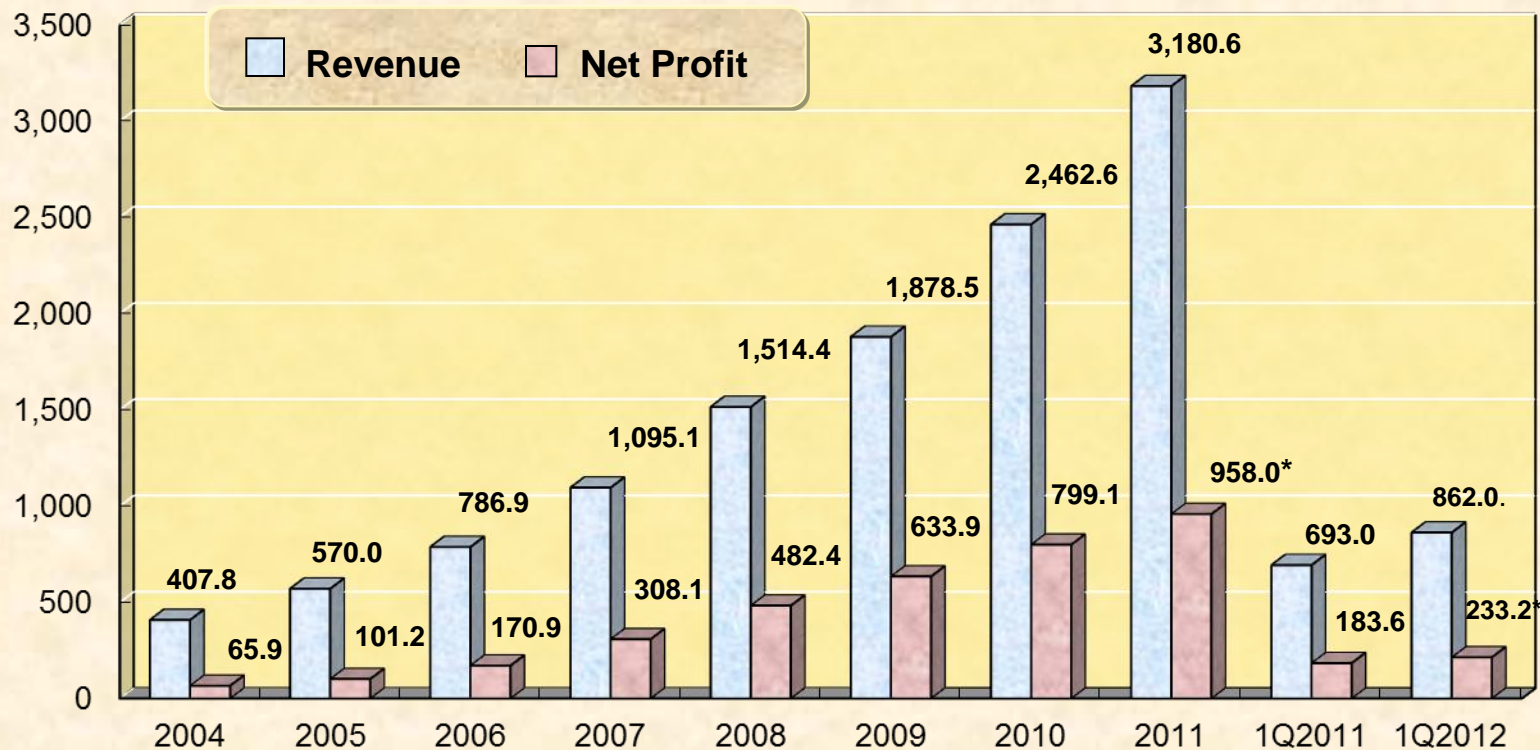
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Reconciliation of Biosensors Profit and Net Profit

Continuous Revenue and Earnings Growth

RMB million



For the year ended 31 December

7 Years CAGR

- Turnover : 34.1%↑
- Net Profit : 46.6%↑

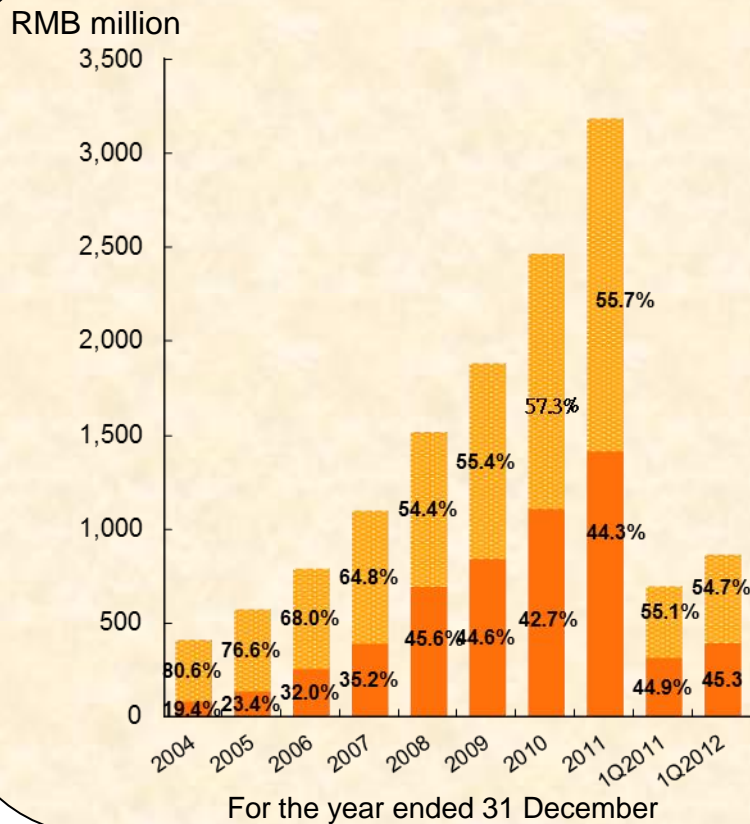
1Q2011 vs 1Q2012

- Turnover : 24.4%↑
- Net profit : 27.0%↑

* net profit excluding extraordinary items

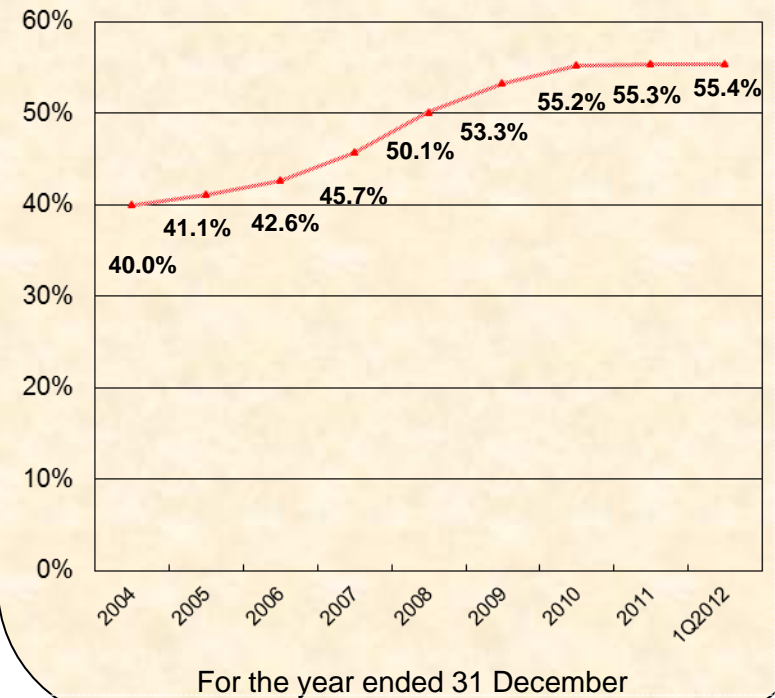
Turnover and GP Analysis

Turnover



■ High value-added products (Gross profit margin > 60%)
 ■ Conventional products (Gross profit margin < 60%)

Gross Profit Margins



Results Summary

RMB million	For the 3 months ended 31 March 2012	For the 3 months ended 31 December 2011	Change
Revenue	862.0	693.0	+24.4
COGS	(384.6)	(318.5)	+20.7
Gross profit	477.4	374.5	+1.4
- Gross profit margin	55.4%	54.0%	
Other revenue	16.2	12.0	+34.6
Distribution costs (% on revenue)	(197.0) 22.9%	(152.5) 22.0%	+0.9
Administrative expenses	(90.3)	(71.6)	+0.2
Finance costs	(1.4)	(0.6)	+124.8
Share of results in jointly controlled entities	(0.9)	32.9	-
Share of results in associates	38.7	10.9	+255.0
Profit before taxation	242.6	205.6	+18.0
Taxation	(28.3)	(21.7)	+30.7
Profit after taxation	214.3	183.9	+16.5
Profit before Taxation and JVs	204.8	161.8	+26.5
Effective tax rate	13.8%	13.4%	

Share of results in jointly controlled entities			
- JWMS	-	34.7	-
- Nikkiso	(0.9)	(1.8)	(50.0)
- Terumo	-	-	
	(0.9)	32.9	-
Share of results in associates			
- MDT JV	13.8	10.9	+26.7
- 21.52% in Biosensors	24.9	-	-
	38.7	10.9	+255.0

Turnover Breakdown by Products

For the 3 months ended 31 Dec

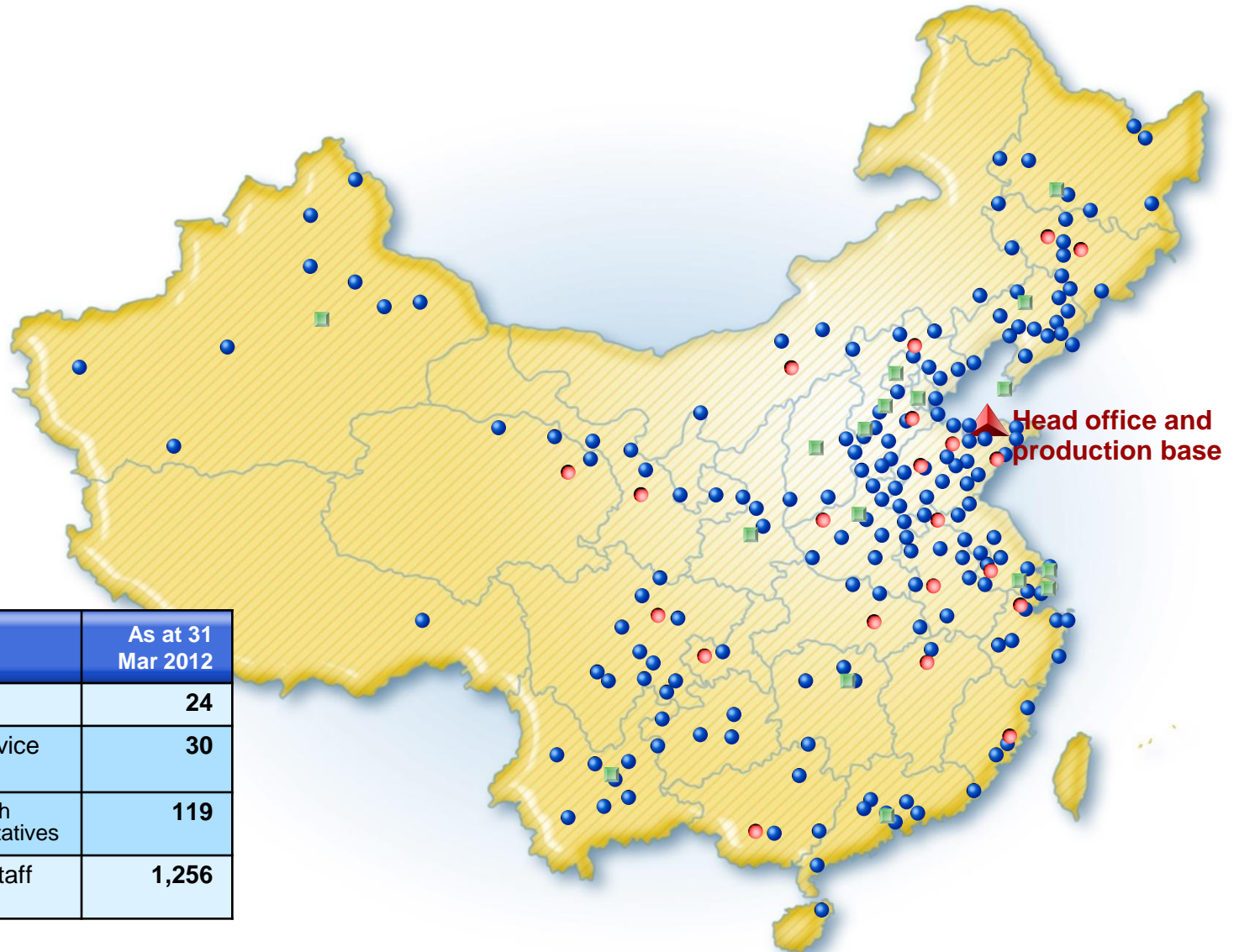
% to turnover

Products	2012 RMB m	2011 RMB m	Change %	2012	2011
Self-produced products					
Consumables					
- <i>Infusion sets</i>	260.9	206.1	26.6	30.3	29.7
- <i>Needles</i>	159.7	123.1	29.8	18.5	17.8
- <i>Syringes</i>	122.1	105.9	15.2	14.2	15.3
- <i>Blood bags</i>	46.0	41.7	10.4	5.3	6.0
- <i>Pre-filled syringes</i>	37.6	31.2	20.4	4.4	4.5
- <i>Blood sampling</i>	14.9	11.3	31.1	1.7	1.6
- <i>PVC granules</i>	14.8	15.5	(4.3)	1.7	2.2
- <i>Other consumables</i>	65.4	47.6	37.6	7.6	6.9
Subtotal for consumables	721.4	582.3	23.9	83.7	84.0
Orthopaedic	67.2	53.5	25.7	7.8	7.7
Blood purification consumables	54.2	41.4	31.1	6.3	6.0
Blood purification equipment	19.1	15.8	20.8	2.2	2.3
Total	862.0	693.0	24.4	100.0	100.0

Cost Analysis

	For the 3 months ended 31 March			% to turnover	
	2012	2011	% change	2012	2011
	RMB m	RMB m			
Raw materials	246.4	207.9	+18.5	28.6	30.0
- Medical materials	94.5	78.4	+20.5	11.0	11.3
- Metal	48.2	41.7	+15.6	5.6	6.0
- Packaging	30.1	25.2	+19.4	3.5	3.6
- Others	73.6	62.6	+17.6	8.5	9.0
Staff costs	63.1	47.3	+33.4	7.3	6.8
Production cost	75.1	63.3	+18.6	8.7	9.1
Total COGS	384.6	318.5	+20.8	44.6	46.0
Other operating expenses					
- Distribution cost	197.0	152.5	+29.2	22.9	22.0
- Administration cost	90.3	71.6	+26.1	10.5	10.3
Total	671.9	542.6	+23.8	77.9	78.3

Nationwide Sales Network



	As at 31 Mar 2012
■ Sales office	24
● Customer service centre	30
● No. of cities with sales representatives	119
No. of sales staff	1,256

Expanding Customer Base

	Total in China	No. of customers	Coverage
Hospitals			
• Top tier	1,284	967	75.2%
• Medium	6,472	1,657	25.6%
• Small	5,271	313	5.9%
• Other - Not rated	7,891	21	0.3%
Subtotal	20,918	2,958	14.1%
Blood centres	530	414	78.1%
Other medical units	888,021	620	0.07%
Distribution companies		1,090	
Total		5,082	

Source: Ministry of Health and the Company

New Product Development

Category**No. of products as at
31 March 2012**

With product registration certificates

218

Under application for product registration certificates

37

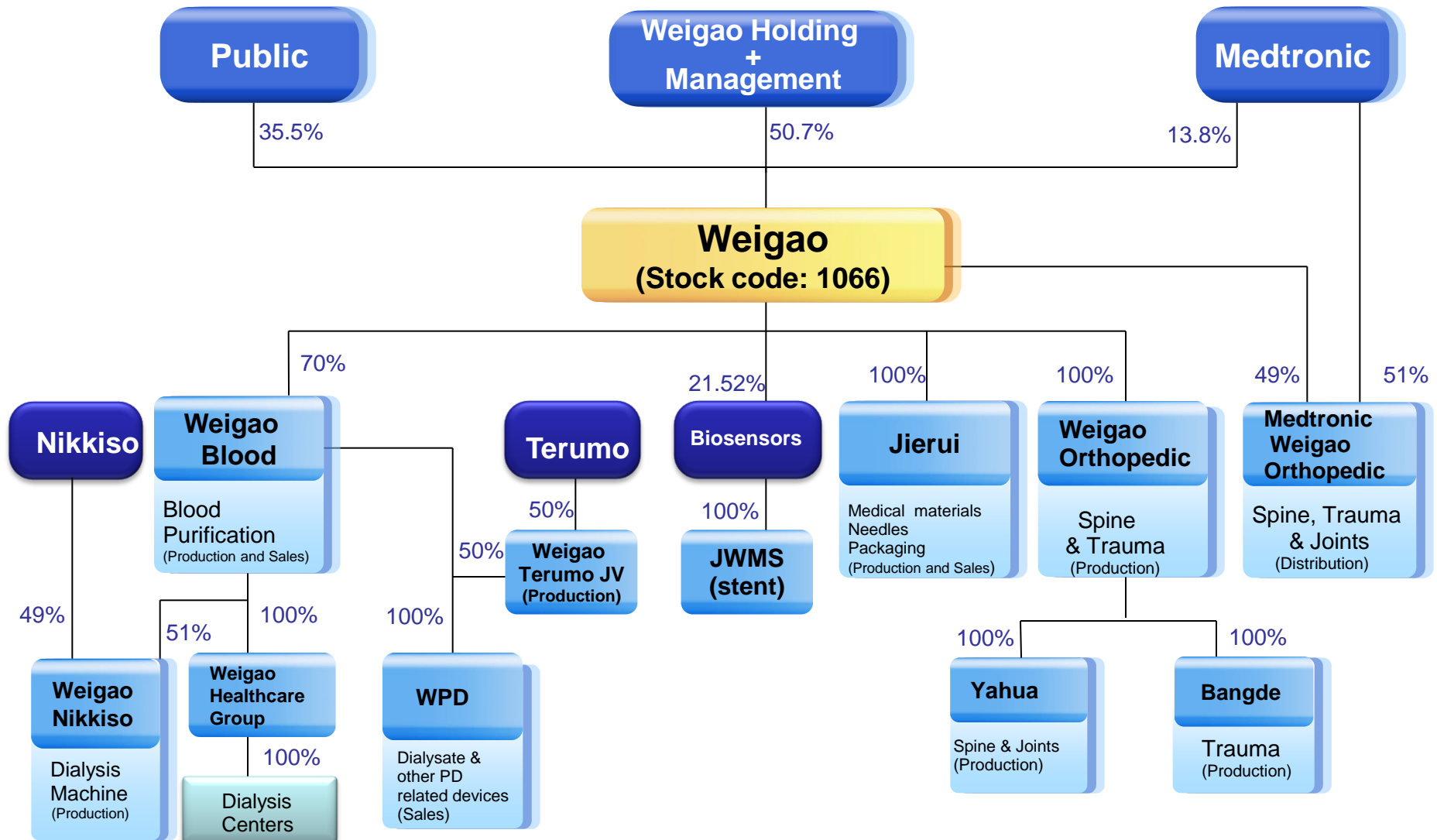
Patented products

158

Under patent application

39

Weigao Group Structure



Appendix

Reconciliation of Biosensors Profit		Quarter ended 31-Mar-12	US\$ '000	Remarks
Net Profit for the period as shown in Biosensors reported earnings			27,222	
Less: Amortization of intangible assets of Biosensors			(8,866)	Intangible assets such as licensing agreements, patents and customer relationships are re-measured at the acquisition date. Fair of USD427 M value (before tax) is recognized and subject to amortization on a straight-line basis over 10 years.
Adjusted net profit for the period	USD		18,356	at an exchange rate of 1 USD into RMB 6.2976
	RMB		115,598	
	RMB		24,877	at 21.52%

Reconciliation of Weigao Net Profit		2012	2011	Change
		RMB'000	RMB'000	
Profit for the 3 months ended 31 Mar 2012		213,722	183,555	
Extraordinary items:-	USD'000			-
Amortization of intangible assets of Biosensors	8,866			
Amortization of customer lists and patents	4,118			
Other exceptional item	1,378			
	14,362 @6.2976 x21.52%	19,464		
Profit for the 3 months ended 31 Mar 2012 excluding extraordinary items		233,186	183,555	27%

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