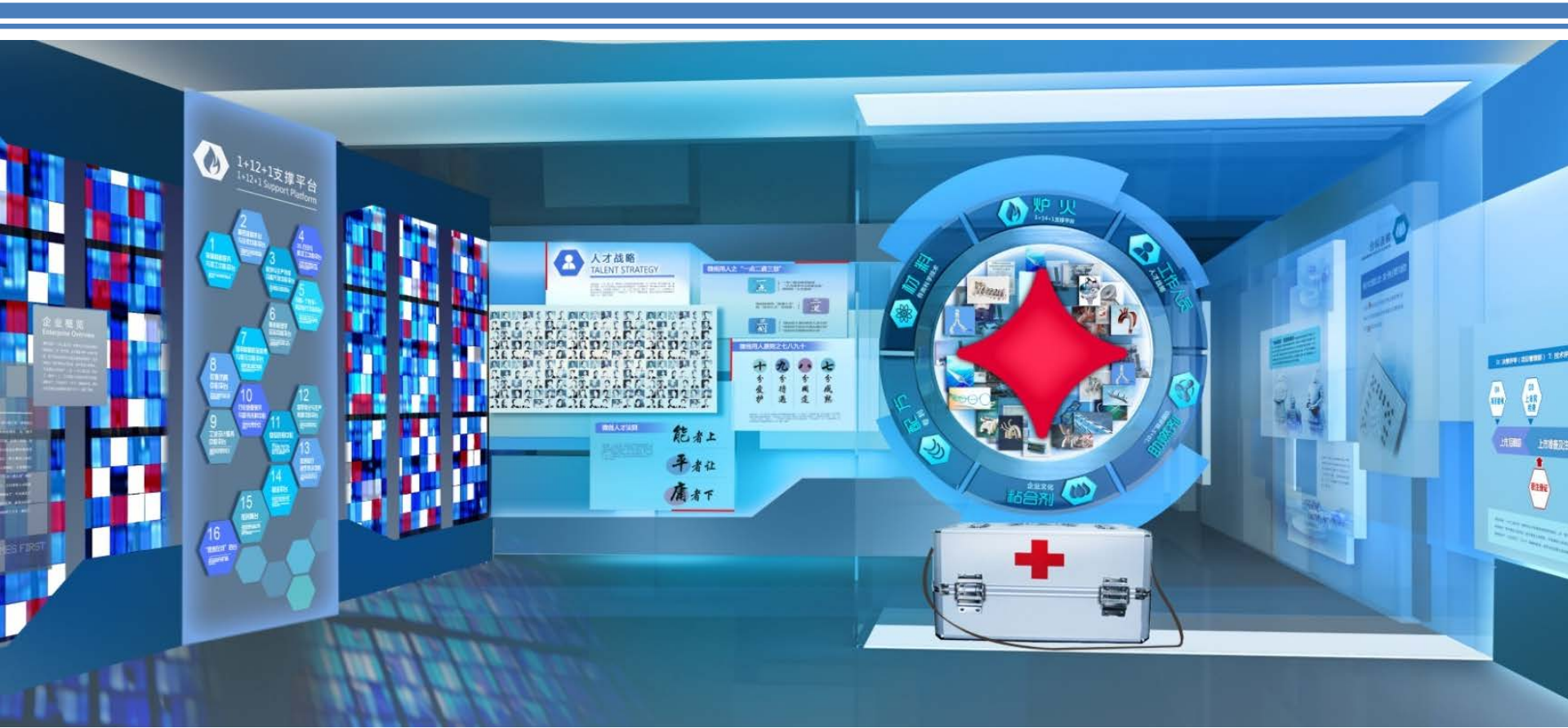


MicroPort 2015 Earning Release

Stock Code: 00853(HK)



March, 2016

2015 2H Company Highlights

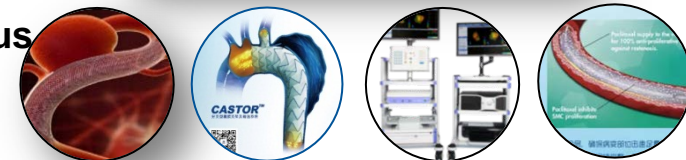
Corporate

- MicroPort® Science and Technology Innovation Platform Won the State Science and Technology Progress Award
- Four Regulatory Green Channel Granted: Tubridge™ Vascular Reconstruction Device, Reewarm™ PTX, Castor, and Columbus

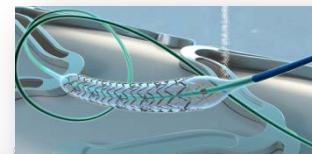


Interventional Cardiology

- DES Revenue Maintain Double Digit Growth
- First Patient Enrolled in MicroPort's European Clinical Study for “Firehawk” in Dec, 2015
- “Firesorb”--- Bioresorbable Stent :Started FIM Clinical Trial in Jan, 2016

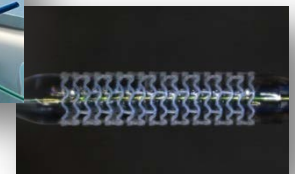


- 3rd generation of DES



F I R E H A W K™

- Firesorb



Orthopedics

- Global Revenue Turn-around. US and Europe Market Growth.
- China Orthopedics Continues Hyper Growth Driven by SuperPath and Evolution



Electrophysiology

- “Columbus”--- 3D Navigation System: Gained CFDA Approval in March , 2016



Contents

 **2015 Financial Results**

 **Business Update**

*Appendix - Financial Statements

Financial Summary 2015

Highlights

- + **Revenue: \$375.8m, ↑6%**
 - Non-Ortho business strong performance ↑18%
 - Ortho business turn around, ↑3% in constant currency, offset by 5% unfavorable FX
- + **Gross Margin, declined by 1%**
- + **Operating Expenses declined by 2%, mainly attributable to improved operating efficiency of the Ortho business**
- + **Net Loss significantly improved from \$59.6m to \$11.4m**
 - Recurring operations breakeven, from \$15.7m loss in 2014, mainly
 - Ortho improved by \$9.5m
 - Non-Ortho continued to grow by \$5.6m
 - Other operating costs significant declined by \$30.8m

Key Financial Summary

USD: million	2015	2014	Flux
Revenue	375.8	355.3	6%
Cost	(123.3)	(112.0)	10%
Gross Profit	252.5	243.3	4%
<i>Gross Margin</i>	<i>67%</i>	<i>68%</i>	
Operating Expenses	(253.1)	(259.0)	-2%
Recurring operating Loss	(0.6)	(15.7)	-96%
Other Operating Costs *	(4.9)	(35.7)	-86%
Net Gain from Gov. Grant&Interst Inc.	15.5	12.0	29%
Finance Costs	(14.8)	(13.0)	14%
Share of losses of JV	(3.8)	(1.2)	218%
Loss before taxation	(8.5)	(53.5)	-84%
Net Loss	(11.4)	(59.6)	-81%

*Other operating costs mainly represents goodwill impairment and transition exp.

Revenue by Segment

Key Takeaways

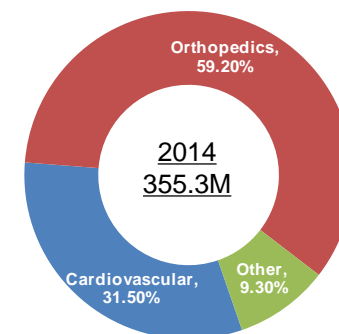
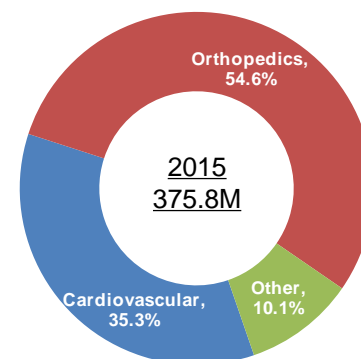
- Excl. FX impact, Group Rev Y/Y ↑10%;
- Double digit growth seen in the segments of Cardio, Ortho China, Endo, EP and Neuro;
- All segments and regions show solid growth Y/Y except Orthopedics Japan.

USD million

Financial Year Ended

Percent Change in local in US\$ currency

	2015	2014		
Cardiovascular devices business	132.6	111.9	18%	20%
Orthopedics devices business	205.2	210.4	-2%	3%
- United States	87.5	83.8	4%	4%
- Europe	59.0	62.8	-6%	3%
- Japan	27.9	37.1	-25%	-14%
- China*	9.7	6.6	48%	50%
- ROW	21.1	20.1	5%	8%
Endovascular devices business	16.2	14.1	15%	16%
Electrophysiology devices business	5.8	4.8	21%	23%
Neurovascular devices business	7.9	6.3	25%	27%
Surgical devices business	6.1	5.8	5%	6%
Diabetes devices business	2.1	2.0	4%	6%
Total	375.8	355.3	6%	10%

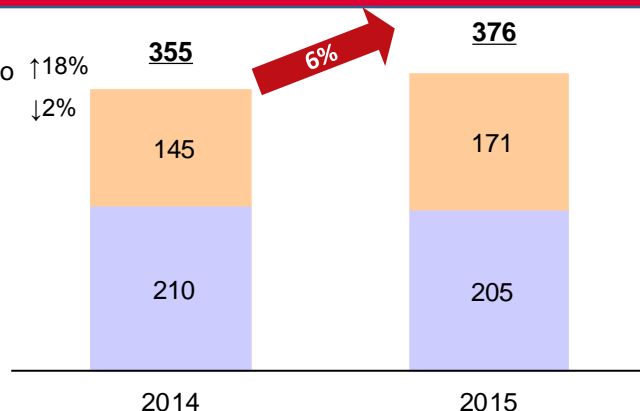


Consolidated Financial Performance

Revenue

USD: million

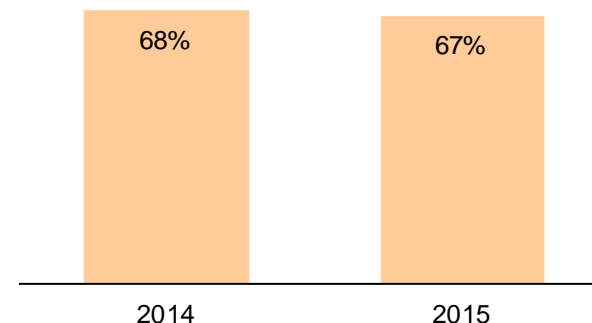
Non-Ortho ↑18%
Ortho ↓2%



In constant currency, Group' revenue increased by 10%.

Gross Profit Margin

USD: million

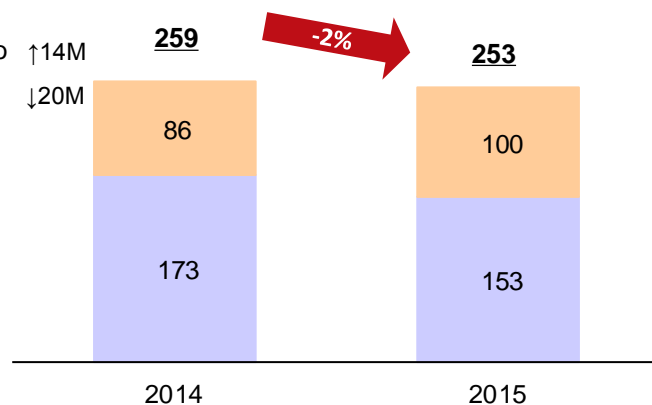


GP margin slightly decreased by 1%.

Operating Expenses

USD: million

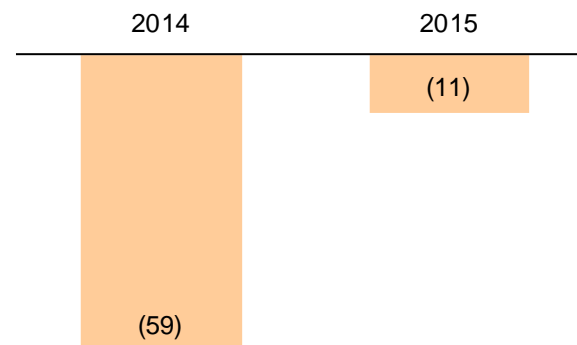
Non-Ortho ↑14M
Ortho ↓20M



Percentage of sales decline from 73% to 67%.

Net Loss

USD: million

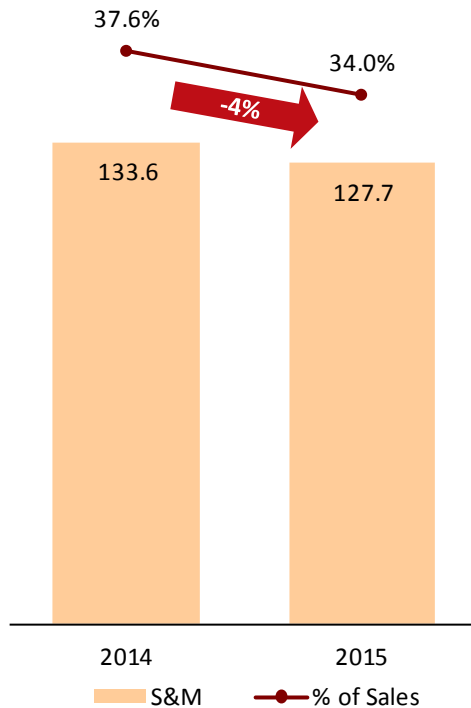


Net loss significantly improved by 48m.

Operating Expenses

Sales and Marketing Expenses

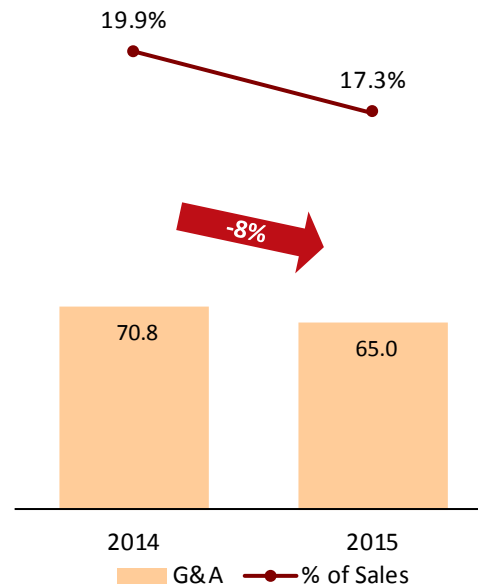
USD: million



- S&M Y/Y decreased by 5.9M mainly due to
 - Ortho Y/Y ↓12.3M as a result of Operation efficiency by reorganization;
 - Offset by more input in Cardio market and Int'l market.

Administrative Expenses

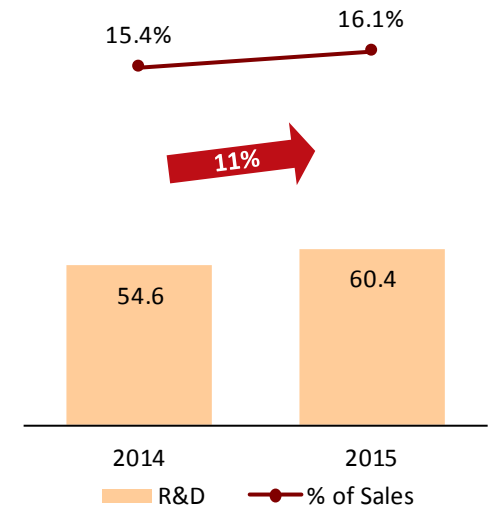
USD: million



- G&A Y/Y decreased by 5.8M mainly due to
 - Ortho Y/Y ↓6.7M as a result of Operation efficiency by reorganization;
 - Offset by Non-Ortho Y/Y ↑0.9M.

Research and Develop. Expenses

USD: million



- R&D Y/Y increased by 5.8M mainly due to
 - Non-Ortho Y/Y ↑6.9M;
 - Offset by Ortho Y/Y ↓1.1M.

Business Update by Segment

1

Orthopedics Business

2

Vascular Business

3

Electrophysiology Business

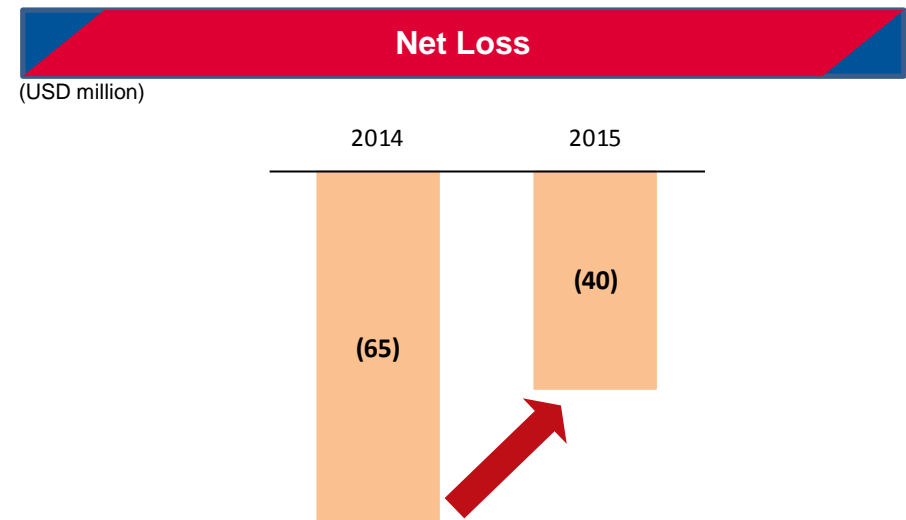
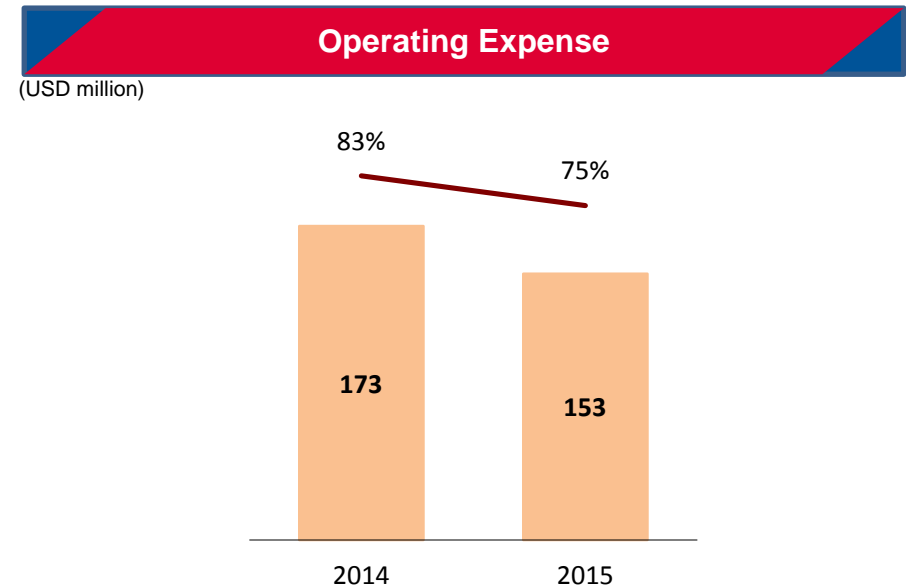
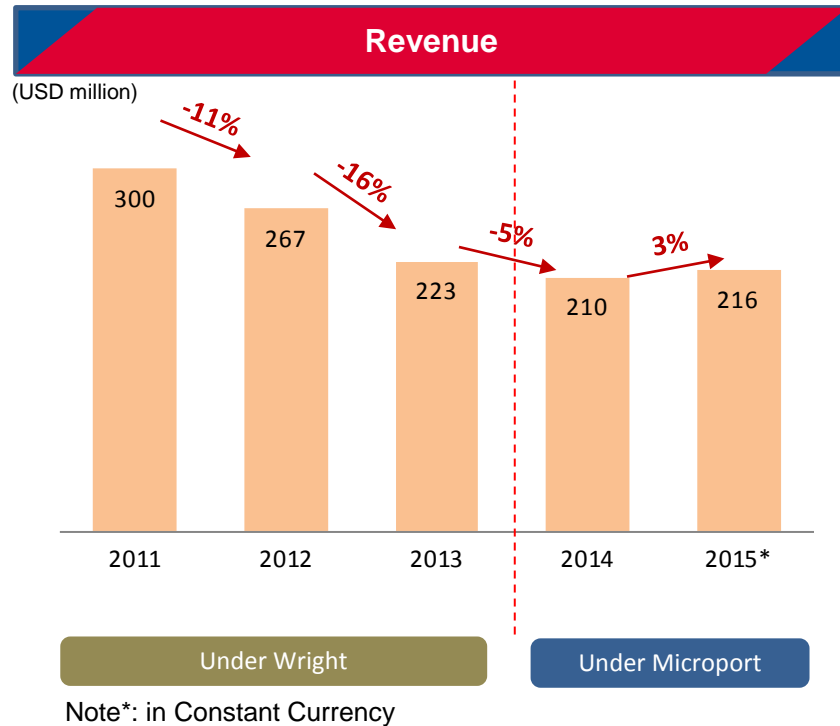
4

MicroPort Sorin CRM (MSC)

5

Others

1 Orthopedics Business — Global Business



Revenue:

- Global turn around in 2015
- Strong growth in China (50%)

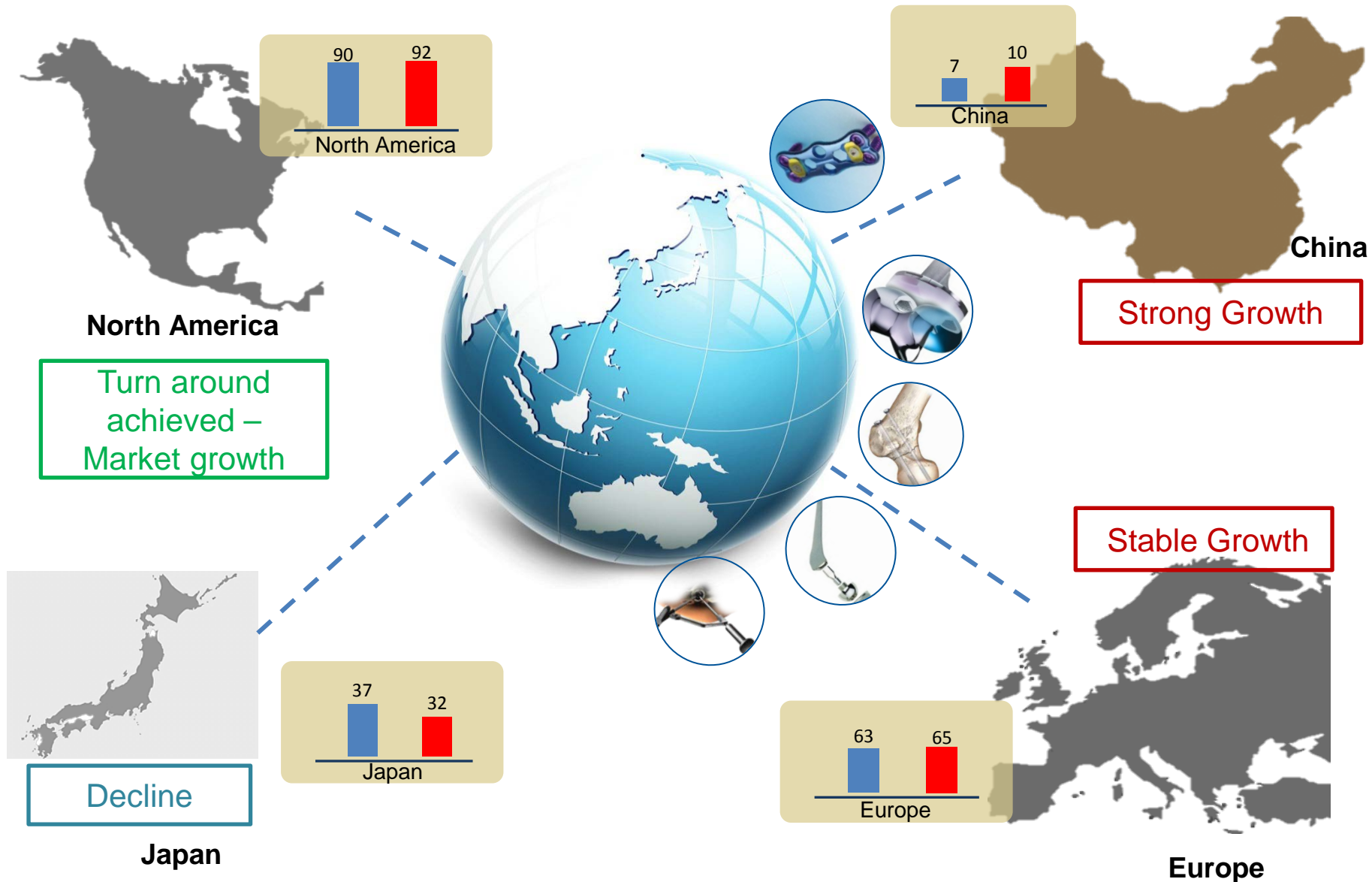
Expenses:

- Cost leverage and efficiency improvement help to decrease the operating expenses by 12%

Net Loss:








- Net loss significantly reduced by 38%

1 Orthopedics Business — Global Business



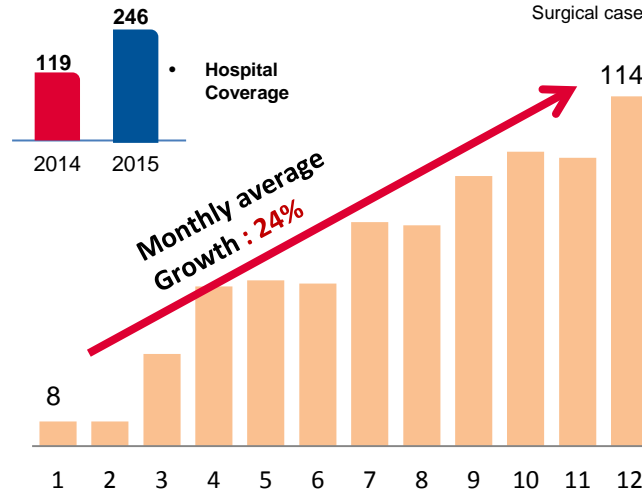
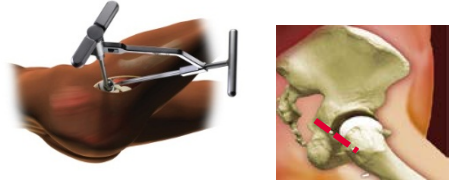
* 2015 Figures in constant currency.

R&D Product Pipeline 2016-2017: Supporting Our Core Offering

Product	Application	Date
	SuperPath® extension to other stems	Q2 2016
	Anterior Approach THA	Q2 2016
	Cement-free TKA	Q3 2016
	Revision TKA > Primary TKA sales	Q4 2016/Q1 2017
	Revision TKA > Primary TKA sales	Q2 2017
	THA: Next Generation-replace old system	Q2 2017
	THA: Optimized for Tissue-sparing surgery	Q3 2017

1 Orthopedics Business – China Business

2015 SuperPath Trend



Evolution



- Gained CFDA Registration Certificate and came into the market on August 29, 2015.
- Started first surgery in Sep 2015. More than 40 surgeries have been performed to date.

China Program



➤ The construction of Suzhou Orthopedics factory is now in accordance with plan.

➤ The toolmaking has already started.

GISC



- Launches Global Instruments Supply Center
- Offers good logistics service to internal/external customers
- Keeps the total cost advantage in a leading position



GISC Shanghai FTZ DC

1 Orthopedics Business – Medical Training & Marketing

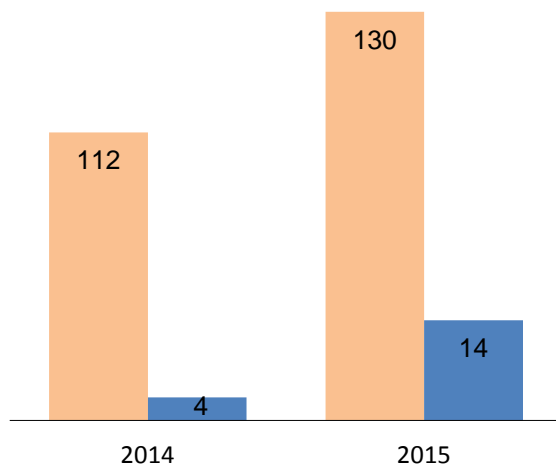


- From September 2 to September 5, MicroPort® Orthopedics attended the 16th Brazilian Hip Congress in the city of Fortaleza, Northeast Brazil.
- From October 8 to October 9, the International MedEd team organized a very successful Instructional Cadaveric Course on SuperPath® in Bristol, United Kingdom
- From November 16 to November 19, MicroPort® Orthopedics Invited Professor Jimmy Chow Come to China to Carry Out SuperPath™ Academic Exchange Activities
- MicroPort® Orthopedics Attend the Tenth Session of the COA International Conference. MicroPort® Orthopedics participated in the conference and held a SuperPath® and EVOLUTION® satellite meeting.
- From January 16 to January 18, 2016, MicroPort Orthopedics launched a training course in Shanghai and Sichuan Province respectively.

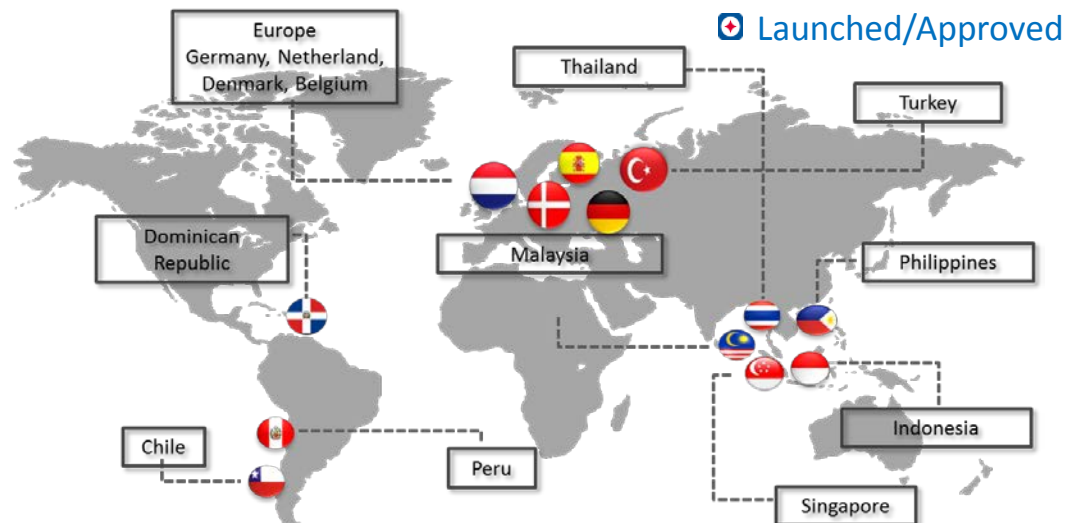
Revenue

USD: million

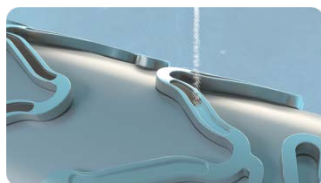
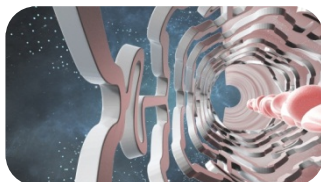
Cardio Rev
Firehawk Rev



Firehawk Fly Over the World

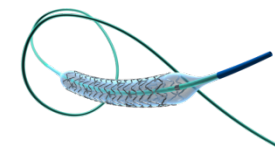


- Lowest drug dosage with the same efficacy
- The largest pre-market clinical study following the most stringent protocol in China.
- Received CE approval in Jan. 2015.

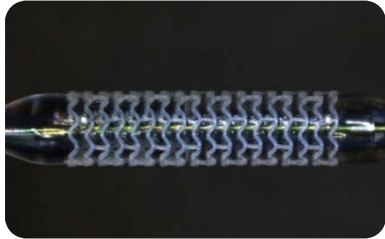


The World's **First** and **Only** Target Eluting Stent (TES)

- First Patient Enrolled in MicroPort's European Clinical Study for the Rapamycin Target Eluting Coronary Stent System- "Firehawk".
- Firehawk attended TCT 2015, 5 TARGET FIM study results were published



Firesorb — Bioresorbable Rapamycin Target Eluting Coronary Stent System

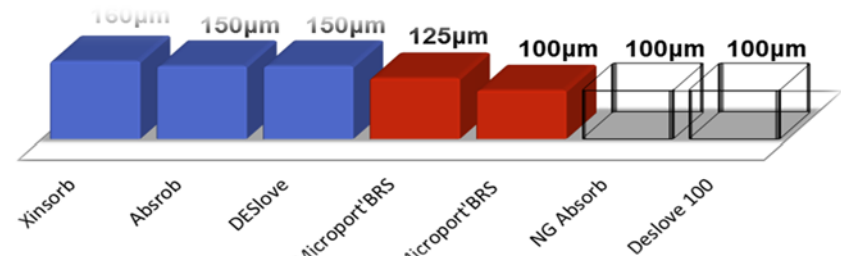


- **Backbone**
- **Strut thickness**
- **Abluminal coating**
- **Coating thickness**
- **Rapamycin dose**
- **RO markers**
- **Storage**
- **Available size**

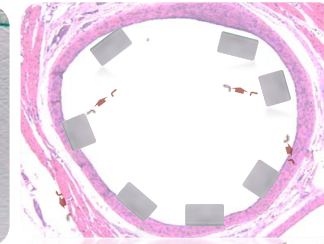
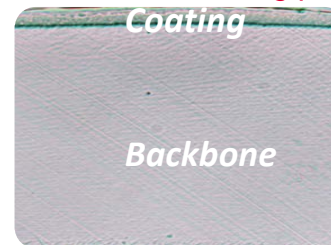


PLLA
100µm~125µm
PDLLA + Rapamycin
<5 µm
4 µg/mm
At two ends
Room temperature
Φ2.5~4.0mm, 13~29mm

The first second generation bioresorbable stent used in human



- Thinner strut (100~125µm)
- lower crossing profile
- shorter degradation time

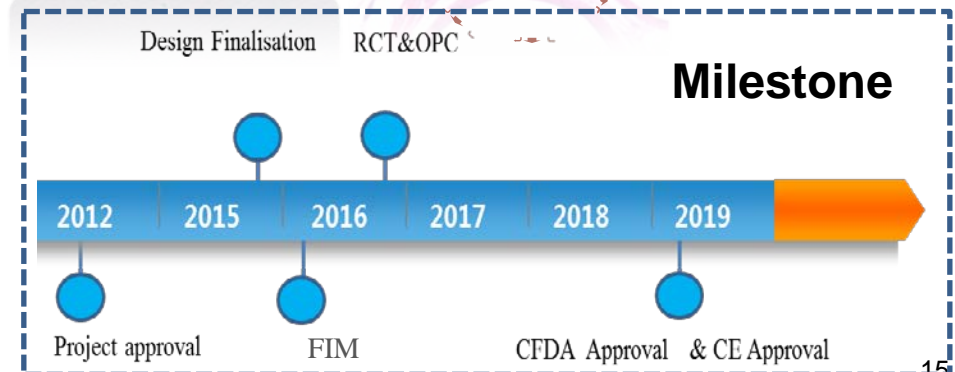


- Abluminal Coating
- Target Eluting, lower dosage of drug

Highlights



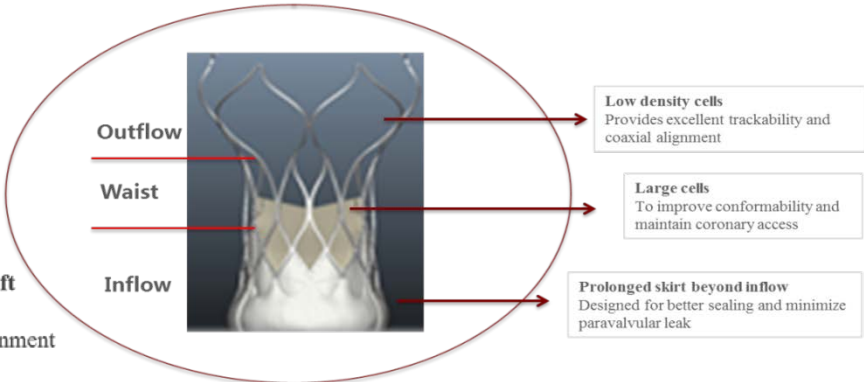
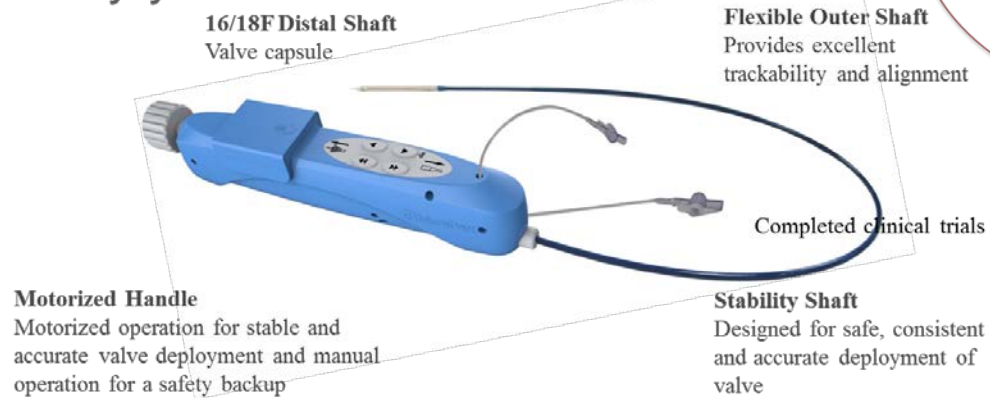
- **MicroPort® Firesorb Bioresorbable Rapamycin Target Eluting Coronary Scaffold System Completes First Successful Implantation in the First FIM Clinical Trial**



TAVI

Valve Size	21mm	24mm	27mm	30mm
DS Profile	16F	16F	18F	18F

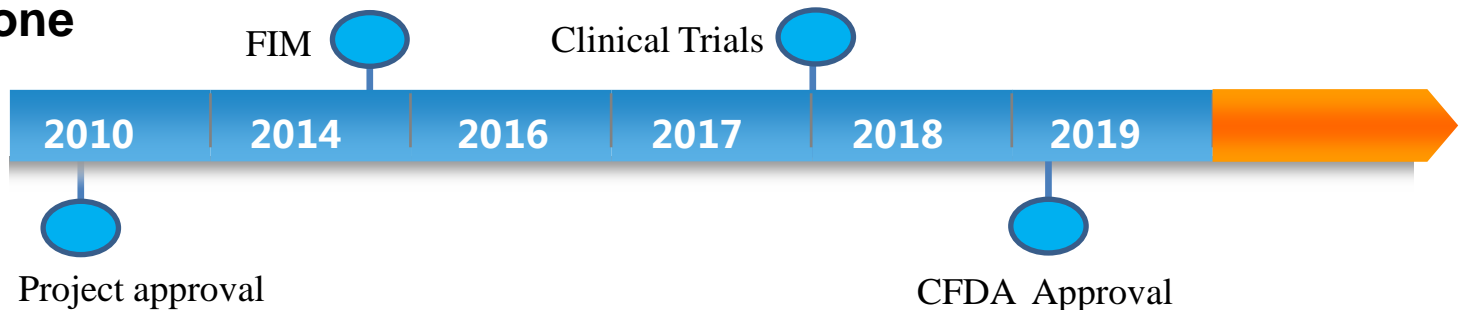
Delivery system



Valve

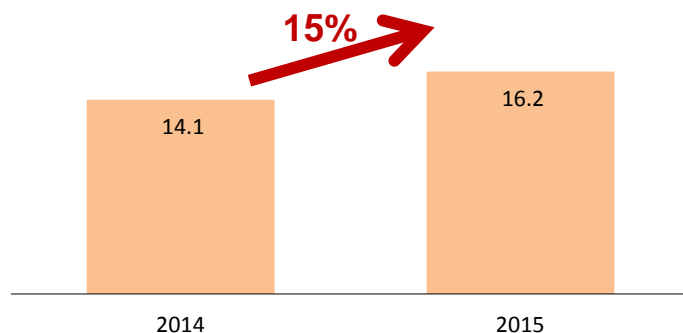
- Self-expanding Nitinol Stent
- Bovine pericardial leaflets with anti-calcification treatment
- PET Skirt

Milestone



Revenue

USD: million



- Driven by 10%-15% domestic market capacity growth.

Highlights

- Reewarm™ PTX Granted Green Channel Status for CFDA Approval recently in 2016
- MicroPort® Endovascular (Shanghai) Co., Ltd recognized as one of Shanghai's the first group of High-tech enterprise
- MicroPort® Endovascular Castor™ Appearance 2015 International Endovascology Conference
- Hercules™ Balloon Dilation Catheter Gains Market Launch Approval in Brazil in 2015.

Product Portfolio and R&D Pipeline

Aortic Endovascular Product



Hercules-LP



Hercules-B



Aegis-B



Castor



Hercules-D

Peripheral Endovascular Product

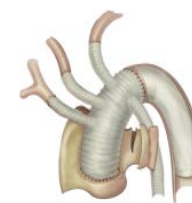


Crownus



Reewarm

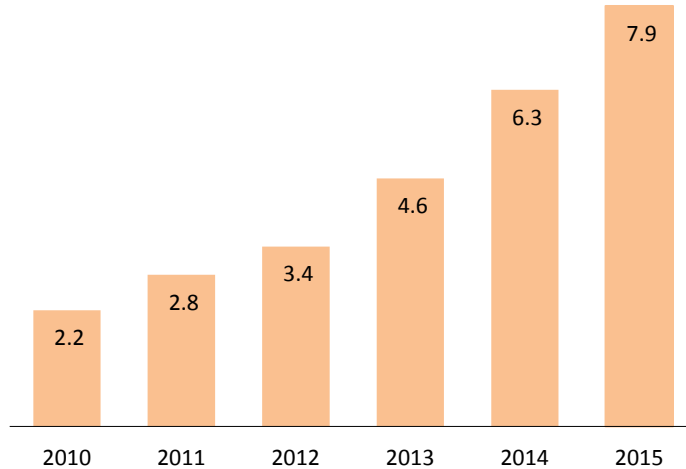
Surgery Product



Cronus

Dramatic Growth of Neuro in Revenue

USD: million



- 6 years' continuous double digit growth, driven by Willis and Apollo.

Highlights in 2015

- **Tubridge™ Granted Green Channel Status for CFDA Approval recently in March, 2016.**
- Apollo maintains leadership in sales, market share, and exports.

Full Neuro Product Portfolio

-Hemorrhagic



- The only product in Chinese market

-Ischemic



- Be indicated for the treatment of intracranial stenosis

Tubridge™



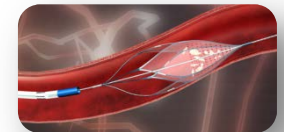
- High-density braided self-expanded stent

Coil



- The Aneurism improves the success rate of surgery(In R&D) development

APOLLO

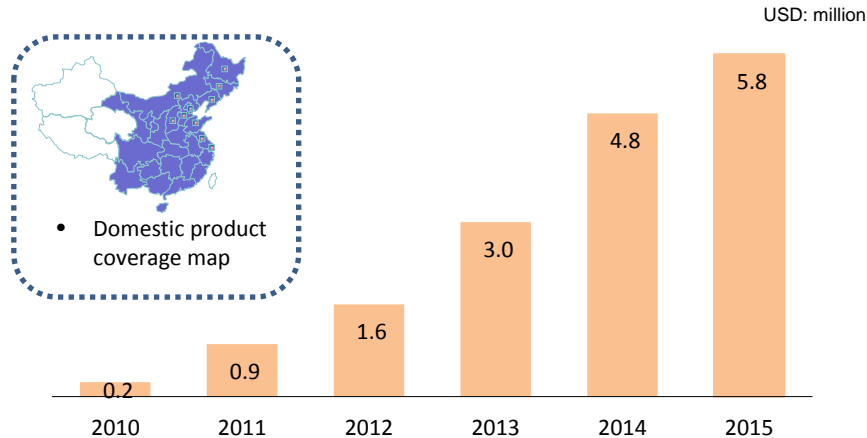


AETHER

- Approved by CFDA in 2006

3 Electrophysiology Business

Dramatic Growth of EP in Revenue



6 years' continuous double digit growth

Highlights in 2015

- OptimAblate™ Cardiac RF Generator and OptimAblate™ Irrigation Pump Obtained CE Certification of EU
- The Cardiovascular Catheter Sheath and the Accessories, completed its first clinical case observation
- EasyFinder™ Electrophysiology Steerable Diagnostic Catheter Gained CFDA Approval in 2015
- **Columbus Gains CFDA Approval in March 2016.**



Product Portfolio

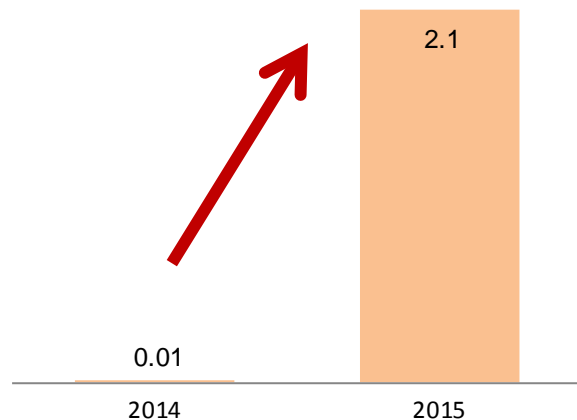


The only Chinese company to have 3-D Magnet Mapping System and full EP product line.

4 MicroPort Sorin CRM (MSC)

Revenue

USD: million



- IPGs
- Leads
- Programmer
- Biz Models
- Others



Innovated in China, for China



创领 心律管理医疗器械
(上海) 有限公司

MICROPORT SORIN CRM (SHANGHAI) CO., LTD

创 新 起 搏 | 领 梦 中 国
INNOVATED IN CHINA, FOR CHINA

- **Launched China's First Domestic Pacemaker Production Line in June, 2015**
- Animal study on-going
- Leveraging MP & Sorin capabilities



Surgical Robot

➤ Product Introduction

Indication:

urology, obstetrics,
general thoracic, cardiovascular surgery

Core Function:

Master-Slave teleoperation, 3D vision.

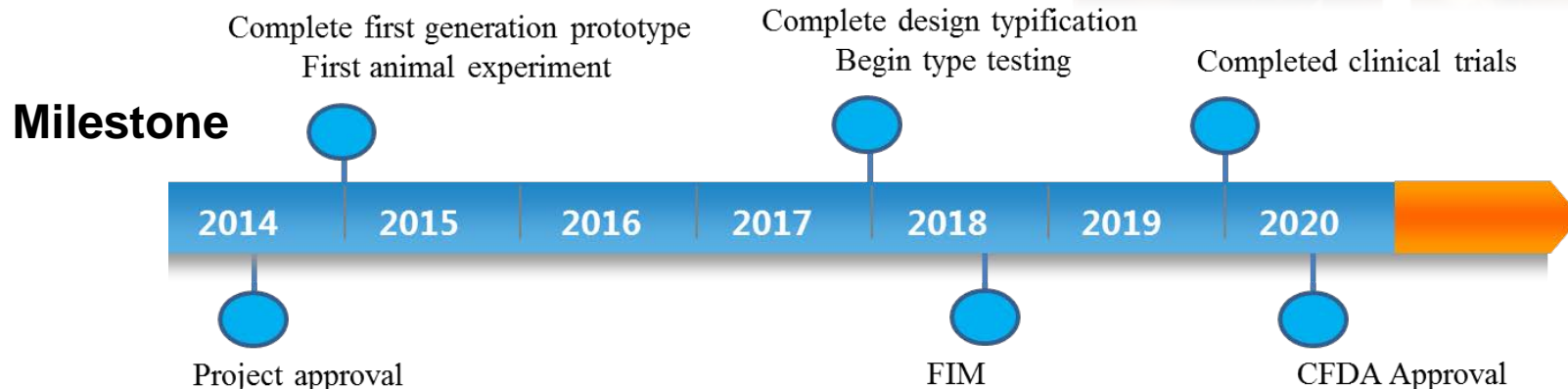
Full dimension motion control, Force feedback.

➤ R&D Progress

Developed the first generation prototype;

Systematical performance testing;

Animal Testing;



Appendix I

- Consolidated Income Statement

(USD '000)	2015	2014	Flux %
Revenue	375,844	355,284	6%
Cost of sales	(123,335)	(111,999)	10%
Gross profit	252,509	243,285	4%
Other revenue & net gain	15,525	12,025	29%
Research and development costs	(60,354)	(54,564)	11%
Distribution costs	(127,739)	(133,629)	-4%
Administrative expenses	(65,031)	(70,773)	-8%
Other operating costs	(4,886)	(35,710)	-86%
Operating Profit	10,024	(39,366)	-125%
Finance costs	(14,778)	(12,956)	-14%
Share of losses of a joint venture	(3,788)	(1,192)	
Profit/(loss) before taxation	(8,542)	(53,514)	-84%
Income tax	(2,837)	(6,057)	-53%
Net loss	(11,379)	(59,571)	-81%

Appendix II

- Consolidated Balance Sheet

USD'000	31 Dec 2015	31 Dec 2014
Fixed assets	271,203	286,666
Intangible assets	60,217	60,506
Prepayments for fix assets	2,711	1,678
Goodwill	55,463	56,529
Interest in a joint venture	4,759	3,866
Deferred tax assets	3,711	4,124
Time deposits	-	11,440
Other non-current assets	4,339	6,813
Total non-current assets	402,403	431,622
Inventories	101,840	109,901
Trade and other receivables	126,957	121,930
Time deposits	2,976	60,679
Cash and cash equivalents	99,467	215,602
Total current assets	331,240	508,112
Total assets	733,643	939,734
Trade and other payables	(99,418)	(108,649)
Interest-bearing borrowings	(55,086)	(215,897)
Income tax payable	(1,226)	(1,016)
Deferred income	(5)	(10)
Derivative financial liabilities	(397)	(592)
Obligation under finance leases	(1,209)	(1,868)
Other current liabilities	(7,260)	
Total current liabilities	(164,601)	(328,032)
Interest-bearing borrowings	(129,374)	(132,817)
Convertible bonds	(94,815)	(91,573)
Obligation under finance leases	(33)	(1,894)
Deferred income	(22,086)	(28,989)
Other payables	(1,541)	(1,793)
Other non-current liabilities	-	(7,335)
Deferred tax liabilities	(3,365)	(3,558)
Total liabilities	(415,815)	(595,991)
Share capital	(14)	(14)
Reserves	(312,505)	(342,239)
Non controlling interests	(5,309)	(1,490)
Total equity	(317,828)	(343,743)

Appendix III

- Condensed Consolidated Cash Flow Statement - Adjusted

(USD '000)	2015	2014
Cash generate from operations	36,132	26,242
Income tax paid	(5,412)	(8,436)
Net cash generated from operating activities	30,720	17,806
Net cash (used in)/from investing activities*	(47,177)	(338,155)
Net cash generated in financing activities	(164,952)	394,008
Net decrease in cash and cash equivalent	(181,409)	73,659
Cash and cash equivalents at 1 January	287,721	216,225
Effect of foreign exchange rate changes	(3,869)	(2,163)
Cash and cash equivalents at 31 December	102,443	287,721

* Adjusted net placement 69 million of time deposits with bank over 3 month (2014: 16 million net uplift) in to cash and cash equivalents.

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•Some information contained on this website contains forward-looking statements. These forward-looking statements include, without limitation, those regarding our future financial position, our strategy, plans, objectives, goals and targets, future developments in the markets where we participate or are seeking to participate, and any statements preceded by, followed by or that include the words "believe", "intend", "expect", "anticipate", "project", "estimate", "predict", "is confident", "has confidence" and similar expressions are also intended to identify forward-looking statements. Such statements are based upon the current beliefs and expectations of MicroPort's management and are subject to significant risks and uncertainties. MicroPort Scientific Corporation undertakes no obligation to update any of the statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors that could cause actual future results to differ materially from current expectations include, but are not limited to, general industry and economic conditions, PRC governmental policies and regulations relating to the medical device manufacturing industry, competition in the medical device manufacturing industry, our ability to develop new products and stay abreast of market trends and technological advances, our goals and strategies, our ability to execute strategic acquisitions of, investments in or alliances with other companies and businesses, fluctuations in general economic and business conditions in China.

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A family of four is running along a sandy beach towards the ocean. The mother is on the left in a white dress, followed by the father in a pink polo shirt and khaki shorts. Two children, a girl in a pink top and white pants and a boy in a light blue shirt and shorts, are running to the right, holding hands. The background shows waves breaking on the shore under a bright sky.

Thank You

The Patient Always Comes First

