



HUTCHISON CHINA MEDITECH LTD

**Hutchison China MediTech Limited (“Chi-Med”)  
(AIM: HCM)**

**Chi-Med's Main Drugs Included in the New National Essential Medicines List**

**London: Thursday, 27 August 2009:** Chi-Med, the pharmaceutical and healthcare company with operations primarily in China, today announces that 14 of its main drugs (the “Essential Drugs”), one of which being solely and exclusively manufactured by Chi-Med’s China Healthcare Division, have been included in the list of 307 essential drugs on the New National Essential Medicines List (the “Essential Medicines List”) issued by the Ministry of Health in China on 18 August 2009.

The Essential Medicines List includes 102 traditional Chinese medicine drugs. The plan of the Ministry of Health is to equip about 30% of state-owned grass-roots health institutions with the 307 essential drugs on the Essential Medicines List by the end of 2009. These health institutions would be directed to give priority to the listed drugs when treating patients. By 2020, all state-owned health institutions in urban and rural China would be required to give priority to the listed drugs.

In total, the 14 Essential Drugs manufactured by Chi-Med's China Healthcare Division represent over 80% of that Division’s sales of prescription and over-the-counter (“OTC”) drugs. Overall, this Division recorded sales of \$53.1 million and net profit after tax and minority interests of \$6.6 million in the first half of 2009.

Amongst the 14 Essential Drugs, She Xiang Bao Xin pill (“SXBX Pill”), a prescription drug for cardiovascular disease, is currently uniquely manufactured by Chi-Med’s joint venture, Shanghai Hutchison Pharmaceuticals Limited (“SHPL”) under the exclusivity protection of a certificate issued by the Ministry of Science and Technology and State Secrecy Bureau (the “Certificate”). The Certificate awarded SXBX Pill “confidential information” status for a period of five years expiring in August 2010. Management believes that this exclusivity protection will be extended in 2010 and SHPL will continue to be the sole supplier of SXBX Pill in the China market.

13 of the 14 Essential Drugs are generic drugs that are manufactured by multiple manufacturers in China. To secure national distribution, Chi-Med will have to supply state-owned health institutions at reference prices set by the Ministry of Health. Another joint venture of Chi-Med, Hutchison Whampoa Guangzhou Baiyunshan Chinese Medicine Company Limited (“HBYS”), which is a very large-scale generic OTC drug manufacturer in China that manufactured and sold over 3 billion doses of generic OTC medicine in 2008, has a highly competitive cost structure and consequently, a history of successful price tendering on both a national and provincial level. This should position HBYS well to meet Ministry of Health reference price requirements.

All other drugs currently manufactured and sold by SHPL and HBYS, which are not on the Essential Medicines List, will continue to be sold, as they are today, to state-owned health institutions on a provincial level.

Christian Hogg, Chief Executive Officer of Chi-Med, said, "Overall, we believe this is good news for Chi-Med. Since our 2006 flotation, our China Healthcare Division has recorded compound annual organic growth of 28% as well as improving operating profit margins from 0% in 2005 to 18% in the first half of 2009. Inclusion of our main drugs on the Essential Medicines List positions us well to continue this growth."

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### **About Chi-Med**

Chi-Med is the holding company of a pharmaceutical and healthcare group based primarily in China and was admitted to trading on the Alternative Investment Market of the London Stock Exchange in May 2006. It is focused on researching, developing, manufacturing, and selling pharmaceuticals, health supplements and other consumer health and personal care products derived from Traditional Chinese Medicine and botanical ingredients.

Chi-Med is majority owned by Hutchison Whampoa Limited, an international company listed on the Main Board of The Stock Exchange of Hong Kong Limited.