

MEDIA CENTRE

Press Cutting

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Chi-Med posts maiden net profit as revenues rise 24%

StockMarketWire.com - Hutchison China MediTech posts a maiden net profit for the year to the end of December following strong growth across its China healthcare and drug research and development divisions.

Revenues rose 24% to \$166.9m and the group posts an operating profit of \$5.4m against a loss of \$2.2m last time.

There was a net profit attributable to Chi-Med equity holders of \$0.7m against a net loss \$6.9m in 2010.

The group had cash and cash equivalents and unutilised bank loan facilities of \$85.7m and net cash \$23.7m.

Chief executive Christian Hogg said: "2011 was another good year for Chi-Med, making particularly strong progress in our China Healthcare and Drug R&D Divisions.

"With Group revenue increasing by 24%, we delivered our maiden net profit and ended the year with a solid cash position and the prospects of continued further substantial growth.

"Rapid growth in the prescription drug business of our China Healthcare Division offset the slightly slower growth in over-the-counter drug sales caused by the price increases we took to accommodate increased costs in certain raw materials.

"As expected, these raw material costs have now either dropped back, or stabilised, and the rate of growth of OTC drug sales have improved."