

Mindray to acquire Zonare for \$105 mn

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Singapore: Mindray Medical has plans to acquire Zonare Medical Systems, an ultrasound technology leader in the high-end radiology segment for \$105 million. Mindray's management expects the deal to strengthen its high-end ultrasound R&D and its US sales capabilities, furthering the company's goal of becoming a leading provider of high-quality imaging products to markets worldwide.

Total 2012 revenues for Zonare were approximately \$64 million. Mindray expects the deal to be slightly dilutive to its full-year 2013 and 2014 earnings. Founded in 1999, Zonare is based in Mountain View, California, US. Over the past decade, it has become one of the leading ultrasound brands in high-end radiology segment globally. Its world-class R&D team, comprising several leading ultrasound experts, developed the company's revolutionary Zone-Sonography technology to deliver superior image quality.

"We are very excited about this transaction. We evaluated many different acquisition targets and determined that Zonare's proven business model, along with its technology and sales channel assets, fits very well with our selection criteria," said Mr Minghe Cheng, Mindray's co-CEO. "This transaction will create significant synergies by combining ZONARE's strong innovative R&D capability and direct sales and service network in the high-end ultrasound market with Mindray's efficient engineering and production platforms. We expect customers to benefit from the combined company's expanded portfolio and improved ability to develop more innovative and customized products."

Mindray plans to maintain Zonare's brand and existing operations under its current management team led by Mr Timothy A Marcotte, Zonare's president and CEO.

"The deal will create a global ultrasound company that is better positioned to serve the healthcare market on a worldwide basis," commented Mr Marcotte. "We expect our customers to continue to benefit from the high level of innovation, quality and services provided by the ZONARE brand. Moreover, as a member of the growing Mindray organization, we look forward to developing even more exciting products and technologies in the future by leveraging our combined strengths."