

**MD MEDICAL GROUP POSTS STRONG GROWTH ACROSS ALL  
OPERATIONAL INDICATORS FOR 4Q AND FY 2016**

**20 January 2017**, Moscow – MD Medical Group Investments Plc (“MD Medical Group”, “MDMG” or the “Company” – LSE: MDMG), a leading Russian private healthcare provider, today announces its operating results for the fourth quarter and 12 months of 2016.

**Key operational highlights for FY 2016:**

- Total deliveries increased 20% year-on-year (y-o-y) to 6,656
- Total IVF cycles increased 51% y-o-y to 14,004
- Total in-patient treatments increased 11% y-o-y to 53,142
- Total out-patient treatments increased 18% y-o-y to 1,388,995

**Mark Kurtser, CEO of MD Medical Group, said:**

*“MD Medical Group ended 2016 as Russia’s leading private healthcare provider. We worked hard and this was reflected in our results, significantly growing all our key operational metrics.*

*“In 2016, we had 20% more deliveries than in 2015. We strengthened our leadership in the IVF market, with the number of IVF cycles rising by 51%. In-patient and out-patient treatments grew 11% and 18% year-on-year, respectively.*

*“These record results for the Company were to a significant extent achieved thanks to the continued ramp-up of our Lapino, Ufa and PMC hospitals. Growth in the IVF segment was largely driven by our new clinics in Siberia<sup>1</sup>, which delivered approximately 2,600 cycles or 19% of the Group’s total in their first full year of operation as part of MDMG.*

*“Such impressive results from the six Medica and ARTMedGroup clinics that we successfully integrated into the Group in 2016 underscore the efficacy of our long-term regional development strategy. Alongside our successful acquisitions, we also moved forward with opening new high-tech clinics and departments. We launched our first clinic in Kostroma in April 2016, and significantly expanded our footprint in Russia’s largest market – Moscow and the Moscow region – with the opening of Mother and Child Khodynskoe Pole, an out-patient centre in Odintsovo, as well as an IVF department at the Mother and Child Yugo-Zapad clinic and an interventional cardiology and cardiovascular surgery department at the Lapino hospital.*

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<sup>1</sup> Medica and ARTMedGroup clinics

*“Looking forward to 2017, we aim to maintain our current trajectory of strong results. We also plan to further develop our asset portfolio by expanding our presence in those regions and services where we see unsatisfied demand. We are confident that we can satisfy it at the highest level of quality.”*

## **Deliveries**

- In FY 2016, total deliveries increased 20% y-o-y to 6,656.
- In Q4 2016, total deliveries increased 15% y-o-y to 1,637.
- In FY 2016, there were 1,061 deliveries at Mother & Child Ufa hospital.

## **IVF**

- In FY 2016, total IVF cycles rose 51% y-o-y to 14,004.
- In Q4 2016, total IVF cycles rose 49% y-o-y to 3,993.
- In FY 2016, LFL<sup>2</sup> 10,921 IVF cycles were performed, up 18% y-o-y.

## **In-patient treatments**

- In FY 2016, total in-patient treatments grew 11% y-o-y to 53,142, driven by:
  - 1% increase in OBGYN in-patient treatments;
  - 23% increase in paediatric in-patient treatments;
  - 17% increase in in-patient days using other medical services.
- In Q4 2016, the total number of in-patient days increased 9% y-o-y to 13,926.
- In FY 2016, LFL in-patient treatments increased 11% y-o-y to 53,095.

## **Out-patient treatments**

- In FY 2016, the total number of out-patient treatments increased 18% y-o-y to 1,388,995, driven by:
  - 12% increase in OBGYN out-patient treatments;
  - 14% rise in paediatric out-patient visits;
  - 29% increase in other medical services.
- In Q4 2016, the total number of out-patient treatments increased 18% y-o-y to 370,884.
- In FY 2016, LFL out-patient treatments increased 11% y-o-y to 1,298,218.

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<sup>2</sup> LFL data does not include figures for the Medica clinic (Novokuznetsk) and ARTMedGroup clinics (Krasnoyarsk, Omsk, Barnaul, and Novosibirsk), which have been consolidated since January 2016, as well as figures for the Kostroma clinic, which opened in April 2016, the Mother and Child Khodynskoe Pole clinic in Moscow, which opened in June 2016, and the IVF department at the Mother and Child Yugo-Zapad, which opened in March 2016.

<b>TOTAL</b>							<b>LFL</b>		
	<b>FY 2016</b>	<b>FY 2015</b>	<b>y-o-y, %</b>	<b>4Q 2016</b>	<b>4Q 2015</b>	<b>y-o-y, %</b>	<b>FY 2016</b>	<b>FY 2015</b>	<b>y-o-y, %</b>
<b>Obstetrics and Gynaecology</b>									
Deliveries	6,656	5,535	20%	1,637	1,423	15%	6,656	5,535	20%
In-patient treatments (except deliveries)	23,796	23,626	1%	5,758	6,229	-8%	23,796	23,626	1%
Out-patient treatments	506,756	451,986	12%	132,133	117,782	12%	480,728	446,606	8%
<b>IVF</b>									
	14,004	9,289	51%	3,993	2,683	49%	10,921	9,289	18%
<b>Paediatrics</b>									
In-patient treatments	18,946	15,387	23%	5,238	4,014	30%	18,944	15,387	23%
Out-patient treatments	396,608	347,003	14%	108,767	95,973	13%	396,411	347,003	14%
<b>Other medical services</b>									
In-patient treatments	10,400*	8,901*	17%	2,930	2,502*	17%	10,353*	8,901*	16%
Out-patient treatments	485,631	377,641	29%	129,984	100,050	30%	421,079	377,641	12%
<b>Total</b>									
<b>Total deliveries</b>	<b>6,656</b>	<b>5,535</b>	<b>20%</b>	<b>1,637</b>	<b>1,423</b>	<b>15%</b>	<b>6,656</b>	<b>5,535</b>	<b>20%</b>
<b>Total IVF</b>	<b>14,004</b>	<b>9,289</b>	<b>51%</b>	<b>3,993</b>	<b>2,683</b>	<b>49%</b>	<b>10,921</b>	<b>9,289</b>	<b>18%</b>
<b>Total in-patient treatments</b>	<b>53,142</b>	<b>47,914</b>	<b>11%</b>	<b>13,926</b>	<b>12,744</b>	<b>9%</b>	<b>53,095</b>	<b>47,914</b>	<b>11%</b>
<b>Total out-patient treatments</b>	<b>1,388,995</b>	<b>1,176,630</b>	<b>18%</b>	<b>370,884</b>	<b>313,805</b>	<b>18%</b>	<b>1,298,218</b>	<b>1,171,250</b>	<b>11%</b>

- \* In 2016 figures for in-patient treatments were adjusted

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**About MD Medical Group**

MD Medical Group operates in the highly attractive Russian private healthcare service market and has a leading position in high-quality women's health and paediatrics. The company manages 32 modern healthcare facilities, including 4 hospitals and 28 outpatient clinics in Moscow and Moscow region, St. Petersburg, Ufa, Perm, Samara and Samara region, Irkutsk, Novosibirsk, Irkutsk, Yaroslavl, Ryazan, Kostroma, Novokuznetsk, Krasnoyarsk, Omsk, Barnaul, and Vladimir.

The Company's shares have been listed on the London Stock Exchange (LSE ticker "MDMG") in the form of Global Depositary Receipts (GDRs) since 12 October 2012.

**Forward-Looking Statements:**

This press release contains forward looking statements, which are based on the Company's current expectations and assumptions and may involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. The forward looking statements contained in this press release are based on past trends or activities and should not be taken that such trends or activities will continue in the future. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a number of variables which could cause actual results or trends to differ materially, including, but not limited to: conditions in the market, market position of the Company, earnings, financial position, cash flows, return on capital and operating margins, anticipated investments and economic conditions; the Company's ability to obtain capital/additional finance; a reduction in demand by customers; an increase in competition; an unexpected decline in revenue or profitability; legislative, fiscal and regulatory developments, including, but not limited to, changes in environmental and health and safety regulations; exchange rate fluctuations; retention of senior management; the maintenance of labour relations; fluctuations in the cost of input costs; and operating and financial restrictions as a result of financing arrangements.

No statement in this press release is intended to constitute a profit forecast, nor should any statements be interpreted to mean that earnings or earnings per share will necessarily be greater or lesser than those for the relevant preceding financial periods for the Company. Each forward looking statement relates only as of the date of the particular statement.