

24/1, SEVASTOPOLSKY PROSPECT
MOSCOW, RUSSIA, 117209

+7 499 744 66 56
WWW.MCCLINICS.COM



мать и дитя
ОСОБОЕ ОТНОШЕНИЕ



INVESTOR PRESENTATION

JUNE 2014



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MD MEDICAL GROUP AT A GLANCE

MD MEDICAL GROUP AT A GLANCE

MD Medical Group (“MDMG”) overview

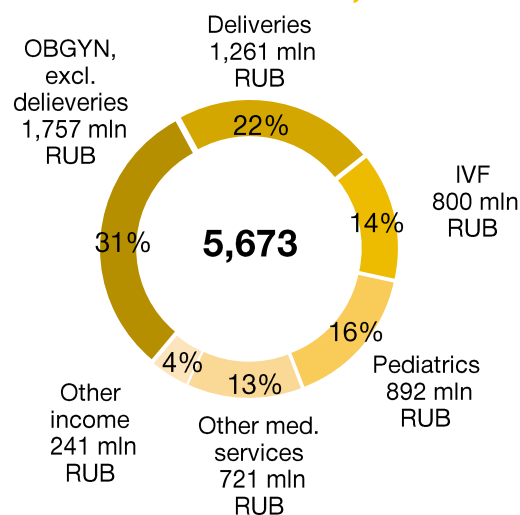
- Russia’s leading private healthcare provider in women’s health and paediatrics
- Wide range of medical services including obstetrics and gynaecology, fertility and IVF treatment, paediatrics and other services (family medical services, dental care, stem cell storage, laboratory testing and radiology diagnostics)
- Network of modern and high-quality healthcare facilities in Moscow and Russian regions
- Equipment provided by leading international and domestic suppliers
- Highly qualified medical personnel supervised by recognised medical experts

Overview of services provided

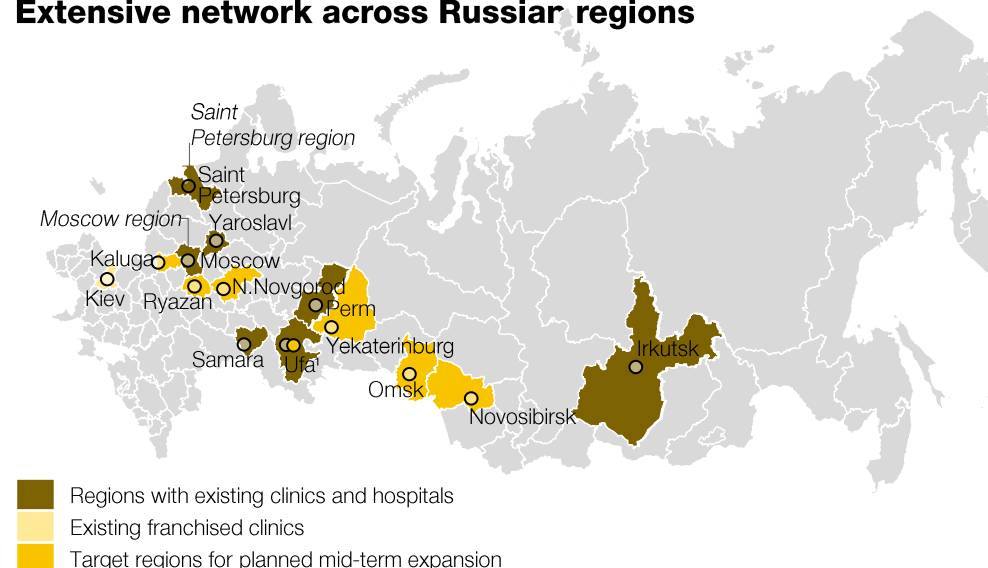
Service range

| OBGYN | Paediatrics |
|--|---|
| <ul style="list-style-type: none"> •Pregnancy management •Delivery services •Gynaecology | <ul style="list-style-type: none"> •Treatment of paediatric diseases •Immunization shots •Home visits |
| Fertility and IVF | Other services |
| <ul style="list-style-type: none"> •Surgical management of fertility related problems •Reproductive technologies | <ul style="list-style-type: none"> •Laboratory services •Stem cell storage •Dental care •Radiology services •Family Medical services |

Revenue breakdown, 2013



Extensive network across Russian regions

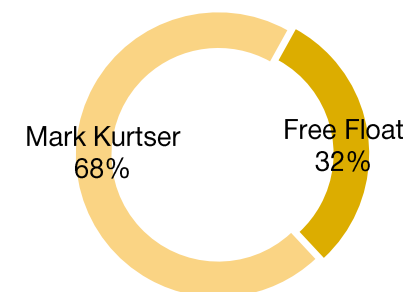


Key financials and shareholder structure

Key financial metrics

| RUB mln | 2010 | 2011 | 2012 | 2013 |
|---------------------|--------|-------|---------|--------|
| Revenue | 2,044 | 2,908 | 4,061 | 5,673 |
| growth, % | 14% | 42% | 40% | 40% |
| EBITDA ² | 1,089 | 1,292 | 1,694 | 1,586 |
| margin, % | 53% | 44% | 42% | 28% |
| Net Income | 735 | 924 | 1,538 | 764 |
| Net Debt | (112) | 1,059 | (2,054) | (275) |
| Net Debt / EBITDA | (0.1x) | 0.8x | (1.2x) | (0.2x) |

Shareholder structure post IPO



Note: 1 MDMG plans to open a hospital in Ufa in 2015
2 calculated as operating profit before depreciation and amortization

Note: Company has GDRs listed on the LSE (Ticker: MDMG LI)

MDMG'S FOOTPRINT EXPANSION



| Description | Dec'11 | Dec'12 | Dec'13 |
|-------------------------------|--------|--------|--------|
| Number of hospitals | 1 | 2 | 2 |
| Number of out-patient clinics | 7 | 8 | 15 |
| Total hospital area | 27,600 | 69,600 | 69,900 |
| Total out-patient area | 3,442 | 4,259 | 10,944 |
| Number of beds | 243 | 433 | 453 |
| Number of doctor's offices | 92 | 132 | 227 |



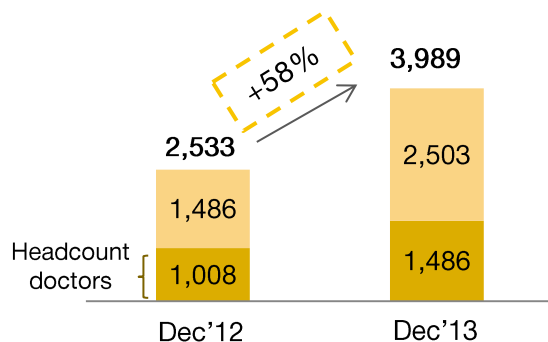
Source: company's data



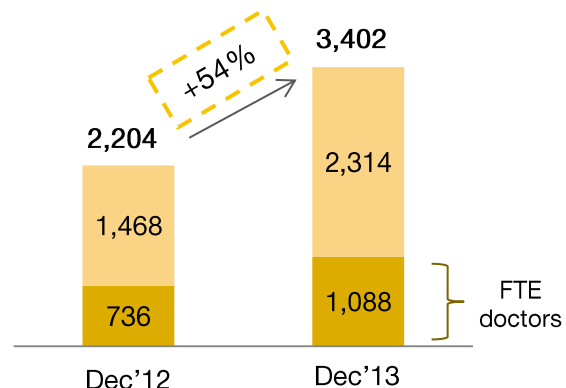
OUR PEOPLE ARE OUR MAIN ASSET

Total number of employees

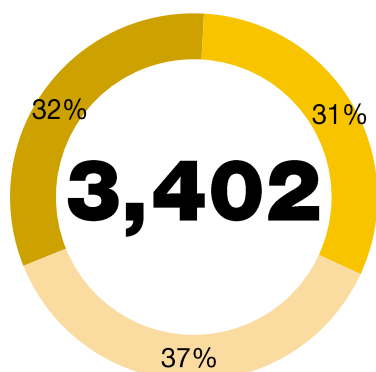
Headcount



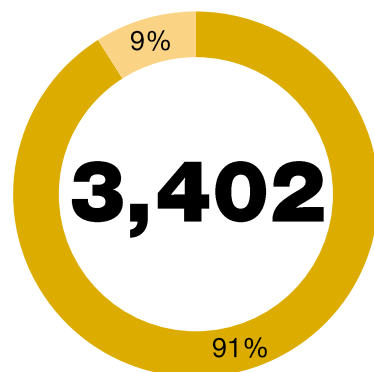
FTE



Personnel structure*



Employees*



■ Doctors ■ Other medical staff ■ Other staff* ■ FTE full time ■ FTE part time



Notes: * -based on FTE

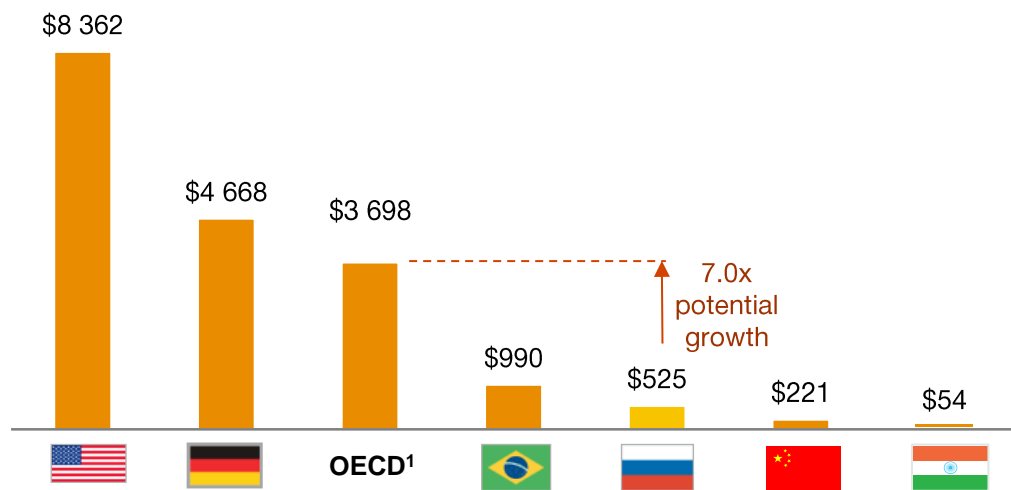
** -other doctors include anesthesiologists, intensivists, surgeons, emergency physicians etc

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OUR MARKET

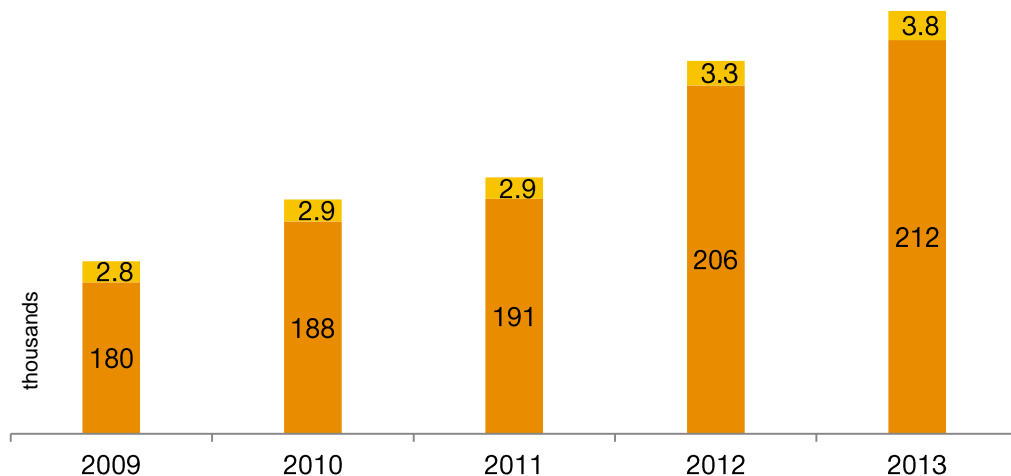
SIGNIFICANT GROWTH OPPORTUNITIES

Per capita healthcare expenditures (per annum)



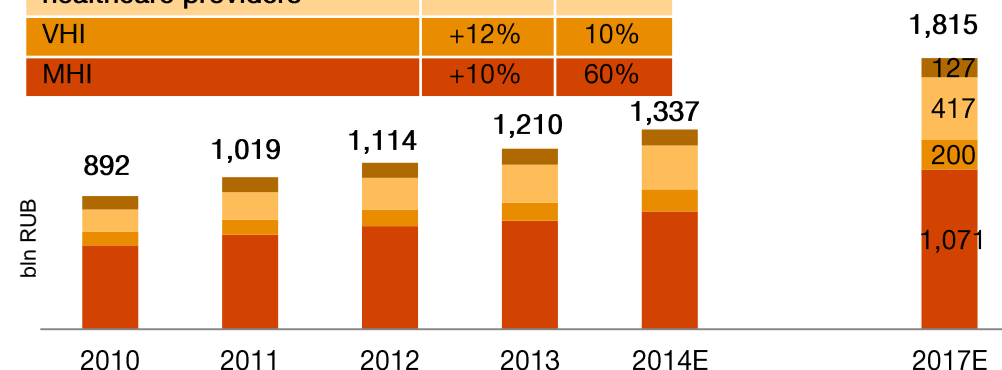
Number of deliveries registered: public vs. MDMG

■ MDMG ■ Moscow & Moscow region



Value of medical services market

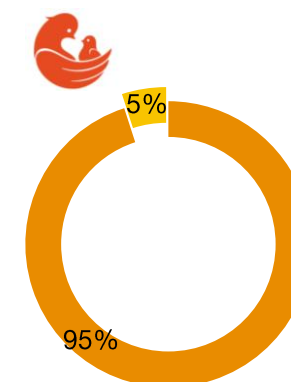
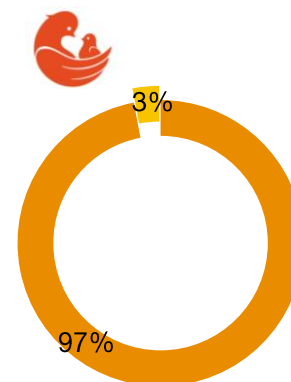
| | CAGR 2010 - 2017 | Share |
|--|------------------|-------|
| Grey market | +5% | 9% |
| Legal payments to private healthcare providers | +16% | 21% |
| VHI | +12% | 10% |
| MHI | +10% | 60% |



MDMG capacity vs total market

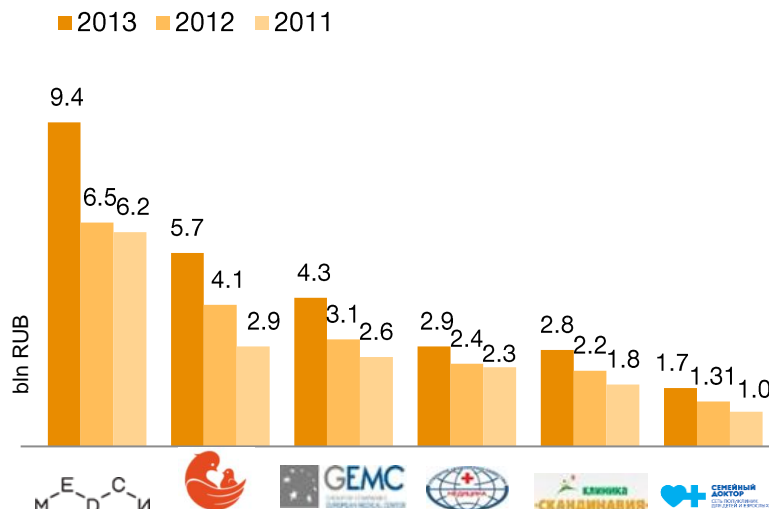
Moscow and the Moscow region

Moscow

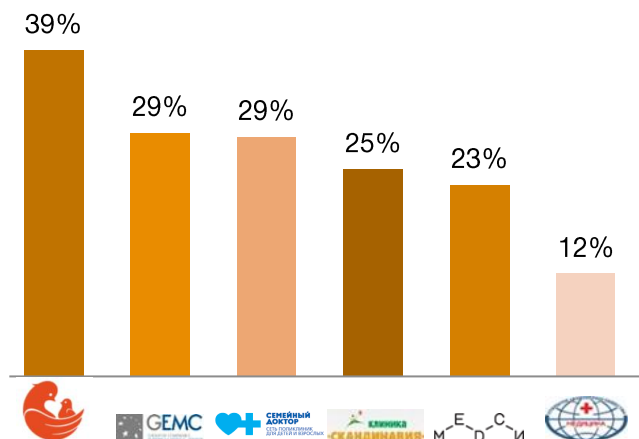


LEADER IN WOMEN'S HEALTH AND PEDIATRICS, TOP-2 PRIVATE HEALTHCARE PROVIDER

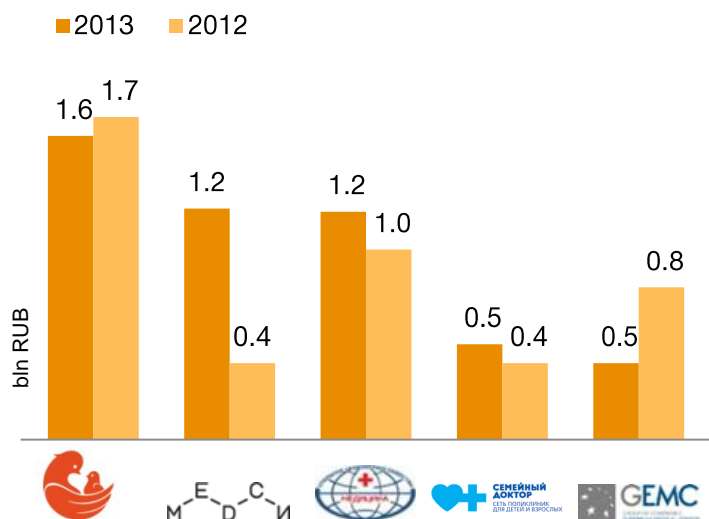
Revenue



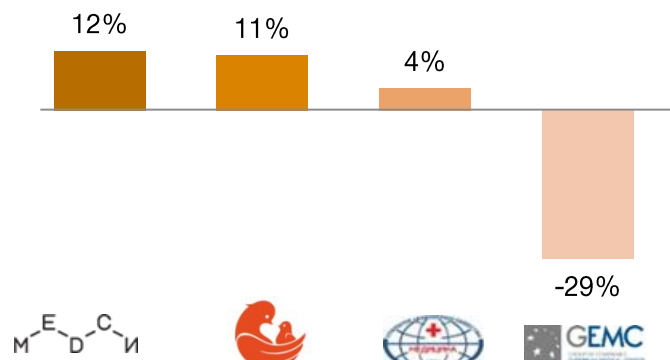
CAGR, 2011-2013





EBITDA estimates



CAGR, 2011-2013







Key investment projects in 2012-2013

| | |
|--|---|
|  MD Medical Group | New hospital opened in November 2012, total area 42 th sqm, 192 beds, 5.1 RUB bn investment |
|  Meds i | Merged with 3 public hospitals in Moscow in the end of 2012 , total area 115 th sqm, 1,153 beds |
|  EMC | New hospital opened in December 2012, total area 15.5 ths sqm, 80 beds, 3.4 RUB bn investment |
|  Family Doctor | 2014: 1) opened 14 th out-patient clinic in Moscow; 2) opened first in-patient dep. in one of the clinics. 2015 – 2016: are planning to open hospital |
|  Scandinavia | Launched new out-patient facilities in St. Petersburg and Kazan |
|  Medicina | New premises opened in April 2013, total area 20.6 th sqm, 105 beds, 4.3 RUB bn investment |

QUALITY OF FACILITIES AND SERVICES PROVIDED IS FAR AHEAD OF PUBLIC HOSPITALS



| | Lapino Hospital | Perinatal Medical Center | Typical public maternity hospital |
|------------------------|--|---|---|
| Size |  42.0k sqm |  27.6k sqm | n\A |
| Main departments | <ul style="list-style-type: none"> ✓ Maternity care ✓ Paediatrics ✓ Diagnostics ✓ Reproductive health & IVF ✓ Trauma ✓ Surgery ✓ Rehabilitation | <ul style="list-style-type: none"> ✓ Maternity care ✓ Paediatrics ✓ Diagnostics ✓ Reproductive health & IVF | <ul style="list-style-type: none"> ✓ Maternity care |
| Capacity | 182-beds 3,000 deliveries 600k outpatient visits 94 offices | 250-beds 3,500 deliveries 300k outpatient visits 43 office | 200-beds 5,000 deliveries 300k outpatient visits 43 office |
| Distinctive features |  <p><u>Full-cycle services for women & children:</u></p> <ol style="list-style-type: none"> 1) From planned pregnancy services to birth and postpartum care for mother and child 2) Regular medical checkups throughout pregnancy, and timely treatment for nearly any health issues concerning mothers or children | |  <p>After 5 days newborns have to be moved to paediatrics hospitals in difficult cases</p> |
| Average delivery price | 345 kRUB | 325 kRUB | 120 kRUB* |

Note: * Commercial departments of public hospitals

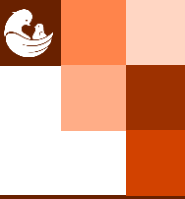
Source: Company data; Public maternity hospital photo: Moscow maternity hospital #1, www.roddoma.ru

FAVOURABLE REGULATORY ENVIRONMENT

| Existing Regulation | | New Initiatives | |
|--|---|---|--|
| Tax benefits for healthcare companies | <ul style="list-style-type: none"> • 0% corporate profit tax rate until 2020 (subject to certain requirements) • Exempt from charging VAT to customers (subject to certain requirements) | Business expansion opportunities | <ul style="list-style-type: none"> • Russian Federal Law on Concession Agreements allows Moscow (and some regional) governments to enter into concession agreements with private companies in connection with management, construction and modernization, etc. of selected state clinics • Private companies will have obligations to service non-commercial patients (under public insurance schemes) along with private patients |
| | <ul style="list-style-type: none"> • Income tax rebates for individuals (RUB 120,000 per annum) with regard to costs for healthcare services • More comprehensive access of private companies to Russian mandatory health insurance programme in place in 2014 | | <ul style="list-style-type: none"> • No property tax is now imposed on movable property, including leased property of companies as from 2013 • Start-up tax benefits for local investment projects (for the period of up to 5 years) |
| | <ul style="list-style-type: none"> • Federal pro-birth measures including support for families with children and maternity benefits (RUB 429,409 starting from second maternity for the year 2014 – amount increased and scope of use extended as compared to 2013) • Local pro-birth measures including local maternity benefits (up to RUB 350,000) and provision of medicines and special food to pregnant women and children, provision of land plots to multi-child families | | <ul style="list-style-type: none"> • General principles of compulsory medical liability insurance system introduced with detailed regulation to be further enacted • The above regulation being enacted will favor professional medical organizations with good track record in 2015-2016 |
| Incentives for customers to use private healthcare services | | Changes in legislation | |
| Measures to improve demographics | | Better protection of customers | |

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OUR STRATEGY



MID-TERM AND LONG-TERM EXPANSION STRATEGY



Action steps

- Continuous search for new locations in Moscow/Saint Petersburg and other attractive regions
- Marketing campaigns in the regions of interest to create demand before entering new markets
- Leverage on successful experience in Moscow and Ufa
- Active cooperation with regional authorities



STRATEGY IN ACTION: UFA, BASHKORTOSTAN

Construction of MDMG's third hospital on track with disciplined execution

- Construction started on schedule. Ground breaking ceremony held on 11 March 2013
- Vertical construction completed in February 2014 ahead of schedule
- External and internal fit-out are almost completed
- On track to open fully in early 2015 (staggered streaming of services)



Key figures

- Deliveries – 3,000 units
- OBGYN – 18,250 patient days
- IVF – 1,100 IVF cycles
- Paediatrics – 13,500 patient days
- Out-patient services capacity - c245k admissions
- Total CAPEX is 4.3 bln RUB

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1Q'14 OPERATING RESULTS

1Q 2014 OPERATING RESULTS

Deliveries



IVF cycles



In-patient treatments



Out-patient visits



KEY PERFORMANCE INDICATORS AS A RESULTS OF:

- Deliveries:** The total number of deliveries increased by 16% y-o-y to 1,003 (despite a 2.4% y-o-y decrease in number of deliveries in Moscow during the period). Lapino hospital was the key driver of our growth in deliveries.
- IVF:** The total number of IVF cycles increased by 67% y-o-y, reaching 1,603.
- In-patient treatments:** The total number of in-patient treatments in 1Q'14 grew by 26% y-o-y to 8,107 on the back of:
 - 27% growth of obstetrics and gynaecology ("OBGYN") in-patient treatments
 - 20% increase in paediatrics in-patient days
 - 50% boost on in-patient other medical services line.

Lapino was the largest contributor to the total growth of our 'other medical services' line, as it posted strong y-o-y growth for the period, with a further contribution from the consolidation of operating results of our Samara clinics.
- Out-patient treatments:** The total number of out-patient treatments increased by 75% y-o-y and amounted to 192,342, on the back of:
 - 63% boost in out-patient admissions on OBGYN line
 - 55% growth in paediatrics out-patient treatments
 - 220% increase in other medical services, primarily due to a growing contribution from the consolidation of operating results of our Samara clinics

The total increase in out-patient treatments was driven by the consolidation of newly acquired clinics and the successful ramp up at Lapino.

1Q 2014 OPERATING RESULTS LFL

Deliveries



IVF cycles



In-patient treatments



Out-patient visits



KEY PERFORMANCE INDICATORS AS A RESULTS OF

LFL data does not include figures for new clinics in Samara, Irkutsk and Yaroslavl and IVF department at Lapino, since they were consolidated from April 2013; May, 2013 and December, 2013 correspondingly. Lapino's IVF department was opened on January 21, 2014.

- Deliveries: Lapino hospital was the key driver of growth in deliveries.
- IVF: Number of IVF cycles was up 26% y-o-y, with the largest contribution coming from our clinics in St. Petersburg and Moscow.
- In-patient treatments: Number of in-patient treatments grew by 17% y-o-y and amounted to 7,533, owing to:
 - 14% growth of OBGYN in-patient days
 - 20% increase in paediatrics in-patient treatments
 - 32% up in in-patient days in other medical services.
- Out-patient treatments: Number out-patient admissions grew by 29% to 141,911, due primarily to:
 - 25% increase of OBGYN out-patient treatments
 - 24% growth on line for paediatrics out-patient visits
 - 75% increase in other medical services, driven primarily by Lapino's departments for surgery & traumatology, rehabilitation and noticeable growth in visits to our diagnostic centres at both Lapino and PMC.

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FY2013 IFRS RESULTS



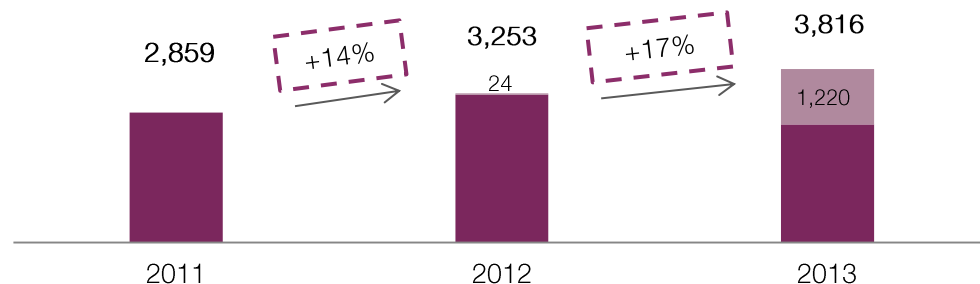
KEY HIGHLIGHTS

- Revenue increased 40% y-o-y to 5,673 mln RUB (2H'13 increased 20% to 3,095 mln RUB vs. 1H'13)
- EBITDA 1,586 mln RUB (2H'13 = 941 mln RUB representing growth of 46% h-o-h)
- EBITDA margin 28% for FY2013 (2H'13: 30%, up by 5 p.p. vs. 1H'13)
- Net cash position of 275 mln RUB as at 31 December 2013
- CAPEX amounted to 3,080 mln RUB, incl. M&A for 648 mln RUB
- Board of Directors proposed a dividend for 2013 of 0.07USD per share that accounts for 30% of net profit attributable to owners of the Company. Record date is set as May 23, 2014 and payment date is May 30, 2014.
- Key Company events in 2013:
 - Ramp-up of Lapino: contributed more than 1 bln RUB in revenue and positive EBITDA for FY 2013; speeding up in 2H'13
 - Acquisition of IDK chain of clinics in Samara region and Irkutsk clinic, significantly strengthening Group's position in Russian regions
 - M&C Yaroslavl clinic opened in December 2013, the first IVF clinic in the region
 - Construction of Ufa hospital commenced, vertical stage of construction completed in Feb, 2014

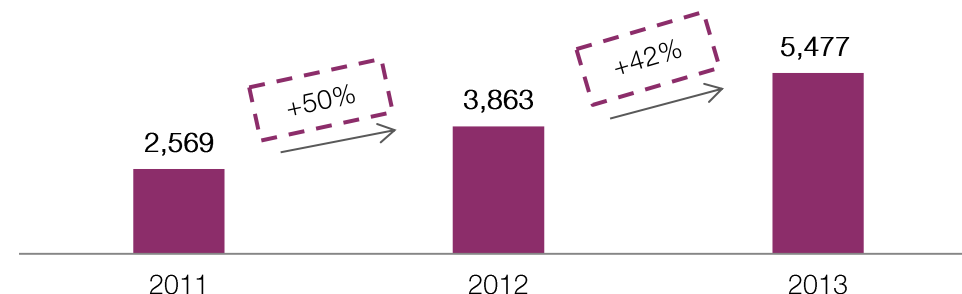
2013 OPERATING RESULTS

Deliveries

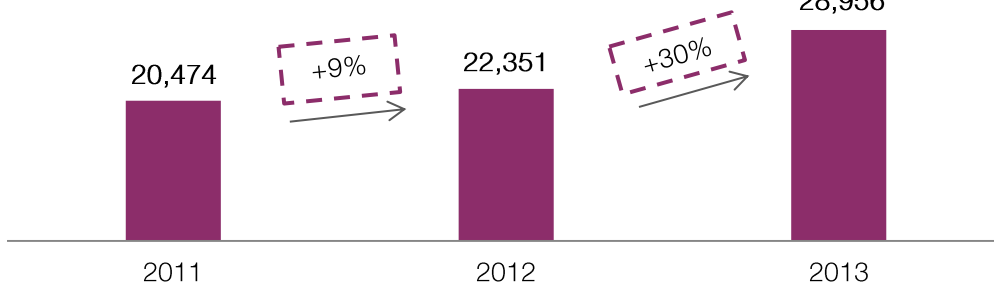
■ PMC ■ Lapino



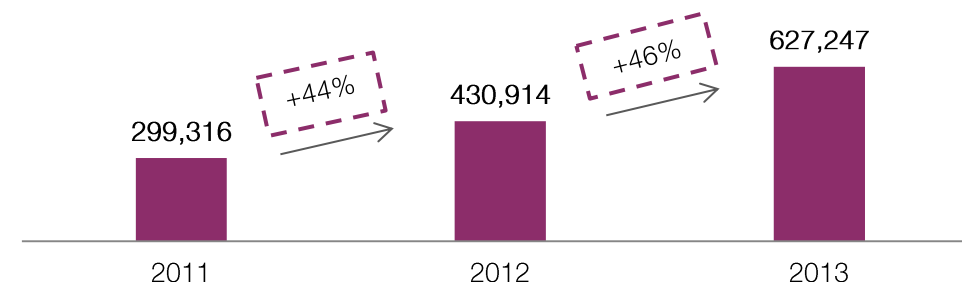
IVF cycles



In-patient treatments



Out-patient visits ³



DOUBLE-DIGIT GROWTH ACROSS ALL KEY PERFORMANCE INDICATORS AS A RESULT OF:

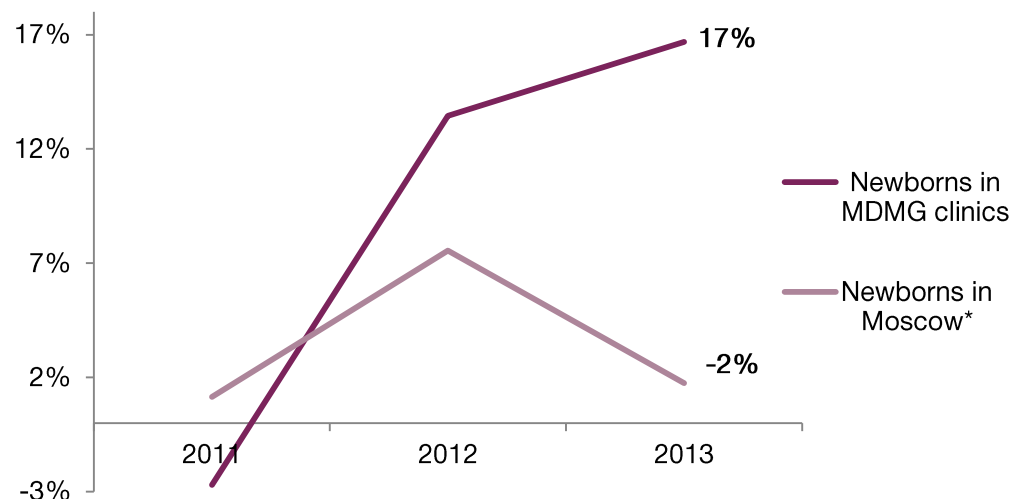
- Footprint expansion: Continuous expansion through acquisition and launch of new clinics: IDK Samara (consolidated as of 1 April 2013), M&C Irkutsk (as of 1 May 2013), Yaroslavl (16 December 2013)
- Service range expansion: New in-patient and out-patient services after opening of surgery, trauma and rehabilitation departments as well as new diagnostics centre at Lapino hospital, Genetic centre at Clinic of Health in Moscow (23 May 2013)
- Leadership in innovative technologies in women's health and paediatrics: first healthcare provider in Russia to offer Laparoscopic removal of abdominal cerclage
- Comprehensive integration of recently acquired out-patient clinics: Continued growth in operational efficiency by applying Group standards and as a result of increased numbers of cross-referrals

Source: unaudited management estimates

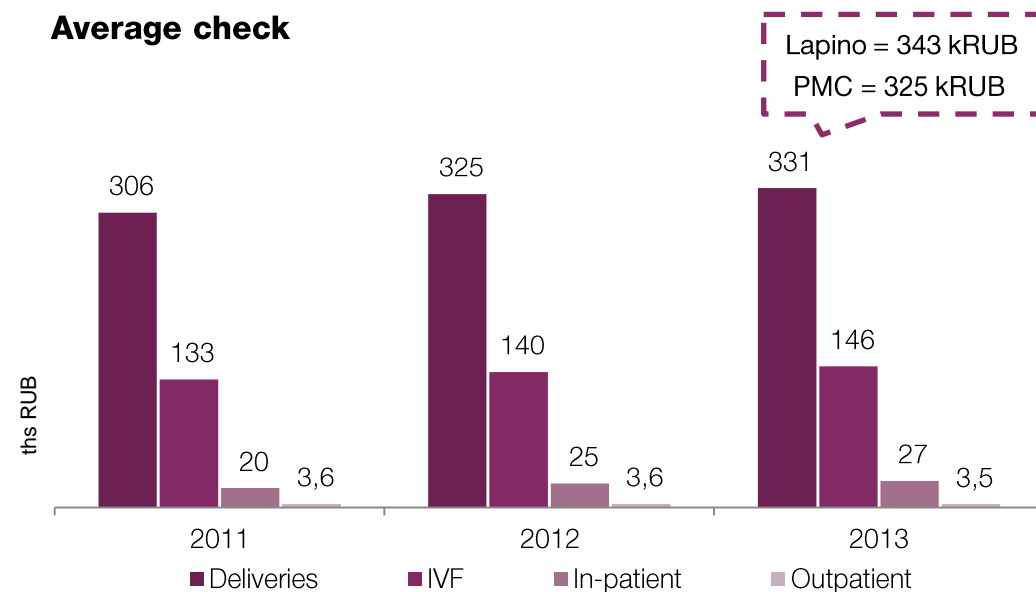
Note: ³ number of other out-patient medical services in 2012 and 2011 was updated using revised methodology for laboratory examinations in order to be consistent with 2013 data

REVENUE AND EBITDA DYNAMICS

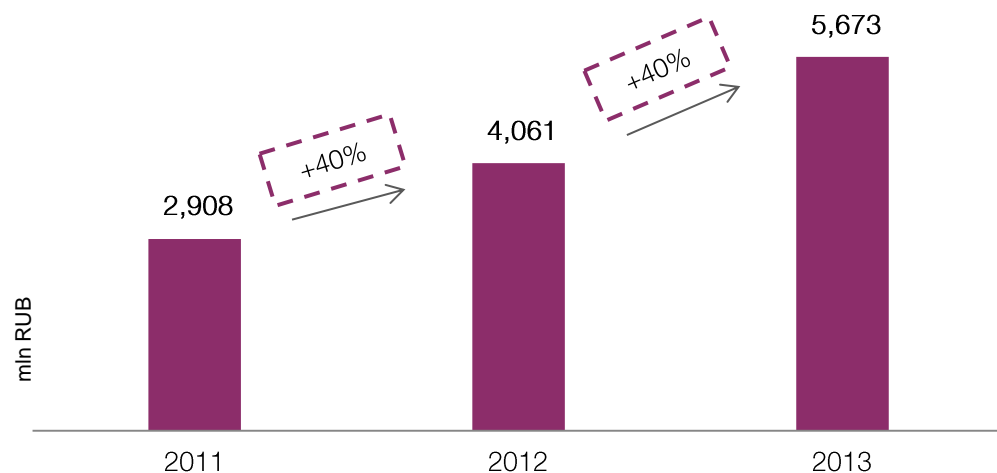
Outperforming Moscow birth rate y-o-y



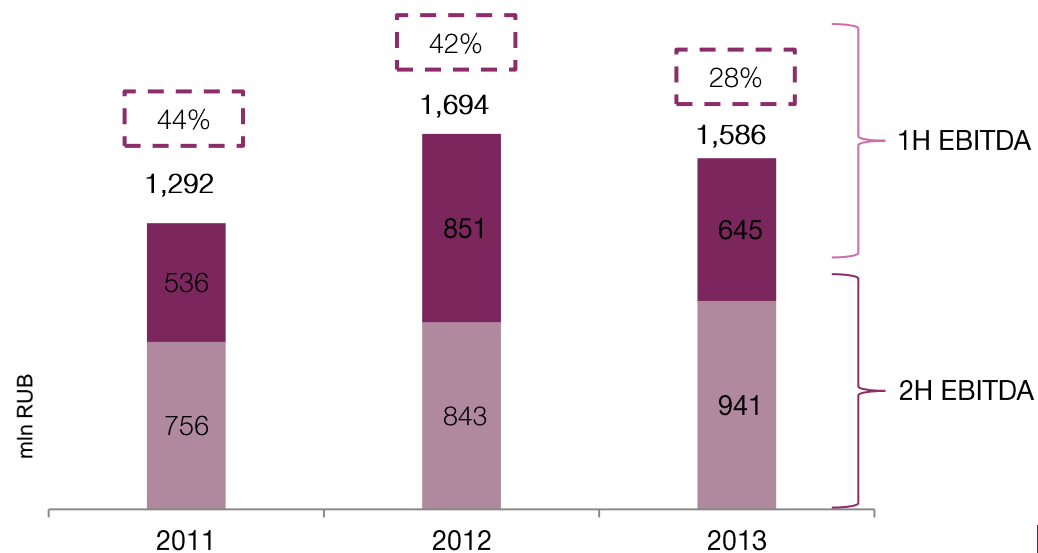
Average check

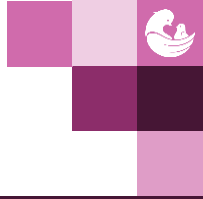


Group Revenue



EBITDA and EBITDA margin





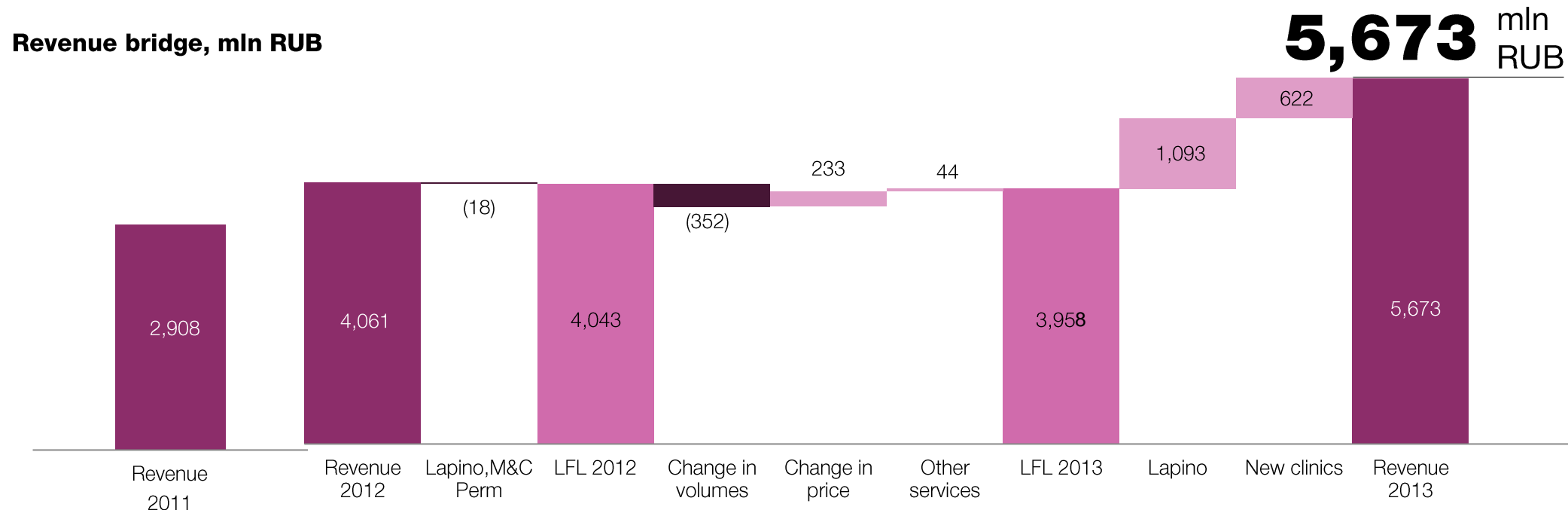
KEY FACTORS AFFECTING FINANCIAL RESULTS

| Factor | Description |
|--|---|
| Launch of Lapino | <ul style="list-style-type: none">• Capacity utilization data:<ul style="list-style-type: none">• Deliveries - 47% in 2H'13 (+34% 2H'13 vs. 1H'13)• OBGYN outpatient – 46% in 2H'13 (+54% h-o-h), inpatient – 28% in 2H'13 (+17% h-o-h)• Pediatrics outpatient – 39% in 2H'13 (+130% h-o-h), inpatient – 29% in 2H'13 (+13% h-o-h)• Surgery & trauma outpatient – 29% in 2H'13 (+69% h-o-h), inpatient – 120% in 2H'13 (+36% h-o-h)• Key measures to increase utilization rates: marketing & promo, advertising, proactive cooperation with insurance companies, sales through medical representatives, opening of IVF department |
| Adaptation of new doctors team at PMC | <ul style="list-style-type: none">• To ensure successful ramp-up of Lapino some PMC doctors were transferred to the new hospital. This affected the amount of deliveries at PMC.• To manage the situation new team of doctors were hired at PMC during the year.• The new doctors are already building their customer base |
| Establishment of a management company & BoD post-IPO | <ul style="list-style-type: none">• Facilitating transition from a single hospital model to a fast growing, national hospital chain.• Although Company will accomplish the expansion of holding company in 2014, the growth rates of corresponding costs are expected to be significantly lower than in 2013• Key management company functions include: Construction, Client service, Finance, Legal, Procurement, Marketing, IT, HR, IR |
| M&A activity | <ul style="list-style-type: none">• MDMG successfully completed two M&A deals in 1H 2013 for 648 mln RUB• Consolidation with IDK since 1 April 2013 and Mother and Child Irkutsk since 1 May 2013• Both companies were integrated into the Group |

KEY REVENUE DRIVERS

Revenue increased by 40% accounting for 5,673 mln RUB owing to:

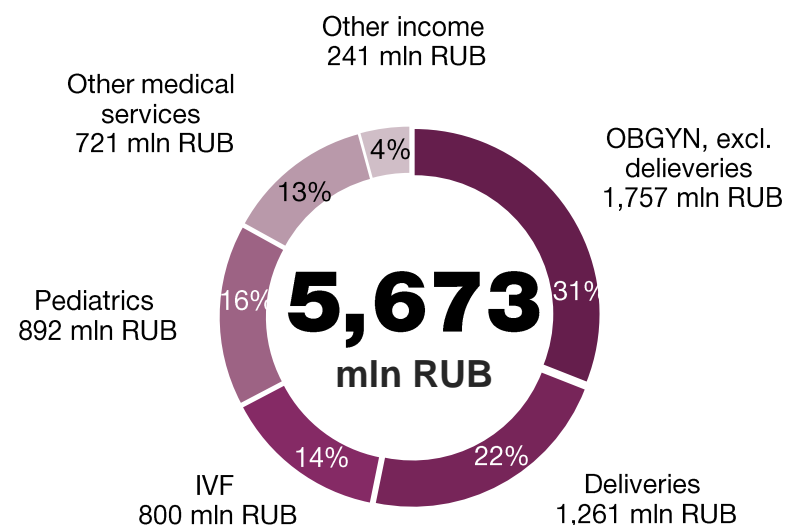
- Ramp-up of hospital in Lapino that boosted revenue by 1,093 mln RUB or 27% during the first year of operations with targeted capacity utilization still to be reached
- 622 mln RUB of additional revenue contributed by:
 - Acquisition of successful net of clinics in Samara and one clinic in Irkutsk
 - Full year of operations of M&C Perm
- Annual price indexation by 6% in line with CPI



REVENUE STRUCTURE

- **Increase in revenue** from deliveries on the back of successful ramp up at Lapino hospital
- **Solid growth of IVF** segment mostly due to acquisition of new clinics in Samara region and Irkutsk
- **Continued increase of outpatient visits** as a result of ramp up of Lapino, expansion of the range of services provided by the Group and acquisition of new clinics
- **Other medical services** grew by 86%, mostly driven new services offered at Lapino

Revenue structure



Revenue by services, mln RUB

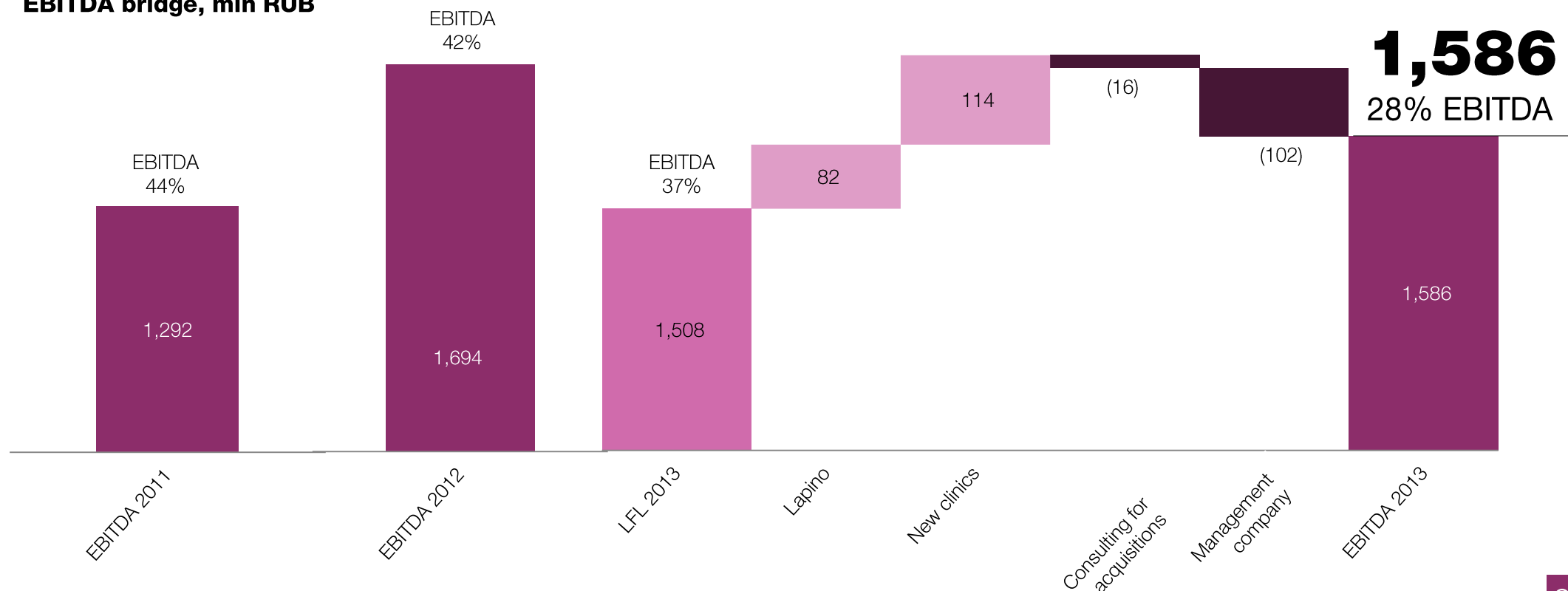
| 2012 | 2013 | Change y-o-y, % | | 1H 2013 | 2H 2013 | Change p-o-p, % |
|-------|-------|-----------------|-------------------------|---------|---------|-----------------|
| 1,208 | 1,757 | 45% ↑ | OBGYN, excl. deliveries | 800 | 957 | 20% ↑ |
| 1,057 | 1,261 | 19% ↑ | Deliveries | 597 | 665 | 11% ↑ |
| 542 | 800 | 48% ↑ | IVF | 342 | 458 | 34% ↑ |
| 693 | 892 | 29% ↑ | Pediatrics | 441 | 451 | 2% ↑ |
| 387 | 721 | 86% ↑ | Other medical services | 288 | 434 | 51% ↑ |
| 175 | 241 | 38% ↑ | Other income | 111 | 131 | 18% ↑ |
| 4,061 | 5,673 | 40% | Total | 2,578 | 3,095 | 20% |

KEY EBITDA DRIVERS

EBITDA 1,586 mln RUB, a slight decrease of 6% y-o-y owing to:

- Opening of Lapino hospital. Despite ramp-up period Lapino was able to achieve EBITDA margin of 19% in 2H'13
- Lower share of revenue from PMC
- New clinics consolidated in 2Q'13 contributed 114 mln RUB to EBITDA
- Holding company's costs increase, driven by transition from a 'Single hospital model' to a fast growing, national hospital chain. This process was mostly carried out in 2013, and will be completed in 2014. But growth rate in costs set to come down significantly in 2014.

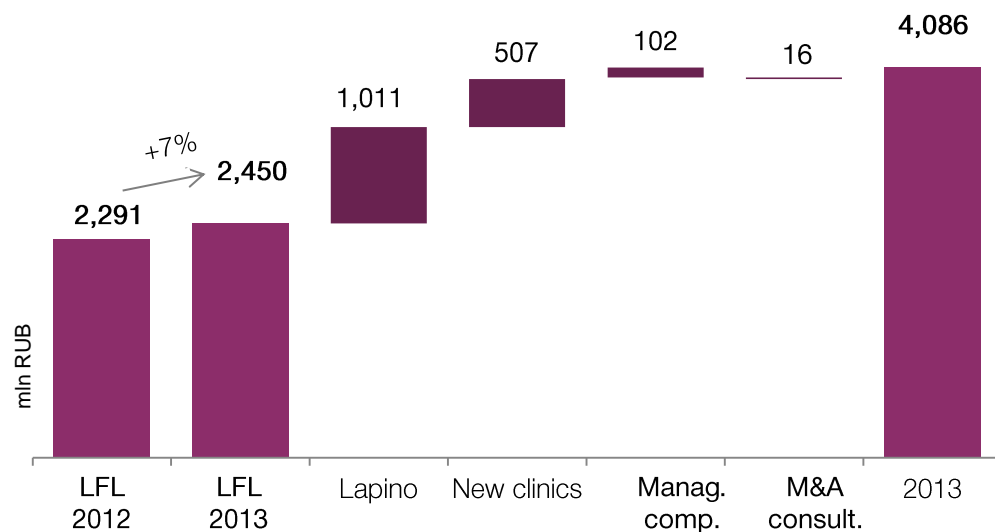
EBITDA bridge, mln RUB



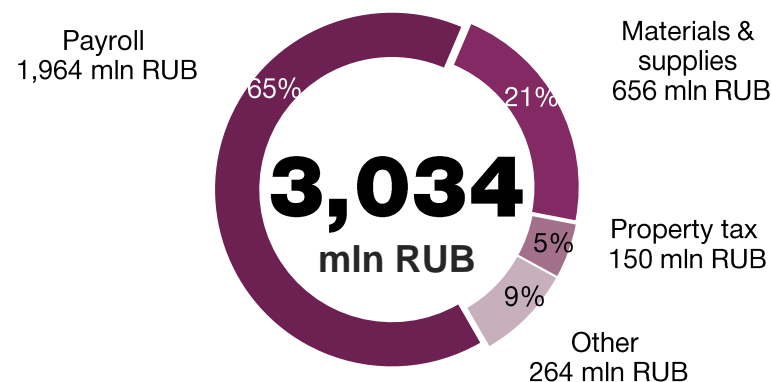
OPERATING EXPENSES, EXCL. D&A

- LFL 2013 operating expenses, excl. D&A increased by 7%
- Key factors affecting growth of LFL total cash costs were:
 - growth of payroll across Group
 - increase in utilities and materials
 - other medical services
- Total costs increased by 1,722 mln RUB (73% y-o-y) due to impact of Lapino's full year operations and acquisition of clinics in Samara and Irkutsk

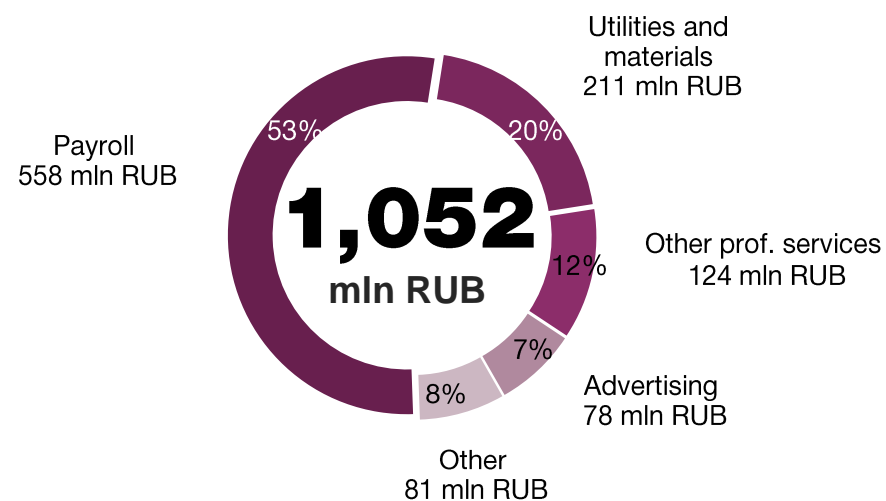
Operating expenses bridge



CoS structure

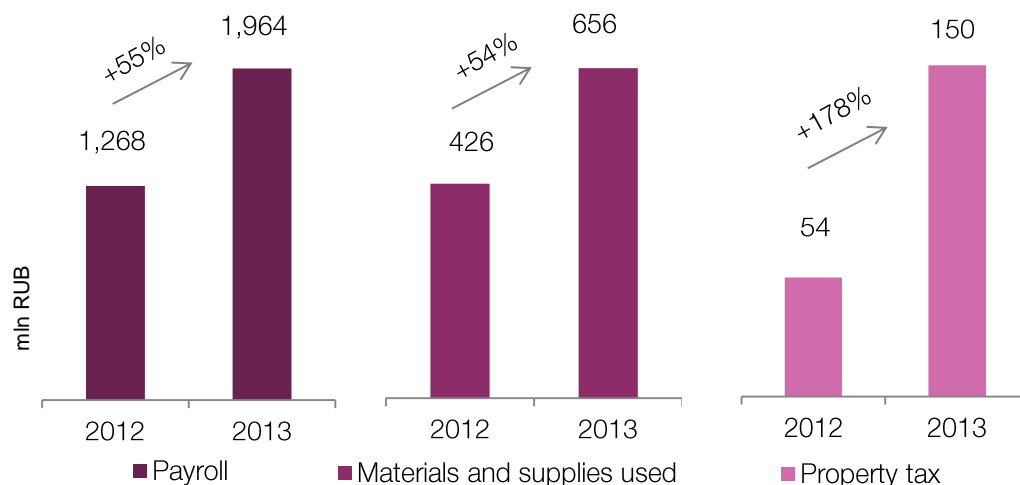


G&A structure



COST OF SALES, EXCL. D&A

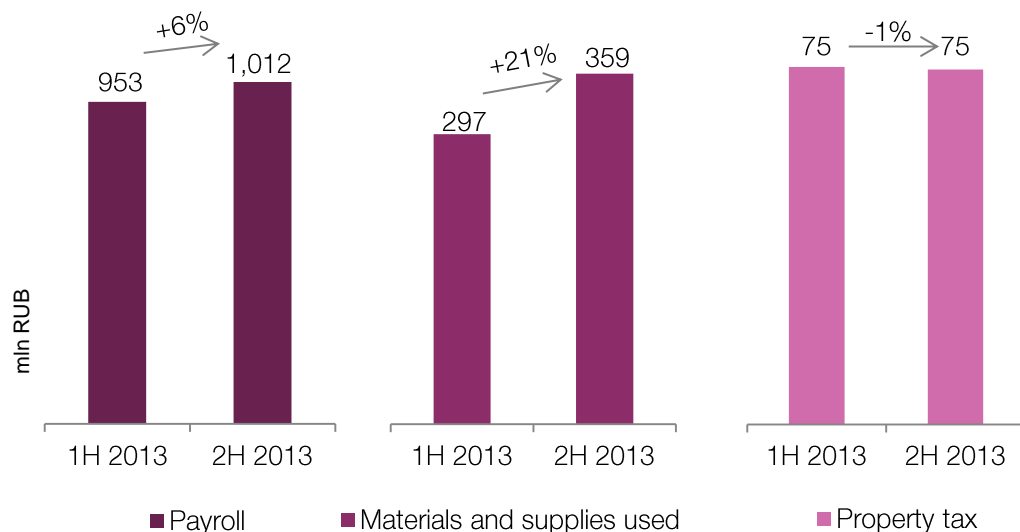
CoS 2013 vs. 2012



- The highest cost of sales growth occurred in 1H'13 due to the launch of Lapino hospital and consolidation of newly acquired clinics
- 2H'13 vs. 1H'13 revenue growth was far ahead of CoS increase p-o-p meaning that the continued ramp-up at Lapino will further increase our EBITDA margin
- 2H'13 cash costs were mostly in line with 1H'13:
 - 6% growth of payroll result of full 6 months of operations of Samara clinics as part of the Group
 - 21% increase of materials and supplies used costs was in line with Group's revenue growth

CoS 2H'13 vs. 1H'13

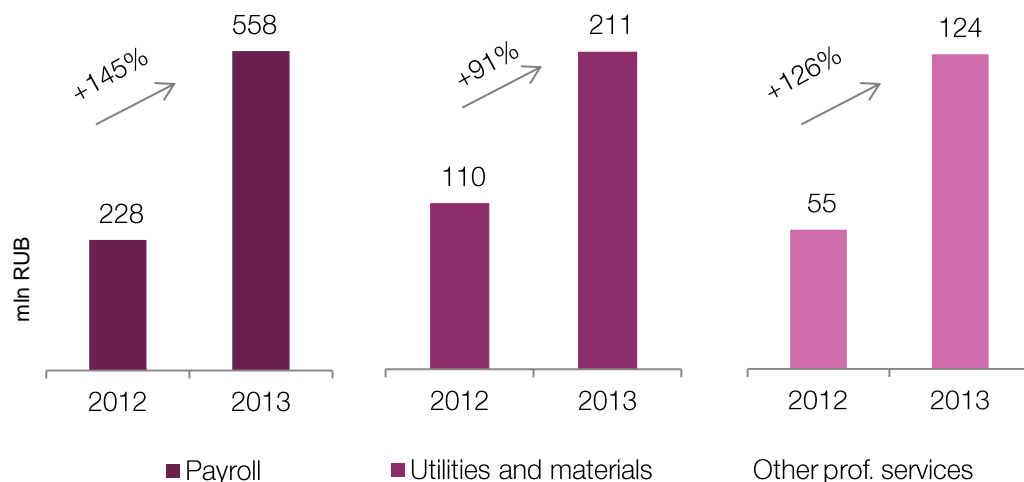
Revenue: +20% 2H vs 1H'13



Source: audited financial statements of MDMG for 2012 and 2013 FY

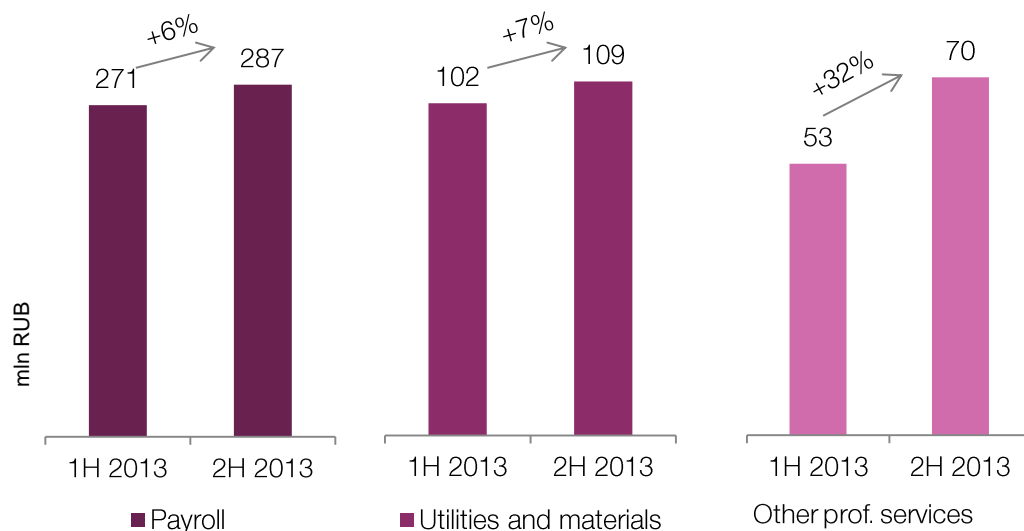
G&A, EXCL. D&A

G&A 2013 vs. 2012



G&A 2H'13 vs. 1H'2013

Revenue: +20% 2H vs. 1H'13



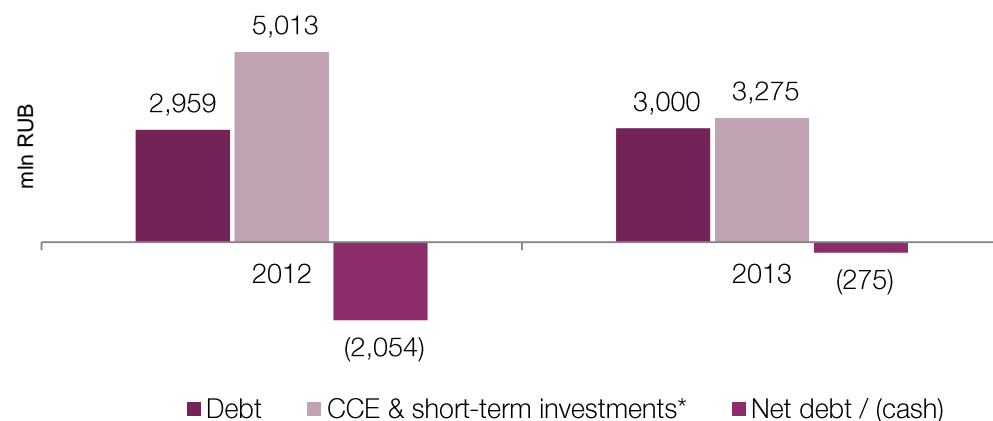
Source: audited financial statements of MDMG for 2012 and 2013 FY

- Company's G&A, excl. D&A expenses increased up to 1,125 mln RUB due to:
 - launch of Lapino hospital
 - acquisition of new clinics and their consolidation in 1H'13
 - holding company's costs increase, driven by transition from a "single hospital" model to a fast growing, national hospital chain, although Company will accomplish the expansion of holding company in 2014, the growth rates of corresponding costs are expected to be significantly lower
- Greatest contribution to the growth of "Utilities and materials" were fixed costs, e.g. maintenance and cleaning of facilities of Lapino and new clinics
- Majority of "Other professional services" related to various services for Lapino and Company's consulting fees
- Growth of "Payroll" and "Utilities & materials" in 2H'13 a result of full 6 months of operations of Samara clinics as part of the Group

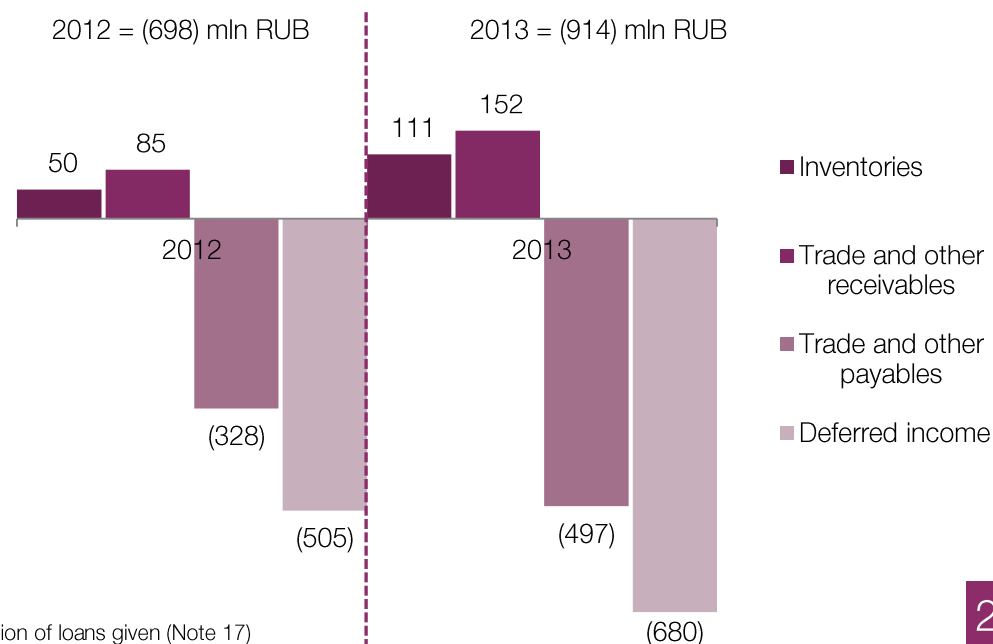
WORKING CAPITAL AND NET DEBT

- Debt remained flat y-o-y at 3,000 mln RUB
- Net cash position retained. By year end cash, cash equivalents and investments amounted to 3,275 mln RUB decreasing 35% y-o-y due to investments in construction & development of current clinics and M&A
- Low debt burden leaves the Company opportunity to ameliorate the existing capital structure by increasing the share of debt for financing future growth
- Long-term debt comprises of 79% of total debt, 100% of debt is nominated in rubles
- The company works with negative working capital as a source of additional financing

Debt level



Net working capital**



Source: audited financial statements of MDMG for 2012 and 2013 FY

*- Cash position by the year end includes cash, cash equivalents and investments

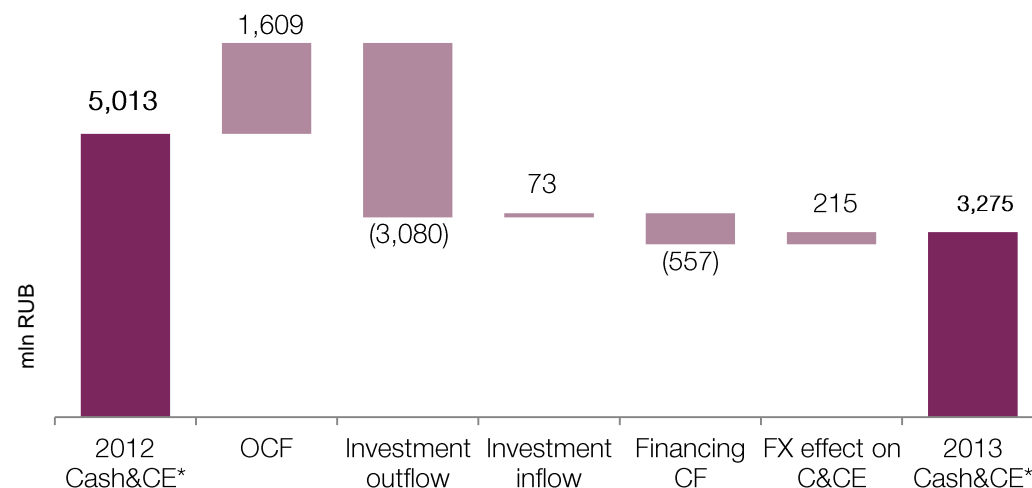
'Investments' is represented by bank deposits with maturity of more than 3 but less than 12 months and short-term portion of loans given (Note 17)

** Working capital is less of items related to CAPEX

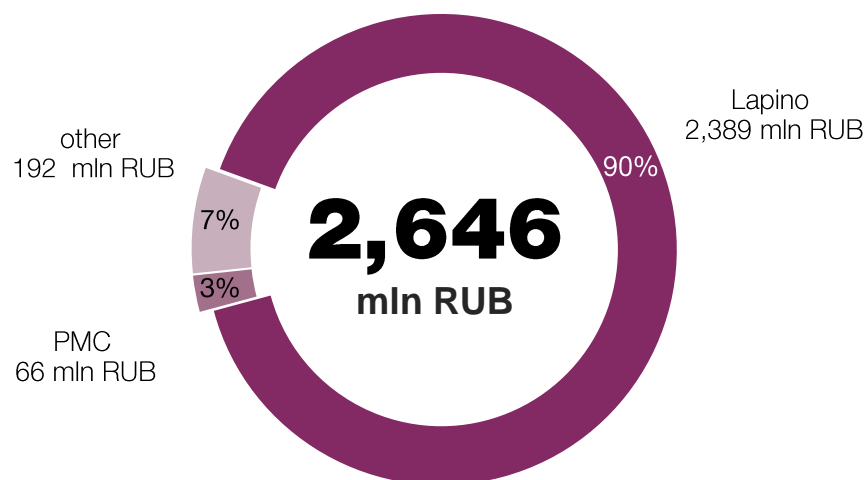
CAPEX & CASH

- Solid liquidity position of 3,275 mln RUB in cash & cash equivalents and investments
- Total CapEx amounted to 3,080 mln RUB, representing y-o-y growth by 16% due to M&A deals accounting for 648 mln RUB
- Investments were made in Ufa hospital, repayment of payables for Lapino and refurbishment of additional premises at “Clinic of Health Moscow”, which was successful re-opened in May

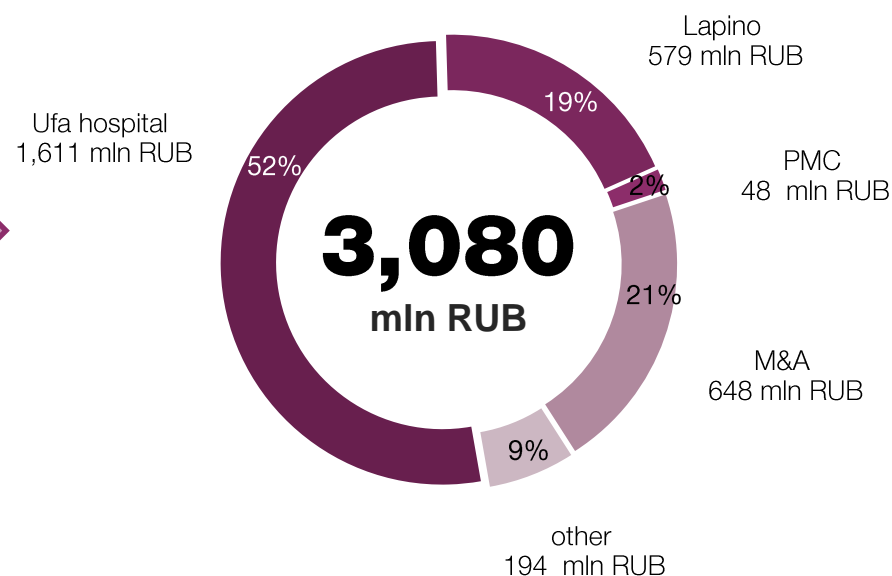
Cash flow



2012 CapEx breakdown



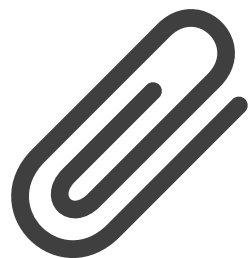
2013 CapEx breakdown



Source: audited financial statements of MDMG for 2012 and 2013 FY

*- Cash position by the year end includes cash, cash equivalents and investments

'Investments' is represented by bank deposits with maturity of more than 3 but less than 12 months and short-term portion of loans given (Note 17)



APPENDIX

Extract from MDMG's profit and loss statement

| (RUB mln) | 2013 | 2012 | 2011 |
|---|---------|---------|---------|
| Revenue | 5,673 | 4,061 | 2,908 |
| Cost of sales | (3,389) | (2,013) | (1,464) |
| Gross Profit | 2,283 | 2,048 | 1,444 |
| % of revenue | 40% | 50% | 50% |
| Other income | 4.4 | 0.8 | 1 |
| Administrative expenses | (1,125) | (484) | (246) |
| Other expenses | (5) | (4) | (6) |
| EBITDA | 1,586 | 1,694 | 1,292 |
| % of revenue | 28% | 42% | 44% |
| Operating profit | 1,158 | 1,560 | 1,193 |
| Net finance expenses | (323) | (41) | (44) |
| Profit before tax | 835 | 1,519 | 1,195 |
| Tax | (72) | 19 | (271) |
| Profit for the period | 764 | 1,538 | 924 |
| % of revenue | 13% | 38% | 32% |
| Minority interest | 127 | 139 | 64 |
| Profit for the year attributable to: shareholders | 636 | 1,399 | 860 |

Extract from MDMG's balance sheet

| (RUB mln) | 2013 | 2012 | 2011 |
|--|---------------|---------------|--------------|
| Cash and cash equivalents | 3,273 | 2,583 | 133 |
| Investments | 4 | 2,430 | - |
| Current trade, other receivables and deferred expenses | 152 | 229 | 43 |
| Inventories | 111 | 50 | 27 |
| Current tax asset | 8 | 17 | 29 |
| Property, plant and equipment | 9,210 | 7,423 | 4,044 |
| CAPEX prepayments | 438 | 150 | 462 |
| Other non-current assets | 453 | 31 | 31 |
| TOTAL ASSETS | 13,649 | 12,914 | 4,769 |
| Current trade and other payables | 748 | 756 | 352 |
| Short term loans and borrowings | 618 | 263 | 30 |
| Short term obligations under finance leases | 2 | 0.2 | 102 |
| Other current liabilities | 609 | 449 | 338 |
| Long term loans and borrowings | 2,379 | 2,695 | 1,060 |
| Long term obligations under finance leases | 1 | 0.8 | - |
| Other non-current liabilities | 82 | 127 | 80 |
| Equity | 9,209 | 8,623 | 2,807 |
| TOTAL EQUITY AND LIABILITIES | 13,649 | 12,914 | 4,769 |
| Net Debt* | (275) | (2,054) | 1,059 |

Extract from MDMG's cash flow statement

| (RUB mln) | 2013 | 2012 | 2011 |
|---|--------------|----------------|----------------|
| Cash flow from operating activities | | | |
| Profit for the period | 764 | 1,538 | 924 |
| Adjustments for: | | | |
| D&A | 428 | 134 | 99 |
| Excess of the Group's interest in the fair value of the acquired subsidiaries' net assets over the consideration paid for their acquisition | - | - | (46) |
| Taxation | 72 | (19) | 271 |
| Other adjustments | 271 | 3 | 18 |
| Cash flow from operations before working capital changes | 1,535 | 1,656 | 1,265 |
| Increase in inventories | (47) | (23) | (4) |
| Increase in trade and other receivables | (44) | (41) | (136) |
| Increase in trade and other payables | 71 | 100 | 54 |
| Increase in deferred income | 158 | 136 | 139 |
| Cash flow from operations | 1,673 | 1,828 | 1,319 |
| Tax paid | (64) | (11) | (254) |
| Net cash flow from operating activities | 1,609 | 1,817 | 1,065 |
| Cash flow from investing activities | | | |
| Payment for acquisition of PP&E | (2,430) | (2,646) | (1,812) |
| Withdrawal / (deposit) of investments | 2,538 | (2,509) | - |
| Acquisition of subsidiaries | (648) | (9) | (774) |
| Other proceeds and payments | 72 | 10 | 1 |
| Net cash flow used in investing activities | (468) | (5,155) | (2,585) |
| Cash flow from financing activities | | | |
| Proceeds from issue of share capital at a premium | - | 4,374 | 552 |
| GDR Contributions received from underwriters | 150 | - | - |
| Proceeds from borrowings | 341 | 1,903 | 1,085 |
| Repayment of borrowings | (346) | (60) | - |
| Repayments of obligations under finance leases | (3) | (107) | (71) |
| Interest paid | (303) | (179) | - |
| Increase in ownership in subsidiary | (10) | - | - |
| Dividends paid to the owners of the Company | (314) | (154) | (1) |
| Dividends paid to non-controlling interests | (72) | (11) | (22) |
| Net cash flow from financing activities | (557) | 5,768 | 1,542 |
| Net increase in cash and cash equivalents | 584 | 2,429 | 22 |
| Cash and cash equivalents at the beginning of the period | 2,583 | 133 | 112 |
| Effect due to exchange rate changes | 106 | 20 | - |
| Cash and cash equivalents at the end of the period | 3,273 | 2,583 | 133 |

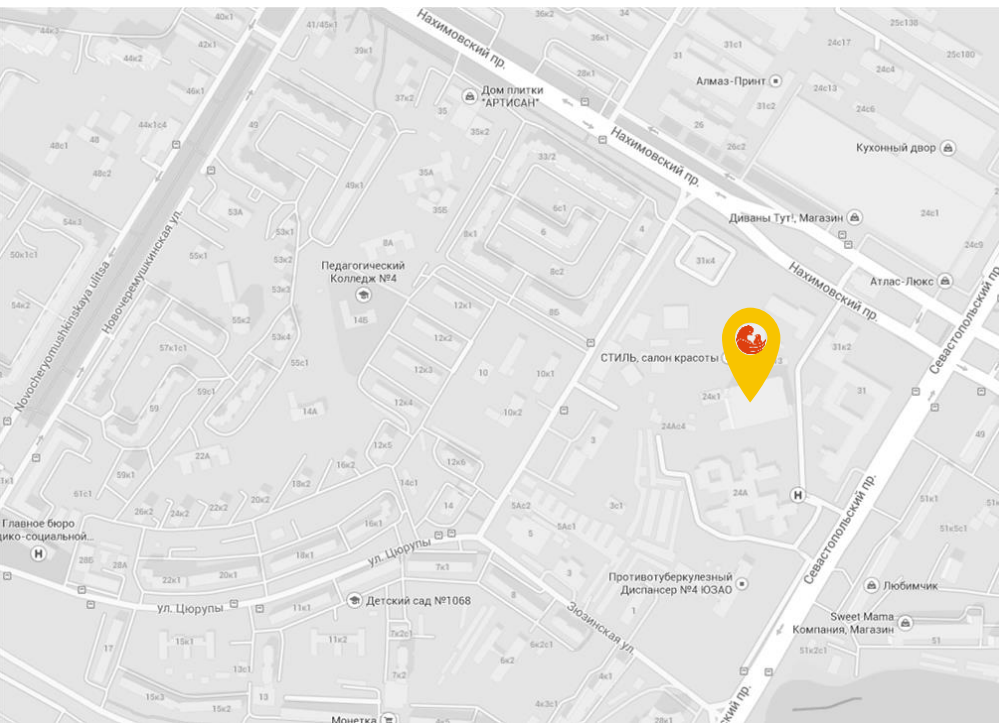
Source: audited financial statements of MDMG for 2011, 2012 and 2013 FY

CONTACTS



24/1, SEVASTOPOLSKY PROSPECT
MOSCOW, RUSSIA, 117209

WWW.MCCLINICS.COM



Elena Romanova

Head of Investor Relations

+7 495 331 41 20

e.romanova@mcclinics.ru

Sofia Denisova

IR Manager

+7 495 331 43 57

s.denisova@mcclinics.ru