



MOTHER & CHILD
GROUP OF COMPANIES

MD MEDICAL GROUP TO BUY ARTMEDGROUP HEALTHCARE CHAIN

07 December 2015, Moscow – MD Medical Group Investments Plc (“MD Medical Group”, “MDMG” or the “Company” – LSE: MDMG), Russia’s leading provider of private women’s and children’s healthcare, today announces the proposed acquisition of 100% shares in ARTMedGroup (AMG), a chain of reproductive technology centres, one of Russia’s top 5 largest healthcare companies and the leader in Siberia in terms of IVF cycles completed.

ARTMedGroup has been active on the reproductive medicine market for 19 years. Currently, its chain comprises four centres in Siberia’s largest cities – Krasnoyarsk, Omsk, Novosibirsk and Barnaul - with a total population of 4.3 million or nearly a quarter of the Siberian Federal District’s total population. The District has a high birth rate – more than 283,000 children were born in 2014, and its birth rate of 14.7 per 1,000 residents exceeds the average for Russia (13.3) and Moscow (11.4).*

ARTMedGroup’s medical centres specialise mainly in IVF, but the company also offers medical services in the field of women’s and children’s healthcare. The total clinics’ premises cover a total area of 3,415 sq m.

In 2014, ARTMedGroup’s revenue amounted to RUB 395 mln.

The Company expects to close the deal in January 2016, subject to approval by the Federal Antimonopoly Service of the Russian Federation. MDMG will acquire the shares for a consideration of RUB 485 mln.

Mark Kurtser, Chairman of the Board of Directors of MD Medical Group, said:

“By acquiring ARTMedGroup’s chain of centres for reproductive medicine, we will enter several new markets boasting attractive demographics, and will further reinforce our lead in the IVF sector in Russia and the Siberian Federal District in particular.

“ARTMedGroup’s highly skilled team has long-standing experience, a solid track-record on the Russian market, and a sound understanding of regional nuances. These factors, combined with our high quality standards, will be the core forces driving the continued successful development of the centres under the control of MD Medical Group.”

*Jan-Dec 2014, Rosstat.

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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 23 modern healthcare facilities, including 4 hospitals and 19 outpatient clinics in Moscow, St. Petersburg, Ufa, Perm, Samara and Samara region, Novosibirsk, Irkutsk, Yaroslavl and Ryazan.

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.