

**MD MEDICAL GROUP POSTS STRONG GROWTH ACROSS ALL  
OPERATIONAL INDICATORS FOR H1 2016**

**20 July 2016, 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 second quarter and first half of 2016.

**Key operational highlights for H1 2016:**

- Total deliveries increased 21% year-on-year (y-o-y) to 3,203
- Total IVF cycles increased 56% y-o-y to 6,568
- Total in-patient treatments increased 8% y-o-y to 28,150
- Total out-patient treatments increased 18% y-o-y to 677,057

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

*“This was a successful period. In both the second quarter and first half of 2016 we delivered strong growth across all operational areas. We achieved this by continuing to operate efficiently in line with our strategy.*

*“We had 21% more deliveries in the first half of 2016 than a year ago. As an undisputed leader in the IVF segment, we increased the number of cycles by 56% year-on-year in the first half of 2016. In-patient and out-patient treatments grew 8% and 18% year-on-year, respectively.*

*“Growth in most indicators was supported by our Lapino, Ufa and PMC hospitals, which have further strengthened their positions on the market. A boost in IVF cycles was further secured thanks to the results seen at our new clinics in Siberia and other existing clinics.*

*“We are satisfied with this growth and will work to see it continue. We recently opened two new clinics – in Moscow and Kostroma, which have expanded our IVF capacities. We have also launched construction on our fifth hospital – in Samara. Last week we signed a Memorandum of Understanding with the government of the Tyumen region, where we plan to start construction of a new 15,000 square metre hospital next year. Construction work on the new hospital wing in Novosibirsk is on track.*

*“I believe that these results characterise a true industry leader. We worked hard to achieve this strong performance in the first half of 2016, while also laying a solid basis for continued growth going forward.”*

## **Deliveries**

- In Q2 2016, total deliveries increased 24% y-o-y to 1,643.
- In H1 2016, total deliveries increased 21% y-o-y to 3,203.
- In H1 2016, there were 447 deliveries at Mother & Child Ufa hospital.

## **IVF**

- In Q2 2016, total IVF cycles rose 63% y-o-y to 3,756.
- In H1 2016, total IVF cycles rose 56% y-o-y to 6,568.
- In H1 2016, LFL<sup>1</sup> 5,366 IVF cycles were performed, up 27% y-o-y.

## **In-patient treatments**

- In Q2 2016, total in-patient treatments grew 11% y-o-y to 13,911, driven by:
  - 8% increase in OBGYN in-patient treatments;
  - 14% increase in paediatric in-patient treatments;
  - 14% increase in in-patient days using other medical services.
- In H1 2016, the total number of in-patient days increased 8% y-o-y to 28,150.
- In H1 2016, LFL in-patient treatments increased 8% y-o-y to 28,123.

## **Out-patient treatments**

- For Q2 2016, the total number of out-patient treatments increased 19% y-o-y to 344,862, driven by:
  - 12% increase in OBGYN out-patient treatments;
  - 18% rise in paediatric out-patient visits;
  - 27% increase in other medical services.
- In H1 2016, the total number of out-patient treatments increased 18% y-o-y to 677,057.
- In H1 2016, LFL out-patient treatments increased 11% y-o-y to 639,818.

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<sup>1</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.

TOTAL							LFL		
	2Q'16	2Q'15	p-o-p, %	1H'16	1H'15	y-o-y, %	1H'16	1H'15	y-o-y, %
<b>Obstetrics and Gynaecology</b>									
Deliveries	1,643	1,327	24%	3,203	2,651	21%	3,203	2,651	21%
In-patient treatments (except deliveries)	5,970	5,542	8%	11,970	11,710	2%	11,970	11,710	2%
Out-patient treatments	125,802	112,268	12%	246,929	220,209	12%	238,365	220,209	8%
<b>IVF</b>									
	3,756	2,301	63%	6,568	4,211	56%	5,366	4,211	27%
<b>Paediatrics</b>									
In-patient treatments	4,589	4,012	14%	9,393	8,259	14%	9,393	8,259	14%
Out-patient treatments	100,293	84,657	18%	192,556	168,143	15%	192,448	168,143	14%
<b>Other medical services</b>									
In-patient treatments	3,352	2,932	14%	6,787	5,980	13%	6,760	5,980	13%
Out-patient treatments	118,767	93,639	27%	237,572	187,330	27%	209,005	187,330	12%
<b>Total</b>									
<b>Total deliveries</b>	<b>1,643</b>	<b>1,327</b>	<b>24%</b>	<b>3,203</b>	<b>2,651</b>	<b>21%</b>	<b>3,203</b>	<b>2,651</b>	<b>21%</b>
<b>Total IVF</b>	<b>3,756</b>	<b>2,301</b>	<b>63%</b>	<b>6,568</b>	<b>4,211</b>	<b>56%</b>	<b>5,366</b>	<b>4,211</b>	<b>27%</b>
<b>Total in-patient treatments</b>	<b>13,911</b>	<b>12,486</b>	<b>11%</b>	<b>28,150</b>	<b>25,949</b>	<b>8%</b>	<b>28,123</b>	<b>25,949</b>	<b>8%</b>
<b>Total out-patient treatments</b>	<b>344,862</b>	<b>290,564</b>	<b>19%</b>	<b>677,057</b>	<b>575,682</b>	<b>18%</b>	<b>639,818</b>	<b>575,682</b>	<b>11%</b>

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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 30 modern healthcare facilities, including 4 hospitals and 25 outpatient clinics in Moscow, St. Petersburg, Ufa, Perm, Samara and Samara region, Irkutsk, Novosibirsk, Irkutsk, Yaroslavl, Ryazan, Kostroma, Novokuznetsk, Krasnoyarsk, Omsk, and Barnaul.

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.