



MOTHER & CHILD
GROUP OF COMPANIES

MD MEDICAL GROUP REPORTS OPERATIONAL RESULTS FOR Q2 2018

23 July 2018, 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 of 2018.

Key operational highlights for Q2 2018:

- Total deliveries increased 12% year-on-year (y-o-y) to 1,919.
- Total IVF cycles decreased 4% y-o-y to 4,535.
- Total in-patient treatments increased 15% y-o-y to 17,743.
- Total out-patient treatments increased 6% y-o-y to 395,340.

Mark Kurtser, CEO of MD Medical Group, said:

“We have continued to implement our strategy aimed at expanding our regional footprint and diversifying our services.

“Largely thanks to the contribution of our regional hospitals, in the second quarter of this year we boosted the number of deliveries by 12% year-on-year, which is especially significant given the declining trend in the overall number of deliveries across the country. This growth demonstrates the efficiency of our regional development strategy. Today, we already operate in more Russian regions than any other private medical provider. Despite growing competition as IVF becomes more accessible, we have also maintained our leadership in this sector in Russia.

“In-patient and out-patient visits in the second quarter grew 15% and 6% year-on-year, respectively, also mainly due to the development of our regional hospitals and clinics. Our focus on expanding the range of medical services we offer has already started to pay off – the strongest growth was achieved in the Other Medical Services line, in particular in surgery. We benefit from our high-tech infrastructure, highly professional doctors and track record on the market.

“In Q2 2018, we continued to open new clinics and modernise existing ones. We also launched the construction of the second stage of our Lapino hospital and continued the construction of our new hospital in Tyumen in line with the schedule.

“We aim to continue launching new projects and offering new products to expand our patient base and meet their needs for high-quality medical care across Russia.”

Deliveries

- In Q2 2018, total deliveries increased 12% y-o-y to 1,919.
- In H1 2018, total deliveries grew 5% y-o-y to 3,482.
- Key growth drivers in Q2 2018 were regional hospitals:
 - Deliveries at the Mother&Child Ufa clinical hospital grew 36% y-o-y
 - Deliveries at the Novosibirsk hospital grew 55% y-o-y
 - Ramp up continues at the Mother&Child IDK hospital in Samara, which opened in March 2018. In Q2 2018, there were 130 deliveries at the hospital.

IVF

- In Q2 2018, total IVF cycles decreased 4% y-o-y to 4,535.
- In H1 2018, total IVF cycles decreased 3% y-o-y to 7,844.

In-patient treatments

- In Q2 2018, total in-patient treatments grew 15% y-o-y to 17,743 on the back of:
 - a 14% increase in paediatrics in-patient treatments;
 - a 36% increase in in-patient days using other medical services driven by surgery, internal medicine, and cardiology.
- In H1 2018, total in-patient treatments grew 14% y-o-y to 34,543. Key drivers included the continued ramp-up of the hospitals in Ufa, Novosibirsk and Samara, as well as strong performance at Lapino.
- In H1 2018, LFL in-patient treatments increased 5% y-o-y to 31,931.

Out-patient treatments

- In Q2 2018, the total number of out-patient treatments increased 6% y-o-y to 395,340, driven by:
 - a 4% increase in OBGYN out-patient treatments.
 - a 16% increase in other medical services.
 - The highest growth in Q2 2018 was recorded by the hospitals in Ufa, Novosibirsk and Samara.
- In H1 2018, the total number of out-patient treatments increased 7% y-o-y to 785,834.
- In H1 2018, LFL out-patient treatments increased 3% y-o-y to 760,569.

OPERATIONAL RESULTS FOR Q2 2018

							LIKE-FOR-LIKE		
	Q2 2018	Q2 2017	y-o-y, %	H1 2018	H1 2017	y-o-y, %	H1 2018	H1 2017	y-o-y, %
OBSTETRICS AND GYNAECOLOGY									
Deliveries	1,919	1,716	12%	3,482	3,319	5%	3,335	3,319	0%
In-patient treatments (except deliveries)	6,613	6,526	1%	12,459	12,749	-2%	11,532	12,749	-10%
Out-patient treatments	139,575	134,220	4%	271,708	264,378	3%	258,966	264,378	-2%
IVF									
IVF cycles	4,535	4,719	-4%	7,844	8,078	-3%	7,446	8,078	-8%
PAEDIATRICS									
In-patient treatments	5,041	4,419	14%	10,573	9,375	13%	9,780	9,375	4%
Out-patient treatments	101,552	105,624	-4%	209,450	208,318	1%	205,445	208,318	-1%
OTHER MEDICAL SERVICES									
In-patient treatments	6,089	4,490	36%	11,511	8,187	41%	10,619	8,187	30%
Out-patient treatments	154,213	133,411	16%	304,676	264,575	15%	296,158	264,575	12%
TOTAL									
Total deliveries	1,919	1,716	12%	3,482	3,319	5%	3,335	3,319	0%
Total IVF	4,535	4,719	-4%	7,844	8,078	-3%	7,446	8,078	-8%
Total in-patient treatments	17,743	15,435	15%	34,543	30,311	14%	31,931	30,311	5%
Total out-patient treatments	395,340	373,255	6%	785,834	737,271	7%	760,569	737,271	3%

This announcement contains inside information.

For further information please contact:

Investors

Dmitry Yakushkin
MD Medical Group Investments Plc

Tel: +7 495 331 4120
d.yakushkin@mcclinics.ru

Media

EM

Tom Blackwell: +7 919 102 9064

Sergii Pershyn: +1 929 855 8188

MDMG@em-comms.com

About MD Medical Group

MD Medical Group is a leading provider in the highly attractive Russian private healthcare service market. The company manages 37 modern healthcare facilities, including 5 hospitals and 32 outpatient clinics in Moscow and the Moscow Region, St. Petersburg, Ufa, Perm, Samara and the Samara Region, Irkutsk, Novosibirsk, Irkutsk, Yaroslavl, Ryazan, Kostroma, Novokuznetsk, Krasnoyarsk, Omsk, Barnaul, Vladimir, Tyumen, Voronezh, and Nizhny Novgorod.

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.