

# MD MEDICAL GROUP COMPLETES ACQUISITION OF MEDICA CLINIC IN NOVOKUZNETSK

**29 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 that it has completed the acquisition of Medica, a clinic focused on women's and reproductive health located in Novokuznetsk, Kemerovo region.

Medica is a leader in fertility services in Novokuznetsk, accounting for 63% of IVF cycles in the city in 2014.<sup>1</sup> As well as expanding MD Medical Group's geographical footprint into a region with high birth rates, the acquisition therefore additionally strengthens the Company's status as the leading IVF provider in Russia's private healthcare market. The acquisition price of RUB 282 million was financed from the Company's own funds.

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

"I am pleased to announce the acquisition of our 20th clinic in a new region, and one where we see great potential. Medica's excellent reputation in the region is founded on the high quality of medical care provided and deep experience of the Medica team.

"We understand the Medica business well, as its focus on women's health and IVF is fully in line with our own.

"We expect that the new clinic will further strengthen the results of our network as early as 2016."

Further information on Medica is available on the Group's website: <u>http://www.mcclinics.com/presentations/</u>.

## **About Medica**

The facilities at Medica, established in 2009, include an IVF department, out-patient clinic, an operative gynaecology unit, and a "one-day" in-patient unit. Its highly professional team of doctors uses state-of-the-art medical equipment to offer a range of high-tech services, including IVF, prenatal care, ultrasound, minor gynaecological surgery, in-patient and out-patient treatments and plastic surgery. Medica benefits from an advantageous location within a medical community.

## About Kemerovo region

The Kemerovo region has a population of 2.7 million people, while the largest city in the region – Novokuznetsk – forms an agglomeration with approximately 1.3 million residents. The region has a high birth rate. Annually, 35-37 thousand children are born in the region, while around 53% of newborns are the second or third child in their family. The birth rate of 13.2 per 1,000 residents in the Kemerovo region is in line with the average figure for Russia (13.3) and significantly exceeds the figure for Moscow (11.4).\*

<sup>&</sup>lt;sup>1</sup> MDMG estimate

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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 24 modern healthcare facilities, including 4 hospitals and 20 outpatient clinics in Moscow, St. Petersburg, Ufa, Perm, Samara and Samara region, Novosibirsk, Irkutsk, Yaroslavl, Ryazan and Novokuznetsk.

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.