

MD MEDICAL GROUP PLANS TO BUILD HOSPITAL IN TYUMEN

18 July 2016, Moscow. MD Medical Group Investments Plc (“MD Medical Group”, “MDMG” or the “Company” – LSE:MDMG), a leading Russian private healthcare provider, announces that it has signed a Memorandum of Understanding (MOU) with the Tyumen region government. The official ceremony, held on 15 July, was attended by MDMG CEO Mark Kurtser and the Governor of the Tyumen region Vladimir Yakushev.

As part of its regional development strategy, the Company plans to build a new 15,000 sqm multi-disciplinary hospital in what represents a new region for the Group. The hospital will offer high-tech medical services for up to 250,000 patients per year. Investment in the project is estimated at 3.5 billion roubles, and the Company plans to start construction in 2017.

This new hospital will provide high-quality medical services in OBGYN, IVF and paediatrics, while also offering healthcare services for the whole family in urology, surgery, and other areas.

The Tyumen region is one of Russia’s most developed regions with a population of over 3.6 mln people. It benefits from one of the highest birth rates in the country (16.9 per 1,000 people). After Moscow, it is Russia’s largest region in terms of gross regional product and one of the top 5 regions in terms of income per capita.

During the signing ceremony CEO at MDMG Mark Kurtser said:

“We are always happy to enter new cities and regions as we continue to execute on our regional development strategy. This Memorandum of Understanding marks MDMG’s first step in the Tyumen region.

“Thanks to the efforts of the regional authorities, there is a highly favourable investment climate in the region. We appreciate the provision of preferential taxation and technical conditions for construction, which will help to ensure the efficient execution of this project.

“We see huge potential in Tyumen with its high birth rate, and we aim to make high-tech medical services in gynaecology, IVF and other areas available to the people of Tyumen and neighbouring regions.”

Tyumen region Governor Vladimir Yakushev commented:

“This investment project offers a great deal of value not only in terms of the incoming investment, but also as an additional opportunity to see Tyumen adopt the latest global medical technologies. This will help to increase the quality of medical services and ensure patients’ needs are met.”

“It is important that the company is also focused on training personnel, research, and adopting new technologies, which creates a basis for the successful professional and personal development of young medical professionals in the region.”

About the Tyumen region

The Tyumen region has the population of 3.6 million people, over 80% of which live in cities. Tyumen Approximately 720,000 people live in Tyumen – the region’s largest city and administrative centre. The region benefits from high birth rates – more than 60,000 children are

born in the region annually. In 2015 there were 16.9 births per thousand inhabitants, which is among the top 10 results for Russia's regions.

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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 26 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.

