



MD Medical Group starts Lapino 2 construction

31 May 2018, 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 held the groundbreaking ceremony for construction of the second stage of Lapino hospital. The opening of the new building (named Lapino 2) is planned for Q2 2020. It is expected that the Group’s total investment in the project will amount to approximately 4.5 billion roubles.

The new 7-storey surgery building with an area of 18,500 sq. m has an annual capacity of 15,000 surgeries, more than 27,000 in-patient treatments, and more than 200,000 out-patient visits. Lapino 2 will offer the following services which are new for the Group – neurosurgery, cardiovascular surgery, chemotherapy, stomatology and oral and maxillofacial surgery. It will also include a state-of-the-art microbiological laboratory offering the full range of diagnostic testing, including time-of-flight mass-spectrometry, flow cytometry to analyse a patient’s immune status, as well as an infectious serology department. The opening of the new building will create new opportunities for the further development of Lapino hospital’s core services including obstetrics, women’s and children’s healthcare.

Lapino 2 will comprise the following facilities:

- 75-bed surgical in-patient unit;
- out-patient surgery and endoscopy unit;
- two surgical units comprising four and two operating theatres, respectively;
- 13-bed intensive care unit;
- in-patient admission and diagnostics unit with trauma centre;
- in-patient and out-patient diagnostics unit;
- out-patient unit;
- laboratory unit;
- stomatology unit.

For the patients’ and guests’ convenience, a separate multi-level parking facility for 277 cars will be opened together with the building. The opening of the new building is expected to create 380 new jobs.

Mark Kurtser, CEO of MD Medical Group, said:

“Our largest hospital – Lapino – has, over more than five years of operation, demonstrated very strong operational results. Based on this successful performance and the growing demand for the hospital’s services, we decided to expand and diversify its offering in the following new areas – neurosurgery, cardiovascular surgery, chemotherapy, and urology, as well as significantly expand laboratory testing range.

“We are bringing our Lapino hospital to an entirely new level by expanding its capabilities to offer high-tech medical services in different healthcare areas. We expect that the expanded healthcare facility created in line with the latest technologies and our track-record of launching new hospitals from scratch will significantly contribute to the Group’s performance.”

Kirill Dmitriev, CEO of the Russian Direct Investment Fund (RDIF) and MD Medical Group Board member:

“MD Medical Group, Russia’s leading private medical provider, not only provides patients with access to the most advanced medical technologies, but also creates opportunities to further expand its business and to improve living standards in the regions where it operates. The start of construction on the second stage of the Group’s hospital confirms its focus on continuous improvement and the expansion of its range of available services — developments that are highly appreciated by both patients and investors.”

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About MD Medical Group

MD Medical Group is a leading provider in the highly attractive Russian private healthcare service market. The company manages 36 modern healthcare facilities, including 5 hospitals and 31 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.