



MOTHER & CHILD
GROUP OF COMPANIES

MD MEDICAL GROUP REPORTS OPERATIONAL RESULTS FOR Q3 2018

22 October 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 third quarter of 2018.

Key operational highlights for Q3 2018:

- Total deliveries increased 7% year-on-year (y-o-y) to 1,957
- Total IVF cycles increased 1% y-o-y to 4,044
- Total in-patient treatments increased 22% y-o-y to 17,774
- Total out-patient treatments increased 6% y-o-y to 392,990

Mark Kurtser, CEO of MD Medical Group, said:

“Our operational performance demonstrates the sustainable development of our business with continued potential for further growth. We maintained the positive trends in deliveries, which grew 7% year-on-year in Q3 2018 supported by the performance of our regional hospitals. The same factor contributed to the increase in both in-patient and out-patient visits, by 22% and 6% year-on-year respectively. In terms of services offered, thanks to our continued diversification, the Other Medical Services line has proven instrumental in the growth in both in- and out- patient figures. In particular, in-patient treatments in this segment grew by nearly 50% over the reporting period.”

“We also continued the successful expansion of our network across the country. In Q3 2018, we entered two new promising markets by opening out-patient clinics in Volgograd and Tula, and started on the construction of our hospital in St Petersburg. These facilities combine our traditional focus on women’s health with expanded medical offerings for all family members.”

Deliveries

- In Q3 2018, total deliveries increased 7% y-o-y to 1,957.
- In 9M 2018, total deliveries grew 6% y-o-y to 5,439.
- Key growth drivers in Q3 2018 were regional hospitals:
 - Deliveries at the Mother&Child Ufa clinical hospital grew 32% 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 Q3 2018, there were 137 deliveries at the hospital.

IVF

- In Q3 2018, total IVF cycles increased 1% y-o-y to 4,044.
- In 9M 2018, total IVF cycles decreased 2% y-o-y to 11,885.
- In 9M 2018, like-for-like (LFL) IVF cycles declined by 8% mainly due to some outflow of patients from the existing clinics to the newly-opened hospital in Samara.
- Despite the decline in IVF volumes in 9M 2018, an average check in this segment continued to grow.

In-patient treatments

- In Q3 2018, total in-patient treatments grew 22% y-o-y to 17,774 on the back of:
 - a 28% increase in paediatric in-patient treatments.
 - a 47% increase in in-patient days using other medical services driven by surgery and internal medicine.
- In 9M 2018, total in-patient treatments grew 17% y-o-y to 52,317. Key drivers included the continued ramp-up of the hospitals in Ufa, Novosibirsk and the continued ramp-up in Samara.
- In 9M 2018, LFL in-patient treatments increased 4% y-o-y to 46,619.

Out-patient treatments

- In Q3 2018, the total number of out-patient treatments increased 6% y-o-y to 392,990, driven by:
 - a 3% increase in OBGYN out-patient treatments.
 - a 16% increase in other medical services.
 - The highest growth in Q3 2018 was recorded by regional hospitals.
- In 9M 2018, the total number of out-patient treatments increased 6% y-o-y to 1,179,166.
- In 9M 2018, LFL out-patient treatments increased 2% y-o-y to 1,127,594.

Group's operational results							Like-for-like		
	Q3 2018	Q3 2017	y-o-y, %	9M 2018	9M 2017	y-o-y, %	9M 2018	9M 2017	y-o-y, %
OBSTETRICS AND GYNAECOLOGY									
Deliveries	1,957	1,824	7%	5,439	5,143	6%	5,155	5,143	0%
In-patient treatments (except deliveries)	6,226	6,164	1%	18,685	18,913	-1%	16,764	18,913	-11%
Out-patient treatments	141,173	137,014	3%	412,881	403,027	2%	389,748	403,027	-3%
IVF									
IVF cycles	4,044	3,990	1%	11,885	12,068	-2%	11,149	12,068	-8%
PAEDIATRICS									
In-patient treatments (except deliveries)	5,388	4,211	28%	15,961	13,586	17%	14,124	13,586	4%
Out-patient treatments	103,772	106,095	-2%	313,222	314,413	0%	303,942	314,413	-3%
OTHER MEDICAL SERVICES									
In-patient treatments	6,160	4,192	47%	17,671	12,384	43%	15,731	12,384	27%
Out-patient treatments	148,045	127,437	16%	453,063	391,698	16%	433,904	391,698	11%
TOTAL									
Total deliveries	1,957	1,824	7%	5,439	5,143	6%	5,155	5,143	0%
Total IVF	4,044	3,990	1%	11,885	12,068	-2%	11,149	12,068	-8%
Total in-patient treatments	17,774	14,567	22%	52,317	44,883	17%	46,619	44,883	4%
Total out-patient treatments	392,990	370,546	6%	1,179,166	1,109,138	6%	1,127,594	1,109,138	2%

This announcement contains inside information.

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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 39 modern healthcare facilities, including 5 hospitals and 34 out-patient clinics in Moscow and the Moscow Region, Tula, St. Petersburg, Ufa, Perm, Samara and the Samara Region, Irkutsk, Novosibirsk, Irkutsk, Yaroslavl, Ryazan, Kostroma, Novokuznetsk, Krasnoyarsk, Omsk, Barnaul, Vladimir, Tyumen, Voronezh, Nizhny Novgorod, and Volgograd.

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.