



**MD MEDICAL GROUP REPORTS STRONG OPERATIONAL GROWTH
ACROSS ALL INDICATORS IN 1H 2015**

22 July 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 its operating results for the second quarter and first half of 2015.

Key operational highlights for 1H 2015:

- The total number of deliveries increased by 25% year-on-year (y-o-y) to 2,651
- The total number of IVF cycles increased by 19% y-o-y to 4,211
- The total number of in-patient treatments increased by 53% y-o-y to 25,063
- The total number of out-patient treatments increased by 39% y-o-y to 575,770

Elena Mladova, Chief Executive Officer of MD Medical Group, said:

“In the first half of 2015, notwithstanding the challenging macroeconomic situation, we maintained positive dynamics and once again reported strong growth on all key operational indicators as a result of successful delivery on our plans.

The key growth factors include the performance of our new hospital in Ufa and the recently acquired chain in Novosibirsk Medical Centre Avicenna. This reflects the success of our regional development strategy and decision-making as we implement it. 1H 2015 operational growth was also supported by further ramping-up operations and utilisation growth at our Lapino hospital, and at other existing Group clinics.

Looking at the numbers, the total number of deliveries in the Group’s hospital grew 25% in 1H 2015 as compared to 1H 2014. In response to the changing macroeconomic situation and in order to maintain a reasonable margin we have adjusted our prices for deliveries and as a result the average cost of deliveries in Moscow hospitals in 1H 2015 increased by 16%. I want to underscore that at the same time, the number of deliveries at these hospitals on a like-for-like basis increased by 1% y-o-y.

In 1H 2015, the total number of IVF cycles increased by 19% year-on-year, which reflects a further strengthening of our leading position on Russia’s IVF market. Currently, our IVF facilities operate on a capacity utilisation level close to 100%, and in response to continued strong demand for these services we plan to open two additional IVF departments with a maximum annual capacity of 1,000 IVF cycles each at the Group’s existing Moscow clinics in 2H 2015.

The total number of in-patient and out-patient treatments in 1H 2015 increased significantly, rising by 53% and 39% y-o-y respectively.

We are pleased with the development of our business over this period and remain confident that this solid performance will continue.”

Deliveries

- In Q2 2015, the total number of deliveries increased 19% y-o-y to 1,327.
- In 1H 2015, the total number of deliveries increased 25% y-o-y to 2,651.
- The like-for-like¹ (LFL) number of deliveries for 1H 2015 grew by 1% y-o-y to 2,140.
- In 1H 2015, the number of deliveries at Mother & Child Ufa hospital was 328.

IVF

- In Q2 2015, the total number of IVF cycles across the Group increased by 19% y-o-y to 2,301.
- In 1H 2015, the total number of IVF cycles grew 19% y-o-y to 4,211.
- LFL number of IVF cycles in 1H 2015 amounted to 3,540, which corresponds to last year's level.

In-patient treatments

- In Q2 2015, the total number of in-patient treatments increased by 52% y-o-y to 12,486 thanks to:
 - 12% increase in OBGYN in-patient days;
 - 51% increase in paediatric in-patient treatments;
 - 377% increase in in-patient days using other medical services. This significant growth was mostly due to acquisition of Avicenna, in particular – the results of the surgical departments; the opening of a plastic surgery department at the Ufa hospital, as well as increased utilisation of in-patient surgery and therapy departments at Lapino.
- In 1H 2015, the total number of in-patient treatments increased by 53% y-o-y to 25,063.
- On a LFL basis, the number of in-patient treatments for 1H 2015 increased by 6% y-o-y to 17,335.

Out-patient treatments

- In Q2 2015, the total number of out-patient treatments increased by 41% y-o-y to 290,662 thanks to the following factors:
 - 22% increase in OBGYN out-patient treatments;
 - 29% growth in paediatric out-patient visits;
 - 94% increase in other medical services.
- In 1H 2015, the total number of out-patient treatments increased by 39% to 575,770.
- On a LFL basis, the number of out-patient treatments for 1H 2015 increased by 6% y-o-y to 436,867.

¹ LFL data does not include figures for:

1) Avicenna Medical Centre, which has been consolidated from October 2014.

2) Ufa hospital, which was opened on 31 October 2014.

3) Out-patient clinic in Ryazan, which was opened on 9 February 2015

							Like-for-like		
	Q2 2015	Q2 2014	y-o-y, %	1H 2015	1H 2014	y-o-y, %	1H 2015	1H 2014	y-o-y, %
Obstetrics and Gynaecology									
Deliveries	1,327	1,115	19%	2,651	2,118	25%	2,140	2,118	1%
In-patient treatments (except deliveries)	5,542	4,954	12%	11,710	9,848	19%	9,139	9,848	-7%
Out-patient treatments	112,366	92,228	22%	220,297	184,485	19%	189,918	184,485	3%
IVF									
	2,301	1,926	19%	4,211	3,529	19%	3,540	3,529	0%
Paediatrics									
In-patient treatments	4,012	2,654 ²	51%	8,259	5,526	49%	6,538	5,526	18%
Out-patient treatments	84,657	65,682	29%	168,143	131,395	28%	138,998	131,395	6%
Other medical services									
In-patient treatments	2,932	615	377%	5,094	956	433%	1,658	956	73%
Out-patient treatments	93,639	48,251 ³	94%	187,330	97,007	93%	107,951	97,007	11%
Total									
Total deliveries:	1,327	1,115	19%	2,651	2,118	25%	2,140	2,118	1%
Total IVF:	2,301	1,926	19%	4,211	3,529	19%	3,540	3,529	0%
Total in-patient treatments:	12,486	8,223	52%	25,063	16,330	53%	17,335	16,330	6%
Total out-patient treatments:	290,662	206,161	41%	575,770	412,887	39%	436,867	412,887	6%

² The Q2 2014 figure was adjusted by 67 in-patient days that were reclassified from 'Other medical services' to 'Paediatrics'. A similar adjustment for 1H 2014 amounted to 141 in-patient days.

³ The 2014 figure for 'Other medical services' out-patient treatments was adjusted by physiotherapy and functional diagnostics treatments.

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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 23 modern healthcare facilities, including 4 hospitals and 19 outpatient clinics in Moscow, St. Petersburg, Ufa, Perm, Samara and Samara region, Novosibirsk, Irkutsk, Yaroslavl and Ryazan.

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.