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NMC HEALTH PLC ANNOUNCES FURTHER EXPANSION WITHIN THE UAE THROUGH TWO STRATEGIC ACQUISITIONS

NMC Health plc (LSE:NMC) ('NMC' or the 'Company'), the leading integrated private healthcare provider operating across the United Arab Emirates and one of the top global providers of fertility treatments through its Spanish subsidiary Clinica Eugin, continues to execute its growth strategy and is pleased to announce that it has entered into separate agreements to acquire two UAE based healthcare services providers;

- 1) Americare Group, a leading provider in the UAE in-home healthcare services segment with a current focus on the Emirate of Abu Dhabi; and
- 2) Dr. Sunny Healthcare Group, a well-established network of six medical centres treating around 1,300 patients daily and three pharmacies in the Emirate of Sharjah.

During 2014, a total of 125 doctors treated more than 400,000 patients across both entities. Both Americare Group and Dr. Sunny Healthcare Group are seeking JCI accreditation and have reached advanced stages of the process.

The total enterprise value for both entities is US\$100m. The entities had a combined 2014 EBITDA of US\$11.5m.

Americare Group - A leading provider of in-home care

The Americare Group is a renowned and fast-growing healthcare service provider in the UAE, with a leading market position in the Emirate of Abu Dhabi's home care segment. Americare operates a community-based physician practice providing medical care in the comfort of the patient's home for a variety of conditions and across all ages. The Americare division offers up to 24-hour nursing care for its patients.

This acquisition extends NMC's service offering along the care pathway by complementing existing in-hospital healthcare services and expanding recurring revenue streams in a valuable, more scalable, asset light and traditionally less capex intensive market segment. With the majority of Americare's patients insured by the Thiqa programme, Abu Dhabi's health care scheme for UAE nationals, the transaction further diversifies NMC's patient population.

In addition, Americare Group includes a medical centre with on-site pharmacy located in the upmarket Khalidiya residential area of Abu Dhabi City. This medical centre is staffed with a group of mainly American Board certified doctors offering several specialties, including general medicine, gynaecology & obstetrics and plastic surgery. This medical centre is expected to contribute to the patient cross-referral capabilities of NMC's nation-wide and multi-specialty hub-and-spoke healthcare services network.

Americare Group's experienced management including its founder and CEO are expected to remain with the company.

Excluding synergies, the transaction is expected to be accretive with a positive effect on NMC's consolidated margins and yield an attractive ROIC.



Dr. Sunny Healthcare Group - A Sharjah based healthcare network

Dr. Sunny Healthcare Group is a well-established and respected group of medical centres and pharmacies in the Emirate of Sharjah, which expands NMC's existing Sharjah operation into a network of healthcare facilities through the addition of six medical centres and three pharmacies. Consequently, this acquisition expands the geographical footprint, addressable market and patient cross-referral capabilities of NMC's nation-wide and multi-specialty hub-and-spoke healthcare services network. Following the introduction of mandatory healthcare insurance in Abu Dhabi and more recently Dubai, Sharjah, the third most populous Emirate, is expected to adopt mandatory healthcare insurance in the near future. This could be a significant additional revenue driver for the Dr. Sunny Healthcare Group.

The specialties offered by the Dr. Sunny Healthcare Group include paediatrics, cardiology, neurology, internal medicine, general surgery, psychiatry, urology, GI, gynaecology, ENT, dermatology, ophthalmology, radiology, general practice, dental care, Ayurveda and, physiotherapy as well as lab services.

Dr. Sunny Healthcare Group's gynaecology and paediatric service offerings are expected to complement NMC's growing IVF / women's health franchise including Clinica Eugin.

Dr. Sunny Healthcare Group's experienced management including its founder and CEO are expected to remain with the company.

Excluding synergies, the transaction is expected to be accretive with a positive effect on NMC's consolidated margins and yield an attractive ROIC.

Dr. B.R. Shetty, Chief Executive Officer of NMC, commented:

"I am delighted to announce these two strategic acquisitions, which we expect to immediately add value to the NMC Group. Both businesses are highly complementary and synergistic with NMC's existing operations. We are excited to add home healthcare services to NMC's service offering, further extending our presence along the care pathway, and to significantly grow our presence in Sharjah and the Northern Emirates. We are continuing to execute on our strategy, and remain well positioned to deliver further growth and value for our patients and shareholders"

Information on Americare Group

Based in Abu Dhabi, Americare Group offers a unique mix of home health services as well as medical, surgical and dental care. The Americare Group is comprised of two main divisions, Americare and the American SurgeCenter. The Company's Americare division is a market leader in the provision of home healthcare services, operating a community-based physician practice providing hospital-modelled medical care in the comfort of the patient's home. The Americare division offers 24-hour nursing care for its patients including IV infusion therapy, wound care management, diabetes management, tracheostomy care, PEG tube care and enteral tube feeding, urinary catheter care, physical and occupational therapy, respiratory therapy and speech therapy. The majority of patients treated by Americare are UAE nationals and covered by Thiqa insurance. The company is also on the "preferred list of providers" as issued by major insurance companies and HAAD.

The American SurgeCenter operates a medical centre, including an on-site pharmacy, in an upmarket area of Abu Dhabi, employing medical staff specialising in a range of specialties including plastic surgery, general medicine, cosmetic dentistry, obstetrics & gynaecology, aesthetic and medical laser therapy, physiotherapy and speech therapy.

The founder of The Americare Group, Mr. Khalil Michel, is the 100% beneficial owner of the business. NMC has entered into an agreement to buy 90% of the beneficial ownership of the Americare Group for an implied enterprise value of US\$ 33m. Mr. Khalil Michel has agreed to continue to as a minority shareholder, while current CEO, Dr. Imad Nakad will continue as an employee of the business.



For the twelve months ended 31 December 2014, Americare Group reported revenues of US\$ 15.2m and an EBITDA of US\$4.8m. As of 31 December 2014, Americare Group had gross assets of US\$6.6m and had approximately 170 employees.

Website: www.theamericansurgecenter.com

Information on Dr. Sunny Healthcare Group

Based in Sharjah, Dr. Sunny Healthcare Group includes six medical centres and three pharmacies and has a well-established presence in the Emirate. The specialties offered by the Dr. Sunny Healthcare Group include paediatrics, cardiology, neurology, internal medicine, general surgery, psychiatry, urology, GI, gynaecology, ENT, dermatology, ophthalmology, radiology, general practice, dental care, Ayurveda, physiotherapy as well as lab services. The business currently has approximately 525 employees, which includes over 100 doctors. Dr. Sunny Kurian, the founder of Dr. Sunny Healthcare Group, is the 100% beneficial owner of the business. NMC has entered into an agreement to acquire 100% of the assets and the business for an Enterprise Value of US\$64m. Dr. Kurian and Mr. Xavier Mani, the current CEO of the business, have agreed to continue with the business following the acquisition by NMC. In 2014, Dr. Sunny Healthcare Group generated revenues of US\$32.7m and an EBITDA of US\$6.7m. As of 31 December 2014, Dr. Sunny Healthcare Group had gross assets of US\$20.0m.

Website: www.dr sunny.ae

Financing and Financial Impact on NMC

The transactions will be financed using existing cash and credit facilities. NMC expects to retain, post each transaction, a net debt to EBITDA level allowing financial flexibility for future growth initiatives. In these transactions, NMC will therefore not be utilising any of the funds from the US\$ 825m facility announced on 16 February 2015.

Excluding synergies, the transactions are expected to be accretive to NMC's EPS in 2015.

Additional Information on the Transactions

The transactions are subject to customary terms and conditions. NMC expects the transactions to complete by Q3 2015. Financial consolidation of both transactions starts on 1 January 2015.

Evercore is acting as Financial Advisor to NMC. In addition, NMC is being advised by Holman Fenwick Willan LLP and Ernst & Young.

A conference call for analysts will be held on Thursday 30 April, 2015 at 14.00hrs UK / 17.00 UAE.

**Enquiries:****NMC Health plc:**

Prasanth Manghat, Deputy Chief Executive Officer
+971 (0)50 522 5648

Suresh Krishnamoorthy, Chief Financial Officer
+971 (0)50 591 5365

Roy Cherry, Head of Strategy & Investor Relations
+971 (0)50 667 0184

Evercore:

Simon Elliott
+44 20 7653 6000

Media:

FTI Consulting, London
Matthew Cole
+44 (0)20 3727 1101

FTI Consulting, Gulf
Shane Dolan
+971 (0)4 437 2100

About NMC

NMC Health plc group is the leading private sector healthcare operator in the United Arab Emirates, with a nation-wide network of hospitals and operations in the country since 1975. The Healthcare Division currently operates or manages seven hospitals, two day-care patient centres, two medical centres and eleven pharmacies. The company received almost 2.4m patients in 2014. In addition, the group owns and operates Clinica Eugin in Barcelona, Spain - one of the leading fertility treatment centres globally. The group also operates a significant UAE wide Distribution business supplying product lines across several key market segments, including: Pharmaceutical, FMCG, Food and Scientific and Medical Equipment. NMC Health plc group reported revenues of US\$ 644m in 2014.

In April 2012 NMC Health plc was listed on the Premium Segment of the London Stock Exchange. At the time of its IPO, the group raised funds to enable it to pursue a further growth plan with a number of capital projects for new healthcare facilities in Abu Dhabi and Dubai. NMC Health plc is a constituent of the FTSE 250 Index.

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