



4 January 2018

NMC Health plc
(the “Company” or “NMC”)

Continued progress against group strategy

- **Acquisition of minority stakes in Fakh IVF and As Salama Hospital**
- **Enterprise Values of both Fakh IVF and As Salama Hospital approximately the same as at the time of original acquisitions, despite substantial growth in underlying profitability**
- **Formal closing of Al Qadhi and Al Rashid Hospital transactions in KSA**

NMC Health plc (LSE: NMC), the leading integrated healthcare provider operating across the United Arab Emirates, is pleased to announce that it has acquired the outstanding minority stakes in Fakh IVF and As Salama Hospital for a total consideration of c. USD 218mn, implying 2017 P/E multiple of just under 10x for the two assets combined. The Company also announces the completion of the previously announced Al Qadhi and Al Rashid Hospital transactions in the Kingdom of Saudi Arabia (KSA).

Acquisition of minority stakes in Fakh IVF and As Salama Hospital

NMC has acquired the outstanding 49% minority stake in Fakh IVF at approximately the same Enterprise Value as the original acquisition cost set in 2015. The acquisition is being settled in the form of cash and newly issued shares in NMC Health with a total consideration of USD 205mn (27% cash, 73% NMC shares issued, which represents c.3.5 million shares or 1.8% of NMC’s current issued capital based on NMC’s current share price of £29.20 (\$39.42 at a GBPUSD exchange rate of 1.35 for 3 January 2018)). In addition, Dr. Michael Fakh will retain his role as a Medical Director in NMC and continue his practice as a medical doctor.

With Fakh IVF now a wholly owned subsidiary of NMC, the Company is better positioned to accelerate and expand growth globally within its fertility business. NMC will continue to expand its fertility network, from the new IVF clinics opened in UAE and Oman in 2017 and additional expansions planned in other geographies, particularly KSA, to maintain a market leading position.

As owner of the remaining 49% stake in Fakh IVF being acquired, and as a director of Fakh IVF, which is a subsidiary undertaking of NMC, Dr. Fakh is therefore deemed to be a related party to NMC for the purposes of Listing Rule 11. The transaction amounts to a smaller related party transaction as defined in Listing Rule 11.1.10.

The outstanding 30% minority stake in As Salama Hospital was acquired at the same Enterprise Value of USD 45mn which was set in 2016 with the initial 70% stake. The acquisition is being fully settled in cash.

These two acquisitions were financed from the issuance of shares to Dr. Fakh and existing cash resources from our strong and stable balance sheet which remains within our leverage guidance. In aggregate Fakh IVF and As Salama Hospital would have contributed c. USD 22mn to NMC’s FY17 net income on a pro forma basis. The acquisitions became effective on 1 January 2018.

Closing of Al Qadhi and Al Rashid Hospital purchases in KSA

As announced on 25 September 2017, NMC acquired a 60% stake in Al Qadhi Hospital in Najran and a 100% stake in Al Rashid Hospital in Ha’il for an aggregate consideration of USD 40m. All formalities related

to both transactions have now been completed and the contributions from both hospitals will be consolidated in NMC's results from the beginning of 2018. These facilities represent an important step ahead in NMC's drive to establish a well-developed footprint in KSA.

Prasanth Manghat, Chief Executive Officer, commented:

"In December 2017, I set out our strategy to drive the Company's next phase of growth. The transactions today fit with our commitment to increase our capacity, capabilities and geographic coverage. The acquisition of the outstanding minority stakes in Fakhir IVF and As Salama Hospital represent highly value accretive transactions for NMC's shareholders. In particular, the Fakhir IVF transaction provides us with an enhanced platform from which to grow our fertility business. As the second largest global IVF player, NMC remains very well positioned to be the leading consolidator in the fertility market. We will continue to seek opportunities to consolidate minority stakes in our subsidiaries, as we increase our knowledge and understanding of these businesses, where we can create further value for shareholders."

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About NMC Health

The NMC group (the "**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 Group currently operates or manages over 40 assets across 11 countries. NMC is also ranked as one of the top 3 in-vitro fertilisation ("**IVF**") operators globally. The Group is also a leading provider of long-term medical care in the UAE through its subsidiary ProVita. Pursuing an aggressive international expansion program from 2016, the company now has over 35% of its licensed bed capacity in the Kingdom of Saudi Arabia (KSA), where the company has introduced long-term and multi-specialty care services. The enlarged company received almost 4.3 million patients in 2016. The Group is also a leading UAE supplier of products and consumables across several key market segments, with the major contribution coming from healthcare related products. The Group reported revenues of US\$1.2 billion for the year ended 31 December 2016.

In April 2012 NMC was listed on the Premium Segment of the London Stock Exchange. NMC is a constituent of the FTSE 100 Index.