

Mediclinic International plc  
(Incorporated in England and Wales)  
Company Number: 08338604  
LSE Share Code: MDC  
JSE Share Code: MEI  
NSX Share Code: MEP  
ISIN: GB00B8HX8Z88

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

27 September 2016

**PRE-CLOSE TRADING UPDATE**

Mediclinic International plc, the international private healthcare group (“Mediclinic” or the “Group”), provides the following pre-close trading update for the five months ended 31 August 2016, ahead of the publication of its interim results for the six months ending 30 September 2016 (“H1FY17”) on 10 November 2016.

**Commenting today, Danie Meintjes, CEO, said:**

*“Trading is in line with management’s expectations. In Southern Africa and Switzerland, we continue to deliver growth in patient activity. In the Middle East, Dubai’s Mediclinic City Hospital North Wing opened in September 2016 and initial patient numbers are encouraging. In Abu Dhabi, we are making good progress with the integration of the Al Noor business and remain confident in the prospects for the region.*”

*“We continue to see growing demand for cost-effective quality private healthcare services and remain focused on ensuring our patients receive quality clinical care and benefit from the Group’s ongoing investment in skills, training, technology and infrastructure. Despite the industry trends of growing competition and regulatory initiatives, Mediclinic is well positioned to maintain consistent growth.”*

**Group trading for the five months ended 31 August 2016** (local currency revenues quoted for each operating platform):

**Mediclinic Southern Africa**

Total revenue for the first five months of the year was R6,054m, delivered against weak macro-economic conditions and increased competition.

Underlying EBITDA margins for H1FY17 are expected to be marginally lower than the prior year comparator (H1FY16: 21.6%), impacted by higher price increases on pharmaceuticals (zero margin), investment in additional clinical personnel in line with the Group’s strategy of improving quality clinical care and the alignment of salary increases for certain clinical personnel.

## **Hirslanden**

Total revenue for the first five months of the year was CHF677m driven by improved capacity utilisation and increased outpatient activity.

Underlying EBITDA margins for H1FY17 remain stable versus the prior year period (H1FY16: 18.1%).

## **Mediclinic Middle East**

As indicated in the trading update on 9 September 2016, significant progress has been made on integrating the businesses of Mediclinic Middle East and Al Noor Hospitals Group plc (now renamed to Mediclinic International plc) since the combination in February 2016.

Total revenue for the first five months of the year was AED1,315m and underlying EBITDA margins for H1FY17 are expected to be around 11%, largely due to business and operational alignment, the introduction of a 20% co-payment for Thiqa members using private healthcare facilities from 1 July 2016 and the delayed ramp-up of new units including the Al Jowhara Hospital in Abu Dhabi. As previously announced, Mediclinic Middle East's full year 2016/17 underlying EBITDA margin is expected to be in the mid to high teens with performance being materially second half weighted.

## **Outlook**

The full year 2016/17 guidance remains unchanged across Mediclinic's three platforms:

- In Mediclinic Southern Africa, we expect continued growth, notwithstanding macro-economic challenges and increased competition anticipated in the year. In line with our key strategic initiatives we will continue to make additional investment in our operations to drive competitive advantage.
- At Hirslanden, given our high occupancy levels, we anticipate modest growth at stable margins.
- Mediclinic Middle East is expected to deliver low to mid-single digit revenue growth and underlying EBITDA margins of mid to high teens with performance being materially second half weighted.

The financial information on which this statement is based has not been reviewed and reported on by Mediclinic's external auditors.

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Website: [www.mediclinic.com](http://www.mediclinic.com)

Corporate broker: Morgan Stanley & Co International plc

JSE sponsor: Rand Merchant Bank (A division of FirstRand Bank Limited)

NSX sponsor: Simonis Storm Securities (Pty) Ltd

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