

Mediclinic International plc
(Incorporated in England and Wales)
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LSE Share Code: MDC
JSE Share Code: MEI
NSX Share Code: MEP
ISIN: GB00B8HX8Z88
LEI: 2138002S5BSBIZTD5I60
(**“Mediclinic”**, the **“Company”** or the **“Group”**)

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

21 February 2017

TRADING UPDATE

Mediclinic International plc, the international multi-disciplinary private healthcare group, provides the following general trading update. A management conference call for analysts and investors will take place today at 08:00 GMT. Dial in details can be found at the end of this announcement.

Commenting today, Danie Meintjes, CEO, said:

“During the year we have seen a good trading performance from our two largest platforms in Switzerland and Southern Africa in line with full year expectations for the full year 2016/17. The challenging environment in Abu Dhabi has unfortunately continued into the second half of the year. We are taking many steps to build the foundations for a successful, sustainable, long term business in the Middle East, leveraging our excellent reputation and operational performance in Dubai. One key step is the re-branding of our Abu Dhabi facilities to Mediclinic and we expect this project to be implemented during 2017/18.”

In the Middle East, Mediclinic’s established Dubai business continues to perform well, including a strong ramp up in patient activity at the newly opened Mediclinic City Hospital North Wing. In Abu Dhabi, trading conditions remain challenging where patient volumes and operating performance continue to be below expectations and was particularly pronounced in January 2017.

As previously announced, the second half performance of the Middle East was predicated on seasonality, realising integration synergies, stabilising Thiqa patient volumes, filling doctor vacancies and ramping up patient activity in new facilities. Whilst we continue to make good progress in integrating the Al Noor and Mediclinic operations and realising synergies, the second half has been weaker in Abu Dhabi than anticipated and we now expect a steeper revenue decline and a lower underlying EBITDA margin for the Middle East for the full year 2016/17. The Group now expects full year 2016/17 Middle East revenue to be in the range of AED3,000m to AED3,200m with an underlying EBITDA margin of approximately 10% to 11%.

On 1 July 2016, a 20% co-payment was introduced for all Thiqa members using private facilities for inpatient and outpatient services in Abu Dhabi, and as previously announced, this had an

immediate and significant impact on the Group's Thiqa patient volumes. Whilst the patient volume mix has stabilised, absolute Thiqa volumes are lower than previously expected.

As previously announced, in the twelve months leading up to the Al Noor combination a significant number of doctors departed from the business and this trend continued into the start of the current financial year. During the year in Abu Dhabi, Mediclinic has carried out clinical performance reviews and implemented a strategic recruitment programme of doctors in order to attract the most appropriate clinicians to fill the vacancies. The Group is making good progress, leveraging off the experience of the Dubai recruitment team, with some 90 new doctor appointments made in the Middle East since April 2016 and a further 60 doctors currently in the process of recruitment. Whilst building the foundations for a sustainable, long term business in Abu Dhabi, the extended recruitment process, combined with the necessary re-alignment of certain business and operational practices, has resulted in a further short term impact on patient and service volumes.

Following the delayed opening, Al Jowhara Hospital had its first full month of trading in January 2017. The contribution the hospital makes to the Group is expected to grow over the next financial year.

Despite the current economic and trading environment, Mediclinic has confidence in its long term Middle East growth strategy and continues to focus on building a high quality, multi-disciplinary clinical service offering in Abu Dhabi that emulates the Group's market leading Dubai operation.

Significant progress has been made integrating the Al Noor and Mediclinic operations into a single business unit. AED75m of annualised cost synergies are expected to be realised during the current financial year. Also during this current year, the Group has incurred additional operating expenses and charges, in part due to aligning Al Noor with Mediclinic's business practices. The Group has identified further savings predominantly through further administrative headcount efficiencies and will continue to evaluate the current cost base across the Middle East, whilst remaining focused on the future growth opportunities.

The Group also intends to re-brand the Al Noor facilities to Mediclinic. This important strategic change reflects the ongoing and future investment in the Group's Abu Dhabi facilities, services and operating practices. As a result of this decision the Group is currently reviewing the carrying value (AED140m) and amortisation period of the Al Noor trade name. The review is expected to result in additional charges in the current and subsequent reporting periods, which will be excluded from underlying earnings.

The above financial information has not been reviewed or reported on by Mediclinic's auditors. The financial results for the review period will be published on or about Wednesday, 24 May 2017.

Analyst and investor conference call – 08:00 GMT, Tuesday 21 February 2017

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Participant PIN code: 32868828#

Conference call replay:
UK: +44 (0)20 3426 2807
Conference Number: 683682#

About Mediclinic International plc

Mediclinic is an international private healthcare group with operating platforms in Southern Africa (South Africa and Namibia), Switzerland and the United Arab Emirates. Its core purpose is to enhance the quality of life of patients by providing acute care, specialist-orientated, multi-disciplinary healthcare services. Mediclinic also holds a 29.9% interest in Spire Healthcare Group plc (“**Spire**”), a LSE listed and UK-based private healthcare group.

During February 2016 the combination of the Company (previously named Al Noor Hospitals Group plc), with operations mainly in Abu Dhabi in the United Arab Emirates, and Mediclinic International Limited was completed. Mediclinic International Limited was a South African based international private healthcare group founded in 1983 and listed on the JSE, the South African stock exchange, since 1986, with operations in South Africa, Namibia, Switzerland and the United Arab Emirates (mainly in Dubai). The Combination resulted in the enlarged Mediclinic group, renamed Mediclinic International plc comprising 73 hospitals and 43 clinics.

As at the end of the reporting period, Mediclinic Southern Africa operates 49 hospitals and 2 day clinics throughout South Africa and 3 hospitals in Namibia with more than 8 000 inpatient beds in total; Hirslanden operates 16 private acute care facilities and 4 clinics in Switzerland with more than 1 600 inpatient beds; and Mediclinic Middle East operates 5 hospitals and 37 clinics with more than 600 inpatient beds in the United Arab Emirates.

Mediclinic has a primary listing on the Main Market of the LSE, with secondary listings on the JSE in South Africa and the NSX in Namibia.

For further information, please contact:

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NSX sponsor: Simonis Storm Securities (Pty) Ltd