

MedLife ended 2017 with an increase of 27%

February 12, 2018, Bucharest. MedLife, the leader of the private healthcare services market in Romania, announces the financial results for 2017, reporting a consolidated pro-forma turnover of RON 638 million, an increase of 27% compared to 2016, and a pro-forma operational profit (EBITDA) of RON 82.3 million.

The clinics and the corporate subscription division have the largest share of the announced turnover, namely RON 173 million and RON 148 million, respectively, followed by hospitals and laboratories with Lei 121 million and RON 118 million, respectively. According to the company's representatives, the results are in line with the initial estimates and significantly above the growth rate of the market.

"2017 was a year with great challenges in terms of development projects through acquisition. We have completed the takeover of Almina Trading, Anima and Humanitas Hospital, three major operators in the south and northwest of the country. In addition, we acquired the Polissano clinics and Hospital, one of the 10 largest private healthcare services companies in Romania, and if the transaction is going to be approved by the Competition Council we will reach a total of 35 companies in the group and a total of 6,300 employees and collaborators throughout the country", said Mihai Marcu, MedLife CEO.

At the same time with the development projects through acquisition, MedLife continued to invest in greenfield projects. The company strengthened its leadership position in Transylvania, opening a new hyperclinic and a new laboratory last year in Brasov, but also in the south-east of the country, where it opened its first large clinic in Braila. MedLife also launched a series of investments in the expansion of four hospitals in the portfolio, two in Bucharest and two others in Brasov and Cluj, which will be completed this year and in 2019.

For 2018, MedLife representatives aim to maintain the fast-paced development of the company, with a projected growth of over 20% compared to 2017.

"As we have accustomed our shareholders, we will continue to increase our sales significantly above our competition, both through organic growth and through acquisition. We hope to also obtain the approval of the Competition Council for the acquisition of Polissano clinics and hospitals in the following months. It is a transaction that will bring significant value to our group, from both the perspective of strategy and cost-efficiency. We estimate the completion of 2-3 other smaller transactions in the first trimester, whose due diligence activity is close to an end", added Mihai Marcu.

In addition to greenfield and acquisition projects, the company also plans two important goals in 2018: becoming a leader in the magnetic resonance area by procuring 6 new MRI scanners, thus reaching a total of 12 such equipment in the network, and expanding into proximity areas outside the country.

"We have taken steps so as to see to what extent we can be present with our own units in neighbouring countries like Bulgaria, Hungary or Serbia. In a first stage, we want to test the market, so we will not have far-reaching projects and, depending on the evolution, we will later have a strategy dedicated to such projects. It is time MedLife went beyond the Romanian borders", added Mihai Marcu.

About MedLife:

MedLife is the largest provider of private healthcare services in Romania. The company operates the largest network of clinics, one of the largest medical laboratory networks, general and specialist hospitals, and has the largest customer base for Health Prevention Packages in the country. It is also one of the major private healthcare companies in Central and Eastern Europe, from the point of view of sales.

Shares issued by MedLife SA are admitted to trading on the spot regulated market administered by the Bucharest Stock Exchange, the Premium Category, having the "M" trading symbol.

The MedLife Group has a successful track record of both organic growth and growth through acquisition. Since 2009, it has opened or purchased over 83 healthcare units. Its strong and experienced management team has been able to create and manage these growth opportunities, gaining valuable knowledge and experience, enabling it to find the best way for a successful expansion.