

## Strong Revenue and EBITDA Growth in the First Half

### MLP Sağlık Hizmetleri A.Ş. (“MLP Care”)

MLP Sağlık Hizmetleri A.Ş. (BIST: MPARK), the largest private healthcare service provider in Turkey, today announces its financial results for the first half of 2018.

#### Summary Financials

(TL million)	H1 2018	H1 2017	Change	Q2 2018	Q2 2017	Change
<b>Revenue</b>	<b>1,470</b>	<b>1,248</b>	<b>17.7%</b>	<b>720</b>	<b>614</b>	<b>17.3%</b>
<b>Adj. EBITDA<sup>1</sup></b>	<b>250</b>	<b>209</b>	<b>19.4%</b>	<b>110</b>	<b>102</b>	<b>8.4%</b>
Adj. Margin (%)	17.0%	16.8%	24bps	15.3%	16.5%	(124bps)
<b>Comparable Adj. EBITDA<sup>2</sup></b>	<b>262</b>	<b>209</b>	<b>24.9%</b>	<b>120</b>	<b>102</b>	<b>17.8%</b>
Adj. Margin (%)	17.8%	16.8%	102bps	16.6%	16.5%	7bps
<b>Adj. EBITDAR<sup>1</sup></b>	<b>363</b>	<b>302</b>	<b>20.3%</b>	<b>170</b>	<b>148</b>	<b>15.0%</b>
Adj. Margin (%)	24.7%	24.2%	53bps	23.6%	24.1%	(47bps)
<b>Net Profit/(Loss)</b>	<b>(8)</b>	<b>(20)</b>	<b>(59.5%)</b>	<b>(10)</b>	<b>(3)</b>	<b>243.8%</b>
<b>Net Cash from Operating</b>						
<b>Activities</b>	<b>230</b>	<b>266</b>	<b>(13.5%)</b>	<b>134</b>	<b>150</b>	<b>(10.2%)</b>
Capital Expenditure	167	159	4.9%	64	44	45.3%
<b>Operating Cash Flow / Adj</b>						
<b>EBITDA</b>	<b>92.1%</b>	<b>127.0%</b>		<b>122.0%</b>	<b>147.4%</b>	

<sup>1</sup> Based on Reported EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) /EBITDAR (Earnings Before Interest, Taxes, Depreciation, Amortization and Rent Expenses) adjusted for one-time (income) / expenses, net and non-cash GAAP provision expenses

<sup>2</sup> Based on Reported EBITDA without the negative EBITDA of new hospital openings in 2018 including Mersin and Pendik adjusted for one-time (income) / expenses, net and non-cash GAAP provision expenses

#### Financial Highlights

- ✓ Strong revenue growth of 17.3% in Q2 2018, supported by medical tourism, top-up insurance, self-pay, and other ancillary business revenue segments in spite of the shift of the Ramadan period towards the end of H1 2018 and early Presidential elections. In H1 2018, revenue increased by 17.7% to TL1,470 million (H1 2017: TL1,248 million).
- ✓ Adj. EBITDA increased by 8.4% in Q2 2018, bringing the H1 2018 growth to 19.4% and a TL250 million of Adj. EBITDA (H1 2017: TL209 million).
- ✓ Adj. EBITDA margin improved by 24bps to 17.0% in H1 2018 despite a lower margin in Q2 2018 due to new hospital openings.
- ✓ Comparable Q2 2018 Adj. EBITDA growth and Adj. EBITDA margin (without the negative EBITDA of new hospital openings in 2018 including Mersin and Pendik) are 17.8% and 16.6% respectively.
- ✓ Net loss came in at TL8 million in H1 2018 (H1 2017 net loss: TL20 million) due to FX losses of TL110 million in H1 2018.
- ✓ Net Debt/Adj. EBITDA<sup>3</sup> reduced to 2.1x as end of June 2018, compared to its level of 3.4x as of 2017-end.
- ✓ As of July 2018, all principal and interest payments of the EUR denominated syndicated loan for the 2018-2020 period were hedged.

<sup>3</sup> Last 12 Months

## Operating Highlights

- ✓ Two new hospitals were opened in Istanbul (March 2018) and Mersin (May 2018) and ramp up of these hospitals is on track.
- ✓ Continued focus on maintaining the strong growth trend in medical tourism (up by 63.5% in H1 2018) and top-up insurance (up by 96.4% H1 2018).

### **Dr. Muharrem Usta, Chairman and Chief Executive Officer of MLP Care, commented:**

*"I am pleased that we have maintained the strong rate of growth in the margin accretive segments, including medical tourism and top-up insurance, in the second quarter and we are on track to exceed our year-end targets as before.*

*In the first half of the year, we opened two new hospitals in Istanbul and Mersin in line with our business plan. In the second half of the year, we will be focusing on operational improvements as well as the successful ramp-up of our new capacity.*

*We recently announced that we hedged FX denominated financial loan payments for the next two years. The capital injection after the IPO and hedging transactions have strengthened our balance sheet and will mitigate the impact of euro-denominated loans going forward.*

*We will continue to deliver best-in-class healthcare standards to all of our patients and stay focused on profitable growth."*

For financial reports and further information regarding MLP Care, please visit our website at <http://www.mlpcare.com/en/> or you may contact:

## ENQUIRIES

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