



Healthcare Services No Longer "Restricted" in China's Foreign Investment Catalogue

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BEIJING, Dec. 30, 2011 /PRNewswire-Asia-FirstCall/ -- Concord Medical Services Holdings Limited (the "Company" or "Concord Medical") (NYSE: CCM), operator of the largest network of radiotherapy and diagnostic imaging centers in China, comments on the newly issued Foreign Investment Catalogue 2011 revision (the "Revised Catalogue") which moved healthcare service sectors to "permitted" from "restricted" category.

On December 24, 2011, China's National Development and Reform Commission (NDRC) and Ministry of Commerce (MOC) jointly issued the Revised Catalogue which will take effect on January 30, 2012. The "Foreign Investment Catalogue 2007 revision" current in effect will be superseded simultaneously.

The notable changes in the Revised Catalogue include: first, expanding the sectors that are opened to foreign investment and relaxed restrictions; secondly, encouraging foreign investment in service sectors, high-end manufacturing sectors, and high tech enterprises.

The Revised Catalogue expanded the "encouraged" categories and reduced "restricted" and "prohibited" categories. Foreign-invested healthcare service is removed from the "restricted" categories. The change means that there would be no more restrictions on shareholding percentage by foreign investors in these sectors. All regulatory approval processes for foreign investment still apply.

"We are very pleased to see the investment environment becoming more friendly and conducive to companies such as Concord Medical," Dr. Jianyu Yang, Chairman and CEO of Concord Medical, comments. "The new policy will open more investment opportunities for us. We are determined to take advantage of the latest change and strive to achieve our goal of becoming a leader in the high-end, specialty healthcare service sectors in China."

Initially promulgated by the NDRC and the Ministry of Commerce in 1995, the "Foreign Investment Catalogue" serves as guidance for foreign investors in China by stipulating foreign invested sectors into different categories such as "encouraged," "restricted" and "prohibited". The Catalogue has long been a major guideline of Chinese government's strategy to open Chinese market to foreign investors.

About Concord Medical

Concord Medical Services Holdings Limited operates the largest network of radiotherapy and diagnostic imaging centers in China, measured by revenues and the number of centers in operation. As of September 30, 2011, the Company operated a network of 128 centers with 70 hospital partners that spanned 48 cities and 24 provinces and administrative regions in China. Under long-term arrangements with top-tier hospitals in China, Concord Medical provides radiotherapy and diagnostic imaging equipment and manages the daily operations of these centers, which are located on the premises of its hospital partners. The Company also provides ongoing training to doctors and other medical professionals in its network of centers to ensure a high level of clinical care for patients. For more information, please see <http://ir.concordmedical.com>.

Safe harbor statement

This news release may contain "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "anticipate," "believe," "estimate," "expect," "forecast," "intend," "may," "plan," "project," "predict," "should," and "will" and similar expressions. These forward looking statements are based upon management's current views and expectations with respect to future events and are not a guarantee of future performance. Furthermore, these statements are, by their nature, subject to a number of risks and uncertainties that could cause actual performance and results to differ materially from those discussed in the forward-looking statements as a result of a number of factors. Such factors include the number of new radiotherapy and diagnostic imaging centers opened; the increase in the number of patients in existing centers; the establishment of specialty cancer hospitals; changes in the healthcare industry in China, including changes in the healthcare policies and regulations of the PRC government; technological or therapeutic changes affecting the field of cancer treatment and diagnostic imaging; and possible effects on consumers and hospitals, hospital construction, and suppliers, as a result of inflation and the Chinese government's policies and actions to control inflation. Further information regarding these and other risks is included in the Company's filings with the U.S. Securities and Exchange Commission at www.sec.gov. The Company does not assume any obligation to update any forward-looking statement, except as required by law.

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