



## Concord Medical Received Approval to Build Shanghai Concord Cancer Hospital

April 4, 2014

BEIJING, April 4, 2014 /PRNewswire/ -- Concord Medical Services Holdings Limited ("Concord Medical" or the "Company") (NYSE: CCM), a leading specialty hospital management solution provider and operator of the largest network of radiotherapy and diagnostic imaging centers in China, today announced the Company will establish Shanghai Concord Cancer Hospital ("Shanghai Concord") - a premium cancer hospital - in Shanghai New Hongqiao International Medical Center.

Shanghai Concord plans to open 400 beds and adapts the domestic and internationally advanced therapeutic methods, medical process and management system. It plans to install the most advanced cancer diagnosis and treatment equipment and multidiscipline system. When completed, the hospital will become a leading cancer hospital in China and Asia.

So far, the Company has received the relevant government approval for the establishment of Shanghai Concord. The Company is in the process of finalizing the design and other pre-construction work. The construction is scheduled to start in the first half of 2015. The total construction period will be three years.

Recently, the Chinese government has issued several policies to encourage social capital into the healthcare services industry, including "Several Opinions to Accelerate the Social Investment in Healthcare Services" and "The State Council's Several Opinions to Promote the Development of the Healthcare Services Industry". By 2015, China's non-public medical institution beds and services will reach 20% of the total number of medical institutions. Local governments also have issued relevant detailed rules for the implementation. The approval process for setting up private medical institutions is clarified gradually. Healthcare services will become a new major growth sector in China's economy.

In early 2013, the National Cancer Registry Center released the latest version of the "2012 Chinese Cancer Registry Annual Report", showing that China's new cancer cases are about 3.12 million and cancer deaths are more than 2 million annually. By 2020, China will have a total of 4 million new cases and a total of 6 million cancer patients each year. Cancer has become a major challenge facing China's healthcare industry.

Based on 17-year experience in cancer treatment and diagnosis, Concord Medical will introduce the most advanced cancer diagnosis and treatment equipment, cooperate with the international renowned medical institutions, innovate the hospital operation management mode, and fully motivate the enthusiasm of doctors.

"The establishment of specialized, premium cancer hospital is an important component of our development strategy and also is highly consistent with the Chinese government policies encouraging private capital to enter the medical service industry." Dr. Jianyu Yang, the Chairman and CEO of Concord Medical, said, "As the most economically developed area in China, Shanghai possesses the most abundant medical and human resources in China. It is a very significant milestone for Concord Medical to build a leading cancer hospital in Shanghai."

Dr. Jianyu Yang also said, "During the process, we have received strong support and guidance from Shanghai New Hongqiao International Medical Center, which represent a new direction for China's healthcare reform. After the construction of Shanghai Concord Cancer Hospital is completed, Concord Medical will become a leading hospital group, including cancer hospitals in Shanghai and Guangzhou and more than 140 existing cancer diagnosis and radiotherapy centers covering the whole country."

### **About Shanghai New Hongqiao International Medical Center:**

Shanghai New Hongqiao International Medical Center is a high-end medical services project, supported by the Ministry of Health and approved by Shanghai Municipal People's Government. The total planning area of the Medical Center is approximately 100 hectares, and the planning land area of the First Phase is 42.38 hectares. The project will focus on providing high-end medical services, attracting diversified investments from international and private sources. It will explore innovative and integrated healthcare delivery model, including medical service, technical support, managerial collaboration and supply-chain extension. The NHQ Center will attract the participations of domestic and overseas high-quality medical institutions and managerial talent, create a Shanghai-based platform radiating throughout the Yangtze River Delta and the entire country. The construction of Shanghai New Hongqiao International Medical Center was officially launched on March 30, 2012. The First Phase of the Medical Center is expected to be fully operational in 2015. For more information, please visit <http://www.nhqmed.com/>.

### **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 and is the parent of Chang'an Hospital. As of September 30, 2013, the Company operated a network of 144 centers with 78 hospital partners that spanned 55 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 press release contains forward-looking statements. These statements constitute "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. In particular, the statements from management in this press release are forward-looking in nature. 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; and technological or therapeutic changes affecting the field of cancer treatment and diagnostic imaging. 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](http://www.sec.gov). The Company does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

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