

Hygeia Secures Financial Partnerships to Support Growth Plans

On 1 December 2009, Hygeia Nigeria Limited (Hygeia) announced the formation of strategic financial partnerships with Satya Capital, IFC and FMO (the Netherlands Development Finance Company). These partnerships (totalling in this phase over \$25m) are in support of the organisation's plans for considerable growth and quality improvements in key areas of its integrated healthcare business.

Satya Capital, a private equity group which focuses exclusively on Africa, has chosen Hygeia for its first significant investment in healthcare in the continent. Their equity investment of \$18 million alongside a total of \$8 million in new debt facilities from IFC and FMO will allow Hygeia to expand both its hospital group (Lagoon Hospitals), and its health maintenance organisation (Hygeia HMO). These investments join the existing debt and equity provided by IFC and the Investment Fund for Health in Africa (IFHA) respectively.

Through this combined investment, Hygeia lives by its vision to be "The 1st choice for healthcare solutions of international standards in Nigeria", as it will be the first private healthcare group in Nigeria to attract a strong package and pedigree of financial investors. These financial partnerships will not only facilitate Hygeia's expansion plans but also position the company to take advantage of emerging healthcare opportunities in Nigeria and West Africa.

Hygeia's Lagoon Hospitals division will be adding up to 150 beds across the country as well as new clinical specialties to its existing multi-specialty flagship operations in Lagos. The clinical specialties will include Advanced Orthopaedics and Trauma as well as the introduction of Oncology (Cancer), Renal (Kidney) care and Cardiac Surgery services which are currently in short supply in Nigeria.

Hygeia will also invest substantially in Hygeia HMO, including the upgrade of the information technology systems to increase access to quality healthcare for more Nigerians. By enhancing its operational efficiencies and quality standards, Hygeia will demonstrate best-in-country administrative and patient care practices thereby contributing to quality improvements within the nation's medical community.

"Healthcare is a capital intensive sector and one which is critical to the development of any nation." said Mrs Fola Laoye, Hygeia's Group Managing Director. "We have been operating in the Nigerian healthcare industry for over 23 years and believe that through the four arms of our group, we have made a vital contribution to improving the access and provision of quality healthcare services for Nigerians. However, we know there is still so much more to be done and with the deadline for the Millennium Development Goals just five years away, we feel it is time to expand our reach and deepen our expertise. We are extremely pleased that these partnerships provide the financial and strategic support for us to do just that."

Tsega Gebreyes and Justin Abbott, Managing Partners of Satya Capital, attending the press conference, commented: "We are delighted to start this partnership with Hygeia and to be part of a notable team of investors who are committed to investing in the growth of the African health sector. We have been impressed at the depth and quality of the people across the Hygeia Group, and are excited to have the opportunity to build on the unique platform established by Professor and Professor (Mrs) Elebute. "

“Increasing the quality of and access to healthcare is a strategic priority for IFC,” said Solomon Adegbe-Quaynor, IFC Country Manager for Nigeria. “We view this investment in Hygeia as an opportunity to support an existing client to increase the availability of quality healthcare even during the ongoing economic crisis.”

Hygeia is an integrated healthcare delivery system and was founded in 1984 by Professor & Professor (Mrs) Elebute, a husband and wife team of physicians with over 50 collective years of medical experience at the time. The Company’s four operating units are Lagoon Hospitals, Hygeia HMO, a health maintenance organisation which provides health cover for companies and individuals; Hygeia Community Health Plan, a subsidized health insurance scheme for low-income communities and Hygeia Foundation which focuses on capacity building for healthcare professionals.

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Notes

Hygeia Nigeria Limited

Hygeia Nigeria Limited is an integrated healthcare delivery system and began operations in 1986 as Lagoon Hospital Apapa, a multi-specialist tertiary hospital facility in Lagos and later established additional hospitals at Ikeja and Victoria Island, which offer secondary and primary healthcare services respectively. The Company expanded into health insurance through the establishment of Hygeia HMO, a health maintenance organisation which provides health cover for companies and individuals throughout the country working with a network of 370 clinics and hospitals. Hygeia Community Health Plan, the Group’s subsidised community health insurance platform, is focussed on delivery of comprehensive primary healthcare to low-income communities in rural and urban areas. This programme currently operates in Kwara and Lagos States and is supported by the Dutch Health Insurance Fund. Hygeia also operates a non-profit NGO, Hygeia Foundation, which is focused on capacity building for healthcare professionals and which is one of the few private-sector partners of the Global Fund for HIV/AIDS in Nigeria. www.hygeiagroup.com

Satya Capital

Satya Capital is an independent private equity firm focussed on Africa which invests in growth businesses across the continent through the Satya Capital Africa Fund. For further information, please see www.satyacapital.com.

IFC

IFC, a member of the World Bank Group, creates opportunity for people to escape poverty and improve their lives. We foster sustainable economic growth in developing countries by supporting private sector development, mobilizing private capital, and providing advisory and risk mitigation services to businesses and governments. Our new investments totalled \$15 billion in fiscal 2009, helping channel capital into developing countries during the financial crisis. For more information, visit www.ifc.org.

FMO

The Netherlands Development Finance Company (FMO) is the international development bank of the Netherlands. FMO invests risk capital in companies and financial institutions in developing countries. With an investment portfolio of € 4.2 billion, FMO is one of the largest bilateral private sector development banks worldwide. Thanks in part to its relationship with the Dutch government, FMO is able to take risks which commercial financiers are not - or not yet - prepared to take. FMO's mission: to create flourishing enterprises, which can serve as engines of sustainable growth in their countries.

IFHA

IFHA is a private equity firm with a broad base of limited partners. IFHA invests in fast-growing private healthcare companies in Africa, with a clear focus on developing the market and enabling companies to realize their potential. For further information, please see www.ifhafund.com.