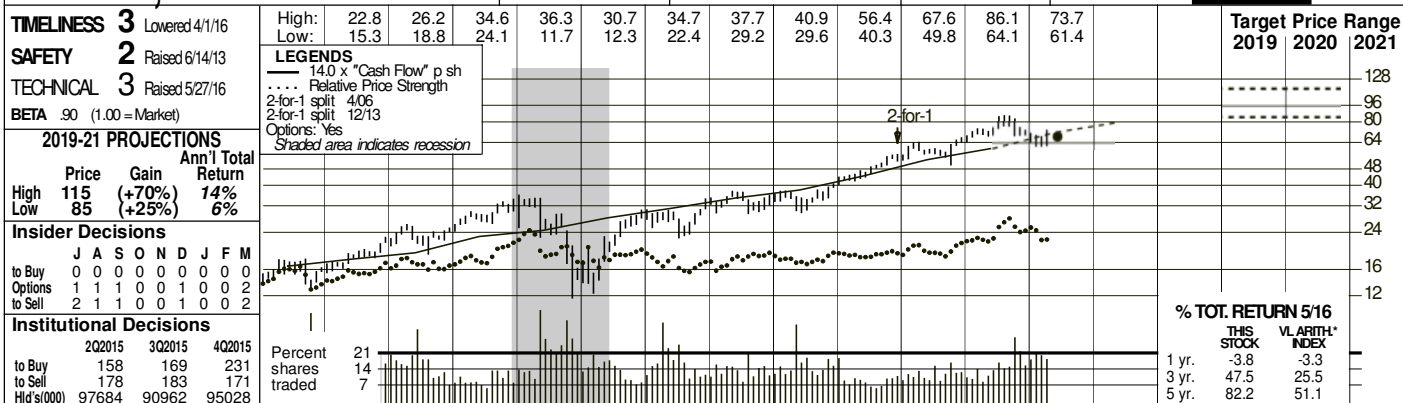


MEDNAX, INC NYSE-MD

RECENT PRICE **68.45** P/E RATIO **16.1** (Trailing: 19.1 Median: 17.0) RELATIVE P/E RATIO **0.88** DIV'D YLD **Nil** VALUE LINE



TIMELINESS 3 Lowered 4/1/16
SAFETY 2 Raised 6/14/13
TECHNICAL 3 Raised 5/27/16
BETA .90 (1.00 = Market)

2019-21 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	115	(+70%)	14%
Low	85	(+25%)	6%

Insider Decisions

	J	A	S	O	N	D	J	F	M
to Buy	0	0	0	0	0	0	0	0	0
Options	1	1	1	0	0	1	0	0	2
to Sell	2	1	1	0	0	1	0	0	2

Institutional Decisions

	2Q2015	3Q2015	4Q2015	Percent shares traded
to Buy	158	169	231	21
to Sell	178	183	171	14
Hld's(000)	97684	90962	95028	7

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
8.38	9.48	11.69	13.70	14.60	16.23	18.16	21.28	25.40	29.66	33.75	36.90	Sales per sh	51.35	
1.37	1.64	1.75	2.01	2.23	2.49	2.72	3.17	3.78	4.27	5.10	5.70	"Cash Flow" per sh	8.05	
1.26	1.48	1.56	1.85	2.02	2.24	2.43	2.78	3.18	3.58	4.25	4.65	Earnings per sh A	6.60	
--	--	--	--	--	--	--	--	--	--	Nil	Nil	Div'ds Decl'd per sh	Nil	
.13	.09	.17	.16	.13	.32	.14	.15	.19	.29	.45	.50	Cap'l Spending per sh	.70	
8.86	9.90	10.56	12.65	15.08	17.69	20.35	23.15	23.58	26.00	29.55	33.35	Book Value per sh B	48.60	
97.72	96.84	91.37	94.04	95.97	97.87	100.04	101.21	96.03	93.74	93.00	93.00	Common Shs Outst'g C	92.00	
18.5	19.9	17.1	12.0	14.0	15.1	14.6	17.2	18.5	20.7	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	15.0	
1.00	1.06	1.03	.80	.89	.95	.93	.97	.97	.97	1.04		Relative P/E Ratio	.95	
--	--	--	--	--	--	--	--	--	--	--		Avg Ann'l Div'd Yield	Nil	

MEDNAX, Inc. (formerly Pediatrix Medical Group) was founded in 1979 by Drs. Roger Medel and Gregory Melnick to provide neonatal physician services to hospital-based neonatal intensive care units. The stock was brought public in September, 1995 by Dean Witter Reynolds and Montgomery Securities in an offering of 4.4 million shares priced at \$10.00 a share. A subsequent offering took place in July, 1996 of 1.7 million shares at \$17.75 a share.

CAPITAL STRUCTURE as of 3/31/16
Total Debt \$1442.7 mill. **Due in 5 Yrs** \$995.0 mill.
LT Debt \$1430.8 mill. **LT Interest** \$80.0 mill.
 (34% of Cap'l)

Leases, Uncapitalized: Annual rentals \$29.9 mill.
No Defined Benefit Pension Plan

Pfd Stock None

Common Stock 93,025,460 shs.

MARKET CAP: \$6.4 billion (Large Cap)

CURRENT POSITION (\$MILL.)

	2014	2015	3/31/16
Cash Assets	54.0	60.4	64.3
Receivables	352.2	444.8	465.8
Other	60.9	22.6	21.3
Current Assets	467.1	527.8	551.4
Accts Payable	380.7	395.8	260.4
Debt Due	10.5	11.9	11.9
Other	25.1	21.1	40.4
Current Liab.	416.3	428.8	312.7

ANNUAL RATES of change (per sh)

	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-21
Sales	14.5%	14.0%	13.0%
"Cash Flow"	12.5%	13.5%	14.0%
Earnings	12.0%	12.0%	13.0%
Dividends	--	--	Nil
Book Value	14.0%	13.5%	13.0%

QUARTERLY SALES (\$mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	502.7	529.2	554.7	567.4	2154.0
2014	566.3	595.6	626.5	650.5	2438.9
2015	639.4	676.6	722.3	741.7	2780.0
2016	752.6	775	795	817.4	3140
2017	800	840	890	900	3430

EARNINGS PER SHARE A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2013	.55	.68	.76	.79	2.78
2014	.63	.79	.86	.90	3.18
2015	.72	.90	.97	.99	3.58
2016	.73	1.16	1.15	1.21	4.25
2017	.85	1.25	1.25	1.30	4.65

QUARTERLY DIVIDENDS PAID

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012					
2013					
2014					
2015					
2016					

NO CASH DIVIDENDS BEING PAID

BUSINESS: MEDNAX, Inc. provides physician management services to hospital-based neonatal intensive care units administering medical care to newborn infants and to hospital-based pediatric intensive care units providing care to critically ill children. It also has operations in the anesthesia arena. Its network of doctors includes over 3,240 physicians, 1,100 of which are based in the neonatal

We continue to look for MEDNAX to earn \$4.25 a share this year. First-quarter earnings fell beneath expectations due to amortization and stock-option expenses. We do not anticipate these costs to be troublesome over the balance of the year, and look for the aforementioned damage done to EPS to be recouped over the remaining quarters. Therefore, our full-year bottom-line estimate, which equates to roughly an 18% gain, remains static. On the revenue side of the coin, we are adding \$10 million to our 2016 tally, which now stands at \$3.14 billion.

Earnings growth should approximate 10% in 2017 from our anticipated 2016 level. Economic uncertainties can prey on many companies' results, but MD is less sensitive to these matters due to its neonatal/anesthesia offerings. Purchasing new facilities, getting them under the MEDNAX flag, and improving their operations has been working for several linked years, and we see no reasons that would trigger an about-face. Forays into the teleradiology market via the vRad acquisition add some upside to our figure, but for now we are monitoring the integration pace.

Small-scale acquisitions have been paying off handsomely here, and we like the latest bolt-on. MedData is a branch of MD that provides technology-enabled enterprise solutions designed to help physicians and hospitals better engage their patients. This unit has bought Duet Health, a leading developer of patient engagement software. Terms were not disclosed, but adding clinics has aided in revenue comparisons over the last few years and this move helps to flesh out MEDNAX's offerings. Over time, and as healthcare continues to evolve, we believe this will prove to be money well spent. **MEDNAX stock is accurately priced, given the current market backdrop, in our view.** This equity's price momentum stalled following the most recently reported quarterly results. Around that time, its Timeliness fell one slot to an Average (3) designation, meaning it will likely only perform in line with the broader market indices in the year ahead. Also, better 3- to 5-year appreciation potential from recent price points is available elsewhere in this field.

Erik M. Manning June 10, 2016

(A) Diluted earnings. Excludes nonrecurring losses (gain): '07, \$0.05; '08, (\$0.25); '09, (\$0.04); '10, (\$0.12). May not sum to total due to change in share count. Next egs. report due between July 28th and August 1st.
 (B) Includes intangibles 2015: \$3790.0 million, \$40.43/share.
 (C) In millions, adjusted for a stock split.

Company's Financial Strength	A
Stock's Price Stability	85
Price Growth Persistence	100
Earnings Predictability	100

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