

S&P Quality Ranking: **B+** Standard & Poor's Fair Value Rank : **4-**

Sector: Health Care
Sub-Industry: Health Care Services
Peer Group: Health Care (Miscellaneous)

Summary: This company provides physician services including newborn, maternal-fetal, other pediatric specialties, and anesthesia care. MD has an approximate 0.32% weighting in the **S&P MidCap**

Quantitative Evaluations

S&P Quality Ranking : B+



S&P Fair Value Rank: 4-



Fair Value Calc: \$93.90 (Slightly Undervalued)

S&P Investability Quotient Percentile



MD scored higher than 95% of all companies for which an S&P Report is available.

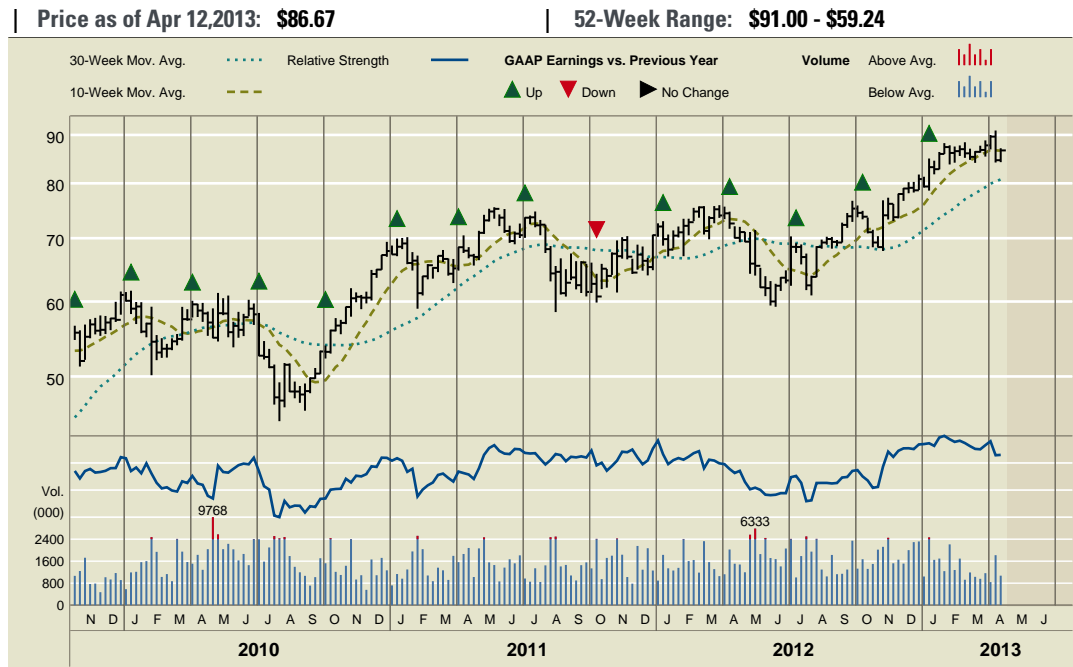
Volatility: Average



Technical Evaluation: NEUTRAL

Since April, 2013, the technical indicators for MD have been NEUTRAL.

Relative Strength Rank: Moderate



Investment Strategy

Key financial variables to consider in assessing the investment merits of an industrial company are the following:

Sales: What is the trend? Is future sales growth expected to be greater than the past 5-year and 9-year growth average? Accelerating sales growth ultimately provides the fuel behind earnings growth.

Net Margin: As a key measure of company profitability, a rising net margin assesses management capability to wring out more net income from incremental sales.

% LT Debt to Capitalization: A rising percentage implies greater financial risk, all else being equal. Rising debt leverage without a concomitant rise in Return on Equity should raise warning signals of potential cash flow problems. Percentages above 40%-50% should also be considered a warning.

% Return on Equity: A key performance measurement of capital efficiency assesses what investment returns management can earn on a company's existing capital base. A sustained percentage above 20% is considered above average.

Key Growth Rates and Averages

Past Growth Rate (%)	1 Year	3 Year	5 Year	9 Year
Sales	14.38	12.26	14.33	14.51
Net Income	10.51	10.72	12.25	13.04

Ratio Analysis (Average)

Net Margin	13.26	13.82	13.77	14.22
%LT Debt to Capitalization	6.61	5.83	6.84	4.75
% Return on Equity	12.79	13.96	14.69	15.13

Revenues/Earnings Data Fiscal year ending Dec. 31

Revenues (Million \$)	2012	2011	2010	2009	2008	2007
1Q	422.6	382.3	332.9	303.9	245.6	214.5
2Q	449.5	393.4	349.1	319.8	257.7	226.8
3Q	473.1	407.7	351.1	331.3	267.2	236.9
4Q	471.3	404.9	368.5	333.3	297.8	250.4
Year	1,817	1,588	1,402	1,288	1,068	917.6

Earnings per Share (\$)	2012	2011	2010	2009	2008	2007
1Q	0.98	0.94	0.81	0.74	0.66	0.51
2Q	1.22	1.15	1.04	0.93	0.80	0.72
3Q	1.32	1.19	1.29	1.03	0.81	0.79
4Q	1.32	1.19	1.12	1.07	0.85	0.82
Year	4.85	4.47	4.26	3.78	3.11	2.81

Next earnings report expected: Early May

Historical GAAP earnings are as reported.

Key Stock Statistics

Average Daily Volume	0.257 mil.	Beta	1.04
Market Capitalization	\$4.156 Bil.	Trailing 12 Month EPS	\$4.85
Institutional Holdings (%)	112	12 Month P/E	17.9
Shareholders of Record	271	Current Yield (%)	Nil

Value of \$10,000 Invested five yrs Ago : **\$13,248**

Please read the required disclosures and Reg. AC certification on the last page of this report.

This report was prepared by Standard & Poor's Quantitative Services.

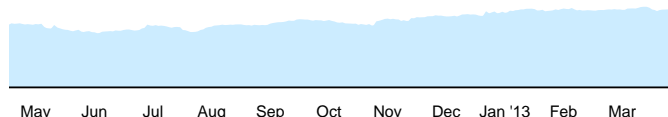
Redistribution or reproduction is prohibited without written permission. Copyright ©2013 The McGraw-Hill Companies, Inc.

Wall Street Opinions/Average (Mean) Opinion: Buy/Hold

	No. of Ratings	% of Total	1 Mo. Prior	3 Mo. Prior
Buy	5	31	5	6
Buy/Hold	4	25	4	4
Hold	7	44	6	5
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	16	100	15	15

Insider Moves

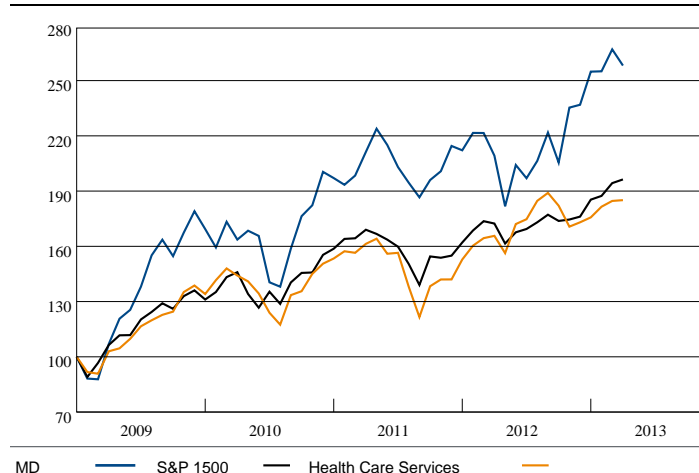
Insider Buys Insider Sells Price History



Dividend Data

No Dividend Data Available

Stock Performance



	Company(%)	Industry(%)	S&P 1500(%)
YTD Return	9.0	7.0	11.5
One Year Return	21.0	10.6	14.8
Three Year Return (% Annualized)	13.2	7.4	10.2
Five Year Return (% Annualized)	5.8	11.2	4.0
Value of \$10,000 Invested 5 Years Ago	\$13,248	\$16,979	\$12,191

Company Financials Fiscal year ending Dec. 31

Per Share Data & Valuation Ratios (\$)	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Tangible Book Value	NM	NM	NM	NM	NM	1.83	1.95	0.25	NM	0.95
Cash Flow	5.47	4.99	4.70	4.14	3.39	3.00	2.71	2.07	2.17	1.89
Earnings	4.85	4.47	4.26	3.78	3.11	2.81	2.52	1.86	1.99	1.72
Dividends	NA	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Payout Ratio	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Prices:High	81.73	75.47	69.38	61.48	72.51	69.18	52.45	45.69	36.02	28.63
Prices:Low	59.24	58.48	44.83	24.51	23.36	48.24	37.60	30.70	25.95	11.52
P/E Ratio:High	17	17	16	16	23	25	21	25	18	17
P/E Ratio:Low	12	13	11	6	8	17	15	17	13	7

Income Statement Analysis (Million \$)

Revenue	1,817	1,588	1,402	1,288	1,068	918	819	694	620	551
Operating Income	420	379	333	306	252	242	208	158	166	145
Depreciation	30.8	25.3	20.8	16.7	13.1	9.59	9.47	9.92	9.35	8.41
Interest Expense	3.24	3.64	3.19	2.91	3.59	0.75	1.03	2.26	1.30	1.37
Pretax Income	388	353	311	288	241	227	201	147	156	136
Effective Tax Rate	38%	38%	35%	39%	39%	38%	38%	39%	37%	38%
Net Income	241	218	203	176	147	140	124	89.0	98.3	84.3

Balance Sheet & Other Financial Data (Million \$)

Cash	27.9	22.7	43.6	31.9	35.1	121	69.6	11.2	7.01	27.9
Current Assets	359	337	296	293	285	364	302	165	152	146
Total Assets	2,750	2,273	2,038	1,689	1,497	1,303	1,135	900	789	718
Current Liabilities	268	235	308	347	317	265	221	167	131	121
Long Term Debt	144	29.5	147	50.4	140	0.46	0.38	0.62	54.7	1.18
Common Equity	2,035	1,731	1,447	1,190	965	959	866	692	571	572
Total Capital	2,179	1,760	1,594	1,241	1,105	1,000	900	723	650	591
Capital Expenditures	14.5	31.3	12.1	15.0	15.7	8.51	12.9	7.89	7.06	15.3
Cash Flow	272	243	223	193	160	150	134	99.0	108	92.7
Current Ratio	1.3	1.4	1.0	0.8	0.9	1.4	1.4	1.0	1.2	1.2
% Long Term Debt of Capitalization	6.6	1.7	9.2	4.1	12.7	0.1	0.0	0.1	8.4	0.2
% Net Income of Revenue	13.3	13.7	14.5	13.7	13.7	15.3	15.2	12.8	15.9	15.3
% Return on Assets	9.6	10.1	10.9	11.0	10.5	11.5	12.2	10.5	13.0	12.3
% Return on Equity	12.8	13.7	15.4	16.3	15.3	15.4	16.1	14.1	17.2	15.1

Data as orig. reptd; bef. results of disc opers/spec. items. Per share data adj. for stk. divs. as of ex-div date. NA-Not Available. NM-Not Meaningful. NR-Not Ranked.

Office: 1301 Concord Terrace, Sunrise, FL, 33323-2843
Tel: 954-384-0175
Website: <http://www.mednax.com>
Chrmn: C. L. Alvarez
COO & Pres: J. M. Calabro

Dir: C. L. Alvarez, W. A. Carlo, M. B. Fernandez, R. K. Freeman, P. G. Gabos, P. J. Goldschmidt, M. Kadre, R. J. Medel, D. E. Shalala, E. J. Sosa
CEO: R. J. Medel
Treas, CFO & Chief Acctg Officer: V. Lopez-Blanco

Secy, General Counsel & SVP: D. J. Andreano
Investor Contact: David T. Parker(954-384-0175)
Founded: 1980
Domicile: Florida
Employees: 7,900

Sub-Industry Outlook

Our fundamental outlook for the health care services sub-industry for the next 12 months is positive. We think most services, including rehabilitation services, clinical laboratories and dialysis, will continue to benefit from favorable demographics. Partly offsetting has been increased pressure to reduce government spending, raising the possibility of Medicare reimbursement rate cuts. In November 2011, the Congressional Super Committee failed to identify \$1.2 trillion of savings/spending cuts, thereby triggering automatic spending cuts (aka sequestration) on discretionary spending. On March 1, 2013, sequestration went into effect, triggering a 2% across-the-board cut in Medicare spending.

We believe the aging population and an increased focus on preventive care should benefit clinical labs. Weak employment and higher co-pays adversely affected physician office visits in 2011 and 2012 by 3-5%, but we believe the market is stabilizing. As a result, we believe labs will benefit from higher volumes, an increase in tests per requisition, and more esoteric tests, which we see spurring revenue growth beyond mid-single digit levels. Meanwhile, in lieu of a health care reform tax, clinical labs agreed to a 1.75% cut in the Medicare lab fee schedule in each of the five years starting with 2011. We believe the expansion of coverage to up to an additional 27-30 million Americans via health care reform, to be phased in from 2014-2019, will outweigh the impact of lower reimbursement rates.

We are positive on the dialysis group on our view of favorable patient demographics. We see the industry successfully navigating the bundled

payment system enacted in 2011, which resulted in most providers opting for an immediate 4.1% rate cut rather than phased-in cuts, to ease the administrative burden. We expect providers to see higher treatment margins due to lower drug costs and utilization. However, we think providers are still reliant on maintaining their commercial payor base, as these rates are much higher than those offered by Medicare.

We remain positive on pharmacy benefit managers (PBMs). We see PBMs benefiting from the billions of dollars of branded drugs slated to lose patent protection in coming years. Increased generic drug usage would increase PBMs' profitability. We see PBMs as a beneficiary of health care reform, as the increase in insured patients will drive prescription demand.

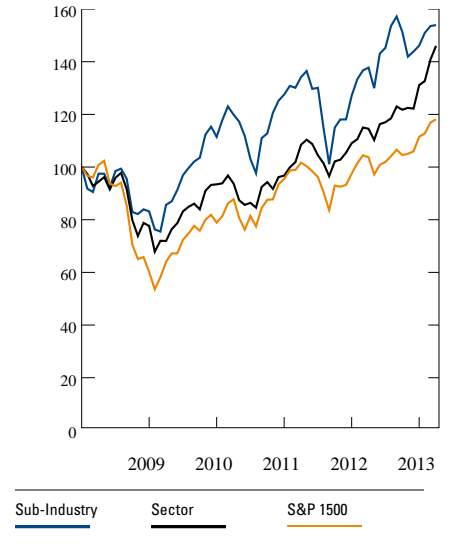
Year to date through April 5, the S&P Health Care Services Index rose 6.6%, while the S&P 1500 Composite Index rose 9.0%.

--Jeffrey Loo, CFA

Stock Performance

GICS Sector: Health Care
Sub-Industry: Health Care Services

Based on S&P 1500 Indexes
Month-end Price Performance as of 3/29/13



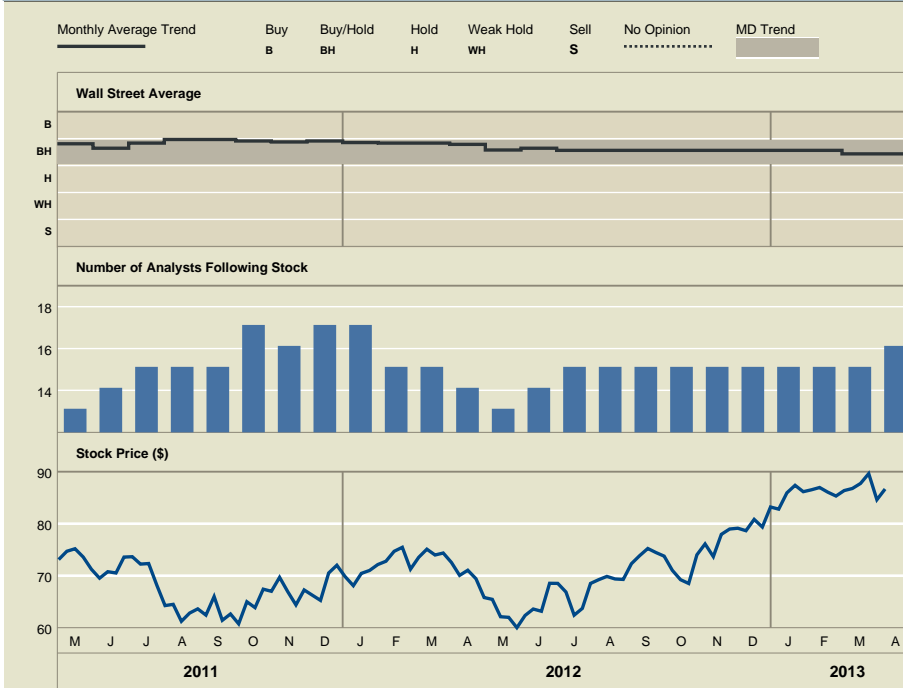
NOTE: All Sector & Sub-Industry information is based on the Global Industry Classification Standard (GICS)

Sub-Industry : Health Care Services Peer Group*: Health Care (Miscellaneous)

Peer Group	Stock Symbol	Stk.Mkt. Cap. (Mil. \$)	Recent Stock Price(\$)	52 Week High/Low(\$)	Beta	Yield (%)	P/E Ratio	Fair Value Calc.(\$)	Quality Ranking	S&P IQ %ile	Return on Revenue (%)	LTD to Cap (%)
Mednax Inc	MD	4,156	86.67	91.00/59.24	1.04	Nil	18	93.90	B+	95	13.3	6.6
AMN Healthcare Svcs	AHS	600	14.77	15.94/5.45	1.64	Nil	40	11.80	C	73	0.6	48.1
Accretive Health	AH	946	9.57	20.01/7.75	0.91	Nil	56	NA	NR	69	3.5	NA
Air Methods	AIRM	1,770	46.83	50.61/27.17	1.40	Nil	20	47.10	B+	92	11.0	54.1
Bio-Reference Labs	BRLI	687	24.72	32.86/18.29	0.89	Nil	16	31.50	B+	92	6.4	1.8
BioScrip Inc	BIOS	732	13.21	13.39/6.14	1.65	Nil	11	9.30	B-	14	NM	43.4
Chemed Corp	CHE	1,497	78.19	80.68/54.06	0.38	0.9	17	81.00	A	98	6.3	28.7
CorVel Corp	CRVL	557	49.07	51.36/39.71	0.80	Nil	23	NA	B+	96	6.4	NA
ExamWorks Group	EXAM	639	18.73	18.94/10.38	2.12	Nil	NM	NA	NR	14	NM	60.2
Healthways Inc	HWAY	407	11.93	13.24/6.21	1.34	Nil	50	11.60	B	18	1.2	49.1
IPC the Hospitalist Co	IPCM	706	42.75	48.42/33.10	1.30	Nil	22	48.80	NR	74	6.2	7.2
LHC Group	LHCG	424	22.52	23.20/15.69	0.78	Nil	15	24.10	NR	79	4.4	6.4
Landauer Inc	LDR	525	55.57	66.04/47.56	0.81	4.0	27	NA	A-	91	12.6	63.5
Omnicare, Inc	OCR	4,418	42.22	42.97/29.24	0.79	1.3	24	53.50	B	35	3.2	36.3
Team Health Holdings	TMH	2,585	38.01	38.55/20.07	1.20	Nil	42	41.90	NR	74	3.1	79.0

NA-Not Available NM-Not Meaningful NR-Not Rated. *For Peer Groups with more than 15 companies or stocks, selection of issues is based on market capitalization.

Analysts' Recommendations



Of the total 22 companies following MD, 16 analysts currently publish recommendations.

	No. of Ratings	% of Total	1 Mo. Prior	3 Mos. Prior
Buy	5	31	5	6
Buy/Hold	4	25	4	4
Hold	7	44	6	5
Weak Hold	0	0	0	0
Sell	0	0	0	0
No Opinion	0	0	0	0
Total	16	100	15	15

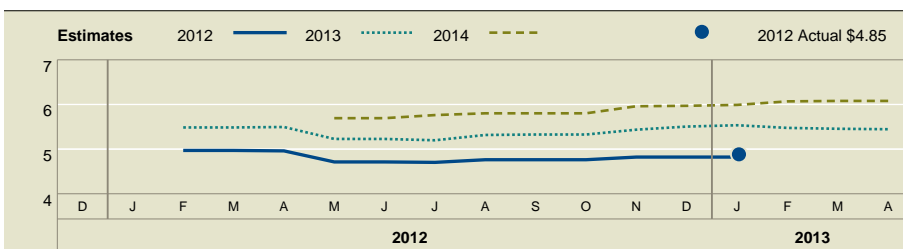
Wall Street Consensus Opinion

BUY/HOLD

Companies Offering Coverage

- Argus Research Company
- Avondale Partners, LLC
- BB&T Capital Markets
- BofA Merrill Lynch
- Citigroup Inc
- Collins Stewart LLC
- Dawson James Securities
- Deutsche Bank
- Dougherty & Company LLC
- Feltl and Company, Inc.
- Jefferies & Company, Inc.
- Kaufman Bros., L.P.
- Ladenburg Thalmann & Company
- Leerink Swann LLC
- Morgan Keegan & Company
- Piper Jaffray Companies
- RBC Capital Markets
- Raymond James & Associates
- Stephens, Inc.
- Stifel, Nicolaus & Co., Inc.
- Thomas Weisel Equity Research
- William Blair & Company L.L.C.

Wall Street Consensus Estimates



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2014	6.10	6.54	5.78	14	14.2
2013	5.46	5.84	5.20	16	15.9
2014 vs. 2013	▲ 12%	▲ 12%	▲ 11%	▼ -12%	▼ -11%
Q1'14	1.24	1.29	1.21	6	69.9
Q1'13	1.09	1.13	1.05	16	79.5
Q1'14 vs. Q1'13	▲ 14%	▲ 14%	▲ 15%	▼ -62%	▼ -12%

Wall Street Consensus vs. Performance

For fiscal year 2013, analysts estimate that MD will earn \$5.46. For fiscal year 2014, analysts estimate that MD's earnings per share will grow by 12% to \$6.10.

A company's earnings outlook plays a major part in any investment decision. Standard & Poor's organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years. This graph shows the trend in analyst estimates over the past 15 months.

Glossary

S&P Quality Ranking - Growth and stability of earnings and dividends are deemed key elements in establishing S&P's quality ranking for common stocks, which are designed to capsule the nature of this record in a single symbol. It should be noted that, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+	Highest	B	Lower
A	High	B-	Below Average
A-	Above Average	C	Lowest
B+	Average	D	In Reorganization
NR	Not Ranked		

S&P Fair Value Rank - Using S&P's exclusive proprietary quantitative model, stocks are ranked in one of five groups, ranging from Group 5, listing the most undervalued stocks, to Group 1, the most overvalued issues. Group 5 stocks are expected to generally outperform all others. A positive (+) or negative (-) Timing Index is placed next to the Fair Value ranking to further aid the selection process. A stock with a (+) added to the Fair Value Rank simply means that this stock has a somewhat better chance to outperform other stock with the same Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; Fair Value Rank. A stock with a (-) has a somewhat lesser chance to outperform other stocks with the same Fair Value Rank. The Fair Value rankings imply the following: 5-Stock is significantly undervalued; 4-Stock is moderately undervalued; 3-Stock is fairly valued; 2-Stock is modestly overvalued; 1-Stock is significantly overvalued.

Funds From Operations (FFO) - FFO is Funds from Operations and equal to a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

Fair Value Calculation - The current price at which a stock should sell today as calculated by S&P's computers using our quantitative model based on the company's earnings, growth potential, return on equity relative to the S&P 500 and its industry group, price to book ratio history, current yield relative to the S&P 500, and other factors.

Investability Quotient (IQ) - The IQ is a measure of investment desirability. It serves as an indicator of potential medium-to-long-term return and as a caution against downside risk. The measure takes into account variables such as technical indicators, earnings estimates, liquidity, financial ratios and selected S&P proprietary measures.

Standard & Poor's IQ Rationale:
Mednax Inc

	Raw Score	Max Value
Proprietary S&P Measures	20	115
Technical Indicators	24	40
Liquidity/Volatility Measures	17	20
Quantitative Measures	66	75
IQ Total	127	250

Volatility - Rates the volatility of the stock's price over the past year.

Technical Evaluation - In researching the past market history of prices and trading volume for each company, S&P's computer models apply special technical methods and formulas to identify and project price trends for the stock.

Relative Strength Rank - Shows, on a scale of 1 to 99, how the stock has performed versus all other companies in S&P's universe on a rolling 13-week basis.

Global Industry Classification Standard (GICS) - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). GICS is currently comprised of 10 Sectors, 24 Industry Groups, 67 Industries, and 147 Sub-Industries.

Dividends on American Depositary Receipts (ADRs) and American Depositary Shares (ADSs) are net of taxes (paid in the country of origin).

Required Disclosures

All of the views expressed in this research report reflect Standard & Poor's Quantitative Services' research models regarding the above issuer and securities. No part of Standard & Poor's Quantitative Services compensation was, is or will be directly or indirectly, related to the specific recommendations or views expressed in this research report.

This report was prepared by Standard & Poor's Quantitative Services ("SPQS"). SPQS is affiliated with various entities that may perform non-investment banking services for this company. Each such affiliate operates independently from each other.

Additional information is available upon request.

Disclaimer

This material is based upon information that we consider to be reliable, but neither SPQS nor its affiliates warrant its completeness or accuracy, and it should not be relied upon as such. Assumptions, opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not indicative of future results.

This material is not intended as an offer or solicitation for the purchase or sale of any security or other financial instrument. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors. This material does not take into account your particular investment objectives, financial situations or needs and is not intended as a recommendation of particular securities, financial instruments or strategies to you. Before acting on any recommendation in this material, you should consider whether it is suitable for your particular circumstances and, if necessary, seek professional advice.

For residents of Australia - This report is distributed by Standard & Poor's Information Services (Australia) Pty Ltd ("SPIS") in Australia. The entirety of this report is approved by Stephen Biggar, Alessandra Coppola and Lorraine Tan who have reviewed and authorized the Fair Value model which generates the content for this report.

Any express or implied opinion contained in this report is limited to "General Advice" and based solely on consideration of the investment merits of the financial product(s) alone. The information in this report has not been prepared for use by retail investors and has been prepared without taking account of any particular person's financial or investment objectives, financial situation or needs. Before acting on any advice, any person using the advice should consider its appropriateness having regard to their own or their clients' objectives, financial situation and needs. You should obtain a Product Disclosure Statement relating to the product and consider the statement before making any decision or recommendation about whether to acquire the product. Each opinion must be weighed solely as one factor in any investment decision made by or on behalf of any adviser and any such adviser must accordingly make their own assessment taking into account an individual's particular circumstances.

SPIS holds an Australian Financial Services Licence Number 258896. Please refer to the SPIS Financial Services Guide for more information at www.fundsights.com.au.