### Current Position

**2010** | **2011** | **12/31/12**
---|---|---
Cash Assets | $43.2 | $22.7 | $27.9
Receivables | $181.3 | $230.4 | $248.1
Inventory | $79.4 | $84.2 | $83.0
Current Assets | $295.9 | $337.3 | $359.0
| | $111.5 | $124.5 | $147.8
Accts Payable | $89.3 | $96.5 | $106.7
Debt Due | $14.0 | $19.7 | $12.5
Current Liab. | $280.6 | $325.4 | $328.3

### ANNUAL RATES

| Past 1yr | Past 3yrs | Past 5yrs | Est’d 09’11 |
---|---|---|---|
Cash | $10.0 | $13.0 | $15.9 |
Sales | $15.0 | $14.5 | $10.0 |
Cash Flow | $16.0 | $12.0 | $11.0 |
Earnings | $21.0 | $12.5 | $10.0 |
Dividends | Nil | Nil | Nil |
Book Value | $14.0 | $15.0 | $14.0 |

### QUARTERLY SALES ($ mill.)

| Mar-31 | Jun-30 | Sep-30 | Dec-31 |
---|---|---|---|
2010 | $32.9 | $39.1 | $35.1 | $36.5 |
2011 | $38.2 | $39.4 | $40.7 | $44.9 |
2012 | $42.2 | $44.9 | $47.3 | $47.1 |
2013 | $50.9 | $53.6 | $54.5 | $54.7 |

### EARNINGS PER SHARE ($)

| Mar-31 | Jun-30 | Sep-30 | Dec-31 |
---|---|---|---|
2010 | $0.82 | $1.04 | $1.06 | $1.11 |
2011 | $0.94 | $1.15 | $1.19 | $1.47 |
2012 | $0.98 | $1.22 | $1.32 | $1.33 |
2013 | $1.10 | $1.40 | $1.50 | $1.50 |

### QUARTERLY DIVIDENDS PAID

| Mar-31 | Jun-30 | Sep-30 | Dec-31 |
---|---|---|---|
2010 | Nil | Nil | Nil | Nil |
2011 | Nil | Nil | Nil | Nil |
2012 | Nil | Nil | Nil | Nil |
2013 | Nil | Nil | Nil | Nil |

### BUSINESS: MEDNAX, Inc. (formerly PediaCare Medical Group)

MEDNAX 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 2,100 physicians, 1,000 of which are based in the neonatal field. Another 200 are maternal-fetal specialists. Operates in 34 states and Puerto Rico. FMR, LLC owns 85% of common. Officers & directors own 3.6% (4,122 shares). Chairman: John K. Curry, Pres. and CEO: Roger J. Medel, M.D., Inc.: FL: Addr.: 1301 Concord Terrace, Sunrise, FL 33323-3075. Website: internet: www.mednax.com

### COMPANY’S FINANCIAL STRENGTH

1. **Earnings Stability**: Strong
2. **Growth Potential**: Strong
3. **Liquidity**: Strong
4. **Debt**: Weak
5. **Risk**: Low

### MEDNAX Shares continue to trade near all-time high levels. Fourth-quarter earnings edged out both our and Wall Street’s expectations to close out 2012. The company’s pediatric division has shown a strong resiliency against anything the economy can throw at it, and the anesthesia unit, which has been built up over the past few years, continues to provide a large amount of positive press. The neonatal field is expected to play a much larger number of Americans having affordable insurance affords should lead many to start families. With that, pundits are calling the anesthesia group receiving more attention due to its lack of new growth initiatives. Partnerships with hospitals can only serve to provide more stability to this long-term play. Now that the Pediatrics segment is in a mature stage, interest is arising from hospitals that want to expand on MD’s offerings. These moves can be a win-win for both parties and lead to greater revenues. The company’s budgeted amount is set at $400 million for 2013. No deals were made in January, as integration of previous assets was the focus. Initial dealings commenced in late February, and we are happy to report we have been talking to several hospitals that are interested in partnering with MD. We look for a three-to-one return on investment with regard to the spending, with the anesthesia group receiving more attention due to its lack of growth initiatives.

### MEANS & STANDARDS

- **Earnings Stability**: Strong
- **Growth Potential**: Strong
- **Liquidity**: Strong
- **Debt**: Weak
- **Risk**: Low

### MEDNAX’s stock pipeline is stuffed, which provides the company with another growth avenue to explore. For 2012, management planned to spend $330 million on M&A activity, but saw so much potential that it went as high as $450 million. Presently, the budgeted amount is set at $400 million for 2013. No deals were made in January, as integration of previous assets was the focus. Initial dealings commenced in late February, and we are happy to report we have been talking to several hospitals that are interested in partnering with MD. We look for a three-to-one return on investment with regard to the spending, with the anesthesia group receiving more attention due to its lack of growth initiatives.

### MEDNAX shares continue to trade near all-time high levels. Fourth-quarter earnings edged out both our and Wall Street’s expectations to close out 2012. The company’s pediatric division has shown a strong resiliency against anything the economy can throw at it, and the anesthesia unit, which has been built up over the past few years, continues to provide a large amount of positive press. The neonatal field is expected to play a much larger number of Americans having affordable insurance affords should lead many to start families. With that, pundits are calling the anesthesia group receiving more attention due to its lack of new growth initiatives. Partnerships with hospitals can only serve to provide more stability to this long-term play. Now that the Pediatrics segment is in a mature stage, interest is arising from hospitals that want to expand on MD’s offerings. These moves can be a win-win for both parties and lead to greater revenues. The company’s budgeted amount is set at $400 million for 2013. No deals were made in January, as integration of previous assets was the focus. Initial dealings commenced in late February, and we are happy to report we have been talking to several hospitals that are interested in partnering with MD. We look for a three-to-one return on investment with regard to the spending, with the anesthesia group receiving more attention due to its lack of growth initiatives.

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