

# Q2

**Interim report MEDICLIN Aktiengesellschaft**  
for the period from 1 January 2011 to 30 June 2011



## Key data of the quarterly business development in the Group

In millions of €	Q 2 2011	Q 1 2011	Q 2 2010	Q 1 2010
Sales	122.9	120.0	122.8	118.2
Operating result (EBIT)	2.3	-0.5	4.9	0.0
EBITDA margin in %	5.0	2.6	6.8	2.8
EBIT margin in %	1.9	-0.4	4.0	0.0
Financial result	-1.3	-1.3	-1.4	-1.4
Result attributable to shareholders of MediClin AG	0.5	-2.0	3.1	-1.6
Cash flow from operating activities	-1.4	4.2	-0.2	1.0
Balance sheet total	326.6	335.7	332.1	333.0
Non-current assets incl. tax refund claims and deferred tax assets	213.0	210.7	207.6	207.0
Current assets incl. tax refund claims	113.6	125.0	124.5	126.0
Thereof cash and cash equivalents	38.4	49.5	46.4	53.9
Equity	161.1	162.9	156.4	155.7
Equity ratio in %	49.3	48.5	47.1	46.7
Non-current liabilities incl. deferred tax liabilities	54.5	55.4	60.7	61.5
Current liabilities incl. tax liabilities	111.0	117.4	115.0	115.8
Gross capital expenditure	7.5	3.8	5.1	5.7
Net financial debt	37.4	28.0	33.4	27.9
Number of full-time employees (quarterly average)	6,064	6,034	5,953	5,903
Sales per full-time employee in €	20,269	19,884	20,621	20,028
Staff costs per full-time employee in €	11,587	11,755	11,505	11,522
Occupancy rates in %	85.3	83.4	88.2	86.1
Un/diluted earnings per share in €	0.01	-0.04	0.06	-0.03
Cash flow from operating activities per share in €	-0.03	0.09	0.00	0.02
Number of shares in millions	47.50	47.50	47.50	47.50

Due to arithmetical reasons, calculation differences of +/- one unit (€, %, etc.) may occur.  
Percentage rates have been determined on the basis of € values.

### < Cover **Initiative quality medicine**

#### **Heart attack network – state-of-the-art communication saves valuable time**

Alongside the cooperation of partners, the core element of the network is the transfer of the patient's ECG information from the scene of the emergency via the mobile phone network and the Internet directly to a PC in the MediClin Herzzentrum Coswig.

Dear Ladies and Gentlemen,  
Dear Shareholders, Staff, Partners  
and Friends of MediClin AG,

In the first half-year of the 2011 financial year, we achieved sales of EUR 242.9 mill., which was EUR 1.9 mill. or almost 1 % above the level achieved in the previous year. The reason for this restrained growth in sales was the development of sales revenues in the post-acute segment. We recorded increases in sales of EUR 1.5 mill. in the acute segment and EUR 0.3 mill. in the nursing care business area.

In the first half-year of 2011, staff costs increased by EUR 4.7 mill. – due to staff recruitment for new business activities and pay scale increases – and other operating expenses including depreciation and amortisation increased by EUR 2.7 mill. in comparison to the relevant values for the same period last year. Other operating income also increased in comparison to the value from the same period last year by EUR 2.5 mill. This resulted in a Group operating result for the first six months of 2011 of EUR 1.8 mill., compared to EUR 4.9 mill. from the first half-year of 2010. The result attributable to the shareholders of MEDICLIN Aktiengesellschaft amounted to EUR –1.5 mill., in the previous year this was EUR 1.5 mill.

If we examine the segments, sales in the post-acute segment amounted to EUR 135.7 mill., which was EUR 0.3 mill. lower than the previous year's value. The segment result in the first half-year of 2011 was EUR –2.6 mill.; there was a positive segment result in the second quarter of 2011 of EUR 0.7 mill. In this segment, the lower indication-based reference values, which are decreed by the German statutory pension insurance scheme for the average length of patient stay, have had an effect since the end of 2010. An altered authorisation procedure also led to a decrease in the number of nursing days in the first half-year of 2011. In particular, there was a decrease in the requests for services, which can be attributed to the area of curative treatment. Requests for curative treatment services in orthopaedics and in internal medicine were particularly affected, whereas in psychosomatics, which is also allocated to curative treatment, more services were requested and approved. In nearly all indications the requests on behalf of the German pension insurance scheme for subsequent nursing treatment services (AHB) were almost at the levels recorded in the same period last year.

MediClin recorded, and still records, occupancy rates in its post-acute segment that are significantly above the average occupancy rates in the sector. This shows that we have set the right priorities with our focus on AHB services and expanding our range of services in the area of neurology and psychosomatics.

There are no signs at this point in time, however, that there will be an overall lower utilisation of budgets in 2011 on the part of the coverage providers.

Sales revenues in the acute segment increased in a half-year comparison by EUR 1.5 mill. to EUR 100.7 mill. The segment result increased from EUR 8.4 mill. to EUR 8.6 mill. The EBIT margin was 8.5 %.

The nursing care business area also saw encouraging developments. Sales in this area increased from EUR 5.5 mill. to EUR 5.8 mill.; the occupancy rates in the first half-year of 2011 were 94.8 % (1 HY 2010: 90.6 %) and in the second quarter of 2011 they reached even 95.0 % (Q2 2010: 90.0 %).

In 2011, we are focusing on optimising our processes and working to make the quality of our results, including their measurability, more transparent.

### **Outlook**

Insofar as the framework conditions of the industry and the referral behaviour of the coverage providers do not seriously change, the Management Board expects a slight increase in turnover and an operating result below the level achieved in the previous year. If, in the second half of 2011, the current restraint shown by the social security pension funds in awarding contracts continues, this may have a further influence on the operating result for the 2011 financial year, despite relevant countermeasures, and lead to an operating result in the low double-digit range.

In spite of lower results, MediClin will continue to adhere to its company objective of investing in internal growth. In relation to external growth, acquisition efforts in the acute sector are the main focus.



Dr. Ulrich Wandschneider  
Chairman of the Management Board

**Interim Group management report of  
MEDICLIN Aktiengesellschaft**  
for the period from 1 January 2011 to 30 June 2011

## Company development in the first six months of the 2011 financial year

### General information

The financial reporting of MEDICLIN Aktiengesellschaft is based on the International Financial Reporting Standards (IFRS). Generally, the preparation of the interim reports consists of updating the annual report. The present interim report for the first six months of the 2011 financial year should, therefore, be read in conjunction with the annual report published for the 2010 financial year and the interim report for the first quarter of 2011. The interim report for the first six months of the 2011 financial year has not been reviewed by auditors. The figures disclosed for last year were determined according to the same accounting and valuation principles in order to ensure that the published figures are comparable with each other.

### Development of sales in the Group and in the segments

In the first half-year of 2011, MediClin generated Group sales of EUR 242.9 mill. and this represented an increase of EUR 1.9 mill., or 0.8 %, over the same period last year in half-year comparison. Sales in the acute segment and the nursing care business area increased. In contrast, sales in the post-acute segment decreased slightly in half-year comparison.

#### Sales in the Group and in the segments in half-year comparison

In millions of €	1 HY 2011	1 HY 2010	Change in %
Post-acute	135.7	136.0	-0.2
Acute	100.7	99.2	+1.5
Other activities and reconciliation	6.5	5.8	+12.5
thereof nursing care	5.8	5.5	+4.6
<b>Group</b>	<b>242.9</b>	<b>241.0</b>	<b>+0.8</b>

The share of outpatient health care in the Group revenue was EUR 7.9 mill. (1 HY 2010: EUR 7.9 mill.), of which EUR 4.1 mill. (1 HY 2010: EUR 3.3 mill.) was attributed to the medical care centres.

In the second quarter of 2011, sales improved only slightly in comparison to the same period in 2010. Sales in the acute segment and in the nursing care business area increased by EUR 0.3 mill. and EUR 0.2 mill. respectively, in comparison to the same period last year. In the post-acute segment, sales decreased by EUR 0.4 mill. in comparison to the level achieved in the same period last year. The share of the medical care centres in the quarterly sales of the acute segment increased to EUR 2.1 mill. (Q2 2010: EUR 1.8 mill.).

#### Sales in the Group and in the segments in quarterly comparison

In millions of €	Q2 2011	Q2 2010	Change in %
Post-acute	69.4	69.8	-0.5
Acute	50.3	50.0	+0.6
Other activities and reconciliation	3.2	3.0	+7.9
thereof nursing care	2.9	2.7	+6.9
<b>Group</b>	<b>122.9</b>	<b>122.8</b>	<b>+0.1</b>

#### Development of nursing days, cases and occupancy rates in the Group and in the segments

In the Group, the number of accomplished nursing days decreased in half-year and quarterly comparison with the previous year, by a total of 19,804 nursing days and 11,118 nursing days, respectively.

#### Nursing days in the Group and in the segments in half-year comparison

In days	1 HY 2011	1 HY 2010	Change in %
Post-acute	928,172	955,419	-2.9
Acute	210,683	206,326	+2.1
Other activities (only nursing care)	69,992	66,906	+4.6
<b>Group</b>	<b>1,208,847</b>	<b>1,228,651</b>	<b>-1.6</b>

The decrease in the number of nursing days is exclusively attributable to the post-acute segment (-27,247 nursing days or -2.9%), whereas in the acute segment and the nursing care business area the number of nursing days increased significantly in both cases (acute segment: +4,357 nursing days or +2.1%; nursing care business area: +3,086 or +4.6%).

In quarterly comparison, the figures show a total decrease of 11,118 nursing days or 1.8 %, whereby the increases in the acute segment (+ 1,240 nursing days) and the nursing care business area (+ 1,849 nursing days) are in contrast to the decrease in nursing days in the post-acute segment (– 14,207 nursing days).

#### Nursing days in the Group and in the segments in quarterly comparison

In days	Q 2 2011	Q 2 2010	Change in %
Post-acute	475,315	489,522	–2.9
Acute	104,073	102,833	+1.2
Other activities (only nursing care)	35,271	33,422	+5.5
<b>Group</b>	<b>614,659</b>	<b>625,777</b>	<b>–1.8</b>

In comparison to the first half-year of 2010, the number of cases decreased only marginally by a total of 1,054 or 1.8 %, whereby the largest decrease was recorded in the post-acute segment with 1,010 fewer cases.

#### Cases in the Group and in the segments in half-year comparison

In cases	1 HY 2011	1 HY 2010	Change in %
Post-acute	37,587	38,597	–2.6
Acute	21,240	21,284	–0.2
<b>Group (without nursing care)</b>	<b>58,827</b>	<b>59,881</b>	<b>–1.8</b>

In quarterly comparison, the number of cases show the same development. A total reduction of 631 cases was recorded, of which 578 were attributable to the post-acute segment and 53 cases to the acute segment.

#### Cases in the Group and in the segments in quarterly comparison

In cases	Q 2 2011	Q 2 2010	Change in %
Post-acute	19,289	19,867	–2.9
Acute	10,589	10,642	–0.5
<b>Group (without nursing care)</b>	<b>29,878</b>	<b>30,509</b>	<b>–2.1</b>

The results in half-year and quarterly comparison in terms of the number of nursing days and cases in the Group and in the segments were reflected in occupancy rates.



**Occupancy rates** in the Group fell in the first half-year of 2011 by 2.8 percentage points in comparison to the high value from the previous year. The post-acute segment showed a significant decrease in half-year and quarterly comparison. In the acute segment, occupancy rates were still above the value from the previous year in half-year comparison and marginally below in quarterly comparison. The nursing care business area demonstrated a significant improvement in occupancy rates, which improved both in half-year comparison and also in quarterly comparison, by 4.2 percentage points and 5.0 percentage points, respectively.

#### Occupancy rates in the Group and in the segments in half-year comparison

In %	1 HY 2011	1 HY 2010
Post-acute	83.8	87.8
Acute	83.7	83.4
Other activities (only nursing care)	94.8	90.6
<b>Group</b>	<b>84.4</b>	<b>87.2</b>

#### Occupancy rates in the Group and in the segments in quarterly comparison

In %	Q 2 2011	Q 2 2010
Post-acute	85.4	89.5
Acute	82.3	82.4
Other activities (only nursing care)	95.0	90.0
<b>Group</b>	<b>85.3</b>	<b>88.2</b>

In the post-acute segment, the average length of stay in the first half-year of 2011 was calculated at 24.7 days (1 HY 2010: 24.8 days). In the acute segment, the average length of stay increased to 9.9 days (1 HY 2010: 9.7 days). Not including patients in the psychiatric and psychosomatic clinics, where a significantly longer stay is common, the average length of stay in the acute segment in the first half-year of 2011 was 8.0 days (1 HY 2010: 7.9 days) and in the second quarter of 2011 7.9 days (Q2 2010: 7.9 days).

## Development of the operating result in the Group and in the segments

In half-year comparison, Group sales increased by EUR 1.9 mill. to EUR 242.9 mill. In the same period, this was offset by significantly higher staff costs (EUR +4.7 mill.) and higher levels of depreciation and amortisation (EUR +0.8 mill.). Consequently, the Group operating result of EUR 1.8 mill. in the first half-year of 2011 was EUR 3.1 mill. below the result for the first half-year of 2010 (1 HY 2010: EUR 4.9 mill.).

With regard to the result development of the post-acute segment in the first half-year of 2011, the result could be improved from EUR –3.3 mill. in the first quarter of 2011 to EUR –2.6 mill. in the half-year, due to the positive result of EUR 0.7 mill. reported in the second quarter of 2011.

### Group and segment results from operating activities in half-year comparison

In millions of €	1 HY 2011	1 HY 2010
Post-acute	–2.6	0.8
Acute	8.6	8.4
Other activities and reconciliation	–4.2	–4.3
<b>Group</b>	<b>1.8</b>	<b>4.9</b>

### Group and segment results from operating activities in quarterly comparison

In millions of €	Q 2 2011	Q 2 2010
Post-acute	0.7	2.8
Acute	4.0	4.3
Other activities and reconciliation	–2.4	–2.2
<b>Group</b>	<b>2.3</b>	<b>4.9</b>

## Net assets, financial position and results of operations in the first half-year of 2011

### Development of net assets

#### Balance sheet structure

In millions of €	30.06.2011	in % of balance sheet total	31.12.2010	in % of balance sheet total
<b>Assets</b>				
Non-current assets	213.0	65.2	210.8	62.7
Current assets	113.6	34.8	125.6	37.3
	<b>326.6</b>	<b>100.0</b>	<b>336.4</b>	<b>100.0</b>
<b>Equity and liabilities</b>				
Equity	161.1	49.3	165.0	49.1
Non-current liabilities	54.5	16.7	56.3	16.7
Current liabilities	111.0	34.0	115.1	34.2
	<b>326.6</b>	<b>100.0</b>	<b>336.4</b>	<b>100.0</b>

The **balance sheet total** decreased by EUR 9.8 mill. or 2.9 %, as compared to 31 December 2010.

**Non-current assets**, which represent nearly two-thirds of the balance sheet total, saw an increase of 1.0 %. They primarily include goodwill (30.06.2011: EUR 51.4 mill.; 31.12.2010: EUR 51.2 mill.) as well as property, plant and equipment (30.06.2011: EUR 152.6 mill.; 31.12.2010: EUR 150.3 mill.). The gross additions to non-current assets were EUR 11.3 mill. (1 HY 2010: EUR 10.8 mill.), of which EUR 10.7 mill. (1 HY 2010: EUR 8.5 mill.) is attributable to property, plant and equipment. The fixed assets are 77.6 % (31.12.2010: 80.3 %) financed through equity.

**Current assets** decreased by EUR 12.0 mill. as of the cut-off date which is attributable to the decline in cash and cash equivalents (EUR –9.6 mill.), trade receivables (EUR –4.4 mill.) and other assets (EUR –0.4 mill.). This decrease was offset by higher prepaid expenses (EUR +1.8 mill.), inventories (EUR +0.4 mill.) and receivables pursuant to the hospital financing law (EUR +0.1 mill.).

The **equity ratio** increased by 0.2 percentage points to 49.3 %.

The decrease in **non-current liabilities** by EUR 1.8 mill. is due, on the one hand, to the reduction in non-current financial liabilities (EUR –2.6 mill.) and, on the other hand, to increases in pension provisions (EUR +0.5 mill.) and deferred tax liabilities (EUR +0.3 mill.).

**Current liabilities** decreased by EUR 4.1 mill. Here, the decreases in trade payables (EUR –2.9 mill.), current provisions (EUR –4.0 mill.) and tax liabilities (EUR –0.1 mill.) were substantially offset by the increase in other liabilities (EUR +2.5 mill.) and current financial liabilities (EUR +0.4 mill.).

## Development of the financial position

The **cash flow from operating activities** for the first half-year of 2011, totalling EUR +2.8 mill., improved by EUR 2.0 mill. as compared to the same period last year (1 HY 2010: EUR +0.8 mill.).

The **cash flow from investing activities** amounted to EUR –7.9 mill. (1 HY 2010: EUR –7.7 mill.). In the first six months of 2011, expenses for investments totalling EUR 9.5 mill. (1 HY 2010: EUR 9.6 mill.) were partially offset by subsidies totalling EUR 1.5 mill. (1 HY 2010: EUR 1.8 mill.).

The **cash flow from financing activities** amounted to EUR –4.5 mill. (1 HY 2010: EUR –5.3 mill.).

In addition to the outflow of cash and cash equivalents from the cash flow from investing activities, the reduction of financial liabilities of EUR 2.1 mill. (1 HY 2010: EUR 2.9 mill.) as well as the dividend distribution totalling EUR 2.4 mill. (1 HY 2010: EUR 2.4 mill.) resulted in cash and cash equivalents decreasing by EUR 9.6 mill. (1 HY 2010: EUR –12.1 mill.).

**Cash and cash equivalents** amounted to EUR 38.4 mill. at the end of the period, compared to EUR 46.4 mill. at the end of the comparison period.

## Development of results of operation

In the first half-year of 2011, MediClin generated **Group sales** of EUR 242.9 mill. (1 HY 2010: EUR 241.0 mill.). This represents a 0.8 % increase over the same period last year. The raw materials and consumables increased by 0.4 % in comparison to the same period last year, staff costs rose by 3.4 %, depreciation and amortisation by 12.4 % and other operating expenses by 4.4 %.

The **raw materials and consumables used** increased by EUR 0.2 mill. in half-year comparison. Of this increase, purchased services accounted for EUR 1.1 mill., while costs for raw materials and supplies decreased by EUR 0.9 million. The increased expenditure for purchased services can be attributed to EUR 0.8 mill. for surplus purchases of medical services, as well as EUR 0.3 mill. for higher expenses for laundry services and other third-party services for business supplies.

**Raw materials and consumables used in half-year comparison**

	1 HY 2011	1 HY 2010	Change in %
Raw materials and consumables used in millions of €	54.2	54.0	+0.4
Cost of materials ratio in %	22.3	22.4	-

**Raw materials and consumables used in quarterly comparison**

	Q2 2011	Q2 2010	Change in %
Raw materials and consumables used in millions of €	27.3	26.9	+1.2
Cost of materials ratio in %	22.2	22.0	-

In half year comparison, **staff costs** rose by EUR 4.7 mill., or 3.4 %, of which wages and salaries exhibited an increase of EUR 4.9 mill., while costs for social security, pension and retirement declined by EUR 0.2 mill. The increase can be primarily attributed to compensation adjustments and a higher average number of staff.

**Staff costs in half-year comparison**

	1 HY 2011	1 HY 2010	Change in %
Staff costs in millions of €	141.2	136.5	+3.4
Staff costs ratio in %	58.1	56.6	-

**Staff costs in quarterly comparison**

	Q2 2011	Q2 2010	Change in %
Staff costs in millions of €	70.3	68.5	+2.6
Staff costs ratio in %	57.2	55.8	-

**Depreciation and amortisation**, totalling EUR 7.5 mill., increased by EUR 0.8 mill. in half-year comparison.

**Other operating expenses** rose by EUR 1.9 mill. to EUR 44.9 mill. in half-year comparison, whereby greater expenses for maintenance accounted for EUR 0.8 mill. and rents and leases accounted for EUR 0.8 mill.

The **financial result** of the first half-year of 2011, totalling EUR –2.6 mill., improved due to lower interest expenses by EUR 0.2 mill. in comparison to the previous year.

The **result before income taxes** in the first half-year of 2011 was EUR –0.8 mill. Net of income taxes totalling EUR 0.7 mill. and shares in profits attributable to non-controlling interests, the **result attributable to shareholders of MediClin AG** amounted to EUR –1.5 mill. (1 HY 2010: EUR 1.5 mill.).

The **un/diluted earnings per share** were EUR –0.03 for the first half-year of 2011 (1 HY 2010: EUR 0.03).

## Capital expenditure

In the first half-year of 2011, investments in non-current assets were made totalling a gross amount of EUR 11.3 mill. (1 HY 2010: EUR 10.8 mill.). Subsidies of EUR 1.5 mill. (1 HY 2010: EUR 1.8 mill.) were accrued in this period.

### Gross additions to non-current assets in half-year comparison

In thousands of €	1 HY 2011	1 HY 2010
Licences, concessions	384	1,817
Goodwill	200	510
Land, buildings	411	694
Technical equipment, EDP	473	539
Operating and office equipment	6,305	5,446
Payments on account and assets under construction	3,551	1,840
<b>Total</b>	<b>11,324</b>	<b>10,846</b>

## Employees

The average number of employees in the first-half of 2011, calculated on the basis of full-time staff, was 6,049 full-time employees (1 HY 2010: 5,928 full-time employees). This represented a total increase of 121 full-time staff or by 2.0 %.

In the acute segment, the acute clinics accounted for an average of 1,860 full-time employees (1 HY 2010: 1,853 full-time employees) and the medical care centres for an average of 113 full-time employees (1 HY 2010: 85 full-time employees). The largest increase in full-time employees was recorded in the service business area, which is primarily due to the continued assumption of catering services. In the acute segment, the further development of the medical care centres ran as planned.

The Group employed an average of 207 trainees in the first half-year of 2011 (1 HY 2010: 186 trainees).

### Number of employees in half-year comparison

In full-time employees	1 HY 2011	1 HY 2010	Change
Post-acute	3,221	3,224	-3
Acute	1,973	1,938	+35
Other activities	855	766	+89
thereof nursing care	152	157	-5
thereof service (including administration)	703	609	+94
<b>Group</b>	<b>6,049</b>	<b>5,928</b>	<b>+121</b>

### Number of employees in quarterly comparison

In full-time employees	Q2 2011	Q2 2010	Change
Post-acute	3,235	3,218	+17
Acute	1,970	1,948	+22
Other activities	859	787	+72
thereof nursing care	152	156	-4
thereof service (including administration)	707	631	+76
<b>Group</b>	<b>6,064</b>	<b>5,953</b>	<b>+111</b>

**Sales per full-time employee** decreased by approximately EUR 497, or 1.2 %, in half-year comparison and by EUR 352, or 1.7 %, in quarterly comparison. **Staff costs per full-time employee** increased by EUR 315, or 1.4 %, in half-year comparison and by EUR 82, or 0.7 %, in quarterly comparison.

**Key data per full-time employee in half-year comparison**

In €	1 HY 2011	1 HY 2010
Sales per full-time employee	40,154	40,651
Staff costs per full-time employee	23,342	23,027

**Key data per full-time employee in quarterly comparison**

In €	Q 2 2011	Q 2 2010
Sales per full-time employee	20,269	20,621
Staff costs per full-time employee	11,587	11,505

The number of beds/nursing care places decreased by 8, as compared with bed capacity on 31 December 2010, which results from the removal of 25 post-acute beds and an addition of 17 beds in the acute segment.

**Beds/nursing care places on reference date**

Number	30.06.2011	31.12.2010	Change in %
Post-acute	6,119	6,144	-0.4
Acute	1,416	1,399	+1.2
Nursing care (places)	408	408	0.0
<b>Group</b>	<b>7,943</b>	<b>7,951</b>	<b>-0.1</b>



## Segment reporting

Sales improved in half-year comparison in the acute segment and in the nursing care and service operational business areas (other activities). In the post-acute segment, sales were slightly below the level achieved in the previous year. The same development was also reflected in quarterly comparison. In comparison to the relevant periods in the previous year, the segment results were burdened by higher operative costs, in particular, resulting from higher staff costs and higher other operating expenses and maintenance costs, respectively.

Sales revenues in the **post-acute segment** in the first half-year of 2011 almost reached the level achieved in the previous year at EUR 135.7 mill. (1 HY 2010: EUR 136.0 mill.). After deducting the higher operating costs (EUR +4.5 mill.), there was a negative segment result of EUR –2.6 mill. (1 HY 2010: EUR +0.8 mill.). However, this result was an improvement by EUR 4.0 mill. in comparison to the first quarter of 2011, because a positive segment result was posted in the second quarter of 2011.

The number of nursing days and cases decreased by 2.9 % and 2.6 %, respectively. Occupancy rates fell by 4.0 percentage points to 83.8 %. Subsequent nursing treatment accounted for 65.2 % (1 HY 2010: 61.4 %) of the nursing days. The share of nursing days accounted for by curative treatment was 32.2 % (1 HY 2010: 36.2 %); curative treatment also includes all of the services offered in psychosomatics.

### Nursing days in the post-acute segment by measures in half-year comparison

In nursing days	1 HY 2011	1 HY 2010	Change in %	Share 1 HY 2011 in %
Subsequent nursing treatment	605,113	587,053	+3.1	65.2
Curative treatment	299,017	345,885	–13.6	32.2
Other	24,042	22,481	+6.9	2.6
<b>Post-acute segment</b>	<b>928,172</b>	<b>955,419</b>	<b>–2.9</b>	<b>100.0</b>

In the first half-year of 2011, an average of 3,221 full-time employees (1 HY 2010: 3,224 full-time employees) were employed in the post-acute segment.

Sales revenues in the **acute segment** improved by EUR 1.5 mill., or 1.5 %, to EUR 100.7 mill. After deducting higher operating costs (EUR +2.2 mill.), the segment result improved by EUR 0.2 mill. to EUR 8.6 mill.

In the first half-year of 2011, an average of 1,973 full-time employees (1 HY 2010: 1,938 full-time employees) were employed in the acute segment.

## Segment results and net assets in half-year comparison

In millions of €	January – June 2011					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
<b>Sales</b>	135.7	100.7	19.7	<b>256.1</b>	-13.2	<b>242.9</b>
Thereof total sales	137.6	101.4	21.8	<b>260.8</b>	0.0	<b>260.8</b>
Thereof internal sales	1.9	0.7	2.1	<b>4.7</b>	13.2	<b>17.9</b>
Raw materials and consumables used	-32.4	-27.5	-6.7	<b>-66.6</b>	12.4	<b>-54.2</b>
Staff costs	-72.1	-50.9	-16.6	<b>-139.6</b>	-1.6	<b>-141.2</b>
Other operating expenses	-35.3	-12.2	-4.2	<b>-51.7</b>	6.8	<b>-44.9</b>
<b>Segment result</b>	<b>-2.6</b>	<b>8.6</b>	<b>-2.4</b>	<b>3.6</b>	<b>-1.8</b>	<b>1.8</b>
Thereof non-cash items:						
Scheduled depreciations/write-ups	-3.7	-7.3	-0.5	<b>-11.5</b>	0.0	<b>-11.5</b>
Unscheduled depreciations/write-ups	0.0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>
Release of special item	0.1	3.9	0.0	<b>4.0</b>	0.0	<b>4.0</b>
Allowances	-0.1	-0.1	0.0	<b>-0.2</b>	0.0	<b>-0.2</b>
Allocation of provisions/liabilities	-6.9	-4.8	-1.6	<b>-13.3</b>	-0.1	<b>-13.4</b>
Release of provisions/liabilities	2.7	1.1	0.0	<b>3.8</b>	0.0	<b>3.8</b>
Financial revenues	0.1	0.1	0.2	<b>0.4</b>	-0.3	<b>0.1</b>
Financial costs	-0.6	-0.8	-0.1	<b>-1.5</b>	-1.2	<b>-2.7</b>
<b>Financial result</b>	<b>-0.5</b>	<b>-0.7</b>	<b>0.1</b>	<b>-1.1</b>	<b>-1.5</b>	<b>-2.6</b>
<b>Taxes on income</b>	<b>0.0</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.5</b>	<b>-0.2</b>	<b>-0.7</b>
<b>Assets</b>	<b>112.6</b>	<b>166.1</b>	<b>4.6</b>	<b>283.3</b>	<b>43.3</b>	<b>326.6</b>
<b>Liabilities</b>	<b>22.2</b>	<b>17.3</b>	<b>46.7</b>	<b>86.2</b>	<b>79.3</b>	<b>165.5</b>
Gross capital expenditure	5.8	5.3	0.3	<b>11.4</b>	0.0	<b>11.4</b>

In millions of €	January–June 2010					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
<b>Sales</b>	136.0	99.2	18.2	<b>253.4</b>	–12.4	<b>241.0</b>
Thereof total sales	137.9	100.5	20.1	<b>258.5</b>	0.0	<b>258.5</b>
Thereof internal sales	1.9	1.3	1.9	<b>5.1</b>	12.4	<b>17.5</b>
Raw materials and consumables used	–32.1	–27.4	–5.9	<b>–65.4</b>	11.4	<b>–54.0</b>
Staff costs	–70.2	–49.1	–15.7	<b>–135.0</b>	–1.5	<b>–136.5</b>
Other operating expenses	–33.7	–11.9	–4.4	<b>–50.0</b>	7.0	<b>–43.0</b>
<b>Segment result</b>	<b>0.8</b>	<b>8.4</b>	<b>–2.4</b>	<b>6.8</b>	<b>–1.9</b>	<b>4.9</b>
Thereof non-cash items:						
Scheduled depreciations/write-ups	–3.0	–7.2	–0.4	<b>–10.6</b>	0.0	<b>–10.6</b>
Unscheduled depreciations/write-ups	0.0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>
Release of special item	0.1	3.9	0.0	<b>4.0</b>	0.0	<b>4.0</b>
Allowances	–0.1	–0.1	0.0	<b>–0.2</b>	0.0	<b>–0.2</b>
Allocation of provisions/liabilities	–6.6	–4.7	–2.0	<b>–13.3</b>	–0.5	<b>–13.8</b>
Release of provisions/liabilities	0.4	0.1	0.4	<b>0.9</b>	–0.1	<b>0.8</b>
Financial revenues	0.1	0.1	0.3	<b>0.5</b>	–0.4	<b>0.1</b>
Financial costs	–0.5	–0.9	–0.1	<b>–1.5</b>	–1.4	<b>–2.9</b>
<b>Financial result</b>	<b>–0.4</b>	<b>–0.8</b>	<b>0.2</b>	<b>–1.0</b>	<b>–1.8</b>	<b>–2.8</b>
<b>Taxes on income</b>	<b>0.0</b>	<b>–0.1</b>	<b>–0.4</b>	<b>–0.5</b>	<b>–0.1</b>	<b>–0.6</b>
<b>Assets</b>	<b>109.7</b>	<b>165.5</b>	<b>4.6</b>	<b>279.8</b>	<b>52.3</b>	<b>332.1</b>
<b>Liabilities</b>	<b>25.2</b>	<b>20.0</b>	<b>46.9</b>	<b>92.1</b>	<b>83.7</b>	<b>175.8</b>
Gross capital expenditure	3.9	6.3	0.7	<b>10.9</b>	0.0	<b>10.9</b>

## Segment results and net assets in quarterly comparison

In millions of €	April – June 2011					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
<b>Sales</b>	69.4	50.3	10.0	<b>129.7</b>	-6.8	<b>122.9</b>
Thereof total sales	70.3	50.5	11.2	<b>132.0</b>	0.0	<b>132.0</b>
Thereof internal sales	0.9	0.2	1.2	<b>2.3</b>	6.8	<b>9.1</b>
Raw materials and consumables used	-16.2	-13.8	-3.6	<b>-33.6</b>	6.3	<b>-27.3</b>
Staff costs	-36.1	-25.0	-8.4	<b>-69.5</b>	-0.8	<b>-70.3</b>
Other operating expenses	-17.7	-6.2	-2.1	<b>-26.0</b>	3.3	<b>-22.7</b>
<b>Segment result</b>	<b>0.7</b>	<b>4.0</b>	<b>-1.4</b>	<b>3.3</b>	<b>-1.0</b>	<b>2.3</b>
Thereof non-cash items:						
Scheduled depreciations/write-ups	-1.9	-3.7	-0.2	<b>-5.8</b>	0.0	<b>-5.8</b>
Unscheduled depreciations/write-ups	0.0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>
Release of special item	0.0	2.0	0.0	<b>2.0</b>	0.0	<b>2.0</b>
Allowances	0.0	-0.1	0.0	<b>-0.1</b>	0.0	<b>-0.1</b>
Allocation of provisions/liabilities	0.1	-0.4	0.0	<b>-0.3</b>	-0.2	<b>-0.5</b>
Release of provisions/liabilities	1.9	0.1	0.0	<b>2.0</b>	0.0	<b>2.0</b>
Financial revenues	0.1	0.0	0.2	<b>0.3</b>	-0.2	<b>0.1</b>
Financial costs	-0.3	-0.4	0.0	<b>-0.7</b>	-0.7	<b>-1.4</b>
<b>Financial result</b>	<b>-0.2</b>	<b>-0.4</b>	<b>0.2</b>	<b>-0.4</b>	<b>-0.9</b>	<b>-1.3</b>
<b>Taxes on income</b>	<b>0.0</b>	<b>-0.2</b>	<b>-0.1</b>	<b>-0.3</b>	<b>-0.2</b>	<b>-0.5</b>
<b>Assets (change)</b>	<b>2.2</b>	<b>-0.5</b>	<b>-0.1</b>	<b>1.6</b>	<b>-10.7</b>	<b>-9.1</b>
<b>Liabilities (change)</b>	<b>-2.9</b>	<b>-2.3</b>	<b>-0.4</b>	<b>-5.6</b>	<b>-1.7</b>	<b>-7.3</b>
Gross capital expenditure	4.5	3.0	0.1	<b>7.6</b>	0.0	<b>7.6</b>

In millions of €	April–June 2010					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
<b>Sales</b>	69.8	50.0	9.5	<b>129.3</b>	-6.5	<b>122.8</b>
Thereof total sales	70.7	50.7	10.4	<b>131.8</b>	0.0	<b>131.8</b>
Thereof internal sales	0.9	0.7	0.9	<b>2.5</b>	6.5	<b>9.0</b>
Raw materials and consumables used	-16.1	-13.9	-3.0	<b>-33.0</b>	6.1	<b>-26.9</b>
Staff costs	-35.1	-24.6	-8.1	<b>-67.8</b>	-0.7	<b>-68.5</b>
Other operating expenses	-16.4	-6.0	-2.2	<b>-24.6</b>	3.3	<b>-21.3</b>
<b>Segment result</b>	<b>2.8</b>	<b>4.3</b>	<b>-1.0</b>	<b>6.1</b>	<b>-1.2</b>	<b>4.9</b>
Thereof non-cash items:						
Scheduled depreciations/write-ups	-1.5	-3.6	-0.2	<b>-5.3</b>	0.0	<b>-5.3</b>
Unscheduled depreciations/write-ups	0.0	0.0	0.0	<b>0.0</b>	0.0	<b>0.0</b>
Release of special item	0.0	2.0	0.0	<b>2.0</b>	0.0	<b>2.0</b>
Allowances	-0.1	-0.1	0.0	<b>-0.2</b>	0.0	<b>-0.2</b>
Allocation of provisions/liabilities	0.2	-0.4	-0.3	<b>-0.5</b>	-0.5	<b>-1.0</b>
Release of provisions/liabilities	0.3	0.1	0.3	<b>0.7</b>	-0.1	<b>0.6</b>
Financial revenues	0.1	0.0	0.2	<b>0.3</b>	-0.2	<b>0.1</b>
Financial costs	-0.3	-0.4	0.0	<b>-0.7</b>	-0.7	<b>-1.4</b>
<b>Financial result</b>	<b>-0.2</b>	<b>-0.4</b>	<b>0.2</b>	<b>-0.4</b>	<b>-0.9</b>	<b>-1.3</b>
<b>Taxes on income</b>	<b>0.0</b>	<b>-0.1</b>	<b>-0.3</b>	<b>-0.4</b>	<b>-0.1</b>	<b>-0.5</b>
<b>Assets (change)</b>	<b>2.4</b>	<b>3.4</b>	<b>0.7</b>	<b>6.5</b>	<b>-7.4</b>	<b>-0.9</b>
<b>Liabilities (change)</b>	<b>-1.4</b>	<b>1.4</b>	<b>-0.5</b>	<b>-0.5</b>	<b>-1.1</b>	<b>-1.6</b>
Gross capital expenditure	1.9	2.8	0.5	<b>5.2</b>	0.0	<b>5.2</b>

The nursing care and service business areas, which are combined under **other activities**, showed sales revenues of EUR 19.7 mill. (1 HY 2010: EUR 18.2 mill.) in the first half-year of 2011. The nursing care business area generated sales of EUR 5.8 mill. (1 HY 2010: EUR 5.5 mill.) in the first six months of 2011.

In total, an average of 855 full-time employees (1 HY 2010: 766 full-time employees) were employed here in the first half-year of 2011, of which the nursing care business area accounted for an average of 152 full-time employees (1 HY 2010: 157 full-time employees).

In quarterly comparison with the previous year, the results in the **post-acute segment** for the second quarter of 2011, compared to the second quarter of 2010, had worsened but displayed a positive balance of EUR 0.7 mill.

The number of nursing days decreased in this segment by 14,207 days, or 2.9 %, with a fall in cases of 578 cases or 2.9 %. The relationship between subsequent nursing treatment and nursing days corresponded to the distribution over the first half-year.

#### Nursing days in the post-acute segment by measures in quarterly comparison

In nursing days	Q 2 2011	Q 2 2010	Change in %	Share Q 2 2011 in %
Subsequent nursing treatment	307,749	299,989	+2.6	64.7
Curative treatment	153,971	176,868	-13.0	32.4
Other	13,595	12,665	+7.3	2.9
<b>Post-acute segment</b>	<b>475,315</b>	<b>489,522</b>	<b>-2.9</b>	<b>100.0</b>

In quarterly comparison, the **acute segment** displayed a slight decrease in sales of EUR 0.3 mill. to EUR 4.0 mill. due to higher costs.

#### Share of specific coverage provider groups

According to IFRS (IFRS 8.34 Information about major customers), a company must provide information about its degree of dependency on its most important customers.

Due to its activities as a nationwide hospital operator, in the case of MediClin these are the statutory social security pension funds and the public health insurance funds, which request about 88.1% of total services. Supervision and control of sales with the coverage providers by the Management Board is carried out with the help of monthly statistics on the coverage providers, which documents the services invoiced to the individual coverage providers on the basis of nursing days provided. Based on these statistics, during the first half-year of 2011, the statutory health insurance funds requested 42.0 % (1 HY 2010: 38.5 %) and the social security pension fund 47.4 % (1 HY 2010: 52.2 %) of the services. In the acute segment, 91.3 % (1 HY 2010: 92.5 %) of the services were requested by the statutory health insurance funds.

## Report concerning related parties

Business relations to related parties during the first six months of 2011 were the same as to the parties and companies listed in the interim report Q1 2011. The transactions are handled at standard market terms and are presented as follows:

In millions of €	1 HY 2011	1 HY 2010
<b>Income</b>		
Revenues from post-acute, acute and nursing care services	0.8	0.9
Real estate management income	0.2	0.2
<b>Expenses</b>		
Leasing expenses	20.7	20.3
Real estate management costs	0.4	0.4
Insurance premiums	0.4	0.4
Interest expenses	2.0	2.2
Service contracts	2.7	2.9
<b>In millions of €</b>		
	<b>30.06.2011</b>	<b>31.12.2010</b>
<b>Receivables</b>		
Repayment claims from preliminary financing of clinic expansions/building measures	1.4	1.4
Receivables from post-acute, acute and nursing care services	0.1	0.2
<b>Liabilities</b>		
to insurance companies	61.4	61.4
Service contracts	0.5	0.8

## Shareholdings in MediClin AG which were reported to it according to Section 21, paragraph 1 Securities Trade Act (WpHG)

In addition to the voting rights announcements already contained in the interim report of MediClin AG for the first quarter of 2011, there were no further announcements made by the publishing deadline for the interim report for the first half-year of 2011.

## Risk and opportunity report

No new significant opportunities or risks arose during the first six months of the 2011 financial year, and there were no changes in the risk and opportunity management; hence we refer to the information provided in the 2010 annual report.

## Subsequent events and future prospects

### Loan prolongation by shareholders

Loans totalling EUR 61,355 thou. to three insurance companies that are shareholders or subsidiaries of shareholders of MediClin AG, which were due and payable on 31 July 2011, were extended by six months to 31 January 2012 and are now subject to an interest rate of 6.5 % p.a. (previously 6.5 % p.a.). The conditions otherwise remain the same.

There were no special events after the interim reporting date which would need to be reported here.

### Current economic and sector developments

The growth forecasts for gross domestic product (GDP) were once again revised strongly upwards in June 2011 by most of the economic research institutions, so that nearly all institutions expect a growth in GDP of significantly more than 3 %. The outlook for the labour market also continues to be untroubled.



As a result of the positive developments in the economy, the contributions received by the social insurance funds are higher than expected. The German statutory pension insurance scheme published figures in June 2011 showing that the compulsory contributions received in the first five months of this year had exceeded the figures from the previous year by around 4.4 %, and it is anticipated that there will be an annual surplus of almost EUR 2.0 bill. for 2011. The financial situation amongst the statutory health care insurance funds also appears to be better than expected. In the first quarter of 2011, the health care insurance funds received contributions of almost EUR 45.9 bill., which were offset by expenditure of almost EUR 44.4 bill. This means that a surplus of almost EUR 1.5 bill. has been generated in the first three months of 2011 (Q1 2010: EUR 0.2 mill.). However, as expenditure in the first quarter of a year is usually lower than the average of the following three quarters according to the reported figures, it is currently anticipated that there will nevertheless be a deficit for the full year 2011.

Despite these more positive announcements, it is not possible to predict at the moment how the laws for health care reform introduced in 2011 will ultimately affect the revenue and expenditure of the insurance funds in the health care sector over the full year 2011, or in what way this will affect the business performance of those who provide medical services and guarantee medical provision.

## Outlook for the 2011 financial year

Insofar as the framework conditions of the industry and the referral behaviour of the coverage providers do not seriously change, the Management Board expects a slight increase in turnover and an operating result below the level achieved in the previous year. If, in the second half of 2011, the current restraint shown by the social security pension funds in awarding contracts continues, this may have a further influence on the operating result for the 2011 financial year, despite relevant countermeasures, and lead to an operating result in the low double-digit range.

In spite lower results, MediClin will continue to adhere to its company objective of investing in internal growth. In relation to external growth, acquisition efforts in the acute sector are the main focus.

MEDICLIN Aktiengesellschaft

Offenburg, 11 August 2011

The Management Board

### Forward-looking statements

This report contains forward-looking statements that are based on management's current expectations. Words such as "anticipate", "assume", "believe", "estimate", "intend", "can/could", "plan", "project", "should" and similar expressions are intended to identify forward-looking statements. Such statements are subject to certain risks and uncertainties that are based on the current assumptions and forecasts of MediClin AG management. Should any of these risks and uncertainties materialise, or if the assumptions underlying any of the forward-looking statements prove incorrect, then the actual results may be materially different from those expressed or implied by such statements. MediClin AG does not intend or assume any obligation to continuously update these forward-looking statements, so as to adapt them to events or developments that occur after the release of this interim report.



**Consolidated interim financial statements of  
MEDICLIN Aktiengesellschaft**  
for the period from 1 January 2011 to 30 June 2011

## Consolidated interim balance sheet as of 30 June 2011

### ASSETS

In thousands of €		30.06.2011	31.12.2010
<b>NON-CURRENT ASSETS</b>			
<b>Intangible assets</b>			
Concessions, licences	1,880		2,236
Goodwill	51,380		51,181
Payments on account	156		158
		<b>53,416</b>	<b>53,575</b>
<b>Property, plant and equipment</b>			
Land, land rights and buildings including buildings on third-party land	110,751		112,394
Technical equipment and machines	8,542		8,972
Operating and office equipment	28,456		26,732
Payments on account and assets under construction	4,857		2,173
		<b>152,606</b>	<b>150,271</b>
<b>Other financial assets</b>			
Investment in stock of subsidiaries	59		59
Other loans	2		8
Reinsurance cover	1,469		1,469
		<b>1,530</b>	<b>1,536</b>
<b>Non-current tax refund claims</b>			
		<b>399</b>	<b>396</b>
<b>Deferred tax assets</b>			
		<b>5,032</b>	<b>5,052</b>
		<b>212,983</b>	<b>210,830</b>
<b>CURRENT ASSETS</b>			
<b>Inventories</b>			
		<b>6,888</b>	<b>6,501</b>
<b>Trade receivables</b>			
		<b>57,222</b>	<b>61,644</b>
<b>Other current assets</b>			
Prepaid expenses	3,215		1,393
Receivables pursuant to hospital financing law	3,959		3,821
Other assets	3,732		4,082
		<b>10,906</b>	<b>9,296</b>
<b>Current tax refund claims</b>			
		<b>79</b>	<b>79</b>
<b>Cash and cash equivalents</b>			
		<b>38,404</b>	<b>47,955</b>
<b>Assets held for sale</b>			
		<b>100</b>	<b>100</b>
		<b>113,599</b>	<b>125,575</b>
		<b>326,582</b>	<b>336,405</b>

## EQUITY AND LIABILITIES

In thousands of €		30.06.2011	31.12.2010
<b>EQUITY</b>			
<b>Shares MediClin Group</b>			
Subscribed capital	47,500		47,500
Capital reserve	129,392		129,392
Revenue reserve	17		17
Consolidated balance sheet loss	-15,855		-11,987
		<b>161,054</b>	<b>164,922</b>
<b>Non-controlling interests</b>		<b>28</b>	<b>65</b>
		<b>161,082</b>	<b>164,987</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>Non-current financial liabilities</b>			
Liabilities to banks	9,284		11,482
Other financial liabilities	8,923		9,277
		<b>18,207</b>	<b>20,759</b>
<b>Other non-current liabilities</b>		<b>88</b>	<b>88</b>
<b>Non-current provisions</b>			
Provisions for pensions and similar commitments	27,567		27,109
Other provisions	6,012		5,959
		<b>33,579</b>	<b>33,068</b>
<b>Deferred tax liabilities</b>		<b>2,655</b>	<b>2,378</b>
		<b>54,529</b>	<b>56,293</b>
<b>CURRENT LIABILITIES</b>			
<b>Trade payables</b>		<b>12,290</b>	<b>15,222</b>
<b>Current financial liabilities</b>			
Liabilities to banks and insurance companies	66,535		66,103
Other financial liabilities	756		776
		<b>67,291</b>	<b>66,879</b>
<b>Other current liabilities</b>			
Liabilities pursuant to hospital financing law	7,749		7,783
Other liabilities	19,337		16,838
		<b>27,086</b>	<b>24,621</b>
<b>Current provisions</b>		<b>3,817</b>	<b>7,776</b>
<b>Current tax liabilities</b>		<b>487</b>	<b>627</b>
		<b>110,971</b>	<b>115,125</b>
		<b>326,582</b>	<b>336,405</b>

## Consolidated interim statement of comprehensive income

In thousands of €	January – June 2011	January – June 2010	April – June 2011	April – June 2010
<b>I. CONSOLIDATED PROFIT AND LOSS ACCOUNT</b>				
Sales	242,893	240,982	122,914	122,755
Other operating income	6,673	4,133	3,437	2,328
<b>Total operating performance</b>	<b>249,566</b>	<b>245,115</b>	<b>126,351</b>	<b>125,083</b>
Raw material and consumables used				
a) Cost of raw materials and supplies	-30,525	-31,447	-15,700	-15,966
b) Cost of purchased services	-23,688	-22,570	-11,584	-10,982
	<b>-54,213</b>	<b>-54,017</b>	<b>-27,284</b>	<b>-26,948</b>
Staff costs				
a) Wages and salaries	-119,988	-115,049	-59,126	-57,178
b) Social security, pension and retirement	-21,206	-21,457	-11,135	-11,313
	<b>-141,194</b>	<b>-136,506</b>	<b>-70,261</b>	<b>-68,491</b>
Depreciation and amortisation	-7,468	-6,645	-3,784	-3,345
Other operating expenses	-44,920	-43,024	-22,716	-21,352
<b>Operating result</b>	<b>1,771</b>	<b>4,923</b>	<b>2,306</b>	<b>4,947</b>
Financial result				
a) Other financial revenues	127	89	77	57
b) Other financial costs	-2,689	-2,860	-1,341	-1,382
	<b>-2,562</b>	<b>-2,771</b>	<b>-1,264</b>	<b>-1,325</b>
<b>Result before tax</b>	<b>-791</b>	<b>2,152</b>	<b>1,042</b>	<b>3,622</b>
Taxes on income	-739	-648	-509	-522
<b>Result after tax</b>	<b>-1,530</b>	<b>1,504</b>	<b>533</b>	<b>3,100</b>
Thereof attributable to shareholders of MediClin AG	-1,493	1,466	521	3,087
Thereof attributable to non-controlling interests	-37	38	12	13
<b>II. OTHER COMPREHENSIVE INCOME</b>				
Offset of negative non-controlling interests	0	0	0	0
<b>III. OVERALL RESULT</b>				
Thereof attributable to shareholders of MediClin AG	-1,493	1,466	521	3,087
Thereof attributable to non-controlling interests	-37	38	12	13
<b>Result after tax attributable to shareholders of MediClin AG per share</b>				
Undiluted (in €)	-0.03	0.03	0.01	0.06
Diluted (in €)	-0.03	0.03	0.01	0.06

## Consolidated cash flow statement

In thousands of €	January – June 2011	January – June 2010
<b>Operating result (EBIT)</b>	<b>1,771</b>	<b>4,923</b>
Result of finance activities	-2,562	-2,771
Result of income taxes	-739	-648
<b>Total consolidated result</b>	<b>-1,530</b>	<b>1,504</b>
Depreciation on fixed asset items	7,468	6,645
Change in deferred taxes	296	382
Change in non-current provisions	510	757
Change in current provisions	-3,959	-321
Result from the disposal of fixed asset items	-10	-53
Change in non-current tax refund claims	-2	-10
Change in current tax refund claims	0	-2
Change in other current assets	2,479	-8,312
Change in other non-current liabilities	0	129
Change in other current liabilities	-2,408	49
<b>Cash flow from operating activities</b>	<b>2,844</b>	<b>768</b>
<b>Payments received from the disposal of fixed assets</b>	<b>141</b>	<b>85</b>
From the disposal of property, plant and equipment	141	85
<b>Payments received from investment subsidies</b>	<b>1,501</b>	<b>1,842</b>
<b>Cash used for investments in fixed assets</b>	<b>-9,523</b>	<b>-9,584</b>
In intangible assets	-513	-2,311
In property, plant and equipment	-9,010	-7,273
In financial assets	0	0
<b>Cash flow from investing activities</b>	<b>-7,881</b>	<b>-7,657</b>
Dividend distribution to shareholders of MediClin AG	-2,375	-2,375
Repayment of financial liabilities	-2,139	-2,882
<b>Cash flow from financing activities</b>	<b>-4,514</b>	<b>-5,257</b>
<b>Cash flow for the period</b>	<b>-9,551</b>	<b>-12,146</b>
Cash and cash equivalents at beginning of period	47,955	58,525
<b>Cash and cash equivalents at end of period</b>	<b>38,404</b>	<b>46,379</b>

The cash and cash equivalents at the end of the period correspond to the balance sheet item "cash and cash equivalents" and encompasses only cash in hand and current bank credit balances.

## Statement of changes in equity

In thousands of €	Subscribed capital	Capital reserve	Revenue reserve	
As of 01.01.2010	47,500	129,392	17	
Overall result	-	-	-	
Distribution of dividends	-	-	-	
<b>As of 30.06.2010</b>	<b>47,500</b>	<b>129,392</b>	<b>17</b>	

In thousands of €	Subscribed capital	Capital reserve	Revenue reserve	
As of 01.01.2011	47,500	129,392	17	
Overall result	-	-	-	
Distribution of dividends	-	-	-	
<b>As of 30.06.2011</b>	<b>47,500</b>	<b>129,392</b>	<b>17</b>	



	Consolidated balance sheet result	Treasury stock	Shares MediClin Group	Non-controlling interests	Total equity
	-19,647	0	157,262	0	157,262
	1,466	-	1,466	38	1,504
	-2,375	-	-2,375	-	-2,375
	<b>-20,556</b>	<b>0</b>	<b>156,353</b>	<b>38</b>	<b>156,391</b>
	Consolidated balance sheet result	Treasury stock	Shares MediClin Group	Non-controlling interests	Total equity
	-11,987	0	164,922	65	164,987
	-1,493	-	-1,493	-37	-1,530
	-2,375	-	-2,375	-	-2,375
	<b>-15,855</b>	<b>0</b>	<b>161,054</b>	<b>28</b>	<b>161,082</b>

## Other information

### General information

The unaudited consolidated interim financial report of MEDICLIN Aktiengesellschaft for the first six months of the 2011 financial year was prepared in accordance with the International Accounting Standard 34. The same accounting and valuation methods used in the consolidated financial statements for the 2010 financial year were also strictly applied in this interim report. The interim report should be read in conjunction with the Company's 2010 annual report and the interim report for the first quarter of 2011.

### EU endorsement

Since the publication of the 2010 annual report and the interim report for the first quarter of 2011, there were no new accounting regulations published by the EU.

### Standards adopted by the IASB since the last financial report

The International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) have published a series of amendments to existing IFRS/IAS standards, as well as new interpretations, which are currently not obligatory because they have not yet been endorsed by the EU:

New standards	Published
IFRS 10: "Consolidated Financial Statements"	May 2011
IFRS 11: "Joint Arrangements"	May 2011
IFRS 12: "Disclosure of Interests in Other Entities"	May 2011
IFRS 13: "Fair Value Measurement"	May 2011

  

Amendments to	Published
IAS 27 (2008): "Consolidated and Separate Financial Statements"	May 2011
IAS 28 (2003): "Investments in Associates"	May 2011
IAS 1: "Presentation of Financial Statements"	June 2011
IAS 19: "Employee Benefits"	June 2011

**IFRS 10 "Consolidated Financial Statements"** creates a uniform definition for the principle of control and, therefore, a uniform basis for presenting a parent company-subsidary relationship and the associated determination of the entities to be included in the group of consolidated companies. The new standard replaces the previously relevant standard IAS 27 (2008) "Consolidated and Separate Financial Statements" and SIC-12 "Consolidated Special Purpose Entities".

**IFRS 11 "Joint Arrangements"** regulates the financial reporting of business interests in which a company holds joint control of a joint arrangement or a joint activity. The new standard replaces IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities – Non-Monetary Contributions by Ventures" that were the previously valid regulations for questions about financial statements for joint ventures. According to IFRS 11, shareholdings in joint ventures are always to be recognised according to the equity method and no longer according to the proportionate consolidation method.

In **IFRS 12 "Disclosure of Interests in Other Entities"** requires the provision of comprehensive information both about consolidated companies and non-consolidated companies in which the company is engaged. This standard is designed to enable users of financial statements to better evaluate the basis of control, claims to the consolidated assets and liabilities, the risks resulting from engagement in non-consolidated special purpose entities and the engagement of non-controlling shareholders in the consolidated company.

**IFRS 13 “Fair Value Measurement”** offers assistance in the determination of fair value, insofar as this is prescribed as a measurement value according to other IFRSs. The objective is to create standard-wide harmonisation of the term “fair value” and the methods used in determining fair value, as well as expanding the notes for determining fair value.

**IAS 27 (2008): “Consolidated and Separate Financial Statements”** (changed 2011) now only deals with the unchanged regulations for separate financial statements; the regulations for consolidated financial statements can now be found in IFRS 10.

**IAS 28 “Investments in Associates and Joint Ventures”** (changed 2011) contains the amendments that result from the publication of IFRS 10, IFRS 11 and IFRS 12.

The objective of the change to **IAS 1 “Presentation of Financial Statements”** is to adjust the presentation of other comprehensive income (OCI) between IFRS and US GAAP standards. The amendment stipulates that companies should group items presented in the OCI in order to indicate whether they can be subsequently reclassified in profit and loss or will not be reclassified.

The company does not expect any significant impact on the annual report from the amendments or revisions named above.

The amendments to **IAS 19 “Employee Benefits”** primarily relate to:

- The removal of the “Corridor Method” and the recognition of actuarial gains and losses in other comprehensive income (OCI).
- Calculation of financial costs from benefit commitments as net defined plan assets and pension obligations and applying the uniform discount rate according to IAS 19 Tz 78 (net interest approach).
- Integration of the costs for administering pension plans into the actuarial gains and losses for calculating the recognition value of the benefit obligation and the service cost.
- Expanded notes, e.g. information about funding strategies for pension plans and their financial risks, sensitivity analyses for changes to significant valuation assumptions, and average remaining terms of the pension obligations.

As MediClin currently uses the corridor method, the abolition of this method will generally lead in the first year to an increase in pension obligations with a corresponding decline in revenue reserves. In subsequent years, the changes to actuarial gains and losses will result in corresponding fluctuations to both of these reporting items. Because the plan assets for the pension plans only play a subordinate role, the Group does not expect any significant effect on the calculation of reserves as a result of the change to the interest rate applied. The expanded notes will lead to additional expense in preparing the financial statements.

### **Annual General Meeting resolutions from 26 May 2011:**

- Distribution of a dividend of EUR 0.05 per share carrying dividend rights, totalling EUR 2,375,000.00, and a carry-forward of the remaining balance sheet profit of EUR 12,912,080.83 to the new accounting period
- Discharge of the Management Board and Supervisory Board for the 2010 financial year
- Election of BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, as auditor and Group auditor for the 2011 financial year

## **Responsibility statement by the Management Board**

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

MEDICLIN Aktiengesellschaft

Offenburg, 11 August 2011

The Management Board

## Corporate decision-making bodies

### Management Board

Dr. Ulrich Wandschneider, Chairman of the Management Board  
Frank Abele, Chief Financial Officer

### Supervisory Board

Dr. Jan Boetius, Chairman  
Hans Hilpert<sup>1</sup>, Vice Chairman  
Michael Bock  
Dr. Daniel von Borries  
Gerd Dielmann<sup>1</sup>  
Prof. Dr. Erich Donauer<sup>1</sup>  
Carsten Heise  
Dr. Jochen Messemer  
Klaus Müller<sup>1</sup>  
Udo Rein<sup>1</sup>  
Uwe Rohde<sup>1</sup>  
Dr. Hans Rossels

<sup>1</sup> Employee representatives

### Supervisory Board Committees

#### General and Personnel Committee

Dr. Jan Boetius (Chairman)  
Michael Bock  
Gerd Dielmann  
Prof. Dr. Erich Donauer  
Hans Hilpert  
Dr. Jochen Messemer

#### Audit Committee

Dr. Daniel von Borries (Chairman)  
Michael Bock  
Prof. Dr. Erich Donauer  
Carsten Heise  
Klaus Müller  
Uwe Rohde

#### Mediation Committee pursuant to Section 27 MitbestG

Dr. Jan Boetius (Chairman)  
Hans Hilpert  
Dr. Jochen Messemer  
Udo Rein

#### Nomination Committee

Dr. Jan Boetius (Chairman)  
Carsten Heise  
Dr. Hans Rossels

## Advisory Board

Dr. Jörg W. Knorn, Chairman

Dr. Andreas Tecklenburg, Spokesman,  
Vice President and Member of the Presidium responsible for the Division of Patient Care  
at the Medizinische Hochschule Hannover

Prof. Dr. Axel Ekkernkamp,  
Medical Director and Managing Director of the Unfallkrankenhaus Berlin

Wilfried Gleitze,  
Former First Director of the Deutsche Rentenversicherung (DRV) Westfalen

Irmtraut Gürkan,  
Business Director of the Universitätsklinikum Heidelberg

Dr. Brigitte Mohn,  
Chairwoman of the Management Board of Stiftung Deutsche Schlaganfallhilfe

Prof. Dr. Günter Neubauer,  
Director of the Institut für Gesundheitsökonomik München GbR



## Key data on the MediClin share

ISIN: DE0006595101; WKN: 659 510; Ticker: MED

In €	Q2 2011	Q1 2011	Q2 2010	Q1 2010
Earnings per share un/diluted	0.01	-0.04	0.06	-0.03
Cash flow from operating activities per share	-0.03	0.09	0.00	0.02
52-week high <sup>1</sup>	4.60	-	-	-
52-week low <sup>1</sup>	3.80	-	-	-
Share price at end of quarter <sup>1</sup>	4.15	4.29	3.88	3.46
Market capitalisation at end of quarter in millions of €	197.1	203.8	184.3	164.4
Number of shares in millions	47.50	47.50	47.50	47.50

<sup>1</sup> Source: Deutsche Börse AG; status: 25.07.2011; Xetra closing prices

## Financial calendar

3 March 2011	Presentation of the preliminary figures for the 2010 financial year
24 March 2011	Financial statements press and analysts' conference for the 2010 financial year
11 May 2011	Publication of the interim report for the 1st quarter of 2011
26 May 2011	Annual General Meeting
11 August 2011	Publication of the interim report for the 1st half-year of 2011
10 November 2011	Publication of the interim report for the 1st–3rd quarter of 2011
2 March 2012	Presentation of the preliminary figures for the 2011 financial year
22 March 2012	Financial statements press and analysts' conference for the 2011 financial year
11 May 2012	Publication of the interim report for the 1st quarter of 2012
23 May 2012	Annual General Meeting
10 August 2012	Publication of the interim report for the 1st half-year of 2012
14 November 2012	Publication of the interim report for the 1st–3rd quarter of 2012

## Imprint

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[www.mediclin.de](http://www.mediclin.de)