

MediClin integrates.



Q2 |

INTERIM REPORT

MEDICLIN Aktiengesellschaft

1 January 2013 to 30 June 2013

Key data of the quarterly business development in the Group

In millions of €	Q2 2013	Q1 2013	Q2 2012	Q1 2012
Sales	132.9	124.5	128.7	125.4
Operating result (EBIT)	2.3	-5.9	2.7	-0.8
EBIT margin in %	1.7	-4.7	2.0	-0.6
EBITDA margin in %	5.0	-1.2	5.1	2.6
EBITDAR margin in %	13.5	7.8	13.8	11.4
Financial result	-1.1	-0.8	-1.2	-1.4
Result attributable to shareholders of MediClin AG	0.9	-6.5	1.0	-2.0
Cash flow from operating activities	3.2	-5.8	-0.3	2.8
Balance sheet total	311.9	312.9	320.1	321.5
Non-current assets incl. tax refund claims and deferred tax assets	221.3	222.3	217.1	217.3
Current assets incl. tax refund claims	90.6	90.6	103.0	104.2
Thereof cash and cash equivalents	9.7	10.0	23.1	28.3
Equity	151.4	150.5	164.5	163.6
Equity ratio in %	48.5	48.1	51.4	50.9
Non-current liabilities incl. deferred tax liabilities	109.3	111.8	106.7	104.6
Current liabilities incl. tax liabilities	51.2	50.6	48.9	53.3
Gross capital expenditure	3.8	4.8	4.7	6.5
Net financial debt	53.0	53.1	46.0	41.2
Number of full-time employees (quarterly average)	6,390	6,352	6,201	6,155
Sales per full-time employee in €	20,809	19,594	20,758	20,374
Staff costs per full-time employee in €	12,033	12,193	11,755	11,933
Occupancy rate in %	87.1	83.7	87.6	86.0
Un/diluted earnings per share in €	0.02	-0.14	0.02	-0.04
Cash flow from operating activities per share in €	0.07	-0.12	-0.01	0.06
Number of shares in millions	47.5	47.5	47.5	47.5

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

< Cover **Diabetic children learn to cope with everyday life in the training camp**

Nine specialists of MediClin Müritz-Klinikum accompany the children aged between eight and 18 years suffering from the chronic and incurable disease. What the children get up to on these five days looks a lot like holiday. But a number of things are different: Every now and then some of the children stop, have their finger pricked and have their blood sugar measured.

Find more information about diabetes on the inside of the last page.

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

After sales in the first quarter 2013 turned out EUR 0.9 mill. below the previous year's value, sales in the second quarter 2013 of EUR 132.9 mill. managed to more than compensate the first quarter decline. The sales increase amounted to EUR 4.2 mill. The acute segment contributed EUR 2.4 mill. to this increase, the post-acute segment EUR 1.6 mill and the nursing care business area EUR 0.2 mill. Sales in the first half-year of 2013 were EUR 3.3 mill. higher than in the same period of the previous year.

In spite of this gain of EUR 3.3 mill. and an increase in other operating income of EUR 0.9 mill, the Group operating result for the first half-year of EUR –3.6 mill. still failed to reach the previous year's value of EUR 1.9 mill. Additional expenses of a total of EUR 9.7 mill. burdened the result, with staff costs of EUR 8.0 mill. accounting for the largest share. In the quarterly comparison, the Group operating result of EUR 2.3 mill. was EUR 0.4 mill. lower than the previous year's value.

Turnaround in the acute segment

Regarding the segments, a turnaround, particularly in the acute segment, became apparent. While the result of this segment of EUR 3.1 mill. was still lower in the half-year comparison than the comparative amount of the previous year, a result was recorded in the second quarter 2013 of EUR 3.0 mill., which significantly exceeded the corresponding amount of the first quarter 2012 due to a higher number of cases and nursing days (Q2 2012: EUR 1.5 mill.).

Capital expenditure still high – restructuring progressing as scheduled

In the first half-year of 2013, more than EUR 8.6 mill. (gross) was invested in non-current assets. A further EUR 8.7 mill. was spent on maintenance and repairs.

The measures concerning the restructuring of the hospitals are progressing as scheduled. In mid-2012 MediClin resolved to align the hospitals' range of services with the altering market conditions and to focus on the medical and therapeutic areas that are in greater demand.

Spending behaviour of the coverage providers is more restrictive

Within the framework of its budget consolidation, the German government has significantly reduced the subsidies for 2013 and 2014 to the social security contributions. For example, the subsidies to the German health fund are to be reduced by EUR 2.5 bill. in 2013 and by EUR 3.5 bill. in 2014. The subsidies to the statutory pension insurance are also to be cut back by EUR 1.0 bill. in 2013 and by close to EUR 1.3 bill. in 2014. The extent to which the additional funds also approved by the German government of EUR 1.1 bill. will mitigate the increases in hospital staff and material costs remains to be seen.

Outlook

In the first half-year of 2013, the significant decline in the occupancy rate at the beginning of the year was halted. As regards the development of business this year, the previous guidance has been confirmed.



Frank Abele
Chairman of the Management Board

**Interim Group management report of
MEDICLIN Aktiengesellschaft**
for the period from 1 January 2013 to 30 June 2013

Net assets, financial position and results of operations in the first six months of 2013

General information

The financial reporting of MEDICLIN Aktiengesellschaft (MediClin) 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 2013 financial year should therefore be read in conjunction with the annual report published for the 2012 financial year and the interim report for the first quarter of 2013. The present interim report for the first half-year of 2013 has not been reviewed by auditors. The figures disclosed for last year were determined according to the same accounting policies in order to ensure that the published figures are comparable with each other. In the 2012 financial year, use was made of the premature application of IAS 19 (2011). The changes were retrospectively applied. The notes to the financial statements of the 2012 annual report contain a detailed explanation of the effects which came about as a result of this conversion. The adjustments to the previous year's figures in the present interim report solely concern the reclassification of net interest expense from pension provisions (staff costs) under financial expenditure (1 HY 2012: EUR 0.8 mill.; Q2 2012: EUR 0.4 mill.).

Development of sales in the Group and in the segments

In the first half-year of 2013, MediClin generated Group sales of EUR 257.4 mill. (1 HY 2012: EUR 254.1 mill.) and in the half-year comparison was thus EUR 3.3 mill. or 1.3 % higher than the previous year's value. Compared with the same period of the previous year, sales in the post-acute segment increased by EUR 1.6 mill., in the acute segment by EUR 1.4 mill. and in the nursing care business area by EUR 0.3 mill.

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

In millions of €	1 HY 2013	1 HY 2012	Change in %
Post-acute	147.1	145.5	+1.1
Acute	102.0	100.6	+1.4
Other activities and reconciliation	8.3	8.0	+3.3
Thereof nursing care	6.7	6.4	+4.8
Group	257.4	254.1	+1.3

The share of outpatient healthcare in Group sales amounted to EUR 8.6 mill. or 3.3 % (1 HY 2012: EUR 8.5 mill. or 3.3 %), with the medical care centres accounting for EUR 4.8 mill. (1 HY 2012: EUR 4.5 mill.) of this.

In the first quarter of 2013, Group sales were EUR 0.9 mill. lower than the previous year's comparative amount due to a sales decline in the acute segment of EUR 1.0 mill., but in the second quarter of 2013, the decline was more than compensated (EUR +4.2 mill.). Sales in the acute segment were raised by EUR 2.4 mill. compared with the same period of the previous year, while the post-acute segment contributed EUR 1.6 mill. and the nursing care business area EUR 0.2 mill. to sales growth.

Sales in the Group and in the segments in quarterly comparison

In millions of €	Q2 2013	Q2 2012	Change in %
Post-acute	76.4	74.8	+2.1
Acute	52.4	50.0	+4.9
Other activities and reconciliation	4.1	3.9	+4.8
Thereof nursing care	3.4	3.2	+6.8
Group	132.9	128.7	+3.3

The share of outpatient healthcare in Group sales amounted to EUR 4.5 mill. or 3.4 % (Q2 2012: EUR 4.3 mill. or 3.4 %), with the medical care centres accounting for EUR 2.6 mill. (Q2 2012: EUR 2.3 mill.) of this.

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

At Group level, the number of accomplished **nursing days** declined in the half-year comparison by a total of 29,672 nursing days, attributable entirely to the post-acute segment.

The reduction in nursing days in the post-acute segment amounted to 35,442 nursing days, while the acute segment and the nursing care business area recorded an increase of 4,918 and 852 nursing days respectively.

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

In days	1 HY 2013	1 HY 2012	Change in %
Post-acute	949,063	984,505	-3.6
Acute	218,994	214,076	+2.3
Other activities (only nursing care)	77,557	76,705	+1.1
Group	1,245,614	1,275,286	-2.3

The quarterly comparison reveals a decline of a total of 7,306 nursing days or 1.1%, with the post-acute segment also contributing the most to this decline of minus 13,175 nursing days. In the acute segment, the number of nursing days rose by 4,740 nursing days and in the nursing care business area by 1,129 nursing days.

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

In days	Q2 2013	Q2 2012	Change in %
Post-acute	487,905	501,080	-2.6
Acute	110,036	105,296	+4.5
Other activities (only nursing care)	39,026	37,897	+3.0
Group	636,967	644,273	-1.1

Similar to the decline in nursing days, the **number of cases** was also lower than in the first half-year of 2012, by a total of 1,763 cases or 2.9%, with the post-acute segment recording a reduction of 1,882 cases while the acute segment posted an increase of 119 cases.

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

In cases	1 HY 2013	1 HY 2012	Change in %
Post-acute	37,482	39,364	-4.8
Acute	21,808	21,689	+0.5
Group (without nursing care)	59,290	61,053	-2.9

In the quarterly comparison, the number of cases dropped by a total of 396 cases, resulting from a decline of 748 cases in the post-acute segment and an increase of 352 cases in the acute segment.

Cases in the Group and in the segments in quarterly comparison

In cases	Q2 2013	Q2 2012	Change in %
Post-acute	19,225	19,973	-3.7
Acute	10,919	10,567	+3.3
Group (without nursing care)	30,144	30,540	-1.3

The **occupancy rate** in the Group was 1.5 percentage points lower in the half-year comparison and 0.9 percentage points lower in the quarterly comparison than the previous year's corresponding values.

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

In %	1 HY 2013	1 HY 2012
Post-acute	85.2	86.8
Acute	82.6	83.9
Other activities (only nursing care)	97.2	95.8
Group	85.3	86.8

In the half-year comparison and the quarterly comparison, the decline in the post-acute segment was the most pronounced, at –1.6 and –1.3 percentage points respectively. In the acute segment, the occupancy rate in the half-year comparison was 1.3 percentage points below the value of the same period of the previous year. In the quarterly comparison, by contrast, it was 0.4 percentage points above the previous year's value. In the nursing care business area, the occupancy rate improved by 1.4 percentage points in the half-year comparison and by 2.9 percentage points in the quarterly comparison.

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

In %	Q 2 2013	Q 2 2012
Post-acute	87.1	88.4
Acute	82.6	82.2
Other activities (only nursing care)	97.3	94.4
Group	86.8	87.7

Development of beds/places

Compared with the balance sheet date of 31 December 2012, the number of beds in the Group rose by 11 beds. In the post-acute segment, 24 beds were reduced mostly in favour of beds in the acute segment. Capacity in the acute segment thus climbed by 35 beds. In the nursing care business area, the number of nursing care places remained unchanged.

Beds/places on reference date

Number	30.06.2013	31.12.2012	Change in %
Post-acute	6,157	6,181	-0.4
Acute	1,496	1,461	+2.4
Nursing care (places)	441	441	+/-0.0
Group	8,094	8,083	+0.1

Development of expenses

Raw materials and consumables used amounted to a total of EUR 56.3 mill. in the first half-year of 2013, which corresponded to an increase compared with the previous year's value of EUR 1.2 mill. or 2.3 %.

The cost of purchased services and cost of raw materials and supplies each accounted for EUR 0.6 mill. of this increase. As regards cost of purchased services, additional expenses from energy procurement (EUR +0.7 mill.) and laboratory tests (EUR +0.3 mill.) were offset by a decline in expenses for maintenance cleaning (EUR -0.5 mill.). As regards cost of raw materials and supplies, bonuses, discounts and other refunds granted were EUR 0.6 mill. lower than the previous year's corresponding value.

Raw materials and consumables used in half-year comparison

	1 HY 2013	1 HY 2012	Change in %
Raw materials and consumables used in millions of €	56.3	55.1	+2.3
Cost of materials ratio in %	21.9	21.7	-

The quarterly comparison reveals a slight improvement. An increase of EUR 0.5 mill. was recorded here, with the cost of materials ratio improving by 0.2 percentage points due to the proportionally greater increase in sales.

Raw materials and consumables used in quarterly comparison

	Q2 2013	Q2 2012	Change in %
Raw materials and consumables used in millions of €	28.2	27.7	+1.8
Cost of materials ratio in %	21.3	21.5	-

Staff costs climbed in a comparison with the first half-year by EUR 8.0 mill. or 5.5 %, with wages and salaries as well as social security expenses and pension provision expenses rising by EUR 6.6 mill. and EUR 1.4 mill. respectively. The increase can be essentially attributed to compensation adjustments as well as to the higher average number of staff. The staff cost ratio increased by 2.4 percentage points to 60.0 %.

Staff costs in half-year comparison

	1 HY 2013	1 HY 2012	Change in %
Staff costs in millions of €	154.3	146.3	+5.5
Staff costs ratio in %	60.0	57.6	-

Staff costs in quarterly comparison

	Q2 2013	Q2 2012	Change in %
Staff costs in millions of €	76.9	72.9	+5.5
Staff costs ratio in %	57.8	56.6	-

The quarterly comparison shows staff costs to have risen by EUR 4.0 mill.

Depreciation and amortisation of EUR 8.7 mill. (1 HY 2012: EUR 7.9 mill.) increased in the half-year comparison by EUR 0.8 mill.

Compared with the first half-year of 2012, **other operating expenses** declined by EUR 0.3 mill. to EUR 46.3 mill. (1 HY 2012: EUR 46.6 mill.). Higher expenses for maintenance (EUR +0.5 mill.) were essentially offset by lower expenses for rents and leases (EUR –0.2 mill.), advertising/public relations (EUR –0.2 mill.) and auditing and consulting costs (EUR –0.2 mill.).

The **financial result** of the first half-year of 2013 of EUR –1.9 mill. improved by EUR 0.7 mill. compared with the corresponding value in 2012 (1 HY 2012: EUR –2.6 mill.) in response to lower interest expenses.

Development of the result in the Group and in the segments

The **Group operating result** in the first quarter 2013 amounted to EUR –5.9 mill. at sales which were EUR 0.9 mill. below the value for the first quarter 2012. However, a turn-around can be noted in the second quarter 2013. Sales were EUR 4.2 mill. or 3.2 % higher compared with the second quarter 2012. The Group operating result amounted to EUR 2.3 mill. and was thus only EUR 0.4 mill. lower than the previous year's value (Q2 2012: EUR 2.7 mill.), despite a noticeable increase in costs. Taking this quarterly development into account, a Group operating result was recorded of EUR –3.6 mill. for the first half-year of 2013 (1 HY 2012: EUR 1.9 mill.).

All in all, the half-year comparison shows sales to have grown by EUR 3.3 mill. and other operating income to have risen by EUR 0.9 mill. However, this was offset by additional expenses of EUR 9.7 mill., with staff costs rising by EUR 8.0 mill., material expenses by EUR 1.2 mill. and depreciation and amortisation by EUR 0.8 mill. In contrast, other operating expenses declined by EUR 0.3 mill.

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

In millions of €	1 HY 2013	1 HY 2012
Post-acute	–2.5	1.3
Acute	3.1	3.9
Other activities and reconciliation	–4.2	–3.3
Group	–3.6	1.9

The result for the first half-year of 2013 in the post-acute segment was EUR 3.8 mill. below the previous year's value, with EUR 3.4 mill. of this amount attributable to higher staff costs. In the acute segment, due to the higher number of nursing days and higher number of cases, the improvement in sales was unable to fully compensate the cost increases in the half-year comparison.

Group and segment results from operating activities in quarterly comparison

In millions of €	Q2 2013	Q2 2012
Post-acute	1.7	3.0
Acute	3.0	1.5
Other activities and reconciliation	-2.4	-1.8
Group	2.3	2.7

Compared with the first quarter 2013, the segment earnings have improved, but the result of the post-acute segment in the quarterly comparison was below the previous year's value. In the acute segment, by contrast, the result of the second quarter 2013 far exceeded that of the second quarter 2012.

The **result before tax** of the first half-year of 2013 amounted to EUR -5.5 mill. (1 HY 2012: EUR -0.7 mill.). Net of taxes on income and the share in profits attributable to non-controlling interests, the **Group half-year result attributable to the shareholders of MediClin AG** amounted to EUR -5.6 mill. (1 HY 2012: EUR -1.0 mill.).

The **un/diluted earnings per share** for the first half-year of 2013 amounted to EUR -0.12 (1 HY 2012: EUR -0.02) and EUR 0.02 for the second quarter 2013 (Q2 2012: EUR 0.02).

Development of net assets

Balance sheet structure

In millions of €	30.06.2013	In % of balance sheet total	31.12.2012	In % of balance sheet total
Assets				
Non-current assets	221.3	71.0	222.3	69.5
Current assets	90.6	29.0	97.3	30.5
	311.9	100.0	319.6	100.0
Equity and liabilities				
Equity	151.4	48.5	157.0	49.1
Non-current liabilities	109.3	35.0	112.4	35.2
Current liabilities	51.2	16.5	50.2	15.7
	311.9	100.0	319.6	100.0

The **balance sheet total** of EUR 311.9 mill. decreased compared with the recording date of 31 December 2012 by EUR 7.7 mill. or 2.4 %, as reflected on the asset side of the balance sheet primarily in the decline in current assets. On the liabilities side, the decline is reflected in the equity due to the negative half-year result.

Non-current assets recorded a slight decline of EUR 1.0 mill. to EUR 221.3 mill. Non-current assets thus declined by a total of EUR 1.3 mill., showing a reduction in property, plant and equipment of EUR 1.9 mill. which was offset by gains in intangible assets and financial assets of EUR 0.5 mill. and EUR 0.1 mill. respectively. Deferred taxes rose by EUR 0.3 mill. from EUR 5.7 mill. to EUR 6.0 mill.

Current assets declined as of the cut-off date by EUR 6.7 mill. to EUR 90.6 mill., with reductions being recorded particularly in cash and cash equivalents (EUR –13.2 mill.), other assets (EUR –0.8 mill.) and inventories (EUR –0.3 mill.). This was offset by an increase in trade receivables (EUR +3.3 mill.), the receivables pursuant to hospital financing law (EUR +2.8 mill.) and prepaid expenses (EUR +1.5 mill.).

Equity amounts to EUR 151.4 mill., and decreased as a result of offsetting the half-year loss. The equity ratio declined from 49.1 % to 48.5 %.

A decline of EUR 3.1 mill. was recorded in **non-current liabilities**. The reclassification of current capital redemption portions from non-current financial liabilities to current financial liabilities (EUR –3.2 mill.) and the decline in non-current provisions (EUR –0.1 mill.) were offset by an increase in deferred taxes (EUR +0.2 mill.).

Compared with the recording date of 31 December 2012, **current liabilities** have declined by a total of EUR 1.0 mill., with liabilities to banks and insurance companies having fallen by a total of EUR 3.5 mill., trade payables by EUR 3.2 mill. and other financial liabilities by EUR 0.1 mill. This was offset by EUR 2.3 mill. higher liabilities pursuant to hospital financing law, EUR 2.4 mill. higher other liabilities and EUR 0.7 mill. higher tax liabilities.

Development of the financial position

The **cash flow from operating activities** for the first six months of 2013 of EUR –2.6 mill. has declined compared with the same period of the previous year by EUR 5.1 mill. (1 HY 2012: EUR 2.5 mill.).

The **cash flow from investing activities** amounted to EUR –6.3 mill. (1 HY 2012: EUR –8.8 mill.). Expenses for investments in non-current assets amounted to a total of EUR 7.5 mill. which was EUR 2.2 mill. lower than in the previous year (1 HY 2012: EUR 9.7 mill.). Payments received from asset disposals and subsidies amounted to EUR 1.2 mill. (1 HY 2012: EUR 0.9 mill.).

The **cash flow from financing activities** amounted to EUR –4.3 mill. (1 HY 2012: EUR –12.0 mill.) and results from regular redemptions of the financing loans. All in all, cash and cash equivalents declined from EUR 13.2 mill. to EUR 9.7 mill. (31.12.2012: EUR 22.9 mill.).

Capital expenditure

In the first half-year of 2013, investments in non-current assets were made in a gross amount of EUR 8.6 mill. (1 HY 2012: EUR 11.2 mill.). Subsidies of EUR 1.2 mill. (1 HY 2012: EUR 0.4 mill.) were received during this period.

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

In thousands of €	1 HY 2013	1 HY 2012
Licences, concessions	1,101	595
Goodwill	75	0
Land, buildings	903	722
Technical equipment, EDP	248	1,344
Operating and office equipment	5,571	4,588
Payments on account and assets under construction	738	3,933
Financial assets	7	0
Total	8,643	11,182

Employees

The number of employees, calculated in terms of full-time employees, amounted to an average of 6,371 full-time employees for the first half-year of 2013 (1 HY 2012: 6,178 full-time employees), an increase by a total of 193 full-time employees or 3.1%. The largest increase of 123 full-time employees or 3.9% was recorded in the post-acute segment.

In the acute segment, an average of 1,878 full-time employees (1 HY 2012: 1,872 full-time employees) were employed in the acute hospitals and an average of 127 full-time employees (1 HY 2012: 118 full-time employees) in the medical care centres. In the other activities segment, an average of 176 full-time employees worked in the nursing care business area (1 HY 2012: 167 full-time employees) and 931 full-time employees in the service business area including administration (1 HY 2012: 885 full-time employees).

In the first half-year of 2013, an average of 215 trainees were employed throughout the Group (1 HY 2012: 209 trainees).

Number of employees in half-year comparison

Shown in full-time employees	1 HY 2013	1 HY 2012	Change
Post-acute	3,259	3,136	+123
Acute	2,005	1,990	+15
Other activities	1,107	1,052	+55
Thereof nursing care	176	167	+9
Thereof service (including administration)	931	885	+46
Group	6,371	6,178	+193

The quarterly comparison also shows corresponding growth in the number of employees compared with the same period a year earlier.

Number of employees in quarterly comparison

Shown in full-time employees	Q2 2013	Q2 2012	Change
Post-acute	3,254	3,149	+105
Acute	2,014	1,998	+16
Other activities	1,122	1,054	+68
Thereof nursing care	176	165	+11
Thereof service (including administration)	946	889	+57
Group	6,390	6,201	+189

Sales per full-time employee decreased in comparison with the first half-year of 2012 by EUR 727 or 1.8 %, but climbed in the quarterly comparison by EUR 51 or 0.2 %.

Staff costs per full-time employee rose in the half-year comparison by EUR 538 or 2.3 %, and in the quarterly comparison by EUR 279 or 2.4 %.

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

In €	1 HY 2013	1 HY 2012
Sales per full-time employee	40,406	41,133
Staff costs per full-time employee	24,226	23,687

Key data per full-time employee in quarterly comparison

In €	Q2 2013	Q2 2012
Sales per full-time employee	20,809	20,758
Staff costs per full-time employee	12,033	11,755

Segment reporting

In both the half-year comparison and the quarterly comparison, the two segments post-acute and acute as well as the nursing care business area showed sales increases. Compared with the first quarter 2013, earnings in the segments have improved, but the result of the post-acute segment in the half-year comparison and the quarterly comparison was still below the previous year's value. While in terms of the half-year comparison the acute segment still failed to show any improvement, the result of the second quarter 2013 clearly exceeded the value of the second quarter 2012. Higher staff costs and material expenses were the main reasons for the lower results in the segments compared with the previous year's values. The increase in staff costs in comparison with 2012 was essentially due to the higher number of employees and general tariff increases.

Development of the segments in half-year comparison

In the **post-acute segment**, sales of EUR 147.1 mill. were EUR 1.6 mill. or 1.1% higher than in the previous year. The expenses attributed to the segment (raw materials and consumables used, staff costs and other operating expenses) of EUR 148.2 mill. increased compared with the previous year's value (1 HY 2012: EUR 142.9 mill.) by EUR 5.3 mill. or 3.7%. The staff cost ratio climbed to 52.1% (1 HY 2012: 50.4%). The segment result for the first half-year of 2013 thus amounted to EUR –2.5 mill. (1 HY 2012: EUR 1.3 mill.).

In the post-acute segment, MediClin offers services which are allocated on the one hand to subsequent nursing treatment and on the other hand to curative treatment. Curative treatment also includes all of the services offered in psychosomatics. All in all, the number of nursing days declined by 35,442 days.

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

In nursing days	1 HY 2013	1 HY 2012	Change in %	Share 1 HY 2013 in %
Subsequent nursing treatment	600,847	611,020	–1.7	63.3
Curative treatment	336,528	360,489	–6.6	35.5
Other	11,688	12,996	–10.1	1.2
Post-acute segment	949,063	984,505	–3.6	100.0

In the first-half of 2013 an average of 3,259 full-time employees (1 HY 2012: 3,136 full-time employees) were employed in the post-acute segment.

Segment results and net assets in half-year comparison

In millions of €	January – June 2013					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
Sales	147.1	102.0	32.3	281.4	–24.0	257.4
Thereof total sales	149.0	103.2	34.7	286.9	0.0	286.9
Thereof internal sales	1.9	1.2	2.4	5.5	24.0	29.5
Raw materials and consumables used	–35.6	–28.6	–15.5	–79.7	23.4	–56.3
Staff costs	–76.7	–55.2	–20.9	–152.8	–1.5	–154.3
Other operating expenses	–35.9	–12.4	–4.8	–53.1	6.8	–46.3
Segment result	–2.5	3.1	–2.8	–2.2	–1.4	–3.6
Thereof non-cash items:						
Scheduled depreciations/write-ups	–4.3	–7.9	–0.6	–12.8	0.0	–12.8
Unscheduled depreciations/write-ups	0.0	0.0	0.0	0.0	0.0	0.0
Release of special item	0.2	3.9	0.0	4.1	0.0	4.1
Allowances	–0.2	0.1	–0.1	–0.2	0.0	–0.2
Allocation of provisions/liabilities	–6.6	–5.4	–2.4	–14.4	–0.4	–14.8
Release of provisions/liabilities	0.7	0.3	0.5	1.5	0.1	1.6
Financial revenues	0.1	0.0	0.3	0.4	–0.3	0.1
Financial costs	–0.8	–0.8	–0.7	–2.3	0.3	–2.0
Financial result	–0.7	–0.8	–0.4	–1.9	0.0	–1.9
Taxes on income	0.0	–0.1	–0.1	–0.2	0.0	–0.2
Assets	123.0	166.2	7.2	296.4	15.4	311.8
Liabilities	19.6	18.1	57.4	95.1	65.4	160.5
Gross capital expenditure	4.6	2.6	1.8	9.0	–0.4	8.6

In millions of €	January–June 2012					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
Sales	145.5	100.6	25.6	271.7	-17.6	254.1
Thereof total sales	147.6	101.4	28.2	277.2	0.0	277.2
Thereof internal sales	2.1	0.8	2.6	5.5	17.6	23.1
Raw materials and consumables used	-34.5	-28.0	-9.4	-71.9	16.8	-55.1
Staff costs	-73.3	-53.1	-18.6	-145.0	-1.3	-146.3
Other operating expenses	-35.1	-13.3	-5.0	-53.4	6.8	-46.6
Segment result	1.3	3.9	-1.7	3.5	-1.6	1.9
Thereof non-cash items:						
Scheduled depreciations/write-ups	-4.1	-7.5	-0.4	-12.0	0.0	-12.0
Unscheduled depreciations/write-ups	0.0	0.0	0.0	0.0	0.0	0.0
Release of special item	0.2	3.9	0.0	4.1	0.0	4.1
Allowances	0.0	-0.1	0.0	-0.1	0.0	-0.1
Allocation of provisions/liabilities	-6.8	-4.7	-1.5	-13.0	-0.3	-13.3
Release of provisions/liabilities	0.3	0.4	0.1	0.8	0.0	0.8
Financial revenues	0.1	0.4	0.1	0.6	-0.5	0.1
Financial costs	-0.8	-0.8	-1.2	-2.8	0.1	-2.7
Financial result	-0.7	-0.4	-1.1	-2.2	-0.4	-2.6
Taxes on income	0.0	-0.2	-0.1	-0.3	0.0	-0.3
Assets	120.6	167.2	5.2	293.0	27.1	320.1
Liabilities	19.4	17.0	48.3	84.7	70.9	155.6
Gross capital expenditure	4.0	6.7	0.5	11.2	0.0	11.2

Segment results and net assets in quarterly comparison

In millions of €	April – June 2013					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
Sales	76.4	52.4	16.0	144.8	-11.9	132.9
Thereof total sales	77.3	53.0	17.1	147.4	0.0	147.4
Thereof internal sales	0.9	0.6	1.1	2.6	11.9	14.5
Raw materials and consumables used	-17.6	-14.6	-7.5	-39.7	11.5	-28.2
Staff costs	-38.2	-27.4	-10.5	-76.1	-0.8	-76.9
Other operating expenses	-18.0	-6.1	-2.5	-26.6	3.3	-23.3
Segment result	1.7	3.0	-1.6	3.1	-0.8	2.3
Thereof non-cash items:						
Scheduled depreciations/write-ups	-2.2	-3.9	-0.3	-6.4	0.0	-6.4
Unscheduled depreciations/write-ups	0.0	0.0	0.0	0.0	0.0	0.0
Release of special item	0.1	1.9	0.0	2.0	0.0	2.0
Allowances	-0.1	0.1	-0.1	-0.1	0.0	-0.1
Allocation of provisions/liabilities	0.4	-0.5	-0.2	-0.3	-0.2	-0.5
Release of provisions/liabilities	0.3	0.1	0.1	0.5	0.0	0.5
Financial revenues	0.0	0.0	0.2	0.2	-0.1	0.1
Financial costs	-0.4	-0.4	-0.5	-1.3	0.1	-1.2
Financial result	-0.4	-0.4	-0.3	-1.1	0.0	-1.1
Taxes on income	0.0	0.0	-0.4	-0.4	0.0	-0.4
Assets (Change)	-1.2	-0.4	0.8	-0.8	-0.3	-1.1
Liabilities (Change)	-1.5	0.5	-0.2	-1.2	-0.7	-1.9
Gross capital expenditure	2.1	1.1	0.6	3.8	0.0	3.8

In millions of €	April–June 2012					
	Post-acute	Acute	Other activities	Subtotal	Reconciliation	Total
Sales	74.8	50.0	12.9	137.7	–9.0	128.7
Thereof total sales	75.9	50.3	14.1	140.3	0.0	140.3
Thereof internal sales	1.1	0.3	1.2	2.6	9.0	11.6
Raw materials and consumables used	–17.3	–14.1	–4.8	–36.2	8.5	–27.7
Staff costs	–36.8	–26.3	–9.2	–72.3	–0.6	–72.9
Other operating expenses	–17.2	–6.7	–2.7	–26.6	3.1	–23.5
Segment result	3.0	1.5	–0.9	3.6	–0.9	2.7
Thereof non-cash items:						
Scheduled depreciations/write-ups	–2.1	–3.8	–0.1	–6.0	0.0	–6.0
Unscheduled depreciations/write-ups	0.0	0.0	0.0	0.0	0.0	0.0
Release of special item	0.1	2.0	0.0	2.1	0.0	2.1
Allowances	–0.1	0.0	0.0	–0.1	0.0	–0.1
Allocation of provisions/liabilities	0.1	–0.3	0.4	0.2	–0.2	0.0
Release of provisions/liabilities	0.2	0.2	0.1	0.5	0.0	0.5
Financial revenues	0.1	0.2	0.1	0.4	–0.4	0.0
Financial costs	–0.4	–0.4	–0.7	–1.5	0.3	–1.2
Financial result	–0.3	–0.2	–0.6	–1.1	–0.1	–1.2
Taxes on income	0.0	–0.1	–0.1	–0.2	–0.3	–0.5
Assets (Change)	1.0	4.0	–0.2	4.8	–6.2	–1.4
Liabilities (Change)	0.8	–1.1	0.1	–0.2	–2.1	–2.3
Gross capital expenditure	1.8	2.5	0.4	4.7	0.0	4.7

In the **acute segment**, sales amounted to EUR 102.0 mill. (1 HY 2012: EUR 100.6 mill.) and were thus EUR 1.4 mill. or 1.4 % above the comparative amount of the previous year. An increase was recorded in the expenses attributed to the segment (raw materials and consumables used, staff costs and other operating expenses) of a total of EUR 1.8 mill. to EUR 96.2 mill. (1 HY 2012: EUR 94.4 mill.), due in particular to higher staff costs. The staff cost ratio climbed to 54.1 % (1 HY 2012: 52.8 %). The segment result amounted to EUR 3.1 mill. (1 HY 2012: EUR 3.9 mill.).

In the acute segment, an average of 2,005 full-time employees (1 HY 2012: 1,990 full-time employees) were employed in the first six months of 2013.

Development of the segments in quarterly comparison

The quarterly comparison with the previous year shows an improvement in earnings in the **post-acute segment** in response to the higher sales. Sales of EUR 76.4 mill. were EUR 1.6 mill. or 2.1 % higher than the previous year's value. The segment thus reported a positive segment result for the second quarter 2013 of EUR 1.7 mill. (Q2 2012: EUR 3.0 mill.).

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

In nursing days	Q2 2013	Q2 2012	Change in %	Share Q2 2013 in %
Subsequent nursing treatment	308,542	310,096	-0.5	63.2
Curative treatment	172,452	183,436	-6.0	35.3
Other	6,911	7,548	-8.4	1.4
Post-acute segment	487,905	501,080	-2.6	100.0

In the **acute segment**, the result of EUR 3.0 mill. clearly exceeded the previous year's value (Q2 2012: EUR 1.5 mill.). The EUR 2.4 mill. higher sales and EUR 0.6 mill. lower other operating expenses more than compensated the increase in staff costs and material expenses of a total of EUR 1.6 mill.

Development of the coverage provider structure

IFRS (IFRS 8.34 "Information about Transactions with Major Customers") require a company to provide information on the degree of dependency on its most important customers.

Due to its activities as a nationwide hospital operator, the major customers for MediClin are the statutory social security pension funds and the public health insurance funds which account for around 90 % of total demand for services.

The social security pension funds and the public health insurance funds are the two largest funding agencies for medical rehabilitation. The social security pension funds finance occupational and medical rehabilitation measures for persons in dependent employment, and thus pursue the objective of restoring the ability to work and avoiding early retirement. The goal of the public health insurance funds' services is to prevent disabilities and to reduce the need for nursing care, or to prevent deterioration of existing disabilities through rehabilitation measures. The public health insurance funds are the main funding agencies in the acute segment.

Supervision and control of sales with the coverage providers is carried out with the help of monthly statistics on the coverage providers. These statistics document the services invoiced to the individual coverage providers in terms of accomplished nursing days. On the basis of these statistics, in the first six months of 2013 the public health insurance funds accounted for 41.8 % (1 HY 2012: 39.7%) and the social security pension funds for 48.7% (1 HY 2012: 51.3 %) of the nursing days in the post-acute segment. In the acute segment, the public health insurance funds accounted for 92.9 % (1 HY 2012: 92.8 %) of the nursing days were allotted to the public health insurance funds.

Report concerning related parties

Business relations to related parties and companies during the first six months of 2013 were the same as to the parties and companies listed in the 2012 annual report. Business relations to related parties and companies are handled at standard market terms and are presented as follows:

In millions of €	1 HY 2013	1 HY 2012
Income		
Revenues from post-acute, acute and nursing care services	0.8	0.9
Real estate management income	0.2	0.2
Expenses		
Leasing expenses	21.6	21.3
Real estate management costs	0.4	0.4
Insurance premiums	0.7	0.6
Interest expenses	0.0	0.3
Service contracts	2.6	2.6
In millions of €	30.06.2013	31.12.2012
Receivables		
Repayment claims from preliminary financing building measures	0.4	0.4
Receivables from post-acute, acute and nursing care services	0.1	0.1
Liabilities		
Service contracts	0.8	0.6

Risk and opportunity report

No new noteworthy risks or opportunities arose during the first six months of the 2013 financial year, and there were no changes in the risk and opportunity management; hence we refer to the information provided in the 2012 annual report.

Subsequent events and future prospects

On 29 July 2013, the interest rate for the syndicated loan was fixed at 2.592 % p.a. for the interest period 31 July 2013 to 31 January 2014 (31 January 2013 to 30 July 2013: 2.323 % p.a.).

Otherwise, since 30 June 2013 there have been no occurrences of events of particular significance which MediClin believes could have a material impact on the Group's net assets, financial position and results of operations.

Current economic and sector developments

The signs emerging at the end of the first quarter 2013 that the economic upswing was tapering off were confirmed in the second quarter. The austerity policy and recession in many countries of the European Union (EU) along with the weaker demand from countries outside the EU decelerated economic development in Germany. Economic experts have therefore revised down the forecasts for 2013 and 2014 in their latest estimates. The International Monetary Fund (IMF), for example, expects growth in gross domestic product (GDP) of only +0.3 % for 2013 and +1.5 % for 2014 compared with its previous estimates of +0.6 % and +1.8 % respectively. The Hans Böckler Foundation, with its close ties to the trade unions, also lowered growth forecast for 2013 from +0.9 % to +0.3 %. All experts expect domestic demand, i.e. private consumption, to be the most important cornerstone of economic activity in the near future. This is underpinned by the assumption of real growth in wages and salaries in 2013 and 2014.

The situation on the labour market has stagnated in response to the weaker economic growth, with a number of research institutes forecasting a moderate rise in unemployment in the future.

For the first quarter 2013, the statutory health insurance funds recorded a surplus of nearly EUR 0.9 bill. (Q1 2012: EUR 1.5 bill.) as preliminary financial result. Revenues amounted to EUR 48.9 bill., expenditure to EUR 48.0 bill.

The German health fund recorded a deficit in the first quarter 2013 of EUR 1.8 bill. This deficit is particularly higher compared with the first quarter 2012 (Q1 2012: EUR 1.1 bill.) because the government subsidy for 2013 has been reduced from EUR 14.0 bill. to EUR 11.5 bill. within the framework of budget consolidation. This means that in the first quarter 2013, the subsidy of EUR 2.8 bill. was around EUR 0.6 bill. lower than the subsidy for the first quarter 2012.

At the end of the first quarter 2013, the German health fund and the health insurance funds had financial reserves at their disposal of a combined EUR 27.7 bill., with the health insurance funds accounting for around EUR 16.4 bill. of this and the German health fund for around EUR 11.3 bill.

In its report published in October 2012, the working group responsible for estimating the development of revenues and expenditure in the public health insurance ("Schätzerkreis zur Entwicklung der Einnahmen und Ausgaben in der gesetzlichen Krankenversicherung"), formed at the German Federal Insurance Authority, estimates the revenues of the German health fund for 2013 at EUR 191.8 bill. The expenditure of the health insurance funds is estimated at EUR 190.2 bill. This means that, in 2013, the expected expenditure of the health insurance funds can again be fully covered in average terms through the transfers from the health care funds.

New legal regulations

In the second and third reading on 14 June 2013, the German Bundestag adopted the law to relieve insureds burdened by health insurance contribution debts ("Gesetz zur Beseitigung sozialer Überforderung bei Beitragsschulden in der Krankenversicherung"). The law will also have positive consequences for hospital financing. The following measures are to be implemented:

- A provision surcharge for the years 2013 and 2014 will bring relief to hospitals offering somatic services. The provision surcharge is structured as a percentage premium on the diagnosis related groups (DRGs). The surcharge is 1.0 % from 1 August 2013 and 0.8 % for 2014.

- Furthermore, certain collectively agreed wage increases from the year 2013 are to be permanently refinanced on a pro rata basis. To promptly settle the pro rata-based, collectively agreed wage refinancing, the provision surcharge in the year 2013 will be raised by the rate agreed by the self-governing partners at federal level. As collectively agreed wage increases are permanently effective, they will be included in the base rates at state level in 2014.
- In the years 2014 and 2015, greater consideration can be given to cost increases in negotiations with the health insurance funds in favour of the hospitals. In the past, only up to one third of the so-called orientation rate was taken into account, but from now on the full rate can be used as a basis. If the basic wage rate is higher than the orientation rate, use will be made of the higher rate.
- A hygiene subsidy programme is to be launched to enable hospitals to quickly recruit medical and nursing-care hygiene staff as required. The objective is to support the new or additional recruitment of existing part-time staff, external advisory services from physicians specialised in hygiene and the education and further training of staff in order to qualify them as hygiene personnel.

The measures named above offer hospitals relief of an estimated some EUR 415 mill. in 2013 and some EUR 690 mill. in 2014. The relief adds up to a total of some EUR 1.1 bill. for a period of 18 months.

The additional expenses of the Statutory Health Insurance accruing in 2014 will be covered entirely by funds from the German health fund's liquidity reserve and will thus not result in any additional contributions.

On 27 June 2013, the German Bundestag adopted the Prevention Promotion Act ("Präventionsförderungsgesetz"). The objective of the law is to ensure that in future more people profit from quality-approved health promotion solutions and prevention services. The expenditure budgeted by the health insurance funds for health promotion and prevention services is to be raised from 2014 from currently some EUR 205 mill. to nearly EUR 500 mill.

Regulations to combat corruption in the health care sector were also adopted along with the Prevention Promotion Act.

Outlook for the 2013 financial year

The Management Board is continuing the restructuring measures commenced in mid-2012 of aligning hospitals with the changing market conditions. The significant decline in the occupancy rate at the beginning of the year has been halted. The occupancy rate at the beginning of the third quarter corresponds with the level of the previous year.

MediClin will continue to invest in medical fields that signal rising demand. Demand for health services is being decisively influenced by the demographic development and the challenges accompanying this.

As regards the development of business this year, the previous guidance has been confirmed.

MEDICLIN Aktiengesellschaft

Offenburg, 31 July 2013

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 2013 to 30 June 2013

Consolidated interim balance sheet as of 30 June 2013

ASSETS

In thousands of €		30.06.2013	31.12.2012
NON-CURRENT ASSETS			
Intangible assets			
Concessions, licences	1,647		1,542
Goodwill	49,325		49,251
Payments on account	443		131
		51,415	50,924
Property, plant and equipment			
Land, land rights and buildings including buildings on third-party land	110,244		112,041
Technical equipment and machines	11,625		12,347
Operating and office equipment	35,344		35,080
Payments on account and assets under construction	2,501		2,126
		159,714	161,594
Other financial assets			
Investment in stock of subsidiaries	66		59
Other loans and other financial assets	107		40
Reinsurance cover	1,465		1,465
		1,638	1,564
Other non-current assets			
Non-current tax refund claims	281		273
Receivables pursuant to hospital financing law	2,250		2,250
		2,531	2,523
Deferred tax assets			
		5,974	5,655
		221,272	222,260
CURRENT ASSETS			
Inventories			
		6,825	7,142
Trade receivables			
		63,071	59,827
Other current assets			
Prepaid expenses	2,801		1,297
Receivables pursuant to hospital financing law	4,866		2,030
Other assets	3,220		4,025
		10,887	7,352
Current tax refund claims			
		79	79
Cash and cash equivalents			
		9,738	22,936
		90,600	97,336
		311,872	319,596

EQUITY AND LIABILITIES

In thousands of €		30.06.2013	31.12.2012
EQUITY			
Shares MediClin Group			
Subscribed capital	47,500		47,500
Capital reserve	129,392		129,392
Revenue reserve	-8,027		-8,027
Consolidated balance sheet loss	-17,395		-11,776
		151,470	157,089
Non-controlling interests		-89	-69
		151,381	157,020
NON-CURRENT LIABILITIES			
Non-current financial liabilities			
Liabilities to banks	55,492		58,575
Other financial liabilities	8,187		8,386
		63,679	66,961
Non-current provisions			
Provisions for pensions and similar commitments	36,575		36,433
Other provisions	5,497		5,731
		42,072	42,164
Deferred tax liabilities		3,507	3,285
		109,258	112,410
CURRENT LIABILITIES			
Trade payables		14,068	17,316
Current financial liabilities			
Liabilities to banks and insurance companies	7,259		8,227
Other financial liabilities	575		674
		7,834	8,901
Other current liabilities			
Liabilities pursuant to hospital financing law	5,884		3,630
Other liabilities	20,122		17,710
		26,006	21,340
Current provisions		2,475	2,445
Current tax liabilities		850	164
		51,233	50,166
		311,872	319,596

Consolidated interim statement of comprehensive income

In thousands of €	Jan. – June 2013	Jan. – June 2012	April – June 2013	April – June 2012
I. CONSOLIDATED PROFIT AND LOSS ACCOUNT				
Sales	257,429	254,119	132,968	128,719
Other operating income	4,584	3,659	2,033	1,918
Total operating performance	262,013	257,778	135,001	130,637
Raw materials and consumables used				
a) Cost of raw materials and supplies	-31,661	-31,071	-16,109	-15,839
b) Cost of purchased services	-24,678	-24,025	-12,117	-11,878
	-56,339	-55,096	-28,226	-27,717
Staff costs				
a) Wages and salaries	-131,445	-124,798	-64,929	-61,371
b) Social security, pension and retirement	-22,897	-21,543	-11,965	-11,520
	-154,342	-146,341	-76,894	-72,891
Depreciation and amortisation	-8,671	-7,919	-4,311	-3,951
Other operating expenses	-46,257	-46,586	-23,263	-23,476
Operating result	-3,596	1,836	2,307	2,602
Financial result				
a) Other financial revenues	84	74	64	21
b) Other financial costs	-1,939	-2,630	-1,070	-1,159
	-1,855	-2,556	-1,006	-1,138
Result before tax	-5,451	-720	1,301	1,464
Taxes on income	-188	-307	-402	-504
Result after tax	-5,639	-1,027	899	960
Thereof attributable to shareholders of MediClin AG	-5,619	-989	887	978
Thereof attributable to the non-controlling interests	-20	-38	12	-18
II. OTHER COMPREHENSIVE INCOME				
Thereof attributable to shareholders of MediClin AG	0	0	0	0
Thereof attributable to the non-controlling interests	0	0	0	0
III. OVERALL RESULT				
Thereof attributable to shareholders of MediClin AG	-5,619	-989	887	978
Thereof attributable to the non-controlling interests	-20	-38	12	-18
Result after tax attributable to shareholders of MediClin AG per share				
Undiluted (in €)	-0.12	-0.02	0.02	0.02
Diluted (in €)	-0.12	-0.02	0.02	0.02

Consolidated cash flow statement

In thousands of €	January – June 2013	January – June 2012
Operating result (EBIT)	- 3,596	1,836
Result of finance activities	-1,855	-2,556
Result of income taxes	-188	-307
Total consolidated result	- 5,639	-1,027
Depreciation on fixed asset items	8,671	7,919
Change in deferred taxes	-97	64
Change in non-current provisions	-92	376
Change in current provisions	30	-602
Result from the disposal of fixed asset items	-39	-26
Change in non-current tax refund claims	-7	2
Change in other non-current assets	0	-2,300
Change in other current assets	-6,299	-4,634
Change in other non-current liabilities	0	-2
Change in other current liabilities	914	2,761
Cash flow from operating activities	- 2,558	2,531
Payments received from the disposal of fixed assets	- 5	563
From the disposal of property, plant and equipment	-5	563
Payments received from investment subsidies	1,166	351
Cash used for investments in fixed assets	-7,451	-9,747
In intangible assets	-1,045	-459
In property, plant and equipment	-6,399	-9,288
In financial assets	-7	0
Cash flow from investing activities	- 6,290	- 8,833
Assumption of financial liabilities	0	51,200
Repayment of financial liabilities	-4,350	-63,155
Cash flow from financing activities	- 4,350	-11,955
Cash flow for the period	-13,198	-18,257
Cash and cash equivalents at the beginning of the period	22,936	41,336
Cash and cash equivalents at the end of the period	9,738	23,079

The cash and cash equivalents at the end of the period correspond to the balance sheet item "cash and cash equivalents" and encompass 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 01.01.2012	47,500	129,392	17
Group comprehensive income	-	-	-
As of 30.06.2012	47,500	129,392	17

In thousands of €	Subscribed capital	Capital reserve	Revenue reserve
As of 01.01.2013	47,500	129,392	-8,027
Group comprehensive income	-	-	-
As of 30.06.2013	47,500	129,392	-8,027

	Consolidated balance sheet result	Shares MediClin Group	Non-controlling interests	Total equity
	-11,357	165,552	37	165,589
	-989	-989	-38	-1,027
	-12,346	164,563	-1	164,562

	Consolidated balance sheet result	Shares MediClin Group	Non-controlling interests	Total equity
	-11,776	157,089	-69	157,020
	-5,619	-5,619	-20	-5,639
	-17,395	151,470	-89	151,381

Other information

General information

The unaudited consolidated interim financial report of MEDICLIN Aktiengesellschaft for the first six months of the 2013 financial year was prepared in accordance with International Accounting Standard (IAS) 34. The same accounting policies used in the consolidated financial statements for the 2012 financial year were also strictly applied in this interim report. The interim report should therefore be read in conjunction with the Company's 2012 annual report and the interim report for the first quarter 2012. In particular we refer to the section "Changes to the accounting and valuation methods adopted" in the 2012 annual report, which contains detailed explanations of the first-time application of IAS 19 (2011).

Standards and interpretations published by the EU Commission in the second quarter 2013

In the Official Journal of 5 April 2013 (Commission Regulation (EU) No. 313/2013 of 4 April 2013), the European Union (EU) published amendments to IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in other Entities", which had been published by the IASB on 28 June 2012. The objective of these amendments is to clarify the transition regulations in IFRS 10. The amendments also contain further simplifications for the transition to IFRS 10, IFRS 11 and IFRS 12. Adjusted comparative information is demanded solely for the preceding comparison period. Furthermore, the obligation to state comparative information for periods before the first-time adoption of IFRS 12 does not apply to the disclosures on non-consolidated structured entities made in the notes to the financial statements. The above-mentioned amendments must be adopted from the first financial year beginning on or after 1 January 2014. All in all, MediClin does not expect the amendments to have any material effects on the financial statements.

Standards and interpretations published by the IASB in the second quarter 2013 but not yet adopted by the EU Commission

On 21 May 2013 the IASB published IFRIC Interpretation IFRIC 21 "Levies". The interpretation provides guidance on the question of when an enterprise should recognise a liability for a levy imposed by a government provided it operates in a certain market. The interpretation applies both to levies which are accounted for in accordance with IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" as well as to those where the time and amount of the levy is uncertain. The interpretation must be applied for financial years beginning on or after 1 January 2014. Premature adoption is permitted. MediClin does not expect these new interpretations to have any material effects on the financial statements.

On 27 June 2013, the IASB published a limited amendment to IAS 39 "Financial Instruments: Recognition and Measurement" entitled "Novation of Derivatives and Continuation of Hedge Accounting". Under the amendment, there would be no need to discontinue hedge accounting if a hedging derivative was novated to a central counterparty provided certain criteria are met. The amendments become effective for reporting years beginning on or after 1 January 2014. Premature adoption is permitted. MediClin does not expect these amendments to have any material effects on the financial statements.

Annual General Meeting resolutions from 23 May 2013

- The carrying forward of the balance sheet profit as of 31 December 2012 of EUR 18,076,381.87 carried over to the new accounting period,
- The discharge of the Management Board and Supervisory Board for the 2012 financial year,
- The election of BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, as auditor and Group auditor for the 2013 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 consolidated interim 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, 31 July 2013

The Management Board

Corporate decision-making bodies

Management Board

Frank Abele

Chairman of the Management Board

Jens Breuer

Chief Financial Officer

Supervisory Board

Dr. Ulrich Wandschneider, Chairman

Hans Hilpert¹, Vice Chairman

Michael Bock

Dr. Daniel von Borries

Walburga Erichsmeier¹

Dr. Tom Giesler¹

Carsten Heise

Stephan Leonhard

Dr. Jochen Messemer

Klaus Müller¹

Thomas Müller¹

Eleonore Seigel¹

¹ Employee representatives

Supervisory Board Committees

General and Personnel Committee

Dr. Ulrich Wandschneider (Chairman)

Michael Bock

Dr. Tom Giesler

Hans Hilpert

Dr. Jochen Messemer

Thomas Müller

Audit Committee

Stephan Leonhard (Chairman)

Dr. Daniel von Borries

Walburga Erichsmeier

Dr. Tom Giesler

Carsten Heise

Eleonore Seigel

Mediation Committee pursuant to Section 27 MitbestG

Dr. Ulrich Wandschneider (Chairman)

Hans Hilpert

Dr. Jochen Messemer

Klaus Müller

Nomination Committee

Dr. Ulrich Wandschneider (Chairman)

Carsten Heise

Stephan Leonhard

Advisory Board

The committee is in the process of reconstituting.

Key data on the MediClin share

ISIN: DE 000659 5101; WKN: 659 510; Ticker: MED

In € per share	Q2 2013	Q1 2013	Q2 2012	Q1 2012
Earnings un/diluted	0.02	-0.14	0.02	-0.04
Cash flow from operating activities	0.07	-0.12	-0.01	0.06
Book value ¹ at end of quarter	3.19	3.17	3.46	3.44
Share price at end of quarter	4.25	3.96	4.05	3.59
52-week high	4.40	-	-	-
52-week low	3.80	-	-	-
Market capitalisation at end of quarter in millions of €	201.8	188.1	192.4	170.5
Number of shares in millions	47.5	47.5	47.5	47.5

¹ Equity less non-controlling interests

Source: Deutsche Börse AG; Xetra/status: 04.07.2013

Financial calendar

1 March 2013

Presentation of the interim figures for the 2012 financial year

22 March 2013

Financial statements press and analysts' conference for the 2012 financial year

15 May 2013

Publication of the interim report for the 1st quarter 2013

23 May 2013

Annual General Meeting

14 August 2013

Publication of the interim report for the 1st half-year 2013

12 November 2013

Publication of the interim report for the 1st–3rd quarter 2013

2012

2013

Q1

Q2

Q3

Imprint

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This interim report appears in German (original version) and English (non-binding translation).

What is diabetes?

Diabetes (also known as diabetes mellitus) is a chronic disease of the pancreas caused entirely or partially by a lack of insulin. The hormone insulin is produced in the pancreas and normally regulates the concentration of sugar in the blood.



Source: Deutscher Gesundheitsbericht Diabetes 2013 of the diabetesDE – Deutsche Diabetes-Hilfe

Diabetes in figures

At the moment a good 6 million people suffer from diabetes in Germany (some 1.3 million of whom are unreported cases).

- Some 300,000 of these persons have type I diabetes.
- Approximately 5.7 million have type II diabetes.
- More than 30,000 children and youngsters under the age of 19 have type I diabetes.
- Around 600 children and youngsters under the age of 19 with type II diabetes are registered, but there are estimated to be around 5,000 cases (according to projections).



Rehabilitation hospitals for diabetes certified by the Bundesverband Klinischer Diabetes-Einrichtungen e.V.

MediClin Staufenburg Klinik, Durbach

MediClin Klinik am Rennsteig, Tabarz

MediClin hospitals that treat diabetics

MediClin Reha-Zentrum Spreewald, Burg

MediClin Reha-Zentrum Bad Dübener

MediClin Klinik am Brunnenberg, Bad Elster

MediClin Dünenwald Klinik, Ostseebad Trassenheide

MediClin Bliestal Kliniken, Blieskastel

MediClin Albert Schweitzer Klinik und MediClin Baar Klinik, Königsfeld

MediClin Reha-Zentrum Gernsbach

MediClin Müritz-Klinikum, Waren/Röbel

Q2 | **INTERIM REPORT**
MEDICLIN Aktiengesellschaft from 1 January 2013 to 30 June 2013