

MediClin integrates.



**Interim report of MEDICLIN Aktiengesellschaft**  
for the period from 1 January 2016 to 30 September 2016

9MM

## Key data on business development in the Group

	9 M 2016	9 M 2015	Change in %
Number of shares in millions	47.5	47.5	0.0
Number of cases (inpatient)	91,606	89,963	+1.8
Number of beds as of 30.09.	8,050	8,031	+0.2
Occupancy rates in %	88.4	87.7	
Number of full-time employees (average number)	6,604	6,500	+1.6

In millions of €	9 M 2016	9 M 2015	Change in %
Cash flow from operating activities	20.7	24.1	-14.2
Cash flow from operating activities per share in €	0.44	0.51	-14.2
Sales	435.2	414.4	+5.0
EBITDAR	66.5	65.4	+1.6
EBITDAR margin in %	15.3	15.8	
EBITDA	31.9	31.1	+2.7
EBITDA margin in %	7.3	7.5	
EBIT (operating result)	17.8	17.4	+2.1
EBIT margin in %	4.1	4.2	
Financial result	-2.2	-2.3	+2.8
Total consolidated result attributable to shareholders of MediClin AG	12.5	12.5	+0.5
Earnings per share in €	0.26	0.26	+0.5
Gross capital expenditure	18.2	20.0	-8.6
Thereof subsidies	3.1	1.7	+86.4
Interest coverage factor (EBITDA/interest result)	14.2x	13.4x	

In millions of €	30.09.2016	31.12.2015	Change in %
Balance sheet total	351.9	329.4	+6.8
Equity	172.5	169.1	+2.0
Equity ratio in %	49.0	51.3	
Return on equity in % <sup>1</sup>	9.7	9.8	
Financial liabilities (to banks)	49.1	46.5	+5.4
Cash and cash equivalents	40.5	29.5	+37.0
Net debt	8.6	17.0	-49.5
Net debt/EBITDA <sup>2</sup>	0.2x	0.4x	

<sup>1</sup> Total consolidated result in the last 12 months/equity

<sup>2</sup> EBITDA in the last 12 months

Due to arithmetical reasons, calculation differences of +/- one unit (€, %, etc.) may occur. Percentage rates and changes in % were calculated on the basis of non-rounded € figures.

**Interim Group management report of  
MEDICLIN Aktiengesellschaft**  
for the period from 1 January 2016 to 30 September 2016

## Report on the economic position for the first nine months of 2016

### General statement on results of operations, financial position and net assets

In the first nine months of 2016, Group sales amounting to EUR 435.2 mill. were up EUR 20.8 mill. (+5.0 %) on sales in the same period of the previous year. The sales growth was supported by all segments. The Group operating result improved from EUR 17.4 mill. to EUR 17.8 mill.

The business performance in the first nine months of the 2016 financial year indicates that the sales target of 3.0 % growth announced for the Group will be exceeded. The Management Board anticipates sales growth in the range of approximately 4.5 %. Provided the post-acute segment continues to perform well, Group EBIT will be in line with the forecast range (guidance: Group EBIT between EUR 24 mill. and EUR 26 mill.).

The post-acute segment is expected to exceed its sales and earnings targets. In the acute segment, the Management Board anticipates a sales and especially an earnings decline.

Cash and cash equivalents as of 30 September 2016 amounted to EUR 40.5 mill. (31.12.2015: EUR 29.5 mill.). The equity ratio was 49.0 % as at the reporting date.

In the first nine months of the 2016 financial year, EUR 18.2 mill. (gross) was invested, EUR 1.8 mill. less than in the same period of the previous year.

### Results of operation, financial position and net assets

#### Results of operation

##### Sales and earnings performance of the Group

	9 M 2016	9 M 2015	Change in %
Group sales in millions of €	435.2	414.4	+ 5.0
Raw materials and consumables used in millions of €	80.7	76.9	+ 5.0
Cost of materials ratio in %	18.6	18.6	
Staff costs in millions of €	251.9	240.4	+ 4.8
Staff costs ratio in %	57.9	58.0	
Depreciation and amortisation in millions of €	14.1	13.7	+ 3.4
Other operating expenses in millions of €	76.2	71.0	+ 7.4
Group operating result in millions of €	17.8	17.4	+ 2.1

Group sales were clearly up on the previous year's comparable period in the first nine months of the 2016 financial year, showing an increase of EUR 20.8 mill. or 5.0 %, respectively.

Raw materials and consumables used increased by EUR 3.8 mill. (+5.0 %) and staff costs by EUR 11.5 mill. (+4.8 %), which was mainly due to a higher number of employees (+104 full-time employees). Depreciation and amortisation and other operating expenses were in line with expectations. The Group operating result improved by EUR 0.4 mill. or 2.1 % to EUR 17.8 mill. The EBIT margin is 4.1%.

The financial result was EUR –2.2 mill. and thus improved by EUR 0.1 mill., mainly due to lower interest and similar expenses.

Higher income taxes mean that the total consolidated result attributable to shareholders of MEDICLIN Aktiengesellschaft of EUR 12.5 mill. remained unchanged compared to the previous year in the first nine months of 2016 (9 M 2015: EUR 12.5 mill.). Earnings per share came to EUR 0.26 (9 M 2015: EUR 0.26).

The sales and earnings performance at segment level is illustrated in more detail in the segment reporting section.

## Financial position and net assets

### Liquidity

In millions of €	9 M 2016	9 M 2015
Cash flow from operating activities	20.7	24.1
Thereof total consolidated result	12.6	12.5
Cash flow from investing activities	–12.1	–13.8
Cash flow from financing activities	2.3	–6.4
<b>Cash flow for the period</b>	<b>10.9</b>	<b>3.9</b>
Cash and cash equivalents at the beginning of the period	29.5	26.3
<b>Cash and cash equivalents at the end of the period</b>	<b>40.4</b>	<b>30.2</b>

The cash flow for the first nine months of 2016 of EUR 10.9 mill. was EUR 7.0 mill. up on the previous year's value (9 M 2015: EUR 3.9 mill.). This is due primarily to the EUR 8.7 mill. year-on-year rise in cash flow from financing activities in connection with the new syndicated loan concluded at the end of July 2016. The remaining balance of the previous syndicated loan in the amount of EUR 30.0 mill. was repaid, while taking out a new syndicated loan with a total volume of EUR 60.0 mill., EUR 39.0 mill. of which had been drawn on 30 September 2016.

### Balance sheet structure

In millions of €	30.09.2016	In % of balance sheet total	31.12.2015	In % of balance sheet total
<b>Assets</b>				
Non-current assets	220.2	62.6	217.4	66.0
Current assets	131.7	37.4	112.0	34.0
	<b>351.9</b>	<b>100.0</b>	<b>329.4</b>	<b>100.0</b>
<b>Equity and liabilities</b>				
Equity	172.5	49.0	169.1	51.3
Non-current liabilities	113.8	32.3	103.8	31.5
Current liabilities	65.6	18.7	56.5	17.2
	<b>351.9</b>	<b>100.0</b>	<b>329.4</b>	<b>100.0</b>

The balance sheet total increased by EUR 22.5 mill. to EUR 351.9 mill. since 31 December 2015.

Non-current assets climbed by EUR 2.8 mill. to EUR 220.2 mill. since 31 December 2015. This is due primarily to a EUR 0.9 mill. rise in property, plant and equipment to EUR 162.1 mill. and an increase in deferred tax assets by EUR 2.0 mill. to EUR 5.7 mill. EUR 1.7 mill. of the increase in deferred taxes is due to the change of the discount rate for pensions. The discount rate amounted to 1.2 % as at 30 September 2016; this is 1.1 percentage points below the figure as at 31 December 2015.

Current assets increased by EUR 19.7 mill. to EUR 131.7 mill. since 31 December 2015. EUR 2.6 mill. thereof pertain to a rise in accrued receivables for prepaid expenses as of the reporting date. Trade receivables increased by EUR 7.9 mill. to EUR 75.2 mill., due mainly to higher sales. Unfinished services rose by EUR 4.2 mill. This item includes receivables for services rendered to patients that remain in inpatient care beyond the reporting date of 30 September 2016. Cash and cash equivalents increased by EUR 10.9 mill., due, among other things, to the EUR 2.5 mill. net increase in borrowings.

On the equity and liabilities side, equity increased by a mere EUR 3.4 mill. despite the good total consolidated result of EUR 12.6 mill., mainly as a result of changes in the revenue reserve of EUR –9.2 mill. The revaluation of defined benefit plans and similar obligations, which is recorded in other comprehensive income pursuant to IAS 19, is recognised in the revenue reserve.

Non-current liabilities rose by EUR 10.0 mill. This is primarily attributable to a EUR 1.4 mill. decline in liabilities to banks to EUR 38.6 mill. and a simultaneous rise in pensions and similar obligations by EUR 11.5 mill. to EUR 61.7 mill. EUR 11.0 mill. thereof is due to the further drop in the discount rate.

## Segment reporting

### Sales

In millions of €	9 M 2016	9 M 2015	Change in %
Post-acute	262.9	247.6	+ 6.2
Acute	158.3	153.6	+ 3.1
Other activities and reconciliation	14.0	13.2	+ 5.3
Thereof nursing care business area	10.9	10.4	+ 4.7
<b>Group</b>	<b>435.2</b>	<b>414.4</b>	<b>+ 5.0</b>

Sales in the post-acute segment in the first nine months of the year were EUR 15.3 mill. or 6.2 % higher than in the same period of the previous year. This growth was driven by the good utilisation of capacities in neurology, acute neurology, psychosomatics, orthopaedics and geriatrics.

Sales in the acute segment grew by EUR 4.7 mill. or 3.1 %. Sales in the second and third quarter of 2016 significantly exceeded the previous year's comparable quarters.

Sales in the nursing care business area were up EUR 0.5 mill. to EUR 10.9 mill. on the back of a better occupancy rate (9 M 2016: 96.2 %; 9 M 2015: 95.6 %).

### Raw materials and consumables used

	9 M 2016	9 M 2015	Change in %
<b>Post-acute</b>			
Raw materials and consumables used in millions of €	53.5	51.0	+ 4.8
Cost of materials ratio in %	20.3	20.6	
<b>Acute</b>			
Raw materials and consumables used in millions of €	43.7	40.0	+ 9.2
Cost of materials ratio in %	27.6	26.0	

### Staff costs

	9 M 2016	9 M 2015	Change in %
<b>Post-acute</b>			
Staff costs in millions of €	131.5	123.6	+ 6.3
Staff costs ratio in %	50.0	49.9	
<b>Acute</b>			
Staff costs in millions of €	84.9	82.1	+ 3.3
Staff costs ratio in %	53.6	53.5	

### Segment results

In millions of €	9 M 2016	9 M 2015
Post-acute	18.8	15.8
Acute	5.2	7.2
Other activities and reconciliation	-6.2	-5.6
<b>Group</b>	<b>17.8</b>	<b>17.4</b>

The post-acute segment was able to overcompensate for the higher staff costs caused by a higher number of employees (+83 full-time employees) with a sales rise and a disproportionately low increase in raw materials and consumables used in relation to sales. The segment result rose by EUR 3.0 mill. The segment EBIT margin totalled 7.2 % (9 M 2015: 6.4 %).

The EUR 2.0 mill. year-on-year decline in the result of the acute segment was mainly due to a rise in raw materials and consumables used and other operating expenses. Raw materials and consumables used were particularly affected by a rise in the expenses for implants and external medical services. The main increases in other operating expenses refer to receivables write-offs and insurance premiums. The segment's EBIT margin dropped from 4.7 % to 3.3 %.

## Employees

The number of employees, calculated in full-time employees, increased particularly strongly in the post-acute segment in the first nine months of 2016, which is due to a larger range of services on offer. In the first nine months of 2016, an average of 243 trainees were employed throughout the Group (9 M 2015: 241 trainees).

### Average number of employees in the Group and in the segments

Shown in full-time employees	9 M 2016	9 M 2015	Change
Post-acute	3,467	3,384	+83
Acute	1,966	1,958	+8
Other activities	1,171	1,158	+13
Thereof nursing care business area	192	181	+11
Thereof service business area (including administration)	979	977	+2
<b>Group</b>	<b>6,604</b>	<b>6,500</b>	<b>+104</b>



## Report concerning related parties

Business relations to related parties are handled at normal market conditions and amount to the following:

In millions of €	9 M 2016	9M 2015
<b>Income</b>		
Sales from post-acute, acute and nursing care services	1.5	1.4
Real estate management income	0.3	0.3
Pension payments of MAUK <sup>1</sup>	0.6	0.5
Service contracts	0.2	0.2
<b>Expenses</b>		
Lease expenses <sup>2</sup>	33.1	33.0
Real estate management costs	0.7	0.6
Insurance premiums	1.1	1.1
Service contracts	6.2	5.8
Remuneration for key management personnel	1.7	1.5
Payments to MAUK <sup>1</sup>	0.5	0.5
IT services	1.9	0.0
Other purchased goods and services	0.5	0.5

In millions of €	30.09.2016	31.12.2015
<b>Receivables</b>		
Repayment claims from preliminary financing of clinic expansion and building measures	0.1	0.1
Receivables from post-acute, acute and nursing care services	0.1	0.2
<b>Liabilities</b>		
Service contracts	0.1	0.3
Provisions for insurance benefits	0.6	0.2
Provisions for remuneration for key management personnel	0.7	0.9

<sup>1</sup> Mitarbeiterunterstützungskasse der vereinigten Klinikbetriebe (MAUK)

<sup>2</sup> Leasing expenses include EUR 32.6 mill. (9M 2015: EUR 32.5 mill.) in rental payments to the OIK-Immobilienfonds; for more details, see the following explanatory notes on the OIK-Immobilienfonds

EUR 0.7 mill. of the provisions for remuneration for key management personnel is due within the time frame of one year (31.12.2015: EUR 0.8 mill.).

## OIK-Immobilienfonds

MEDICLIN Aktiengesellschaft (MediClin) filed a suit with the District Court of Offenburg asserting claims for repayment of rental payments above the usual market rate. The Company assumes that the aggregate rents paid for the period 2005 to 2015 were higher than the usual market rents in this period.

The suit was filed against existing and former shareholders of the Company, who hold shares of the real estate fund into which the hospitals acquired and rented back between 1999 and 2001 were incorporated.

MediClin carefully weighed up the opportunities and risks of the suit in view of the fact that the subject matter of the legal dispute is highly complex, especially with regard to the evaluation whether rents conform to usual market rates, and that some of the very difficult questions of law involved have not yet been decided by the highest courts.

Therefore, the Management Board is of the opinion that no changes to the balance sheet are required in this respect.

MEDICLIN Aktiengesellschaft

Offenburg, 10 November 2016

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", "expect", "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 2016 to 30 September 2016

## Consolidated interim balance sheet as of 30 September 2016

### ASSETS

In thousands of €	30.09.2016	31.12.2015
<b>NON-CURRENT ASSETS</b>		
<b>Goodwill and other intangible assets</b>		
Concessions, licences	1,555	1,677
Goodwill	48,484	48,484
Payments on account	270	235
	<b>50,309</b>	<b>50,396</b>
<b>Property, plant and equipment</b>		
Land, land rights and buildings including buildings on third-party land	101,918	102,297
Technical equipment and machines	11,511	11,081
Operating and office equipment	37,219	37,857
Payments on account and assets under construction	11,407	9,929
	<b>162,055</b>	<b>161,164</b>
<b>Financial assets</b>		
Investment in stock of subsidiaries	65	66
Reinsurance cover	1,334	1,334
Other financial investments	2	2
	<b>1,401</b>	<b>1,402</b>
<b>Other financial assets</b>	<b>700</b>	<b>700</b>
<b>Non-current income tax claims</b>	<b>2</b>	<b>71</b>
<b>Deferred tax assets</b>	<b>5,729</b>	<b>3,711</b>
	<b>220,196</b>	<b>217,444</b>
<b>CURRENT ASSETS</b>		
<b>Inventories</b>	<b>5,341</b>	<b>6,154</b>
<b>Trade receivables</b>	<b>75,242</b>	<b>67,326</b>
<b>Current income tax claims</b>	<b>77</b>	<b>80</b>
<b>Other financial assets</b>		
Receivables pursuant to hospital financing law	3,735	4,770
Other current financial assets	3,333	3,191
	<b>7,068</b>	<b>7,961</b>
<b>Other assets</b>	<b>3,489</b>	<b>929</b>
<b>Cash and cash equivalents</b>	<b>40,460</b>	<b>29,532</b>
	<b>131,677</b>	<b>111,982</b>
	<b>351,873</b>	<b>329,426</b>

## EQUITY AND LIABILITIES

In thousands of €	30.09.2016	31.12.2015
<b>EQUITY</b>		
<b>Shares MediClin Group</b>		
Subscribed capital	47,500	47,500
Capital reserve	129,392	129,392
Revenue reserve	-27,177	-18,029
Consolidated balance sheet result	23,161	10,625
	<b>172,876</b>	<b>169,488</b>
<b>Non-controlling interests</b>	<b>-352</b>	<b>-349</b>
	<b>172,524</b>	<b>169,139</b>
<b>NON-CURRENT LIABILITIES</b>		
<b>Financial liabilities</b>		
Liabilities to banks	38,600	39,962
	<b>38,600</b>	<b>39,962</b>
<b>Liabilities from finance leases</b>	<b>6,578</b>	<b>6,783</b>
<b>Pensions and similar commitments</b>	<b>61,725</b>	<b>50,271</b>
<b>Other provisions</b>	<b>3,666</b>	<b>3,713</b>
<b>Other financial liabilities</b>	<b>581</b>	<b>646</b>
<b>Other payables</b>	<b>2,589</b>	<b>2,471</b>
	<b>113,739</b>	<b>103,846</b>
<b>CURRENT LIABILITIES</b>		
<b>Trade payables</b>	<b>8,168</b>	<b>12,018</b>
<b>Financial liabilities</b>		
Liabilities to banks	10,455	6,584
	<b>10,455</b>	<b>6,584</b>
<b>Liabilities from finance leases</b>	<b>305</b>	<b>265</b>
<b>Other provisions</b>	<b>5,681</b>	<b>5,221</b>
<b>Current income tax liabilities</b>	<b>2,508</b>	<b>3,309</b>
<b>Other financial liabilities</b>		
Liabilities pursuant to hospital financing law	9,539	7,413
Other liabilities	4,543	4,268
	<b>14,082</b>	<b>11,681</b>
<b>Other payables</b>	<b>24,411</b>	<b>17,363</b>
	<b>65,610</b>	<b>56,441</b>
	<b>351,873</b>	<b>329,426</b>

## Consolidated interim profit and loss account

In thousands of €	Jan. – Sept. 2016	Jan. – Sept. 2015
Sales	435,195	414,412
Other operating income	5,598	4,959
<b>Total operating performance</b>	<b>440,793</b>	<b>419,371</b>
Raw materials and consumables used		
a) Cost of raw materials and supplies	–48,227	–44,769
b) Cost of purchased services	–32,502	–32,146
	<b>–80,729</b>	<b>–76,915</b>
Staff costs		
a) Wages and salaries	–214,952	–204,647
b) Social security, pension and retirement	–36,972	–35,745
	<b>–251,924</b>	<b>–240,392</b>
Other operating expenses	–76,196	–70,963
<b>Result before interest, taxes, depreciation and amortisation / EBITDA</b>	<b>31,944</b>	<b>31,101</b>
Depreciation and amortisation	–14,122	–13,653
<b>Operating result / EBIT</b>	<b>17,822</b>	<b>17,448</b>
Financial result		
a) Income from participations	46	60
b) Interest and similar income	23	20
c) Interest and similar expenses	–2,268	–2,342
	<b>–2,199</b>	<b>–2,262</b>
<b>Result before tax</b>	<b>15,623</b>	<b>15,186</b>
Taxes on income	–3,013	–2,675
<b>Total consolidated result</b>	<b>12,610</b>	<b>12,511</b>
Thereof attributable to shareholders of MediClin AG	12,536	12,473
Thereof attributable to non-controlling interests	74	38
<b>Total consolidated result attributable to shareholders of MediClin AG per share</b>		
Undiluted (in €)	0.26	0.26
Diluted (in €)	0.26	0.26

## Consolidated interim statement of comprehensive income

In thousands of €	Jan. – Sept. 2016	Jan. – Sept. 2015
<b>Total consolidated result</b>	<b>12,610</b>	<b>12,511</b>
<b>Other comprehensive income</b>		
Revaluation from defined benefit plans and similar obligations	-10,959	-1,939
Taxes on income	1,734	307
<b>Additions to value adjustments that are not reconciled to the total consolidated result</b>	<b>-9,225</b>	<b>-1,632</b>
Thereof attributable to shareholders of MediClin AG	-9,148	-1,618
Thereof attributable to non-controlling interests	-77	-14
<b>Additions to value adjustments that are reconciled to the total consolidated result</b>	<b>0</b>	<b>0</b>
<b>Group comprehensive income</b>	<b>3,385</b>	<b>10,879</b>
Thereof attributable to shareholders of MediClin AG	3,388	10,855
Thereof attributable to non-controlling interests	-3	24

## Consolidated cash flow statement

In thousands of €	Jan. – Sept. 2016	Jan. – Sept. 2015
<b>Operating result (EBIT)</b>	<b>17,822</b>	<b>17,448</b>
Result of finance activities	-2,199	-2,262
Result of income taxes	-3,013	-2,675
<b>Total consolidated result</b>	<b>12,610</b>	<b>12,511</b>
Depreciation on fixed asset items	14,122	13,653
Change in deferred taxes	-2,018	-535
Change in non-current provisions	11,407	2,398
Change in current provisions	461	-93
Result from the disposal of fixed asset items	-16	-25
Result from other non-cash items	-9,225	-1,632
Changes in non-current income tax claims	68	69
Changes in current income tax claims	3	6
Changes in other current assets	-11,200	-10,775
Changes in other non-current liabilities	118	39
Changes in other current liabilities	4,393	8,523
<b>Cash flow from operating activities</b>	<b>20,723</b>	<b>24,139</b>
<b>Payments received from the disposal of fixed assets</b>	<b>281</b>	<b>213</b>
From the disposal of property, plant and equipment	281	213
<b>Payments received from investment subsidies</b>	<b>5,489</b>	<b>4,918</b>
<b>Cash used for investments in fixed assets</b>	<b>-17,849</b>	<b>-18,943</b>
In intangible assets	-845	-887
In property, plant and equipment	-17,004	-18,056
<b>Cash flow from investing activities</b>	<b>-12,079</b>	<b>-13,812</b>
New financial liabilities	39,000	0
Repayment of financial liabilities	-36,716	-6,457
<b>Cash flow from financing activities</b>	<b>2,284</b>	<b>-6,457</b>
<b>Cash flow for the period</b>	<b>10,928</b>	<b>3,870</b>
Cash and cash equivalents at the beginning of the period	29,532	26,347
<b>Cash and cash equivalents at the end of the period</b>	<b>40,460</b>	<b>30,217</b>

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	Consolidated balance sheet result	Shares MediClin Group	Non-controlling interests	Total equity
As of 01.01.2015	47,500	129,392	-16,645	-5,910	154,337	-390	153,947
Total consolidated result	-	-	-	12,473	12,473	38	12,511
Other comprehensive income	-	-	-1,618	-	-1,618	-14	-1,632
<b>Group comprehensive income</b>	-	-	<b>-1,618</b>	<b>12,473</b>	<b>10,855</b>	<b>24</b>	<b>10,879</b>
<b>As of 30.09.2015</b>	<b>47,500</b>	<b>129,392</b>	<b>-18,263</b>	<b>6,563</b>	<b>165,192</b>	<b>-366</b>	<b>164,826</b>

In thousands of €	Subscribed capital	Capital reserve	Revenue reserve	Consolidated balance sheet result	Shares MediClin Group	Non-controlling interests	Total equity
As of 01.01.2016	47,500	129,392	-18,029	10,625	169,488	-349	169,139
Total consolidated result	-	-	-	12,536	12,536	74	12,610
Other comprehensive income	-	-	-9,148	-	-9,148	-77	-9,225
<b>Group comprehensive income</b>	-	-	<b>-9,148</b>	<b>12,536</b>	<b>3,388</b>	<b>-3</b>	<b>3,385</b>
<b>As of 30.09.2016</b>	<b>47,500</b>	<b>129,392</b>	<b>-27,177</b>	<b>23,161</b>	<b>172,876</b>	<b>-352</b>	<b>172,524</b>

## Other information

### General information

The unaudited consolidated interim financial statements of MEDICLIN Aktiengesellschaft for the first nine months of the 2016 financial year were prepared in accordance with International Accounting Standard 34. The same accounting policies used in the consolidated financial statements for the 2015 financial year in principle apply in this interim report. The interim report should therefore be read in conjunction with the Company's 2015 Annual Report and the interim reports for the first quarter and the first half year of 2016. The discount rate for pension obligations pursuant to IAS 19 forms an exception. On 30 September 2016, the discount rate stood at 1.2 % (30.06.2016: 1.5 %; 31.03.2016: 1.8 %; 31.12.2015: 2.3 %).

### EU endorsement

In the third quarter of 2016, the EU formally adopted amendments to IFRS 10, IFRS 12 and IAS 28 that address issues in connection with applying the consolidation exception for investment entities and published them in the Official Journal on 23 September 2016.

The publication refers to the amendments to IFRS 10 "Consolidated Financial Statements" and IFRS 12 "Disclosure of Interests in Other Entities" and to IAS 28 "Investments in Associates and Joint Ventures" published by the International Accounting Standards Board (IASB) on 18 December 2014 under the title "Investment Entities: Applying the Consolidation Exception". The amendments clarify the accounting requirements for investment entities and are aimed at clarifying in particular the following aspects:

- A company may apply the exemption from preparing consolidated financial statements for investment entities, even if its parent company measures all of its subsidiaries at fair value.
- A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.

- When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.
- An investment entity measuring all of its subsidiaries at fair value has to provide the disclosures relating to investment entities required by IFRS 12.

The amendments to IFRS 10 contain references to IFRS 9 that cannot be applied at present because IFRS 9 has not yet been endorsed by the EU. Therefore references to IFRS 9 should be read as references to IAS 39 "Financial Instruments: Recognition and Measurement".

The amendments must be applied at the latest for financial years beginning on or after 1 January 2016. Premature adoption is permitted. The amendments are of no relevance to MediClin.

### **Standards adopted by the International Accounting Standards Board (IASB)**

In the third quarter of 2016, the International Accounting Standards Board published amendments to the existing IFRS 4 Standard "Insurance Contracts" on 12 September 2016. The amendments refer to the first-time adoption of IFRS 9 by insurers. Given different effective dates of IFRS 9 and the forthcoming new insurance contracts standard, increased earnings volatilities and double implementation costs would arise without these amendments. The amendments provide two options:

- The affected entities may continue to apply IAS 39 instead of IFRS 9 for financial years beginning before 1 January 2021 if they apply IFRS 4 to existing insurance contracts. This only applies if they have not previously applied IFRS 9.
- Entities that apply IFRS 4 to existing insurance contracts may reclassify, from profit or loss to other comprehensive income, some of the income or expenses arising from designated financial assets, so that the result recognised through profit or loss as per IFRS 9 equals the result as per IAS 39.

The amendments must be applied for financial years beginning on or after 1 January 2018. At present, the amendments are of no relevance to MediClin.

## Quarterly development in the Group

In millions of €	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Sales	146.0	147.3	141.9	140.9	140.2	137.6	136.6
EBITDAR	25.0	23.6	17.9	22.4	27.0	21.0	17.5
EBITDAR margin in %	17.2	16.0	12.6	15.9	19.3	15.2	12.8
EBITDA	13.5	12.0	6.4	10.9	15.6	9.5	6.0
EBITDA margin in %	9.3	8.2	4.5	7.8	11.1	6.9	4.4
EBIT (operating result)	8.7	7.4	1.7	6.2	10.8	5.0	1.6
EBIT margin in %	6.0	5.0	1.2	4.4	7.8	3.6	1.2
Financial result	-0.8	-0.7	-0.7	-1.3	-0.7	-0.8	-0.8
Result attributable to shareholders of MediClin AG	6.2	5.4	0.9	4.0	8.2	3.5	0.8
Earnings per share in €	0.13	0.11	0.02	0.09	0.17	0.07	0.02
Cash flow from operating activities	15.7	1.1	3.9	4.7	20.3	0.5	3.4
Cash flow from operating activities per share in €	0.33	0.03	0.08	0.10	0.43	0.01	0.07
Equity ratio in %	49.0	50.0	49.0	51.3	49.7	48.7	45.3
Gross capital expenditure	4.5	6.6	7.1	7.0	7.4	5.8	6.8
Net financial debt	8.6	21.8	18.6	17.0	16.5	31.8	27.7
Number of cases (inpatient)	30,757	31,070	29,779	30,053	30,566	29,949	29,448
Number of beds (end of quarter)	8,050	8,050	8,050	8,031	8,031	8,006	8,005
Occupancy rates in %	88.7	90.3	86.2	86.3	88.4	88.2	86.6
Number of full-time employees (quarterly average)	6,666	6,587	6,558	6,595	6,516	6,521	6,463

Due to arithmetical reasons, calculation differences of +/- one unit (€, %, etc.) may occur. Percentage rates and changes in % were calculated on the basis of non-rounded € figures.

## Key data on the MediClin share

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

In € per share	9 M 2016	9 M 2015
Earnings un/diluted	0.26	0.26
Cash flow from operating activities	0.44	0.51
Book value <sup>1</sup> as of 30.09.	3.64	3.48
Share price as of 30.09.	5.770	3.699
52-week high	6.010	–
52-week low	3.500	–
Market capitalisation as of 30.09. in millions of €	274.1	175.7
Number of shares in millions	47.5	47.5

<sup>1</sup> Equity less non-controlling interests

Source: Deutsche Börse AG; Xetra/status: 04.10.2016

## Financial calendar

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**21 February 2017**

Press release for the preliminary figures for the 2016 financial year

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**30 March 2017**

Financial statements press and analysts' conference for the 2016 financial year

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**5 May 2017**

Publication of the interim report from 1 January 2017 to 31 March 2017

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**31 May 2017**

Annual General Meeting

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**8 August 2017**

Publication of the interim report from 1 January 2017 to 30 June 2017

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**8 November 2017**

Publication of the interim report from 1 January 2017 to 30 September 2017

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# Addresses and imprint

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English (non-binding translation).

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