

HALF YEAR FINANCIAL REPORT 2015



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LETTER TO SHAREHOLDERS

Dear Shareholders,

In the second quarter of the current financial year also there has been no let-up in the realignment of RHÖN-KLINIKUM AG which is associated with its concentration on full-care and university-related cutting-edge medicine. Visible signs of this include the significant investments made in the medical and structural facilities at our sites in order to upgrade them for the future in line with our campus concept.

An outstanding example which should be cited in this connection is the new construction work which is under way at our head office in Bad Neustadt. Up to the time of its planned commissioning in 2018, we are investing roughly 170 million euros in a new 900-bed central building. We are designing this new building to consistently meet our patient's needs for treatment and care processes, and we are setting new standards in terms of the scope, quality and efficiency of patient care offered and the networking of our inpatient and outpatient service fields.

Although the sought-after purchase of Bad Neustadt district hospital with the aim of integrating it into the RHÖN-KLINIKUM Bad Neustadt campus was only finalised through the signing of the purchase contract after the end of the reporting period, it took place before this financial report was drawn up. Thanks to its broad medical focus and the range of its services which complement our existing services with virtually no overlap, the district hospital supplements our existing hospitals in Bad Neustadt, which are centres of medical excellence. In addition, this project provides the opportunity to significantly improve the course and quality of treatment for our patients. Therefore, we do not just consider that the integration of the district hospital into the RHÖN-KLINIKUM Bad Neustadt campus makes sense and is necessary from a medical and business perspective; we also see it as providing the oppor-

tunity to implement in practice an exemplary approach to patient care – especially in rural areas – in line with our campus concept.

Our shareholders set the course for our group's continued course of successful and continuous development at the 27th Annual General Meeting of RHÖN-KLINIKUM AG in Frankfurt on 10 June 2015. All the motions proposed by the Board of Management and the Supervisory Board were approved by the AGM. The shareholder representatives were in each case elected to the Supervisory Board with a clear majority, and Eugen Münch was confirmed in his position as Chairman of the Supervisory Board. The newly elected Supervisory Board of RHÖN-KLINIKUM AG now comprises sixteen members – in line with the new make-up of our company. An overview of its composition can be found on the following pages of this interim report this and on our company website.

In particular, it was decided to use an amount of € 58,766,288.00 to pay out a dividend of € 0.80 per dividend-right share (following € 0.25 the previous year), and to carry the remaining amount of € 271,851,429.52 forward to a new account. The proposal to pay out the balance sheet profits in the form of a shareholder dividend of € 0.80 means that the dividend pay-out ratio achieved is decidedly attractive compared to other MDAX companies. We wish to let our shareholders share increasingly in the success of our company in future too – subject to any opportunities which may arise for making acquisitions or increasing value – by providing them with a dividend of over 60% of the group's profits. Moreover, for the rest of the financial year the Board of Management and the Supervisory Board are seeking to undertake a share buyback of roughly 10% of the current registered share capital, based on the authorisation provided by the Annual General Meeting last year. If this is again carried out by means of fixed buyback offer, we will provide information about it well in advance.

This year the Federal Government is once again trying to introduce a new legislative initiative to counter the planning challenges facing the hospitals sector – the Krankenhausstrukturgesetz (KHSG) [Hospitals Structure Act] – which it is trying to get passed by the end of the year. The main elements of the current draft act which is still being agreed between the state and federal bodies focus in particular on the rigorous implementation of quality as the main hospital performance criterion, reducing care provision redundancies as well as quantitative management measures. The key tools and innovations include a care support programme, an increase of quality-related components in remuneration formulae, the gradual adoption of the guide value as the relevant price inflation measure, as well as the abolition of the care surcharge and the additional services discount and the introduction of a multi-annual fixed costs degression discount. Contrary to our expectations, the current proposed piece of legislation does not so far make any provision for the system surcharge for university hospitals that was originally intended. The draft merely describes the use of surcharges for special tasks outside the DRG system – in the case of emergency care for example – which then must however be individually negotiated.

As regards our operative business, solid development according to plan can be noted during the year. As a result of the restructuring of our portfolio through the transaction with Fresenius/Helios, the performance and business figures for the first half of 2015 are not directly comparable with those of previous years.

In the first half of 2015, a total of 373,027 patients were treated in the facilities of RHÖN-KLINIKUM AG. The sales revenue totalled € 555.4 million. Earnings before interest, taxes and depreciation / amortisation (EBITDA) totalled € 83.8 million. We are consequently continuing on our path of organic growth this year too.

For the current financial year we expect revenues in the range of € 1.08 billion to € 1.12 billion and earnings before interest, tax and depreciation / amortisation (EBITDA) of between € 145 million and € 155 million. One-off effects will have an impact on the results, as in previous years. These positive and negative special impacts are in the low tens of millions in each case; they will have an impact throughout the 2015 financial year and will partly offset each other. Regulatory interventions and the effects of the remaining settlement of the transaction with Fresenius/Helios have to be taken into account in this regard.

Following some unsettled years, our company is now in a phase of a more stable structural environment. Together with our employees, we will use the opportunity presented by this situation in order to press ahead with the further development of the company, to reinforce its unique position in the market, and to consolidate its role as an innovative dynamic force.

Yours sincerely,
RHÖN-KLINIKUM Aktiengesellschaft

Dr. med. Dr. jur. Martin Siebert
Chairman of the Board of Management

THE RHÖN-KLINIKUM SHARE

The performance of international stock markets in the first half of 2015 was characterised above all by the continuing expansive monetary policy of central banks. From mid-April onwards the focus increasingly moved to the discussions concerning the debt crisis in Greece and the first increase in interest rates in the USA since the financial crisis, and these discussions had a negative effect on stock markets and economic confidence.

The leading German index, the DAX[®], reached a new all-time high of 12,375 points on 10 April 2015, but then lost over 1,400 points by 30 June 2015. Overall, it rose by 11.6% over the first six months. The MDAX[®] was up by 15.9% and the DJ EuroSTOXX 50 by 8.8%.

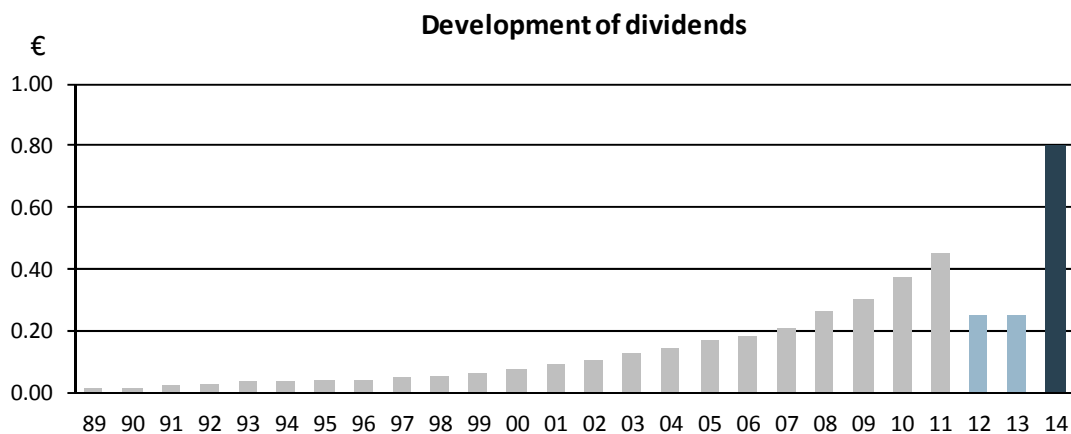


The RHÖN-KLINIKUM AG share price ended the first half of the year with a slight gain of 3.8% at a closing rate of € 24.07 (31 December 2014: € 23.20). The dividend per share that had been increased from € 0.25 to € 0.80 was paid out on 11 June 2015. The performance was 7.2% including the dividend payment.

RHÖN-KLINIKUM share		
ISIN	DE0007042301	
Ticker symbol	RHK	
	from 20 Nov. 2014	until 19 Nov. 2014
Registered share capital (€)	183,704,650	345,580,000
Number of shares	73,481,860	138,232,000
	30 June 2015	31 Dec. 2014
Market capitalisation (€ m)	1,768.71	1,704.78
Share prices (€)	1 Jan.-30 June 2015	1 Jan.-31 Dec. 2014
Closing price	24.07	23.20
High	26.01	24.78
Low	22.02	21.62

The reduced dividend payments in 2012 and 2013 were significantly over-compensated by the carrying out of the 2014 share buyback as a means of efficiently paying out to shareholders an amount of € 1.63 billion from the proceeds of the transaction with Fresenius/Helios. Over the coming years we will seek to achieve shareholder participation in the company's future success by paying out dividends of significantly more than 60% of net consolidated profits. This presupposes that there will be no value-enhancing growth opportunities that can be realised. In addition, a further share buyback amounting to roughly 10% of the present registered share capital is planned.

At the end of the first half of the year, our market capitalisation including all the 73.48 million non-par shares issued following the 2014 share buyback stood at € 1.8 billion (31 December 2014: € 1.7 billion). In the MDAX[®] we therefore ranked 50th by market capitalisation (31 December 2014: 45th).



2014 financial year: resolution passed by the annual general meeting on 10 June 2015

2012/2013 financial years: plus the profit payout through the share repurchase of € 1.63 billion from the proceeds of the Fresenius/Helios transaction

INTERIM GROUP MANAGEMENT REPORT

REPORT ON THE FIRST HALF OF 2015

- The net consolidated profit achieved in the first half of 2015 was € 49.7 million from revenues of € 555.4 million and EBITDA of € 83.8 million.
- 373,027 patients were treated in our hospitals and medical care centres (MVZ) in the first half of 2015.
- Due to the radical changes in the hospital portfolio, the performance figures and business figures for the first half of 2015 are not comparable with those of the previous year.
- In the first quarter of 2015, an agreement was reached with Deutsche Rentenversicherung concerning investigations into the cleaning companies by the Main Customs Office, and this has settled all possible outstanding payment obligations. The provision created for this purpose was used up and reversed with an amount of € 19.7 million.

BASIC PRINCIPLES OF THE RHÖN-KLINIKUM GROUP

The condensed interim consolidated financial statements of RHÖN-KLINIKUM as at 30 June 2015 have been prepared in accordance with the provisions of IAS 34 in condensed form, and applying section 315a of the German Commercial Code (HGB) "Consolidated financial statements according to international accounting standards" in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as well as the related Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), the adoption of which is mandatory according to Regulation No 1606/2002 of the European Parliament and of the Council on the application of international accounting standards in the European Union in the 2015 financial year.

The accounting and valuation methods applied, to the extent already applied in the

2014 financial year and consistently applied in the 2015 financial year, are set out in detail in the Consolidated Financial Statement of RHÖN-KLINIKUM AG as at 31 December 2014. The accounting and valuation methods applicable in principle for the first time in the 2015 financial year are explained in the Condensed Notes to this Interim Report. From the present perspective, these only have the effects stated in the Condensed Notes on the net assets, financial position and results shown in the consolidated financial statements of RHÖN-KLINIKUM AG.

In accordance with IAS 33, earnings per share have been determined according to the weighted average number of ordinary shares outstanding on a pro rata temporis basis.

If data is provided below on individual companies, these are values before consolidation. For computational reasons, rounding differences of ± one unit (€, %, etc.) may occur in the tables.

CORPORATE GOVERNANCE

The composition of our Board of Management has remained unchanged since the 2014 Annual Report.

New elections to the Supervisory Board took place at the Annual General Meeting on 10 June 2015. Mr Eugen Münch was reelected as Chairman of the Supervisory Board. The existing Deputy First Chairman, Mr Joachim Lüddecke, left the Supervisory Board. Mr Georg Schulze-Ziehaus was elected as the Deputy First Chairman.

The following people left the Supervisory Board: Ms Sylvia Bühler, Mr Helmut Bühner, Mr Reinhard Hartl, Dr. Heinz Korte, Mr Michael Mendel, Mr Oliver Salomon, and Dr. Franz-Josef Schmitz. The following were newly elected to the Supervisory Board: Mr Björn Borgmann, Ms Meike Jäger, Ms Christine Reißner, and Ms Evelin Schiebel. The following members were confirmed in their post: Mr Peter Berghöfer, Ms Bettina Böttcher, Professor Dr. h. c. Ludwig Georg Braun, Professor Dr. Gerhard Ehninger, Mr Stefan Härtel, Mr Klaus Hanschur, Mr Stephan Holzinger, Dr. Brigitte Mohn, Mr Wolfgang Mündel and Dr. Katrin Vernau.

The notifications pursuant to section 21 et seq. of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) that we received in the first half of 2015 are presented in the Notes to this Financial Report. We refer to our homepage for a detailed list of the notifications.

During the reporting period, RHÖN-KLINIKUM AG did not receive any notifications of transactions pursuant to section 15a of the WpHG by members of the Board of Management or Supervisory Board (directors' dealings). There are no other notifications regarding transactions by managers according to section 15a WpHG either.

On 16 April 2015 the Declaration on Corporate Governance and the Corporate Governance Report jointly issued by the Board of Man-

agement and the Supervisory Board were updated and published on our homepage. All other elements of our corporate constitution have remained unchanged during the financial year to date. In this regard we refer to the explanations that we provided in the Management Report accompanying the Consolidated Financial Statements for the 2014 financial year.

ECONOMIC REPORT

MACRO-ECONOMIC AND SECTOR-SPECIFIC CONDITIONS

The business climate index for the month of June 2015 has shown a decline for the third month in a row. After three rises in the first quarter of 2015, the expectations of German companies were dampened in the second quarter of 2015 and were mostly only slightly optimistic.

Although companies' confidence levels have not improved further, there is still a consistently fast pace of expansion. The economy in Germany is still on an upward trend. In the first half of 2015 there was a modest expansion of the production of goods and services across the economy as a whole. For the current year, economists are expecting Gross Domestic Product to increase from 1.8% to 2.1%.

The labour market continues to be very robust. The level of unemployment fell back further in June. The unemployment rate calculated by the Federal Employment Agency is 6.2% in June. In March 2015 it was still 6.8%. The early advance labour market indicators assume that the favourable development of the labour market will continue for the rest of the year, albeit at a reduced pace. The cause of the positive developments in the labour market is the sustained economic upturn which is stimulating demand for labour. The consumer price index, as determined by the Federal Statistical Office, was up by + 0.3% in June 2015 compared to the previous year.

Compared to the previous month, the consumer price index showed a slight fall of 0.1%.

Over the rest of the 2015 financial year and in the coming years we expect – due to the demographic change of the population – a continuing increase in demand for hospital services. However in the principle of mutual solidarity, the increase in demand contrasts with a decrease in the number of people paying into the system. This leads to enormous cost pressures in the healthcare sector, in particular in the hospitals sector. Against this background, adequate payment for the increased provision of hospital services becomes ever rarer. Price discounts will have to be accepted for additional services – both those that have been agreed and those that have not – in the coming years too. On the costs side, we expect payroll costs and costs of materials to rise by 2% to 3% in 2015.

The remuneration paid to hospitals is currently subject to a price increase based on the so-called "orientation value". This is ascertained by the German Federal Statistical Office (Destatis) from the trends in various cost components, and it determines the scope that is available for adjusting the prices charged for hospital services. Originally, it was intended to completely replace the rate of change in basic income (Grundlohnrate) as the assessment basis. Under the new provisions, however, the orientation value is compared with the rate of change in basic income, with the higher value being applied. The higher value for 2015 is the basic income with a change of 2.53%.

In addition, the hospitals must currently allow the so-called additional services discount of 25% for those additional services that have been agreed with the health insurance providers. For additional services that have not been agreed, the statutory provisions specify discounts of a further 65%. Based on price increases at the upper end of the original assumptions of 2.0% to 3.0% for personnel expenses and a capped price increase rate

included in the state base rates, earnings will have to cope with further charges that will have to be offset accordingly.

The trend over recent years of an ever-widening gap between revenues and costs in the hospitals sector will continue to have a detrimental impact on the operational side. As a result, the trend towards selection amongst service providers will continue and intensify.

The Federal Government is trying to counter this trend with a legislative initiative – the Krankenhausstrukturgesetz (KHSG) [Hospitals Structure Act] which it is trying to get passed by the end of 2015. Its main elements focus in particular on the rigorous implementation of quality as the main hospital performance criterion, ending care provision redundancies and quantitative management measures. The key elements are a care support programme, an increase in quality-related components in remuneration formulas, the gradual adoption of the guide value as the relevant price inflation measure, and the abolition of the care surcharge and the additional services discount, as well as the introduction of a multi-annual fixed costs degression discount.

Irrespective of the current wage gap in the personnel area, the recruitment of qualified, high-calibre medical services and care staff will be one of the challenges to be met in future given the emerging shortage of specialised personnel and demographic trends. We are tackling this task and the increasing calls for a better balance between professional and family life with specific concepts targeted at improving our attractiveness as an employer in the healthcare sector.

We therefore see ourselves in a very good position in terms of our growth prospects for the coming years. In future we will continue to be one of the largest hospital operators in Germany, a high-performing, homogeneous association with a consistent orientation towards cutting-edge and specialist medicine.

BUSINESS PERFORMANCE OVER THE FIRST HALF OF THE YEAR

Overall statement on the economic position

January to June	2015	2014	Change	
	€ m	€ m	€ m	%
Revenues	555.4	959.1	-403.7	-42.1
EBITDA	83.8	1,354.5	-1,270.7	-93.8
EBIT	53.8	1,306.8	-1,253.0	-95.9
EBT	52.6	1,234.2	-1,181.6	-95.7
Operating cash flow	79.7	1,261.0	-1,181.3	-93.7
Consolidated profit	49.7	1,213.9	-1,164.2	-95.9

As a result of the restructuring of the hospitals portfolio and the one-off effects mainly caused by the transaction in the previous year, our business figures for the first half of 2015 are only comparable to the previous year's period to a very limited degree.

Because of the sale of hospitals, medical care centres and other associated holdings to Fresenius/Helios in the first half of 2014 (recognised in the consolidated interim financial statements last year with mainly two months' business operations) – accompanied by income realised in the previous year's period of € 1,320.0 million – compared to the first six months of the 2014 financial year, we have experienced a decline in EBITDA of € 1,270.7 million to € 83.8 million, a decline in EBIT of € 1,253.0 million to € 53.8 million, and a decline in net consolidated profit of € 1,164.2 million to € 49.7 million.

Furthermore, the ever-widening gap between revenues and costs that has been seen within the hospitals sector for several years continues to affect the operational results.

Moreover, we must continue to accept price discounts for additional services provided – whether or not they have been agreed. The statutory additional services discount continues to exert a negative impact and leads to a dilution of margins and results owing to the additional costs connected with the expansion of services.

In the second quarter of the current financial year, there has also been no let-up in the realignment of RHÖN-KLINIKUM AG which is associated with its concentration on full-care, cutting-edge medicine. We are continuing to make great efforts to ensure that RHÖN-KLINIKUM AG makes constant progress as a high-performing, homogeneous group with a total of ten hospitals at five locations. All facilities are characterised by the dovetailing of health care, research and teaching, as well as high levels of medical care and nursing quality. At the same time, we are continuing to live up to our claim to be a pioneer of innovative developments going forward and a dynamic influence on the health industry.

Performance Development

	Hospitals	Beds
As at 31 December 2014	10	5,227
Change in capacities	-	-12
As at 30 June 2015	10	5,215

As at 30 June 2015, our consolidated financial statement included ten hospitals with 5,215 beds/places at a total of five sites in four federal states. With a net change of twelve, there have only been slight changes in planned available bed numbers since 31 December 2014 at our acute inpatient facilities in accordance with the respective requirements plans in the individual Federal States.

In the first six months of 2015 we have expanded our outpatient capacities by 4.00 specialist medical practices. As at 30 June 2015, we operate seven MVZs (medical care centres) with a total of 33.75 specialist physician practices:

	MVZs	Specialist physician
As at 31 December 2014*	7	29.75
Opened/acquired		
Various sites	-	4.00
Disposals		
Various sites	-	-
As at 30 June 2015	7	33.75

* Including MVZ Bad Neustadt.

Patient numbers at our hospitals and MVZs have developed as follows:

January to June	2015		2014		Change	
			absolute		%	
Inpatient and day-case treatments,						
acute hospitals	102,368	221,198	-118,830		-53.7	
rehabilitation hospitals and other facilities	2,838	3,809	-971		-25.5	
	105,206	225,007	-119,801		-53.2	
Outpatient attendances at our						
acute hospitals	221,313	390,891	-169,578		-43.4	
MVZs	46,508	246,688	-200,180		-81.1	
	267,821	637,579	-369,758		-58.0	
Total	373,027	862,586	-489,559		-56.8	

In the first six months of the 2015 financial year, a total of 373,027 patients (-489,559 patients or -56.8%) were treated at our hospitals and MVZs. The decline in patient numbers stems from the sale of companies to Fresenius/Helios in the first half of 2014. 24.5% of the decline relates to inpatient and partial inpatient treatment, and 75.5% to outpatient treatments.

Per-case revenues in the inpatient and outpatient area were as follows:

January to June	2015	2014
Case revenue		
inpatient (€)	4,870	3,936
outpatient (€)	161	115

Earnings Performance

January to June	2015	2014	Change	
	€ m	€ m	€ m	%
Income				
Revenues	555.4	959.1	-403.7	-42.1
Other income	92.2	86.4	5.8	6.7
Total	647.6	1,045.5	-397.9	-38.1
Expenditure				
Materials and consumables used	157.9	261.2	-103.3	-39.5
Employee benefits expense	351.4	606.4	-255.0	-42.1
Other expenses	54.5	143.4	-88.9	-62.0
Total	563.8	1,011.0	-447.2	-44.2
Result from deconsolidation of subsidiaries	0.0	1,320.0	-1,320.0	-100.0
EBITDA	83.8	1,354.5	-1,270.7	-93.8
Depreciation / amortisation and impairment	30.0	47.7	-17.7	-37.1
EBIT	53.8	1,306.8	-1,253.0	-95.9
Finance result	1.2	72.6	-71.4	-98.3
EBT	52.6	1,234.2	-1,181.6	-95.7
Income taxes	2.9	20.3	-17.4	-85.7
Consolidated profit	49.7	1,213.9	-1,164.2	-95.9

As a result of the restructuring of our hospital portfolio which is associated with our concentration on full-care cutting-edge medicine, as well as one-off effects connected mainly to the sale in the previous year of hospitals, medical care centres and other associated investments, compared to the first

six months of the 2014 financial year we have recorded

- a decline in EBITDA of € 1,270.7 million to € 83.8 million,
- a decline in EBIT of € 1,253.0 million to € 53.8 million and
- a decline in net consolidated profit of € 1,164.2 million to € 49.7 million.

Because of the investigations into the cleaning companies that were carried out by the Schweinfurt Main Customs Office in 2011, additional social insurance contributions were payable. In the first quarter of 2015 we managed to reach an agreement with Deutsche Rentenversicherung concerning the level of the social insurance contributions. The concluding of the agreement settles all possible outstanding payment obligations. The provision created for this purpose was used up and reversed with an amount of € 19.7 million recognised under other income. Furthermore, provisions set up as risk provisions to cover legal and tax risks associated with the sale of companies were able to be reversed in the first half of 2015 with an amount of € 3.0 million recognised under other income.

January to June	2015	2014
	%	%
Materials ratio	28.4	27.2
Personnel ratio	63.3	63.2
Other expense ratio	9.8	15.0
Depreciation and amortisation ratio	5.4	5.0
Finance result ratio	0.2	7.5
Effective tax ratio	0.5	2.1

Compared with the same period last year – mainly due to the sale of companies in that period – materials and consumables used in the first half of 2015 decreased by € 103.3 million or 39.5% to € 157.9 million (previous year: € 261.2 million). The materials ratio rose from 27.2% to 28.4% owing to the use of articles entailing higher material costs at our facilities deploying cutting-edge medicine.

The employee benefits expense and other expenses fell compared with the first six months of 2014, likewise as a result of the sale

of companies in the same period in the previous year. Whilst employee benefits expenses fell by € 255.0 million or 42.1%, we have recorded a decline of € 88.9 million or 62.0% in other expenditures. The personnel ratio rose slightly from 63.2% to 63.3%, but the other expense ratio fell from 15.0% to 9.8% caused by the transaction.

The depreciation item fell compared with the same period in the previous year by € 17.7 million or 37.1% to € 30.0 million. The main cause of this is the full decline in value of the PTZ GmbH building which was recorded with an amount of € 16.2 million in the second quarter of 2014. This decline in value related to the completion of the particle therapy facility at the university hospital in Marburg and to contractual terms and conditions for the purchase and operation of the facility.

The decline in our negative finance result in the first half of the 2015 financial year compared to the same period in the previous year by € 71.4 million results from the repayment of financial debts and the associated early repayment penalties in the first half of the previous year.

Our net liquidity is calculated as follows:

	30 June 2015	31 Dec. 2014
	€ m	€ m
Cash and cash equivalents (current)	305.8	695.4
Time deposits (current)	360.0	0.0
Cash and cash equivalents, time deposits	665.8	695.4
Current financial liabilities	144.7	4.5
Non-current financial liabilities	10.0	152.9
Finance lease liabilities	1.6	1.9
Financial liabilities	156.3	159.3
Net liquidity	509.5	536.1

Compared with the same period in the previous year, the income tax expense item at an unchanged rate of taxation fell by € 17.4 million to € 2.9 million due to the sale of companies (previous year: € 20.3 million).

Compared with the first six months of the 2014 financial year, net consolidated profit decreased by € 1,164.2 million to € 49.7 million (previous year: € 1,213.9 million).

Compared with the same period last year, non-controlling interests in profit fell due to transactions by € 1.0 million to € 1.1 million (previous year: € 2.1 million).

The interest of RHÖN-KLINIKUM AG shareholders in profit for the first half of the 2015 financial year fell by € 1,163.3 million compared with the same period last year to € 48.6 million. The interest in profit of the shareholders corresponds to earnings per share according to IAS 33 of € 0.66 (previous year: € 8.77).

The total result (sum of net consolidated profit and other earnings) in the first half of the 2015 financial year stood at € 49.7 million (previous year: € 1,234.8 million). While positive changes in our financial instruments of € 20.9 million (after taxes) were directly offset in the previous year against the equity, no market value changes for our financial instruments were recognised directly in equity in the first six months of the current financial year, as these were reversed as a result of the repayment of the respective underlying transaction in the 2014 financial year.

Net assets and financial position

	30 June 2015		31 December 2014	
	€ m	%	€ m	%
ASSETS				
Non-current assets	836.9	47.7	846.5	46.9
Current assets	918.0	52.3	957.8	53.1
	1,754.9	100.0	1,804.3	100.0
EQUITY AND LIABILITIES				
Equity	1,238.2	70.6	1,248.9	69.2
Non-current liabilities	35.5	2.0	178.2	9.9
Current liabilities	481.2	27.4	377.2	20.9
	1,754.9	100.0	1,804.3	100.0

Compared with the balance sheet date of 31 December 2014, the balance sheet total decreased by € 49.4 million or 2.7% to € 1,754.9 million. The decline mainly results from the dividend payout to shareholders and non-controlling interests.

We financed our equity-financed investments amounting to € 17.7 million entirely from the operational cash flow of € 79.7 million generated in the first half of the year.

The equity ratio has increased slightly since the last reporting date, from 69.2% to 70.6%.

The following table shows the change in equity as at the last reporting date:

Equity	2015			2014
	Share-holders	Non-controlling interests	Total	Total
	€ m	€ m	€ m	€ m
As at 1 January	1,228.5	20.4	1,248.9	1,666.7
Equity capital transactions with owners	-58.7	-1.7	-60.4	-1,689.4
Total result of the period	48.6	1.1	49.7	1,234.8
Other changes	-	-	-	-2.4
As at 30 June	1,218.4	19.8	1,238.2	1,209.7

As at 30 June 2015, equity stands at € 1,238.2 million (31 December 2014: € 1,248.9 million). The € 10.7 million decline in equity compared with the balance sheet date of 31 December 2014 results from € 60.4 million of dividends paid to shareholders and non-controlling interests compared to net consolidated profit for the first half of the 2015 of € 49.7 million.

Long-term assets are financed mathematically at 152.2% (31 December 2014: 168.6%) fully congruently in terms of maturity by equity and long-term debts. As at 30 June 2015, net debt to banks – including finance lease liabilities – was € 0.0 million (31 December 2014: € 0.0 million).

Compared with the same period last year, operating cash flow calculated from net consolidated profit plus depreciation / amortisation and net of/plus other non-operating items (balance of profits and losses from disposals of assets and expenditure resulting from the market valuation of derivatives), fell by € 1,181.3 million to € 79.7 million due to the sale of companies to Fresenius/Helios in the 2014 financial year (previous year: € 1,261.0 million).

The origin and appropriation of our liquidity are shown in the following overview:

January to June	2015 € m	2014 € m
Cash generated from operating activities	8.2	3.9
Cash used in / generated from investing activities	-337.3	2,856.8
Cash used in financing activities	-60.4	-693.1
Change in cash and cash equivalents	-389.5	2,167.6
Cash and cash equivalents at 1 January	695.3	116.8
Cash and cash equivalents at 30 June	305.8	2,284.4
of which held for sale cash and cash equivalents at 30 June	-	2.2
of which cash and cash equivalents not held for sale at 30 June	305.8	2,282.2

The change in cash and cash equivalents is influenced by the transaction with Fresenius/Helios, mainly in the investments area as a result of cash inflows of € 41.1 million from the sale of the companies and the investment of fixed-term deposits amounting to € 360.0 million. In addition, in the field of financing activities, outflows of funds amounting to € 60.4 million due to dividends paid to shareholders and non-controlling interests, had an impact.

Investments

Total investments in the first half of 2015 amounting to € 21.7 million (previous year: € 32.1 million) are broken down as follows:

	Use of		Total € m
	Gov't grants € m	Own funds € m	
Current capital expenditure	4.0	16.9	20.9
Takeovers	0.0	0.8	0.8
Total	4.0	17.7	21.7

Of the investments made in the first half of the year, € 4.0 million (previous year: € 9.0 million) was attributable to investments funded from grants under the Hospital Financing Act (KHG) and deducted from total investments pursuant to the relevant provisions of IFRS.

An analysis of current investments financed from company funds by site is given below:

	€ m
Bad Neustadt a. d. Saale	7.9
Giessen, Marburg	6.3
Bad Berka	2.0
Frankfurt (Oder)	0.7
Total	16.9

As at the balance sheet date, we do not have any investment obligations under company acquisition agreements entered into.

Employees

Employees	30 June 2015	31 Dec. 2014	Change	
			absolute	%
Hospitals	13,923	14,081	-158	-1.1
MVZs	152	107	45	42.1
Service companies	1,407	1,414	-7	-0.5
Total	15,482	15,602	-120	-0.8

On 30 June 2015, the Group employed 15,482 persons (31 December 2014: 15,602).

BUSINESS PERFORMANCE IN THE SECOND QUARTER

April to June	2015	2014	Change	
	€ m	€ m	€ m	%
Revenues	279.3	329.6	-50.3	-15.3
EBITDA	34.2	-133.5	167.7	125.6
EBIT	19.2	-167.0	186.2	111.5
EBT	18.4	-183.8	202.2	110.0
Operating cash flow	31.9	-150.2	182.1	121.2
Consolidated profit	16.9	-183.7	200.6	109.2

Due to the sale of companies in the second quarter of the previous year, the performance figures for the second quarter of the current financial year show a decline compared to the same period in the previous year. Moreover, the second quarter of the previous year was negatively impacted by further extraordinary effects related to the particle therapy facility

in Marburg and the redemption of the bond. The second quarter of 2015 is therefore comparable to the second quarter of the previous year only to a limited degree.

REPORT ON EVENTS AFTER THE BALANCE SHEET DATE

By means of a purchase contract dated 31 July 2015 and subject to suspensive conditions to 1 January 2016, Klinik Feuerberg GmbH Bad Neustadt/Saale, which will be called RHÖN-Kreisklinik Bad Neustadt GmbH in the future, acquired the Bad Neustadt a. d. Saale district hospital through an asset deal. The frese a. d. Saale district hospital is a facility providing basic and standard care, with a total of 225 beds and 8 palliative care places as well as a nurses' training school. The district hospital specialises in: surgery, internal medicine, gynaecology and obstetrics, ear, nose and throat medicine and haemodialysis and it employs approximately 340 full-time staff. The acquisition broadens the regional care provision structures at the Bad Neustadt a. d. Saale location and it helps to implement the RHÖN-KLINIKUM campus concept. We will include the district hospital in our consolidated financial statements from 2016 onwards, provided that the suspensive conditions have been fulfilled.

RISKS AND OPPORTUNITIES

Like any other company, RHÖN-KLINIKUM AG is exposed to various sources of uncertainty. As a health services provider, we deal with an extremely complex risk landscape. Factors, such as the general regulatory and statutory conditions, increasing costs, competitive and consolidation pressure within the sector, or the increasing demands of patients, not only open up opportunities, they also contain risks.

In the hospitals sector, business prospects and existing risks are typically characterised by long-term cycles. Short-term changes in the market environment are usually the exception.

As a general rule, the development in service volumes is very stable compared with other sectors and is primarily defined by the underlying demographic trends of our ageing society as well as by the potential to be reaped from advances in medical technology. By contrast, fluctuating economic conditions almost invariably have virtually no perceptible impact on the trend in demand for hospital services.

Two main developments characterise the sector at present, and will do so over the coming years. Due to the demographic change in the population, demand for medical and especially for cutting-edge medical services continues to increase on the one hand. On the other hand, however, in terms of the supportive society, the increase in demand contrasts with a decrease in the number of people paying contributions, and the level of payment for the services provided is not being appropriately adjusted.

With regard to the trend in prices, the hospitals sector is characterised by its regulated remuneration system. For several years now, this is also what has been giving rise to the widening gap between revenues and costs which has been affecting the operating side and is exerting higher external economic pressures on all market participants. Major discounts of up to 65% have to be accepted according to the statutory provisions if expanded services are provided – regardless of whether they have been agreed or not. According to the current legal situation, over the next three years, hospitals will have to accept the so-called additional services discount of 25% for services that are agreed with the health insurance providers. The future Krankenhausstrukturgesetz (KHSG) will also not provide any relief for hospitals in this regard.

At the same time, costs are continuing to increase both in the personnel and materials field. These cost trends significantly exceed increases in remuneration. In this regard the Act Removing Excessive Social Burdens in

Contribution Liabilities in Health Insurance (Gesetz zur Beseitigung sozialer Überforderung bei Beitragsschulden in der Krankenversicherung) does not change anything from a structural standpoint.

We continue to be steadfast in our efforts to review and optimise our processes, quality, and strategies. We are unceasingly continuing with our activities to optimise our sites by conducting reviews of their service portfolios and identifying performance potential. If the next hospitals reform does actually produce a quality-indexed system of remuneration for medical services, we are very likely to benefit thanks to our hospitals and the high level of treatment quality that they already provide.

We see the "Wir für Gesundheit" ("We stand for Health") concept of networked medicine as an opportunity for our Group. Essentially, it provides for the creation of a national network of providers within which all outpatient, inpatient and rehabilitation services are provided.

The opportunities lie in the consolidation of our top hospitals combined with a high level of medical quality at an affordable price level, which is achieved through the close integration of state-of-the-art medical therapies and procedures as well as research and teaching and acts as a driver of innovation and progress for networked medical care with attractive earnings and growth prospects.

In our forward-looking projects, we also pay particular attention to improved patient management. We are therefore developing diagnostic and therapeutic procedures in our hospitals which are intended to further enhance patient care. The web-based electronic patient file that we have developed plays an important role in terms of interdisciplinary networking and efficient communication between different facilities. This enables duplicated investigations and prescriptions – or even adverse interactions between new and already prescribed medicines – to be avoided.

In 2014 we appointed our Medical Board, the members of which are recognised specialists from all the locations of our company. Above all, its task is to further refine and to implement the medical strategy of RHÖN-KLINIKUM AG, and to synchronise it with the corporate objectives.

By increasing the research budget, we wish to strengthen our competitive position with innovative treatments and cutting-edge medicine. In the 2015 financial year, projects with a total value of around € 4 million will be financed, with a focus on research and innovation, as well as on treatment excellence and network medicine.

Overall, we see our Group as being in a very good position. In the future, we will also continue to be among the largest hospital operators in Germany – a high-performance, homogeneous association with a consistent orientation towards cutting-edge and specialist medicine.

To this end, we avail ourselves of all opportunities presented to us and counteract any potential associated risks with an actively practised and functional risk management system in our hospitals, medical care centres and service companies.

After a thoroughgoing analysis, we will also continue to specifically exploit opportunities for further acquisitions as they arise with a view to expanding and broadening our Group.

Beyond that, there have been no significant changes in opportunities and risks since the reporting date of 31 December 2014. As before, we do not see any risks that pose a threat to the existence of either the individual companies or the Group.

FORECAST

RHÖN-KLINIKUM AG will continue to strive to make continuous progress as a high-performing, homogeneous group with a total of ten excellent hospitals at five locations; all

the facilities are characterised by a close interlinking of health care, research and teaching, as well as the high quality of the medical and nursing care provided. At the same time, we will live up to our claim to continue to be a pioneer of innovative developments and a dynamic influence on the health industry in the future too.

The main focus of our attention continues to be on further expansion of our expertise in the field of cutting-edge medicine. We are and continue to be one of the largest hospital operators in Germany. Our high level of investment, which has been financed from the surpluses generated by our hospitals, is what forms the basis of sustainable, efficient and, therefore, also affordable, hospital care. Our aim is to treat our patients with state-of-the-art medical equipment based on the latest therapies and research findings. In this regard we deliberately focus on the real needs of patients and we create the basis for the patient-oriented, open medical care of tomorrow.

In the 2015 financial year, we envisage the RHÖN-KLINIKUM Group having roughly 5,300 beds in ten hospitals at five sites across four federal states. We will achieve our forecast with around 15,500 employees.

For the current 2015 financial year – the first full financial year with the restructured portfolio – the company expects revenues in the range of € 1.08 billion to € 1.12 billion and earnings before interest, tax and depreciation / amortisation (EBITDA) of between € 145 million and € 155 million. As per in 2013 and 2014, one-off effects are also influencing the results in the current financial year, even if they are not as large as in the two previous years. These respective positive and negative special impacts are in the low tens of millions €; they will affect the entire 2015 financial year on a step-by-step basis and will partly offset each other over the course of it. Regulatory interventions, developments in dealing with larger legal charges and possible positive effects from the accounting residual

settlement of the transaction with Fresenius/
Helios, have to be taken into account in this
regard. Of course, our outlook is subject to

any regulatory interventions that may affect
the remuneration structure over the
remaining course of the year.

Bad Neustadt a. d. Saale, 5 August 2015

RHÖN-KLINIKUM Aktiengesellschaft

THE BOARD OF MANAGEMENT

Martin Menger

Jens-Peter Neumann

Dr. Dr. Martin Siebert

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT

**CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED STATEMENT OF
COMPREHENSIVE INCOME JANUARY TO JUNE 16**

**CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED STATEMENT OF
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Consolidated Income Statement and Consolidated Statement of Comprehensive Income, January to June

January to June	2015		2014	
	€ '000	%	€ '000	%
Revenues	555,355	100.0	959,114	100.0
Other income	92,232	16.6	86,424	9.0
	647,587	116.6	1,045,538	109.0
Materials and consumables used	157,916	28.4	261,175	27.2
Employee benefits expense	351,414	63.3	606,427	63.2
Other expenses	54,418	9.8	143,438	15.0
	563,748	101.5	1,011,040	105.4
Result from deconsolidation of subsidiaries	0	0.0	1,319,957	137.6
Interim result (EBITDA)	83,839	15.1	1,354,455	141.2
Depreciation / amortisation and impairment	30,030	5.4	47,696	5.0
Operating result (EBIT)	53,809	9.7	1,306,759	136.2
Finance expenses	3,202	0.6	75,799	7.9
Finance income	1,992	0.4	3,269	0.4
Finance result	1,210	0.2	72,530	7.5
Earnings before taxes (EBT)	52,599	9.5	1,234,229	128.7
Income taxes	2,875	0.5	20,336	2.1
Consolidated result	49,724	9.0	1,213,893	126.6
of which				
Non-controlling interests	1,143	0.3	2,050	0.2
Shareholders of RHÖN-KLINIKUM AG	48,581	8.7	1,211,843	126.4
Earnings per share in €				
undiluted	0.66		8.77	
diluted	0.66		8.77	

January to June	2015	2014
	€ '000	€ '000
Consolidated result	49,724	1,213,893
of which		
Non-controlling interests	1,143	2,050
Shareholders of RHÖN-KLINIKUM AG	48,581	1,211,843
Change in fair value of derivatives used for hedging purposes	0	24,786
Income taxes	0	-3,922
Other comprehensive income (cash flow hedges) subsequently reclassified to income statement if certain conditions are met	0	20,864
Revaluation of defined benefit pension plans	0	0
Income taxes	0	0
Other comprehensive income (revaluation of pension plans) not subsequently reclassified to income statement	0	0
Other comprehensive income *	0	20,864
of which		
Non-controlling interests	0	0
Shareholders of RHÖN-KLINIKUM AG	0	20,864
Total comprehensive income	49,724	1,234,757
of which		
Non-controlling interests	1,143	2,050
Shareholders of RHÖN-KLINIKUM AG	48,581	1,232,707

* Sum of value changes recognised directly in the equity.

Consolidated Income Statement and Consolidated Statement of Comprehensive Income, April to June

April to June	2015		2014	
	€ '000	%	€ '000	%
Revenues	279,265	100.0	329,633	100.0
Other income	37,196	13.3	37,904	11.5
	316,461	113.3	367,537	111.5
Materials and consumables used	77,998	27.9	95,072	28.8
Employee benefits expense	176,479	63.2	220,024	66.7
Other expenses	27,798	10.0	80,080	24.4
	282,275	101.1	395,176	119.9
Result from deconsolidation of subsidiaries	0	0.0	-105,889	-32.1
Interim result (EBITDA)	34,186	12.2	-133,528	-40.5
Depreciation / amortisation and impairment	15,009	5.3	33,482	10.2
Operating result (EBIT)	19,177	6.9	-167,010	-50.7
Finance expenses	1,621	0.6	19,089	5.8
Finance income	885	0.3	2,265	0.7
Finance result	736	0.3	16,824	5.1
Earnings before taxes (EBT)	18,441	6.6	-183,834	-55.8
Income taxes	1,499	0.5	-133	-0.1
Consolidated result	16,942	6.1	-183,701	-55.7
of which				
Non-controlling interests	525	0.2	732	0.2
Shareholders of RHÖN-KLINIKUM AG	16,417	5.9	-184,433	-55.9
Earnings per share in €				
undiluted	0.22		-1.33	
diluted	0.22		-1.33	

April to June	2015 € '000	2014 € '000
Consolidated result	16,942	-183,701
of which		
Non-controlling interests	525	732
Shareholders of RHÖN-KLINIKUM AG	16,417	-184,433
Change in fair value of derivatives used for hedging purposes	0	-226
Income taxes	0	36
Other comprehensive income (cash flow hedges) subsequently reclassified to income statement if certain conditions are met	0	-190
Revaluation of defined benefit pension plans	0	0
Income taxes	0	0
Other comprehensive income (revaluation of pension plans) not subsequently reclassified to income statement	0	0
Other comprehensive income *	0	-190
of which		
Non-controlling interests	0	0
Shareholders of RHÖN-KLINIKUM AG	0	-190
Total comprehensive income	16,942	-183,891
of which		
Non-controlling interests	525	732
Shareholders of RHÖN-KLINIKUM AG	16,417	-184,623

* Sum of value changes recognised directly in the equity.

Consolidated Balance Sheet at 30 June 2015

	30 June 2015		31 December 2014	
	€ '000	%	€ '000	%
ASSETS				
Non-current assets				
Goodwill and other intangible assets	163,650	9.3	163,736	9.1
Property, plant and equipment	650,810	37.1	663,205	36.8
Investment property	2,984	0.2	3,054	0.2
Income tax assets	4,666	0.3	4,576	0.2
Other financial assets	14,480	0.8	11,675	0.6
Other assets	332	0.0	267	0.0
	836,922	47.7	846,513	46.9
Current assets				
Inventories	19,274	1.1	21,830	1.2
Trade receivables	189,534	10.8	169,681	9.4
Other financial assets	382,263	21.8	56,385	3.1
Other assets	16,352	0.9	8,905	0.5
Current income tax assets	4,774	0.3	5,607	0.3
Cash and cash equivalents	305,814	17.4	695,390	38.6
	918,011	52.3	957,798	53.1
	1,754,933	100.0	1,804,311	100.0

	30 June 2015		31 December 2014	
	€ '000	%	€ '000	%
EQUITY AND LIABILITIES				
Equity				
Issued share capital	183,705	10.5	183,705	10.2
Capital reserve	557,869	31.8	557,869	30.9
Other reserves	476,859	27.2	487,045	27.0
Treasury shares	-76	0.0	-76	0.0
Equity attributable to shareholders of RHÖN-KLINIKUM AG	1,218,357	69.5	1,228,543	68.1
Non-controlling interests in equity	19,830	1.1	20,381	1.1
	1,238,187	70.6	1,248,924	69.2
Non-current liabilities				
Financial liabilities	10,000	0.6	152,881	8.5
Deferred tax liabilities	1,075	0.1	770	0.0
Provisions for post-employment benefits	961	0.0	814	0.0
Other financial liabilities	17,359	1.0	17,310	1.0
Other liabilities	6,142	0.3	6,406	0.4
	35,537	2.0	178,181	9.9
Current liabilities				
Financial liabilities	144,707	8.2	4,540	0.2
Trade payables	77,460	4.4	89,598	5.0
Current income tax liabilities	292	0.0	2,325	0.1
Other provisions	150,420	8.6	176,620	9.8
Other financial liabilities	24,995	1.4	24,926	1.4
Other liabilities	83,335	4.8	79,197	4.4
	481,209	27.4	377,206	20.9
	1,754,933	100.0	1,804,311	100.0

Consolidated Statement of Changes in Equity

	Issued share capital	Capital reserve	Retained earnings	Cash flow hedges (OCI)	Treasury shares	Equity attributable to share- holders of RHÖN- KLINIKUM AG	Non- controlling interests in equity ¹	Equity
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
As at 31 Dec. 2013/1 Jan. 2014	345,580	395,994	924,323	-20,864	-76	1,644,957	21,730	1,666,687
Equity capital transactions with owners								
Capital contributions	-	-	-	-	-	-	-	-
Capital payments	-	-	-	-	-	-	-	-
Share repurchase and capital reduction	-164,533	164,533	-1,654,781	-	-	-1,654,781	-	-1,654,781
Dividend payments	-	-	-34,552	-	-	-34,552	-	-34,552
Total comprehensive income	-	-	1,211,843	20,864	-	1,232,707	2,050	1,234,757
Other changes								
Changes in scope of consolidation	-	-	-	-	-	-	-2,438	-2,438
As at 30 June 2015²	181,047	560,527	446,833	0	-76	1,188,331	21,342	1,209,673
As at 31 Dec. 2014/1 Jan. 2015	183,705	557,869	487,045	-	-76	1,228,543	20,381	1,248,924
Equity capital transactions with owners								
Share repurchase and capital reduction	-	-	-	-	-	-	-	-
Dividend payments	-	-	-58,767	-	-	-58,767	-1,694	-60,461
Total comprehensive income	-	-	48,581	-	-	48,581	1,143	49,724
Other changes								
Changes in scope of consolidation	-	-	-	-	-	-	-	-
As at 30 June 2015	183,705	557,869	476,859	0	-76	1,218,357	19,830	1,238,187

¹ Including other comprehensive income (OCI).

² Includes the effect of the share repurchase as at 30 June 2014. For an explanation refer to the Condensed Notes.

Consolidated Statement of Cash Flows

January to June	2015	2014
	€ m	€ m
Earnings before taxes	52.6	1,234.2
Result from deconsolidation of subsidiaries	-	-1,320.0
	52.6	-85.8
Finance result	1.2	72.4
Depreciation / amortisation and impairment and gains / losses on disposal of assets	30.0	47.0
Non-cash developments of derivative financial instruments	-	0.1
	83.8	33.7
Change in net current assets		
Change in inventories	2.6	2.4
Change in trade receivables	-19.8	-9.6
Change in other financial assets and other assets	-16.0	-30.1
Change in trade payables	-12.0	-3.7
Change in other net liabilities / Other non-cash transactions	5.4	51.7
Change in provisions	-26.1	-0.8
Income taxes paid	-3.8	-12.5
Interest paid	-5.9	-27.2
Cash generated from operating activities	8.2	3.9
Investments in property, plant and equipment and in intangible assets	-21.0	-51.9
Government grants received to finance investments in property, plant and equipment and in intangible assets	4.0	9.0
Investments in time deposits	-360.0	-
Loans to associated companies	-3.0	-
Acquisition of subsidiaries, net of cash acquired	-0.8	-0.3
Sale of subsidiaries, net of cash disposed	41.1	2,891.2
Sale proceeds from disposal of assets	0.2	5.5
Interest received	2.2	3.3
Cash used in / generated from investing activities	-337.3	2,856.8
Repayment of financial liabilities	-	-595.0
Acceleration fee of financial liabilities	-	-61.1
Dividend payments to shareholders of RHÖN-KLINIKUM AG	-58.7	-34.6
Payments to non-controlling interests in equity	-1.7	-2.4
Cash used in financing activities	-60.4	-693.1
Change in cash and cash equivalents	-389.5	2,167.6
Cash and cash equivalents at 1 January	695.3	116.8
Cash and cash equivalents at 30 June	305.8	2,284.4
of which held for sale cash and cash equivalents at 30 June	-	2.2
of which cash and cash equivalents not held for sale at 30 June	305.8	2,282.2

Condensed Notes

GENERAL INFORMATION

In the first half of the previous year RHÖN-KLINIKUM AG sold a portfolio of 40 hospitals, medical care centres and other associated investments to Fresenius/Helios (recognised in the consolidated interim report of the previous year with two/three/five months' business operation). Due to the fundamental changes in the corporate structure and in the hospital portfolio as well as one-off effects that are mainly caused by the transaction, the business figures for the first half of 2015 are only comparable to the previous year's period to a very limited degree.

RHÖN-KLINIKUM AG now acts as an integrated health group that specialises in providing full-service medical services.

The Company is a stock corporation established under German law and has been listed on the stock market (MDAX®) since 1989. The registered office of the Company is in Bad Neustadt a.d. Saale, Salzburger Leite 1, Germany.

The Interim Consolidated Financial Statements will be published on 6 August 2015 on the RHÖN-KLINIKUM AG website as well as via Deutsche Börse (the German Stock Exchange).

ACCOUNTING POLICIES

The Interim Consolidated Financial Statements of RHÖN-KLINIKUM AG as at 30 June 2015 have been prepared in accordance with the rules of IAS 34 in condensed form, applying Section 315a of the German Commercial Code (Handelsgesetzbuch, HGB) and in accordance with the rules, effective at the reporting date and recognised by the European Union, of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), London, as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). Furthermore, the provisions of the German accounting standard DRS 16 were observed in the preparation of this Group Interim Report.

With the exception of the following standards and interpretations which have already been approved by the European Union, in the condensed interim consolidated financial statements the same accounting and valuation methods that have already been approved by the European Union are applied as in the Consolidated Financial Statement of RHÖN-KLINIKUM AG as at 31 December 2014.

Changes to IFRS 1 "Applicable IFRS", IFRS 3 "Exceptions from the scope for joint arrangements and the accounting of contingent considerations in conjunction with company mergers" (Annual Improvement to IFRS's Cycle 2010-2012), IFRS 13 "Scope of so-called portfolio exception and waiver of discounting for fair value measurement of future receivables and liabilities, in so far as the effect is immaterial" and IAS 40 "Connection between IFRS 3 and IAS 40 in the classification of investment properties as owner-occupied" (Annual Improvement to IFRS's Cycle 2011-2013) have to be applied as from 1 January 2015. These amendments have had no material impact on the presentation of the net assets, financial position and results of operations.

The interpretations of IFRIC 21 "Levies" have to be applied retroactively to financial years that start on or after 17 June 2014. The impact on the accounting and measurement and representation in the consolidated financial statements of RHÖN-KLINIKUM AG have been classed as immaterial.

The income tax expense was deferred in the reporting period based on the tax rate expected for the entire financial year.

CONSOLIDATED COMPANIES

The ultimate parent company is RHÖN-KLINIKUM Aktiengesellschaft with its registered office in Bad Neustadt a. d. Saale. The scope of consolidation is as follows:

	31 Dec. 2014	Additions	Disposals	30 June 2015
Fully consolidated subsidiaries	27	0	0	27
Subsidiaries accounted for using the equity method	2	0	0	2
Other subsidiaries	6	1	0	7
Consolidated companies	35	1	0	36

Fully consolidated subsidiaries are all companies (including structured companies) which it is possible for the group to control according to IFRS 10. When assessing whether there is control, a check is made as to whether the parent company has power over the subsidiary, receives resulting positive or negative variable returns from it, and can influence their amount as a result of its power. The Group reviews whether control is exercised also if the parent company holds less than 50.0% of the voting rights but is able to control the relevant activities of the subsidiary based on de facto control. De facto control exists, for example, in the case of voting right agreements or increased minority rights. Subsidiaries are included in the consolidated financial statements (full consolidation) from the date when control transfers to the group. They are deconsolidated when the control ends. Acquired subsidiaries are recognised according to the acquisition method.

Subsidiaries accounted for using the equity method are associated companies over which the Group exercises significant influence – but does not have control – which generally occurs with a voting interest of between 20% and 50%. Investments in associated companies and joint ventures are accounted for using the equity method, and they are initially recognised based on their purchase cost. The group's share in associated companies or joint ventures includes the goodwill at the time of acquisition (taking into account cumulative impairments).

Other subsidiaries are companies whose overall and specific influence on the assets and results situation is immaterial, or whose financial and business decisions we are unable to exert any significant influence over. They are recognised in the consolidated financial statements at purchase cost or lower fair value.

The addition results from the investment in the company "Wir für Gesundheit GmbH" together with Helios and Asklepios.

Company acquisitions

In the first half of 2015, four clinical doctor's practices were purchased, for which the contractually agreed conditions of validity have been fulfilled in the 2015 reporting period. The inclusion in the Group likewise took place in the first half of 2015. No costs were incurred within the framework of acquisition of clinical doctor's practices. The revenue and results earned since inclusion in the consolidated financial statements are of minor importance for the RHÖN-KLINIKUM AG Group. The final purchase price allocation will have the following impact on the asset situation of the Group in the first half of 2015:

Purchase of clinical doctor's practices, January to June 2015	Fair value post acquisition
	€ m
Acquired assets and liabilities	
Intangible assets	0.0
Property, plant and equipment	0.2
Net assets acquired	0.2
+ Goodwill	0.6
Cost	0.8
./. Purchase price payments outstanding	0.0
./. Acquired cash and cash equivalents	0.0
Cash outflow on transaction	0.8

Two clinical doctor's practices were purchased in the first six months of the 2015 financial year, for which the contractually agreed conditions of validity were fulfilled as at 1 July 2015, and the transfer and inclusion of which in the consolidated financial statements will take place in the third quarter of 2015. No costs were incurred within the framework of acquisition of clinical doctor's practices. The provisional purchase price allocation will have the following impact on the asset situation of the Group in the third quarter of 2015:

Purchase of clinical doctor's practices with effect from 1 July 2015	Fair value post acquisition
	€ m
Acquired assets and liabilities	
Intangible assets	0.0
Property, plant and equipment	0.0
Net assets acquired	0.0
+ Goodwill	0.4
Cost	0.4
./. Purchase price payments outstanding	-0.4
./. Acquired cash and cash equivalents	0.0
Cash outflow on transaction	0.0

By means of a purchase contract dated 31 July 2015 and subject to suspensive conditions at 1 January 2016, Klinik Feuerberg GmbH Bad Neustadt/Saale, which will in future be called RHÖN-Kreisklinik Bad Neustadt GmbH, acquired the Bad Neustadt a.d. Saale district hospital through an asset deal. The Bad Neustadt a.d. Saale district hospital is a facility providing basic and standard care, and it has a total of 225 beds and 8 palliative care places as well as a nurses' training school. The district hospital specialises in: surgery, internal medicine, gynaecology and obstetrics, ear, nose and

throat medicine and haemodialysis, and it employs approximately 340 full-time staff. The acquisition broadens the regional care provision structures at the Bad Neustadt a. d. Saale location.

When the suspensory conditions are fulfilled, we will include the district hospital in our consolidated financial statements in 2016. In line with the campus concept for the hospitals at the Bad Neustadt location, the purchased hospital will be physically incorporated into the campus site once the new building works have been completed in 2019.

Since the purchase price allocation is based on the values in the 2015 end of year financial statements, it is not currently possible to undertake a purchase price allocation. The acquisition will not be of major significance in relation to the net assets, financial position and results of operations of the Group. Since the purchase price allocation has not been completed and the district hospital's accounts have not been fully converted to the RHÖN-KLINIKUM AG accounting and valuation methods, it is not currently possible to show all the information that is required according to IFRS 3.60 et seq. We expect the purchase price to be in the range € 5.0 million to € 8.0 million, with no significant goodwill being anticipated.

OPERATING SEGMENTS

The Group's hospitals are managed as legally independent subsidiaries which carry on their business activities in their respective regional markets in line with the guidelines and specifications of the parent company. There are no dependent hospital operations or branches within RHÖN-KLINIKUM AG.

According to IFRS 8 "Operating Segments", segment information is to be presented in accordance with the internal reporting to the chief operating decision maker (management approach).

The chief operating decision maker of RHÖN-KLINIKUM AG is the Board of Management as a whole, which makes the strategic decisions for the Group and which is reported to based on the figures of the individual hospitals and subsidiaries. Accordingly, RHÖN-KLINIKUM AG, with its acute hospitals and other facilities, continues to have only one reportable segment, since the other units, such as rehabilitation facilities, medical care centres (MVZs) and service companies, whether on a stand-alone basis or in the aggregate, do not exceed the quantitative thresholds of IFRS 8.

SELECTED EXPLANATIONS REGARDING INTERIM CONSOLIDATED INCOME STATEMENT

Revenues

January to June	2015 € m	2014 € m
Fields		
Acute hospitals	537.5	918.5
Medical care centres	3.9	22.9
Rehabilitation hospitals	14.0	17.7
	555.4	959.1
Federal states		
Bavaria	107.4	164.1
Saxony	0.1	65.7
Thuringia	85.9	120.4
Baden-Wuerttemberg	-	21.8
Brandenburg	65.8	65.1
Hesse	296.2	385.2
Mecklenburg-West Pomerania	-	3.1
Lower Saxony	-	88.9
North Rhine-Westphalia	-	22.4
Saxony-Anhalt	-	22.4
	555.4	959.1

According to IAS 18, revenues constitute revenues generated from the provision of services and they have fallen compared with the same period last year by € 403.7 million or 42.1% to € 555.4 million as a result of the sale of hospitals, MVZs and other affiliated interests to Fresenius/Helios, for the most part at the end of February 2014 (inclusion in the previous year's interim consolidated financial statements based on two months).

Other income

January to June	2015 € m	2014 € m
Income from services rendered	60.4	71.1
Income from grants and other allowances	5.0	7.3
Income from adjustment of receivables	0.5	1.0
Income from indemnification payments/Other reimbursements	0.2	0.9
Other	26.1	6.1
	92.2	86.4

Income from services provided includes income from ancillary and incidental activities as well as income from rental and lease agreements.

The Group received grants and other allowances as compensation for certain purpose-tied expenditures in connection with publicly financed measures (e.g. costs of personnel and materials for research and teaching, benefits paid under German legislation governing maternity leave and semi-retirement schemes).

Because of the investigations into the cleaning companies that were carried out by the Schweinfurt Main Customs Office in 2011, additional social insurance contributions were payable. However, an agreement concerning the social insurance contributions was able to be reached with Deutsche Rentenversicherung in Q1 2015. All possible back-dated demands have been settled with the concluded agreement. In this context, the provision of € 19.7 million formed for this purpose was reversed in the first quarter of 2015 and the amount recognised under other income. Furthermore, provisions to the value of € 3.0 million were released to cover potential legal and tax risks associated with the sale of hospitals to Fresenius/Helios.

Other expenses

January to June	2015 € m	2014 € m
Maintenance	20.4	31.7
Charges, subscriptions and consulting fees	10.9	22.5
Insurance	4.0	7.3
Administrative and IT costs	3.9	7.3
Impairment on receivables	3.3	5.4
Rents and leaseholds	2.2	7.2
Other personnel and continuing training costs	2.1	4.1
Travelling, entertaining and representation expenses	0.8	1.7
Secondary taxes	0.3	0.5
Losses on disposal of non-current assets	0.0	0.1
Other	6.6	55.6
	54.5	143.4

Compared with the same period last year, other expenses in the first six months of 2015 decreased by € 88.9 million or 62.0% to € 54.5 million. The decrease results on the one hand from the sale of hospitals, MVZs and other affiliated interests, for the most part at the end of February 2014. On the other hand, one-off expenditures connected with particle therapy were recorded under other expenses in the previous year.

Result from deconsolidation of subsidiaries

In the previous year, the book profit resulting from the sale of the companies that were transferred in the first half of the previous year through the transaction with Fresenius/Helios, and from the sale of the MVZ companies to the doctors who work in them, was recorded under this item.

Depreciation / amortisation and impairment

Compared with the same period last year, the depreciation / amortisation and impairment item fell by € 17.7 million or 37.1% to € 30.0 million. The main cause of this is the full depreciation of the PTZ GmbH building which was recorded with an amount of € 16.2 million in the second quarter of 2014. This depreciation related to the particle therapy facility at the university hospital in Marburg and to contractual terms and conditions for the purchase and operation of the facility.

Finance result

Compared with the same period last year, we have recorded a decrease of € 71.3 million in our negative finance result to € 1.2 million in the first six months of the 2015 financial year. The

reduction results from the repayment of financial debts and associated pre-payment fees in the first half of the previous year.

The financial result also includes profit shares amounting to € 55,000 in companies which are accounted for using the equity method (previous year: profit shares of € 68,000).

Income taxes

January to June	2015 € m	2014 € m
Current income tax	2.6	16.3
Deferred taxes	0.3	4.0
	2.9	20.3

At an unchanged rate of taxation, the income tax expense item fell by € 17.4 million to € 2.9 million (previous year: € 20.3 million) as a result of the sale of hospitals, MVZs and other affiliated interests that took place in the previous year.

Tax carry-forwards are only recognised group-wide to the extent that it is considered probable that they will be claimed within 5 years.

SELECTED EXPLANATIONS REGARDING CONSOLIDATED INTERIM BALANCE SHEET

Goodwill and other intangible assets

	Goodwill € m	Other intangible assets € m	Total € m
Cost			
1 January 2015	156.0	31.4	187.4
Additions due to changes in scope of consolidation	0.6	0.0	0.6
Additions	0.0	0.5	0.5
Disposals	0.0	0.2	0.2
Transfers	0.0	0.1	0.1
30 June 2015	156.6	31.8	188.4
Cumulative depreciation and impairment			
1 January 2015	0.0	23.7	23.7
Depreciation	0.0	1.1	1.1
Disposals	0.0	0.1	0.1
30 June 2015	0.0	24.7	24.7
Balance sheet value at 30 June 2015	156.6	7.1	163.7

	Goodwill € m	Other intangible assets € m	Total € m
Cost			
1 January 2014	413.8	62.2	476.0
Additions due to changes in scope of consolidation	0.3	0.0	0.3
Additions	0.0	0.6	0.6
Disposals	248.8	31.6	280.4
Transfers	0.0	0.2	0.2
30 June 2014	165.3	31.4	196.7
Cumulative depreciation and impairment			
1 January 2014	0.0	48.3	48.3
Depreciation	0.0	1.2	1.2
Disposals	0.0	24.5	24.5
30 June 2014	0.0	25.0	25.0
Subtotal 30 June 2014	165.3	6.4	171.7
Assets held for sale	9.3	0.2	9.5
Balance sheet value at 30 June 2015	156.0	6.2	162.2

Property, plant and equipment

	Land and buildings € m	Technical plant and equipment € m	Operating and business equipment € m	Plant under construction € m	Total € m
Cost					
1 January 2015	887.9	42.7	264.6	21.2	1,216.4
Additions due to changes in scope of consolidation	0.0	0.0	0.2	0.0	0.2
Additions	1.4	0.2	5.5	9.3	16.4
Disposals	0.0	0.0	9.4	0.0	9.4
Transfers	0.2	0.2	1.5	-2.0	-0.1
30 June 2015	889.5	43.1	262.4	28.5	1,223.5
Cumulative depreciation and impairment					
1 January 2015	335.4	23.6	194.2	0.0	553.2
Depreciation	16.2	1.5	11.2	0.0	28.9
Disposals	0.0	0.0	9.4	0.0	9.4
30 June 2015	351.6	25.1	196.0	0.0	572.7
Balance sheet value at 30 June 2015	537.9	18.0	66.4	28.5	650.8

	Land and buildings € m	Technical plant and equipment € m	Operating and business equipment € m	Plant under construction € m	Total € m
Cost					
1 January 2014	2,152.5	96.1	604.3	90.7	2,943.6
Additions	4.0	0.1	10.4	7.7	22.2
Disposals	1,250.3	56.1	343.8	47.9	1,698.1
Transfers	29.5	0.5	4.9	-35.1	-0.2
30 June 2014	935.7	40.6	275.8	15.4	1,267.5
Cumulative depreciation and impairment					
1 January 2014	558.5	55.0	413.4	0.0	1,026.9
Depreciation	32.6	1.4	12.5	0.0	46.5
Disposals	260.7	34.1	226.1	0.0	520.9
30 June 2014	330.4	22.3	199.8	0.0	552.5
Subtotal 30 June 2014	605.3	18.3	76.0	15.4	715.0
Assets held for sale	37.7	0.4	5.5	0.0	43.6
Balance sheet value at 30 June 2015	567.6	17.9	70.5	15.4	671.4

Other financial assets (non-current)

Recorded under this item is a long-term loan of € 14.5 million (31 December 2014: € 11.7 million) provided to an associated company.

Other assets (non-current)

Interests in companies accounted for using the equity method are reported at € 0.3 million (31 December 2014: € 0.3 million) under other assets (non-current) on the grounds of materiality.

Other financial assets (current)

Because of the low interest rates for time overnight deposits and short-term cash investments, in 2015 fixed-term deposits with a residual term of < 1 year totalling € 360,0 million (31 December 2014: € 0.0 million) were made.

Equity

The € 10.7 million decline in equity as at 30 June 2015 compared with the balance sheet date of 31 December 2014 results from € 60.4 million of dividends paid to shareholders and non-controlling interests compared to net consolidated profit for the first half of the 2015 of € 49.7 million.

The € 457.0 million decline in equity as at 30 June 2014 compared with the balance sheet date of 31 December 2013 results from the € 1,654.8 million share repurchase decided on at the 12 June 2014 Annual General Meeting, with € 34.6 million of dividends paid to shareholders and non-controlling interests, and the € 2.4 million resulting from other changes affecting the consolidated companies, which are compared to net consolidated profit for the first half of 2014 of € 1,213.9 million, and € 20.9 million (after taxes) positive changes in our financial instruments. Due to the resolution passed by the Annual General Meeting, we undertake to purchase all the shares offered to us. In accordance with the IFRS rules we have therefore shown a financial liability equal to the present value of the maximum repurchase amount in the interim report as at 30 September 2014, effective from 30 June 2014.

Financial liabilities

In the 2010 financial year, RHÖN-KLINIKUM AG successfully placed on the market a bond with a value of € 400.0 million and a term of six years (ISIN XS0491047154). The coupon of the bond is 3.875%. On 27 March 2014, RHÖN-KLINIKUM AG submitted a public bond tender offer at a price of 106.1%. 61.95% of the outstanding nominal amount of this bond was redeemed, with the result that a nominal amount of € 152.2 million remained on the market from this bond. In July 2014, the bond was further redeemed with a nominal amount of € 9.0 million. As at 30 June 2015, a nominal amount of € 143.2 million remains on the market with a final maturity date of 11 March 2016. Additionally, as at 30 June 2015 there was a fixed interest loan of € 10.0 million with final maturity in 2017.

Additional disclosures regarding financial instruments

The table below presents the carrying amounts and fair values of the individual financial assets and liabilities for each individual category of financial instruments and transfers these to the corresponding balance sheet item:

Valuation category according to IAS 39	30 June 2015	of which		31 Dec. 2014	of which	
		Financial instruments			Financial instruments	
		Carrying amount	Fair value		Carrying amount	Fair value
	€ m	€ m	€ m	€ m	€ m	€ m
ASSETS						
Non-current assets						
Other financial assets	14.5	14.5	14.5	11.7	11.7	11.6
of which investments	0.0	0.0	0.0	0.0	0.0	0.0
of which derivative financial instruments (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
of which other	14.5	14.5	14.5	11.7	11.7	11.6
Current assets						
Trade receivables and other financial assets	571.8	571.8	571.8	226.1	226.1	226.1
of which trade receivables and other financial assets	571.8	571.8	571.8	226.1	226.1	226.1
of which securities (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
of which derivative financial instruments (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	305.8	305.8	305.8	695.4	695.4	695.4
LIABILITIES						
Non-current liabilities						
Financial liabilities	10.0	10.0	9.8	152.9	152.9	149.8
of which financial liabilities	10.0	10.0	9.8	152.9	152.9	149.8
of which derivative financial instruments (hedge accounting)	0.0	0.0	0.0	0.0	0.0	0.0
Other financial liabilities	17.4	17.4	19.5	17.3	17.3	20.4
of which other financial liabilities	16.3	16.3	18.4	15.9	15.9	19.0
of which from finance leases	1.1	1.1	1.1	1.4	1.4	1.4
Current liabilities						
Trade payables	77.5	77.5	77.5	89.6	89.6	89.6
Financial liabilities	144.7	144.7	144.7	4.5	4.5	4.5
of which financial liabilities	144.7	144.7	144.7	4.5	4.5	4.5
of which derivative financial instruments (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
Other financial liabilities	25.0	25.0	25.0	24.9	24.9	24.9
of which other financial liabilities	24.5	24.5	24.5	24.4	24.4	24.4
of which from finance leases	0.5	0.5	0.5	0.5	0.5	0.5
Aggregated according to measurement categories, the above figures are as follows:						
Loans and receivables		892.1	892.1		933.2	933.1
Financial liabilities measured at amortised cost		273.0	274.9		287.3	287.3

The fair values of the financial assets and liabilities recognised at amortised cost are allocated to the three levels of the fair value hierarchy as follows:

	Level 1 € m	Level 2 € m	Level 3 € m	Total € m	31 Dec. 2014 € m
Non-current assets from loans and receivables	-	14.5	-	14.5	11.6
Current assets from loans and receivables	-	571.8	-	571.8	226.1
Non-current liabilities from financial liabilities	-	9.8	-	9.8	149.8
Non-current liabilities from other financial liabilities	-	19.5	-	19.5	20.4
Current liabilities from trade payables	-	77.5	-	77.5	89.6
Current liabilities from financial liabilities	144.7	-	-	144.7	4.5
Current liabilities from other financial liabilities	-	25.0	-	25.0	24.9

The levels of the fair value hierarchy and their application to the assets and liabilities are described below:

- Level 1: Listed market prices for identical assets or liabilities on active markets
- Level 2: Other information in the form of listed market prices which are directly (e.g. prices) or indirectly (e.g. derived from prices) observable, and
- Level 3: Information on assets and liabilities not based on observable market data.

The fair values of the assets and liabilities to be classified to Level 2 are determined on the basis of input factors derivable directly on the market, such as interest. They result from the discounting of future cash flows using the corresponding input factors. A separate credit risk, derived from the bond listed on the market, is taken into account here.

Of the other financial assets (non-current), € 0.0 million, (31 December 2014: € 0.0 million) are attributable to equity interests whose market value cannot be calculated due to the absence of an active market. They are measured at cost.

Trade receivables, other financial assets as well as cash and cash equivalents generally have predominantly short remaining maturities. Their carrying amounts as at the reporting date therefore correspond to their fair values. The change as at 31 December 2014 was mainly caused by the disclosure of € 360,0 million of fixed-term deposits under other short-term financial assets.

The figure shown for financial liabilities includes a loan from a bank as well as a listed bond. The fair value of the loan from a bank and the fair value of other non-current liabilities are calculated on the basis of the discounted cash flow. A risk- and maturity-related rate appropriate for RHÖN-KLINIKUM AG has been used for discounting purposes. The fair values of the liabilities are allocated to Level 2 of the fair value hierarchy because of the input factors observable on the market. The fair value of the bond is calculated from the nominal value multiplied by the price on the last trading day of the reporting year and therefore has to be allocated to Level 1 of the fair value hierarchy.

For the trade payables and other financial liabilities with short remaining maturities, the carrying amounts correspond to their fair values on the reporting date.

The fair value of liabilities under finance leases was calculated using a market interest curve as at the balance sheet date and corresponds to their carrying amount.

OTHER DISCLOSURES

Interests held in the Company

The shareholders specified below have notified the Company that during the reporting period their voting interest exceeded or fell below the statutory reporting thresholds pursuant to section 21 (1) of the WpHG and that they thus at least temporarily held a voting interest of over 3% in the Company either directly or by way of attribution of such voting interest to them. Notified events of interests crossing a given threshold that took place in the period from 1 January 2015 up to and including 30 June 2015 are listed.

Voting interest on date that interest exceeds / falls below threshold							
Notifying entity	Published on	Held directly %	Attributed %	Voting rights held %	Date that interest exceeds/falls below the threshold	Interest exceeding / falling below threshold in the case of	Notification pursuant to section 21 (1) WpHG Attribution pursuant to WpHG:
Litespeed (Jamie Zimmermann)	25 March 2015		3.24	3.24	13 February 2015	> 3 %	Jamie Zimmermann: 3.24 % attributed pursuant to section 22 (1) sentence 1 no. 6 in conjunction with sentence 2 WpHG; 1.04 % attributed pursuant to section 22 (1) sentence 1 no. 2 in conjunction with sentence 2 WpHG; 3 % or more is attributed to Jamie Zimmermann from shares in Litespeed Master Fund, Ltd.
	25 March 2015		3.24	3.24	13 February 2015	> 3 %	Litespeed Offshore Fund Ltd.: 3.24 % attributed pursuant to section 22 (1) sentence 1 no. 1 WpHG; 2.17 % pursuant to section 22 (1) sentence 1 no. 2 WpHG Names of controlled entities: Litespeed Master Fund, Ltd.
	25 March 2015		3.24	3.24	13 February 2015	> 3 %	Litespeed Management L.L.C.: 3.24 % attributed pursuant to section 22 (1) sentence 1 no. 6 WpHG; 3 % or more is attributed to Litespeed Management L.L.C. from shares in Litespeed Master Fund, Ltd.
	25 March 2015		3.24	3.24	13 February 2015	> 3 %	Litespeed Master Fund, Ltd.

The reported voting interests may have changed since 30 June 2015. With regard to notifications on threshold events pursuant to section 21 (1) of the WpHG that took place as of 1 July 2015, and for additional information on the attribution of the respective voting rights pursuant to section 22 of the WpHG, we refer to the publications on our homepage in the Investors/IR News section. The notified voting interests and/or interest in the registered share capital were determined by the notifying entities on the basis of the existing aggregate number of shares at the time of the notification of voting rights.

Based on the threshold events notified to us and pursuant to sections 21, 22 of the WpHG, the following picture of shareholder structure emerges at the relevant key date of 30 June 2015:

Voting interest pursuant to sections 21, 22 WpHG on date that interest exceeds / falls below threshold							
Notifying entity	Published on	Held directly %	Attributed %	Voting rights held %	Date that interest exceeds/falls below the threshold	Interest exceeding / falling below threshold in the case of	Attribution pursuant to WpHG (section 21 (1) WpHG)
B. Braun Melsungen Aktiengesellschaft, Melsungen, Germany	26 November 2014	18.01		18.01	20 November 2014	> 10 %/> 15 %	Section 21 (1) Attribution pursuant to section 22 (1) sentence 1 no. 1 to Ludwig G. Braun GmbH & Co. KG, B. Braun Holding GmbH & Co. KG, BraHo Verwaltungsgesellschaft mbH, Prof. Dr. h. c. Ludwig Georg Braun, Ilona Braun, Martin Lüdicke
Asklepios/Dr. gr. Broermann, Germany	24 November 2014		15.25	15.25	20 November 2014	> 10 %/> 15 %	Section 22 (1) sentence 1 no. 1 15.25 % of the voting rights from shares in Asklepios Kliniken GmbH and in Asklepios Verwaltungsgesellschaft mbH is attributed to Dr. Bernard gr. Broermann
Eugen Münch, Germany	20 November 2014	6.32		6.32	20 November 2014	> 5 %	Section 21 (1)
Ingeborg Münch, Germany	20 November 2014	4.95		4.95	20 November 2014	> 3 %	Section 21 (1)
Old Mutual Plc, UK	23 December 2014		4.17	4.17	24 November 2014	> 3 %	Section 22 (1) sentence 1 no. 6 in conjunction with sentence 2
Litespeed (Jamie Zimmermann)	25 March 2015	3.24		3.24	13 February 2015	> 3 %	Section 21 (1)

There are no notifications regarding the statutory reporting thresholds according to sections 25, 25a WpHG in the reporting period from 1 January up to and including 30 June 2015. The voting interests may have changed since 30 June 2015. With regard to notifications on threshold events that took place as of 1 July 2015, and for additional information on the underlying financial instruments, on attribution and on the holding structures of the respective voting rights, please refer to the publications on our homepage in the Investors/IR News section.

As at 30 June 2015, the Company holds 24,000 treasury shares. This corresponds to 0.033% of the voting rights.

Corporate Bodies and Advisory Board

In accordance with the articles of association, the new Advisory Board was elected at the annual general meeting on 10 June 2015. As a result, the number of members was reduced from 20 to 16. Compared to the year ending 31 December 2014, the composition of the Advisory Board is now constituted as follows:

The following members were confirmed in post:

- Eugen Münch, Bad Neustadt a. d. Saale, Chairman of the Supervisory Board of RHÖN-KLINIKUM AG
- Georg Schulze-Ziehaus, Frankfurt am Main, First Deputy Chairman, Regional Director ver.di [Unified Service Sector Union]
- Wolfgang Mündel, Kehl, Second Deputy Chairman, in private practice as Auditor and Tax Consultant
- Peter Berghöfer, Münchhausen, Finance Director
- Bettina Böttcher, Marburg, Employee
- Prof. Dr. h. c. Ludwig Georg Braun, Melsungen, Entrepreneur
- Prof. Dr. Gerhard Ehninger, Dresden, Physician and Hospital Director
- Stefan Härtel, Müllrose, Nurse
- Klaus Hanschur, Marburg, Masseur and medical pool attendant
- Stephan Holzinger, Munich, Managing Partner of Holzinger Associates GmbH
- Dr. Brigitte Mohn, Gütersloh, Board Member of the Bertelsmann Foundation
- Dr. Katrin Vernau, Hamburg, Administrative Director of WDR [West German Broadcasting]

The following members were newly elected to the Supervisory Board:

- Björn Borgmann, Marburg, Nurse
- Meike Jäger, Berlin, Regional Director ver.di
- Christine Reißner, Sülzfeld, former Managing Director of HELIOS Klinikum Meiningen GmbH
- Evelin Schiebel, Görzbach, Nurse

The following members have stepped down from the Supervisory Board:

- Sylvia Bühler, Berlin, Divisional Director ver.di, Member of the National Executive Board of ver.di
- Helmut Bühner, Bad Bocklet, Nurse
- Reinhard Hartl, Icking/Irschenhausen, Auditor and Tax Consultant
- Dr. Heinz Korte, Ammerland, Notary Public (retired), Attorney
- Joachim Lüddecke, Hanover, Regional Departmental Director ver.di
- Michael Mendel, Vienna, Businessman, Board Member of Österreichische Volksbanken-AG
- Oliver Salomon, Bad Berka, Nurse
- Dr. Franz-Josef Schmitz, Cölbe, Physician

The composition of the Executive Board has remained unchanged since the last reporting date. Therefore, please refer to the Annual Report as at 31 December 2014 for details of the structure of the Executive Board as well as the allocation of duties and responsibilities.

Since 31 December 2014 there have been no changes to the composition of the Advisory Board or to its allocation of duties and responsibilities.

Related parties

In individual instances, RHÖN-KLINIKUM Group companies enter into transactions with related parties, as further described in the Notes to the Consolidated Financial Statements as at 31 December 2014. The transactions conducted with related parties primarily result from service or lease relations transacted at market prices. In the view of the RHÖN-KLINIKUM Group, these transactions are not of material significance.

The companies belonging to the group of related parties and the business transacted with these companies have not significantly changed in terms of the nature of the performance relationship and the amount of the pro rata temporis business volume compared with the Consolidated Financial Statements as at 31 December 2014. The same applies for the financial receivables and/or liabilities that existed with related parties. In the third quarter of 2014, this included the newly founded Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung (the limited liability company operating Heidelberg University Hospital's Marburg Ion Beam Therapy Centre). There was a long-term loan of € 14.5 million with this company as at 30 June 2015 (31 December 2014: € 11.7 million plus trade receivables of € 0.2 million (31 December 2014: € 0.1 million). Additionally, income from the forwarding of costs and interest expenses totalling € 0.6 million was realised in the first half of 2015 (previous year: € 0.0 million).

With effect from 12 June 2014, Prof. Dr. h. c. Ludwig Georg Braun was elected to the Supervisory Board. For the first half of 2015, parties related to him performed supply and service relationships to the RHÖN-KLINIKUM Group involving a volume of roughly € 3.6 million. As at the key date of 30 June 2015, there were trade liabilities amounting to about € 0.1 million (31 December 2014: € 0.2 million).

No significant transactions with related parties which are unusual in terms of their nature or amount have taken place.

Total remuneration of Supervisory Board, the Board of Management and the Advisory Board

The contractual remuneration for the members of the Supervisory Board as at the reporting date 30 June 2015 has changed from the 2015 financial year in that the remuneration is paid without success-related payment components. The remuneration for the Supervisory Board is performance-related and is based on the time spent, the tasks and the functional responsibility adopted by the members of the Supervisory Board. Detailed information about this is stated in our 2014 Annual Report.

The contractual remuneration for the members of the Executive Board and the Advisory Board has remained unchanged since it was set out in the 2014 Annual Report.

No loans were granted to members of the Supervisory Board, the Board of Management or the Advisory Board.

In the first half of 2015, there were no notifications concerning transactions by management (Directors' Dealings) pursuant to section 15a WpHG.

Employees

At the reporting date of 30 June 2015 the Group employed a total of 15,482 persons (31 December 2014: 15,602 persons).

Other financial obligations

The other financial obligations have not changed significantly since the last reporting date.

Contingent liabilities

The aggregate volume of contingent liabilities has not changed significantly since the last reporting date.

Earnings per share

Earnings per share in accordance with IAS 33 is calculated using the share of net consolidated profit attributable to the shareholders of RHÖN-KLINIKUM AG and the weighted average number of shares in issue during the year. Diluted earnings per share correspond to basic earnings per share, as there were no stock options or convertible debentures outstanding on the reporting date.

The following table sets out the development in the shares in issue:

	No. of shares on 30 June 2015	No. of shares on 30 June 2014
Non-par shares	73,481,860	138,232,000
Treasury non-par shares	-24,000	-24,000
Shares in issue	73,457,860	138,208,000

Earnings per share are calculated as follows:

Non-par shares	30 June 2015	30 June 2014
Share in consolidated profit (€ '000)	48,581	1,211,843
Weighted average number of shares outstanding, in thousands	73,458	138,208
Earnings per share in €	0.66	8.77

Statement of Cash Flows

The statement of Cash Flows shows how the item "Cash and cash equivalents" of RHÖN-KLINIKUM Group has changed as a result of cash inflows and outflows in the year under review. The impact of acquisitions, divestments and other changes in the scope of consolidation has been eliminated. In accordance with IAS 7 (Statement of Cash Flows), a distinction is made between cash flows from operating activities, investing activities as well as financing activities. The remaining purchase price from the transaction with Fresenius/Helios of € 41.1 million (previous year: € 2,891.2 million) from the sale of subsidiaries, less transferred cash and cash equivalents in 2015 is reported under Investments. Fixed deposits of € 360,0 million are also reported under Investments. The liquidity shown in the financial accounts includes cash in hand, cheques and cash with banks. For the purposes of the Statement of Cash Flows, the short-term bank overdrafts to the amount of

€ 0.0 million (previous year: € 0.5 million) are deducted from cash and cash equivalents. The Statement of Cash Flows has included a figure of € 4.4 million (previous year: € 4.0 million) for outstanding construction invoices and a figure of € 0.1 million for non-cash expenditures from financial derivatives in the previous year.

Bad Neustadt a. d. Saale, 5 August 2015

RHÖN-KLINIKUM Aktiengesellschaft

THE BOARD OF MANAGEMENT

Martin Menger

Jens-Peter Neumann

Dr. Dr. Martin Siebert

RESPONSIBILITY STATEMENT

To the best of our knowledge, we guarantee that, in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the net assets, financial position and results of the group, and the interim management report of the group's business performance presents the business results and the situation of the company in a fair and accurate manner, together with a description of the principal opportunities and risks, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Bad Neustadt a. d. Saale, 5 August 2015

RHÖN-KLINIKUM Aktiengesellschaft

THE BOARD OF MANAGEMENT

Martin Menger

Jens-Peter Neumann

Dr. Dr. Martin Siebert

AUDITED REVIEW CERTIFICATE

to RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale

We have reviewed the condensed interim consolidated interim financial statements – comprising the balance sheet, consolidated income statement, cash flow statement, shareholders' equity statement and selected explanatory notes – together with the interim group management report of RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale for the period from 01 January to 30 June 2015, which are part of the half year financial report pursuant to section 37w of WpHG (German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with IFRS for Interim Financial Reporting, as adopted by the EU, and of the interim management report, which has been prepared according to the applicable regulations of the WpHG for interim management reports, are the responsibility of the Company's management. It is our responsibility to issue a certificate regarding the condensed interim consolidated financial statements and on the interim group management report based on our review.

We have conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the generally accepted German standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) and in supplementary compliance with the International Standard on Review Engagements (ISRE 2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". This standard requires us to plan and conduct the review so that, having conducted a critical appraisal, we can with reasonable certainty exclude the possibility that the consolidated financial statement has not been carried out in all material aspects in compliance with the IFRS for Interim Financial Reporting, as adopted by the EU, and further exclude the possibility that the interim management report has not been carried out in all material aspects in compliance with the applicable WpHG regulations for interim management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with the terms of our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared in all material respects in accordance with IFRS for Interim Financial Reporting, as adopted by the EU, and that the interim management report has not been prepared according to the applicable WpHG regulations for interim management reports.

Frankfurt am Main, 5 August 2015

PricewaterhouseCoopers

Aktiengesellschaft

Wirtschaftsprüfungsgesellschaft

Anne Böcker
Auditor

ppa. Stefan Sigmann
Auditor

KEY FIGURES

KEY FIGURES JANUARY TO JUNE 2015 / JANUARY TO JUNE 2014

Data in € m	Jan. - June 2015	Jan. - June 2014	Change in %
Revenues	555.4	959.1	-42.1
Materials and consumables used	157.9	261.2	-39.5
Employee benefits expense	351.4	606.4	-42.1
Depreciation / amortisation and impairment	30.0	47.7	-37.1
Consolidated result according to IFRS	49.7	1,213.9	-95.9
Earnings share of RHÖN-KLINIKUM AG shareholders	48.6	1,211.8	-96.0
Earnings share of non-controlling interests	1.1	2.1	-47.6
Return on revenues (%)	9.0	126.6	-92.9
EBT	52.6	1,234.2	-95.7
EBIT	53.8	1,306.8	-95.9
EBIT ratio (%)	9.7	136.2	-92.9
EBITDA	83.8	1,354.5	-93.8
EBITDA ratio (%)	15.1	141.2	-89.3
Operating cash flow	79.7	1,261.0	-93.7
Property, plant and equipment as well as investment property	653.8	674.5 *	-3.1
Non-current income tax assets	4.7	6.8 *	-30.9
Equity according to IFRS	1,238.2	1,209.7	2.4
Return on equity, %	8.0	76.9	-89.6
Balance sheet total according to IFRS	1,754.9	3,464.2	-49.3
Investments in property, plant and equipment, intangible assets as well as in investment property	17.7	23.1	-23.4
Earnings per ordinary share (€)	0.66	8.77	-92.5
Number of employees (headcount)	15,482	16,325	-5.2
Case numbers (patients treated)	373,027	862,586	-56.8
Beds and places	5,215	5,811	-10.3

* Excluding assets held for sale.

KEY FIGURES APRIL TO JUNE 2015 / APRIL TO JUNE 2014

Data in € m	April - June 2015	April - June 2014	Change in %
Revenues	279.3	329.6	-15.3
Materials and consumables used	78.0	95.1	-18.0
Employee benefits expense	176.5	220.0	-19.8
Depreciation / amortisation and impairment	15.0	33.5	-55.2
Consolidated result according to IFRS	16.9	-183.7	109.2
Earnings share of RHÖN-KLINIKUM AG shareholders	16.4	-184.4	108.9
Earnings share of non-controlling interests	0.5	0.7	-28.6
Return on revenues (%)	6.1	-55.7	111.0
EBT	18.4	-183.8	110.0
EBIT	19.2	-167.0	111.5
EBIT ratio (%)	6.9	-50.7	113.6
EBITDA	34.2	-133.5	125.6
EBITDA ratio (%)	12.2	-40.5	130.1
Operating cash flow	31.9	-150.2	121.2
Property, plant and equipment as well as investment property	653.8	674.5 *	-3.1
Non-current income tax assets	4.7	6.8 *	-30.9
Equity according to IFRS	1,238.2	1,209.7	2.4
Return on equity, %	5.4	-18.5	129.2
Balance sheet total according to IFRS	1,754.9	3,464.2	-49.3
Investments in property, plant and equipment, intangible assets as well as in investment property	10.4	6.8	52.9
Earnings per ordinary share (€)	0.22	-1.33	116.5
Number of employees (headcount)	15,482	16,325	-5.2
Case numbers (patients treated)	181,297	295,449	-38.6
Beds and places	5,215	5,811	-10.3

* Excluding assets held for sale.

KEY FIGURES APRIL TO JUNE 2015 / JANUARY TO MARCH 2015

Data in € m	April - June 2015	Jan. - March 2015	Change in %
Revenues	279.3	276.1	1.2
Materials and consumables used	78.0	79.9	-2.4
Employee benefits expense	176.5	174.9	0.9
Depreciation / amortisation and impairment	15.0	15.0	0.0
Consolidated result according to IFRS	16.9	32.8	-48.5
Earnings share of RHÖN-KLINIKUM AG shareholders	16.4	32.2	-49.1
Earnings share of non-controlling interests	0.5	0.6	-16.7
Return on revenues (%)	6.1	11.9	-48.7
EBT	18.4	34.2	-46.2
EBIT	19.2	34.6	-44.5
EBIT ratio (%)	6.9	12.5	-44.8
EBITDA	34.2	49.7	-31.2
EBITDA ratio (%)	12.2	18.0	-32.2
Operating cash flow	31.9	47.8	-33.3
Property, plant and equipment as well as investment property	653.8	658.9	-0.8
Non-current income tax assets	4.7	4.6	2.2
Equity according to IFRS	1,238.2	1,281.7	-3.4
Return on equity, %	5.4	10.4	-48.1
Balance sheet total according to IFRS	1,754.9	1,816.9	-3.4
Investments in property, plant and equipment, intangible assets as well as in investment property	10.4	7.3	42.5
Earnings per ordinary share (€)	0.22	0.44	-50.0
Number of employees (headcount)	15,482	15,488	0.0
Case numbers (patients treated)	181,297	191,730	-5.4
Beds and places	5,215	5,235	-0.4

FINANCIAL CALENDAR

DATES FOR SHAREHOLDERS AND ANALYSTS

2015

6 August 2015	Publication of Half-Year Financial Report as at 30 June 2015
6 November 2015	Publication of Interim Report for the quarter ending 30 September 2015

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This Interim Report is also available in
German.