HALF-YEAR FINANCIAL REPORT 2013

RHÖN-KLINIKUM
AKTIENGESELLSCHAFT

CONTENTS

LETTER TO SHAREHOLDERS

Dear Shareholders,

We still have some hard work ahead of us, but the trend and development of the first half of 2013 show that RHÖN-KLINIKUM AG is starting to make progress towards finding its way back to the Company's traditionally strong results.

In the first six months of financial year 2013, 1,346,258 patients put their trust in our services, our facilities and our Company – 7.1% more than during the same period of the previous year. At the same time, revenues grew by 8.4% to reach € 1.5 billion. Overall, our facilities succeeded in lifting EBITDA from € 145.5 million to € 151.5 million, and profit was up slightly from € 50.3 million to € 50.8 million.

Our most challenging projects – the integration of Dr. Horst Schmidt Kliniken in Wiesbaden and the further development of our Gießen and Marburg University Hospital – are proceeding in line with the goals set in terms of the timetable and restructuring plan.

At our Annual General Meeting this year held on 12 June 2013, the abolishment of the "90% clause" in the articles of association was put to a vote. The motion was brought from amongst our shareholders on the plausible grounds that the provision was outdated for similar companies and might hamper our Company's dynamic development prospects. This motion was accepted by the required majority and the amendment to the articles filed for recording in the commercial register after being reviewed by the Board of Management. The amendment to the articles has not yet been recorded. Some actions for voidance were in the meantime brought by individual shareholders against the resolution to amend the articles on which the court of competent jurisdiction has yet to reach a decision.

In healthcare policy, the planned reform of hospital financing remains relevant. From the immediate financial measures which were adopted by the federal government and are aimed at supporting the hospitals, additional funds will be paid out to facilities over the next few months.

Moreover, the Board of Management in June gave the go-ahead for the Group-wide growth and optimisation programme *ImPULS*. The objective of this programme is to ensure an even better care offering for our patients. On the basis of the network medicine strategy, additional service offerings are to be created. The programme will be accompanied by a quality offensive; parallel to that, targeted investments will be made over the next few years to *shape up* our individual sites for the future care concepts both structurally and technologically.

Moreover, the Supervisory Board has renewed the contracts with the members of the Board of Management Jens-Peter Neumann and Martin Menger, thus clearly underscoring the importance of continuity and strengthening the resolve of the entire Board of Management on the course and path being pursuing.

For full-year 2013, we continue to expect revenues of € 3.03 billion euros which may fluctuate within a range of plus or minus 2.5%. Moreover, we continue to expect EBITDA of € 325 million and net consolidated profit of € 110 million. These figures may fluctuate within a range of plus or minus 5%.

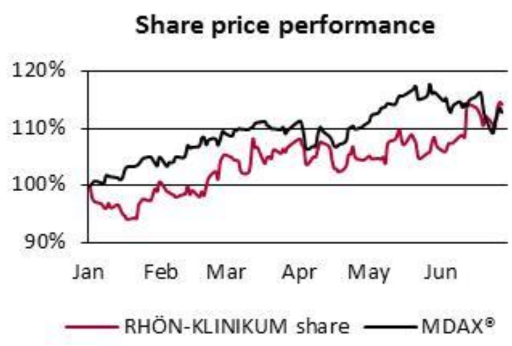
Yours sincerely,
RHÖN-KLINIKUM AG

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

THE RHÖN-KLINIKUM SHARE

During the first half of 2013, the equity markets in Europe and the USA were boosted by the combined effects of growing optimism for a sustained stabilisation in the global economy and the continuation of the central banks' supportive monetary policy. In this environment, some indices have since reached new highs. For example, the DAX® also climbed to over 8,500 points in the middle of May. It was only in June that price setbacks were then witnessed after the US Fed announced future plans to scale back its active measures hitherto taken to boost liquidity. Overall, the DAX® went up by roughly 4.6% during the first half. The MDAX® posted a gain of 15.0%.

The share of RHÖN-KLINIKUM AG outperformed, with a price rise of 15.7% over the first half of 2013, ending the first half at a closing price of € 17.72. Including the dividend payment, net performance stood at 17.3%.

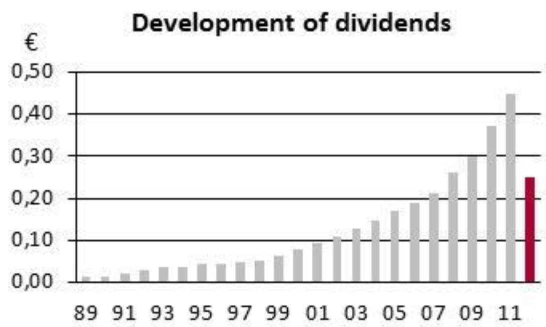


At the end of the first half our market capitalisation, including all issued 138.23 million non-par shares, stood at more than € 2.4 billion (31 December 2012: € 2.1 billion).

In the MDAX® we thus ranked 20th by market capitalisation (31 December 2012: 19th).

RHÖN-KLINIKUM share		
ISIN		DE0007042301
Ticker symbol		RHK
Registered share capital		345,580,000 €
Number of shares		138,232,000
	30 June 2013	**31 Dec. 2012**
Market capitalisation (€ m)	2,449.47	2,117.71
Share prices, in €	**1 Jan.-30 June 2013**	**1 Jan.-31 Dec. 2012**
Closing price	17.72	15.32
High	17.78	22.10
Low	14.60	13.97

This year's Annual General Meeting was held on 12 June 2013 in Frankfurt am Main. The resolved dividend of € 0.25 per share was paid on 13 June 2013.



All data adjusted in euros (138,232,000 ordinary shares)

On 7 November 2013 we will publish our interim report for the quarter ending on 30 September 2013.

A financial calendar containing all important financial dates is provided at the end of this Report as well as on our website at [*www.rhoen-klinikum-ag.com*](http://www.rhoen-klinikum-ag.com) *under the section "Investors".*

CONSOLIDATED INTERIM REPORT OF THE MANAGEMENT

REPORT ON THE FIRST HALF OF 2013

- The number of patients treated by us reveals a stable trend: compared with the previous half-year period, patient numbers, including Dr. Horst Schmidt Kliniken, saw a total rise of +7.1%. The growth was reflected in an +8.4% rise in revenues.
- Net consolidated profit generated during the first half of 2013 stands at € 50.8 million (pre-year period: € 50.3 million). In this context, EBITDA was raised by +4.1% to € 151.5 million and we more than doubled our cash generated from operations compared with the pre-year period.
- In our forecast for financial year 2013, we continue to expect revenues of € 3.03 billion fluctuating within a range of 2.5%, as well as EBITDA of € 325 million and net consolidated profit of € 110 million, in each case subject to a variance of +/- 5%.

GENERAL INFORMATION

The abridged interim consolidated financial statements of RHÖN-KLINIKUM AG for the year ended 30 June 2013 have been prepared in accordance with the provisions of IAS 34 in abridged form, and applying section 315a of the German Commercial Code (Handelsgesetzbuch, HGB) in accordance with 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), which are the subject of mandatory adoption in accordance with the European Parliament and Council Directive number 1606/2002 concerning the application of international accounting standards in the European Union in financial year 2013.

The accounting and valuation methods applied, to the extent already applied in financial year 2012 and consistently applied in financial year 2013, are set out in detail in the Consolidated Financial Statement of RHÖN-KLINIKUM AG as at 31 December 2012. The accounting and valuation methods applicable in principle for the first time in financial year 2013 are explained in the Abridged Notes to this Interim Report. On a current view, these will have only the effects as stated in the Abridged Notes on the net assets, financial position and results of operations of RHÖN-KLINIKUM AG.

The change in accounting resulting from the first-time adoption of IAS 19 revised 2011 has an impact on the values of the previous year. The disclosures for the previous year given below were adjusted in accordance with IAS 19 revised 2011. In this regard, we refer to the disclosures made in the Abridged Notes to this Interim Report under the chapter "Changes in accounting resulting from IAS 19 R (2011)".

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

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

OVERVIEW OF BUSINESS PERFORMANCE OF THE FIRST HALF AND THE SECOND QUARTER AS WELL AS OUTLOOK FOR THE FURTHER COURSE OF FINANCIAL YEAR 2013

Half-year comparison

January through June	2013	2012	Change	
	€m	€m	€m	%
Revenues	1,506.8	1,390.3	116.5	8.4
EBITDA	151.5	145.5	6.0	4.1
EBIT	81.4	77.1	4.3	5.6
EBT	62.2	60.6	1.6	2.6
Operating cash flow	121.3	117.2	4.1	3.5
Net consolidated profit	50.8	50.3	0.5	1.0

Including the acquisition of HSK, Dr. Horst Schmidt Kliniken GmbH, Wiesbaden and its subsidiaries (HSK group) consolidated since 1 May 2012, we recorded, compared with the first six months of 2012,

- a rise in case numbers by 89,776 cases or 7.1% to a total of 1,346,258 cases (previous year: 1,256,482 cases),
- a rise in revenues by € 116.5 million or 8.4% to € 1,506.8 million (previous year: € 1,390.3 million),
- an increase in EBITDA by € 6.0 million or 4.1% to € 151.5 million (previous year: € 145.5 million),
- an increase in EBIT by € 4.3 million or 5.6% to € 81.4 million (previous year: € 77.1 million), and
- a € 0.5 million (1.0%) rise in net consolidated profit to € 50.8 million (previous year: € 50.3 million),

thus reaching our targets.

Non-controlling interests in profit rose to € 1.9 million.

The interest of RHÖN-KLINIKUM AG shareholders in profit for the first six months of financial year 2013 remained nearly stable compared with the same period last year. On a comparison with the previous year there was only a slight decline by € 0.1 million or 0.2%. The interest in profit of the shareholders corresponds to earnings per share of € 0.35 (previous year: € 0.35) in accordance with IAS 33.

Comparison of the second quarter

April through June	2013	2012	Change	
	€m	€m	€m	%
Revenues	754.7	708.0	46.7	6.6
EBITDA	76.6	63.6	13.0	20.4
EBIT	41.5	28.4	13.1	46.1
EBT	32.5	19.5	13.0	66.7
Operating cash flow	61.8	51.2	10.6	20.7
Net consolidated profit	26.5	16.0	10.5	65.6

In the second quarter of 2013 versus the second quarter of 2012, we achieved

- a rise in case numbers by 28,995 cases or 4.5% to a total of 675,581 cases (previous year: 646,586 cases),
- a rise in revenues by € 46.7 million or 6.6% to € 754.7 million (previous year: € 708.0 million),
- an increase in EBITDA by € 13.0 million or 20.4% to € 76.6 million (previous year: € 63.6 million),
- an increase in EBIT by € 13.1 million or 46.1% to € 41.5 million (previous year: € 28.4 million), and
- a € 10.5 million (65.6%) rise in net consolidated profit to € 26.5 million (previous year: € 16.0 million).

Non-controlling interests in profit rose to € 1.3 million.

The interest of RHÖN-KLINIKUM AG shareholders in profit for the second quarter of financial year 2013 rose by € 9.6 million or 61.5% to € 25.2 million compared with the same period last year. The interest in profit of the shareholders corresponds to earnings per share of € 0.18 (previous year: € 0.11) in accordance with IAS 33.

Investment and financing

In the first six months of the current financial year, the Group invested a total of € 59.4 million (previous year: € 225.2 million) in intangible assets, property, plant and equipment as well as in investment property. This total of gross investments includes grants under the Hospital Financing Act (KHG) amounting to € 12.4 million (previous year: € 10.4 million) reflected as a deduction from acquisition cost. Of the remaining € 47.0 million in net investments (previous year: € 214.8 million), € 46.8 million (previous year: € 68.2 million) is attributable to current investments financed from own funds and € 0.2 million (previous year: € 146.6 million) is attributable to practice values (previous year: practice values, acquisition of HSK-Gruppe).

For these investments an operating cash flow – calculated from net consolidated profit of the first six months of 2013 plus depreciation/amortisation and other non-operating items (balance of gains and losses from disposals of assets, income from the market valuation of derivatives) – of € 121.3 million (previous year: € 117.2 million) was available.

Since the last reporting date our net financial debt rose from € 801.6 million to € 815.2 million, and our equity capital increased since the last reporting date from € 1,606.9 million to € 1,628.5 million.

Compared with the balance sheet date of 31 December 2012, the increase in equity capital by € 21.6 million stems from net consolidated profit for the first six months of financial year 2013 (€ 50.8 million) as well as from the recognition of positive changes in the market values of financial derivatives designated as interest-rate hedging instruments (€ 8.7 million), which compare with dividends paid to shareholders (€ 34.6 million) as well as the increase in the interest held in Altmühltalklinik-Leasing-GmbH by 43.9% (€ 3.3 million).

The equity capital ratio rose compared with the reporting date of 31 December 2012 from 50.5% to 53.2%.

Our non-current assets are financed fully, at notionally 104.6% (31 December 2012: 102.8%), at matching maturities by equity capital and non-current debt. Moreover, our current assets are covered by € 107.5 million of non-current equity and debt items.

Economic and legal environment

The German economy recovered smartly following the weak start into the year due to inclement weather conditions. This is seen in the current business climate index for the month of July 2013 which rose for the third time in a row. The Company’s expectations for the coming months continue to be moderately optimistic.

The statutory health insurance funds and the Central Health Fund recorded a surplus of € 8.5 billion in 2012. Of this, the health insurance funds accounted for € 5.0 billion and the Central Health Fund accounted for € 3.5 billion. In 2012, expenditure by the health insurance funds lagged well behind the original estimates. According to the Deutsche Bundesbank, it is this overshooting of the estimate in expenditures that is very largely responsible for the high surpluses of the health insurance funds. Statutory health insurance and the Central Health Fund recorded a deficit of roughly € 1.0 billion in the first quarter of 2013. Despite forecasts, the expectation of the German Bundesbank is that a surplus will once again emerge for 2013 overall.

The German employment market is still not reflecting the trend in the economy. It remains stable and the unemployment rate is almost unchanged. The consumer price index as determined by the Federal Statistical Office stands at 1.8% in Germany for June compared with the previous year – and thus increased moderately compared with the previous months.

For 2013, in line with persistent changes in demographics, we expect to see a moderately rising trend in the demand for hospital services that is set to further gather pace also in the coming years. As of 2013, the statutory remuneration provisions will supplement the rate of change in aggregate income according to the German Social Insurance Code V (Sozialgesetzbuch V, SGB V), which has hitherto been crucial for the trend in hospital budgets, by a pro rated orientation value. The orientation value as calculated by the Federal Statistical Office in the autumn of 2012 is 2.0% in 2013 and is below the rate of change of 2.03% announced by the German Federal Health Ministry. According to the statutory requirements, the official orientation value applies as a cap on price increases. Consequently, the state base rates will again rise only moderately in 2013. That means that the discrepancy between the trend in revenues and costs will continue in 2013. Coming on top of that are discounts on surplus service volumes of 25%.

In July 2013, the Federal Council (Bundesrat) passed the "Act Remedying Excessive Social Claims regarding Contribution Liabilities in Health Insurance" (*Gesetz zur Beseitigung sozialer Überforderung bei Beitragsschulden in der Krankenversicherung*) that had been adopted by the Federal Parliament (Bundestag). The financial aids stipulated for all hospitals have a scope of roughly € 1.1 billion in 2013 and 2014. The care surcharge provided for in the legislation package is designed as a percentage premium on the case flat rates and varies in 2013 and 2014. Their impact on the hospital market will be only partial, and in the aggregate insufficient from a structural viewpoint.

The trend over the past years of an ever widening gap between revenues and costs within the hospital sector is having an impact on the operating side. As a result, the trend of selective amongst service providers will continue and intensify. In our view, the economic pressure this puts on market participants will call for a targeted expansion of the service portfolio and the simultaneous exploiting of cost advantages. The primary concern in this regard is making the transition from being a traditionally decentrally oriented hospital operator to becoming an integrated healthcare group with close-knit, efficient and cross-facility operative service structures. Only those hospitals that are able to continually and effectively meet the regulatory and market challenges within the healthcare system will be able to exist in the market on a sustained and independent basis.

We lay claim to our ability to operate hospitals very efficiently and successfully and to bring about the quick and sound integration of newly acquired facilities within our Group. This also means reviewing and optimising our processes and strategies. We have identified some operative weaknesses that we will consistently address and resolve. The basis of operative implementation in this regard is provided by a systematic, Group-wide optimisation programme which we have launched and which on the one hand draws on our traditional strengths and on the other invigorates our practised business model with fresh impetus.

For the coming years, we see ourselves in an excellent position to realise our goal of establishing a national healthcare offering through networked medicine with a view to ensuring high-quality medical care for everyone.

CORPORATE GOVERNANCE

Corporate constitution

In the first half of 2013, the composition of the Board of Management remained unchanged since the 2012 Annual Report. With effect from 1 January 2013, Dr. Dr. Martin Siebert was appointed as chairman of the Board of

Management. The allocation of responsibilities within the Board of Management was adjusted to this accordingly. With effect from 4 June 2013, Professor Dr. Dr. sc. (Harvard) Karl W. Lauterbach left our Supervisory Board. Mr. Stephan Holzinger succeeded him to the Supervisory Board with effect from 3 July 2013. In all other respects, the composition of the Supervisory Board remained unchanged.

The notifications pursuant to section 21 et seq. of the Securities Trading Act (Wertpapierhandelsgesetz, WpHG) that we received in the first half of 2013 are presented in the Notes to this Financial Report. We refer to our homepage for a detailed list of the notifications.

The notifications of transactions pursuant to section 15a of the WpHG by members of the Board of Management or the Supervisory Board (directors' dealings) as well as other notifications of transactions by executives pursuant to section 15a of the WpHG are also presented in the Notes to this Interim Report.

The Declaration of Compliance with the German Corporate Governance Code issued jointly by the Board of Management and the Supervisory Board was updated on 7 June 2013 and published on our website. All other elements of our corporate constitution have remained unchanged in financial year 2013 to date. In this regard we refer to our explanations provided in the Management Report of the Consolidated Financial Statements of financial year 2012.

RISKS AND OPPORTUNITIES

In the hospital sector, business prospects and existing risks are typically characterised by long-term cycles. Short-term changes in the market environment are still usually the exception. As a general rule, the development in service volumes is very stable compared with other sectors and very largely defined by the underlying demographic trend of our greying society as well as by the potential to be reaped from advances in medical technology. For this reason, fluctuating economic trends as a rule have almost no perceptible impact on the trend in demand for hospital services.

With regard to the trend in prices, the hospital sector is characterised by its regulated remuneration system. For several years, this is what has been giving rise to the widening gap between revenues and costs that has been affecting the operating side and is exerting higher external economic pressures on all market participants. We are feeling this as well. Based on the statutory provisions, expansions in service volumes are remunerated at price discounts of up to 65% in some cases. On the other hand, we most recently had repeatedly recorded sharp price rises both in the area of personnel and material expenditures that significantly outstripped the trend in remuneration. In this context, the newly adopted Act Remedying Excessive Social Claims for Contribution Liabilities in Health Insurance does not change anything in structural respects.

We are using all available means to raise efficiency by continuously reviewing and improving our processes. The Company is on a sound footing. Many good ideas and conceptual approaches are there, but have not yet been fully exploited. In this context, raising our earnings strength is not an end in itself but helps our company to hold its own and compete on the market with its high qualitative standards in healthcare delivery. To this end we take advantage of all opportunities available to us, such as acquisitions, expansions in service volumes, restructuring and thus counteract the potential risks with a practised and functioning risk management system at our hospitals, MVZs and service companies.

During the past financial year, we acquired HSK, Dr. Horst Schmidt Kliniken GmbH, Wiesbaden, and since 1 May 2012 have included HSK-Gruppe in our consolidated financial statements. From the outset, we have consistently taken advantage of the potential this has created for us. Thanks to our integration expertise, we have initiated the first steps towards greater efficiency.

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

We have identified further opportunities as a result of the optimisation and growth programme ImPULS launched by us. We wish to ensure that our programme ImPULS turns into a sustained success; that is why from the outset we have attached great importance to a very high quality of implementation. Expertise teams with the direct involvement of the Board of Management continuously monitor the progress being made with the programme. The restructuring plan adopted for Gießen and Marburg University Hospital was included in our ImPULS programme with the same clear perspective and is already in the implementation stage. The discussions with the Hesse State Government and the two universities in Gießen and Marburg on a joint future concept for Universitätsklinikum Gießen und Marburg GmbH (UKGM) have been going well, resulting in new prospects for UKGM that have yet to be implemented in the form of specific measures.

Beyond that, there have been no significant changes in risks and rewards since the reporting date of 31 December 2012. As before, we do not see any risks posing a threat to the Company's existence, neither for the individual subsidiaries nor for the Group.

CONSOLIDATED TREND

Sites and capacities

	Hospitals	Beds
As at 31 December 2012	**54**	**17,089**
Change in capacities	-	15
As at 30 June 2013	**54**	**17,104**

On 30 June 2013, as on the last reporting date, 54 hospitals with 17,104 beds/places at a total of 43 sites in ten federal states are included in our consolidated financial statements. Since 31 December 2012, we witnessed only a moderate net change in the number of approved beds (15) at our acute inpatient capacities in line with the requirement budgets in the individual federal states.

As at 30 June 2013, we operate 38 MVZs with a total of 187.0 specialist physician practices:

	Date	MVZs	Specialist physician practices
As at 31 December 2012		**41**	**199.5**
Extensions			
Various sites		-	2.5
Disposals			
MVZ Attendorn	30 June 2013	-	-2.0
MVZ Bad Neustadt/S.	30 June 2013	-	-1.0
MVZ Kipfenberg	1 January 2013	-1	-2.0
MVZ Köthen	30 June 2013	-	-1.0
MVZ Kronach	1 January 2013	-	-1.0
MVZ Müncheberg	30 June 2013	-	-2.0
MVZ Nauheim	30 June 2013	-1	-2.0
MVZ Uelzen	31 March 2013	-	-2.0
MVZ Q.sana	1 April 2013	-1	-1.0
MVZ Wuppertal	30 June 2013	-	-1.0
As at 30 June 2013		**38**	**187.0**

Patients

January through June	**2013**	**2012**	**Change absolute**	**%**
Inpatient and day-case treatments,				
acute hospitals	381,858	355,060	26,798	7.5
rehabilitation hospitals and other facilities	5,694	5,628	66	1.2
	387,552	360,688	26,864	7.4
Outpatient attendances at our				
acute hospitals	609,845	551,355	58,490	10.6
MVZs	348,861	344,439	4,422	1.3
	958,706	895,794	62,912	7.0
Total	**1,346,258**	**1,256,482**	**89,776**	**7.1**

In the first six months a total of 1,346,258 patients (up by +89,776 patients, +7.1%) were treated in the Group's hospitals and MVZs. Of this increase, outpatient treatments account for roughly 70%.

After deducting consolidation and acquisition effects, this translates into organic growth in patient numbers of 3,747 patients in total or 1.0% in the inpatient area and 10,486 patients or 1.2% in the outpatient area.

Per-case revenues

January through June	2013	2012
Case revenue		
inpatient (€)	3,641	3,612
outpatient (€)	100	98

The rise in average per-case revenue in the inpatient area by € 29 reflects the trend in prices as well as the trend in case severity and discounts on surplus service volumes.

In the outpatient area the strengthening and expansion of our outpatient structures has had a positive impact with a € 2 rise in average case revenues.

Employees

Employees	30 June 2013	31 December 2012	Change	
			absolute	%
Hospitals	37,593	37,725	-132	-0.3
MVZs	993	1,005	-12	-1.2
Service companies	4,309	4,329	-20	-0.5
Total	**42,895**	**43,059**	**-164**	**-0.4**

On 30 June 2013, the Group employed 42,895 persons (31 December 2012: 43,059).

BUSINESS DEVELOPMENT

During the past financial year 2012, and particularly in the second half, RHÖN-KLINIKUM Group witnessed a slight weakening in the growth of case numbers compared with the high growth rates of previous years. The causes of this are complex and, firstly, are attributable to growth rates returning to normal levels following the one-off effects from the recent opening of new hospital buildings. Secondly, it has become much more difficult to achieve significant growth rates over and above the market level in an environment in which almost all providers are looking to expand their service volumes. That said, we see a clearly upward trend for 2013 and thereafter.

The ever widening gap between revenues and costs that has been observed within the hospital sector for several years is continuing to have an impact on the operating side. However, we as RHÖN-KLINIKUM AG are used to developing and implementing effective strategies to meet the ongoing regulatory and market challenges within the healthcare system and will redouble our efforts in this area with our new ImPULS programme in financial year 2013 and continue these efforts with the same intensity into 2014 and 2015.

Our objective is to further develop our Group and its facilities into a comprehensive, integrated healthcare provider and steadily improve the care we provide to our patients under a new network medicine approach. The realisation of the new network medicine approach will be achieved among other things with an expanded medical care strategy, which is primarily concerned with the future strategic co-ordination of the local offering of medical services of several regional clusters and in this way is to ensure a better integration of outpatient offerings and inpatient segments. With a view to this, we will strengthen and expand our medical expertise within the Group's management even more than before. There will be even greater co-operation between the hospitals at the regional level with a view to improving our competitive position thanks to targeted and improved care through medical excellence, streamlined organisation and an efficient use of resources.

The increase in our patient numbers is firstly owing to original growth in the first half and secondly attributable to the successful acquisition of the Wiesbaden-based Dr. Horst Schmidt Kliniken (HSK) in 2012.

We have made a fair amount of progress with integrating HSK, but with this project, too, there is no guarantee of automatic success. The challenges for our Group and the staff are considerable because the initial situation is by no means easy. In this initial phase, the pronounced initial loss situation is putting a squeeze on our consolidated result in the first half. Overall, our integration process continues to be on track. We therefore expect our efforts to start paying off in 2013 and to make a first positive operative contribution to the Company's overall success.

We more than doubled our cash generated from operations in the first half of 2013 compared with the pre-year period in 2012, from approximately € 30 million to around € 61 million. Here, too, we are on a good way towards improving our operative efficiency.

In addition to that, the process of investment and operative modernisation and integration is continuing in full swing, also at those facilities that have belonged to the Group for somewhat longer but have not yet reached their full potential.

Revenues and earnings

January through June	2013 €m	2012 €m	Change €m	Change %
income				
Revenues	1,506.8	1,390.3	116.5	8.4
Other income	104.8	104.1	0.7	0.7
Total	**1,611.6**	**1,494.4**	**117.2**	**7.8**
Expenditure				
Materials and consumables used	392.6	364.5	28.1	7.7
Employee benefits expense	918.1	843.8	74.3	8.8
Other expenditure	149.4	140.6	8.8	6.3
Total	**1,460.1**	**1,348.9**	**111.2**	**8.2**
EBITDA	**151.5**	**145.5**	**6.0**	**4.1**
Depreciation	70.1	68.4	1.7	2.5
EBIT	**81.4**	**77.1**	**4.3**	**5.6**
Financial result	19.2	16.5	2.7	16.4
EBT	**62.2**	**60.6**	**1.6**	**2.6**
Income taxes	11.4	10.3	1.1	10.7
Net consolidated profit	**50.8**	**50.3**	**0.5**	**1.0**

Compared with the same period last year, revenues grew by € 116.5 million or 8.4% to reach € 1,506.8 million. Adjusting for changes in the scope of consolidation (first-time consolidation of HSK-Gruppe as of 1 May 2012, MVZ Campus Gifhorn GmbH as of 1 July 2012) to the tune of € 80.6 million this translates into organic growth in revenues of € 35.9 million or 2.6%.

Compared with the same period last year, other income rose only slightly by € 0.7 million or 0.7% to reach € 104.8 million. Adjusting for the one-off accounting effects recognised in the previous year of the separate accounting in Gießen and Marburg to the tune of € 6.5 million as well as the previous year's increase in profits from the disposal of assets of € 1.3 million, this translates into a € 8.5 million rise. This increase is attributable among other things to the tune of € 5.5 million to consolidation effects, particularly from HSK-Gruppe as well as higher income from sales of pharmaceuticals.

January through June	2013 %	2012 %
EBITDA margin	10.1	10.4
EBIT margin	5.4	5.5
EBT margin	4.1	4.3
Return on revenue	3.4	3.6
Return on equity	6.2	6.3

When assessing hospital ratios and margins for period-based and inter-operation comparisons, it generally has to be kept in mind that hospitals are allocated an annual budget for their annual service volumes. Since the annual service volume is known only after the end of the financial year and the annual budget only after conclusion of the remuneration agreement, revenues generated during the year are quantified on the basis of realistic estimates. These can easily reduce the representativeness of interim time-based comparisons. From the negotiations with payers, we expect additional positive backlog effects in the further course of the financial year.

January through June	2013 %	2012 %
Cost of materials ratio	26.1	26.2
Personnel cost ratio	60.9	60.7
Other cost ratio	9.9	10.1
Depreciation and amortisation ratio	4.7	4.9
Financial result ratio	1.3	1.2
Tax expenditure ratio	0.7	0.7

Compared with the same period last year, the cost of materials in the first half of 2013 rose by € 28.1 million or 7.7%, and was thus slightly moderately disproportionate to the trend in revenues. The cost-of-materials ratio edged downwards from 26.2% to 26.1%. Disregarding consolidation effects, the increase in material expenditure (€ 4.1 million or 1.1%) was disproportionately moderate to the increase in (likewise adjusted) revenues (€ +35.9 million or +2.6%).

Material expenditure includes services purchased from locum staff, which only in some cases compensate original personnel expenditures. Adjusted for the effect of locum doctors, the material cost ratio was in line with the figure of the same period last year at 24.8%.

Despite restructuring successes achieved throughout the Group as well as efficiency gains, personnel expenditure rose by € 74.3 million or 8.8%, thus outstripping the rise recorded over the same period last year. The personnel expense ratio went from 60.7% to 60.9%, with the long-standing subsidiaries recording a rise of € 22.7 million or 2.7%. This is above all attributable to the relatively high wage deals at facilities of RHÖN-KLINIKUM AG that were reached during the second half of 2012.

Other expenditures rose during the first half of 2013 compared with the same period last year by € 8.8 million or 6.3%. Companies consolidated for the first time account for € 11.9 million, or 8.5%, of this rise. Other expenditures of our long-standing facilities declined by € 3.1 million or 2.2%. This decline was attributable to one-off legal and advisory expenses incurred during the previous year.

The depreciation and amortisation item increased compared with the same period last year by € 1.7 million or 2.5% to reach € 70.1 million. This increase is fully accounted for by HSK-Gruppe consolidated for the first time since 1 May 2012.

Compared with the same period last year, we recorded a rise in our negative financial result by € 2.7 million or 16.4% in the first six months of financial year 2013. The rise essentially stems from the increase in net debt to banks due, among other things, to the acquisition of HSK-Gruppe. Capital market interest rates, which continued to be in decline, also negatively impacted our investment portfolio.

As at 30 June 2013, net debt to banks – including finance lease liabilities – was € 815.2 million (31 December 2012: € 801.6 million) and breaks down as follows:

	30 June 2013 €m	31 December 2012 €m
Cash	107.1	237.0
Current financial liabilities	154.7	267.0
Non-current financial liabilities	752.6	767.7
Finance lease liabilities	42.1	41.2
Financial liabilities	949.4	1,075.9
Subtotal	842.3	838.9
Negative market value of derivatives (current)	0.0	-3.0
Negative market value of derivatives (non-current)	-27.1	-34.3
Net financial debt	**815.2**	**801.6**

At an unchanged rate of taxation, the income tax expense item rose by € 1.1 million or 10.7% to € 11.4 million (previous year: € 10.3 million) compared with same period of the previous year. Apart from the increase in the tax assessment basis, other factors to be mentioned in this connection include rising tax losses for which no deferred tax can be recognised in earnings.

Compared with the same period last year, net consolidated profit of the first six months rose slightly by € 0.5 million or 1.0% to

€ 50.8 million (previous year: € 50.3 million). Non-controlling interests in profit rose to € 1.9 million.

The interest of RHÖN-KLINIKUM AG shareholders in profit for the first six months of 2013 declined slightly by € 0.1 million or 0.2% compared with the same period last year. The interest in profit of the shareholders corresponds to earnings per share of € 0.35 (previous year: € 0.35) in accordance with IAS 33.

The total result (sum of net consolidated profit and other earnings) stood at € 59.4 million (previous year: € 49.1 million) in the first half of 2013. Whereas in the previous year, negative changes in the market values of our financial instruments of € 1.1 million (after tax) as well as actuarial losses of € 0.1 million were recognised directly at equity, positive changes in market values of our financial instruments to the tune of € 8.7 million (after tax) also had to be recognised directly at equity in the first six months of the current financial year.

Asset and capital structure

	30 June 2013		31 December 2012	
	€m	%	€m	%
ASSETS				
Non-current assets	2,344.5	76.6	2,381.6	74.8
Current assets	714.5	23.4	802.9	25.2
	3,059.0	**100.0**	**3,184.5**	**100.0**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	1,628.5	53.2	1,606.9	50.5
Long-term loan capital	823.5	26.9	841.8	26.4
Short-term loan capital	607.0	19.9	735.8	23.1
	3,059.0	**100.0**	**3,184.5**	**100.0**

Due to depreciation and disposals of assets, our non-current assets declined by € 37.1 million or 1.6%.

The decline in current assets by € 88.4 million or 11.0% and in current liabilities by € 128.8 million or 17.5% results from various factors, including the payment of contractual and collectively agreed claims of employees to bonuses and profit participations.

We financed our equity-financed investments amounting to € 47.0 million fully from operating cash flow of € 121.3 million generated in the first half of the year.

The equity capital ratio saw a slight rise compared with the last reporting date, from 50.5% to 53.2%.

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

Shareholders' equity	2013			2012
	Shareholders	Non-controlling interests	Total	Total
	€m	€m	€m	€m
As at 1 January	**1,581.3**	**25.6**	**1,606.9**	**1,597.9**
Equity capital transactions with owners	-33.0	-4.8	-37.8	-62.7
Total result of the period	57.5	1.9	59.4	49.1
Other changes	0.0	0.0	0.0	-15.6
As at 30 June	**1,605.8**	**22.7**	**1,628.5**	**1,568.7**

As at 30 June 2013, equity stands at € 1,628.5 million (31 December 2012: € 1,606.9 million). The increase by € 21.6 million stems from net consolidated profit for the first six months of financial year 2013 (€ 50.8 million) as well as from the recognition of positive changes in the market values of financial derivatives designated as interest-rate hedging instruments (€ 8.7 million), which compare with dividends paid to shareholders (€ 34.6 million) as well as the increase in the interest held in Altmühltalklinik-Leasing-GmbH by 43.9% (€ 3.3 million).

104.6% (31 December 2012: 102.8%) of non-current assets is nominally covered by equity and non-current liabilities at fully matching maturities. Net financial debt rose since the last reporting date from € 801.6 million by € 13.6 million to € 815.2 million as at 30 June 2013.

Our key financial ratios developed as follows:

	30 June 2013	31 December 2012
Net financial liabilities in €m at reporting date (incl. finance lease liabilities)	815.2	801.6
EBITDA (€ m)	297.8 *	292.0 **
Net interest expenditure in €m (excluding mark-up/discount of financial instruments)	39.4 *	36.7 **
Net financial debt/EBITDA	2.74	2.75
EBITDA/net interest expenditure	7.56	7.96

*) Period from 1 July 2012 - 30 June 2013
**) Period from 1 January 2012 - 31 December 2012

Compared with the same period last year, operating cash flow, calculated from net consolidated profit plus depreciation/amortisation and deducting other non-operating items (balance of profits and losses from disposals of assets, income from the market valuation of derivatives), rose by € 4.1 million or 3.5% to € 121.3 million (previous year: € 117.2 million).

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

January through June	**2013 €m**	**2012 €m**
Cash generated from operating activities	61.3	29.9
Cash used in investing activities	-47.9	-112.0
Cash used in financing activities	-164.4	-4.4
Change in cash and cash equivalents	**-151.0**	**-86.5**
Cash and cash equivalents at 1 January	219.9	439.9
Cash and cash equivalents as at 30 June	**68.9**	**353.4**

Investing activities

Aggregate investments of € 59.4 million (previous year: € 224.6 million) in the first half of 2013 are shown in the following table:

	Use of		
	Gov't grants €m	**Own funds €m**	**Total €m**
Current capital expenditur	12.4	46.8	59.2
Takeovers	0.0	0.2	0.2
Total	**12.4**	**47.0**	**59.4**

Of these investments made in the first half, € 12.4 million was attributable to investments funded from grants under the Hospital Financing Act (KHG) (previous year: € 10.4 million) 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
Warburg	7.8
Munich	5.8
Gießen, Marburg	5.1
Pforzheim	4.3
Wiesbaden	4.1
Nordenham	3.9
Gifhorn	2.1
Other sites	13.7
Total	**46.8**

Under company purchase agreements entered into we still have outstanding investment obligations of € 142.9 million until 2022.

Outlook and forecast for 2013

No material events occurred after 30 June 2013 up to the preparation of this Report.

As in the past, the main thrust driving the development of RHÖN-KLINIKUM AG will come, in addition to our organic growth, from our acquisition successes. In future we will be particularly circumspect and careful in that regard not to give in to the temptation of generating growth at any price. The key data of a transaction must be in line with our internal valuation principles, with our decision being governed by the criteria of future security and the integration prospects.

We are involved in several transaction procedures for inpatient and outpatient facilities which cannot be reported on publicly at the current stage. In reaching our decisions for transactions, we are guided chiefly by the strategic importance as well as the general scope of development for our Group.

Independent of this, a slightly positive prospect for the earnings situation is emerging as a result of regulatory changes, such as the partial wage compensation adopted in 2012 for financial year 2012 and the current adoption of the Act Remedying Excessive Social Claims regarding Contribution Liabilities in Health Insurance. Given the usual seasonal nature of individual hospital budget negotiations and services, backlog effects from the negotiations on budgets and discounts for surplus service volumes are possible over the next two quarters of 2013.

It remains our highest principle to offer everyone affordable medical care meeting the highest standards. In order to achieve and secure this, we will work even harder than in the past to motivate our employees. It is only thanks to them that we are able to ensure the satisfaction of our patients and the success of RHÖN-KLINIKUM AG.

After taking a new look at the business model, we have identified some operative weaknesses that we will consistently address and resolve. Here have developed a systematic, Group-wide optimisation and growth programme which on the one hand draws on our traditional strengths and on the other further enhances our business model with fresh impetus. To symbolise this, it has been given the name ImPULS. The aim here is to take the necessary step from being a traditionally decentrally oriented hospital operator to becoming an integrated healthcare group with close-knit, efficient and cross-facility operative service structures so as to continually improve our patients' care within the framework of a new network medicine approach. With this quality offensive additional growth will be generated, thus enabling us to gain additional market shares as well. With this focus, all developed sub-projects are being implemented as one ImPULS programme.

For the year 2013, barring any additional acquisitions, we continue to expect our revenues to reach € 3.03 billion – which may fluctuate within a range of plus or minus 2.5% – an operating result (EBITDA) of € 325 million and net consolidated profit of € 110 million. As in the previous year we see the possibility, given the potential risks and opportunities, of EBITDA and net consolidated profit fluctuating within a range of plus or minus 5% with reference to our initial figure.

Bad Neustadt a. d. Saale, 8 August 2013

RHÖN-KLINIKUM Aktiengesellschaft

THE BOARD OF MANAGEMENT

Volker Feldkamp Martin Menger Jens-Peter Neumann Dr. Dr. Martin Siebert

CONSOLIDATED ABRIDGED INTERIM FINANCIAL STATEMENT

Consolidated Income Statement and Consolidated Statement of Comprehensive Income, January through June

January through June	2013		2012	
	€ '000	%	€ '000	%
Revenues	1,506,837	100.0	1,390,304	100.0
Other income	104,738	7.0	104,118	7.4
	1,611,575	**107.0**	**1,494,422**	**107.4**
Materials and consumables used	392,634	26.1	364,452	26.2
Employee benefits expense	918,046	60.9	843,850	60.7
Other expenses	149,436	9.9	140,646	10.1
	1,460,116	**96.9**	**1,348,948**	**97.0**
Interim result (EBITDA)	**151,459**	**10.1**	**145,474**	**10.4**
Depreciation/amortisation and impairment	70,061	4.7	68,378	4.9
Operating result (EBIT)	**81,398**	**5.4**	**77,096**	**5.5**
Finance expenses	20,473	1.4	20,946	1.5
Finance income	1,267	0.1	4,461	0.3
Financial result	**19,206**	**1.3**	**16,485**	**1.2**
Earnings before tax (EBT)	**62,192**	**4.1**	**60,611**	**4.3**
Income taxes	11,435	0.7	10,338	0.7
Net consolidated profit	**50,757**	**3.4**	**50,273**	**3.6**
of which				
non-controlling interests	**1,907**	**0.2**	**1,328**	**0.1**
shareholders of RHÖN-KLINIKUM AG	**48,850**	**3.2**	**48,945**	**3.5**
Earnings per share in €				
undiluted	**0.35**		**0.35**	
diluted	**0.35**		**0.35**	

Values of previous year adjusted

January through June	2013	2012
	€ '000	€ '000
Net consolidated profit	**50,757**	**50,273**
of which		
non-controlling interests	1,907	1,328
shareholders of RHÖN-KLINIKUM AG	48,850	48,945
Change in fair value of derivatives used for hedging purposes	10,324	-1,270
Income taxes	-1,634	201
Other result (cash flow hedges) subsequently reclassified to income statement if certain conditions have been met	**8,690**	**-1,069**
Change in actuarial gains/losses from defined benefit and defined contribution pension commitments	0	-143
Income taxes	0	23
Other result (actuarial gains/losses) not subsequently reclassified to the income statement	**0**	**-120**
Other result *	**8,690**	**-1,189**
of which		
non-controlling interests	0	-2
shareholders of RHÖN-KLINIKUM AG	8,690	-1,187
Total result	**59,447**	**49,084**
of which		
non-controlling interests	1,907	1,326
shareholders of RHÖN-KLINIKUM AG	57,540	47,758

Values of previous year adjusted

* Sum of value changes recognised directly at equity

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

April through June	2013		2012	
	€ '000	%	€ '000	%
Revenues	754,653	100.0	708,033	100.0
Other income	52,856	7.0	55,797	7.9
	807,509	**107.0**	**763,830**	**107.9**
Materials and consumables used	197,374	26.2	186,453	26.3
Employee benefits expense	458,351	60.7	435,609	61.5
Other expenses	75,184	9.9	78,217	11.1
	730,909	**96.8**	**700,279**	**98.9**
Interim result				
(EBITDA)	**76,600**	**10.2**	**63,551**	**9.0**
Depreciation/amortisation and impairment	35,063	4.7	35,129	5.0
Operating result (EBIT)	**41,537**	**5.5**	**28,422**	**4.0**
Finance expenses	9,920	1.3	11,086	1.6
Finance income	856	0.1	2,137	0.3
Financial result	**9,064**	**1.2**	**8,949**	**1.3**
Earnings before tax (EBT)	**32,473**	**4.3**	**19,473**	**2.7**
Income taxes	5,967	0.8	3,430	0.4
Net consolidated profit	**26,506**	**3.5**	**16,043**	**2.3**
of which				
non-controlling interests	**1,308**	**0.2**	**389**	**0.1**
shareholders of RHÖN-KLINIKUM AG	**25,198**	**3.3**	**15,654**	**2.2**
Earnings per share in €				
undiluted	**0.18**		**0.11**	
diluted	**0.18**		**0.11**	

Values of previous year adjusted

April through June	2013	2012
	€ '000	€ '000
Net consolidated profit	**26,506**	**16,043**
of which		
non-controlling interests	1,308	389
shareholders of RHÖN-KLINIKUM AG	25,198	15,654
Change in fair value of derivatives used for hedging purposes	6,135	-843
Income taxes	-971	133
Other result (cash flow hedges) subsequently reclassified to income statement if certain conditions have been met	**5,164**	**-710**
Change in actuarial gains/losses from defined benefit and defined contribution pension commitments	0	-71
Income taxes	0	11
Other result (actuarial gains/losses) not subsequently reclassified to the income statement	**0**	**-60**
Other result *	**5,164**	**-770**
of which		
non-controlling interests	0	-1
shareholders of RHÖN-KLINIKUM AG	5,164	-769
Total result	**31,670**	**15,273**
of which		
non-controlling interests	1,308	388
shareholders of RHÖN-KLINIKUM AG	30,362	14,885

Values of previous year adjusted

* Sum of value changes recognised directly at equity

Consolidated Balance Sheet at 30 June 2013

	30 June 2013		31 December 2012	
	€ '000	%	€ '000	%
A S S E T S				
Non-current assets				
Goodwill and other intangible assets	427,276	14.0	431,041	13.5
Property, plant and equipment	1,899,201	62.1	1,919,694	60.3
Investment property	4,328	0.1	4,434	0.1
Income tax receivables	9,675	0.3	9,480	0.3
Deferred tax assets	1,148	0.0	3,273	0.1
Other financial assets	553	0.0	11,305	0.4
Other assets	2,354	0.1	2,363	0.1
	2,344,535	**76.6**	**2,381,590**	**74.8**
Current assets				
Inventories	54,145	1.8	56,907	1.8
Accounts receivable	466,641	15.3	439,408	13.8
Other financial assets	48,811	1.6	49,252	1.5
Other assets	30,472	1.0	13,504	0.4
Current income taxes receivable	7,257	0.2	6,815	0.2
Cash and cash equivalents	107,097	3.5	237,025	7.5
	714,423	**23.4**	**802,911**	**25.2**
	3,058,958	**100.0**	**3,184,501**	**100.0**

Values of previous year adjusted

	30 June 2013		31 December 2012	
	€ '000	%	€ '000	%
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Subscribed capital	345,580	11.3	345,580	10.9
Capital reserve	395,994	12.9	395,994	12.4
Other reserves	864,308	28.3	839,811	26.4
Treasury shares	-76	0.0	-76	0.0
Equity attributable to shareholders of RHÖN-KLINIKUM AG	1,605,806	52.5	1,581,309	49.7
Non-controlling interests in equity	22,662	0.7	25,557	0.8
	1,628,468	**53.2**	**1,606,866**	**50.5**
Non-current liabilities				
Financial liabilities	752,642	24.6	767,697	24.0
Provisions for post-employment benefits	6,122	0.2	6,167	0.2
Other financial liabilities	63,515	2.1	65,870	2.1
Other liabilities	1,177	0.0	2,130	0.1
	823,456	**26.9**	**841,864**	**26.4**
Current liabilities				
Financial liabilities	154,724	5.1	266,976	8.4
Accounts payable	137,306	4.5	137,312	4.3
Current income tax liabilities	7,585	0.2	7,026	0.2
Other provisions	25,141	0.8	25,389	0.8
Other financial liabilities	93,358	3.1	113,101	3.6
Other liabilities	188,920	6.2	185,967	5.8
	607,034	**19.9**	**735,771**	**23.1**
	3,058,958	**100.0**	**3,184,501**	**100.0**

Values of previous year adjusted

Consolidated Changes in Equity

	Subscribed capital	Capital reserve	Retained earnings	Treasury shares	Cash flow-hedges (OCI)	Equity attributable to shareholders-of RHÖN-KLINIKUM AG	Non-controlling interests in equity 1)	Shareholders' equity
	€ '000	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**	**€ '000**
Balance as at 31 December 2011/ 1 January 2012 before adjustment	**345,580**	**395,994**	**843,733**	**-76**	**-30,250**	**1,554,981**	**43,677**	**1,598,658**
Accounting changes based on IAS 19 R (2011)			**-783**			**-783**	**2**	**-781**
Balance after adjustment on 1 January 2012	**345,580**	**395,994**	**842,950**	**-76**	**-30,250**	**1,554,198**	**43,679**	**1,597,877**
Ongoing adjustment based on IAS 19 R (2011)			**-118**			**-118**	**-2**	**-120**
Equity capital transactions with owners								
Capital contributions	-	-	-	-	-	0	26	26
Capital payments	-	-	-	-		0	-400	-400
Dividend payments	-	-	-62,195	-	-	-62,195	-76	-62,271
Total result	-	-	48,945	-	-1,069	47,876	1,328	49,204
Other changes								
Changes in scope of consolidation	-	-	-	-	-	0	-15,613	-15,613
Balance as at 30 June 2012	**345,580**	**395,994**	**829,582**	**-76**	**-31,319**	**1,539,761**	**28,942**	**1,568,703**
Balance as at 31 December 2012/ 1 January 2013 before adjustment	**345,580**	**395,994**	**871,305**	**-76**	**-30,907**	**1,581,896**	**25,560**	**1,607,456**
Accounting changes based on IAS 19 R (2011)			**-587**			**-587**	**-3**	**-590**
Balance after adjustment on 1 January 2013	**345,580**	**395,994**	**870,718**	**-76**	**-30,907**	**1,581,309**	**25,557**	**1,606,866**
Equity capital transactions with owners								
Capital contributions	-	-	-	-	-	0	61	61
Capital payments	-	-		-	-	0	-96	-96
Purchase of interest after obtaining control			1,509		-	1,509	-4,767	-3,258
Dividend payments	-	-	-34,552	-	-	-34,552	0	-34,552
Total result	-	-	48,850	-	8,690	57,540	1,907	59,447
Other changes								
Changes in scope of consolidation	-	-	-	-	-	0	-	0
Other changes	-	-	-	-	-	0	-	0
Balance as at 30 June 2013	**345,580**	**395,994**	**886,525**	**-76**	**-22,217**	**1,605,806**	**22,662**	**1,628,468**

Values of previous year adjusted

1) Including other comprehensive income (OCI)

Consolidated Cash Flow Statement

January through June	2013 €m	2012 €m
Earnings before taxes	62.2	60.6
Financial result (net)	19.2	16.5
Impairment and gains/losses on disposal of assets	70.6	66.9
Non-cash valuations of financial derivatives	0.0	0.0
	152.0	**144.0**
Change in net current assets		
Change in inventories	2.7	0.6
Change in accounts receivable	-27.3	-58.1
Change in other financial assets and other assets	-5.6	-5.1
Change in accounts payable	3.1	-9.5
Change in other net liabilities/ Other non-cash transactions	-23.6	1.4
Change in provisions	-0.3	0.8
Income taxes paid	-10.9	-14.9
Interest paid	-28.8	-29.3
Cash generated from operating activities	**61.3**	**29.9**
Investments in property, plant and equipment and in intangible assets	-62.4	-86.3
Government grants received to finance investments in property, plant and equipment and in intangible assets	12.5	10.7
Acquisition of subsidiaries, net of cash acquired	-0.2	-44.1
Sale proceeds from disposal of assets	0.9	3.3
Interest received	1.3	4.4
Cash used in investing activities	**-47.9**	**-112.0**
Payments on contracting of non-current financial liabilities	98.7	130.0
Repayment of financial liabilities	-228.6	-71.7
Dividend payments to shareholders of RHÖN-KLINIKUM AG	-34.6	-62.2
Contributions from non-controlling interests in equity/payments to non-controlling interests in equity	0.1	-0.5
Cash used in financing activities	**-164.4**	**-4.4**
Change in cash and cash equivalents	-151.0	-86.5
Cash and cash equivalents at 1 January	219.9	439.9
Cash and cash equivalents as at 30 June	**68.9**	**353.4**

Values of previous year adjusted

Abridged Notes

GENERAL INFORMATION

RHÖN-KLINIKUM AG is steadily undergoing a development from hospital operator to healthcare provider. As in the past, the focus of all its activities continues to be on building, acquiring and operating hospitals of all categories, primarily in acute care. At some sites rehabilitation measures are also offered to round off the offerings in the area of acute inpatient care. Outpatient structures in the form of medical care centres (MVZs) as well as co-operation schemes with community-based practitioners are being continually expanded. We provide our services exclusively in Germany.

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 8 August 2013 on the homepage of RHÖN-KLINIKUM AG as well as with Deutsche Börse.

ACCOUNTING POLICIES

The Interim Consolidated Financial Statements of RHÖN-KLINIKUM AG as at 30 June 2013 have been prepared in accordance with the rules of IAS 34 in abridged 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 (interim financial reporting) were observed in the preparation of this Interim Report.

With the exception of the cases further described hereunder, the same accounting, valuation and calculation methods were applied as in the Consolidated Financial Statements for the financial year ending on 31 December 2012. The Interim Financial Statements of RHÖN-KLINIKUM AG as at 30 June 2013 for the first half of 2013 must therefore be read and assessed in conjunction with the Consolidated Financial Statements of RHÖN-KLINIKUM AG for the year ending 31 December 2012.

a) New accounting rules in financial year 2013

New Standards and interpretations of no practical relevance in financial year 2013

As far as can be seen at present, the following newly published and revised Standards and Interpretations which have already been adopted by the European Union are of no practical relevance for financial year 2013 as well as subsequent years:

- Amendment to IFRS 1 “First-time Adoption of International Financial Reporting Standards – Government Loans”
- IFRIC 20 “Stripping Costs in the Production Phase of a Surface Mine”

- Amendment to IAS 12 “Deferred Tax: Recovery of Underlying Assets”
- Amendments to IFRS 1 “Severe Hyperinflation and Removal of Fixed Dates”
- Amendment to IFRS 7 “Disclosures - Offsetting Financial Assets and Financial Liabilities”
- Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards”, IAS 1 “Presentation of Financial Statements”, IAS 16 “Property, Plant and Equipment”, IAS 32 “Financial Instruments: Presentation” as well as IAS 34 “Interim Financial Reporting” – amending Standard (Annual Improvement to IFRSs 2009-2011 Cycle)

New Standards and interpretations of practical relevance in financial year 2013

As far as can be seen at present, the following newly published and revised Standards and Interpretations which have already been adopted by the European Union are of practical relevance as of financial year 2013 as well as subsequent years:

- Amendment to IAS 1 “Presentation of Items of Other Comprehensive Income”

In June 2011 the IASB published an amendment to IAS 1 “Presentation of Financial Statements“ and adopted it on 5 June 2012. This concerns the presentation of items stated in other income under the statement of comprehensive income. Accordingly, the items of other comprehensive income (OCI) are to be grouped together on the basis of whether or not in future they will be reclassified to the profit or loss section of the income statement (referred to as recycling). Items that are “recycled” or, as the case may be, not “recycled” are to be presented separately. The amendment concerns only the presentation of the items in the comprehensive income statement, not the recognition, measurement of the items or requirements resulting from such recycling. The option of presenting the items before or after tax is maintained. In the case of presentation before tax, however, the related tax amount must be stated separately according to both categories. Moreover, the term ‘comprehensive income statement’ used in IAS 1 was changed to ‘income statement and other income’. The amended Standard is to be applied to financial years commencing on or after 1 July 2012. Earlier adoption is permitted. It affects presentation in the financial statement but not the net assets, financial position and results of operations. Adoption concerns all companies stating performance-linked components in their other result item.

- Amendments to IAS 19 “Employee Benefits”

In June 2011 the IASB published amendments to IAS 19 “Employee Benefits“ and adopted the same on 5 June 2012. The amendments relate to the recognition and measurement of expenditure for defined-benefit pension plans, termination benefits as well as disclosure obligations regarding employee benefits. The most significant amendment to IAS 19 is that actuarial gains and losses, which are now referred to as “remeasurements”, have to be recognised directly in equity when they arise in other comprehensive income (OCI). The option between immediate recognition in profit or loss, in other comprehensive income (OCI) or a staggered recognition according to the corridor approach as hitherto permitted is eliminated. It is not permitted to “recycle” the “remeasurements” in other income. The interest rate for measurement of the pension expenditure is determined for the defined benefit net asset or, as the case may be, the defined benefit net liability. As the interest rate, the entity in question is required to use the yields on high quality corporate bonds if there is a market for these, otherwise to use the yields on government bonds. In the event of plan amendments resulting in changes in the obligation to pay benefits attributable to work performed in past periods, a past service cost is created. It is recognised in the period in which the underlying plan amendment takes place and is no longer distributed. This cost also includes gains and losses from plan curtailments. Benefits paid to employees which are still linked to the rendering of future work performance do not constitute termination benefits. IAS 19 requires comprehensive disclosures in the Notes in connection with defined benefit plans. In particular, an entity is required to make disclosures on the characteristics of the defined benefit plans, the amounts recognised in the financial statements, as well as the risks arising from the defined benefit plans and any impact they might have on the entity’s cash flows. The amendments to IAS 19 are to be applied to financial years commencing on or after 1 January 2013. Earlier adoption is permitted. The revised Standard is to be adopted retroactively in accordance with IAS 8. Exceptions to this are changes in the carrying amount of assets in which employee benefits expenditure has been recognised, and comparison disclosures on the sensitivity analysis of the defined benefit obligation.

RHÖN-KLINIKUM Group applies IAS 19 R (2011) retroactively. The consolidated balance sheet amounts as at 1 January 2012, the consolidated income statement and the consolidated statement of comprehensive income for the first half of 2012 were adjusted on the basis of the amended accounting through the elimination of the corridor. Deferred taxes were reflected in the retroactive adjustment to IAS 19 R (2011). In this regard, we refer to the adjustments presented in the Abridged Notes to this Interim Report under the chapter “Changes in accounting resulting from IAS 19 R (2011)”.

By reason of the amended definitions, the top-up amounts under semi-retirement schemes may no longer be classified as termination benefits and therefore must be accumulated over the vesting period. As at 30 June 2013, semi-retirement commitments totalled € 3.6 million (previous year: € 6.6 million). Since the vast majority of the employees are already in the period of release, this amendment does not have any material impact on the balance sheet and income statement.

- IFRS 13 “Fair Value Measurement”

In May 2011, the IASB published the Standard IFRS 13 “Fair Value Measurement” and adopted the same on 11 December 2012. IFRS 13 sets out uniform provisions on how fair value measurement is to be performed and expands and harmonises the disclosures on measurement at fair value provided that another Standard prescribes its application. By definition, fair value is the price that independent market participants would receive upon sale of an asset (or would pay upon transfer of a liability) at arm’s length terms at the valuation date. A liability’s fair value thus represents the risk of default. IFRS 13 does not contain any statements regarding the matters to which fair value is to be applied and merely excludes from application IAS 17, IFRS 2 as well as other measurement variables which are similar but not identical to fair value. The well-known three-tier fair value hierarchy based on the type of measurement parameters still has to be applied. Moreover, IFRS 13 requires comprehensive disclosures in the Notes which are similar to the rules of IFRS 7 “Financial Instruments: Disclosures” but apply to all assets and liabilities. IFRS 13 is to be applied for the first time to financial years commencing on or after 1 January 2013. Comparison figures prior to the first-time application of IFRS 13 are not to be adjusted. Earlier adoption is permitted. RHÖN-KLINIKUM AG has examined the precise impact in terms of accounting policies and taken account of this accordingly.

b) New accounting rules from financial year 2014

New Standards and interpretations of no practical relevance from financial year 2014

As far as can be seen at present, the following newly published and revised Standards and Interpretations which were already adopted by the European Union are of no practical relevance as of financial year 2014 as well as subsequent years:

- Amendments to IFRS 10, IFRS 11 and IFRS 12 – transition guidance for investment entities

New Standards and interpretations of practical relevance from financial year 2014

As far as can be seen at present, the following newly published and revised Standards and Interpretations which were already adopted by the European Union are of practical relevance as of financial year 2014 as well as subsequent years:

- IFRS 10 "Consolidated Financial Statements"

In May 2011 the IASB, as part of a package of five new Standards, published IFRS 10 "Consolidated Financial Statements" and adopted the same on 11 December 2012. It is aimed at a uniform consolidation model and replaces the guidance contained in IAS 27 "Consolidated and Separate Financial Statements" and SIC-12 "Consolidation – Special-Purpose Entities" relating to control and consolidation. IFRS 10 changes the definition of control such that the same criteria now apply to all companies when determining a relationship of control. According to the changed definition, the prerequisites for control are power over the investee and variable economic results from the involvement with the investee. Power over the investee means the possibility of currently directing to a decisive extent the activities of the investee that have a material influence on variable returns. Such power is to be determined based on the current facts and circumstances and assessed on a continuous basis. In this regard, economic results may be positive, negative or both. A temporary investment relationship does not release a company from its consolidation duty. The application guidance of IFRS 10 provides examples which also show that control may also exist where fewer than 50% of voting rights are held. What is decisive for the question of whether or not actual control exists is the principle of de facto control. The principle of presenting the consolidated financial statements of the parent company and its subsidiaries as a single company as well as the consolidation methods remain unchanged. IFRS 10 is to be applied to financial years commencing on or after 1 January 2014. Early adoption is possible only in conjunction with early adoption of the Standards IFRS 11 and IFRS 12 and of the new provisions regarding IAS 27 and IAS 28 as well as by disclosure in the Notes. No serious impacts on the accounting of companies are expected within the Group of RHÖN-KLINIKUM AG.

- IFRS 11 "Joint Arrangements"

As a further part of the package of five new Standards, IASB published IFRS 11 "Joint Arrangements" in May 2011 and adopted the same on 11 December 2012. IFRS 11 defines a joint arrangement as an arrangement in which two or more parties have joint control over such arrangement by contract. Joint arrangements may be joint operations or joint ventures. In a joint operation, the parties to the joint arrangement have direct rights to the assets and liabilities of the arrangement. By contrast, in a joint venture the parties to the arrangement have rights to the net assets or results of the arrangement. Joint ventures are accounted for using the equity method in accordance with the amended version of IAS 28. IFRS 11 replaces the previous Standard IAS 31, with the result that the previous classification "jointly controlled assets" has been changed to "jointly controlled operations". Inclusion based on proportionate consolidation is therefore no longer permitted. IFRS 11 is to be applied to financial years commencing on or after 1 January 2014. Early adoption here is possible only in conjunction with early adoption of the Standards IFRS 10 and IFRS 12 and of the new provisions regarding IAS 27 and IAS 28 as well as by disclosure in the Notes. Since RHÖN-KLINIKUM AG already accounts for its joint ventures using the equity method, it is not affected by the amendment.

- IFRS 12 "Disclosures of Interests in Other Entities"

In May 2011, the IASB published IFRS 12 "Disclosures of Interests in Other Entities" and adopted the same on 11 December 2012. It prescribes the required disclosures for entities accounting in accordance with the new Standards IFRS 10 and IFRS 11. IFRS 12 replaces the disclosure duties contained in IAS 28. According to IFRS 12, entities must make disclosures enabling users of financial statements to assess the nature of as well as the risks and financial impacts associated with an entity's interest in subsidiaries, joint arrangements and associates, and unconsolidated structured entities (special-purpose entities). Disclosures are required in the following areas: material discretionary decisions and judgments to determine whether an entity controls, jointly controls, exercises a material influence over or has any other exposure to other entities, disclosures on interests in subsidiaries, interests in joint arrangements and associates, as well as interests in non-consolidated special-purpose entities. IFRS 12 is to be applied to financial years commencing on or after 1 January 2014. Earlier adoption is permitted with disclosure in the Notes regardless of the application of IFRS 10 and IFRS 11 and the new provisions regarding IAS 27 and IAS 28. RHÖN-KLINIKUM AG is currently reviewing the precise impact on the disclosures in the Notes. It is assumed that this will result in more extensive disclosures in the Notes.

- Revised version of IAS 27 "Separate Financial Statements"

In May 2011 the IASB, as part of a package of five new Standards, published the revised version of IFRS 27 "Consolidated and Separate Financial Statements" and adopted the same on 11 December 2012. It is renamed IAS 27 "Separate Financial Statements" and in future only contains provisions on separate financial statements. The existing provisions remain unchanged. The amendments to IAS 27 are to be applied for the first time to financial years commencing on or after 1 January 2014. Early adoption is possible only in conjunction with early adoption of the Standards IFRS 10, IFRS 11, IFRS 12 and IAS 28 as well as with disclosure in the Notes. No serious impacts on the accounting of companies are expected within the Group of RHÖN-KLINIKUM AG.

- Revised version of IAS 28 “Investments in Associates and Joint Ventures”

In May 2011, the IASB published the revised version of IAS 28 “Investments in Associates” and adopted the same on 11 December 2012. It is renamed IAS 28 “Investments in Associates and Joint Ventures”. As before, IAS 28 describes the accounting of associates as well as use of the equity method for associates and jointly controlled entities. The amendments result from publication of IFRS 10, IFRS 11 and IFRS 12. The new IFRS 28 is to be applied for the first time to financial years commencing on or after 1 January 2014. Early adoption is possible only in conjunction with early adoption of the Standards IFRS 10, IFRS 11, IFRS 12 and IAS 27 as well as with disclosure in the Notes. RHÖN-KLINIKUM AG is currently reviewing the precise impact in terms of accounting policies.

- Amendment to IAS 32 “Financial Instruments: Presentation” - Offsetting Financial Assets and Financial Liabilities

In December 2011 the IASB published amendments to IAS 32 “Financial Instruments: Presentation” with respect to offsetting financial assets and financial liabilities and adopted the same on 13 December 2012. The current offsetting model pursuant to IAS 32 is not affected by the amendments. Accordingly, an entity is required to offset a financial asset and financial liability when, and only when, an entity on the reporting date has a legal right of set-off and intends either to settle on a net basis or to realise the financial asset and settle the financial liability simultaneously. The amendments clarify that the legally enforceable claim to offsetting must exist on the reporting date, i.e. must be independent of the occurrence of a future event. The right must be enforceable for all contractual parties in the ordinary course of business and also in the event of insolvency of one of the parties. IAS 32 moreover clarifies that a gross settlement method may be effectively equivalent to a net settlement where certain conditions are met, thus satisfying the criterion of IAS 32. However, the method must result in the elimination of default and liquidity risks and in the processing of receivables and liabilities in a single settlement procedure. Master netting arrangements in which the legal right to offsetting is enforceable only upon the occurrence of future events will not satisfy the offsetting criteria in future either. The amendments are to be applied to financial years commencing on or after 1 January 2014. RHÖN-KLINIKUM AG is currently reviewing the precise impact in terms of accounting policies.

As far as can be seen at present, the following newly published and revised Standards and Interpretations which were not yet adopted by the European Union are of practical relevance as of financial year 2014 as well as subsequent years:

- Amendments to IAS 39 – Novation of derivatives

In June 2013 the IASB published amendments to IAS 39 – Novation of Derivatives. The amendments relate to the change to central counterparties (CCP) for reducing the risks of default and improving transparency and regulatory supervision for over-the-counter (OTC) derivatives. IAS 39 “Financial Instruments: Recognition and Measurement” requires the recognition of derivatives as hedging instruments in hedge accounting to be terminated if the original derivative ceases to exist. Such termination of hedge accounting is not required if the novation of a hedging instrument with a central counterparty satisfies certain criteria. RHÖN-KLINIKUM AG has examined the precise impact in terms of accounting policies and does not expect any impact on the derivatives designated in a hedge accounting relationship.

c) New accounting rules from financial year 2015

As far as can be seen at present, the following newly published and revised Standards and Interpretations which were not yet adopted by the European Union are of no practical relevance as of financial year 2015 as well as subsequent years:

- Amendments to IFRS 10, "Consolidated Financial Statements", IFRS 12, "Disclosures of Interests in Other Entities", and IAS 27, Separate Financial Statements – Investment Entities

New Standards and interpretations of practical relevance from financial year 2015

As far as can be seen at present, the following newly published and revised Standards which were not yet adopted by the European Union are of practical relevance for financial year 2015 as well as subsequent years:

- IFRS 9 "Financial Instruments" – Classification and Measurement of Financial Assets and Liabilities

In November 2009, the IASB published the Standard IFRS 9 on the classification and measurement of financial assets which was slightly amended by the IASB in the autumn of 2012. Under IFRS 9, the classification and measurement of financial assets is governed by a new, less complex approach. Under this new approach there are only two instead of four measurement categories for financial assets: measurement at fair value or measurement at amortised cost. In this regard, measurement at amortised cost requires the entity to hold the financial asset to collect the contractual cash flows and the financial asset to have contractual terms that give rise at specified dates to cash flows that exclusively represent payments of principal and interest on the principal outstanding. Financial instruments not satisfying these two conditions are to be measured at fair value. The classification is based on the company's business model on the one hand, and on the characteristic properties of the contractual cash flows of the respective financial asset on the other. The Standard provides for retrospective application to all existing financial assets. The situation on the date of the Standard's first-time adoption determines the classification according to the new rules.

In October 2010, the IASB expanded IFRS 9 "Financial Instruments" to include rules on the recognition of financial liabilities and for derecognition of financial instruments. With the exception of the provisions for liabilities measured voluntarily at fair value (referred to as fair-value options), the rules were adopted without changes from IAS 39 "Financial Instruments: Recognition and Measurement" into IFRS 9. IFRS 9 is to be applied to financial years commencing on or after 1 January 2015. Earlier adoption for financial liabilities is permitted, but requires early adoption of the provisions for financial assets. Early adoption for financial assets may also take place without earlier adoption of the new provisions regarding financial liabilities. RHÖN-KLINIKUM AG is currently reviewing the precise impact in terms of accounting policies.

- Amendments to IFRS 7 and IFRS 9 “Mandatory Effective Date and Transition Disclosures”

In December 2011, the IASB published amendments to IFRS 7 and IFRS 9 “Mandatory Effective Date and Transition Disclosures”. The amendment postpones mandatory adoption of IFRS 9 to financial years commencing on or after 1 January 2015. IFRS 9 moreover provides for exemptions under which a company, during its transition to the new Standard, is not required to restate pre-year figures but may make additional disclosures in the notes instead. Moreover, IFRS 9 requires additional disclosures in the notes which are included as amendments in the existing IFRS 7. Based on the respective measurement category pursuant to IAS 39, these relate to the changes in carrying amounts resulting from the switch to IFRS 9 provided that these do not refer to measurement effects at the time of the switch, and additionally to the changes in carrying amounts attributable to such effects. For financial assets and liabilities which in future are measured at amortised costs as a result of the switch to IFRS 9, additional disclosures are required. Furthermore, a reconciliation of measurement categories pursuant to IAS 39 and IFRS 9 with balance sheet items as well as classes of financial instruments must be possible on the basis of disclosures in the notes. RHÖN-KLINIKUM AG is currently reviewing the precise impact in terms of accounting policies.

For further information on new standards and interpretations and on revisions of existing standards, we refer to our statements made in the 2012 Annual Report.

Income tax expenditure was defined on the basis of the tax rate that would be applied to earnings for the full year, i.e. the estimated average effective tax rate is applied to the pre-tax result of the interim reporting period.

SCOPE OF CONSOLIDATION

The ultimate parent company is RHÖN-KLINIKUM AG with its registered office in Bad Neustadt a. d. Saale. In addition to the parent company, RHÖN-KLINIKUM AG, the scope of consolidation comprises 105 subsidiaries in Germany of which 97 are fully consolidated, as well as two companies accounted for using the equity method (of which one is a joint venture and the other an associated company). The other companies are recognised in the consolidated financial statements at the lower of cost or fair value.

Fully consolidated subsidiaries are all companies (including special-purpose entities) in which the Group exercises control over finance and business policy; this is normally accompanied by a share of more than 50.0% of the voting rights. When assessing whether the Group exercises control, the existence and impact of potential voting rights that are currently exercisable or convertible are considered. The Group reviews whether control is exercised also when the parent company holds less than 50% of the shares but has the possibility of controlling the business and finance policy based on de facto control. De facto control exists for example in the case of voting right agreements or high minority rights.

Associated companies are those companies over which the Group has a substantial influence but over which it does not have control because the voting interest is between 20% and 50%.

Investments in associated companies and jointly controlled entities (joint ventures) are accounted for using the equity method and upon their first-time consolidation are recognised at cost. Companies whose individual or overall impact on the net assets and results of operations is not material are included in the consolidated financial statement at the lower of cost or fair value.

In financial year 2012 a half of a doctor’s clinical practice and one ophthalmological doctor’s practice, and in 2013 one clinical doctor’s practice were acquired whose conditions of validity as per agreement were satisfied during the reporting period of the first six months of 2013. No incidental costs were incurred from the acquisition of the doctor’s practices. The final purchase price allocation provides for the following effects on the Group’s net assets in the first half of 2013:

Purchase of doctor's practices, January to June 2013	**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	0.2
Cost	**0.2**
- purchase price payments outstanding	-0.1
- acquired cash and cash equivalents	0.0
Cash outflow on transaction	**0.1**

In the first six months of 2013, 15.0 clinical doctor’s practices were disposed of. The disposals are of minor importance for the Group's net assets, financial position and results of operations.

Apart from that, two doctor’s practices for which the conditions of validity were met as contractually agreed as per 1 July 2013 and whose transfer and/or inclusion will take place in the third quarter of 2013 were acquired in the first six months of 2013. No incidental costs were incurred from the acquisition of the doctor’s practices. The final purchase price allocation provides for the following effects on the Group’s net assets in the third quarter of 2013:

Purchase of doctor's practices valid as at 1 July 2013	**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	0.1
Cost	**0.1**
- purchase price payments outstanding	0.0
- acquired cash and cash equivalents	0.0
Cash outflow on transaction	**0.1**

OPERATING SEGMENTS

Our hospitals are operated 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.

CHANGES IN ACCOUNTING RESULTING FROM IAS 19 R (2011)

The change in accounting resulting from the first-time adoption of IAS 19 R 2011 relates to provisions for post-employment benefits and has a retroactive impact on the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in equity and the cash flow statement. In the case of changes in accounting adopted retroactively, IAS 19 R (2011) in conjunction with IAS 8 requires the additional disclosure of the opening balance sheet of the earliest comparative period.

The retroactive changes to the consolidated income statement from January to June 2012, the consolidated statement of comprehensive income from January to June 2012 as well as the consolidated balance sheet as at 31 December 2012 are as follows:

a) Accounting changes to Consolidated Income Statement, January through June 2012

Consolidated income statement			
January through June 2012	before balance sheet change	Adjustments, IAS 19 R (2011)	after balance sheet change
	€ '000	€ '000	€ '000
Revenues	1,390,304	0	1,390,304
Other income	104,118	0	104,118
	1,494,422	**0**	**1,494,422**
Materials and consumables used	364,452	0	364,452
Employee benefits expense	844,106	-256	843,850
Other expenses	140,646	0	140,646
	1,349,204	**-256**	**1,348,948**
Interim result (EBITDA)	**145,218**	**256**	**145,474**
Depreciation/amortisation and impairment	68,378	0	68,378
Operating result (EBIT)	**76,840**	**256**	**77,096**
Finance expenses	20,946	0	20,946
Finance income	4,461	0	4,461
Financial result	**16,485**	**0**	**16,485**
Earnings before tax (EBT)	**60,355**	**256**	**60,611**
Income taxes	10,297	41	10,338
Net consolidated profit	**50,058**	**215**	**50,273**
of which			
non-controlling interests	**1,328**	**0**	**1,328**
shareholders of RHÖN-KLINIKUM AG	**48,730**	**215**	**48,945**
Earnings per share in €			
undiluted	**0.35**	**0.00**	**0.35**
diluted	**0.35**	**0.00**	**0.35**

b) Accounting changes to Consolidated Statement of Comprehensive Income, January through June 2012

Consolidated Statement of Comprehensive Income January through June 2012	before balance sheet change € '000	Adjustments, IAS 19 R (2011) € '000	after balance sheet change € '000
Net consolidated profit	**50,058**	**215**	**50,273**
of which			
non-controlling interests	1,328	0	1,328
shareholders of RHÖN-KLINIKUM AG	48,730	215	48,945
Change in fair value of derivatives used for hedging purposes	-1,270	0	-1,270
Income taxes	201	0	201
Other result (cash flow hedges) subsequently reclassified to income statement if certain conditions have been met	**-1,069**	**0**	**-1,069**
Change in actuarial gains/losses from defined benefit and defined contribution pension commitments	0	-143	-143
Income taxes	0	23	23
Other result (actuarial gains/losses) not subsequently reclassified to the income statement	**0**	**-120**	**-120**
Other result *	**-1,069**	**-120**	**-1,189**
of which			
non-controlling interests	0	-2	-2
shareholders of RHÖN-KLINIKUM AG	-1,069	-118	-1,187
Total result	**48,989**	**95**	**49,084**
of which			
non-controlling interests	1,328	-2	1,326
shareholders of RHÖN-KLINIKUM AG	47,661	97	47,758

* Sum of value changes recognised directly at equity

c) Accounting changes to Consolidated Income Statement, April through June 2012

Consolidated income statement			
April through June 2012	**before balance sheet change**	**Adjustments, IAS 19 R (2011)**	**after balance sheet change**
	€ '000	**€ '000**	**€ '000**
Revenues	708,033	0	708,033
Other income	55,797	0	55,797
	763,830	**0**	**763,830**
Materials and consumables used	186,453	0	186,453
Employee benefits expense	435,737	-128	435,609
Other expenses	78,217	0	78,217
	700,407	**-128**	**700,279**
Interim result (EBITDA)	**63,423**	**128**	**63,551**
Depreciation/amortisation and impairment	35,129	0	35,129
Operating result (EBIT)	**28,294**	**128**	**28,422**
Finance expenses	11,086	0	11,086
Finance income	2,137	0	2,137
Financial result	**8,949**	**0**	**8,949**
Earnings before tax (EBT)	**19,345**	**128**	**19,473**
Income taxes	3,409	21	3,430
Net consolidated profit	**15,936**	**107**	**16,043**
of which			
non-controlling interests	**389**	**0**	**389**
shareholders of RHÖN-KLINIKUM AG	**15,547**	**107**	**15,654**
Earnings per share in €			
undiluted	**0.11**	**0.00**	**0.11**
diluted	**0.11**	**0.00**	**0.11**

d) Accounting changes to Consolidated Statement of Comprehensive Income, April through June 2012

Consolidated Statement of Comprehensive Income			
April through June 2012	**before balance sheet change**	**Adjustments, IAS 19 R (2011)**	**after balance sheet change**
	€ '000	**€ '000**	**€ '000**
Net consolidated profit	**15,936**	**107**	**16,043**
of which			
non-controlling interests	389	0	389
shareholders of RHÖN-KLINIKUM AG	15,547	107	15,654
Change in fair value of derivatives used for hedging purposes	-843	0	-843
Income taxes	133	0	133
Other result (cash flow hedges) subsequently reclassified to income statement if certain conditions have been met	**-710**	**0**	**-710**
Change in actuarial gains/losses from defined benefit and defined contribution pension commitments	0	-71	-71
Income taxes	0	11	11
Other result (actuarial gains/losses) not subsequently reclassified to the income statement	**0**	**-60**	**-60**
Other result *	**-710**	**-60**	**-770**
of which			
non-controlling interests	0	-1	-1
shareholders of RHÖN-KLINIKUM AG	-710	-59	-769
Total result	**15,226**	**47**	**15,273**
of which			
non-controlling interests	389	-1	388
shareholders of RHÖN-KLINIKUM AG	14,837	48	14,885

* Sum of value changes recognised directly at equity

e) Accounting changes to Consolidated Balance Sheet as at 31 December 2012

Balance sheet changes, consolidated balance sheet, as at 31 December 2012			
	before balance sheet change	Adjustments, IAS 19R (2011)	after balance sheet change
	€ '000	**€ '000**	**€ '000**
Non-current assets	2,381,478	112	2,381,590
of which deferred tax assets	3,161	112	3,273
Current assets	802,911	0	802,911
Balance sheet total	**3,184,389**	**112**	**3,184,501**
Shareholders' equity	1,607,456	-590	1,606,866
Equity attributable to shareholders of RHÖN-KLINIKUM AG	1,581,896	-587	1,581,309
Non-controlling interests in equity	25,560	-3	25,557
Non-current liabilities	841,162	702	841,864
of which provisions for post-employment benefits	5,465	702	6,167
Current liabilities	735,771	0	735,771
Balance sheet total	**3,184,389**	**112**	**3,184,501**

SELECTED EXPLANATIONS REGARDING CONSOLIDATED INTERIM INCOME STATEMENT

The previous year's figures of the 2012 Annual Report were adjusted to the effects resulting from the accounting changes pursuant to IAS 19 R (2011). Regarding the changes in accounting, we refer to the chapter "CHANGES IN ACCOUNTING RESULTING FROM IAS 19 R (2011)".

Revenues

January through June	2013 €m	2012 €m
Fields		
acute hospitals	1,454.0	1,338.7
medical care centres	28.3	27.1
rehabilitation hospitals	24.5	24.5
	1,506.8	**1,390.3**
Federal states		
Bavaria	270.0	266.6
Saxony	201.2	193.4
Thuringia	159.3	156.5
Baden-Wuerttemberg	66.0	63.8
Brandenburg	62.6	61.6
Hesse	419.6	330.8
Mecklenburg-West Pomerania	3.1	3.2
Lower Saxony	220.1	210.9
North Rhine-Westphalia	40.4	40.3
Saxony-Anhalt	64.5	63.2
	1,506.8	**1,390.3**

According to IAS 18, revenues constitute revenues generated from the provision of services and rose compared with the same period last year by € 116.5 million or 8.4% to reach € 1,506.8 million. Adjusting for changes in the scope of consolidation (first-time consolidation of HSK-Gruppe as of 1 May 2012, MVZ Campus Gifhorn GmbH as of 1 July 2012) to the tune of € 80.6 million this translates into organic growth of € 35.9 million or 2.6%.

Other income

January through June	2013 €m	2012 €m
Income from services rendered	83.9	75.8
Income from grants and other allowances	9.3	7.9
Income from adjustment of receivables	2.1	1.6
Income from indemnification payments/Other reimbursements	0.9	7.4
Other	8.6	11.4
	104.8	**104.1**

Income from services rendered 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 under German legislation governing maternity leave and semi-retirement schemes, and for other subsidised measures).

Compared with the same period last year, other income increased by € 0.7 million or 0.7%. Adjusting for the one-off accounting effects resulting from the separate accounting in Gießen and Marburg to the tune of € 6.5 million recognised in the previous year under the other reimbursements item as well as the previous year's one-off profits from the disposal of assets amounting to € 1.3 million stated under the other item, this translates into an increase in the other income item by € 8.5 million. This increase results in particular form higher income from services in the amount of € 8.1 million essentially as a result of a further increase in sales of pharmaceuticals above all in the area of cytostatics, from the sale of energy as well as from higher rental income.

Changes in the scope of consolidation account for € 5.5 million of the other income item.

Other expenditures

January through June	2013 €m	2012 €m
Maintenance	46.2	43.6
Charges, subscriptions and consulting fees	36.9	36.7
Administrative and IT costs	11.0	11.2
Impairment on receivables	6.8	5.2
Insurance	9.6	8.2
Rents and leaseholds	11.2	9.7
Travelling, entertaining and representation expenses	3.8	3.9
Other personnel and continuing training costs	7.0	7.3
Losses on disposal of non-current assets	0.7	0.1
Secondary taxes	1.3	0.5
Other	14.9	14.2
	149.4	**140.6**

Compared with the same period last year, other expenditures in the first half of 2013 recorded an increase of € 8.8 million or 6.3% to reach € 149.4 million. Companies consolidated for the first time account for € 11.9 million, or 8.5%, of this rise. This compares with a decline in other expenditures with the long-standing subsidiaries to the tune of € 3,1 million or -2.2%.

Depreciation

Compared with the same period last year, the depreciation/amortisation item witnessed a rise of € 1.7 million or 2.5% to € 70.1 million. This increase is fully accounted for by HSK-Gruppe consolidated for the first time since 1 May 2012.

Financial result

Compared with the same period last year, we recorded a rise in our negative financial result by € 2.7 million or 16.4% to € 19.2 million in the first six months of financial year 2013. The rise essentially stems from the increase in net debt to banks due, among other things, to the acquisition of HSK-Gruppe. Capital market interest rates, which continued to be in decline, also negatively impacted our investment portfolio.

The financial result includes profit shares at companies accounted for using the equity method in the amount of € 74,000 (previous year: profit shares of € 28,000).

Income taxes

January through June	**2013** **€m**	**2012** **€m**
Current income tax	10.9	9.0
Deferred taxes	0.5	1.3
	11.4	**10.3**

At an unchanged rate of taxation, the income tax expense item rose by € 1.1 million or 10.7% to € 11.4 million (previous year: € 10.3 million) compared with same period of the previous year. Apart from the increase in the tax assessment basis, this was attributable to various other factors, including rising tax losses for which no deferred tax can be recognised in earnings.

At present, tax carry-forwards are only recognised Group-wide to the extent that they are considered probable to be claimed within 5 years.

SELECTED EXPLANATIONS REGARDING CONSOLIDATED INTERIM BALANCE SHEET

The previous year's figures of the 2012 Annual Report were adjusted to the effects resulting from the accounting changes pursuant to IAS 19 R (2011). Regarding the changes in accounting, we refer to the chapter "CHANGES IN ACCOUNTING RESULTING FROM IAS 19 R (2011)".

Goodwill and other intangible assets

	Goodwill €m	Other intangible assets €m	Total €m
Cost			
1 January 2013	**414.0**	**60.9**	**474.9**
Additions due to changes in scope of	0.2	0.0	0.2
Additions	0.0	0.3	0.3
Disposals	0.4	0.8	1.2
Transfers	0.0	0.0	0.0
30 June 2013	**413.8**	**60.4**	**474.2**
Cumulative depreciation and impairment			
1 January 2013	**0.0**	**43.9**	**43.9**
Depreciation	0.0	3.6	3.6
Disposals	0.0	0.6	0.6
30 June 2013	**0.0**	**46.9**	**46.9**
Balance sheet value at 30 June 2013	**413.8**	**13.5**	**427.3**

	Goodwill €m	Other intangible assets €m	Total €m
Cost			
1 January 2012	**345.0**	**58.1**	**403.1**
Additions due to changes in scope of consolidation	66.9	1.0	67.9
Additions	0.0	1.2	1.2
Disposals	0.0	0.5	0.5
Transfers	0.0	0.5	0.5
30 June 2012	**411.9**	**60.3**	**472.2**
Cumulative depreciation and impairment			
1 January 2012	**0.0**	**37.7**	**37.7**
Depreciation	0.0	4.0	4.0
Disposals	0.0	0.4	0.4
30 June 2012	**0.0**	**41.3**	**41.3**
Balance sheet value at 30 June 2012	**411.9**	**19.0**	**430.9**

Property, Plant and Equipment

	Land and buildings	Technical plant and equipment	Operating and business equipment	Plant under construction	Total
	€m	€m	€m	€m	€m
Cost					
1 January 2013	**2,084.2**	**92.5**	**616.2**	**68.6**	**2,861.5**
Additions	6.0	0.2	7.2	33.1	46.5
Disposals	1.5	0.2	20.7	0.0	22.4
Transfers	8.6	0.8	1.1	-10.5	0.0
30 June 2013	**2,097.3**	**93.3**	**603.8**	**91.2**	**2,885.6**
Cumulative depreciation and impairment					
1 January 2013	**509.1**	**50.4**	**382.3**	**0.0**	**941.8**
Depreciation	30.1	3.3	33.0	0.0	66.4
Disposals	1.5	0.2	20.1	0.0	21.8
30 June 2013	**537.7**	**53.5**	**395.2**	**0.0**	**986.4**
Balance sheet value at 30 June 2013	**1,559.6**	**39.8**	**208.6**	**91.2**	**1,899.2**

	Land and buildings	Technical plant and equipment	Operating and business equipment	Plant under construction	Total
	€m	€m	€m	€m	€m
Cost					
1 January 2012	**1,881.5**	**83.6**	**570.3**	**157.1**	**2,692.5**
Additions due to changes in scope of consolidation	66.7	2.6	8.6	0.3	78.2
Additions	17.6	0.6	22.0	26.8	67.0
Disposals	2.0	0.1	5.4	0.0	7.5
Transfers	86.3	0.9	16.6	-104.3	-0.5
30 June 2012	**2,050.1**	**87.6**	**612.1**	**79.9**	**2,829.7**
Cumulative depreciation and impairment					
1 January 2012	**456.7**	**46.0**	**330.7**	**0.0**	**833.4**
Depreciation	27.6	2.9	33.9	0.0	64.4
Disposals	0.8	0.1	4.8	0.0	5.7
30 June 2012	**483.5**	**48.8**	**359.8**	**0.0**	**892.1**
Balance sheet value at 30 June 2012	**1,566.6**	**38.8**	**252.3**	**79.9**	**1,937.6**

Interests in companies accounted for using the equity method at € 303,000 (31 December 2012: € 228,000) are reported under other financial assets (non-current) on the grounds of materiality.

Shareholders’ equity

The increase in equity capital compared with the reporting date of 31 December 2012 by € 21.6 million to € 1,628.5 million results from net consolidated profit for the first half of the financial year (€ 50.8 million) on the one hand, and from the recognition of positive changes in the market values of derivative financial instruments designated as interest-rate hedging instruments (€ 8.7 million) on the other. The above amounts compare with dividends paid to shareholders (€ 34.6 million) and the 43.9% increase in the interests held in Altmühltalklinik-Leasing-GmbH (€ 3.3 million). Other equity transactions relate to a capital contribution by a service company (€ 0.1 million) and a capital payment of an MVZ company (€ 0.1 million).

Financial debt and financial derivatives

The syndicated line of credit in an original volume of € 400 million existing since 2006 expired on 7 June 2013. The volume of € 200 million latterly drawn down under this line of credit was repaid in full on 7 June 2013.

In financial year 2012, RHÖN-KLINIKUM AG entered into a revolving syndicated line of credit in the amount of € 350 million with a term until 2017. As at the reporting date of 30 June 2013, this line of credit had been utilised in the amount of € 100 million.

The rating agency Moody’s latterly graded the institutional rating of RHÖN-KLINIKUM AG in a Credit Opinion of 18 December 2010 in the category Baa3 (negative outlook).

On 11 June 2013, a subordinated loan note with a volume of € 25 million expired. This loan was refinanced by a new subordinated loan note having a volume of € 25 million and a term running until 2018. Moreover, for investment in a new building at the Nordenham site, a development loan in a volume of € 23.7 million with a term running until 2020 was agreed with KfW IPEX-Bank in December 2012. The loan amount was disbursed in January 2013.

In the first half of 2013, no new interest-rate hedges were concluded. As at 30 June 2013 a total of € 22.2 million was allocated from hedge relationships to the re-valuation reserve. In the first half of 2013, changes in the valuation of derivatives in the amount of € 0.01 million were recognised with earnings increasing effect in the financial result.

Additional disclosures regarding financial instruments

The table below presents the carrying amounts and the fair values of the individual financial assets and liabilities for each specific category of financial instruments and reconciles these to the corresponding balance sheet items.

ASSETS	Measurement category according to IAS 39	30 June 2013 €m	of which financial instruments carrying amount €m	of which financial instruments Fair value €m	31 December 2012 €m	of which financial instruments carrying amount €m	of which financial instruments Fair value €m
Non-current assets							
Other financial assets		**0.6**	0.6	0.6	**11.3**	11.3	11.3
of which investments	available-for-sale financial assets	**0.2**	0.2	0.2	**0.2**	0.2	0.2
of which derivative financial instruments (HFT)	financial assets measured at fair value through profit or loss	**0.3**	0.3	0.3	**0.2**	0.2	0.2
of which other	loans + receivables	**0.1**	0.1	0.1	**10.9**	10.9	10.9
Current assets							
Accounts receivable and other financial assets		**515.5**	515.5	515.5	**488.7**	488.7	488.7
of which accounts receivable and other financial assets	loans + receivables	**515.5**	515.5	515.5	**488.7**	488.7	488.7
of which securities (HfT)	financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
of which derivative financial instruments (HfT)	financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
Cash and cash equivalents	loans + receivables	**107.1**	107.1	107.1	**237.0**	237.0	237.0
SHAREHOLDERS' EQUITY AND LIABILITIES							
Non-current liabilities							
Financial liabilities		**752.6**	752.6	683.5	**767.7**	767.7	707.4
of which financial liabilities	financial liabilities measured at amortised cost	**725.5**	725.5	656.4	**733.4**	733.4	673.1
of which derivative financial instruments (hedge accounting)	n.a.	**27.1**	27.1	27.1	**34.3**	34.3	34.3
Other financial liabilities		**63.5**	63.5	64.0	**65.9**	65.9	67.9
of which other financial liabilities	financial liabilities measured at amortised cost	**23.3**	23.3	23.8	**26.3**	26.3	28.3
of which under finance leases	n.a.	**40.2**	40.2	40.2	**39.6**	39.6	39.6
Current liabilities							
Accounts payable	financial liabilities measured at amortised cost	**137.3**	137.3	137.3	**137.3**	137.3	137.3
Financial liabilities		**154.7**	154.7	154.7	**267.0**	267.0	267.0
of which financial liabilities	financial liabilities measured at amortised cost	**154.7**	154.7	154.7	**264.0**	264.0	264.0
of which derivative financial instruments (HfT)	liabilities measured at fair value through profit or loss	**0.0**	0.0	0.0	**3.0**	3.0	3.0
Other financial liabilities		**93.4**	93.4	93.4	**113.1**	113.1	113.1
of which other financial liabilities	financial liabilities measured at amortised cost	**91.5**	91.5	91.5	**111.5**	111.5	111.5
of which under finance leases	n.a.	**1.9**	1.9	1.9	**1.6**	1.6	1.6

Aggregated according to measurement categories, the above figures are as follows:

loans + receivables	622.6	622.6		736.6	736.6
available-for-sale financial assets	0.2	0.2		0.2	0.2
financial assets measured at fair value through profit or loss	0.3	0.3		0.2	0.2
financial liabilities measured at amortised cost	1,132.3	1,063.7		1,272.5	1,214.2
liabilities measured at fair value through profit or loss	0.0	0.0		3.0	3.0

The following table shows a classification of the financial assets and liabilities measured at fair value to the three levels of the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
non-current derivative assets	0.0	0.3	0.0	0.3
securities	0.0	0.0	0.0	0.0
current derivative assets	0.0	0.0	0.0	0.0
non-current derivative liabilities	0.0	27.1	0.0	27.1
current derivative liabilities	0.0	0.0	0.0	0.0

The levels of the fair value hierarchy and their application to our 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 assigned to Level 2 are calculated on the basis of input factors that can be derived directly on the market, such as interest. They result from the discounting of future cash flows at the corresponding input factors.

€ 0.2 million (31 December 2012: € 0.2 million) of other financial assets (non-current) is accounted for by investments whose market value cannot be determined due to the absence of an active market. They are measured at cost.

Accounts receivable, other financial assets as well as cash and cash equivalents in general mainly have short remaining maturities. Their carrying amounts as at the reporting date therefore correspond to their fair values.

The figure shown for financial liabilities includes loans from banks as well as a bond. The fair value of the loans from banks and the fair value of other 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 value of the bond is calculated as the nominal value multiplied by the price of the final trading day of the reporting period.

For the accounts payable 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 et seq. 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 of 1 January 2013 up to and including 30 June 2013 are listed.

		Voting interest pursuant to sections 21, 22 WpHG on date that interest exceeds/falls below threshold					
Notifying entity	**Published on**	**Held directly %**	**Attri-buted %**	**Voting rights held %**	**Date that interest exceeds/falls below the threshold**	**Interest exceeding/ falling below threshold by**	**Attribution pursuant to WpHG (section 21 (1) WpHG)**
JPMorgan Chase & Co, New York/USA	17 January 2013		3.75	**3.75**	8 January 2013	> 3 %	Section 22 (1) sentence 1 no. 5 in conj. with sentence 2 (name of shareholders from whose shares 3% or more are attributed: Paulson & Co. Inc.)
JPMorgan Chase & Co, New York/USA	28 January 2013		2.45	**2.45**	22 January 2013	< 3 %	Section 22 (1) sentence 1 no. 5 in conj. with sentence 2
JPMorgan Chase & Co, New York/USA	30 January 2013		4.27	**4.27**	24 January 2013	> 3 %	Section 22 (1) sentence 1 no. 5 in conj. with sentence 2 (name of shareholders from whose shares 3% or more are attributed: Paulson & Co. Inc.)
JPMorgan Chase & Co, New York/USA	1 July 2013		2.39	**2.39**	24 June 2013	< 3 %	Section 22 (1) sentence 1 no. 5 in conj. with sentence 2
JPMorgan Chase & Co, New York/USA	3 July 2013		3.19	**3.19**	26 June 2013	> 3 %	Section 22 (1) sentence 1 no. 5 in conj. with sentence 2 (name of shareholders from whose shares 3% or more are attributed: Paulson & Co. Inc.)

The reported voting interests may have changed since 30 June 2013. With regard to notifications on threshold events pursuant to section 21 (1) of the WpHG that took place as of 1 July 2013, 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, the following picture pursuant to sections 21, 22 of the WpHG in terms of shareholder structure emerges as at the relevant key date of 30 June 2013:

Voting interest pursuant to sections 21, 22 WpHG on date that interest exceeds/falls below threshold*

Notifying entity	Published on	Held directly %	Attri-buted %	Voting rights held %	Date that interest exceeds/falls below the threshold	Interest exceeding/ falling below threshold by	Attribution pursuant to WpHG (section 21 (1) WpHG)
Ingeborg Münch, Germany	15 February 2007	6.42		6.42	17 April 2002	> 5 %	Section 21 (1)
Eugen Münch, Germany	15 February 2007	9.74		9.74	26 September 2005	< 10 %	Section 21 (1)
Alecta pensionsförsäkring ömesesidigt, Stockholm/Sweden	17 July 2009	9.94		9.94	15 July 2009	< 10 %	Section 21 (1)
Dr. gr. Broermann, Germany	27 June 2012		5.01	5.01	27 June 2012	> 5 %	Section 22 (1) sentence 1 no. 1 Names of controlled entities: Asklepios Kliniken GmbH, Asklepios Kliniken Verwaltungsgesellschaft mbH
B. Braun Holding GmbH & Co. KG, Melsungen/Germany (see column to right for attribution to shareholders)	4 September 2012	5.0002		5.00	27 August 2012	> 3 %, > 5 %	Section 21 (1) - Attribution pursuant to section 22 (1) sentence 1 no. 1 to BraHo Verwaltungsgesellschaft mbH, Melsungen, Germany; Ilona Braun, Germany; Martin Lüdicke, Germany, Ludwig G. Braun GmbH & Co. KG, Melsungen, Germany; Prof. Dr. h.c. Ludwig Georg Braun, Germany
Else Kröner-Fresenius-Stiftung, Bad Homburg v. d. Höhe, Germany	5 September 2012		5.0000007	5.00	3 September 2012	> 5 %	Section 22 (1) sentence 1 no. 1 - Names of controlled entities: Fresenius Management SE, Fresenius SE & Co. KGaA
John Paulson, USA	31 May 2012		3.65	3.65	22 May 2012	> 3 %	Section 22 (1) sentence 1 no. 1 Name of controlled entity: Paulson & Co. Inc.
JPMorgan Chase & Co, New York, USA	3 July 2012		3.19	3.19	26 June 2013	> 3 %	Section 22 (1) sentence 1 no. 5 in conj. with sentence 2 (name of shareholders from whose shares 3% or more are attributed: Paulson & Co. Inc.)

* The capital increase of 6 August 2009 is not reflected in interests exceeding/falling below the threshold before the key date of 6 August 2009.

In addition, the shareholders specified below have notified the Company that during the reporting period their voting interest exceeded or fell below the statutory notification thresholds pursuant to sections 25, 25a of the WpHG. Notified threshold events that took place in the period of 1 January up to and including 30 June 2013 are listed. The reported voting interests may have changed since 30 June 2013. With regard to notifications on threshold events that took place as of 1 July 2013, and for additional information on the underlying financial instruments, on attribution and on the holding structures of the respective voting rights, we refer to the publications on our homepage in the Investors/IR News section.

Voting interest pursuant to section 25 WpHG on date that interest exceeds/falls below threshold

Notifying entity	published on	voting rights held %	Date that interest-exceeds-/-falls below the threshold	Interest exceeding/ falling-below threshold by	Structure of voting interests
Morgan Stanley, Wilmington Delaware/USA	27 June 2013	**5.19**	21 June 2013	> 5%	2,04% pursuant to sections 21, 22 of the WpHG, 3.14% instruments pursuant to section 25 of the WpHG (of which 3.14% held indirectly; retransfer claims that can be exercised according to lender's discretion; physically settled call options with exercise dates of 20 September 2013, 12 December 2013, 20 December 2013)
	2 July 2013	**2.28**	24 June 2013	< 5%	2.06% pursuant to sections 21, 22 of the WpHG, 0.22% instruments pursuant to section 25 of the WpHG (of which 0.22% held indirectly; retransfer claims that can be exercised according to lender's discretion; physically settled call options with the exercise dates of 20 September 2013, 12 December 2013, 20 December 2013)

Notifying entity	published on	voting rights held %	Date that interest-exceeds-/ -falls below the threshold	Interest exceeding/ falling-below threshold by	Structure of voting interests
					Voting interest pursuant to section 25a WpHG on date that interest exceeds/falls below threshold
Credit Suisse Group AG Zurich/Switzerland	14 June 2013	**7.74**	6 June 2013	> 5%	0.19% pursuant to sections 21, 22 of the WpHG, 1.56% instruments pursuant to section 25 of the WpHG (of which 1.56% held indirectly), 5.99% pursuant to section 25a of the WpHG (of which 5.99% held indirectly; long equity swaps, cash settlement, expiry on 18 June 2013, 4 November 2013, 10 February 2014, 2 May 2014, 3 November 2014, 7 April 2015, 27 April 2015, 2 October 2017)
	18 June 2013	**3.7**	13 June 2013	< 5%	0.19% pursuant to sections 21, 22 of the WpHG, 2.08% instruments pursuant to section 25 of the WpHG (of which 2.08% held indirectly), 1.43% instruments pursuant to section 25a of the WpHG (of which 1.43% held indirectly; long equity swaps, cash settlement, expiry on 18 June 2013, 23 December 2013, 6 January 2014, 10 February 2014, 2 May 2014, 12 May 2014, 5 August 2014, 8 September 2014, 3 November 2014, 7 April 2015, 27 April 2015, 2 October 2017)
Morgan Stanley, Wilmington Delaware/USA	26 June 2013	**5.04**	20 June 2013	> 5%	1.68% pursuant to sections 21, 22 of the WpHG, 3.15% instruments pursuant to section 25 of the WpHG (of which 3.15% held indirectly), 0.20% instruments pursuant to section 25a of the WpHG (of which 0.20% held indirectly; cash settled call option with expiry on 26 June 2013, cash settled put option with expiry on 26 June 2013, equity swap with expiry on 27 June 2013)
	2 July 2013	**2.42**	24 June 2013	< 5%	2.06% pursuant to sectons 21, 22 of the WpHG, 0.22% instruments pursuant to section 25 of the WpHG (of which 0.22% held indirectly), 0.14% instruments pursuant to section 25a of the WpHG (of which 0.14% held indirectly; cash settled call option with expiry on 26 June 2013, cash settled put option with expiry on 26 June 2013, equity swaps with expiry on 6 October 2014 and 4 December 2014)

As at 30 June 2013, the Company holds 24,000 treasury shares. This corresponds to 0.017% of the voting rights.

Corporate Bodies and Advisory Board

With effect from 4 June 2013, Professor Dr. Dr. sc. (Harvard) Karl W. Lauterbach left the Supervisory Board. Mr. Stephan Holzinger succeeded him to the Supervisory Board with effect from 3 July 2013. In all other respects, the composition of the Supervisory Board remained unchanged. Regarding the composition of the Supervisory Board as well as its allocation of duties and responsibilities, please refer to the Annual Report as at 31 December 2012.

The composition of the Board of Management has remained unchanged since the last reporting date. With effect from 1 January 2013, Dr. Dr. Martin Siebert was appointed as chairman of the Board of Management. The allocation of responsibilities within the Board of Management was adjusted to this accordingly. Regarding the composition of the Board of Management as well as its allocation of duties and responsibilities, please refer to the Annual Report as at 31 December 2012.

With effect from 21 June 2013, Mr. Jochen Bocklet was appointed to the Advisory Board. In all other respects, the composition of the Advisory Board since the last reporting date remained unchanged. Regarding the composition of the Advisory Board as well as its allocation of duties and responsibilities, please refer to the Annual Report as at the last reporting date.

Related parties

RHÖN-KLINIKUM Group companies, in given instances, enter into transactions with related parties, as further described in the Notes to the Consolidated Financial Statements as at 31 December 2012. The transactions conducted with related parties primarily result from service or lease relations arranged at arm's length terms. In the view of the RHÖN-KLINIKUM Group, these transactions are not of material significance.

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

The companies belonging to the group of related parties and the business transacted with these companies are unchanged 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 2012. The same applies for the financial receivables and/or liabilities that existed with related parties.

Staff members of RHÖN-KLINIKUM AG or its subsidiaries who act as labour representatives on the Supervisory Board received the amount of remuneration as defined by their employment contracts.

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

The contractual remuneration for the members of the Supervisory Board, the Board of Management and the Advisory Board has basically remained unchanged since the presentation in the 2012 Annual Report. Adjustments were made as a result of the appointment of Dr. Dr. Martin Siebert as chairman of the Board of Management as of 1 January 2013 and the appointment of Mr. Jochen Bocklet as a new member of the Advisory Board with effect from 21 June 2013.

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

During the reporting period, RHÖN-KLINIKUM AG was not notified of any transactions pursuant to section 15a of the WpHG of members of the Board of Management or of the Supervisory Board (directors' dealings).

Employees

At the reporting date of 30 June 2013 the Group employed a total of 42,895 persons (31 December 2012: 43,059 persons). This decline by 164 versus the reporting date of 31 December 2012 is the result of a reduction by 132 persons from of staffing decreases at our hospitals, 20 persons from staffing decreases at our service companies, as well as 12 persons from staffing decreases at our MVZ companies.

Other financial obligations

The investment obligations resulting from company purchase agreements declined as at the reporting date to € 142.9 million (31 December 2012: € 155.2 million).

The remaining 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 2013	**No. of shares on 30 June 2012**
Non-par shares	138,232,000	138,232,000
Treasury non-par shares	-24,000	-24,000
Shares in issue	**138,208,000**	**138,208,000**

Earnings per share are calculated as follows:

Non-par shares	**30 June 2013**	**30 June 2012**
Share in net consolidated profit (€ '000)	48,850	48,945
Weighted average number of shares in issue in '000 units	138,208	138,208
Earnings per share in €	0.35	0.35

Cash Flow Statement

The cash flow statement shows how the item "Cash and cash equivalents" of RHÖN-KLINIKUM Group has changed in the year under review as a result of cash inflows and outflows. The impact of acquisitions, divestments and other changes in the scope of consolidation has been eliminated. In accordance with IAS 7 (Cash Flow Statements), a distinction is made between cash flows from operating activities, investing activities as well as financing activities. The liquidity shown in the statement of changes in financial position includes cash on hand, cheques as well as cash with banks. For the purposes of the cash flow statement, bank overdrafts in the amount of € 38.2 million (previous year: € 5.1 million) are deducted from cash and cash equivalents. The cash flow statement has included a figure of € 9.3 million (previous year: € 19.8 million) for outstanding construction invoices and a figure € 0.01 million (previous year: € 0.03 million) for non-cash income from financial derivatives.

Bad Neustadt a. d. Saale, 8 August 2013

RHÖN-KLINIKUM Aktiengesellschaft

THE BOARD OF MANAGEMENT

Volker Feldkamp Martin Menger Jens-Peter Neumann Dr. Dr. Martin Siebert

ASSURANCE OF LEGAL REPRESENTATIVES

We assure to the best of our knowledge that based on the accounting principles to be applied to interim financial reporting the present Consolidated Interim Financial Statements a true and fair view of the net assets, financial position and results of operations of the Group is given therein and that the Consolidated Interim Report of the Management presents the business performance including the business results and the situation of the Group in such a way as to give a true and fair view of the same as well as a description of the material risks and opportunities involved in the Group's probable development in the remaining financial year.

Bad Neustadt a. d. Saale, 8 August 2013

RHÖN-KLINIKUM Aktiengesellschaft

THE BOARD OF MANAGEMENT

Volker Feldkamp Martin Menger Jens-Peter Neumann Dr. Dr. Martin Siebert

CERTIFICATE BASED ON AUDITOR'S REVIEW

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

We have subjected the Abridged Consolidated Interim Financial Statements – consisting of the balance sheet, income statement and comprehensive income statement, cash flow statement, statement of changes in shareholders' equity as well as selected explanatory disclosures in the notes – and the Consolidated Interim Report of the Management prepared by RHÖN-KLINIKUM Aktiengesellschaft, Bad Neustadt a. d. Saale for the period from 1 January to 30 June 2013, which form integral parts of the Half-Year Financial Report according to section 37w of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG), to a review. The adoption of the Abridged Consolidated Interim Financial Statements in accordance with the IFRS standards for interim financial reporting as adopted by the EU and of the Consolidated Interim Report of the Management according to the provisions of WpHG applicable for consolidated interim reports of the management is the responsibility of the Board of Management of the Company. Our task is to submit a certificate, based on our review, regarding the Abridged Consolidated Interim Financial Statements and the Consolidated Interim Report of the Management.

We conducted our review of the Abridged Consolidated Interim Financial Statements and the Consolidated Interim Report of the Management in accordance with generally accepted German principles for reviews of financial statements as adopted by the Institut der Wirtschaftsprüfer (IDW) and, in addition, taking account of the International Standard on Review Engagements "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE 2410). According to this, the review is to be planned and carried out in such a way that on a critical assessment we can exclude with a certain degree of certainty the non-compliance in material issues of the Abridged Consolidated Interim Financial Statements with the IFRS standards for interim financial reporting as adopted by the EU, and the non-compliance in material aspects of the Consolidated Interim Report of the Management with the provisions of WpHG applicable for consolidated interim reports of the management. Such review is primarily limited to the questioning of the Company's employees and analytical assessments and therefore does not offer the degree of certainty attained by a statutory audit. Since by reason of our assignment we have not performed any statutory audit, we are not able to issue any auditor's opinion.

Based on our review, we have not become aware of any circumstances or facts that would give us reasonable cause to believe that the Abridged Consolidated Interim Financial Statements in material aspects were not prepared in compliance with the IFRS standards for interim financial reporting as adopted by the EU, or that the Consolidated Interim Report of the Management in material aspects was not prepared in compliance with the provisions of WpHG applicable for consolidated interim reports of the management.

Frankfurt am Main, 8 August 2013
PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Anne Böcker	ppa. Stefan Sigmann
Wirtschaftsprüferin	Wirtschaftsprüfer

KEY RATIOS

KEY RATIOS JANUARY THROUGH JUNE 2013/JANUARY THROUGH JUNE 2012

Data in € m	Jan. – June 2013	Jan. – June 2012	Change in %
Revenues	1,506.8	1,390.3	8.4
Materials and consumables used	392.6	364.5	7.7
Employee benefits expense	918.1	843.8	8.8
Depreciation/amortisation and impairment	70.1	68.4	2.5
Net consolidated profit according to IFRS	50.8	50.3	1.0
Earnings share of RHÖN-KLINIKUM AG shareholders	48.9	49.0	-0.2
Earnings share of non-controlling interests	1.9	1.3	46.2
Return on revenue (%)	3.4	3.6	-5.6
EBT	62.2	60.6	2.6
EBIT	81.4	77.1	5.6
EBIT-ratio (%)	5.4	5.5	-1.8
EBITDA	151.5	145.5	4.1
EBITDA ratio (%)	10.1	10.4	-2.9
Operating cash flow	121.3	117.2	3.5
Property, plant and equipment as well as investment property	1,903.5	1,942.1	-2.0
Non-current income tax claims	9.7	11.8	-17.8
Equity according to IFRS	1,628.5	1,568.7	3.8
Return on equity, %	6.2	6.3	-1.6
Balance sheet total according to IFRS	3,059.0	3,334.7	-8.3
Investments			
in property, plant and equipment, intangible assets as well as in investment property	47.0	214.2	-78.1
in other assets	0.1	0.6	-83.3
Earnings per ordinary share (€)	0.35	0.35	0.0
Number of employees (headcount)	42,895	42,994	-0.2
Case numbers (patients treated)	1,346,258	1,256,482	7.1
Beds and places	17,104	17,083	0.1

Values of previous year adjusted

KEY RATIOS APRIL THROUGH JUNE 2013/APRIL THROUGH JUNE 2012

Data in € m	April - June 2013	April - June 2012	Change in %
Revenues	754.7	708.0	6.6
Materials and consumables used	197.3	186.5	5.8
Employee benefits expense	458.4	435.6	5.2
Depreciation/amortisation and impairment	35.1	35.1	0.0
Net consolidated profit according to IFRS	26.5	16.0	65.6
Earnings share of RHÖN-KLINIKUM AG shareholders	25.2	15.6	61.5
Earnings share of non-controlling interests	1.3	0.4	225.0
Return on revenue (%)	3.5	2.3	52.2
EBT	32.5	19.5	66.7
EBIT	41.5	28.4	46.1
EBIT-ratio (%)	5.5	4.0	37.5
EBITDA	76.6	63.5	20.6
EBITDA ratio (%)	10.2	9.0	13.3
Operating cash flow	61.8	51.2	20.7
Property, plant and equipment as well as investment property	1,903.5	1,942.1	-2.0
Non-current income tax claims	9.7	11.8	-17.8
Equity according to IFRS	1,628.5	1,568.7	3.8
Return on equity, %	6.5	4.0	62.5
Balance sheet total according to IFRS	3,059.0	3,334.7	-8.3
Investments			
in property, plant and equipment, intangible assets as well as in investment property	27.4	172.0	-84.1
in other assets	0.1	0.6	-83.3
Earnings per ordinary share (€)	0.18	0.11	63.6
Number of employees (headcount)	42,895	42,994	-0.2
Case numbers (patients treated)	675,581	646,586	4.5
Beds and places	17,104	17,083	0.1

Values of previous year adjusted

KEY RATIOS APRIL THROUGH JUNE 2013/JANUARY THROUGH MARCH 2013

Data in € m	April - June 2013	Jan. – March 2013	Change in %
Revenues	754.7	752.2	0.3
Materials and consumables used	197.3	195.3	1.0
Employee benefits expense	458.4	459.7	-0.3
Depreciation/amortisation and impairment	35.1	35.0	0.3
Net consolidated profit according to IFRS	26.5	24.3	9.1
Earnings share of RHÖN-KLINIKUM AG shareholders	25.2	23.7	6.3
Earnings share of non-controlling interests	1.3	0.6	116.7
Return on revenue (%)	3.5	3.2	9.4
EBT	32.5	29.7	9.4
EBIT	41.5	39.9	4.0
EBIT-ratio (%)	5.5	5.3	3.8
EBITDA	76.6	74.9	2.3
EBITDA ratio (%)	10.2	10.0	2.0
Operating cash flow	61.8	59.5	3.9
Property, plant and equipment as well as investment property	1,903.5	1,910.1	-0.3
Non-current income tax claims	9.7	9.6	1.0
Equity according to IFRS	1,628.5	1,634.7	-0.4
Return on equity, %	6.5	6.0	8.3
Balance sheet total according to IFRS	3,059.0	3,185.0	-4.0
Investments			
in property, plant and equipment, intangible assets as well as in investment property	27.4	19.6	39.8
in other assets	0.1	0.0	0.0
Earnings per ordinary share (€)	0.18	0.17	5.9
Number of employees (headcount)	42,895	42,715	0.4
Case numbers (patients treated)	675,581	670,677	0.7
Beds and places	17,104	17,104	0.0

FINANCIAL CALENDAR

DATES FOR SHAREHOLDERS AND ANALYSTS

2013

8 August 2013	Publication of Half-Year Financial Report as at 30 June 2013
7 November 2013	Publication of Interim Report for the quarter ending 30 September 2013

2014

21 February 2014	Preliminary results for financial year 2013
25 April 2014	Results Press Conference: Publication of 2013 annual financial report
25 April 2014	Publication of Interim Report for the quarter ending 31 March 2014
12 June 2014	Annual General Meeting (at the Jahrhunderthalle Frankfurt)
8 August 2014	Publication of Half-Year Financial Report as at 30 June 2014
7 November 2014	Publication of Interim Report for the quarter ending 30 September 2014

RHÖN-KLINIKUM AG
Postal address:
97615 Bad Neustadt a. d. Saale,
Germany

Visitors' address:
Salzburger Leite 1
97616 Bad Neustadt a. d. Saale,
Germany
Phone ++ 49 97 71 65-0
Fax ++49 97 71 9 74 67

Internet:
http://www.rhoen-klinikum-ag.com

E-mail:
rka@rhoen-klinikum-ag.com

This Half-Year Financial Report is also available in German.