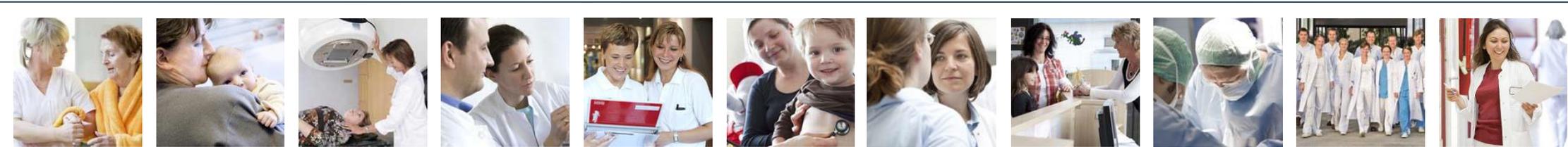


RHÖN-KLINIKUM AG

Results for the First Nine Months of 2015

November 6, 2015



Jens-Peter Neumann, CFO
Dr. Kai G. Klinger



RHÖN-KLINIKUM
AKTIENGESELLSCHAFT

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- Glossary: € = Euro; \$ = (US)Dollar; (F)Y = (financial) year(s); M = month(s); % = percentage; a = actual; acc. = according; approx. = approximately; e = expected; k = thousand(s); m = million(s);

Another quarter with resilient organic growth figures ...

- Attractive **volume increase** with **+1.7%** more DRG case-mix-points in first 9 months; in total an **8.1%** rise in inpatient and outpatient cases to 569,978
- Improvement of case mix index (average severity per case) is still major organic growth lever

... and other encouraging highlights

- Supervisory board enhances group management structure
- Successful completion of the 2015 share repurchase in mid-October 2015
- First patients treated at MIT (particle therapy center at UK Marburg) in October
- Promising early signals from revised regulatory prospects and 2016 pricing
- Closing process for Kreisklinik Bad Neustadt on track

Key P&L Figures for First Nine Months of 2015

Performance* in € millions	9m 2015	
Revenue	832	100.0%
Personnel expenses	-527	63.3%
Cost of materials	-239	28.7%
EBITDA	117	14.1%
D & A	-45	5.4%
EBIT	72	8.7%
Interest result	-2	0.3%
Net profit	66	7.9%

Decent operating performance

- Despite typical seasonality of Q3 revenue, development clearly in-line with organic growth target of 3-4%
- Higher case mix index leads to an increased variable cost base
- Includes +€27m extraordinary item from mandatory release of reserves
- One-off driven lower tax ratio supportive for net profit and EPS

UKGM with slightly improved margin in the course of the year**

- Revenues **+3.7%** yoy
- EBITDA margin **6.0%**

* detailed and comprehensive P&L in 9m 2015 report

** based on local GAAP (HGB), not audited or reviewed, adjusted on annualized accounting correction between 2014 and 2015

Successful Execution of 2015 Share Repurchase Offer and Subsequent Capital Reduction

Objectives of the share repurchase offer

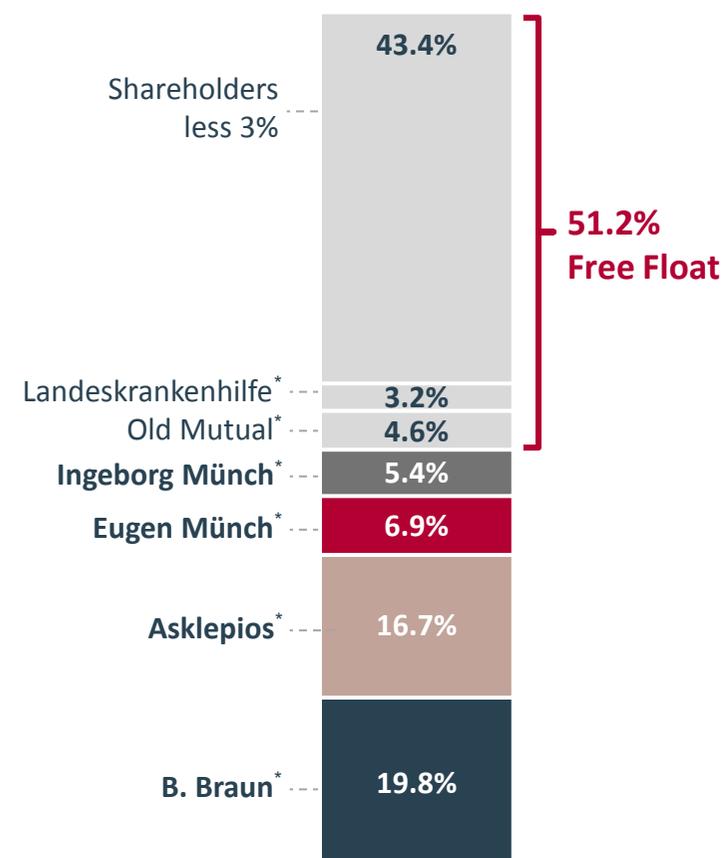
- Tax efficient distribution of another portion of the proceeds from Fresenius/HELIOS transaction
- Continuation of the adjustment of the balance sheet structure to the focused business model
- Offering attractive return to shareholders while reducing post deal share overhang potential

Résumé

- High acceptance rate of ~ **92%** of the repurchase volume
- Repurchase of 6,519,390 shares corresponds to ~ **9%** of share capital
- Volume of ~ **€167m** paid out to investors
- Share capital has been reduced down to **66,962,470** shares
- Rhön's share price post deal is well above TERP

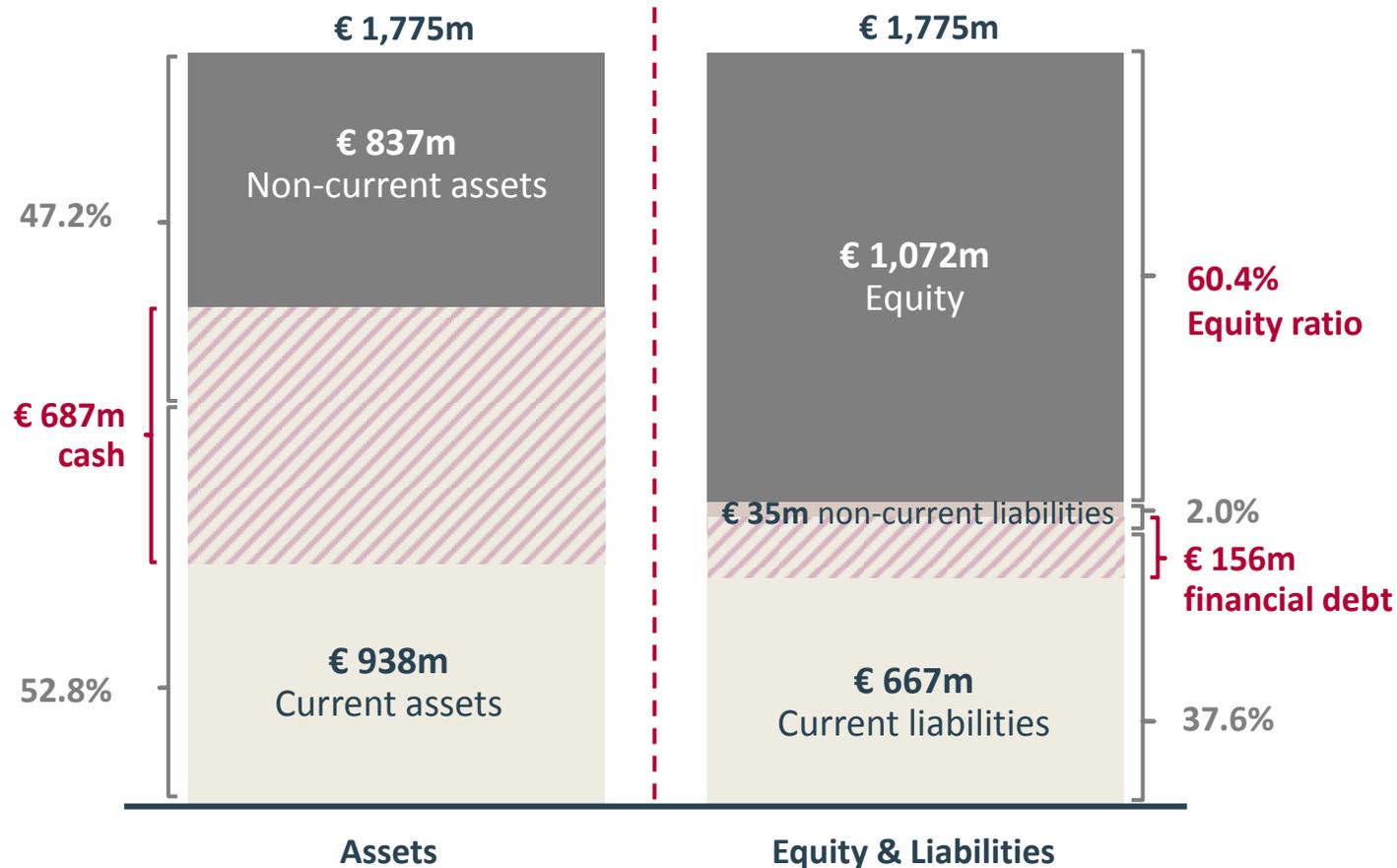
Like-for-like shareholder structure after capital reduction

as of November 6, 2015,
acc. to latest available voting rights notifications,
based on the reduced number of 66.96m shares



* Under the assumption "not-tendered"

Core Balance Sheet Figures as of September 30, 2015



- **Net cash position of €531m** still includes €167m at end Q3 2015 for share repurchase (settlement on October 15, 2015)
- Equity is already adjusted for reduced capital

Prof. Dr. Bernd Griewing joins management board

- From January 1, 2016 as **Chief Medical Officer**
- >15 years' experience as chief physician in neurology and medical director of Campus Bad Neustadt
- Member of supervisory board of UKGM since 2006
- Spokesperson for RHÖN-KLINIKUM AG medical board since 2014



Alignment of management board contracts and new allocation of departments

- Contractual adjustments for all members of the management board from January 1, 2016 with a duration of 5 years
- *Dr. Dr. Martin Siebert* (CEO) – Corporate Communication, HR, Legal, Compliance, Internal Audit, Campus Bad Neustadt and UKGM
- *Jens Peter Neumann* (CFO) – Accounting, Tax & Controlling, Investor Relations & Corporate Finance, IT & eHealth, Building & Infrastructure
- *Prof. Dr. Bernd Griewing* (CMO) – Medical Board, Innovation & Network Medicine, Quality, Hygiene & Patient Safety
- *Martin Menger* (COO) – Procurement, Logistic & Service, Post Merger Integration, Bad Berka and Frankfurt/Oder

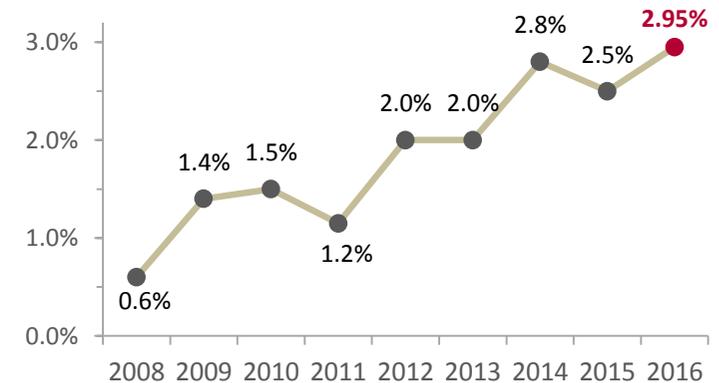
First impetus from 2016 pricing ...

- **+2.95%** as initial **DRG inflator** for 2016
- Actual state base rates to be negotiated in Q1
- In Q2-Q3 usual volume negotiations with discounts on additional volumes for each hospital

... and update on regulation

- Adjusted and agreed draft law (KHS^G*) published in October
- 3-year fixed-cost discount replaces discounts on additional volumes
- Extra charge for maintenance of 0.8% redirected into extra charge for nursing (€ 500m)
- No general surcharge for university hospitals; additional efforts should be reimbursed individually

General wage sum increase as main reference number for price negotiations (initial DRG inflator)



GUIDANCE FY 2015

- **Group revenues** € 1,080m to 1,120m ✓
- **EBITDA** € 145m to 155m ✓

**FULLY
CONFIRMED**

* Krankenhausstrukturgesetz (Hospital Structure Act)

FY 2016

- **February 26, 2016** Preliminary results for financial year 2015
- **April 15, 2016** Press conference: publication of annual financial report 2015
- **May 6, 2016** Publication of interim report for the quarter ending March 31, 2016
- **June 8, 2016** Annual General Meeting (Jahrhunderthalle Frankfurt)
- **August 4, 2016** Publication of the half-year financial report as of June 30, 2016
- **November 4, 2016** Publication of interim report for the quarter ending Sept 30, 2016

All dates could be subject to modification

Contact

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Federal Level 1

Layer

Total hospital system budget

- Wage sum increase as main reference number for DRG inflation in 2016: **+2.95** (2015: 2.53%)
- Sector-specific cost index **+1.57%**

State Level 2

Layer

Base rates and case-mix volume for each state

- Negotiations between hospital association and statutory health insurance funds
- Effective price hike depends on regional distribution
- 2015 special event in Hesse with high discounts and base rate increase only at +1.08%

Hospital Level 3

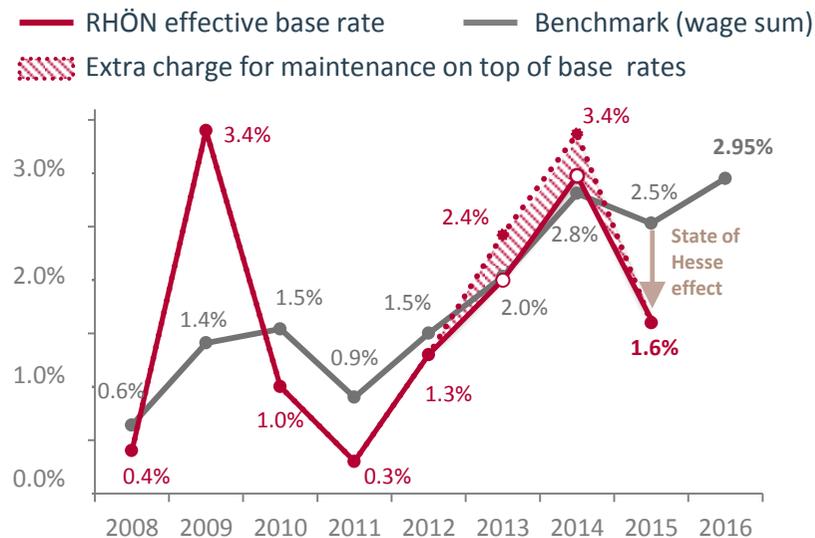
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Individual hospital volume and reimbursement

- Negotiation of volume “budgets” between clinic and health insurance funds (H2 2014)
- Based on volumes of preceding year, additional volumes have to be agreed
- Volumes outside the budget reimbursed at only 35%; **additional volumes inside the budget reimbursed at 75% for three years**

Average base rate increase in states with RHÖN hospitals

(weighted by RHÖN case mix)



Reimbursement in % of base rate

