

INTERIM REPORT

Q1 – Q3 2015

CONTENTS

LETTER TO SHAREHOLDERS1
THE RHÖN-KLINIKUM SHARE3
INTERIM GROUP MANAGEMENT REPORT5
CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT.....16
KEY FIGURES41
FINANCIAL CALENDAR44

LETTER TO SHAREHOLDERS

Dear Shareholders,

Again in the third quarter of the current financial year we are working all out to press ahead with our strategy – whether through investment in the buildings and medical equipment of our clinics, or through the ongoing intensive cross-linking of our medical and nursing staff. Our focus is on coordinating our existing competencies, generating synergies and improving the effectiveness of our expertise for all clinics and their patients. The drivers of these plans are, in addition to the Medical Board, numerous initiatives such as a new group-wide database of our specialists and competencies.

Despite all the challenges in our regulated market environment, we see ourselves well-equipped for the future. We are aggressively examining prospects for growth – both organically and through acquisition. We are in a position both financially and structurally to make suitable acquisitions to usefully augment our portfolio whenever the opportunity arises. Against this background the acquisition and integration of the Bad Neustadt District Clinic fits perfectly with our strategy. The project is an important component in our regional healthcare plan, through which the primary beneficiaries of our innovation and performance will be the patients of our network of clinics.

In the medium term it is also about the practical implementation of our campus concept, which in principle can be regarded as the provision of a comprehensive medical and care service within a region. There are a variety of inpatient and outpatient services on the campus that are linked together logistically and architecturally. These include a full-service hospital offering wide-ranging inpatient care, services for and provided by doctors in private practice, the conceptually rational extension to the medical care centre and many others. As a result, it is possible to offer a unified and comprehensive offer that comprises medical

services, social support and long-term residential and nursing areas.

We are convinced that our campus concept will become an attractive blueprint and – with regional adaptations – will also develop momentum for our company growth targets.

On 8 October 2015 – at the end of the reporting period but before publication of this quarterly report – we completed our second share repurchase programme. On the reporting date the public purchase offer of a total of 6,519,390 RHÖN-shares was accepted at a price of € 25.54 per share. This represents approximately 9% of the total share capital issued on the reporting date and approximately 90% of the share volume offered with this programme for the repurchase of 10% of our share capital. The volume amounted to around € 167 million. After last year's first share repurchase with subsequent capital reduction we also judge the second share repurchase as a success and further evidence of the confidence of our investors; once again with the adjusted balance sheet structure we take account of the requirements of a capital cost-oriented use of resources. At the same time we have created the conditions necessary to be able to dynamically exploit our development opportunities as they arise.

In the first nine months, a total of 569,978 patients were treated in the facilities of our group. The sales revenue totalled € 832.0 million. Earnings before interest, taxes and depreciation/amortisation (EBITDA) totalled € 117.3 million. Our operating business thus developed as planned. As a result of the restructuring of our portfolio through the transaction with Fresenius/Helios, these performance and business figures are not directly comparable with those of previous years.

For the current financial year we continue to expect revenues in the range of € 1.08 billion to € 1.12 billion and earnings before interest,

taxes and depreciation/amortisation (EBITDA) of between € 145 million and € 155 million. As in 2013 and 2014, one-off effects will also have an impact on the results in the current financial year in the low tens of millions of euros. They will affect the entire 2015 financial year and will partly offset each other. Regulatory interventions and the effects of the remaining settlement of the transaction with Fresenius/ Helios must also be taken into account in this regard.

In order to adequately represent our cutting-edge medical expertise at the organisational level, we are expanding the Board of Management. Prof. Dr. med. Bernd Griewing, Spokesman of the Medical Board and Medical Director of the Neurological Clinic in Bad Neustadt a.d. Saale, will join the Board as Chief Medical Officer on 1 January 2016, where he will be responsible for medical strategy and process and quality management.

After the summer recess the legislature in Berlin put down a revised and largely unopposed draft bill for the regulatory further development of inpatient care – the Krankenhausstrukturgesetz [Hospital Structure Act]. From 2017 a major innovation will see surplus proceeds replaced by a similarly structured fixed cost degression discount, the funds from the 0.8% service provision refund, around € 500 million, will be transferred into a Care and Health support programme, and from 2018 quality will be introduced for a stronger performance-related remuneration. It is not yet clear to what extent, and with which active

measures the latter will be implemented; regardless of that, with our medical services we consider ourselves to be very well placed to comply with whatever quality and minimum quantity standards are forthcoming.

Similarly, in the middle of September the rate of increase of the basic wage costs for 2016 was set at +2.95%. This statistical indicator is an essential dimension for the development of the annual compensation adjustment in the hospital and represents the highest value since the introduction of the DRG [diagnosis-related groups]. The concrete effects on the basis of our remuneration in 2016 can only be evaluated after the announcement of the relevant base rates for the individual federal states and after the passing of the Hospital Structure Act. Despite these very positive signals, there exists marked overcapacity in the domestic hospital market, which is being met on the part of the legislators with increased financial and regulatory pressure on all service providers.

As an innovative and successful hospital operator we are used to dealing with these challenges effectively and see ourselves continuing on a stable and sustainable course of growth.

Yours sincerely,

RHÖN-KLINIKUM Aktiengesellschaft

Signed

Dr. med. Dr. jur. Martin Siebert

Chairman of the Board of Management

THE RHÖN-KLINIKUM SHARE

In the third quarter of 2015 developments on the international stock markets were rather volatile. Among others the cause of uncertainty was the continuing discussion about the first rise in US interest rates since the financial crisis. In addition, the price slump in the Chinese stock markets, growing doubts about future growth in China as well as the crisis in the Volkswagen Group have had a negative impact. Despite the turbulence in the financial markets, the economic situation in Europe appears robust. In Germany despite the bad news and possible financial burdens caused by the influx of refugees, the Ifo Business Climate Index improved from 108.4 points in August to 108.5 points in September.

The leading German index DAX®, that reached an all time high of 12,375 points on 10 April 2015, fell by 11.7% in the third quarter, closing at 9,960 points on 30 September 2015. The MDAX® lost 1.8% and the DJ EuroSTOXX Healthcare index fell by 1.4%.



The RHÖN-KLINIKUM AG share outperformed the market in the course of the third quarter, rising 5.2% and ending the quarter with a closing price of € 25.31 (31 December 2014: € 23.20). The background to this positive development was probably company news about dividend policy and the 2015 share repurchase.

On 9 September 2015, RHÖN-KLINIKUM AG submitted its offer document for the 2015 share repurchase programme. According to this, up to 7,108,824 treasury shares are to be bought back upon payment of the offer price of € 25.54 per RHÖN share. The new share repurchase is expected to achieve a tax efficient distribution of a further portion from the transaction with Fresenius/Helios and a continuation of the adaptation of the balance sheet sum and structure to the focussed business model.

At the end of the third quarter, our market capitalisation after the share repurchase programme, including all 73.48 million non-par shares issued, stood at € 1.9 billion (31 December 2014: € 1.7 billion). In the MDAX® we thus ranked 49th by market capitalisation (31 December 2014: 45th).

RHÖN-KLINIKUM share		
ISIN	DE0007042301	
Ticker symbol	RHK	
	from 15 Oct. 2015	until 14 Oct. 2015
Registered share capital (€)	167,406,175	183,704,650
Number of shares	66,962,470	73,481,860
Share prices (€)	1 Jan.-30 Sept. 2015	1 Jan.-31 Dec. 2014
Closing price	25.31	23.20
High	26.01	24.78
Low	22.02	21.62
	30 Sept. 2015	31 Dec. 2014
Market capitalisation (€ m)	1,859.83	1,704.78

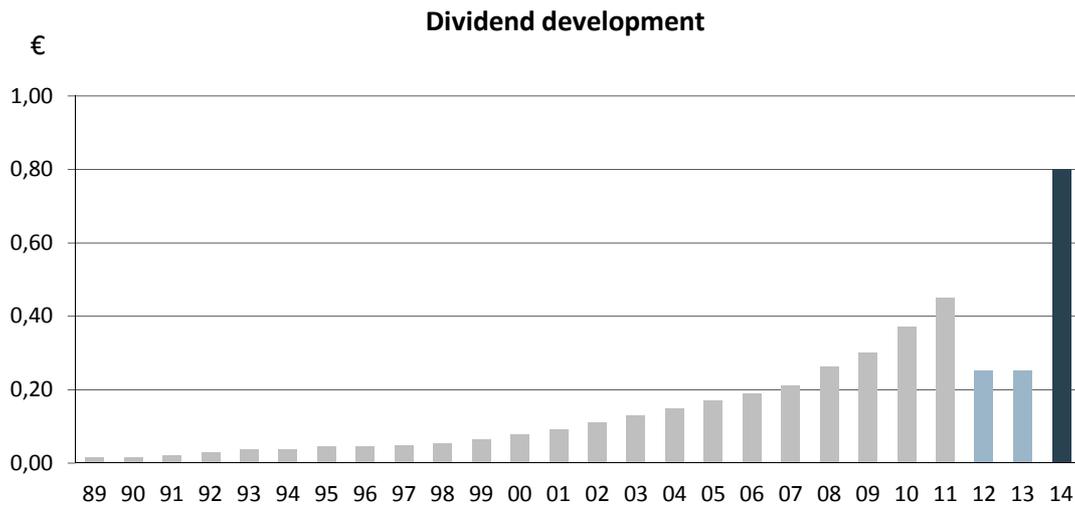
The public offer for the 2015 share repurchase ran from 11 September to 8 October 2015. Up to the reporting date, the public purchase offer had been accepted for a total of 6,519,390 RHÖN-shares. This corresponds to approximately 9% of the total share capital issued on the reporting date (calculated without the deduction of the 24,000 treasury shares). The recall of the shares bought back due to the public offer was completed on 15 October 2015. This reduced the share capi-

tal of the company to € 167,406,175.00 divided into 66,962,470 no-par bearer shares.

The preliminary results for financial year 2015 will be presented on 26 February 2016. The Results Press Conference for publication of the 2015 Annual Financial Report will be held on

15 April 2016. The Annual General Meeting will be held on 8 June 2016.

A financial calendar is provided at the end of this Report as well as on our website at www.rhoen-klinikum-ag.com under the section "Investors".



2014 financial year: Decision of the Annual General Meeting on 10 June 2015

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

INTERIM GROUP MANAGEMENT REPORT

REPORT ON THE THIRD QUARTER AND THE FIRST NINE MONTHS OF FINANCIAL YEAR 2015

- We are fully in line with our schedule and forecast: in the first three quarters of the financial year 2015 we generated revenues of € 832.0 million, an EBITDA of € 117.3 million and a consolidated result of € 66.0 million.
- A total of 569,978 patients were treated in our hospitals and medical care centres (MVZ) in the first nine months of 2015.
- Successful completion of the second tranche of our share repurchase programme on 8 October 2015: on the reporting date the public purchase offer of a total of 6,519,390 shares was accepted at a price of € 25.54 per share.
- As a consequence of the restructuring of our portfolio, the performance and business figures for the first nine months of the financial year 2015 are not comparable with those of the previous year.

BASIC PRINCIPLES OF THE RHÖN-KLINIKUM GROUP

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

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

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

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

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

CORPORATE GOVERNANCE

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

New elections to the Supervisory Board took place at the annual general meeting on 10 June 2015. Mr. Eugen Münch was re-elected as chairman of the Supervisory Board. The existing 1st deputy chairman, Mr. Joachim Lüddecke, left the Supervisory Board. Mr Georg Schulze-Ziehaus was elected as the 1st deputy chairman.

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

The notifications pursuant to section 21 et seq. of the German Securities Trading Act (Wertpapierhandelsgesetz, WpHG) that we received in the first nine months of financial year 2015 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 and 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 and on our website.

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

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

ECONOMIC REPORT

MACROECONOMIC AND SECTOR-SPECIFIC CONDITIONS

The current Business Climate Index for the month of September 2015 has shown a rise for the third month in succession. The recent strong upward trend of overall economic activity in Germany continued in the third quarter. The continuing increase in employment and the growing expenditure of private households due to significant growth in personal incomes ensures strong consumer demand, which will also further boost domestic demand.

The economic upturn in Germany is stable but modest. For the current year economists are expecting gross domestic product to increase from 1.7% to 1.8%.

The labour market continues to be very robust. The unemployment rate in September as calculated by the Federal Employment Agency was 6.2%. In June 2015 it was also 6.2%. The early advance labour market indicators assume that the favourable development of the labour market will continue for the rest of the year. Support for this assumption is provided by the upward trend of the demand for labour as measured by the Federal Employment Agency's job index (BA-X), that has now persisted for 12 months. This is making itself felt particularly in industries in the service sector.

The year-on-year change in the consumer prices index in September 2015 as determined by the Federal Statistical Office, remained at

0.0% as the previous year. Compared to the previous month, the consumer prices index showed a slight fall of 0.2%.

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

The remuneration paid to hospitals is currently subject to a price increase based on the so-called "orientation value". This is ascertained by the Federal Statistical Office (Destatis) from the trends in various cost components, and it determines the scope that is available for adjusting the prices charged for hospital services. Originally, it was intended to completely replace the rate of change in basic income (Grundlohnrate) as the assessment basis. Under the new provisions however, the orientation value is compared with the rate of change in basic income, with the higher value being applied. The higher value for 2015 is the basic income rate with a change of +2.53%. In the middle of September 2015 the basic income rate for the financial year 2016 was set with a change of +2.95%.

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

sumptions of 2.0% to 3.0% for personnel expenses and a capped price increase rate included in the state base rates, earnings will have to cope with further charges that will have to be offset accordingly.

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

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

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

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

BUSINESS PERFORMANCE OF THE FIRST NINE MONTHS

Overall statement on economic position

January to September	2015 € m	2014 € m	Change € m %	
Revenues	832.0	1,237.4	-405.4	-32.8
EBITDA	117.3	1,390.5	-1,273.2	-91.6
EBIT	72.3	1,327.5	-1,255.2	-94.6
EBT	69.9	1,247.1	-1,177.2	-94.4
Operating cash flow	110.8	1,289.1	-1,178.3	-91.4
Consolidated profit	66.0	1,226.6	-1,160.6	-94.6

Due to the restructuring of our portfolio as a result of the transaction with Fresenius/ Helios, our business and performance figures are comparable with those of the same period last year only to a limited extent. One-off effects in the previous year that were also basically caused by the transaction also had an impact.

As a result of the sale of hospitals, medical care centres and other associated holdings to Fresenius/Helios (included in last year's consolidated interim financial statements based on two months of business activity) – accompanied by income realised in the previous year's period of € 1,331.3 million – compared to the first nine months of the 2014 financial year we have experienced a decline in EBITDA of € 1,273.2 million to € 117.3 million, a decline in EBIT of € 1,255.2 million to € 72.3 million, and a decline in consolidated profit of € 1,160.6 million to € 66.0 million.

Furthermore, operating results were burdened by the disproportionate development in base rates for the federal states in comparison to the hospital-specific costs and the continuing divergence between revenues and costs.

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

The first nine months of the financial year 2015 were dominated by the practical implementation and further development of the strategic restructuring with a concentration on full service and academic medical services. We are continuing to make great efforts to ensure that RHÖN-KLINIKUM AG makes constant progress as an high-performance, homogeneous group with a total of ten hospitals at five locations. All facilities are characterised by the dovetailing of health care, research and teaching, as well as high levels of medical care and nursing quality. At the same time, we are continuing to live up to our claim to be a pioneer of innovative developments going forward and a dynamic influence on the health industry.

Performance Development

	Clinics	Beds
As at 31 December 2014	10	5,227
Change in capacities	-	-13
As at 30 September 2015	10	5,214

As at 30 September 2015, our consolidated financial statement included ten clinics with 5,214 beds/places at a total of five sites in four federal states. With a balance of 13 approved beds, there have been only minor changes in planned available bed numbers since 31 December 2014 at our acute inpatient facilities. This is in accordance with the respective requirements plans in the individual federal states.

In the first nine months of 2015 we expanded our outpatient capacity by 6.00 specialist medical practices. As at 30 September 2015, we operate seven MVZ (medical care centres) with a total of 35.75 specialist practices:

	Medical care centres	Specialist practices
As at 31 December 2014*	7	29.75
Opened/acquired		
Various sites	-	6.00
Disposals		
Various sites	-	-
As at 30 September 2015	7	35.75

* including Bad Neustadt medical care centre.

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

January to September	2015	2014	Change absolute	%
Inpatient and day-case treatments at our acute hospitals rehabilitation hospitals and other facilities	153,152	277,409	-124,257	-44.8
	4,383	5,319	-936	-17.6
	157,535	282,728	-125,193	-44.3
Outpatient attendances at our acute hospitals medical care centres	332,055	486,323	-154,268	-31.7
	80,388	276,222	-195,834	-70.9
	412,443	762,545	-350,102	-45.9
Total	569,978	1,045,273	-475,295	-45.5

In the first nine months of financial year 2015, a total of 569,978 patients (down by 475,295 patients or 45.5%) were treated in the Group's hospitals and MVZ. The decline in patient numbers is connected with the sale of companies to Fresenius/Helios in the first nine months of the year. 26.3% of the decline relates to inpatient and semi-inpatient treatment, and 73.7% to outpatient treatments.

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

January to September	2015	2014
Per-case revenue		
inpatient (€)	4,880	4,049
outpatient (€)	153	122

Earnings Performance

January to September	2015 € m	2014 € m	Change € m	%
Income				
Revenues	832.0	1,237.4	-405.4	-32.8
Other income	132.0	122.9	9.1	7.4
Total	964.0	1,360.3	-396.3	-29.1
Expenditure				
Materials and consumables used	238.8	341.2	-102.4	-30.0
Employee benefits expense	526.7	785.7	-259.0	-33.0
Other expenses	81.2	174.2	-93.0	-53.4
Total	846.7	1,301.1	-454.4	-34.9
Result from deconsolidation of subsidiaries	-	1,331.3	-1,331.3	-100.0
EBITDA	117.3	1,390.5	-1,273.2	-91.6
Depreciation/amortisation and impairment	45.0	63.0	-18.0	-28.6
EBIT	72.3	1,327.5	-1,255.2	-94.6
Finance result	2.4	80.4	-78.0	-97.0
EBT	69.9	1,247.1	-1,177.2	-94.4
Income taxes	3.9	20.5	-16.6	-81.0
Consolidated profit	66.0	1,226.6	-1,160.6	-94.6

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

associated investments, compared to the first nine months of the 2014 financial year we have recorded

- a decline in EBITDA of € 1,273.2 million to € 117.3 million,
- a decline in EBIT of € 1,255.2 million to € 72.3 million and
- a decline in consolidated profit of € 1,160.6 million to € 66.0 million.

In the first quarter of 2015 we managed to reach an agreement with Deutsche Rentenversicherung [German statutory pension insurance] concerning the level of social insurance contributions demanded. The concluded agreement settles all possible back-dated demands. The provision created for this purpose was used up and reversed with an amount of € 19.7 million recognised under other income. Furthermore, provisions to cover legal and tax risks associated with the sale of companies were able to be reversed to income with an amount of € 7 million recognised under other income.

January to September	2015 %	2014 %
Materials ratio	28.7	27.6
Personnel ratio	63.3	63.5
Other expense ratio	9.8	14.0
Depreciation and amortisation ratio	5.4	5.1
Finance result ratio	0.3	6.5
Effective tax ratio	0.5	1.7

Compared with the same period last year – mainly due to the sale of companies in that period – materials and consumables used in the first nine month of 2015 decreased by € 102.4 million or 30.0% to € 238.8 million (previous year: € 341.2 million). The materials ratio rose from 27.6% to 28.7% owing to the use of articles entailing higher material costs at our cutting-edge medical facilities.

The employee benefits expense and other expenses declined compared with the first nine months of 2014, likewise as a result of the sale of companies in the same period in the previous year. Whilst the employee benefits expense declined by € 259.0 million or 33.0%, we have recorded a decline of € 93.0 million or 53.4% in other expenditures. The

personnel ratio declined slightly from 63.5% to 63.3%, and the other expenses ratio fell from 14.0% to 9.8%.

The depreciation item declined compared with the first nine months of the 2014 financial year by € 18.0 million or 28.6% to € 45.0 million. The main cause of this is the full impairment on the PTZ GmbH building which was recorded with an amount of € 16.2 million in the second quarter of 2014. This impairment related to the completion of the particle therapy facility at the university hospital in Marburg and to contractual terms and conditions for the purchase and operation of the facility.

Compared with the same period last year, in the first nine months of 2015 we recorded a fall in our negative finance result by € 78.0 million to € 2.4 million. The reduction results from the repayment of financial debts and associated early prepayment penalties. Moreover, mark-up amounts from the capital reduction and from a long-term loan to Marburger Ionenstrahl-Therapie Betriebsgesellschaft des Universitätsklinikums Heidelberg were recorded in the finance result of the previous year, which increased costs.

Our net liquidity is calculated as follows:

	30 Sept. 2015	31 Dec. 2014
	€ m	€ m
Cash and cash equivalents (current)	477.3	695.4
Time deposits (current)	210.0	0.0
Cash and cash equivalents, time deposits	687.3	695.4
Current financial liabilities	146.2	4.5
Non-current financial liabilities	10.0	152.9
Finance lease liabilities	1.5	1.9
Financial liabilities	157.7	159.3
Net liquidity	529.6	536.1

Compared with the same period in the previous year, the income tax expense item at an unchanged rate of taxation declined by € 16.6 million to € 3.9 million due to the sale of companies (previous year: € 20.5 million).

Compared with the first nine months of the 2014 financial year, consolidated profit decreased by € 1,160.6 million to € 66.0 million (previous year: € 1,226.6 million).

Compared with the same period last year, non-controlling interests in profit declined due to transactions by € 1.0 million to € 1.5 million (previous year: € 2.5 million).

The interest of RHÖN-KLINIKUM AG shareholders in profit for the first nine months of 2015 fell by € 1,159.7 million compared with the same period last year to € 64.4 million. The interest in profit of the shareholders corresponds to earnings per share according to IAS 33 (undiluted, diluted) of € 0.88 (previous year: € 8.86).

The total comprehensive income (sum of consolidated profit and other comprehensive income) in the first nine months of financial year 2015 stood at € 66.0 million (previous year: € 1,247.5 million). While positive changes in our financial instruments of € 20.9 million (after taxes) were directly offset in the previous year against the equity, no market value changes for our financial instruments were recognised directly in equity in the first nine months of the current financial year, as these were reversed as a result of the repayment of the respective underlying transaction in the 2014 financial year.

Net assets and financial position

	30 Sept. 2015		31 Dec. 2014	
	€ m	%	€ m	%
ASSETS				
Non-current assets	836.9	47.2	846.5	46.9
Current assets	937.8	52.8	957.8	53.1
	1,774.7	100.0	1,804.3	100.0
EQUITY AND LIABILITIES				
Equity	1,072.3	60.4	1,248.9	69.2
Non-current liabilities	35.3	2.0	178.2	9.9
Current liabilities	667.1	37.6	377.2	20.9
	1,774.7	100.0	1,804.3	100.0

Compared with the balance sheet date of 31 December 2014, the balance sheet total decreased by € 29.6 million or 1.6% to € 1,774.7 million. The decline mainly results from the dividend payout to shareholders and non-controlling interests.

We financed our equity-financed investments amounting to € 33.1 million entirely from operating cash flow of € 110.8 million generated in the first nine months of the year.

As a result of the adopted share repurchase and the adopted capital reduction, the equity capital ratio reported a decline compared with the last reporting date, from 69.2% to 60.4%.

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

Equity	2015		
	Share-holders € m	Non-controlling interests € m	Total € m
As at 1 January	1,228.5	20.4	1,248.9
Equity capital transactions with owners	-240.8	-1.7	-242.5
Total comprehensive income for the period	64.4	1.5	65.9
Other changes	-	-	-
As at 30 September	1,052.1	20.2	1,072.3

As at 30 September 2015, equity stands at € 1,072.3 million (31 December 2014: € 1,248.9 million). The € 176.6 million decline in equity compared with the balance sheet date of 31 December 2014 results from € 182.1 million from the completed share repurchase and associated capital reduction and € 60.5 million of dividends paid to shareholders and non-controlling interests compared to a consolidated profit for the first nine months of 2015 of € 66.0 million.

Non-current assets are financed mathematically at 132.3% (31 December 2014: 168.6%) fully congruently in terms of maturity by equity and long-term debts. As at 30 September 2015, net debt to banks – including finance lease liabilities – was € 0.0 million (31 December 2014: € 0.0 million).

Compared with the same period last year, operating cash flow calculated from consolidated profit plus depreciation/amortisation and net of/plus other non-operating items (balance of profits and losses from disposals of assets and expenditure resulting from the market valuation of derivatives), declined by € 1,178.3 million to € 110.8 million due to the sale of companies to Fresenius/Helios in the 2014 financial year (previous year: € 1,289.1 million).

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

January to September	2015 € m	2014 € m
Cash generated from operating activities	45.5	32.1
Cash used in/generated from investing activities	-203.0	2,877.8
Cash used in financing activities	-60.5	-714.7
Change in cash and cash equivalents	-218.0	2,195.2
Cash and cash equivalents at 1 January	695.3	116.8
Cash and cash equivalents at 30 September	477.3	2,312.0
of which cash and cash equivalents held for sale as at 30 September	-	1.6
of which cash and cash equivalents not held for sale at 30 September	477.3	2,310.4

The change in cash and cash equivalents is mainly determined in the investments area by the transaction with Fresenius/Helios, predominantly as a result of cash inflows of € 41.2 million from the sale of the companies and the investment of fixed-term deposits amounting to € 210.0 million. In addition, in the field of financing activities, outflows of funds amounting to € 60.5 million due to dividends paid to shareholders and non-controlling interests had an impact.

Investments

Aggregate investments in the first nine months of 2015 of € 40.7 million (previous year: € 50.0 million) are broken down as follows:

	Use of		
	Gov't grants € m	Own funds € m	Total € m
Current capital expenditure	7.6	31.9	39.5
Takeovers	0.0	1.2	1.2
Total	7.6	33.1	40.7

Of these investments made in the first nine months, € 7.6 million (previous year: € 17.5 million) was attributable to investments funded from grants under the Hospital Financing Act (KHG) and deducted from total investments pursuant to the relevant provisions of IFRS.

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

	€ m
Giessen, Marburg	13.8
Bad Neustadt a. d. Saale	13.1
Bad Berka	3.5
Frankfurt (Oder)	1.5
Total	31.9

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

Employees

Employees	30 Sept. 2015	31 Dec. 2014	Change	
			absolute	%
Clinics	13,994	14,081	-87	-0.6
Medical care centres	168	107	61	57.0
Service companies	1,426	1,414	12	0.8
Total	15,588	15,602	-14	-0.1

On 30 September 2015, the Group employed 15,588 persons (31 December 2014: 15,602).

BUSINESS PERFORMANCE OF THE THIRD QUARTER

July to September	2015	2014	Change	
	€ m	€ m	€ m	%
Revenues	276.6	278.3	-1.7	-0.6
EBITDA	33.5	36.1	-2.6	-7.2
EBIT	18.5	20.7	-2.2	-10.6
EBT	17.3	12.9	4.4	34.1
Operating cash flow	31.1	28.1	3.0	10.7
Consolidated profit	16.2	12.8	3.4	26.6

Due to the sale of companies in the third and fourth quarters of the previous year, the EBITDA and EBIT performance figures for the third quarter of the current financial year show a slight decline compared to the same period in the previous year. The repayment of financial liabilities has had an opposite effect, which in the third quarter of the financial year 2015 led to an improved finance result and thus to an increase of EBT and consolidated profit. Furthermore, one-off mark-up amounts from the capital reduction and from a long-term loan of € 6.1 million to Marburger Ionenstrahl-Therapie Betriebsgesellschaft des Universitätsklinikums Heidelberg had a negative impact. The third quarter of 2015 is there-

fore only comparable to the third quarter of the previous year to a limited degree.

REPORT ON EVENTS AFTER THE BALANCE SHEET DATE

In accordance with agenda item 4 of the AGM of 12 June 2014 and with the consent of the Audit Committee of the Supervisory Board, the Board of Management of RHÖN-KLINIKUM AG resolved to issue a public repurchase offer outside of the stock market for up to 7,108,824 shares. On 9 September 2015 the RHÖN-KLINIKUM AG published the offer document for its public offer to buy back up to 7,108,824 treasury shares (second tranche) upon payment of the offer price of € 25.54 per share. The share repurchase began on 11 September 2015 and ended on 8 October 2015. Up to the reporting date, the public purchase offer had been accepted for a total of 6,519,390 RHÖN-shares. The payment of the purchase price of € 166.5 million for which the repurchase offer was accepted, took place on 13 October 2015. At the reporting date of 30 September 2015 the maximum obligation of € 182.1 million was accounted for in accordance with IAS 32.23 and IFRIC 2.10.

In order to adequately represent our cutting-edge medical expertise at the organisational level, the Board of Management of RHÖN-KLINIKUM AG is being expanded. Prof. Dr. med. Bernd Griewing, Spokesman of the Medical Board and Medical Director of the Neurological Clinic in Bad Neustadt a. d. Saale, will join the Board as Chief Medical Officer on 1 January 2016, where he will be responsible for medical strategy and process and quality management.

RISKS AND OPPORTUNITIES

Like any other company, RHÖN-KLINIKUM AG is exposed to various sources of uncertainty. As a health services provider, we deal with an extremely complex risk landscape. Factors, such as the general regulatory and statutory

conditions, increasing costs, competitive and consolidation pressure within the sector, or the increasing demands of patients, not only open up opportunities, they also contain risks.

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

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

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

With regard to the trend in prices, the hospitals sector is characterised by its regulated remuneration system. For several years now this is also what has been giving rise to the widening gap between revenues and costs which has been affecting the operating side and is exerting higher external economic pressures on all market participants. Major discounts of up to 65% have to be accepted according to the statutory provisions if expanded services are provided – regardless of whether they have been agreed or not. According to the current legal situation, over the next three years hospitals will have to accept the so-called additional services discount of 25% for services that are agreed with health insurance providers. Nor will the future

Krankenhausstrukturgesetz (KHSKG) provide any relief for hospitals in this regard.

At the same time, costs are increasing, both in the personnel and materials field. These cost trends significantly exceed increases in remuneration. In this regard the Act Removing Excessive Social Burdens in Contribution Liabilities in Health Insurance (Gesetz zur Beseitigung sozialer Überforderung bei Beitragsschulden in der Krankenversicherung, KVBeitrSchG) does not change anything from a structural standpoint.

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

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

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

In our forward-looking projects we also pay particular attention to improved patient management. We are therefore developing diagnostic and therapeutic procedures in our hospitals which are intended to further enhance patient care. The web-based electronic patient file that we have developed plays an im-

portant role in terms of interdisciplinary networking and efficient communication between different facilities. This enables duplicated investigations and prescriptions – or even adverse interactions between new and already prescribed medicines – to be avoided.

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

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

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

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

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

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

FORECAST

RHÖN-KLINIKUM AG will continue to strive to make continuous progress as a high-performing, homogeneous group with a total of ten excellent hospitals at five locations; all the facilities are characterised by a close interlinking of health care, research and teaching, as well as the high quality of the medical and nursing care provided. At the same time, we will live up to our claim to continue to be a pioneer of innovative developments and a dynamic influence on the health industry in the future.

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

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

For the current 2015, financial year – the first full financial year with the restructured portfolio – the company expects revenues in the range of € 1.08 billion to € 1.12 billion and earnings before interest, taxes and depreciation/amortisation (EBITDA) of between € 145 million and € 155 million. As previously in 2013 and 2014, one-off effects are also influencing the results in the current financial year, even if they are not as large as in the two previous years. These respective positive and

negative special impacts are in the low tens of millions; they will have an incremental affect throughout the 2015 financial year and will partly offset each other over the course of it. Regulatory interventions, developments in dealing with larger legal charges, and possible positive effects from the recognition of the

remaining settlement of the transaction with Fresenius/Helios have to be taken into account in this regard. Of course, our outlook is subject to any regulatory interventions that may affect the remuneration structure over the remaining course of the year.

Bad Neustadt a. d. Saale, 5 November 2015

RHÖN-KLINIKUM Aktiengesellschaft
THE BOARD OF MANAGEMENT

Martin Menger

Jens-Peter Neumann

Dr. Dr. Martin Siebert

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENT

CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, JANUARY TO SEPTEMBER17

CONSOLIDATED INCOME STATEMENT AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, JULY TO SEPTEMBER.....18

CONSOLIDATED BALANCE SHEET AT 30 SEPTEMBER 201519

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY20

CONSOLIDATED STATEMENT OF CASH FLOWS21

CONDENSED NOTES22

Consolidated Income Statement and Consolidated Statement of Comprehensive Income, January to September

January to September	2015		2014	
	€ '000	%	€ '000	%
Revenues	831,972	100.0	1,237,426	100.0
Other income	132,071	15.9	122,921	9.9
	964,043	115.9	1,360,347	109.9
Materials and consumables used	238,800	28.7	341,251	27.6
Employee benefits expense	526,705	63.3	785,661	63.5
Other expenses	81,191	9.8	174,194	14.0
	846,696	101.8	1,301,106	105.1
Result from deconsolidation of subsidiaries	-	-	1,331,296	107.6
Interim result (EBITDA)	117,347	14.1	1,390,537	112.4
Depreciation/amortisation and impairment	45,088	5.4	63,069	5.1
Operating result (EBIT)	72,259	8.7	1,327,468	107.3
Finance expenses	5,202	0.6	85,556	6.9
Finance income	2,872	0.3	5,180	0.4
Finance result	2,330	0.3	80,376	6.5
Earnings before taxes (EBT)	69,929	8.4	1,247,092	100.8
Income taxes	3,959	0.5	20,443	1.7
Consolidated result	65,970	7.9	1,226,649	99.1
of which				
Non-controlling interests	1,539	0.2	2,497	0.2
Shareholders of RHÖN-KLINIKUM AG	64,431	7.7	1,224,152	98.9
Earnings per share in €				
undiluted	0.88		8.86	
diluted	0.88		8.86	

January to September	2015	2014
	€ '000	€ '000
Consolidated result	65,970	1,226,649
of which		
Non-controlling interests	1,539	2,497
Shareholders of RHÖN-KLINIKUM AG	64,431	1,224,152
Change in fair value of derivatives used for hedging purposes	0	24,786
Income taxes	0	-3,922
Other comprehensive income (cash flow hedges) subsequently reclassified to income statement if certain conditions are met	0	20,864
Revaluation of defined benefit pension plans	0	0
Income taxes	0	0
Other comprehensive income (revaluation of pension plans) not subsequently reclassified to income statement	0	0
Other comprehensive income *	0	20,864
of which		
Non-controlling interests	0	0
Shareholders of RHÖN-KLINIKUM AG	0	20,864
Total comprehensive income	65,970	1,247,513
of which		
Non-controlling interests	1,539	2,497
Shareholders of RHÖN-KLINIKUM AG	64,431	1,245,016

* Total value changes recognised directly in the equity.

Consolidated Income Statement and Consolidated Statement of Comprehensive Income, July to September

July to September	2015		2014	
	€ '000	%	€ '000	%
Revenues	276,617	100.0	278,312	100.0
Other income	39,839	14.4	36,497	13.1
	316,456	114.4	314,809	113.1
Materials and consumables used	80,884	29.2	80,076	28.8
Employee benefits expense	175,291	63.4	179,234	64.4
Other expenses	26,773	9.7	30,756	11.0
	282,948	102.3	290,066	104.2
Result from deconsolidation of subsidiaries	-	-	11,339	4.1
Interim result (EBITDA)	33,508	12.1	36,082	13.0
Depreciation/amortisation and impairment	15,058	5.4	15,373	5.6
Operating result (EBIT)	18,450	6.7	20,709	7.4
Finance expenses	2,000	0.7	9,757	3.5
Finance income	880	0.3	1,911	0.7
Finance result	1,120	0.4	7,846	2.8
Earnings before taxes (EBT)	17,330	6.3	12,863	4.6
Income taxes	1,084	0.4	107	0.0
Consolidated result	16,246	5.9	12,756	4.6
of which				
Non-controlling interests	396	0.1	447	0.2
Shareholders of RHÖN-KLINIKUM AG	15,850	5.8	12,309	4.4
Earnings per share in €				
undiluted	0.22		0.09	
diluted	0.22		0.09	

July to September	2015	2014
	€ '000	€ '000
Consolidated result	16,246	12,756
of which		
Non-controlling interests	396	447
Shareholders of RHÖN-KLINIKUM AG	15,850	12,309
Change in fair value of derivatives used for hedging purposes	0	0
Income taxes	0	0
Other comprehensive income (cash flow hedges) subsequently reclassified to income statement if certain conditions are met	0	0
Revaluation of defined benefit pension plans	0	0
Income taxes	0	0
Other comprehensive income (revaluation of pension plans) not subsequently reclassified to income statement	0	0
Other comprehensive income *	0	0
of which		
Non-controlling interests	0	0
Shareholders of RHÖN-KLINIKUM AG	0	0
Total comprehensive income	16,246	12,756
of which		
Non-controlling interests	396	447
Shareholders of RHÖN-KLINIKUM AG	15,850	12,309

* Total value changes recognised directly in the equity.

Consolidated Balance Sheet at 30 September 2015

	30 September 2015		31 December 2014	
	€ '000	%	€ '000	%
ASSETS				
Non-current assets				
Goodwill and other intangible assets	164,038	9.2	163,736	9.1
Property, plant and equipment	650,661	36.7	663,205	36.8
Investment property	2,948	0.2	3,054	0.2
Income tax assets	2,354	0.2	4,576	0.2
Other financial assets	16,539	0.9	11,675	0.6
Other assets	345	0.0	267	0.0
	836,885	47.2	846,513	46.9
Current assets				
Inventories	20,601	1.2	21,830	1.2
Trade receivables	190,115	10.7	169,681	9.4
Other financial assets	231,241	13.0	56,385	3.1
Other assets	13,682	0.7	8,905	0.5
Current income tax assets	4,859	0.3	5,607	0.3
Cash and cash equivalents	477,303	26.9	695,390	38.6
	937,801	52.8	957,798	53.1
	1,774,686	100.0	1,804,311	100.0

	30 September 2015		31 December 2014	
	€ '000	%	€ '000	%
EQUITY AND LIABILITIES				
Equity				
Issued share capital	165,933	9.4	183,705	10.2
Capital reserve	575,641	32.4	557,869	30.9
Other reserves	310,578	17.5	487,045	27.0
Treasury shares	-76	0.0	-76	0.0
Equity attributable to shareholders of RHÖN-KLINIKUM AG	1,052,076	59.3	1,228,543	68.1
Non-controlling interests in equity	20,227	1.1	20,381	1.1
	1,072,303	60.4	1,248,924	69.2
Non-current liabilities				
Financial liabilities	10,000	0.6	152,881	8.5
Deferred tax liabilities	736	0.0	770	0.0
Provisions for post-employment benefits	1,031	0.1	814	0.0
Other financial liabilities	17,399	1.0	17,310	1.0
Other liabilities	6,135	0.3	6,406	0.4
	35,301	2.0	178,181	9.9
Current liabilities				
Financial liabilities	146,168	8.2	4,540	0.2
Trade payables	77,031	4.4	89,598	5.0
Current income tax liabilities	545	0.0	2,325	0.1
Other provisions	146,855	8.3	176,620	9.8
Other financial liabilities	207,648	11.7	24,926	1.4
Other liabilities	88,835	5.0	79,197	4.4
	667,082	37.6	377,206	20.9
	1,774,686	100.0	1,804,311	100.0

Consolidated Statement of Changes in Equity

	Issued share capital	Capital reserve	Retained earnings	Cash flow hedges (OCI)	Treasury shares	Equity attributable to shareholders of RHÖN-	Non- controlling interests in equity ¹	Equity
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
As at 31 Dec. 2013/1 Jan. 2014	345,580	395,994	924,323	-20,864	-76	1,644,957	21,730	1,666,687
Equity transactions with owners								
Capital contributions	-	-	-	-	-	-	-	-
Capital payments	-	-	-	-	-	-	-	-
Share repurchase and capital reduction	-164,533	164,533	-1,654,781	-	-	-1,654,781	-	-1,654,781
Dividend payments	-	-	-34,552	-	-	-34,552	-	-34,552
Total comprehensive income	-	-	1,224,152	20,864	-	1,245,016	2,497	1,247,513
Other changes								
Changes in consolidated companies	-	-	-	-	-	-	-2,438	-2,438
As at 30 September 2014	181,047	560,527	459,142	0	-76	1,200,640	21,789	1,222,429
As at 31 Dec. 2014/ 1 Jan. 2015	183,705	557,869	487,045	-	-76	1,228,543	20,381	1,248,924
Equity transactions with shareholders								
Share repurchase and capital reduction	-17,772	17,772	-182,131	-	-	-182,131	-	-182,131
Dividend payments	-	-	-58,767	-	-	-58,767	-1,694	-60,461
Total comprehensive income	-	-	64,431	-	-	64,431	1,540	65,971
Other changes								
Changes in consolidated companies	-	-	-	-	-	-	-	-
As at 30 September 2015	165,933	575,641	310,578	0	-76	1,052,076	20,227	1,072,303

¹ Including other comprehensive income (OCI)

Consolidated Statement of Cash Flows

January to September	2015 € m	2014 € m
Earnings before taxes	69.9	1,247.1
Result from deconsolidation of subsidiaries	-	-1,331.3
	69.9	-84.2
Finance result	2.3	80.3
Depreciation/amortisation and impairment and gains/losses on disposal of assets	44.9	62.3
Non-cash developments of derivative financial instruments	-	0.1
	117.1	58.5
Changes in net current assets		
Change in inventories	1.2	2.7
Change in trade receivables	-20.3	-9.7
Change in other financial assets and other assets	-12.3	-28.0
Change in trade payables	-12.9	-6.3
Change in other net liabilities/Other non-cash transactions	11.4	61.7
Change in provisions	-29.5	-5.6
Income taxes paid	-2.8	-11.9
Interest paid	-6.4	-29.3
Cash generated from operating activities	45.5	32.1
Investments in property, plant and equipment and in intangible assets	-39.1	-66.3
Government grants received to finance investments in property, plant and equipment and in intangible assets	7.6	13.7
Investments in time deposits	-210.0	-
Loans to associated companies	-5.5	-12.2
Payments for the acquisition of associated companies	-	-43.6
Acquisition of subsidiaries, net of cash acquired	-1.4	-0.3
Sale of subsidiaries, net of cash disposed	41.2	2,963.4
Sale proceeds from disposal of assets	0.7	5.7
Interest received	3.5	5.2
Cash used in/generated from investing activities	-203.0	2,865.6
Repayment of financial liabilities	-	-603.9
Acceleration fee of financial liabilities	-	-61.6
Dividend payments to shareholders of RHÖN-KLINIKUM AG	-58.8	-34.6
Payments to non-controlling interests in equity	-1.7	-2.4
Cash used in financing activities	-60.5	-702.5
Change in cash and cash equivalents	-218.0	2,195.2
Cash and cash equivalents at 1 January	695.3	116.8
Cash and cash equivalents at 30 September	477.3	2,312.0
of which cash and cash equivalents held for sale at 30 September	-	1.6
of which cash and cash equivalents not held for sale at 30 September	477.3	2,310.4

Condensed Notes

GENERAL INFORMATION

In the first nine months of the previous year RHÖN-KLINIKUM AG sold a portfolio of 41 hospitals, medical care centres and other associated investments to Fresenius/Helios (recognised in the consolidated interim report of the previous year with two/three/five/seven months' operations). Due to the fundamental changes in the corporate structure and in the hospital portfolio as well as one-off effects that are mainly caused by the transaction, the business figures for the first nine months of the 2015 financial year are only comparable to the previous year's period to a very limited degree.

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

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

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

ACCOUNTING POLICIES

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

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

Changes to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 38 and IAS 24 (Annual Improvements to IFRS's Cycle 2010-2012, published on 12 December 2013), and the changes to IAS 19 (published on 21 November 2013) have to be applied as from 1 February 2015, and the changes to IFRS 1, IFRS 3, IFRS 13 and IAS 14 (Annual Improvements to IFRS's Cycle 2011-2013, published on 12 December 2013) have to be applied as from 1 January 2015. These amendments have had no material impact on the presentation of the net assets, financial position, and results of operations.

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

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

CONSOLIDATED COMPANIES

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

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

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

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

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

The addition results from the investment in the company "Wir für Gesundheit GmbH" (We Stand for Health) in which we have a holding together with Helios and Asklepios.

Company acquisitions

In the first nine months of the 2015 financial year six clinical doctor's practices were purchased, for which the contractually agreed conditions of validity have been fulfilled in the 2015 reporting period. The inclusion in the Group likewise took place in the first nine months of the 2015 financial year. No costs were incurred through the acquisition of the health fund financed doctor's practices. The revenue and results earned since inclusion in the consolidated financial statements are of minor importance for the RHÖN-KLINIKUM AG. The final purchase price allocation has the following effects on the Group's net assets in the first nine months of the 2015 financial year:

Purchase of clinical doctor's practices, January to September 2015	Fair value post- acquisition € m
Acquired assets and liabilities	
Intangible assets	0.0
Property, plant and equipment	0.2
Net assets acquired	0.2
+ Goodwill	1.0
Costs	1.2
./. Purchase price payments outstanding	0.0
./. Acquired cash and cash equivalents	0.0
Cash outflow on transaction	1.2

One health fund financed clinical doctor's practice was purchased in the first nine months of the 2015 financial year, for which the contractually agreed conditions of validity were fulfilled as at 1 October 2015, and the transfer and inclusion of which in the consolidated financial statements will take place in the fourth quarter of 2015. No costs were incurred through the acquisition of the health fund financed doctor's practices. The provisional purchase price allocation makes provision for the following impacts on the asset situation of the Group in the fourth quarter of 2015:

Purchase of clinical doctor's practices with effect from 1 October 2015	Fair value post- acquisition € m
Acquired assets and liabilities	
Intangible assets	0.0
Property, plant and equipment	0.0
Net assets acquired	0.0
+ Goodwill	0.2
Costs	0.2
./. Purchase price payments outstanding	0.0
./. Acquired cash and cash equivalents	0.0
Cash outflow on transaction	0.2

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

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

Approval has already been obtained from the competition authority, so that if the suspensory conditions are fulfilled we will include the district hospital in our consolidated financial statements as at 1 January 2016. In line with the campus concept for the hospitals at the Bad Neustadt location, the purchased hospital will be physically incorporated into the campus site once the new building works have been completed in 2019.

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

OPERATING SEGMENTS

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

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 (MVZ) and service companies, whether on a stand-alone basis or in the aggregate, do not exceed the quantitative thresholds of IFRS 8.

SELECTED EXPLANATIONS REGARDING INTERIM CONSOLIDATED INCOME STATEMENT

Revenues

January to September	2015 € m	2014 € m
Fields		
Acute clinics	804.5	1,187.8
Medical care centres	6.2	24.9
Rehabilitation clinics	21.3	24.7
	832.0	1,237.4
Federal states		
Bavaria	162.1	217.1
Saxony	0.1	65.8
Thuringia	128.3	168.8
Baden-Wuerttemberg	-	21.8
Brandenburg	97.9	96.0
Hesse	443.6	526.3
Mecklenburg-West Pomerania	-	4.5
Lower Saxony	-	92.3
North Rhine-Westphalia	-	22.4
Saxony-Anhalt	-	22.4
	832.0	1,237.4

According to IAS 18, revenues constitute revenues generated from the provision of services and they have declined compared with the same period last year by € 405.4 million or 32.8% to € 832.0 million as a result of the sale of hospitals, medical care centres and other affiliated interests to Frese-nius/Helios, for the most part at the end of February 2014 (inclusion in the previous year's interim consolidated financial statements based on two months).

Other income

January to September	2015 € m	2014 € m
Income from services rendered	90.1	102.4
Income from grants and other allowances	7.5	9.9
Income from adjustment of receivables	0.9	1.2
Income from indemnification payments/Other reimbursements	1.6	1.1
Other	31.9	8.3
	132.0	122.9

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

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

Because of the investigations into the cleaning companies that were carried out by the Schweinfurt Main Customs Office in 2011, additional social insurance contributions were payable. An agreement concerning the amount of the social insurance contributions was able to be reached with Deutsche Rentenversicherung in Q1 2015. All possible back-dated demands have been settled with the concluded agreement. In this context, the provision of € 19.7 million formed for this purpose was reversed in the first quarter of 2015 and the amount recognised under other income. Furthermore, provisions set up to cover potential legal and tax guarantee risks associated with the sale of the hospitals to Fresenius/Helios were able to be reversed with an amount of approximately € 7 million.

Other expenses

January to September	2015 € m	2014 € m
Maintenance	31.1	43.0
Charges, subscriptions and consulting fees	16.7	28.7
Insurance	5.9	9.4
Administrative and IT costs	5.7	9.5
Impairment on receivables	4.0	6.9
Rents and leases	3.4	8.6
Other personnel and continuing training costs	3.1	5.1
Travelling, entertaining and representation expenses	1.2	2.2
Secondary taxes	0.4	0.6
Losses on disposal of non-current assets	0.1	0.1
Other	9.6	60.1
	81.2	174.2

Compared with the same period last year, other expenses in the first nine months of 2015 declined by € 93.0 million or 53.4% to € 81.2 million. The decrease results on the one hand from the sale of hospitals, medical care centres and other affiliated interests, for the most part at the end of February 2014. On the other hand, one-off expenditures connected with particle therapy were recorded under other expenses in the previous year.

Result from deconsolidation of subsidiaries

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

Depreciation/amortisation and impairment

Compared with the same period last year, the depreciation/amortisation and impairment item declined by € 18.0 million (or 28.6%) to € 45.0 million. The main cause of this is the full impairment on the PTZ GmbH building which was recorded with an amount of € 16.2 million in the second quarter of 2014. This impairment related to the particle therapy facility at the university hospital in Marburg and to contractual terms and conditions for the purchase and operation of the facility.

Finance result

Compared with the same period last year, we have recorded a decrease of € 78.0 million in our negative finance result to € 2.4 million in the first nine months of the year 2015. The reduction results from the repayment of financial liabilities and associated acceleration fees in the first nine months of the previous year. The previous year's finance result also includes financial expenditure due to one-off mark-up amounts resulting from the capital reduction and a long-term loan to Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung, the overall amount of which was € 6.1 million.

The finance result also includes profit shares amounting to € 68,000 in companies which are accounted for using the equity method (previous year: profit shares of € 88,000).

Income taxes

January to September	2015 € m	2014 € m
Current income taxes	4.0	17.6
Deferred taxes	-0.1	2.9
	3.9	20.5

At an unchanged rate of taxation, the income tax expense item declined by € 16.6 million to € 3.9 million (previous year: € 20.5 million) as a result of the sale of clinics, medical care centres and other affiliated interests that took place in the previous year.

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

SELECTED EXPLANATIONS REGARDING THE CONSOLIDATED INTERIM BALANCE SHEET

Goodwill and other intangible assets

	Goodwill € m	Other intangible assets € m	Total € m
Costs			
1 January 2015	156.0	31.4	187.4
Additions due to changes in consolidated companies	1.0	0.0	1.0
Additions	0.0	1.0	1.0
Disposals	0.0	1.4	1.4
Transfers	0.0	0.1	0.1
30 September 2015	157.0	31.1	188.1
Cumulative depreciation/amortisation and impairment			
1 January 2015	0.0	23.7	23.7
Depreciation/amortisation	0.0	1.6	1.6
Disposals	0.0	1.2	1.2
30 September 2015	0.0	24.1	24.1
Balance sheet value at 30 September 2015	157.0	7.0	164.0

	Goodwill € m	Other intangible assets € m	Total € m
Costs			
1 January 2014	413.8	62.2	476.0
Additions due to changes in consolidated companies	0.3	0.0	0.3
Additions	0.0	0.5	0.5
Disposals	251.9	32.2	284.1
Transfers	0.0	0.2	0.2
30 September 2014	162.2	30.7	192.9
Cumulative depreciation/amortisation and impairment			
1 January 2014	0.0	48.3	48.3
Depreciation/amortisation	0.0	1.8	1.8
Disposals	0.0	24.9	24.9
30 September 2014	0.0	25.2	25.2
Subtotal 30 September 2014	162.2	5.5	167.7
Assets held for sale	6.2	0.1	6.3
Balance sheet value at 30 September 2014	156.0	5.4	161.4

Property, plant and equipment

	Land and buildings € m	Technical plant and equipment € m	Operating and business equipment € m	Plant under construction € m	Total € m
Costs					
1 January 2015	887.9	42.7	264.6	21.2	1,216.4
Additions due to changes in consolidated companies	0.0	0.0	0.2	0.0	0.2
Additions	1.8	0.2	7.9	21.0	30.9
Disposals	0.0	0.0	13.7	0.0	13.7
Transfers	0.2	0.2	1.6	-2.1	-0.1
30 September 2015	889.9	43.1	260.6	40.1	1,233.7
Cumulative depreciation/amortisation and impairment					
1 January 2015	335.4	23.6	194.2	0.0	553.2
Depreciation/amortisation	24.3	2.3	16.8	0.0	43.4
Disposals	0.0	0.0	13.5	0.0	13.5
30 September 2015	359.7	25.9	197.5	0.0	583.1
Balance sheet value at 30 September 2015	530.2	17.2	63.1	40.1	650.6

	Land and buildings € m	Technical plant and equipment € m	Operating and business equipment € m	Plant under construction € m	Total € m
Costs					
1 January 2014	2,152.5	96.1	604.3	90.7	2,943.6
Additions	6.1	0.1	12.8	12.7	31.7
Disposals	1,274.2	56.3	355.6	47.8	1,733.9
Transfers	29.5	0.9	4.9	-35.5	-0.2
30 September 2014	913.9	40.8	266.4	20.1	1,241.2
Cumulative depreciation/amortisation and impairment					
1 January 2014	558.5	55.0	413.4	0.0	1,026.9
Depreciation/amortisation	40.6	2.1	18.5	0.0	61.2
Disposals	263.5	34.0	233.9	0.0	531.4
30 September 2014	335.6	23.1	198.0	0.0	556.7
Subtotal 30 September 2014	578.3	17.7	68.4	20.1	684.5
Assets held for sale	18.7	0.2	1.3	0.0	20.2
Balance sheet value at 30 September 2014	559.6	17.5	67.1	20.1	664.3

Other financial assets (non-current)

Recorded under this item is a long-term loan of € 16.5 million (31 December 2014: € 11.7 million) provided to an associated company.

Other assets (non-current)

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

Other financial assets (current)

Because of the low interest rates for time overnight deposits and short-term cash investments, in 2015 time deposits with a residual term of < 1 year totalling € 210.0 million (31 December 2014: € 0.0 million) were made.

Equity

Of the € 176.6 decline in equity as at 30 September 2015 compared with the balance sheet date of 31 December 2014, € 182.1 million results from the share repurchase that has been decided on and the associated capital reduction, and € 60.5 million results from dividends paid to shareholders and non-controlling interests, these amounts being partly offset by the consolidated profit of € 66.0 million for the first nine months of 2015.

In accordance with the IFRS rules, we have shown in the Interim Report as at 30 September 2015 a financial liability in respect of the share repurchase in 2015 which equals the cash value of the maximum repurchase amount according to IAS 32.23 and IFRIC 2.10, i.e. € 182.1 million. This sum corresponds to the maximum repurchase of 7,108,824 shares. The share repurchase and the associated capital reduction were decided upon on 30 September 2015. The obligation to repurchase shares was shown at the reporting date under other financial liabilities with short residual terms. By the reporting date of 8 October 2015, the public purchase offer was accepted for a total of 6,519,390 RHÖN-shares. The payment of the purchase price of € 166.5 million for which the purchase offer was accepted took place on 13 October 2015. The adjustment of the equity and the corresponding financial liability in line with the RHÖN-shares that were actually accepted will take place in the fourth quarter of 2015 in accordance with the above IFRS standards.

Financial liabilities

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

Additional disclosures regarding financial instruments

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

Valuation category according to IAS 39	30 Sept. 2015	of which		31 Dec. 2014	of which	
	€ m	Financial instruments Carrying amount € m	Financial instruments Fair value € m	€ m	Financial instruments Carrying amount € m	Financial instruments Fair value € m
ASSETS						
Non-current assets						
Other financial assets	16.5	16.5	16.5	11.7	11.7	11.6
of which investments	0.0	0.0	0.0	0.0	0.0	0.0
of which derivative financial instruments (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
of which other	16.5	16.5	16.5	11.7	11.7	11.6
Current assets						
Trade receivables and other financial assets	421.4	421.4	421.4	226.1	226.1	226.1
of which trade receivables and other financial assets	421.4	421.4	421.4	226.1	226.1	226.1
of which securities (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
of which derivative financial instruments (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalents	477.3	477.3	477.3	695.4	695.4	695.4
LIABILITIES						
Non-current liabilities						
Financial liabilities	10.0	10.0	9.9	152.9	152.9	149.8
of which financial liabilities	10.0	10.0	9.9	152.9	152.9	149.8
of which derivative financial instruments (hedge accounting)	0.0	0.0	0.0	0.0	0.0	0.0
Other financial liabilities	17.4	17.4	19.5	17.3	17.3	20.4
of which other financial liabilities	16.5	16.5	18.6	15.9	15.9	19.0
of which from finance leases	0.9	0.9	0.9	1.4	1.4	1.4
Current liabilities						
Trade payables	77.0	77.0	77.0	89.6	89.6	89.6
Financial liabilities	146.2	146.2	146.2	4.5	4.5	4.5
of which financial liabilities	146.2	146.2	146.2	4.5	4.5	4.5
of which derivative financial instruments (HfT)	0.0	0.0	0.0	0.0	0.0	0.0
Other financial liabilities	207.6	207.6	207.6	24.9	24.9	24.9
of which other financial liabilities	207.1	207.1	207.1	24.4	24.4	24.4
of which from finance leases	0.5	0.5	0.5	0.5	0.5	0.5
Aggregated according to measurement categories, the above figures are as follows:						
Loans and receivables		915.2	915.2		933.2	933.1
Financial liabilities measured at amortised cost		456.8	458.8		287.3	287.3

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

	Level 1 € m	Level 2 € m	Level 3 € m	Total € m	31 Dec. 2014 € m
Non-current assets from loans and receivables	-	16.5	-	16.5	11.6
Current assets from loans and receivables	-	421.4	-	421.4	226.1
Non-current liabilities from financial liabilities	-	9.9	-	9.9	149.8
Non-current liabilities from other financial liabilities	-	19.5	-	19.5	20.4
Current liabilities from trade payables	-	77.0	-	77.0	89.6
Current liabilities from financial liabilities	146.2	-	-	146.2	4.5
Current liabilities from other financial liabilities	-	207.6	-	207.6	24.9

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

- Level 1: Listed market prices for identical assets or liabilities on active markets
- Level 2: Information other than listed market prices which is directly (e.g. prices) or indirectly (e.g. derived from prices) observable, and
- Level 3: Information on assets and liabilities which is not based on observable market data.

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

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

Trade receivables, other financial assets as well as cash and cash equivalents tend to have short residual terms. Their carrying amounts as at the reporting date therefore correspond to their fair values. The change as at 31 December 2014 mainly results from showing fixed-term deposits amounting to € 210.0 million under other current financial assets.

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

For the trade payables and other financial liabilities with short residual terms, the carrying amounts on the reporting date correspond to their fair values. The obligation to repurchase shares is shown under other financial liabilities. The pay-out to the shareholders was made in the middle of October 2015.

The fair value of liabilities arising from finance leases as at the balance sheet date was calculated using a market interest curve and it corresponds to their current 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 § 21 (1) of the WpHG, and that they consequently 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 crossings of thresholds which took place in the period from 1 January 2015 up to and including 30 September 2015 are listed.

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

The reported voting interests may have changed since 30 September 2015. With regard to notifications of threshold events pursuant to § 21 (1) of the WpHG that have taken place since 1 October 2015, and for further information on the attribution of the respective voting rights pursuant to § 22 of the WpHG, please refer to the details published 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 of the shareholder structure as at the 30 September 2015 reporting date emerges pursuant to Sections 21, 22 of the WpHG:

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

There were no notifications regarding the statutory reporting thresholds according to Sections 25, 25a of the WpHG in the reporting period from 1 January up to and including 30 September 2015. The voting interests may have changed since 30 September 2015. With regard to notifications of threshold events that have taken place since 1 October 2015, and for further information on the underlying financial instruments, on attribution, and on the holding structures of the respective voting rights, please refer to the details published on our homepage in the Investors/IR News section.

As at 30 September 2015, the Company holds 24,000 treasury shares. This corresponds to 0.03% of the voting rights.

Corporate Bodies and Advisory Board

In accordance with the statutes, new elections to the Supervisory Board took place at the Annual General Meeting on 10 June 2015. This involved the number of members being reduced from 20 people to 16. The composition of the Supervisory Board has changed as follows compared to the annual financial statements as at 31 December 2014:

The following members were confirmed in their post:

- Eugen Münch, Bad Neustadt a. d. Saale, Chairman of the Supervisory Board of RHÖN-KLINIKUM AG
- Georg Schulze-Ziehaus, Frankfurt am Main, 1st Deputy Chairman, Regional Director ver.di [Unified Service Sector Union]
- Wolfgang Mündel, Kehl, 2nd Deputy Chairman, in private practice as Auditor and Tax Consultant
- Peter Berghöfer, Münchhausen, Finance Director
- Bettina Böttcher, Marburg, Employee
- Prof. Dr. h. c. Ludwig Georg Braun, Melsungen, Entrepreneur
- Prof. Dr. Gerhard Ehninger, Dresden, Physician and Hospital Director
- Stefan Härtel, Müllrose, Nurse
- Klaus Hanschur, Marburg, Masseur and medical pool attendant
- Stephan Holzinger, Munich, Managing Partner of Holzinger Associates GmbH
- Dr. Brigitte Mohn, Gütersloh, Board Member of the Bertelsmann Foundation
- Dr. Katrin Vernau, Hamburg, Administrative Director of WDR [West German Broadcasting]

The following members were newly elected to the Supervisory Board:

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

The following members have stepped down from the Supervisory Board:

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

The composition of the Board of Management has remained unchanged since the last reporting date. Accordingly, please refer to the Annual Report as at 31 December 2014 for details of the composition of the Board of Management and the allocation of duties and responsibilities within it.

The composition of the Advisory Board as well as its allocation of duties and responsibilities have not changed since 31 December 2014.

Related parties

In specific instances RHÖN-KLINIKUM Group companies enter into reciprocal business relationships with related parties, as further described in the Notes to the Consolidated Financial Statements as at 31 December 2014. The transactions conducted with related parties primarily result from service or rental relationships arranged at arm's length terms. These transactions are not of material significance from the perspective of the RHÖN-KLINIKUM Group.

The companies belonging to the group of related parties and the business transacted with these companies have not significantly changed in terms of the nature of the performance relationship and the pro rata temporis business volume as compared with the Consolidated Financial Statements as at 31 December 2014. The same applies to the financial receivables and/or liabilities that have existed in relation to the related parties. In the third quarter of 2014, the newly founded Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung was included. As at 30 September 2015 there was a long-term loan amount of € 16.5 million payable to this company (31 December 2014: € 11.7 million) as well as trade receivables amounting to € 0.3 million (31 December 2014: € 0.1 million). In addition, in the first nine months of 2015 income totalling € 0.9 million was achieved from the passing on of costs and interest to third parties (previous year: € 0.0 million).

With effect from 12 June 2014, Prof. Dr. h. c. Ludwig Georg Braun was elected to the Supervisory Board. For the first nine months of 2015, companies related to him carried out transactions under supply and service relationships with the RHÖN-KLINIKUM Group amounting to roughly € 5.6 million. As at the 30 September 2015 reporting date, there were trade payables totalling roughly € 0.1 million (31 December 2014: € 0.2 million).

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

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

As from the 2015 financial year the contractual remuneration for the members of the Supervisory Board as at the 30 September 2015 reporting date has changed insofar as the remuneration is now paid without success-related components. The remuneration for the Supervisory Board is performance-related and it is based on the time spent, the tasks undertaken, and the functional responsibilities assumed by the members of the Supervisory Board. Detailed information about this is provided in our 2014 Annual Report.

The contractual remuneration for the members of the Board of Management and the Advisory Board has remained unchanged since the presentation in the 2014 Annual Report.

There are no loans that have been provided to members of the Supervisory Board, the Board of Management, or the Advisory Board.

During the reporting period, RHÖN-KLINIKUM AG has received the following notifications of transactions pursuant to § 15a of the WpHG that have been undertaken by persons discharging managerial responsibilities (directors' dealings):

Date of transaction	First and last name	Function/status	Financial instrument and ISIN	Type and place of transaction	Quantity	Price	Transaction volume
14 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	334,455	€ 0.085	€ 28,428.68
15 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	1,000,000	€ 0.065	€ 65,200.00
16 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	1,700,000	€ 0.033	€ 56,100.00
17 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	930,000	€ 0.044	€ 40,455.00
18 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	800,000	€ 0.044	€ 35,200.00
21 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	1,400,000	€ 0.024	€ 34,160.00
21 Sept. 2015	Eugen Münch Stephan Holzinger (Stiftung Münch)	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale over-the-counter	722,860	not quantifiable	not quantifiable
22 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	1,100,000	€ 0.020	€ 21,780.00
23 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	500,000	€ 0.024	€ 11,900.00
24 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	1,000,000	€ 0.025	€ 24,500.00
25 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	600,000	€ 0.018	€ 10,980.00
28 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	700,000	€ 0.018	€ 12,600.00
29 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	800,000	€ 0.020	€ 16,320.00
30 Sept. 2015	Prof. Dr. h.c. Ludwig Georg Braun	Member of Supervisory Board	RHÖN-KLINIKUM Put options ISIN DE000A1614Q0	Sale via XETRA	600,000	€ 0.020	€ 12,060.00

With regard to further transactions in the fourth quarter of 2015, please refer to the corresponding details published on our homepage.

Employees

On the reporting date of 30 September 2015 the Group employed a total of 15,588 persons (31 December 2014: 15,602 persons).

Other financial obligations

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

Contingent liabilities

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

Earnings per share

Earnings per share in accordance with IAS 33 are calculated by dividing the consolidated profit attributable to the shareholders of RHÖN-KLINIKUM AG by the weighted average number of shares in issue during the year. The earnings per share according to IAS 33.63 which are diluted due to the share repurchase programme differ only slightly from the undiluted earnings per share.

The following table shows changes relating to the no-par shares in issue:

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

Earnings per share (undiluted) are calculated as follows:

Non-par shares	30 September 2015	30 September 2014
Share of consolidated profit (€ '000)	64,431	1,224,152
Weighted average number of shares outstanding, in thousands (undiluted)	73,458	138,208
Earnings per share in € (undiluted)	0.88	8.86

Earnings per share (diluted) are calculated as follows:

Non-par shares	30 September 2015	30 September 2014
Share of consolidated profit (€ '000)	64,431	1,224,152
Weighted average number of shares outstanding, in thousands (diluted)	73,564	138,208
Earnings per share in € (diluted)	0.88	8.86

Statement of Cash Flows

The statement of Cash Flows shows how the item "Cash and cash equivalents" of RHÖN-KLINIKUM Group has changed in the course of the year under review as a result of cash inflows and outflows. The impacts of acquisitions, divestments and other changes in consolidated companies have been eliminated. In accordance with IAS 7 (Statement of Cash Flows), a distinction is made between cash flows from operating activities, investing activities, and financing activities. The remaining purchase price from the transaction with Fresenius/Helios of € 41.2 million (previous year: € 2,963.4 million) is reported under Investments from the sale of subsidiaries, less sold cash and cash equivalents in 2015. In addition, time deposits of € 210.0 million are reported under Investments. The liquidity shown in the statement of changes in financial position includes cash on hand and cheques as well as cash deposited in banks. For the purposes of the Statement of Cash Flows, bank overdrafts amounting to € 0.0 million (previous year: € 0.0 million) are deducted from cash and cash equivalents. The Statement of Cash Flows includes a figure of € 4.9 million for outstanding construction invoices (previous year: € 3.9 million), and a figure of € 0.1 million for expenses arising from financial derivatives

which were non-cash items in the previous year. The cash outflow resulting from the share repurchase did not occur until 13 October 2015, and it is consequently not included in the Statement of Cash Flows as at 30 September 2015.

Bad Neustadt a. d. Saale, 5 November 2015

RHÖN-KLINIKUM Aktiengesellschaft
THE BOARD OF MANAGEMENT

Martin Menger

Jens-Peter Neumann

Dr. Dr. Martin Siebert

KEY FIGURES

KEY FIGURES JANUARY TO SEPTEMBER 2015/ JANUARY TO SEPTEMBER 2014

Data in € m	Jan. - Sept. 2015	Jan. - Sept. 2014	Change (%)
Revenues	832.0	1,237.4	-32.8
Materials and consumables used	238.8	341.2	-30.0
Employee benefits expense	526.7	785.7	-33.0
Depreciation/amortisation and impairment	45.0	63.0	-28.6
Consolidated result according to IFRS	66.0	1,226.6	-94.6
Earnings share of RHÖN-KLINIKUM AG shareholders	64.4	1,224.1	-94.7
Earnings share of non-controlling interests	1.5	2.5	-40.0
Return on revenues (%)	7.9	99.1	-92.0
EBT	69.9	1,247.1	-94.4
EBIT	72.3	1,327.5	-94.6
EBIT ratio (%)	8.7	107.3	-91.9
EBITDA	117.3	1,390.5	-91.6
EBITDA ratio (%)	14.1	112.4	-87.5
Operating cash flow	110.8	1,289.1	-91.4
Property, plant and equipment as well as investment property	653.6	667.4 *	-2.1
Non-current income tax assets	2.4	4.5 *	-46.7
Equity according to IFRS	1,072.3	1,222.4	-12.3
Return on equity (%)	7.6	82.5	-90.8
Balance sheet total according to IFRS	1,774.7	3,426.2	-48.2
Investments in property, plant and equipment and intangible assets as well as in investment property	33.1	32.5	1.8
Earnings per ordinary share (€) (undiluted/diluted)	0.88	8.86	-90.1
Number of employees (headcount)	15,588	15,898	-1.9
Case numbers (patients treated)	569,978	1,045,273	-45.5
Beds and places	5,214	5,546	-6.0

* Excluding assets held for sale.

KEY FIGURES JULY TO SEPTEMBER 2015/ JULY TO SEPTEMBER 2014

Data in € m	July - Sept. 2015	July - Sept. 2014	Change (%)
Revenues	276.6	278.3	-0.6
Materials and consumables used	80.9	80.1	1.0
Employee benefits expense	175.3	179.2	-2.2
Depreciation/amortisation and impairment	15.0	15.4	-2.6
Consolidated result according to IFRS	16.2	12.8	26.6
Earnings share of RHÖN-KLINIKUM AG shareholders	15.8	12.3	28.5
Earnings share of non-controlling interests	0.4	0.5	-20.0
Return on revenues (%)	5.9	4.6	28.3
EBT	17.3	12.9	34.1
EBIT	18.5	20.7	-10.6
EBIT ratio (%)	6.7	7.4	-9.5
EBITDA	33.5	36.1	-7.2
EBITDA ratio (%)	12.1	13.0	-6.9
Operating cash flow	31.1	28.1	10.7
Property, plant and equipment as well as investment property	653.6	667.4 *	-2.1
Non-current income tax assets	2.4	4.5 *	-46.7
Equity according to IFRS	1,072.3	1,222.4	-12.3
Return on equity (%)	5.6	0.9	522.2
Balance sheet total according to IFRS	1,774.7	3,426.2	-48.2
Investments in property, plant and equipment and intangible assets as well as in investment property	15.4	9.4	63.8
Earnings per ordinary share (€) (undiluted/diluted)	0.22	0.09	144.4
Number of employees (headcount)	15,588	15,898	-1.9
Case numbers (patients treated)	196,951	182,687	7.8
Beds and places	5,214	5,546	-6.0

* Excluding assets held for sale.

KEY FIGURES FOR THE INDIVIDUAL QUARTERS OF 2015

Data in € m	July - Sept. 2015	April - June 2015	Jan. - March 2015
Revenues	276.6	279.3	276.1
Materials and consumables used	80.9	78.0	79.9
Employee benefits expense	175.3	176.5	174.9
Depreciation/amortisation and impairment	15.0	15.0	15.0
Consolidated result according to IFRS	16.2	16.9	32.8
Earnings share of RHÖN-KLINIKUM AG shareholders	15.8	16.4	32.2
Earnings share of non-controlling interests	0.4	0.5	0.6
Return on revenues (%)	5.9	6.1	11.9
EBT	17.3	18.4	34.2
EBIT	18.5	19.2	34.6
EBIT ratio (%)	6.7	6.9	12.5
EBITDA	33.5	34.2	49.7
EBITDA ratio (%)	12.1	12.2	18.0
Operating cash flow	31.1	31.9	47.8
Property, plant and equipment as well as investment property	653.6	653.8	658.9
Non-current income tax assets	2.4	4.7	4.6
Equity according to IFRS	1,072.3	1,238.2	1,281.7
Return on equity (%)	5.6	5.4	10.4
Balance sheet total according to IFRS	1,774.7	1,754.9	1,816.9
Investments in property, plant and equipment and intangible assets as well as in investment property	15.4	10.4	7.3
Earnings per ordinary share (€) (undiluted/diluted)	0.22	0.22	0.44
Number of employees (headcount)	15,588	15,482	15,488
Case numbers (patients treated)	196,951	181,297	191,730
Beds and places	5,214	5,215	5,235

FINANCIAL CALENDAR

DATES FOR SHAREHOLDERS AND ANALYSTS

2015

6 November 2015 Publication of the Interim Report as at 30 September 2015,
Conference call for analysts

2016

26 February 2016 Publication of the preliminary results for the financial year 2015,
Conference call for analysts

15 April 2016 Publication of the 2015 Annual Financial Report,
Press Conference

6 May 2016 Publication of the Interim Report as at 31 March 2016,
Conference call for analysts

8 June 2016 Annual General Meeting (at the Jahrhunderthalle Frankfurt)

4 August 2016 Publication of the Half Year Financial Report as at 30 June 2016,
Conference call for analysts

4 November 2016 Publication of the Interim Report as at 30 September 2016,
Conference call for analysts

RHÖN-KLINIKUM Aktiengesellschaft

Postal address:

97615 Bad Neustadt a. d. Saale

Visitors' address:

Salzburger Leite 1

97616 Bad Neustadt a. d. Saale

Phone ++ 49 97 71 65-0

Fax ++49 97 71 9 74 67

Internet:

www.rhoen-klinikum-ag.com

E-mail:

rka@rhoen-klinikum-ag.com

This Interim Report is also available in
German.