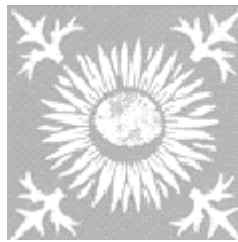


RHÖN-KLINIKUM AG



Half-Year Financial
Report

2007

Key ratios

€'000	Jan. - June 2007	Jan. - June 2006	Changes in %
Revenues	1,006,967	938,043	7.35
Material and consumables used	247,108	241,063	2.51
Employee benefits expense	600,425	554,474	8.29
EBITDA	124,948	103,602	20.60
EBITDA, %	12.5	11.0	13.64
Depreciation and impairment	44,139	32,494	35.84
EBIT	80,809	71,108	13.64
EBIT, %	8.1	7.5	8.00
EBT	73,431	62,458	17.57
Net consolidated profit according to IFRS	52,613	45,561	15.48
Earnings share of minority owners	2,392	1,999	19.66
Earnings share of RHÖN-KLINIKUM AG shareholders	50,221	43,562	15.29
Return on revenues, %	5.2	4.8	10.42
Operating cash flow	96,752	78,055	23.95
Property, plant and equipment as well as investment property	1,155,520	1,019,499	13.34
Other financial assets	1,644	2,810	-41.49
Equity capital according to IFRS	751,856	688,512	9.20
Balance sheet total according to IFRS	2,027,329	1,993,816	1.68
Investments			
in property, plant and equipment as well as in investment property	74,307	270,567	-72.54
in other financial assets	348	150	132.00
Earnings per ordinary share (€)	0.97	0.84	15.48
Number of employees (at 30 June)	31,844	30,785	3.44
Case numbers (patients treated)	782,718	677,615	15.51
Beds and places	14,861	14,620	1.65

Dear Shareholders,

Review

With the performance and results achieved for the first six months of financial year 2007 we have kept to our growth target. Once again, we raised the number of patient contacts (782,718 + 15.5%), revenues (€1.0 billion + 7.4%) and net consolidated profit (€52.6 million +15.5%) versus the same period last year.

Given the positive development witnessed so far in the current financial year, the Board of Management of RHÖN-KLINIKUM AG expects the Group to fully offset the extraordinary burdens to the tune of some €39 million from changes in legislation relating to the statutory reform impost for hospitals, start-up financing for integrated care and the hike in VAT.

Of decisive importance in achieving these goals is, among other things, the consistent implementation of the ten-point programme already put in place in 2006. Thanks to targeted rationalisation and restructuring measures as well as a broadening of our offering, we provided the basis for organic growth early on.

Also the restructuring of Universitätsklinikum Gießen und Marburg GmbH, Germany's first ever fully privatised university hospital, is in full swing: after just under one and a half years we have achieved the break-even point and are laying the foundation for the future. Step by step, we are investing in new medical technology – such as Europe's first mobile computer tomograph – and with the start of construction on the paediatric clinic have taken the first step towards construction of the completely new building in Gießen. In June we were granted approval under the applicable radiation protection regulations for the construction of the building structure and the installation of the accelerator unit for the combined proton and heavy ion facility for tumour treatment in Marburg – the groundbreaking ceremony for this facility will take place already in August 2007.

To ensure the Group's growth, the Annual General Meeting adopted a resolution to increase the registered share capital from company funds. With the 1:2 share split we are

opening up the RHÖN-KLINIKUM share to a broad group of investors.

Growth and innovation

We have our sights firmly set on our long-term growth target for generalised full-service healthcare delivery and a market share of over 8% and want to serve all patients, under both statutory and private healthcare schemes, in all areas of acute medical care in all regions throughout Germany. With our 46 hospitals – Kreiskrankenhaus Köthen was added on 1 April 2007 – we are now present in nine federal states and enjoy a market share of around 3%.

The higher tax revenue being generated by the current healthy state of the German economy is allowing many municipalities to temporarily prop up ailing public hospitals. In the end, though, financing guarantees and subsidies do not change anything in the structural problems of public hospitals. According to the German Hospital Association (DKG), the investment backlog of currently €50 billion continues to rise each year by €4 billion. Moreover, university hospitals are faced with a special challenge: at the beginning of 2007 the federal government withdrew from construction financing for universities, putting even more pressure on university hospitals. We expect to see further privatisations at all levels of care.

As in the past, we continue to be guided by entrepreneurial circumspection and good business judgment in our acquisition activities. Of key importance to us here is for such acquisitions to allow us the entrepreneurial scope we need for rationalisation, restructuring and innovation so that we can realise to the full our investment competence and management expertise especially in the newly acquired hospitals with a view to raising their profitability. We look for qualitative growth and not growth at any price, while not losing sight of our strategic goals.

The importance of integrated care concepts is growing significantly. This is why we are driving growth at the Group on the back of an expansion in networking across the various healthcare sectors. To ensure better meshing

of outpatient and inpatient care, we have founded ten medical care centres (MVZ) since 2005. As we intend to fully exploit the many benefits from linking the MVZ to our hospitals – inter alia by shifting tasks to the outpatient area, avoiding redundant availability of large medical equipment units and higher diagnostic and therapeutic pre- and post-inpatient quality –, the establishment of further new MVZ will follow in the coming months and years.

We are continuing development of our teleportal hospital concept for rural, sparsely populated regions, linking up basic and standard care hospitals telemedically to intermediate and maximum care providers. Thanks to telemedicine we organise treatment processes on a cross-facility basis. We have already realised this concept at two sites through the construction of our teleportal hospitals in Dippoldiswalde/Saxony and in Stolzenau/Lower Saxony. As the popularity of this concept is growing, we have decided to establish a further teleportal clinic at three further sites – in Ham-melburg, Wittingen and Miltenberg.

As the pace of medical innovation grows, the prompt application of medical research findings to new care concepts is becoming an increasingly important factor of success for hospital operators. We will therefore continue to expand the transfer of expertise and performance from our three university hospital sites in Gießen, Leipzig and Marburg to our other group facilities, thus broadening our growth basis.

Debate on regulatory policy environment of the hospital market from 2009

Debate on the future regulatory environment for the hospital market from 2009 is in full swing. Many policymakers recognise the advantages gained from the introduction of the DRG system and in principle have been calling for more competition on the hospital market. Whether and to what extent they will succeed in achieving this goal will depend on the specific details to be worked out.

RHÖN-KLINIKUM AG will partake in this process and advocate more competition and reliable framework conditions. Hospital operators such as RHÖN-KLINIKUM AG, which has

proven by its management competence and industry expertise that it is capable of providing qualitatively high medical services at lower cost compared with competitors, should be given the opportunity to pass on their cost advantages to patients. We plead – in the interest of our patients, employees and shareholders – for more entrepreneurial freedom for hospitals.

Outlook for 2007

Dear Shareholders,

Now that the legislative process for the corporate tax reform in Germany is about to be concluded, we assume that corporate income tax rates will be lowered. RHÖN-KLINIKUM AG will benefit from lower corporate tax rates, the specific extent of which we will make known after publication of the revised corporation tax act.

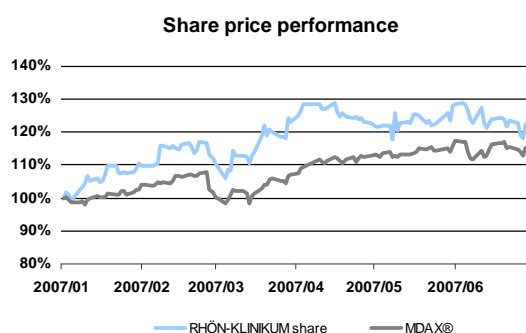
Based on the current framework conditions, we confirm our revenue forecast for full-year 2007 of €2 billion and our earnings forecast of €102 million.

With new ideas and business concepts for high-quality, generalised and affordable healthcare we will further expand our lead in innovation and opinion on the hospital market.

THE RHÖN-KLINIKUM SHARE

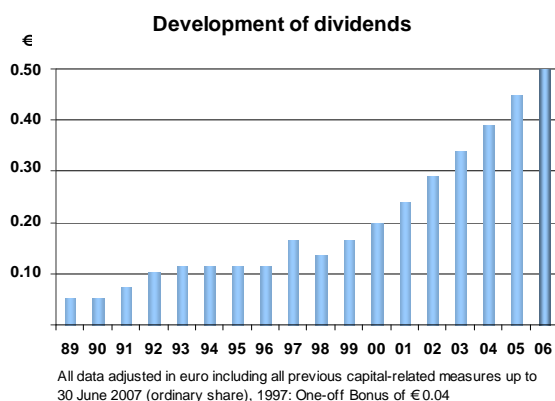
The price of the RHÖN-KLINIKUM share has seen a favourable performance in the first half of 2007, reaching an all-time high of €46.70 at the beginning of June.

Compared with the MDAX® (+17.2%), the RHÖN-KLINIKUM share rose disproportionately by the end of the first half of 2007 by 21.9% to €44.77. Since the Company's market capitalisation at that time stood at €2.32 billion (31 December 2006: €1.904 billion), we thus maintained our ranking of 25th in the MDAX® from last year.



Dividend

At the 19th Annual General Meeting on 31 May 2007, the distribution of the proposed dividend of €0.50 was resolved. The dividend was paid out on 1 June 2007.



Capital-related measures

The Annual General Meeting also approved the proposed capital-related measures. Already in June the increase in the registered share capital from Company funds without the

issuance of new shares to €259.2 million, divided into 51,840,000 non-par shares, with each share having an interest in the registered share capital of €5.00, was recorded in the commercial register. In a second step, the re-division of the registered share capital by way of stock split at a ratio of 1:2 with the issuance of scrip shares followed on 13 July 2007. The registered share capital currently amounts to €259.2 million, divided into 103,680,000 non-par shares each having a pro rata amount in the registered share capital of €2.50.

RHÖN-KLINIKUM share		
ISIN	DE0007042301	
Ticker symbol	RHK	
Share capital*	259,200,000 €	
Number of Shares*	103,680,000	
	30 June 2007 **	31 Dec. 2006
Share capital (€m)	259.2	51.84
Number of Shares (m)	51.84	51.84
Market capitalisation (in €m)	2,320.88	1,904.6
Stock market price in €	H1 2007	2006
Closing price (30 June)	44.77	36.74
High	46.70	38.50
Low	35.91	28.32
Key ratios per share in €	H1 2007	H1 2006
Earnings	0.97	0.84
Cash flow	1.87	1.51
Equity (30 June)	14.50	13.28

* after capital increase and 1:2 stock split

** Stock split effective as of 13 July 2007, capital increase effective as of 11 June 2007

Investor relations activities

This year also, we have furthered our contacts with all market participants through a continuous and open dialogue. In numerous one-on-one discussions, at roadshows and conferences, we have kept our shareholders, analysts and institutional investors informed about our corporate strategy and presented our growth strategy to potential investors. In September 2007 we are organising our second Capital Markets Day at Gießen/Marburg university hospital.

A financial calendar containing all important financial dates for 2007 and 2008 is provided on the back inside cover as well as on our website at www.rhoen-klinikum-ag.com under the section "Investors".

REPORT ON THE FIRST HALF OF 2007

- Special burdens from various legislative measures and the impact of changes in doctors' pay successfully offset
- Revenues and earnings reach new record highs thanks to successful conclusion of restructuring measures
- Universitätsklinikum Gießen und Marburg GmbH reaches break-even

GENERAL REMARKS

We are pleased to present this interim report which has been prepared in accordance with International Financial Reporting Standards (IFRS) in their version applicable for 2007. The accounting and valuation methods consistent with those used in the previous year were applied. In accordance with the first-time application of the provisions of the Transparency Directive Implementing Act (Transparenzrichtlinien-Umsetzungsgesetz, TUG), which replaces existing quarterly reporting practice, this Report is prepared as a Half-Year Financial Report with abridged Consolidated Interim Financial Statements and Consolidated Interim Report of the Management. As a result, the statements made no longer relate to the second quarter but to the first half of the financial year. For details, please refer to our explanations in the consolidated annual financial statements for financial year 2006.

REVIEW OF BUSINESS PERFORMANCE IN THE FIRST HALF AND OUTLOOK FOR THE SECOND HALF

The first six months of financial year 2007 developed as follows: compared with the first half of 2006, revenue rose by €68.9 million or 7.4% to reach €1,007.0 million (previous year: €938.0 million), EBITDA increased by €21.3 million or 20.6%, EBIT climbed by €9.7 million or 13.6%, and net consolidated profit rose by €7.0 million or 15.4% to reach €52.6 million (previous year: €45.6 million). This was in line with our expectations.

Various legislation measures (increase in VAT to 19%, introduction of a reform impost for hospitals through revenue deduction from hospital remuneration, as well as continuation of

revenue deductions to finance integrated care) as well as the impact of changes in doctors' pay burdened the Group in the first half of 2007 to the tune of some €19.5 million and were completely offset. Various countermeasures already introduced in the previous year as part of the ten point programme have been successfully concluded.

The overall positive performance was helped in particular by the complete elimination of losses at Universitätsklinikum Gießen und Marburg GmbH which had burdened consolidated earnings. In the first half of 2007, the university hospital generated a surplus of €0.4 million (previous year: loss of €5.6 million).

The first-time consolidation of Krankenhaus Köthen (264 beds) on 1 April 2007 burdened consolidated half-year earnings by €0.5 million.

Of the €68.9 million rise in revenue in the first six months of 2007, €42.0 million stems from consolidation effects (first-time consolidation of Universitätsklinikum Gießen und Marburg GmbH from 1 February 2006 and of Kreis-krankenhaus Köthen from 1 April 2007) and the remaining €26.9 million (2.9%) from organic growth of our facilities.

We have so far treated 782,718 patients in 2007 (previous year: 677,615 patients), i.e. a total of 105,103 more patients compared with the first half of 2006. This represents a rise of 15.5%. Of these, the acute inpatient area accounts for 15,274 patients or 5.9%. Adjusting for consolidation effects, this translates into organic growth in the acute

inpatient area of 2.0%. In the outpatient and rehabilitative area we achieved organic growth (adjusted for consolidation effects and the effects of the first-time inclusion of the MVZs) of 4.0% and 4.1%, respectively.

Net consolidated profit in the first half totalled €52.6 million, which corresponds to an EPS of €0.97 (previous year: €0.84 adjusted).

In the first six months of the current financial year, the Group invested a total of €121.5 million (previous year: €276.3 million) – of which €74.6 million from own funds. A total of €19.2 million (previous year: €209.7 million) was accounted for by hospital takeovers. We invested €55.4 million (previous year: €66.6 million) in new buildings and hospital equipment from own funds. For these investments an operating cash flow of €96.8 million (previous year: €78.1 million) was available. In the first half of 2007 we distributed €29.5 million to shareholders and minority owners. We paid a total of €43.8 million in profit-sharing bonuses and tantiems to employees.

Since the reporting date our net debt to banks has risen from €439.0 million to €492.7 million and our shareholder equity has increased from €728.7 million to €751.9 million. Our equity capital ratio has seen a slight increase compared with the reporting date, from 36.7% to 37.2%. Our non-current assets are financed almost fully (98.2%) at matching maturities by equity capital and long-term debt. With our available credit lines in conjunction with the capital-related measures adopted at the 2007 Annual General Meeting, we are also well prepared for further buoyant growth in the future.

Group financial structures are sound and stable.

Assuming unchanged framework conditions, we expect 2007 revenues to reach €2.0 billion and net consolidated profit of €102 million. We expect our growth to continue in future as well.

Provided that the legislative process for the corporate tax reform in Germany is concluded in its currently presented form, we expect to see sustained improvements in earnings for 2007 and thereafter.

ECONOMIC AND LEGAL ENVIRONMENT

The German economy is currently witnessing a powerful upswing. The experts see growth of 3% as possible. Besides the strong growth from abroad, domestic demand has also come to be a major driver of this economic upswing. The accompanying smart improvement on the labour market is leading to stronger revenue intake for the country's social insurance funds and public finances.

In the expectation of rising revenues at all levels of government (local, state and federal), those holding the reins over Germany's public facilities and university hospitals for the time being are no longer pursuing their privatisation plans as a top priority, even though the financial situation of their facilities will not see any sustained improvement through temporary subsidies alone. In the further course of financial year 2007 we therefore do not expect significant acquisitions.

Various legislative measures, including the hike in the rate of value added tax from 16% to 19% on 1 January 2007 and the introduction of the reform impost in the form of a 0.5% deduction from hospital remuneration as well as burdens on earnings from disproportionately high wage increases for doctors, will bring lasting burdens on the earnings positions of hospitals and university hospitals in Germany. Only those facilities that succeed in restructuring their business processes and in broadening their offerings both quantitatively and qualitatively will be able to cope with this challenge. The rest will find surviving on the market much more difficult. This in turn will result in the future prospects of RHÖN-KLINIKUM Group and our business model improving overall.

On 11 April 2007 the Düsseldorf Court of Appeals dismissed our appeal in the cartel proceeding. We will continue to exhaust the legal avenues available to us in this matter and on 10 May 2007 filed an appeal before the Federal High Court of Justice (*Bundesgerichtshof, BGH*) against the decision by the Düsseldorf Court of Appeals. We regard the decision by the Court of Appeals as questionable in terms of competition policy and problematic in terms of healthcare policy. Ultimately, it would not serve to promote competition but instead – by not allowing synergies between neighbouring hospitals – weaken structures and compromise quality. Rural areas are especially affected by this. But the Group's growth and our growth targets remain unchanged following the decision of the Court of Appeals.

CORPORATE GOVERNANCE

Corporate constitution

Pursuant to the resolution adopted by the Annual General Meeting on 31 May 2007, we have raised our subscribed capital reported in the consolidated financial statements from €51.8 million to €259.2 million. After the 1:2 stock split, our new subscribed capital is fully accounted for by non-par bearer shares each having a nominal share in the registered share capital of €2.50.

Please refer to the information provided in the Notes to the Interim Financial Statements for details on the statutory company notifications made in the first half in accordance with the German Securities Trading Act (*Wertpapierhandelsgesetz, WpHG*).

All other elements of our corporate constitution have remained unchanged in the first half. In this regard we refer to the explanations provided in the Management's Report of the 2006 Annual Report.

Risks and rewards

Any opportunities that arise and risks that exist are typically dominated by long-term cycles. As a result, short-term changes in the market environment are usually the exception.

We have not observed any significant changes in risks and rewards since the last reporting date. We maintain our assessment of the Group's overall risk position according to which there are no risks posing a threat to the Company's existence, neither for the individual subsidiaries nor for the Group.

CONSOLIDATED TREND

Sites and capacities

	Date	Hospitals	Beds
As at 1 January 2007		45	14,703
Kreiskrankenhaus Köthen	1 April 2007	1	264
		46	14,967
Net change in beds in existing hospitals (balance)			-106
As at 30 June 2007		46	14,861

As at 30 June 2007 we have 46 consolidated hospitals with 14,861 beds/places at a total of 35 sites in nine federal states.

The integration processes at Kreiskrankenhaus Köthen are moving ahead on schedule. We are confident that we will succeed – starting from a loss for the year in 2006 of €2.6 million – in improving the financial situation very significantly already in 2007. Currently – notwithstanding certain imponderables – we expect to be able to limit the loss for the year to under €1.0 million.

	Date	MVZs	Practices
1 January 2007		8	24
Commissioned in Kronach	1 Jan. 2007	1	2
Commissioned in Leipzig	1 Jan. 2007	1	2
Extensions at already existing MVZs		-	-
As at 30 June 2007		10	28

We have further expanded our MVZ capacities as planned.

For the further course of financial year 2007, commissionings with 23 doctor's practices are planned at a total of 7 sites.

With effect from 1 January 2007 we have moreover started a total of ten service companies for provision of infrastructural services (including cleaning, catering, facility management services). With these we are aiming to achieve price reductions through competition within the Group.

Patients

January to June	2007	2006
Patients receiving inpatient and semi-inpatient treatment in our		
Acute hospitals	276,366	261,092
Rehabilitation hospitals and other facilities	4,749	4,560
	281,115	265,652
Patients receiving outpatients treatment in our acute hospitals	501,603	411,963
Total	782,718	677,615

In the first six months a total of 782,718 patients (up by 105,103 patients / +15.5%) were treated in the Group's hospitals and MVZs. Of this increase, outpatient treatments account for roughly 85.3%. After deducting consolidation effects (Universitätsklinikum Gießen und Marburg GmbH, Kreiskrankenhaus Köthen and first-time inclusions at the MVZs), this leaves organic patient growth of 21,707 patients or 3.2%. This growth is distributed nearly uniformly over the entire Group.

Per-case revenues

January to June	2007	2006
Case revenues		
inpatient and semi-inpatient acts (€)	3,430	3,390
outpatient activities (€)	85	91

Compared with the first half of the previous year, per-case revenue rose by 1.2% in the

inpatient area and declined by 6.6% in the outpatient area.

In the inpatient area this development stems from a slight rise in the severity of cases. In the outpatient area the first-time inclusion of service volumes at our MVZs resulted in an impact corresponding to an average per-case revenue of roughly €75.

Employees

	Number
As at 31 December 2006	30,409
Added from personnel taken over in service companies	1,558
Added from personnel taken over in Köthen	396
Change in number of employees at long-standing hospitals	-519
As at 30 June 2007	31,844

At 30 June 2007, the Group employed 31,844 persons (31 December 2006: 30,409). The newly consolidated facility in Köthen added 396 new employees. By 30 June 2007, following the integration of ten service companies, we took over a total of 1,558 employees from external service companies that had previously served the Group. The hospitals consolidated at the end of 2006 witnessed a slight decline in staff numbers (-519).

BUSINESS DEVELOPMENT

In the first half of 2007 our hospitals put in a good performance overall in the face of special burdens brought about by legislative measures and wage developments for doctors. By increasing service volumes and cutting costs, an overall favourable trend in earnings has been achieved. The hospitals have developed in line with our expectations.

At our MVZs we succeeded in reducing the past start-up losses. In the first half of 2007 they report a nearly balanced result (-€0.1 million) and are thus developing on target.

In the first six months of 2007 our service companies achieved their planned targets with a small positive profit contribution of € 0.1 million.

Compared with the same period last year, we achieved restructuring successes, as measured by the improvement in EBIT of €9.7 million.

EBIT January to June	2007	2006	Change	
	€million	€million	€million	%
Long-standing hospitals (already consolidated in 2005)	81.2	79.8	1.4	1.8
Universitätskliniken Gießen und Marburg GmbH	-1.0	-8.9	7.9	88.8
Remaining hospitals consolidated from 2006, MVZs and service companies	0.6	0.2	0.4	200.0
Total	80.8	71.1	9.7	13.6

Revenues and earnings

The Group's economic performance is shown as follows:

January to June	2007	2006	Change	
	€million	€million	€million	%
Revenues	1,007.0	938.0	69.0	7.4
EBITDA	124.9	103.6	21.3	20.6
EBIT	80.8	71.1	9.7	13.6
EBT	73.4	62.5	10.9	17.4
Operating cash flow	96.8	78.1	18.7	23.9
Consolidated profit	52.6	45.6	7.0	15.4

Overall it can be noted that restructuring successes have always fed through to an improvement in margins during periods in which we have seen relatively modest acquisition-driven growth. We expect this trend to continue in the further course of financial year 2007.

January to June	2007	2006
	%	%
Return on equity (after taxes)	14.2	13.7
Return on revenues	5.2	4.8
Material ratio	24.5	25.7
Personnel ratio	59.6	59.1
Depreciation ratio	4.4	3.5
Other cost ratio	10.1	9.9
Tax ratio	2.1	1.8

Compared with the same period last year, revenues grew by €68.9 million or 7.4%. Adjusting for changes in the scope of consolidation, this translates into organic growth of €26,9 million or 2.9 %.

Compared with the same period last year, the cost-of-materials ratio was trimmed slightly, whereas the personnel cost ratio saw a slight rise. This development is essentially attributable to the impact from our ten service companies that came on stream: whereas last year services purchased externally were fully recognised as services procured under the item materials and consumables used, this year the personnel cost component will be reported under the employee benefits expense item.

Particularly with the completion and commissioning of our totally new buildings in Nienburg and Pirna, the burdens put on earnings by the depreciation and amortisation expense item rose compared with the first half of 2006.

The financial result improved by €1.3 million compared with the same period last year. This stemmed from the net effects of the revaluation of our interest rate hedging instruments as a result of a change in interest rates (€3.5 million) and the burdening effect on earnings from the rise in our net debt to banks as well as a slight increase in the interest rate level (€2.2 million).

The rise in the tax rate compared with the previous year stems from the fact that we paid the dividends of the subsidiary companies to the ultimate parent company in the first half. As a result, we had to recognise the additional expense from dividend payment in the amount of €0.9 million in the first half, whereas last year this took place only in the third quarter. The tax expense was also affected by the rise in the assessment basis.

In the first six months of 2007 we raised net consolidated profit by €7.0 million or 15.4% to €52.6 million (previous year: € 45.6 million). This development was essentially owing to the break-even reached at Universitätsklinikum Gießen und Marburg GmbH which improved its contribution to consolidated earnings compared with the same period last year by €6.0 million to +€0.4 million (previous year: -€5.6 million).

Minority interests in profit rose slightly by €0.4 million to reach €2.4 million.

The interest of RHÖN-KLINIKUM AG shareholders in profit for the first six months of 2007 rose by €6.7 million or 15.3% to €50.2 million compared with the same period last year. This corresponds to earnings per share of €0.97 (previous year: €0.84).

Asset and capital structure

	30 June 2007		31 Dec. 2006	
	€million	%	€million	%
ASSETS				
Non-current assets	1,432.6	70.7	1,403.6	70.9
Current assets	594.7	29.3	576.0	29.1
	2,027.3	100.0	1,979.6	100.0
LIABILITIES				
Shareholders' equity	751.9	37.2	728.7	36.7
Non-current debt	655.2	32.2	683.8	34.5
Current debt	620.2	30.6	567.1	28.8
	2,027.3	100.0	1,979.6	100.0

Driven by acquisitions and investments, our assets increased by €47.7 million or 2.4%.

The equity ratio rose moderately from 36.7% to 37.2%, attributable to the higher internal financing strength of our Company.

We now report shareholder equity of €751.9 million (31 December 2006: €728.7 million), after dividend payments to shareholders and minority owners in the amount of €29.5. We sold a 25.1% share in our subsidiary Kliniken München Pasing und Perlach GmbH to our Amper Kliniken AG in which the District of Dachau has an interest as minority shareholder. In this connection €1.8 million was re-allocated from the equity of

the shareholders to the equity of the minority owners.

Overall, 98.2% of non-current assets is covered by equity and non-current liabilities. Net debt to banks rose since the last reporting date from €439.0 million by €53.7 million to €492.7 million as at 30 June 2007. Not included in the calculation of net debt are marketable securities worth €11.5 million.

Our internal financing strength has increased significantly. Compared with the same period last year, cash flow rose by €18.7 million or 23.9% to reach €96.8 million.

Investing activities

Aggregate investments of €121.5 million (previous year: €276.3 million) in the first half of 2007 are shown in the following table:

	Application of	Application of	Total
	subsidies	own funds	
	€million	€million	€million
Ongoing investments	46.9	55.4	102.3
Hospital acquisitions	0.0	19.2	19.2
Total	46.9	74.6	121.5

Of these investments made in the first half, €46.9 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 investments by site is given below:

	€m
Gießen/Marburg	12.5
Bad Neustadt a.d.Saale	6.9
Frankfurt (Oder)	5.2
Bad Kissingen	3.2
Miltenberg/Erlenbach	3.2
Pirna	3.1
Leipzig	2.7
Bad Berka	2.6
Kronach	2.5
Hildesheim	1.9
Weißeritztal	1.7
Cuxhaven	1.7
Hammelburg	1.6
Pforzheim	1.6
Other sites	5.0
Total	55.4

In the case of Kreiskrankenhaus Köthen, we acquired assets totalling €15.6 million. As agreed, the second purchase price tranche for Klinikum Salzgitter GmbH of €3.6 million was paid after the conditions for payment were satisfied.

In the further course of 2007 we have planned to invest a further amount of roughly €145 million.

Under concluded company purchase agreements we still have outstanding investment obligations of €597.1 million until 2012.

Outlook for the further course of financial year 2007

For the second half of 2007 we are targeting further gains in service volumes, revenues and earnings, but do not expect major acquisitions.

For future acquisitions our management structures have been well prepared, with the financing basis also having been provided.

We expect the upswing in the German economy to continue and to be accompanied by higher employment.

Demographic trends and advances in medicine will continue to feed demand for inpatient and outpatient healthcare services. Our hospitals are prepared to meet this additional demand both quantitatively and qualitatively.

Based on unchanged framework conditions and barring additional acquisitions, we expect 2007 revenues to reach roughly €2 billion for a net consolidated profit of €102 million. The latter might be further improved among other things by the effect from the corporate tax reform.

Bad Neustadt a. d. Saale, 9 August 2007

RHÖN-KLINIKUM AG

THE BOARD OF MANAGEMENT

Andrea Aulkemeyer

Wolfgang Kunz

Gerald Meder

Dietmar Pawlik

Wolfgang Pföhler

Dr. Brunhilde Seidel-Kwem

Consolidated income statement

January to June	2007		2006	
	€'000	%	€'000	%
Revenues	1,006,967	100.0	938,043	100.0
Other operating income	67,006	6.7	53,530	5.7
	1,073,973	106.7	991,573	105.7
Material and consumables used	247,108	24.5	241,063	25.7
Employee benefit expense	600,425	59.6	554,474	59.1
Other operating expenses	101,492	10.1	92,434	9.9
	949,025	94.2	887,971	94.7
Interim result (EBITDA)	124,948	12.5	103,602	11.0
Depreciation and impairment	44,139	4.4	32,494	3.5
Operating earnings (EBIT)	80,809	8.1	71,108	7.5
Finance expenditure	14,630	1.5	12,763	1.4
Finance income	7,252	0.7	4,113	0.4
Financial result	7,378	0.7	8,650	0.9
Earnings before income taxes (EBT)	73,431	7.4	62,458	6.6
Income taxes	20,818	2.1	16,897	1.8
Net consolidated profit	52,613	5.3	45,561	4.8
of which attributable				
to minority owners	2,392	0.2	1,999	0.2
to the shareholders of RHÖN-KLINIKUM AG	50,221	5.1	43,562	4.6
Earnings per ordinary share in €	0.97		0.84	

April to June	2007		2006	
	€'000	%	€'000	%
Revenues	504,955	100.0	484,253	100.0
Other operating income	33,528	6.6	25,023	5.2
	538,483	106.6	509,276	105.2
Material and consumables used	120,235	23.8	123,901	25.6
Employee benefit expense	305,515	60.5	288,609	59.6
Other operating expenses	48,923	9.7	45,181	9.3
	474,673	94.0	457,691	94.5
Interim result (EBITDA)	63,810	12.6	51,585	10.7
Depreciation and impairment	23,420	4.6	16,269	3.4
Operating earnings (EBIT)	40,390	8.0	35,316	7.3
Finance expenditure	7,480	1.5	6,459	1.3
Finance income	5,533	1.1	2,385	0.5
Financial result	1,947	0.4	4,074	0.8
Earnings before income taxes (EBT)	38,443	7.6	31,242	6.5
Income taxes	11,033	2.2	8,419	1.7
Net consolidated profit	27,410	5.4	22,823	4.8
of which attributable				
to minority owners	1,167	0.2	906	0.2
to the shareholders of RHÖN-KLINIKUM AG	26,243	5.2	21,917	4.6
Earnings per ordinary share in €	0.51		0.42	

Consolidated Balance Sheet 30 June 2007

	30 June 2007		31 December 2006	
	€'000	%	€'000	%
ASSETS				
Non-current assets				
Goodwill and other intangible assets	255,988	12.6	242,841	12.3
Property, plant and equipment	1,151,265	56.8	1,135,952	57.3
Investment property	4,255	0.2	4,338	0.2
Income tax claims	19,455	1.0	19,055	1.0
Other financial assets	1,644	0.1	1,436	0.1
	1,432,607	70.7	1,403,622	70.9
Current assets				
Inventories	37,966	1.9	39,035	2.0
Accounts receivable, other receivables and other financial assets	369,351	18.2	339,927	17.1
Current income tax claims	19,005	0.9	20,905	1.1
Cash and cash equivalents	168,400	8.3	176,136	8.9
	594,722	29.3	576,003	29.1
	2,027,329	100.0	1,979,625	100.0

	30 June 2007		31 December 2006	
	€'000	%	€'000	%
EQUITY AND LIABILITIES				
Equity				
Subscribed capital	259,200	12.8	51,840	2.6
Capital reserve	37,582	1.9	37,582	1.9
Other reserves	366,714	18.1	496,552	25.0
Net cons. profit attr. to shareholders of RHÖN-KLINIKUM AG	50,221	2.5	105,200	5.3
Treasury shares	-77	0.0	-77	0.0
Equity attributable to shareholders of RHÖN-KLINIKUM AG	713,640	35.3	691,097	34.8
Outside owners' minority interests in group equity	38,216	1.9	37,644	1.9
	751,856	37.2	728,741	36.7
Long-term debt				
Financial debt	537,918	26.4	566,576	28.6
Deferred tax liabilities	24,584	1.2	23,381	1.2
Provisions for post-employment benefits	7,742	0.4	7,289	0.4
Other provisions	4,145	0.2	4,514	0.2
Other liabilities	80,810	4.0	81,989	4.1
	655,199	32.2	683,749	34.5
Short-term debt				
Accounts payable	102,116	5.0	166,020	8.4
Current income tax liabilities	16,562	0.8	18,407	0.9
Financial debt	123,139	6.1	49,219	2.5
Other provisions	20,332	1.0	19,707	1.0
Other liabilities	358,125	17.7	313,782	16.0
	620,274	30.6	567,135	28.8
	2,027,329	100.0	1,979,625	100.0

Statement of changes in shareholder's equity

	Shareholders	Minorities	Total
	€'000	€'000	€'000
Balance at 31 Dec. 2005	609,219	32,313	641,532
Net consolidated profit for the first half of 2006	43,562	1,999	45,561
Dividends paid	0	-2,750	-2,750
Change in scope of consolidation	0	4,169	4,169
Balance at 30 June 2006	652,781	35,731	688,512
Balance at 31 Dec. 2006	691,097	37,644	728,741
Net consolidated profit for the first half of 2007	50,221	2,392	52,613
Dividends paid	-25,914	-3,584	-29,498
Other Changes	-1,764	1,764	0
Balance at 30 June 2007	713,640	38,216	751,856

Cash flow statement

January to June	2007	2006
	€million	€million
Earnings before taxes	73.4	62.5
Financial result (net)	7.4	8.6
Depreciation and losses on the disposal of assets	44.2	32.5
	125.0	103.6
Change in net current assets		
Change in inventories	1.7	0.3
Change in accounts receivable	-5.3	-1.6
Change in other receivables	-12.9	26.8
Change in liabilities (excluding financial debts)	-38.8	-9.3
Change in provisions	0.5	-6.0
Income taxes paid	-20.1	-29.0
Interest paid	-14.6	-12.8
Cash generated (+) / net cash (-) from operating activities	35.5	72.0
Investments in property, plant and equipment and in intangible assets	-63.0	-64.8
Purchase of securities	-51.5	0.0
Sale of securities	49.5	0.0
Acquisition of subsidiaries, net of cash acquired	-3.2	-93.7
Sale proceeds from disposal of assets	1.9	1.8
Interest received	7.3	4.2
Cash generated (+) / net cash (-) used in investing activities	-59.0	-152.5
Payments on issuance of a bond	0.0	0.0
Payments on taking financial debts	55.0	235.7
Repayment of financial debts	-30.1	-8.0
Dividend payments to shareholders of RHÖN-KLINIKUM AG	-25.9	0.0
Dividends paid to minority owners	-3.6	-2.7
Cash generated (+) / net cash (-) from financing activities	-4.6	225.0
Change in cash and cash equivalents	-28.1	144.5
Cash and cash equivalents on 1 January	155.8	92.7
Cash and cash equivalents on 30 June	127.7	237.2

NOTES

General information

RHÖN-KLINIKUM AG and its subsidiaries build, acquire and operate primarily acute-care hospitals of all categories. We provide our services exclusively in Germany.

These hospital services are provided in a statutorily regulated market which is subject to strong political influences.

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

The Interim Financial Statements will be published on 9 August 2007 on the homepage of RHÖN-KLINIKUM AG as well as with Deutsche Börse.

Accounting and valuation methods

The Consolidated Interim Financial Statements of RHÖN-KLINIKUM AG (also referred to as “the Group”) as at 30 June 2007 have been prepared applying Section 315a German Commercial Code (Handelsgesetzbuch, HGB) with discharging effect for consolidated financial statements prepared in accordance to HGB rules in accordance with International Financial Reporting Standards (IFRS) and the interpretations relating thereto provided by the International Accounting Standards Board (IASB), which are currently the mandatory standards to be applied within the European Union (EU). Furthermore, the provisions of the German accounting standard DRS 16 near final draft (interim financial reporting) were reflected in the preparation of this Interim Report.

The Consolidated Interim Financial Statements as at 30 June 2007, which were prepared on the basis of the International Accounting Standard (IAS) 34 “Interim Financial Reporting”, apply the same accounting and valuation methods as the consolidated financial statements for financial year 2006. The abridged Interim Financial Statements of RHÖN-KLINIKUM AG as at 30 June 2007 for the first half of 2007 must be read and assessed in conjunction with the Consolidated Financial Statements of RHÖN-KLINIKUM AG for the year ending 31 December 2006.

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

These Consolidated Interim Financial Statements and the Consolidated Interim Report of the Management have been neither audited in accordance with Section 317 HGB nor reviewed by a statutory auditor.

With effect from 1 January 2007, the revised IAS 1 “Presentation of Financial Statements – Capital Disclosures” as well as IFRS 7 “Financial Instruments: Disclosures” are to be applied as mandatory rules for the first time. This does not bring about any impact on these Interim Financial Statements, but will result in further disclosure obligations in the explanations regarding the annual financial statements as at 31 December 2007.

In financial year 2006/2007, the IASB published the Standards presented in the following whose application still requires endorsement under EU legislation:

In November 2006 the IASB issued the Standard IFRS 8 "Operating Segments" which replaces IAS 14 "Segment Reporting" that had hitherto been applicable. According to IFRS 8, reporting on the financial situation of the segments had to be effected using the "management approach" according to which the delimitation of the segments and the disclosures for the segments had to be based on the information used by the management internally for evaluating segment performance and the allocation of resources. IFRS 8 is to be applied as a mandatory Standard to financial years commencing on or after 1 January 2009; application at an earlier date is permitted. The Group at present does not assume that the application of the Standard will have a material influence on the presentation of the financial statements.

In March 2007 the IASB issued the revised Standard IAS 23 "Borrowing Costs", according to which the costs of such debt capital that can be directly allocated to the acquisition, construction or production of a qualifying asset are to be capitalised. The currently existing possibility of immediately recognising borrowing costs as expenditure is being discontinued. The revised Standard is to be applied as a mandatory Standard to financial years commencing on or after 1 January 2009, and in this case to investment projects launched in 2009. For the RHÖN-KLINIKUM Group the application of this Standard, as things now stand, will not have any material influence on the asset, financial and earnings position.

Scope of consolidation

The Consolidated Financial Statements, in addition to RHÖN-KLINIKUM AG, include a total of 89 subsidiaries (incl. special purpose companies) through which RHÖN-KLINIKUM AG exercises control over financial and business policy, usually with a voting share of more than 50.0%. When assessing whether the Group exercises control, the existence and impact of potential voting rights that are currently exercisable or convertible are considered.

Compared with the last reporting date, the scope of consolidation has increased by two acquired service companies. With effect from 1 January 2007, we transferred cleaning, catering and other facility management services to independent subsidiaries and in this connection acquired majority shares in two service companies which were included in the consolidated financial statements with effect from 1 January 2007. These acquisitions are of minor importance for the Group's asset, financial and earnings position.

As a result of the payment of the second purchase price tranche agreed for Klinikum Salzgitter GmbH in the amount of € 3.6 million, goodwill was raised accordingly.

As at 30 June 2007 we have 46 consolidated hospitals with 14,861 beds/places (31 December 2006: 14,703) at a total of 35 sites in 9 federal states.

Kreiskrankenhaus Köthen was newly consolidated in the second quarter of 2007 (with effect from 1 April 2007), an acute hospital with 264 beds/places and some € 27 million in annual revenues. In the period from 1 April to 30 June 2007, Kreiskrankenhaus Köthen contributed -€ 0.5 million to consolidated earnings and € 6.7 million to revenue growth. If Kreiskrankenhaus Köthen had been acquired already with effect from 1 January 2007, the earnings contribution would have been -€ 0.7 million and the contribution to revenues € 13.4 million.

	Time of consolidation	Number of hospitals	Number of beds/places
Kreiskrankenhaus Köthen	1 April 2007	1	264
		1	264

Based on the preliminary purchase price allocation the consolidation of Kreiskrankenhaus Köthen, which was acquired by way of asset deal, has the following impact on the asset position:

Kreiskrankenhaus Köthen	Carrying amount before acquisition €million	Adjustment amount €million	Fair value after acquisition €million
Acquired assets and liabilities			
Intangible assets	0.1		0.1
Property, plant and equipment	3.6	2.9	6.5
Accounts receivable	3.2	-0.1	3.1
Cash and cash equivalents	0.0		0.0
Other assets	3.6	-0.7	2.9
Financial debt	-0.8		-0.8
Accounts payable	-5.6	-0.3	-5.9
Provisions	-0.1		-0.1
Other liabilities	-0.5	-5.8	-6.3
Net assets acquired			-0.5
+ Goodwill			8.8
Cost			8.3
./. purchase price payments outstanding			-8.3
./. less acquired cash and cash equivalents			-0.8
Cash outflow on transaction			-0.8

The purchase price will be settled after the reporting date out of cash from the Group. Reported goodwill essentially reflects the expectation for future positive earnings contributions from Kreiskrankenhaus Köthen.

Selected explanations regarding consolidated interim income statement

With the takeover of Universitätsklinikum Gießen und Marburg GmbH with effect from 1 February 2006 and Kreiskrankenhaus Köthen from 1 April 2007, the individual reporting items of our Consolidated Interim Income Statement have changed compared with the previous year. For this reason a comparison with the previous year is possible only to a limited extent.

Revenues

January to June	2007 €million	2006 €million
Business areas		
Inpatient hospitals	931.8	872.7
Acute outpatient hospitals	55.6	46.1
Rehabilitation hospitals	19.6	19.2
	1,007.0	938.0
Federal states		
Bavaria	226.2	214.1
Lower Saxony	161.5	157.4
Saxony	132.5	125.7
Thuringia	131.0	124.9
Brandenburg	48.7	47.1
Baden-Wuerttemberg	53.4	54.8
Hesse	231.8	199.9
Saxony-Anhalt	6.8	0.0
North Rhine-Westphalia	15.1	14.1
	1,007.0	938.0

Other income

January to June	2007 €million	2006 €million
Income from services rendered, grants and other allowances	57.2	46.0
Income from adjustment of receivables	0.7	1.3
Income from the release of provisions	0.3	0.8
Indemnities received	0.4	0.6
Other	8.4	4.8
	67.0	53.5

Income from services rendered includes income from ancillary and incidental activities as well as income from rental and lease agreements. The Group received grants and other allowances as compensation for current expenditures (e.g. costs of personnel and materials for research and teaching, benefits under German legislation governing part-time employment for senior workers, and for other subsidised measures).

Other expenditure

January to June	2007 €million	2006 €million
Maintenance	34.4	30.3
Charges, subscription and consulting fees	22.3	18.1
Administrative and IT costs	8.4	9.1
Impairments on receivables	2.7	3.2
Insurance	5.4	5.0
Rents and leaseholds	4.0	4.4
Travelling, entertaining and representation expenses	2.4	2.1
Other personnel and continuing training costs	3.7	3.0
Losses on disposal of non-current assets	0.2	0.6
Secondary taxes	0.4	0.5
Other	17.6	16.1
	101.5	92.4

Income taxes

January to June	2007 €million	2006 €million
Current income tax	19.8	17.8
Deferred taxes	1.0	-0.9
	20.8	16.9

The change in tax deferrals stems in particular from an improvement in earnings in Gießen and Marburg so that in 2007 no further loss carry-forwards were to be deferred as assets.

Selected explanations regarding consolidated interim balance sheet

Goodwill and other intangible assets

	Goodwill €million	Other intangible assets €million	Total €million
Cost			
1 January 2007	234.5	20.0	254.5
Additions due to change in scope of consolidation ¹	8.8	0.0	8.8
Additions	3.6	3.0	6.6
Disposals	0.0	1.0	1.0
Transfers	0.0	0.1	0.1
30 June 2007	246.9	22.1	269.0
Cumulative depreciation and impairment			
1 January 2007	0.0	11.7	11.7
Amortisation	0.0	1.9	1.9
Disposals	0.0	0.6	0.6
30 June 2007	0.0	13.0	13.0
Balance sheet value at 30 June 2007	246.9	9.1	256.0

¹incl. acquisitions

	Goodwill €million	Other intangible assets €million	Total €million
Cost			
1 January 2006	83.9	13.3	97.2
Additions due to change in scope of consolidation ¹	158.5	36.1	194.6
Additions	0.0	1.1	1.1
Disposals	0.0	0.0	0.0
Transfers		0.3	0.3
30 June 2006	242.4	50.8	293.2
Cumulative depreciation and impairment			
1 January 2006	0.0	8.3	8.3
Amortisation	0.0	1.5	1.5
Disposals	0.0	0.2	0.2
30 June 2006	0.0	9.6	9.6
Balance sheet value at 30 June 2006	242.4	41.2	283.6

¹incl. acquisitions

Property, plant and equipment

	Land and buildings €million	Technical equipment, plant and machinery €million	Operational and office equipment €million	Plant under construction €million	Total €million
Cost					
1 January 2007	1,169.4	50.1	311.2	51.3	1,582.0
Additions due to change in scope of consolidation ¹	5.9	0.2	0.6	0.0	6.7
Additions	12.1	1.1	20.5	18.5	52.2
Disposals	1.5	0.3	7.7	0.0	9.5
Transfers	20.7	0.1	2.3	-23.2	-0.1
30 June 2007	1,206.6	51.2	326.9	46.6	1,631.3
Cumulative depreciation and impairment					
1 January 2007	249.7	30.2	166.1	0.0	446.0
Depreciation	19.7	1.7	20.8	0.0	42.2
Impairments	0.0	0.0	0.0	0.0	0.0
Disposals	0.6	0.3	7.3	0.0	8.2
Transfers	0.0	0.0	0.0	0.0	0.0
30 June 2007	268.8	31.6	179.6	0.0	480.0
Balance sheet value 30 June 2007	937.8	19.6	147.3	46.6	1,151.3

	Land and buildings €million	Technical equipment, plant and machinery €million	Operational and office equipment €million	Plant under construction €million	Total €million
Cost					
1 January 2006	1,035.4	42.6	233.7	50.2	1,361.9
Additions due to change in scope of consolidation ¹	8.6	0.1	0.8	0.1	9.6
Additions	21.4	1.8	19.8	22.3	65.3
Disposals	1.6	0.3	4.9	0.0	6.8
Transfers	22.0	0.9	0.9	-24.1	-0.3
30 June 2006	1,085.8	45.1	250.3	48.5	1,429.7
Cumulative depreciation and impairments					
1 January 2006	216.1	26.8	145.5	0.0	388.4
Depreciation	15.0	1.4	14.6	0.0	31.0
Impairments	0.0	0.0	0.0	0.0	0.0
Disposals	0.0	0.2	4.6	0.0	4.8
Transfers	0.0	0.0	0.0	0.0	0.0
30 June 2006	231.1	28.0	155.5	0.0	414.6
Balance sheet value at 30 June 2006	854.7	17.1	94.8	48.5	1,015.1

¹incl. acquisitions

Equity

At the Annual General Meeting on 31 May 2007, the shareholders of RHÖN-KLINIKUM AG adopted the resolution to increase the registered share capital from company funds to € 259.2 million and to re-divide the registered share capital at a ratio of 1:2. After the stock split the subscribed share capital of the Company is divided into 103,680,000 non-par shares each having a pro rata amount in the registered share capital of € 2.50. The capital increase took effect upon being recorded in the commercial register on 11 June 2007.

On 1 June 2007 the dividend of € 25.9 million adopted by the Annual General Meeting was paid out.

Other disclosures**Interests held in the Company**

The following indirect and direct interests which are subject to notification pursuant to Section 21 (1) Section 22 of the German Securities Trading Act (WpHG) were reported to the Company:

Notifying Party	Published	Voting Rights		Total %
		Directly held %	Attribution %	
Alecta pensionsförsäking ömeseidigt, Stockholm/Sweden	20 January 2006	10.12		10.12
Eugen Münch, Germany	15 February 2007	9.78		9.78
Ingeborg Münch, Germany	15 February 2007	6.42		6.42
Allianz SE, Munich/Germany	5 October 2005		6.18	6.18
Allianz Germany AG, Munich/Germany	5 October 2005		6.14	
Jota-Vermögensverwaltungsgesellschaft mbH, Munich/Germany	5 October 2005		6.14	
Allianz Lebensversicherungsgesellschaft, Stuttgart/Germany	5 October 2005	6.14		
Franklin Mutual Advisers, LLC, Short Hills/USA*	9 February 2007		6.28	6.28
Franklin Mutual Series Fund, Short Hills/USA*	2 February 2007	6.28		
Ameriprise Financial, Inc., Minneapolis/USA	2 May 2007		5.01	5.01
Threadneedle Asset Management Holdings Limited, London/United Kingdom	2 May 2007		5.01	
Threadneedle Asset Management Limited, London/United Kingdom	2 May 2007		5.01	
Bank of America Corporation, Charlotte/USA	11 April 2007		4.46	4.46
Columbia Management Group, Boston/USA	11 April 2007		4.46	
Columbia Wanger Asset Management L.P., Chicago/USA	11 April 2007		4.46	
Nordea 1 Sicav, Findel/Luxembourg	4 August 2006	3.78		3.78
Julius Bär Holding AG, Zurich/Switzerland	19 March 2007		3.05	3.05
Julius Baer Americas Inc., New York/USA	19 March 2007		3.05	
Julius Baer Investment Management LLC, New York/USA	19 March 2007		3.05	

* The voting rights of Franklin Mutual Series Fund were attributable to Franklin Mutual Advisers, LLC under § 22 (1) Sent. 1 No. 6 WpHG. Per the date of exceeding the threshold on July 2006 the share of the total voting rights of Franklin Mutual Advisers, LLC in RHÖN-KLINIKUM AG amounts to 5,07 %.

The interest of the Münch family (Ingeborg and Eugen Münch) in the registered share capital of RHÖN-KLINIKUM AG has totalled 16.20% (Eugen Münch 9.78% and Ingeborg Münch 6.42%) since the conversion of preference shares into ordinary shares and based on the notification pursuant to Section 15a WpHG on 2 February 2007 and pursuant to the voting right notification in accordance with Section 21 (1) WpHG on 15 February 2007.

Corporate bodies

Mr. Timothy Plaut resigned his office as member of the Supervisory Board of the Company with effect from the conclusion of the Annual General Meeting on 31 May 2007. The Annual General Meeting of RHÖN-KLINIKUM AG elected Mr. Jens-Peter Neumann as member of the Supervisory Board on 31 May 2007.

Related parties

RHÖN-KLINIKUM Group companies, in given instances, enter into transactions with related parties. Such service or lease relations are arranged at arm's length terms.

A member of the Supervisory Board of RHÖN-KLINIKUM AG or related party of such member provided laboratory and other medical service in the first half of 2007. Pro rata temporis, the volume corresponds to the scope presented in the Consolidated Financial Statements for the financial year ending 31 December 2006.

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

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

On 31 May 2007 the Annual General Meeting of RHÖN-KLINIKUM AG, by way of resolution amending the Articles of Association, adopted the resolution to raise the remuneration for the members of the Supervisory Board. The impact for 2007 will be € 0.5 million. The contractual remuneration for members of the Board of Management and the Advisory Board remained unchanged.

Segment information

Our hospitals are operated in the legal form of independent subsidiaries which carry on their business activities in their respective regional markets in line with the guidelines and specifications of the parent company. There are no dependent hospital operations or branches within RHÖN-KLINIKUM Group.

Since RHÖN-KLINIKUM Group operates in the German market, exclusively, which is a highly homogenised market due to uniform regulations under federal law, our acute hospitals' business risks and opportunities are the same in the various federal states. Since the Group's rehabilitation business as well as other operations do not show the minimum size as defined by IAS 14, there are no reportable segments.

Employees

At the reporting date of 30 June 2007 the Group employed a total of 31,844 persons (31 December 2006: 30,409 persons). The increase by 1,435 versus the reporting date of 31 December 2006 is attributable to the ten service companies that commenced their operations adding 1,558 persons, as well as to the takeover of Kreiskrankenhaus Köthen GmbH adding 396 persons. At our hospitals and other companies existing on 31 December 2006, the number of employees declined by 519 versus the reporting date of 31 December 2006.

Other financial obligations

With the takeover of Kreiskrankenhaus Köthen, RHÖN-KLINIKUM Group committed itself to investment projects totalling €24 million. This amount is allocated to new buildings, technical facilities and medical equipment. The aggregate amount of financial obligations under concluded and fully valid company purchase agreements for purchase price and investment obligations totals €597.1 million as at 30 June 2007.

Earnings per share

Earnings per share is calculated using the share of net consolidated profit attributable to the shareholders of RHÖN-KLINIKUM AG and the weighted average number of shares in issue during the year.

The development of the shares in issue can be seen in the overview provided in the following table:

	Number of shares on 30 June 2007	Number of shares on 1 Jan. 2007
Ordinary shares	51,840,000	51,840,000
Treasury shares	-12,680	-13,045
Shares in issue	51,827,320	51,826,955

Earnings per share is calculated as follows:

Ordinary shares	30 June 2007	30 June 2006
Share in net consolidated profit ('000)	50,221	43,562
Weighted average number of shares in issue (in '000 units)	51,827	51,833
Earnings per share in €	0.97	0.84

Cash flow statement

The consolidated cash flow statement is prepared in accordance with IAS 7, with a distinction being made between cash flows from operating activities, investing activities as well as financing activities. Financing funds include cash and cash equivalents less bank overdrafts amounting to €40.7 million.

Assurance of legal representatives

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

Bad Neustadt a. d. Saale, 9 August 2007

RHÖN-KLINIKUM AG

THE BOARD OF MANAGEMENT

Andrea Aulkemeyer

Wolfgang Kunz

Gerald Meder

Dietmar Pawlik

Wolfgang Pföhler

Dr. Brunhilde Seidel-Kwem

Financial calendar - dates for shareholders and analysts

2007

14 February 2007	Preliminary results for financial year 2006
19 April 2007	Results press conference: results for financial year 2006
3 May 2007	Publication of interim report for the quarter ending 31 March 2007
31 May 2007	Annual General Meeting
9 August 2007	Publication of half-year report as at 30 June 2007
25 October 2007	Publication of interim report for the quarter ending 30 September 2007
8 November 2007	DVFA analysts conference

2008

13 February 2008	Preliminary results for financial year 2007
24 April 2008	Results press conference: results for financial year 2007
24 April 2008	Publication of interim report for the quarter ending 31 March 2008
17 June 2008	Annual General Meeting
7 August 2008	Publication of half-year report as at 30 June 2008
30 October 2008	Publication of interim report for the quarter ending 30 September 2008
6 November 2008	DVFA analysts conference

RHÖN-KLINIKUM AG

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This Half-Year Report is also available
in German.

