INTERIM REPORT
Q1 – Q3 2014

RHÖN-KLINIKUM
AKTIENGESELLSCHAFT

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LETTER TO SHAREHOLDERS

Dear Shareholders,

During the third quarter of the current financial year, RHÖN-KLINIKUM AG has continued the process of strategic consolidation and reorientation at the usual pace.

In the transaction with Fresenius/Helios carried out in February 2014, all facilities that were sold and did not give rise to any objections under competition law were transferred to the purchasers. For the facilities in Cuxhaven, Boizenburg as well as Waltershausen-Friedrichroda that were temporarily retained in our portfolio for antitrust reasons, a solution offering viable prospects for the future has now been found in each case.

The hospital in Cuxhaven was already transferred to Helios/Fresenius in the third quarter after the German Federal Cartel Office, following a new review of the regional competition situation, had declared the contemplated change in owner to be unobjectionable. The hospital in Boizenburg was acquired by the company KMG Kliniken, the hospital in Waltershausen-Friedrichroda by SRH Kliniken GmbH; the actual change in owner will take place shortly once all conditions of validity have been met. Consequently, all sale transactions that had been planned in connection with the Fresenius/Helios transaction have been essentially concluded.

On 12 June 2014 the Annual General Meeting, as proposed by the Board of Management and the Supervisory Board, resolved to pay to the shareholders out of the income generated from the Fresenius/Helios transaction an amount of up to € 1.7 billion in a share repurchase with subsequent capital reduction. The shareholders are thus given the opportunity of redefining their investment with only a moderate impact on the share price, whilst taking an entrepreneurial share in the Company's extraordinarily high performance.

Through this instrument of marketable tender rights, all private and institutional investors receive an additional option; they may decide at their discretion either to tender their equity interest in the Company under the changed conditions, also outside normal exchange trading, in whole or in part, or to maintain their investment. At the same time, the aim is to adjust the Company's registered share capital after the end of the share repurchase to the smaller company size resulting from the transaction.

The requisite recording in the commercial register was initially delayed after some of the resolutions of the Annual General Meeting had been challenged in a voidance action. However, RHÖN-KLINIKUM AG and the claimants agreed to a settlement proposal of the Court of Appeals of Nuremberg on 29 September 2014; the pending defective resolution action was declared to have been finally and fully settled. On 10 October 2014, the requisite resolutions of the Annual General Meeting were then recorded in the commercial register, thus paving the way for the start of the share repurchase in the announced scope of up to € 1.7 billion on 16 October. The share repurchase, which essentially involves the acceptance of a corresponding redemption offer, ends on 14 November 2014.

With the consent of the Audit Committee of the Supervisory Board, the Board of Management resolved to define the offer price at € 25.18 per share; this implies a premium of 7% on the reference price of € 23.54.

For further, detailed information on the share repurchase, you can also visit the homepage of RHÖN-KLINIKUM AG; it is regularly updated in this regard.

In the view of the Board of Management, it is possible that the redemption of up to 47% of the shares resulting from the share repurchase and the planned capital reduction will lead to a change in the shareholder structure that cannot be forecast with certainty.

Despite an increasing normalisation of business operations, the extraordinary effects and consequences of the transaction continue to have a noticeable effect on the operating business. They are having an impact on the balance sheet, resulting in areas of focus being established within the management, not to mention the fact that they are tying additional resources. Moreover, the business figures of the third quarter of 2014, due to the significantly changed Company format and smaller size, are not comparable to the levels seen in the respective period of the previous year.

In the context of these special circumstances, over one million patients (1,045,273 exactly) were treated in the Group's hospitals during the first nine months of the year. Revenues stood at € 1,237.4 million. Earnings before interest, tax and depreciation/amortisation (EBITDA) totalled € 1,390.5 million on the back of income from disposals.

The Company's structural reorganisation and the further execution of the Fresenius/Helios transaction will also continue to have a noticeable effect on the further course of the financial year and thus on our figures. Given these overall circumstances, we have not specified any targets for revenues and profits for financial year 2014 and continue to stand by this decision.

For the upcoming year 2015, the Company's first financial year under the new structure, we maintain our medium-term outlook for revenues in the range of € 1.06 billion to € 1.12 billion and earnings before interest, tax and depreciation/amortisation (EBITDA) of between € 145 million and € 155 million. In the context of the regulated market environment and numerous exogenous factors influenced by German healthcare policy, this outlook is subject to any acts or omissions of the German legislature that may have a positive or negative impact on the general environment of hospital financing. Not least, any change in the strategic shareholding structure might haven an influence on the Company's medium-to-long-term orientation with corresponding impacts on its operative development in the medium term.

We have also regularly kept our shareholders and the general public informed about progress being made in the realisation of the particle therapy centre at Marburg University Hospital. In September 2014, all contracts and agreements of material importance for the project were signed by the parties involved – Federal State of Hesse, Siemens AG, University of Heidelberg and University Hospital of Heidelberg, Philipps-University Marburg, RHÖN-KLINIKUM AG as well as Gießen and Marburg University Hospital. In future, the particle therapy facility will be operated by the company entity "Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung" (MIT) established for this purpose; in addition to RHÖN-KLINIKUM AG holding an interest of 24.9%, Universitätsklinikum Heidelberg also holds an interest in the newly established entity. The parties believe that treatment of the first patient for cancer therapy in this globally leading facility will be able to start in the fourth quarter of 2015.

Also the specific form and implementation of the networked medicine concept being pursued jointly with our network partners Helios and Asklepios continues to take shape; the network partnership will be promoted under the brand “Wir für Gesundheit” (English: “Working together for health” – a joint marketing company). In the medium term, the network is to be expanded into an operator-open, national network of qualified providers in which outpatient and inpatient healthcare services will be provided as part of an employer-financed supplementary insurance scheme for patients both under both statutory and private health insurance.

In the long term we believe that this networking partnership will significantly boost the further entrepreneurial development and economic success of RHÖN-KLINIKUM AG.

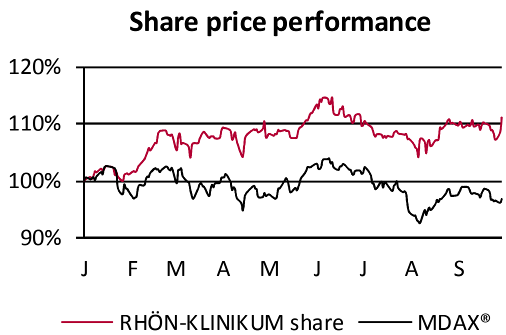
Yours sincerely,
RHÖN-KLINIKUM AG

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

THE RHÖN-KLINIKUM SHARE

During the third quarter of 2014, developments on the international stock markets were adversely affected by geopolitical risks in Eastern Europe as well as weaker economic data and worsening economic confidence in the euro zone. In this picture, the still expansive monetary policy had a stabilising effect. On 4 September 2014, the council of the European Central Bank (ECB) responded to the further decline in inflation and lowered the key interest rate from 0.15% to 0.05% and adopted a decision for the purchase loan securitisations (ABS) and Pfandbriefe.

The German lead index DAX®, which in June 2014 for the first time closed above 10,000 and on 3 July 2014 reached a new all-time closing high at 10,029 points, fell in the course of the third quarter by 3.7%. The MDAX® lost 4.9%.



The share of RHÖN-KLINIKUM AG ended the third quarter almost unchanged at a closing price of € 24.02 (30 June 2014: € 24.12). This outperformance was driven among other things by corporate headlines on the ongoing development in the transaction with Fresenius/Helios and on the 2014 Share Repurchase. On 29 September 2014, the Company agreed to a settlement with the claimants opposed to the resolution adopted by the Annual General Meeting on Agenda Item 3 (Capital reduction/2014 Share Repurchase), thus clearing the way for executing the share repurchase and the payment of an amount of roughly € 1.7 billion from the proceeds of the transaction with Fresenius/Helios.

At the end of the third quarter our market capitalisation, including all issued 138.23 million non-par shares, stood at € 3.3 billion (31 December 2013: € 2.9 billion). In the MDAX® we thus ranked 20th by market capitalisation (31 December 2013: 23rd).

RHÖN-KLINIKUM share		
ISIN		DE0007042301
Ticker symbol		RHK
Registered share capital		345,580,000 €
Number of shares		138,232,000
	30 Sept. 2014	**31 Dec. 2013**
Market capitalisation (€ m)	3,320.33	2,938.81
Share prices (€)	**1 Jan.-30 Sept. 2014**	**1 Jan.-31 Dec. 2013**
Closing price	24.02	21.26
High	24.78	21.49
Low	21.62	14.60

The public offer for the 2014 Share Repurchase runs from 16 October to 14 November. The preliminary results for financial year 2014 will be presented on 27 February 2015. The results press conference for publication of the 2014 Annual Financial Report will be held on 17 April 2015. The Annual General Meeting will be held on 10 June 2015.

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".

GROUP INTERIM REPORT OF THE MANAGEMENT

REPORT ON THE THIRD QUARTER AND THE FIRST NINE MONTHS OF FINANCIAL YEAR 2014

- In the first nine months, RHÖN-KLINIKUM AG sold a portfolio of 41 facilities, medical care centres (MVZs) and other affiliated interests to HELIOS Kliniken GmbH and Fresenius SE & Co. KGaA. The sites in Bad Neustadt, Bad Berka, Frankfurt (Oder) as well as Universitätsklinikum Gießen und Marburg are excluded from the transaction. With these five sites, RHÖN-KLINIKUM AG is forming a new, highly specialised hospital portfolio with an innovation-driven focus on treatment excellence. Taking account of the assessment under German competition law, the hospitals in Boizenburg, Cuxhaven and Waltershausen-Friedrichroda were initially left out of the filing to the Federal Cartel Office. The hospital in Cuxhaven was also transferred to Fresenius/Helios with effect from 31 July 2014 since the German Federal Cartel Office, following a new review of the regional competition situation, had declared the change in ownership to be unobjectionable. Also the hospitals in Boizenburg and Waltershausen-Friedrichroda were sold to third parties. This marks the conclusion of the transfer of all transaction-relevant facilities.

- In our consolidated income statement, we report a result of € 1,331.3 million from the sale of companies in the first nine months of financial year 2014.

- In September 2014, the contracts and agreements relating to the operation of the particle therapy centre at the Marburg University site were signed. In future, the particle therapy facility will be operated by a company entity jointly controlled by RHÖN-KLINIKUM AG and Universitätsklinikum Heidelberg – "Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung“.

- In the first three quarters of financial year 2014, we generated revenues of € 1,237.4 million (same period last year: € 2,256.4 million), EBITDA influenced by the transaction of € 1,390.5 million (same period last year: € 222.9 million) as well as a resulting net consolidated profit of € 1,226.6 million (same period last year: € 68.4 million).

BASIC PRINCIPLES OF THE RHÖN-KLINIKUM GROUP

The condensed interim consolidated financial statements of RHÖN-KLINIKUM AG for the year ended 30 September 2014 have been prepared in accordance with the provisions of IAS 34 in condensed form, and applying section 315a of the German Commercial Code (Handelsgesetzbuch, HGB) in accordance with International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as well as the related Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), which are the subject of mandatory adoption in accordance with the Regulation No 1606/2002 of the European Parliament and of the Council on the application of international accounting standards in the European Union in financial year 2014.

The accounting and valuation methods applied, to the extent already applied in financial year 2013 and consistently applied in financial year 2014, are set out in detail in the Consolidated Financial Statement of RHÖN-KLINIKUM AG as at 31 December 2013. The accounting and valuation methods applicable in principle for the first time in financial year 2014 are explained in the Condensed Notes to this Interim Report. On a current view, these will have only the effects as stated in the Condensed Notes on the net assets, financial position and results of operations of RHÖN-KLINIKUM AG.

In connection with the share purchase agreement entered into between RHÖN-KLINIKUM AG, HELIOS Kliniken GmbH and Fresenius SE & Co. KGaA, 40 hospitals were directly transferred to Fresenius/Helios in the first half of 2014. During the third quarter of 2014 the hospital in Cuxhaven, in a second attempt, was also transferred to Fresenius/Helios after the German Federal Cartel Office, following a new review of the regional competition situation, gave its approval to the change in ownership. The subsidiaries in Boizenburg und Waltershausen-Friedrichroda not yet effectively sold as at the key date of 30 September 2014 were reported separately in the Consolidated Balance Sheet under separate current balance sheet items – on both the assets and liabilities side – as assets and liabilities held for sale applying IFRS 5. On the assets side, € 26.8 million of this was reported as current assets and on the liabilities side € 0.8 million as current debt capital.

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

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

CORPORATE GOVERNANCE

The composition of our Board of Management has remained unchanged since the 2013 Annual Report. With effect from 28 February 2014, Ms. Annett Müller and Mr. Werner Prange left our Supervisory Board because of the transaction. Prof. Dr. Jan Schmitt resigned his Supervisory Board mandate with effect from 30 April 2014 and Mr. Detlef Klimpe with effect from 12 June 2014. They were succeeded to the Supervisory Board by Mr. Oliver Salomon with effect from 9 April 2014, Mr. Klaus Hanschur with effect from 17 April 2014, Dr. Franz-Josef Schmitz with effect from 1 May 2014 and Prof. Dr. h. c. Ludwig Georg Braun with effect from 12 June 2014.

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 2014 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 29 April 2014, the Declaration on Corporate Governance and the Corporate Governance Report jointly issued by the Board of Management 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 our explanations provided in the Management Report of the Consolidated Financial Statements of financial year 2013.

ECONOMIC REPORT

MACROECONOMIC AND INDUSTRY ENVIRONMENT

The current Business Climate Index for the month of September 2014 has shown a decline for the sixth month in a row. The good shape of German companies thus saw a permanent deterioration compared with the first quarter of 2014.

Companies' expectations for the coming months and the outlook for their future business performance are no longer optimistic. The international crises and the gloomy economic outlook are taking their toll on the mood of German companies.

Employment on the German labour market continues to grow, albeit only slightly compared with the previous quarters. In September, the number of unemployed declined in September as the typical upswing in autumn began to set in. On a seasonally adjusted basis, however, unemployment is up slightly and is already revealing the onset of what might be a negative trend. The jobless rate for September is around 6.5%. The consumer price index as calculated by the Federal Statistical Office stands at 0.8% in Germany for September compared with the same month of the previous year, thus maintaining its lower level.

Given changes in demographics, we expect demand for hospital services to continue to rise in the current year 2014 and in the coming years. However, this rising demand is not being fully reflected in terms of remuneration, since under the well-known statutory provisions price discounts have to be accepted for surplus service volumes demanded and rendered – irrespective of whether or not these have been agreed – also in the years to come. On the cost side we expect that the year 2014 will also see rises in wages and the cost of materials of over 2% to 3% which will not be offset on the revenue side.

The remuneration of hospitals did see a slight improvement with the new provisions on the orientation value (*Orientierungswert*). The purpose of the orientation value, to be calculated by the German Federal Statistical Office (Destatis) from the trend of various cost components, defines the scope of price adjustments for hospital services. Originally, it was to completely replace the rate of change in aggregate income (*Grundlohnrate*) as the assessment basis. Under the new provision, however, the orientation value is compared with the rate of change in aggregate income, with the higher value being applied. For the year 2014 the rate of change in aggregate income is being applied.

In addition, during financial year 2014 hospitals have to accept a discount of 25.0% on so-called surplus service volumes agreed with the health insurance funds. For surplus service volumes not agreed, the statutory provisions provide for discounts of 65.0%. Based on price increases at the upper end of the original assumptions of 2.0% to 3.0% for personnel expenses and a capped price increase rate included in the state base rates, earnings will have to cope with further charges that will have to be offset accordingly.

Irrespective of the wage gap in the personnel area, the recruitment of top-qualified staff will be one of the challenges to be met in future given the emerging shortage in specialised personnel and demographic trends. We are confronting not only this task, but also increasing calls by employees to be given the opportunity of achieving a better balance between professional and family life, with specific measures targeted at improving our attractiveness as an employer in healthcare.

For the healthcare environment in Germany and in particular for the hospitals, additional efficiency reserves must be available or hospitals will have to be able to unlock these efficiency reserves through suitable investment measures. If this does not happen, existing earnings and margin pressures will further persist.

As a result, the trend of selection amongst service providers will continue and intensify. In our view, only those hospitals that are able to continually expand their service portfolio while at the same time improving the quality of clinical processes for patients can look forward to a sustainable and independent existence on the market. We review and optimise our processes and strategies on a continuous basis. Building on that, we will make a Group-wide response to the challenges of healthcare policy. We therefore see ourselves in a very good position in terms of our growth prospects, also for the coming year.

BUSINESS PERFORMANCE OF THE FIRST NINE MONTHS

Overall statement on economic position

January to September	2014	2013	Change	
	€ m	€ m	€ m	%
Revenues	1,237.4	2,256.4	-1,019.0	-45.2
EBITDA	1,390.5	222.9	1,167.6	N.A.
EBIT	1,327.5	117.9	1,209.6	N.A.
EBT	1,247.1	89.7	1,157.4	N.A.
Operating cash flow	1,289.1	174.1	1,115.0	N.A.
Consolidated result	1,226.6	68.4	1,158.2	N.A.

At the end of February 2014, a portfolio of 39 facilities, medical care centres (MVZs) and other affiliated interests was sold to HELIOS Kliniken GmbH and to Fresenius SE & Co. KGaA (inclusion in Interim Consolidated Financial Statements based on two months of business activity). After the City of Wiesbaden also gave its approval for the sale in the second quarter of 2014, HSK, Dr. Horst Schmidt Kliniken GmbH was also transferred to Fresenius/Helios (inclusion in Interim Consolidated Financial Statements based on two months of business activity). The hospital in Cuxhaven was also transferred to Fresenius/Helios with effect from 31 July 2014 since the German Federal Cartel Office, following a new review of the regional competition situation, had declared the change in ownership to be unobjectionable (inclusion in Interim Consolidated Financial Statements based on seven months of business activity).

Driven by the sale of the hospital subsidiaries, accompanied by income from the sale amounting to € 1,331.3 million, we reported an increase in EBITDA by € 1,167.6 million, an increase in EBIT by € 1,209.6 million and an increase in net consolidated profit by € 1,158.2 million.

Despite an increasing normalisation of business operations, the extraordinary effects and consequences of the transaction continue to have a noticeable effect on the operating business. In addition, the key figures of the first nine months of financial year 2014, given the significantly reduced Company format and smaller size, are not comparable to the levels seen in the previous years.

Moreover, the ever widening gap between revenues and costs seen within the hospital sector for several years continues to have an impact on the operating side.

We, as the RHÖN-KLINIKUM Group, will concentrate on the remaining hospitals and forge ahead with the medical re-orientation towards innovation and treatment excellence. Our efforts are aimed at offering cutting-edge medical care to everyone in our hospitals with state-of-the-art medical therapies and procedures.

For example, our intensive efforts to realise the particle therapy centre at the site of the university hospital in Marburg were brought to a successful conclusion in September 2014 with the signing of the requisite contracts and agreements. In future, the particle therapy facility will be operated by a company entity jointly controlled by RHÖN-KLINIKUM AG and Universitätsklinikum Heidelberg – "Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung“. Also the specific form and implementation of our networked medicine concept continues to take shape. Our intensive efforts to forge ahead with the network partnership under the brand “Wir für Gesundheit” (English: "Working together for health") – a marketing company managed jointly with our network partners Fresenius/Helios and Asklepios – are continuing.

In the first three quarters of financial year 2014, the adjustment of our Group to the new structure has given rise to additional planned burdens as well as to additional extraordinary burdens as a result of the sale process, for example in the form of additional consulting fees.

Trend in service volumes

	Hospitals	Beds
As at 31 December 2013	**53** *	**17,113**
Change in capacities	-41	-11,567
As at 30 September 2014	**12**	**5,546**

* Amalgamation of two hospitals at Leizpig site prior to sale

As at 30 September 2014 our consolidated financial statement included 12 hospitals with 5,546 beds/places at a total of seven sites in five federal states. The decline compared with the reporting date of 31 December 2013 stems from the sale of 41 hospitals with 11,567 beds/places to Fresenius/Helios in the first nine months of financial year 2014.

As at 30 September 2014, we operate eight MVZs with a total of 31.75 specialist physician practices:

	MVZs	Specialist physician
As at 31 December 2013	**39**	**179.00**
Opened/acquired		
Various sites	-	6.00
Disposals		
Various sites	-31	-153.25
As at 30 September 2014	**8**	**31.75**

Disposals concern 31 MVZs with a total of 153.25 specialist physician practices. These relate to the sale of subsidiaries to Fresenius/Helios and to doctors practising at the MVZs.

Patient numbers at our hospitals and MVZs developed as follows:

January to September	**2014**	**2013**	**Change absolute**	**%**
Inpatient and day-case treatments,				
acute hospitals	277,409	568,820	-291,411	-51.2
rehabilitation hospitals and other facilities	5,319	8,613	-3,294	-38.2
	282,728	577,433	-294,705	-51.0
Outpatient attendances at our				
acute hospitals	486,323	906,000	-419,677	-46.3
MVZs	276,222	521,773	-245,551	-47.1
	762,545	1,427,773	-665,228	-46.6
Total	**1,045,273**	**2,005,206**	**-959,933**	**-47.9**

In the first nine months of financial year 2014, a total of 1,045,273 patients (up by -959,933 patients or -47.9%) were treated in the Group's hospitals and MVZs. The decline stems from the sale of hospitals to Fresenius/Helios in the first nine months of 2014.

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

January to September	2014	2013
Case revenue		
inpatient (€)	4,049	3,660
outpatient (€)	122	100

Results of operations

January to September	2014 € m	2013 € m	Change € m	Change %
Income				
Revenues	1,237.4	2,256.4	-1,019.0	-45.2
Other income	122.9	159.5	-36.6	-22.9
Total	**1,360.3**	**2,415.9**	**-1,055.6**	**-43.7**
Expenditure				
Materials and consumables used	341.2	590.4	-249.2	-42.2
Employee benefits expense	785.7	1,374.9	-589.2	-42.9
Other expenditure	174.2	227.7	-53.5	-23.5
Total	**1,301.1**	**2,193.0**	**-891.9**	**-40.7**
Result from deconsolidation of subsidiaries	**1,331.3**	**0.0**	**1,331.3**	N.A.
EBITDA	**1,390.5**	**222.9**	**1,167.6**	N.A.
Depreciation	63.0	105.0	-42.0	-40.0
EBIT	**1,327.5**	**117.9**	**1,209.6**	N.A.
Financial result	80.4	28.2	52.2	185.1
EBT	**1,247.1**	**89.7**	**1,157.4**	N.A.
Income taxes	20.5	21.3	-0.8	-3.8
Consolidated result	**1,226.6**	**68.4**	**1,158.2**	N.A.

As a result of the sale of 41 hospitals, medical care centres and other affiliated interests to Fresenius/Helios for the most part at the end of February 2014 (inclusion in the Interim Consolidated Financial Statements based on two months of business activity), we reported, compared with the first nine months of financial year 2013, in conjunction with

- a decline in income (revenues, other income) by € 1,055.6 million or 43.7% to € 1,360.3 million,
- a decline in expenditure (materials and consumables expense, employee benefits expense, other expenditure) by € 891.9 million or 40.7% to € 1,301.1 million, and
- income from the disposal of entities (result of deconsolidation of subsidiaries) amounting to € 1,331.3 million

an increase in EBITDA by € 1,167.6 million to € 1,390.5 million, an increase in EBIT by € 1,209.6 million to € 1,327.5 million, and an increase in net consolidated profit by € 1,158.2 million to € 1,226.6 million.

January to September	2014 %	2013 %
Cost of materials ratio	27.6	26.2
Personnel cost ratio	63.5	60.9
Other cost ratio	14.0	10.1
Depreciation and amortisation ratio	5.1	4.7
Financial result ratio	6.5	1.2
Tax expenditure ratio	1.7	1.0

Compared with the same period last year, the cost of materials declined in the first nine months of financial year 2014 by € 249.2 million or 42.2% to € 341.2 million. This stems from the sale of hospitals in the first nine months of financial year 2014. The cost-of-materials ratio rose from 26.2% to 27.6% as a result of use of articles entailing higher material costs at our facilities of cutting-edge medicine.

The employee benefits expense and other expenditures declined compared with the first nine months of 2013 likewise as a result of the sale of hospital subsidiaries. Whilst employee benefits expenses declined by € 589.2 million or 42.9%, we record in other expenditures a decline by € 53.5 million or 23.5%. One counter-effect seen in the employee benefits expense resulted from the virtual shares granted to the members of the Board of Management. The intensive efforts to realise the particle therapy centre at the site of the university hospital in Marburg were brought to a successful conclusion in September 2014 with the signing of the requisite contracts and agreements. In future, the particle therapy facility will be operated by a company entity jointly controlled by RHÖN-KLINIKUM AG and Universitätsklinikum Heidelberg – "Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des

Universitätsklinikums Heidelberg mit beschränkter Haftung". One-off expenses recognised under other expenses are being incurred in this connection. The personnel cost ratio rose from 60.9% to 63.5% and the other expense ratio from 10.1% to 14.0%.

From the sale of the subsidiaries under the transaction with Fresenius/Helios, income of € 1,331.3 million was generated in the first nine months of financial year 2014.

The depreciation item declined compared with the same period of the previous year by € 42.0 million or 40.0% to € 63.0 million. The decline is attributable to the sale of hospital subsidiaries as well as the related adjustments in connection with IFRS 5. Pursuant to IFRS 5, non-current assets may not be amortised as long as they are classified as assets held for sale. Moreover, an expenditure-increasing effect in the amount of € 15.7 million results from the full impairment on the building of PTZ GmbH in the second quarter of 2014. This impairment relates to the realisation 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, we recorded a rise in our negative financial result by € 52.2 million in the first nine months of financial year 2014. The rise is essentially the result of the early redemption of financial liabilities and the accompanying breakage (prepayment) costs and fees.

As at 30 September 2014, net debt to banks – including finance lease liabilities – was € 0.0 million (31 December 2013: € 730.6 million) and breaks down as follows:

	30 Sept. 2014 € m	31 Dec. 2013 € m
Cash	2,312.0	156.9
Current financial liabilities	3.1	121.1
Non-current financial liabilities	152.8	750.8
Finance lease liabilities	2.0	41.1
Financial liabilities	157.9	913.0
Subtotal	-2,154.1	756.1
Negative market value of derivatives (current)	0.0	0.0
Negative market value of derivatives (non-current)	0.0	-25.5
Total	-2,154.1	730.6
Net financial debt	**0.0**	**730.6**

Including held-for-sale assets and liabilities

At an unchanged rate of taxation, the income tax expense item declined slightly by € 0.8 million to € 20.5 million (previous year: € 21.3 million) compared with same period of the previous year.

Compared with the same period last year, net consolidated profit of the first nine months rose by € 1,158.2 million to € 1,226.6 million (previous year: € 68.4 million).

Compared with the same period last year, non-controlling interests in profit were nearly unchanged at € 2.5 million.

The interest of RHÖN-KLINIKUM AG shareholders in profit for the first nine months of 2014 rose by € 1,224.2 million compared with the same period last year. The interest in profit of the shareholders corresponds to earnings per share of € 8.86 (previous year: € 0.48) in accordance with IAS 33.

The total result (sum of net consolidated profit and other earnings) stood at € 1,247.5 million (previous year: € 77.6 million) in the first nine months of financial year 2014. Whereas in the previous year, positive changes in the market values of our financial instruments of € 9.2 million (after tax) were recognised directly at equity, positive changes in our financial instruments to the tune of € 20.9 million (after tax) due to the redemption of the respective underlying transaction also had to be recognised directly at equity in the first nine months of the current financial year.

Net assets and financial position

	30 Sept. 2014		31 Dec. 2013	
	€ m	%	€ m	%
ASSETS				
Non-current assets	843.3	24.6	886.9	28.6
Current assets	2,582.9	75.4	2,211.3	71.4
	3,426.2	**100.0**	**3,098.2**	**100.0**
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity	1,222.4	35.7	1,666.7	53.8
Long-term loan capital	182.5	5.3	742.6	24.0
Short-term loan capital	2,021.3	59.0	688.9	22.2
	3,426.2	**100.0**	**3,098.2**	**100.0**

Compared with the balance sheet date of 31 December 2013, the balance sheet total rose by € 328.0 million or 10.6% to € 3,426.2 million. The rise essentially is the result of the liquidity generated from the sale of hospital subsidiaries to Fresenius/Helios, comparing with corresponding disposals of assets and liabilities of the sold subsidiaries and redemptions of financial liabilities.

The assets and liabilities of the subsidiaries not yet effectively sold (Boizenburg and Waltershausen-Friedrichroda sites) were reported separately in the Consolidated Balance Sheet under separate current balance sheet items – on both the assets and liabilities side – applying IFRS 5. On the assets side, € 26.8 million of this was reported as current assets and on the liabilities side € 0.8 million as current debt capital.

We financed our equity-financed investments amounting to € 32.5 million fully from operating cash flow of generated in the first nine months of financial year 2014.

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 53.8% to 35.7%.

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

Shareholders' equity	2014			2013
	Shareholders	Non-controlling interests	Total	Total
	€ m	€ m	€ m	€ m
As at 1 January	**1,645.0**	**21.7**	**1,666.7**	**1,606.9**
Equity capital transactions with owners	-1,689.4	0.0	-1,689.4	-40.3
Total result of the period	1,245.0	2.5	1,247.5	77.6
Other changes	0.0	-2.4	-2.4	0.0
As at 30 September	**1,200.6**	**21.8**	**1,222.4**	**1,644.2**

As at 30 September 2014, equity stands at € 1,222.4 million (31 December 2013: € 1,666.7 million). The decline in equity capital by € 444.3 million stems from the adopted share repurchase and the related adoption of the capital reduction (€ 1,654.8 million), distributions to shareholders (€ 34.6 million) as well as from other changes in the scope of consolidation (€ 2.4 million), which compare with net consolidated profit for the first nine months of financial year 2014 (€ 1,226.6 million) as well as from the recognition of positive effects of financial derivatives designated as interest-rate hedging instruments resulting from the redemption of the respective underlying transaction (€ 20.9 million). 166.6% (31 December 2013: 271.7%) of non-current assets is nominally covered by equity and non-current liabilities at fully matching maturities. The decline was also the result of the adopted share repurchase and the related capital reduction. Net financial debt declined since the last reporting date from € 730.6 million to € 0.0 million as at 30 September 2014 as a result of the payment received from the sale of hospital subsidiaries to Fresenius/Helios.

Our key financial ratios developed as follows:

	30 Sept. 2014	31 Dec. 2013
Net financial liabilities in €m at reporting date (incl. finance lease liabilities	0.0	730.6
EBITDA (€ m)	1,443.0 *	275.4 **
Net interest expenditure in €m (excluding mark-up / discount of financial instruments)	90.1 *	38.1 **
Net financial debt / EBITDA	0.00	2.65
EBITDA / net interest expenditure	16.02	7.23

* Period of 1 October 2013 - 30 September 2014
** Period of 1 January 2013 - 31 December 2013

Compared with the same period last year, operating cash flow, calculated from net consolidated profit plus depreciation/amortisation and net of/plus other non-operating items (balance of profits and losses from disposals of assets, expenditure from the market valuation of derivatives), rose by € 1,115.0 million to € 1,289.1 million (previous year: € 174.1 million) as a result of the sale of hospital subsidiaries to Fresenius/Helios.

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

January to September	2014 € m	2013 € m
Cash generated from operating activities	32.1	175.3
Cash generated / utilised in investing activities	2,877.8	-75.3
Cash used in financing activities	-714.7	-211.8
Change in cash and cash equivalents	**2,195.2**	**-111.8**
Cash and cash equivalents at 1 January	116.8	219.9
Cash and cash equivalents at 30 September	**2,312.0**	**108.1**
of which held-for-sale cash and cash equivalents as at 30 September	1.6	70.4
of which cash and cash equivalents not held for sale on 30 September	**2,310.4**	**37.7**

Marked by the transaction with Fresenius/Helios, the change in cash and cash equivalents in the area of investments is essentially as a result of cash generated from the sale of subsidiaries and in the financing area as a result of the redemption of financial liabilities.

Investments

Aggregate investments of € 50.0 million (previous year: € 94.7 million) in the first nine months of financial year 2014 are shown in the following table:

	Use of		
	Gov't grants	Own funds	Total
	€ m	€ m	€ m
Current capital expenditure	17.5	32.2	49.7
Takeovers	0.0	0.3	0.3
Total	**17.5**	**32.5**	**50.0**

Of these investments made in the first nine months, € 17.5 million (previous year: € 22.7 million) was attributable to investments funded from grants under the Hospital Financing Act (KHG) and deducted from total investments pursuant to the relevant provisions of IFRS.

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

	€ m
Bad Berka	7.3
Gießen, Marburg	9.3
Bad Neustadt	6.9
Frankfurt (Oder)	0.6
Other sites	8.1
Total	**32.2**

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

Employees

Employees	30 Sept. 2014	31 Dec. 2013	Change absolute	%
Hospitals	14,354	37,996	-23,642	-62.2
MVZs	131	999	-868	-86.9
Service companies	1,413	4,368	-2,955	-67.7
Total	**15,898**	**43,363**	**-27,465**	**-63.3**

On 30 September 2014, the Group employed 15,898 persons (31 December 2013: 43,363). The decline results from the sale of hospital subsidiaries to Fresenius/Helios in the first nine months of financial year 2014.

PERFORMANCE OF THE THIRD QUARTER

July to September	2014	2013	Change	
	€ m	€ m	€ m	%
Revenues	278.3	749.6	-471.3	-62.9
EBITDA	36.1	71.4	-35.3	-49.4
EBIT	20.7	36.5	-15.8	-43.3
EBT	12.9	27.5	-14.6	-53.1
Operating cash flow	28.1	52.8	-24.7	-46.8
Consolidated result	12.8	17.7	-4.9	-27.7

The significantly changed Company format and smaller size mean that a comparison with the third quarter of the previous year is possible only to a limited extent.

Whereas most of the sold subsidiaries were included in the Interim Consolidated Financial Statements of the current financial year based on two months of business activity, HSK-Gruppe was included in the Interim Consolidated Financial Statements based on five months of business activity as well as the hospital in Cuxhaven, whose shares were transferred to Fresenius/Helios as at 31 July 2014, was included based on seven months of business activity. Also in the third quarter of 2014 we therefore reported declines in our key ratios compared with the third quarter of 2013 as a result of the sale of transaction-relevant interests which was essentially completed in the first quarter of 2014.

RISKS AND OPPORTUNITIES

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

With regard to the trend in prices, the hospital sector is characterised by its regulated remuneration system. For several years, this is what has been giving rise to the widening gap between revenues and costs that has been affecting the operating side and is exerting higher external economic pressures on all market participants. Based on the statutory provisions, expansions in service volumes are remunerated at price discounts of up to 65% in some cases. On the other hand, we most recently had repeatedly recorded sharp price rises both in the area of personnel and material expenditures that significantly outstripped the trend in remuneration. In this 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 continue to be steadfast in our efforts at reviewing and optimising our processes, quality and strategies. Also after the sale to Fresenius/Helios, we are continuing our activities to optimise our sites by conducting reviews of their service portfolios and identifying performance potential. Under the new structure, we will now concentrate on expanding our competencies in cutting-edge medical care with our ten hospitals at five sites. We are convinced that our strategic re-orientation and the current format of our company will give us an even greater competitive edge and open up a further successful chapter in German hospital history.

In this regard we consider the concept of networked medical care as an opportunity for our Group that we are now specifically implementing in practice. Essentially it provides for the creation of a national network of providers in which all outpatient, inpatient and rehabilitation services are provided.

The opportunities will lie in the close integration of our top hospitals, accompanied by a high level of medical quality at an affordable price level, characterised by a close integration of state-of-the-art medical therapies and procedures as well as research and teaching, and serve as a stimulator and driver of network medical care with attractive earnings and growth prospects.

We have the opportunity to effect a complete bottom-top overhaul of the Company's structures and thus to make the Group leaner, more efficient and more uniform without thereby depriving our hospitals of the necessary degree of operative independence.

In terms of an overall assessment, we see our Group in very good shape with revenues of roughly one billion euros that we are targeting at five sites. In future, too, we will continue to be one of the largest hospital operators in Germany, albeit no longer with a heterogeneous profile but a clearly focused orientation instead.

To this end we avail ourselves of all opportunities presented to us and thus counteract the potential risks with a practised and functioning risk management system at our hospitals, MVZs and service companies. After a thoroughgoing analysis, we will continue also in future to specifically exploit opportunities for further acquisitions as they arise with a view to expanding and broadening our Group.

Beyond that, there have been no significant changes in risks and rewards since the reporting date of 31 December 2013. As before, we do not see any risks posing a threat to the Company’s existence, neither for the individual subsidiaries nor for the Group.

REPORT ON EVENTS AFTER THE BALANCE SHEET DATE

On 15 July 2014, we informed that a voidance action had been lodged against the resolutions of the Annual General Meeting of 12 June 2014 on the appropriation of the net distributable profit and the planned 2014 Share Repurchase. RHÖN-KLINIKUM AG and the claimants agreed to a settlement proposal of the Court of Appeals of Nuremberg on 29 September 2014, after which the above-mentioned pending defective resolution actions were declared finally and fully settled. The requisite resolutions of the Annual General Meeting were then recorded in the commercial register on 10 October 2014. Also on 15 July 2014, we informed that a voidance action had been lodged against the resolutions of the Annual Financial Meeting of 12 June 2014 on the election of Professor Dr. h. c. Ludwig Georg Braun as member of the Supervisory Board.

The resolution on the share repurchase provides for a payment to the shareholders out of the proceeds from the transaction with Fresenius/Helios of up to roughly € 1.7 billion in a 2014 Share Repurchase. The shares bought back are to be redeemed and the registered share capital reduced accordingly, thus taking account of the Company’s smaller size. After recording of the requisite resolution of the Annual General Meeting in the commercial register on 10 October 2014, the share repurchase started on 16 October 2014. The share repurchase will end – unless the time limit is extended – on 14 November 2014. With the consent of the Audit Committee of the Supervisory Board, the Board of Management resolved to define the offer price at € 25.18 per share. The offer price includes a premium of 7% on the so-called reference price of € 23.54 – which corresponds to the average market price on the Frankfurt Stock Exchange on the last three trading days before 29 April 2014.

FORECAST

The main focus of our attention continues to be on expanding our expertise in the area of cutting-edge medicine. We are and continue to be one of the largest hospital operators in Germany. The revamping of our Company from a heterogeneous grouping of highly different facilities into a group of highly efficient hospitals focused on cutting-edge medicine has begun and is being relentlessly pursued by us. Our high level of investments, which were financed from the surpluses generated by our hospitals, is what forms the basis of sustainable, efficient and thus also affordable hospital care. Our aim is to treat our patients with the most state-of-the-art medical equipment and based on the latest therapies and research findings. In this regard we deliberately focus on the real needs of patients and create the basis for the patient-oriented, open medical care of tomorrow.

The sale of hospitals to Fresenius/Helios initiated in financial year 2013 was another path-breaking chapter in the long-standing success story of our Company. The transaction sets the stage for the re-orientation of our Group – with a lean portfolio and new strategy. The focus on state-of-the-art medical therapies and procedures will further strengthen our brand – offering cutting-edge medical care for all.

By the end of financial year 2014, we see the RHÖN-KLINIKUM Group with roughly 5,300 beds in ten hospitals at five sites in four federal states with roughly 15,000 employees.

It is still not possible to provide an outlook for our result in financial year 2014 given the influence of the structural re-orientation as well as additional short-term extraordinary effects. As a consequence, RHÖN-KLINIKUM AG will not state any targets for revenues and earnings for the current financial year 2014. For the upcoming year 2015, the Company’s first financial year under the new structure, we maintain our medium-term outlook for revenues in the range of € 1.06 billion to € 1.12 billion as well as earnings before interest, tax and depreciation/amortisation (EBITDA) of between € 145 million and € 155 million. In the context of the regulated market environment and numerous exogenous factors influenced by German healthcare policy, this outlook is subject to any acts or omissions of the German legislature that may have a positive or negative impact on the general environment of hospital financing. Not least, any change in the strategic shareholding structure might haven an influence on the Company’s medium-to-long-term orientation with corresponding impacts on its operative development in the medium term.

Bad Neustadt a. d. Saale, 7 November 2014

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 through September

January to September	2014		2013	
	€ '000	%	€ '000	%
Revenues	1,237,426	100.0	2,256,405	100.0
Other income	122,921	9.9	159,495	7.1
	1,360,347	**109.9**	**2,415,900**	**107.1**
Materials and consumables used	341,251	27.6	590,415	26.2
Employee benefits expense	785,661	63.5	1,374,903	60.9
Other expenses	174,194	14.0	227,730	10.1
	1,301,106	**105.1**	**2,193,048**	**97.2**
Result from deconsolidation of subsidiaries	**1,331,296**	**107.6**	**0**	**0.0**
Interim result (EBITDA)	**1,390,537**	**112.4**	**222,852**	**9.9**
Depreciation/amortisation and impairment	63,069	5.1	104,920	4.7
Operating result (EBIT)	**1,327,468**	**107.3**	**117,932**	**5.2**
Finance expenses	85,556	6.9	30,100	1.3
Finance income	5,180	0.4	1,849	0.1
Financial result	**80,376**	**6.5**	**28,251**	**1.2**
Earnings before tax (EBT)	**1,247,092**	**100.8**	**89,681**	**4.0**
Income taxes	20,443	1.7	21,246	1.0
Consolidated result	**1,226,649**	**99.1**	**68,435**	**3.0**
of which				
non-controlling interests	**2,497**	**0.2**	**2,492**	**0.1**
shareholders of RHÖN-KLINIKUM AG	**1,224,152**	**98.9**	**65,943**	**2.9**
Earnings per share in €				
undiluted	**8.86**		**0.48**	
diluted	**8.86**		**0.48**	

January to September	2014	2013
	€ '000	€ '000
Consolidated result	**1,226,649**	**68,435**
of which		
non-controlling interests	2,497	2,492
shareholders of RHÖN-KLINIKUM AG	1,224,152	65,943
Change in fair value of derivatives used for hedging purposes	24,786	10,877
Income taxes	-3,922	-1,721
Other result (cash flow hedges) subsequently reclassified to income statement if certain conditions have been met	**20,864**	**9,156**
Revaluation of defined-benefit and defined-contribution pension commitments and of similar obligations	0	0
Income taxes	0	0
Other result (revaluation of pension commitments) subsequently not reclassified to income statement	**0**	**0**
Other result *	**20,864**	**9,156**
of which		
non-controlling interests	0	0
shareholders of RHÖN-KLINIKUM AG	20,864	9,156
Total result	**1,247,513**	**77,591**
of which		
non-controlling interests	2,497	2,492
shareholders of RHÖN-KLINIKUM AG	1,245,016	75,099

* Sum of value changes recognised directly at equity

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

July to September	2014 € '000		2013 € '000	
Revenues	278,312	100.0	749,568	100.0
Other income	36,497	13.1	54,757	7.3
	314,809	**113.1**	**804,325**	**107.3**
Materials and consumables used	80,076	28.8	197,781	26.4
Employee benefits expense	179,234	64.4	456,857	60.9
Other expenses	30,756	11.0	78,294	10.5
	290,066	**104.2**	**732,932**	**97.8**
Result from deconsolidation of subsidiaries	**11,339**	**4.1**	**0**	**0.0**
Interim result (EBITDA)	**36,082**	**13.0**	**71,393**	**9.5**
Depreciation/amortisation and impairment	15,373	5.6	34,859	4.6
Operating result (EBIT)	**20,709**	**7.4**	**36,534**	**4.9**
Finance expenses	9,757	3.5	9,627	1.3
Finance income	1,911	0.7	582	0.1
Financial result	**7,846**	**2.8**	**9,045**	**1.2**
Earnings before tax (EBT)	**12,863**	**4.6**	**27,489**	**3.7**
Income taxes	107	0.0	9,811	1.3
Consolidated result	**12,756**	**4.6**	**17,678**	**2.4**
of which				
non-controlling interests	**447**	**0.2**	**585**	**0.1**
shareholders of RHÖN-KLINIKUM AG	**12,309**	**4.4**	**17,093**	**2.3**
Earnings per share in €				
undiluted	**0.09**		**0.12**	
diluted	**0.09**		**0.12**	

July to September	2014 € '000	2013 € '000
Consolidated result	**12,756**	**17,678**
of which		
non-controlling interests	447	585
shareholders of RHÖN-KLINIKUM AG	12,309	17,093
Change in fair value of derivatives used for hedging purposes	0	553
Income taxes	0	-87
Other result (cash flow hedges) subsequently reclassified to income statement if certain conditions have been met	**0**	**466**
Revaluation of defined-benefit and defined-contribution pension commitments and of similar obligations	0	0
Income taxes	0	0
Other result (revaluation of pension commitments) subsequently not reclassified to income statement	**0**	**0**
Other result *	**0**	**466**
of which		
non-controlling interests	0	0
shareholders of RHÖN-KLINIKUM AG	0	466
Total result	**12,756**	**18,144**
of which		
non-controlling interests	447	585
shareholders of RHÖN-KLINIKUM AG	12,309	17,559

* Sum of value changes recognised directly at equity

Consolidated Balance Sheet at 30 September 2014

	30 September 2014		31 December 2013	
	€ '000	%	€ '000	%
ASSETS				
Non-current assets				
Goodwill and other intangible assets	161,397	4.7	163,113	5.2
Property, plant and equipment	664,302	19.4	711,908	23.0
Investment property	3,089	0.1	3,195	0.1
Income tax receivables	4,527	0.1	6,684	0.2
Deferred tax assets	0	0.0	1,643	0.1
Other financial assets	9,615	0.3	138	0.0
Other assets	335	0.0	237	0.0
	843,265	**24.6**	**886,918**	**28.6**
Current assets				
Inventories	19,394	0.6	21,145	0.7
Accounts receivable	169,651	5.0	160,479	5.2
Other financial assets	29,963	0.9	10,871	0.3
Other assets	14,047	0.4	8,659	0.3
Current income taxes receivable	4,507	0.1	5,050	0.2
Cash and cash equivalents	2,310,439	67.4	29,851	1.0
Held-for-sale assets	34,916	1.0	1,975,216	63.7
	2,582,917	**75.4**	**2,211,271**	**71.4**
	3,426,182	**100.0**	**3,098,189**	**100.0**

	30 September 2014		31 December 2013	
	€ '000	%	€ '000	%
SHAREHOLDERS' EQUITY AND LIABILITIES				
Shareholders' equity				
Subscribed capital	181,047	5.3	345,580	11.2
Capital reserve	395,994	11.6	395,994	12.8
Other reserves	623,675	18.2	903,459	29.1
Treasury shares	-76	0.0	-76	0.0
Equity attributable to shareholders of RHÖN-KLINIKUM AG	1,200,640	35.1	1,644,957	53.1
Non-controlling interests in equity	21,789	0.6	21,730	0.7
	1,222,429	**35.7**	**1,666,687**	**53.8**
Non-current liabilities				
Financial liabilities	152,820	4.5	720,388	23.3
Deferred tax liabilities	1,061	0.0	0	0.0
Provisions for post-employment benefits	680	0.0	555	0.0
Other financial liabilities	19,218	0.6	21,388	0.7
Other liabilities	8,727	0.2	287	0.0
	182,506	**5.3**	**742,618**	**24.0**
Current liabilities				
Financial liabilities	3,102	0.1	116,367	3.8
Accounts payable	70,200	2.1	73,420	2.4
Current income tax liabilities	2,180	0.1	606	0.0
Other provisions	175,944	5.1	16,170	0.5
Other financial liabilities	1,682,614	49.1	41,728	1.3
Other liabilities	83,541	2.4	78,207	2.5
Held-for-sale liabilities	3,666	0.1	362,386	11.7
	2,021,247	**59.0**	**688,884**	**22.2**
	3,426,182	**100.0**	**3,098,189**	**100.0**

Consolidated Changes in Equity

	Subscribed capital	Capital reserve	Retained earnings	Cash flow-hedges (OCI)	Treasury shares	Equity attributable to shareholders- of RHÖN-KLINIKUM AG	Non-controlling interests in equity [1]	Shareholders' equity
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
Balance at 31 Dec. 2012/1 Jan. 2013	**345,580**	**395,994**	**870,718**	**-30,907**	**-76**	**1,581,309**	**25,557**	**1,606,866**
Equity capital transactions with owners								
Capital contributions	-	-	-	-	-	-	61	61
Capital payments	-	-	-	-	-	-	-96	-96
Purchase of interest after obtaining control	-	-	1,509	-	-	1,509	-4,766	-3,257
Dividend payments	-	-	-34,552	-	-	-34,552	-2,404	-36,956
Total result	-	-	65,943	9,156	-	75,099	2,492	77,591
Other changes								
Changes in scope of consolidation	-	-	-	-	-	-	-	-
As at 30 September 2013	**345,580**	**395,994**	**903,618**	**-21,751**	**-76**	**1,623,365**	**20,844**	**1,644,209**
Balance at 31 Dec. 2013/1 Jan. 2014	**345,580**	**395,994**	**924,323**	**-20,864**	**-76**	**1,644,957**	**21,730**	**1,666,687**
Equity capital transactions with owners								
Resolved share repurchase and resolved capital decrease	-164,533	-	-1,490,248	-	-	-1,654,781	-	-1,654,781
Dividend payments	-	-	-34,552	-	-	-34,552		-34,552
Total result	-	-	1,224,152	20,864	-	1,245,016	2,497	1,247,513
Other changes						-		
Changes in scope of consolidation	-	-	-	-	-	-	-2,438	-2,438
As at 30 September 2014	**181,047**	**395,994**	**623,675**	**0**	**-76**	**1,200,640**	**21,789**	**1,222,429**

[1] Including other comprehensive income (OCI)

Consolidated Statement of Cash Flows

January to September	2014 € m	2013 € m
Earnings before taxes	1,247.1	89.7
Result from disposal of deconsolidated subsidiaries	-1,331.3	-
Earnings before taxes	-84.2	89.7
Financial result (net)	80.3	28.3
Impairment and gains/losses on disposal of assets	62.3	105.6
Non-cash valuations of financial derivatives	0.1	0.0
Other non-cash transactions		0.0
	58.5	**223.6**
Change in net current assets		
Change in inventories	2.7	-0.1
Change in accounts receivable	-9.7	-13.0
Change in other financial assets and other assets	-28.0	0.3
Change in accounts payable	-6.3	9.1
Change in other net liabilities/ Other non-cash transactions	61.7	5.6
Change in provisions	-5.6	-0.5
Income taxes paid	-11.9	-15.3
Interest paid	-29.3	-34.4
Cash generated from operating activities	**32.1**	**175.3**
Investments in property, plant and equipment and in intangible assets	-66.3	-100.8
Government grants received to finance investments in property, plant and equipment and in intangible assets	13.7	22.7
Payments for the acquisition of associated companies	-43.6	-
Acquisition of subsidiaries, net of cash acquired	-0.3	-0.3
Disposal of subsidiaries, net of cash sold	2,963.4	-
Sale proceeds from disposal of assets	5.7	1.2
Interest received	5.2	1.9
Cash generated / utilised in investing activities	**2,877.8**	**-75.3**
Payments on contracting of non-current financial liabilities	0.0	58.7
Repayment of financial liabilities	-603.9	-232.7
Redemption payments for financial liabilities	-61.6	-
Lendings to associated companies	-12.2	-
Dividend payments to shareholders of RHÖN-KLINIKUM AG	-34.6	-34.6
Payments to non-controlling interests in equity and contributions from non-controlling interests in equity	-2.4	-3.2
Cash used in financing activities	**-714.7**	**-211.8**
Change in cash and cash equivalents	2,195.2	-111.8
Cash and cash equivalents at 1 January	116.8	219.9
Cash and cash equivalents at 30 September	**2,312.0**	**108.1**
of which held-for-sale cash and cash equivalents as at 30 September	1.6	70.4
of which cash and cash equivalents not held for sale on 30 September	**2,310.4**	**37.7**

Condensed Notes

GENERAL INFORMATION

In the first nine months, RHÖN-KLINIKUM AG sold a portfolio of 41 facilities, medical care centres (MVZs) and other affiliated interests to HELIOS Kliniken GmbH and Fresenius SE & Co. KGaA. The sites in Bad Neustadt, Bad Berka, Frankfurt (Oder) as well as Universitätsklinikum Gießen und Marburg are excluded from the transaction. With these five sites, RHÖN-KLINIKUM AG is forming a new, highly specialised hospital portfolio with an innovation-driven focus on treatment excellence. Taking account of the assessment under German antitrust law, the hospitals in Boizenburg, Cuxhaven and Waltershausen-Friedrichroda were initially left out of the filing to the Federal Cartel Office. With the approval also given by the City of Wiesbaden to the sale of Dr. Horst Schmidt Kliniken in the second quarter of 2014, the sale of all transaction-relevant facilities was concluded. The hospital in Cuxhaven was also transferred to Fresenius/Helios with effect from 31 July 2014 since the German Federal Cartel Office, following a new review of the regional competition situation, had declared the change in ownership to be unobjectionable. The hospitals in Boizenburg and Waltershausen-Friedrichroda were also sold to third parties; once all conditions of validity have been met, we expect the shares to be transferred in the fourth quarter.

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

The Interim Consolidated Financial Statements will be published on 7 November 2014 on the homepage of RHÖN-KLINIKUM AG as well as with Deutsche Börse.

ACCOUNTING POLICIES

The Interim Consolidated Financial Statements of RHÖN-KLINIKUM AG as at 30 September 2014 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 (interim financial reporting) were observed in the preparation of this Interim Report.

With the exception of the Standards and Interpretations below, the same accounting, valuation and calculation methods were applied in the Interim Consolidated Financial Statements as in the Consolidated Financial Statements for the financial year ending on 31 December 2013.

IFRS 10, IFRS 11, IFRS 12, IAS 27 (revised 2011), IAS 28 (revised 2011), the respective amendments as well as the amendment to IAS 36 and IAS 39 are to be applied for annual periods beginning on or after 1 January 2014. These amendments have no material impact on the presentation of the net assets, financial position and results of operations.

In December 2011, the IASB published the amendment “Offsetting Financial Assets and Financial Liabilities” with respect to IAS 32. The amendment of IAS 32 clarifies details in connection with the criteria “right of settlement in all circumstances” and “simultaneous settlement”. The amendments are to be applied for annual periods beginning on or after 1 January 2014. These amendments have no material impact on the presentation of the net assets, financial position and results of operations.

Share-based compensation is recognised in accordance with IFRS 2. Since the second quarter of 2014, RHÖN-KLINIKUM AG recognises a share-based remuneration with cash settlement. The provision for the share-based remuneration was formed as expenditure in the amount of the fair value on the balance sheet date.

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

SCOPE OF CONSOLIDATION

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

	31 Dec. 2013	Additions	Disposals	**30 Sept. 2014**
Fully consolidated subsidiaries	100	1	-71	30
Subsidiaries accounted for using the equity methode	2	1	-1	2
Other subsidiaries	9	0	-3	6
Scope of consolidation	**111**	**2**	**-75**	**38**

Fully consolidated subsidiaries are all companies (including special-purpose entities) in which the Group exercises “control” within the meaning of IFRS 10 over finance and business policy; this is normally accompanied by a share of more than 50.0% of the voting rights. When assessing whether the Group exercises control, the existence and impact of potential voting rights that are currently exercisable or convertible are considered. The Group reviews whether control is exercised also when the parent company holds less than 50% of the shares but has the possibility of controlling the business and finance policy based on de facto control. De facto control exists for example in the case of voting right agreements or high minority rights.

Associated companies are those companies over which the Group has a substantial influence but over which it does not have control because the voting interest is between 20% and 50%. Investments in associated companies and jointly controlled entities (joint ventures) are accounted for using the equity method and upon their first-time consolidation are recognised at cost. Other entities are companies that do not have a material influence on the Group’s asset and earnings position, either individually or on aggregate, but are included in the consolidated financial statements at the lower of cost or fair value.

The addition results from the newly founded subsidiary MVZ Waltershausen-Friedrichroda GmbH in the first quarter of the current financial year. This new entity was founded in connection with the sale of the hospital subsidiaries to Fresenius/Helios. In the third quarter, the company Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung was founded as part of the future orientation of particle therapy in Marburg. RHÖN-KLINIKUM AG holds an interest of 24.9% in the new entity. The company is consolidated using the equity method. The hospital in Cuxhaven was also transferred to Fresenius/Helios with effect from 31 July 2014 since the German Federal Cartel Office, following a new review of the regional competition situation, had declared the change in ownership to be unobjectionable. The disposals of hospital subsidiaries thus relate to 41 hospitals, MVZs and other affiliated interests transferred under the transaction to Fresenius/Helios. Moreover, three MVZ companies were transferred to the doctors practising there.

Of the remaining 38 subsidiaries, the subsidiaries in Boizenburg and Waltershausen-Friedrichroda are to be classified as “held-for-sale” entities as at 30 September 2014 pursuant to IFRS 5. The actual change in owner will take place after all conditions of validity have been met in the fourth quarter of 2014.

Company acquisitions

In financial year 2014, two clinical doctor’s practices were purchased for which the conditions of validity as per agreement were satisfied on 1 January 2014 and 1 April 2014, respectively. No incidental costs were incurred from the acquisition of the doctor’s practices. The final purchase price allocation provides for the following effects on the Group’s net assets in the first nine months of financial year 2014:

Purchase of doctor's practices, January to September 2014	**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	0.3
Cost	**0.3**
- purchase price payments outstanding	0.0
- acquired cash and cash equivalents	0.0
Cash outflow on transaction	**0.3**

Acquisition of associated companies

In September 2014, all contracts and agreements of material importance for the project “Realisation of Particle Therapy Centre” at the Marburg University site were signed by the parties involved – Federal State of Hesse, Siemens AG, University of Heidelberg and University Hospital of Heidelberg, Philipps-University Marburg, RHÖN-KLINIKUM AG as well as Gießen and Marburg University Hospital. In future, the particle therapy facility will be operated by the company entity “Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter

Haftung” (MIT) established for this purpose; in addition to RHÖN-KLINIKUM AG holding an interest of 24.9%, Universitätsklinikum Heidelberg holds an interest of 75.1%. For the founding of MIT in connection with the purchase and commissioning of the ion beam therapy facility, payments in the amount of € 43.6 million were made by RHÖN-KLINIKUM AG.

Deconsolidation of subsidiaries

On 13 September 2013, RHÖN-KLINIKUM AG, HELIOS Kliniken GmbH and Fresenius SE & Co. KGaA signed a share purchase agreement for the sale by RHÖN-KLINIKUM AG of a portfolio of 43 facilities, medical care centres and other affiliated interests to Fresenius/Helios and affiliated companies. The sites in Bad Neustadt, Bad Berka, Frankfurt (Oder) as well as Universitätsklinikum Gießen und Marburg are excluded from the transaction. Taking account of the updated assessment under German antitrust law within the scope of the overall transaction, the hospitals in Cuxhaven, Waltershausen-Friedrichroda and Boizenburg were removed from the application filed with the German Cartel Office. In the first stage, these facilities were not transferred to Fresenius; consequently the remaining portfolio to be sold comprised 40 hospitals. That also holds true for some MVZ subsidiaries that are related to the hospitals concerned by region or concept. Approval by the competent antitrust authority was issued on 20 February 2014. In the second stage, new antitrust approval from the Cartel Office was sought for the hospital in Cuxhaven. After approval from the Cartel Office, the transfer of Cuxhaven to Fresenius/Helios took place with effect from 31 July 2014. All conditions of validity for the transferred subsidiaries were met by 30 September 2014. Guarantee obligations under the sale were recognised accordingly. The effects of the deconsolidation of the entities transferred to Fresenius/Helios up to 30 September 2014 as well as to doctors practising at MVZ companies are set out below:

Effects from deconsolidation of subsidiaries	**Carrying amount, disposals € m**
Assets and liabilities sold	
Non-current assets	1,459
Current assets	452
Cash and cash equivalents	122
Non-current liabilities	-83
Current liabilities	-177
Net assets sold	**1,773**
Disposal of non-controlling interests in sale	**-2**
Prorated net assets of the Group	**1,771**
Sale proceeds from disposal of deconsolidated subsidiaries	3,102
Income from disposal of deconsolidated subsidiaries	**1,331**
- Disposal of cash and cash equivalents	-122
Inflow of cash and cash equivalents	**2,980**
- Purchase price payments outstanding	-17
Cash generated from disposal of deconsolidated subsidiaries	**2,963**

Held-for-sale assets and liabilities

Since the entire transaction has not yet been fully completed, the as set not sold entities at the Boizenburg and Waltershausen-Friedrichroda sites will continue to be reported as held-for-sale assets and liabilities. The purchase agreements have been validly entered into and the actual change in owner will take place after all conditions of validity have been met, such as Cartel Office clearance, etc., in the fourth quarter of 2014. As part of the adjustment to IFRS 5, the assets and liabilities held for sale relating to the companies intended to be sold were reclassified in the balance sheet accordingly and reported under a separate balance sheet item on the assets and liabilities side in each case. Depreciation on these items was not necessary. Following the adoption of IFRS 5, deferred tax was transferred to loss carry-forwards through profit or loss already in 2013 provided the latter were forfeited in connection with the transaction. Pursuant to IFRS 5, non-current assets may not be amortised as long as they are classified as assets held for sale. The breakdown of the original balance sheet items is shown below:

Held-for-sale assets as at 30 September 2014	**€ m**
Non-current assets	
Goodwill and other intangible assets	6.3
Property, plant and equipment	20.2
Income tax receivables	0.3
	26.8
Current assets	
Inventories	0.3
Accounts receivable	4.1
Other financial assets	1.8
Other assets	0.2
Current income taxes receivable	0.1
Cash and cash equivalents	1.6
	8.1
Total of held-for-sale assets	**34.9**

Held-for-sale liabilities as at 30 September 2014	**€ m**
Non-current liabilities	
Deferred tax liabilities	0.8
	0.8
Current liabilities	
Accounts payable	1.1
Other provisions	0.1
Other financial liabilities	0.5
Other liabilities	1.2
	2.9
Total of held-for-sale liabilities	**3.7**

OPERATING SEGMENTS

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

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

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

SELECTED EXPLANATIONS REGARDING INTERIM CONSOLIDATED INCOME STATEMENT

Revenues

January to September	2014 € m	2013 € m
Fields		
Acute hospitals	1,187.8	2,176.4
Medical care centres	24.9	42.6
Rehabilitation hospitals	24.7	37.4
	1,237.4	**2,256.4**
Federal states		
Bavaria	217.1	414.0
Saxony	65.8	299.5
Thuringia	168.8	237.3
Baden-Wuerttemberg	21.8	97.6
Brandenburg	96.0	92.1
Hesse	526.3	627.4
Mecklenburg-West Pomerania	4.5	4.7
Lower Saxony	92.3	328.4
North Rhine-Westphalia	22.4	59.8
Saxony-Anhalt	22.4	95.6
	1,237.4	**2,256.4**

According to IAS 18, revenues constitute revenues generated from the provision of services and declined compared with the same period last year by € 1,019.0 million or 45.2% to € 1,237.4 million as a result of the sale of hospitals, MVZs and other affiliated interests to Fresenius/Helios for the most part at the end of February 2014 (inclusion in interim consolidated financial statements based on two months).

Other income

January to September	2014 € m	2013 € m
Income from services rendered	102.4	127.3
Income from grants and other allowances	9.9	13.8
Income from adjustment of receivables	1.2	4.0
Income from indemnification payments/Other	1.1	1.6
Other	8.3	12.8
	122.9	**159.5**

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

Compared with the same period last year, other income diminished by € 36.6 million or 22.9% to € 122.9 million. The decline is attributable to the sale of hospitals, MVZs and other affiliated interests to Fresenius/Helios for the most part at the end of February 2014.

Other expenditures

January to September	2014 € m	2013 € m
Maintenance	43.0	70.3
Charges, subscriptions and consulting fees	28.7	58.4
Administrative and IT costs	9.5	16.5
Impairment on receivables	6.9	10.0
Insurance	9.4	14.9
Rents and leaseholds	8.6	17.2
Travelling, entertaining and representation expenses	2.2	5.7
Other personnel and continuing training costs	5.1	10.1
Losses on disposal of non-current assets	0.1	1.0
Secondary taxes	0.6	1.7
Other	60.1	21.9
	174.2	**227.7**

Compared with the same period last year, other expenditures in the first nine months of 2014 witnessed a decline of € 53.5 million or 23.5% to € 174.2 million. In the first nine months of 2014, we succeeded in pressing ahead further with intensive efforts to realise the particle therapy centre at the Marburg University site and in consultation with the Federal State of Hesse, Siemens AG as owner of the facility, as well as Heidelberg University Hospital, the contractual basis for the acquisition and operation of the facility was established. In the interests of long-term operating safety, the particle therapy centre in Marburg in future will be operated by a company jointly controlled by RHÖN-KLINIKUM AG and Universitätsklinikum Heidelberg – “Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung” (MIT GmbH). One-off expenses recognised under remaining other expenses are being incurred in this connection. A counter-effect was attributable to the sale of hospitals, MVZs and other affiliated interests to Fresenius/Helios for the most part at the end of February 2014.

Result from deconsolidation of subsidiaries

From the sale of the hospital subsidiaries transferred under the transaction with Fresenius/Helios by 30 September 2014 and the sale of MVZ companies to the doctors practising there, a profit of € 1.3 billion was generated. Of this, the transaction with Fresenius/Helios accounted for € 1.3 billion. No impairment had to be made on the assets of the remaining held for sale subsidiaries in Boizenburg and Waltershausen-Friedrichroda.

Depreciation

Compared with the same period last year, the depreciation/amortisation item declined by € 42.0 million (or 40.0%) to € 63.0 million. The decline is attributable to the sale of hospital subsidiaries to Fresenius/Helios as well as adjustments in connection with IFRS 5. Pursuant to IFRS 5, non-current assets may not be amortised as long as they are classified as assets held for sale. An expenditure-increasing effect in the amount of € 15.7 million results from the full impairment on the building of PTZ GmbH in the second quarter of 2014. This impairment relates to the realisation of the particle therapy facility at the university hospital in Marburg for the purchase and operation of the facility.

Financial result

Compared with the same period last year, we recorded a rise in our negative financial result by € 52.2 million to € 80.4 million in the first nine months of financial year 2014. The rise results from the early redemption of financial liabilities and the accompanying breakage (prepayment) costs and fees as well as the write-back of the financial derivatives. The financial result included one-off mark-up amounts from the capital reduction and from a long-term loan to Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung in the total amount of € 6.1 million.

The financial result also includes profit shares in companies accounted for at equity in the amount of € 88,000 (previous year: profit shares of € 105,000).

Income taxes

January to September	2014 € m	2013 € m
Current income tax	17.6	15.9
Deferred taxes	2.9	5.4
	20.5	**21.3**

At an unchanged rate of taxation, the income tax expense item fell by € 0.8 million to € 20.5 million (previous year: € 21.3 million) compared with same period of the previous year.

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

SELECTED EXPLANATIONS REGARDING CONSOLIDATED INTERIM BALANCE SHEET

Goodwill and other intangible assets

	Goodwill € m	Other intangible assets € m	Total € m
Cost			
1 January 2014	**413.8**	**62.2**	**476.0**
Additions due to changes in scope of consolidation	0.3	0.0	0.3
Additions	0.0	0.5	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 and impairment			
1 January 2014	**0.0**	**48.3**	**48.3**
Depreciation	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**
Held-for-sale financial assets	6.2	0.1	6.3
Balance sheet value at 30 September 2014	**156.0**	**5.4**	**161.4**

	Goodwill € m	Other intangible assets € m	Total € m
Cost			
1 January 2013	**414.0**	**60.9**	**474.9**
Additions due to changes in scope of consolidation	0.3	0.0	0.3
Additions	0.0	1.2	1.2
Disposals	0.5	1.2	1.7
Transfers	0.0	0.0	0.0
30 September 2013	**413.8**	**60.9**	**474.7**
Cumulative depreciation and impairment			
1 January 2013	**0.0**	**43.9**	**43.9**
Depreciation	0.0	5.2	5.2
Disposals	0.0	0.9	0.9
30 September 2013	**0.0**	**48.2**	**48.2**
Subtotal 30 September 2013	**413.8**	**12.7**	**426.5**
Held-for-sale financial assets	257.8	6.5	264.3
Balance sheet value at 30 September 2013	**156.0**	**6.2**	**162.2**

Property, plant and equipment

	Land and buildings	Technical plant and equipment	Operating and business equipment	Plant under construction	Total
	€ m	€ m	€ m	€ m	€ m
Cost					
1 January 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 and impairment					
1 January 2014	**558.5**	**55.0**	**413.4**	**0.0**	**1,026.9**
Depreciation	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 at 30 September 2014	**578.3**	**17.7**	**68.4**	**20.1**	**684.5**
Held-for-sale assets	**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**

	Land and buildings	Technical plant and equipment	Operating and business equipment	Plant under construction	Total
	€ m	€ m	€ m	€ m	€ m
Cost					
1 January 2013	**2,084.2**	**92.5**	**616.2**	**68.6**	**2,861.5**
Additions	13.7	0.9	10.3	45.6	70.5
Disposals	1.5	0.5	22.3	0.0	24.3
Transfers	18.3	1.1	1.2	-20.6	0.0
30 September 2013	**2,114.7**	**94.0**	**605.4**	**93.6**	**2,907.7**
Cumulative depreciation and impairment					
1 January 2013	**509.1**	**50.4**	**382.3**	**0.0**	**941.8**
Depreciation	45.4	4.9	49.2	0.0	99.5
Disposals	1.6	0.3	21.4	0.0	23.3
30 September 2013	**552.9**	**55.0**	**410.1**	**0.0**	**1,018.0**
Subtotal at 30 September 2013	**1,561.8**	**39.0**	**195.3**	**93.6**	**1,889.7**
Held-for-sale assets	**967.0**	**21.1**	**116.4**	**80.5**	**1,185.0**
Balance sheet value at 30 September 2013	**594.8**	**17.9**	**78.9**	**13.1**	**704.7**

Other financial assets (non-current)

Interests in companies accounted for using the equity method at € 326,000 (31 December 2013: € 283,000) are reported under other financial assets (non-current) on the grounds of materiality. Furthermore, a long-term loan to Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung in the total amount of € 9.6 million is reported under this item.

Shareholders' equity

The decline in equity capital by € 444.3 million stems from the adopted share repurchase and the related adoption of the capital reduction (€ 1,654.8 million), distributions to shareholders (€ 34.6 million) as well as from other changes in the scope of consolidation (€ 2.4 million), which compare with net consolidated profit for the first nine months of financial year 2014 (€ 1,226.6 million) as well as from the recognition of positive effects of financial derivatives designated as interest-rate hedging instruments resulting from the redemption of the respective underlying transaction (€ 20.9 million).

On 12 June 2014 the Annual General Meeting decided on the planned 2014 Share Repurchase. Recording of the resolution adopted by the Annual General Meeting in the commercial register required for implementation of the repurchase took place on 10 October 2014. The resolution on the share repurchase provides for a payment to the shareholders of up to € 1.7 billion in a 2014 Share Repurchase particularly as a result of the significant increase in net distributable profit from the income realised from the sale of subsidiaries to Fresenius/Helios. The shares bought back are to be redeemed and the registered share capital reduced accordingly, thus taking account of the Company's smaller size. The share repurchase will end – unless the time limit is extended – on 14 November 2014. The offer document is accessible on our homepage. With the consent of the Audit Committee of the Supervisory Board, the Board of Management resolved to buy back up to 65,813,330 shares at the offer price of € 25.18 per share. Since we undertook with the offer described above to purchase the tendered shares in their entirety, we recognised, in accordance with IFRS provisions, a financial liability for the present value of the maximum redemption amount as at 30 September 2014 and then adjusted the corresponding financial information retroactively to 30 June 2014. As a result, equity capital as at 30 June 2014 decreased by € 1,654.8 million, whilst financial liabilities rose correspondingly by this amount. As at 30 September 2014, this financial liability stood at € 1,657.5 million.

Financial liabilities and financial derivatives

In financial year 2012, RHÖN-KLINIKUM AG entered into a revolving syndicated line of credit in the amount of € 350 million with a term until 2017. In the first quarter of financial year 2014, this line of credit was completely terminated and repaid.

The institution rating of RHÖN-KLINKUM AG by the rating agency Moody's with the credit opinion Baa3 (negative outlook) of 3 December 2012 was withdrawn as at 2 May 2014 in the context of the very successful bond repurchase. The cost-benefit aspects in the wake of the transaction with Fresenius/Helios were decisive for this decision. On the basis of the changed financial profile, the stable business model as well as the excellent reputation on the banking and capital markets, RHÖN-KLINIKUM AG sees itself in a very good position to successfully implement any future financings on attractive terms, even without a public rating.

Up to 31 March 2014, promissory note loans amounting to € 165.0 million as well as a further loan in a total volume of € 127.1 million were redeemed early. Where interest hedging instruments had been entered into in connection with these liabilities, they were also terminated. As at the quarterly key date, there was still a bullet loan in the amount of € 10.0 million maturing in 2017; apart from that, interest-rate hedges no longer existed. In the first nine months of 2014 – up to the write-back of these interest-rate hedges – € 0.1 million were recognised with earnings decreasing effect.

In financial year 2010, RHÖN-KLINIKUM AG had successfully placed on the market a bond with a volume of € 400.0 million and a maturity of six years (ISIN XS0491047154). The coupon of the bond is 3.875% p.a. On 27 March 2014, RHÖN-KLINIKUM AG submitted a public bond tender offer at a price of 106.1%. The tender period ran until 16 April 2014, and the redemption took place on 24 April 2014. 61.95% of the outstanding nominal amount of this bond was redeemed, with the result that € 152.2 million of non-current liabilities remained on the market from this bond as at the half-year key date. In July 2014, the bond was redeemed with a further nominal value of € 9.0 million, with the result that a nominal amount of € 143.2 million of this bond remains on the market as at 30 September 2014.

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:

	Measurement category according to IAS 39	30 Sept. 2014	of which financial instruments Carrying amount	of which financial instruments Fair value	31 Dec. 2013	of which financial instruments Carrying amount	of which financial instruments Fair value
		€ m	**€ m**	**€ m**	**€ m**	**€ m**	**€ m**
ASSETS							
Non-current assets							
Other financial assets		**9.6**	9.6	9.6	**0.1**	0.1	0.1
of which investments	Available-for-sale financial assets	**0.0**	0.0	0.0	**0.0**	0.0	0.0
of which derivative financial instruments (HFT)	Financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.1**	0.1	0.1
of which other	Loans + receivables	**9.6**	9.6	9.6	**0.0**	0.0	0.0
Current assets							
Accounts receivable and other financial assets		**199.6**	199.6	199.6	**171.4**	171.4	171.4
of which accounts receivable and other financial assets	Loans + receivables	**199.6**	199.6	199.6	**171.4**	171.4	171.4
of which securities (HfT)	Financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
of which derivative financial instruments (HfT)	Financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
Cash and cash equivalents	Loans + receivables	**2,310.4**	2,310.4	2,310.4	**29.9**	29.9	29.9
SHAREHOLDERS' EQUITY AND LIABILITIES							
Non-current liabilities							
Financial liabilities		**152.8**	152.8	149.7	**720.4**	720.4	685.5
of which financial liabilities	Financial liabilities measured at amortised cost	**152.8**	152.8	149.7	**695.4**	695.4	660.5
of which derivative financial instruments (hedge accounting)	n.a.	**0.0**	0.0	0.0	**25.0**	25.0	25.0
Other financial liabilities		**19.2**	19.2	22.6	**21.4**	21.4	23.2
of which other financial liabilities	Financial liabilities measured at amortised cost	**17.7**	17.7	21.1	**21.4**	21.4	23.2
of which under finance leases	n.a.	**1.5**	1.5	1.5	**0.0**	0.0	0.0
Current liabilities							
Accounts payable	Financial liabilities measured at amortised cost	**70.2**	70.2	70.2	**73.4**	73.4	73.4
Financial liabilities		**3.1**	3.1	3.1	**116.4**	116.4	116.4
of which financial liabilities	Financial liabilities measured at amortised cost	**3.1**	3.1	3.1	**116.4**	116.4	116.4
of which derivative financial instruments (HfT)	Liabilities measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
Other financial liabilities		**1,682.6**	1,682.6	1,682.6	**41.7**	41.7	41.7
of which other financial liabilities	Financial liabilities measured at amortised cost	**1,682.1**	1,682.1	1,682.1	**41.7**	41.7	41.7
of which under finance leases	n.a.	**0.5**	0.5	0.5	**0.0**	0.0	0.0
Aggregated according to measurement categories, the above figures are as follows:							
	Loans + receivables		2,519.6	2,519.6		201.3	201.3
	Financial assets measured at fair value through profit or loss		0.0	0.0		0.1	0.1
	Financial liabilities measured at amortised cost		1,925.9	1,926.2		948.3	915.2

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 assets and liabilities held for sale shown in the Notes:

	Measurement category according to IAS 39	30 Sept. 2014	of which financial instruments Carrying amount	of which financial instruments Fair value	31 Dec. 2013	of which financial instruments Carrying amount	of which financial instruments Fair value
		€ m	€ m	€ m	€ m	€ m	€ m
ASSETS							
Non-current assets							
Other financial assets		**0.0**	0.0	0.0	**0.5**	0.5	0.5
of which investments	Available-for-sale financial assets	**0.0**	0.0	0.0	**0.2**	0.2	0.2
of which derivative financial instruments (HFT)	Financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.2**	0.2	0.2
of which other	Loans + receivables	**0.0**	0.0	0.0	**0.1**	0.1	0.1
Current assets							
Accounts receivable and other financial assets		**5.9**	5.9	5.9	**326.6**	326.6	326.6
of which accounts receivable and other financial assets	Loans + receivables	**5.9**	5.9	5.9	**326.6**	326.6	326.6
of which securities (HfT)	Financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
of which derivative financial instruments (HfT)	Financial assets measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
Cash and cash equivalents	Loans + receivables	**1.6**	1.6	1.6	**127.0**	127.0	127.0
SHAREHOLDERS' EQUITY AND LIABILITIES							
Non-current liabilities							
Financial liabilities		**0.0**	0.0	0.0	**30.4**	30.4	25.3
of which financial liabilities	Financial liabilities measured at amortised cost	**0.0**	0.0	0.0	**29.8**	29.8	24.7
of which derivative financial instruments (hedge accounting)	n.a.	**0.0**	0.0	0.0	**0.6**	0.6	0.6
Other financial liabilities		**0.0**	0.0	0.0	**39.4**	39.4	39.4
of which other financial liabilities	Financial liabilities measured at amortised cost	**0.0**	0.0	0.0	**0.1**	0.1	0.1
of which under finance leases	n.a.	**0.0**	0.0	0.0	**39.3**	39.3	39.3
Current liabilities							
Accounts payable	Financial liabilities measured at amortised cost	**1.1**	1.1	1.1	**82.8**	82.8	82.8
Financial liabilities		**0.0**	0.0	0.0	**4.8**	4.8	4.8
of which financial liabilities	Financial liabilities measured at amortised cost	**0.0**	0.0	0.0	**4.8**	4.8	4.8
of which derivative financial instruments (HfT)	Liabilities measured at fair value through profit or loss	**0.0**	0.0	0.0	**0.0**	0.0	0.0
Other financial liabilities		**0.5**	0.5	0.5	**61.1**	61.1	61.1
of which other financial liabilities	Financial liabilities measured at amortised cost	**0.5**	0.5	0.5	**59.2**	59.2	59.2
of which under finance leases	n.a.	**0.0**	0.0	0.0	**1.9**	1.9	1.9
Aggregated according to measurement categories, the above figures are as follows:							
	Loans + receivables		7.5	7.5		453.7	453.7
	Available-for-sale financial assets		0.0	0.0		0.2	0.2
	Financial assets measured at fair value through profit or loss		0.0	0.0		0.2	0.2
	Financial liabilities measured at amortised cost		1.6	1.6		176.7	171.6

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

	Level 1	Level 2	Level 3	Total	31 Dec. 2013
	€ m	€ m	€ m	€ m	€ m
Non-current derivative assets	0.0	0.0	0.0	0.0	0.1
Securities	0.0	0.0	0.0	0.0	0.0
Current derivative assets	0.0	0.0	0.0	0.0	0.0
Non-current derivative liabilities	0.0	0.0	0.0	0.0	25.0
Current derivative liabilities	0.0	0.0	0.0	0.0	0.0

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

	Level 1	Level 2	Level 3	Total	31 Dec. 2013
	€ m	€ m	€ m	€ m	€ m
Non-current derivative assets	0.0	0.0	0.0	0.0	0.2
Securities	0.0	0.0	0.0	0.0	0.0
Current derivative assets	0.0	0.0	0.0	0.0	0.0
Non-current derivative liabilities	0.0	0.0	0.0	0.0	0.6
Current derivative liabilities	0.0	0.0	0.0	0.0	0.0

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

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

The fair values of the assets and liabilities to be classified to Level 2 are determined on the basis of input factors derivable directly on the market, such as interest. They result from the discounting of future cash flows using the corresponding input factors.

Of the other financial assets classified as held-for-sale, € 0.0 million (31 December 2013: € 0.2 million) are attributable to equity interests whose market value cannot be calculated due to the absence of an active market. They are measured at cost.

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

The figure shown for financial liabilities includes a loan from a bank as well as a bond. The fair value of the loan from the bank and the fair value of other liabilities are calculated on the basis of the discounted cash flow. A risk- and maturity-related rate appropriate for RHÖN-KLINIKUM AG has been used for discounting purposes. The fair value of the bond is calculated as the nominal value multiplied by the price of the final trading day of the reporting year.

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

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

OTHER DISCLOSURES

Interests held in the Company

The shareholders specified below have notified the Company that during the reporting period their voting interest exceeded or fell below the statutory reporting thresholds pursuant to section 21 et seq. 1 of the WpHG and that they thus at least temporarily held a voting interest of over 3% in the Company either directly or by way of attribution of such voting interest to them. Notified events of interests crossing a given threshold that took place in the period of 1 January 2014 up to and including 30 September 2014 are listed.

		Voting interest on date that interest exceeds / falls below threshold					
Notifying entity	**Published on**	**Held directly %**	**Attri-buted %**	**Voting rights held %**	**Date that interest exceeds/falls below the threshold**	**Interest exceeding / falling below threshold in the case of**	**Notification pursuant to section 21 (1) WpHG** Attribution pursuant to WpHG:
The Goldman Sachs Group, Inc., Wilmington/Delaware, USA	14 February 2014		3.02	**3.02**	24 January 2014	> 3 %	Section 22 (1) sentence 1 no. 1 Name of controlled entity: Goldman Sachs Asset Management, L.P.
	28 April 2014						Withdrawal of notification published on 14 February 2014
Goldman Sachs Asset Management International, London, UK	28 April 2013	3.31		**3.31**	05 February 2014	> 3 %	Section 21 (1)
Morgan Stanley, Wilmington/Delaware, USA	11 March 2014		5.27	**5.27**	03 March 2014	> 5 %	4.76% pursuant to section 22 (1) sentence 1 no. 1 and 0.50% pursuant to section 22 (1) sentence 1 no. 6 in conj. with sentence 2 Names of controlled entities: Morgan Stanley Capital Management LLC, Morgan Stanley Domestic Holdings Inc., Morgan Stanley & Co. LLC
	27 March 2014		4.89	**4.89**	21 March 2014	< 5 %	4.52% pursuant to section 22 (1) sentence 1 no. 1 WpHG and 0.37% pursuant to section 22 (1) sentence 1 no. 6 in conj. with sentence 2 WpHG Names of controlled entities: Morgan Stanley Capital Management LLC, Morgan Stanley Domestic Holdings Inc., Morgan Stanley & Co. LLC
	29 April 2014		2.95	**2.95**	23 April 2014	< 3 %	Section 22 (1) sentence 1 no. 1
	09 May 2014		2.93	**2.93**	06 May 2014	< 3 %	2.66% pursuant to section 22 (1) sentence 1 no. 1 and 0.27% pursuant to section 22 (1) sentence 1 no. 6 in conj. with sentence 2
UBS AG, Zurich, Switzerland	16 June 2014	3.21	0.35	**3.56**	06 June 2014	> 3 %	0.35% pursuant to section 22 (1) sentence 1 no. 1 WpHG
	16 June 2014	2.19	0.34	**2.53**	09 June 2014	< 3 %	0.34% pursuant to section 22 (1) sentence 1 no. 1 WpHG
	17 June 2014	2.83	0.34	**3.17**	10 June 2014	> 3 %	0.34% pursuant to section 22 (1) sentence 1 no. 1 WpHG
	17 June 2014	2.59	0.36	**2.95**	12 June 2014	< 3 %	0.36% pursuant to section 22 (1) sentence 1 no. 1 WpHG
Fresenius SE & co. KGaA, Bad Homburg v. d. Höhe, Germany	04 July 2014	0.00	0.00	**0.00**	03 July 2014	< 3%/< 5 %	Section 21 (1)
Alecta pensionsförsäkring ömesesidigt, Stockholm/Sweden	12 August 2014	2.89		**2.89**	11 August 2014	< 3%/< 5%	Section 21 (1)

The reported voting interests may have changed since 30 September 2014. With regard to notifications on threshold events pursuant to section 21 (1) of the WpHG that took place as of 1 October 2014, and for additional information on the attribution of the respective voting rights pursuant to section 22 of the WpHG, we refer to the publications on our homepage in the Investors / IR News section. The notified voting interests and/or interest in the registered share capital were determined by the notifying entities on the basis of the existing aggregate number of shares at the time of the notification of voting rights.

Based on the threshold events notified to us, the following picture pursuant to sections 21, 22 of the WpHG in terms of shareholder structure emerges as at the relevant key date of 30 September 2014:

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

Notifying entity	Published on	Held directly %	Attri-buted %	Voting rights held %	Date that interest exceeds/falls below the threshold	Interest exceeding / falling below threshold in the case of	Attribution pursuant to WpHG (section 21 (1) WpHG)
B. Braun Melsungen Aktiengesellschaft, Melsungen, Germany	29 November 2013	15.08		**15.08**	27 November 2013	> 15 %	Section 21 (1) - Attribution pursuant to section 22 (1) sentence 1 no. 1 to B. Braun Holding GmbH & Co. KG, Melsungen, Germany; BraHo Verwaltungsgesellschaft mbH, Melsungen, Germany; Ilona Braun, Germany; Martin Lüdicke, Germany, Ludwig G. Braun GmbH & Co. KG, Melsungen, Germany; Prof. Dr. h.c. Ludwig Georg Braun, Germany
Eugen Münch, Germany	15 February 2007	9.74		**9.74 ****	26 September 2005	< 10 %	Section 21 (1)
Ingeborg Münch, Germany	15 February 2007	6.42		**6.42 ****	17 April 2002	> 5 %	Section 21 (1)
Dr. gr. Broermann, Germany	27 June 2012		5.01	**5.01**	27 June 2012	> 5 %	Section 22 (1) sentence 1 no. 1 Names of controlled entities: Asklepios Kliniken GmbH, Asklepios Kliniken Verwaltungsgesellschaft mbH
Goldman Sachs Asset Management International, London, UK	28 April 2014	3.31		**3.31**	05 February 2014	> 3 %	Section 21 (1)

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

** The share specified above refers to the notifications of voting rights before the capital increase in 2009. As at 31 December 2013, the Münch Family notified pursuant to the German Corporate Governance Code that at that time the voting rights share of Eugen Münch was 7.420% and of Ingeborg Münch 5.033%. On 2 June 2014, Mr. Eugen Münch transferred 1,380,000 ordinary shares on a non-remunerated basis to the charitable trust 'Stiftung Münch' approved on 4 June 2014.

In addition, the shareholders specified below have notified the Company that during the reporting period their voting interest exceeded or fell below the statutory notification thresholds pursuant to sections 25, 25a of the WpHG. Notified threshold events that took place in the period of 1 January up to and including 30 September 2014 are listed. The reported voting interests may have changed since 30 September 2014. With regard to notifications on threshold events that took place as of 1 October 2014, and for additional information on the underlying financial instruments, on attribution and on the holding structures of the respective voting rights, please refer to the publications on our homepage in the Investors/IR News section.

Voting interest pursuant to section 25 WpHG on date that interest exceeds / falls below threshold					
Notifying entity	**Published on**	**Voting rights held %**	**Date that interest exceeds/falls below the threshold**	**Interest exceeding / falling below threshold in the case of**	**Structure of voting interests**
Morgan Stanley, Wilmington / Delaware, USA	27 February 2014	**5.00**	19 February 2014	> 5 %	4.96% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
	27 February 2014	**4.92**	20 February 2014	< 5 %	4.88% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
	03 March 2014	**5.01**	26 February 2014	> 5 %	4.98% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
	07 March 2014	**4.92**	28 February 2014	< 5 %	4.88% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
	11 March 2014	**5.30**	03 March 2014	> 5 %	5.27% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
	27 March 2014	**4.93**	21 March 2014	< 5 %	4.89% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
	01 April 2014	**5.00**	26 March 2014	> 5 %	4.96% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
	01 April 2014	**4.99**	27 March 2014	< 5 %	4.99% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly; retransfer claims that may be exercised at the lender's discretion)
Credit Suisse Group AG, Zurich, Switzerland	12 June 2014	**5.31**	06 June 2014	> 5 %	2.29% pursuant to sections 21, 22 WpHG, 3.03% instruments pursuant to section 25 WpHG (o.w. 3.03% held indirectly; recovery claim under securities loan, maturity at any time)
	25 June 2014	**4.16**	18 June 2014	< 5 %	0.28% pursuant to sections 21, 22 WpHG, 3.88% instruments pursuant to section 25 WpHG (o.w. 3.88% held indirectly) Recovery claim under securities loan, maturity at any time
Fresenius SE & Co. KGaA, Bad Homburg v. d. Höhe, Germany	16 June 2014	**5.00**	11 June 2014	> 5 %	5.0000007% pursuant to sections 21, 22 WpHG, 5.0000007% instruments pursuant to section 25 WpHG (of which 5.0000007% held indirectly)
	18 June 2014	**0.00**	13 June 2014	< 5 %	5.0000007% pursuant to sections 21, 22 WpHG, 0.0% instruments pursuant to section 25 WpHG (of which 0.0% held indirectly)

Voting interest pursuant to section 25a WpHG on date that interest exceeds / falls below threshold					
Notifying entity	**Published on**	**Voting rights held %**	**Date that interest exceeds/falls below the threshold**	**Interest exceeding / falling below threshold in the case of**	**Structure of voting interests**
Morgan Stanley, Wilmington/Delaware, USA	19 February 2014	**5.21**	11 February 2014	> 5 %	4.77% pursuant to sections 21, 22 WpHG, 0.06% instruments pursuant to section 25 WpHG (o.w. 0.06% held indirectly), 0.38% instruments pursuant to section 25a WpHG (o.w. 0.38% held indirectly; cash settled swaps with expiry on 21 September 2014, 23 September 2014 and 14 October 2014)
	07 March 2014	**0.00**	28 February 2014	< 5 %	4.88% pursuant to sections 21, 22 WpHG, 0.04% instruments pursuant to section 25 WpHG (o.w. 0.04% held indirectly), 0.00% instruments pursuant to section 25a WpHG
	17 June 2014	**5.27**	10 June 2014	> 5 %	0.56% pursuant to sections 21, 22 WpHG, 2.11% Instruments pursuant to section 25 WpHG (o.w. 2.11% held indirectly), 2.60% instruments pursuant to section 25a WpHG (of which 2.60% held indirectly); cash settled swaps expiring on 22 January 2015, 21 September 2015, 23 September 2015, 14 October 2015, 27 November 2015, 8 April 2016, 9 May 2016, 20 May 2016, 9 June 2016, 10 June 2016
	20 June 2014	**4.26**	17 June 2014	< 5 %	1.61% pursuant to sections 21, 22 WpHG, 1.55% instruments pursuant to section 25 WpHG (o.w. 1.55% held indirectly), 1.11% instruments pursuant to section 25a WpHG (of which 1.11% held indirectly); cash settled swaps expiring on 27 May 2015, 21 September 2015, 23 September 2015, 14 October 2015
UBS AG, Zurich, Switzerland	12 June 2014	**6.34**	05 June 2014	> 5 %	2.92% pursuant to sections 21, 22 WpHG, 0.85% instruments pursuant to section 25 WpHG (o.w. 0% held indirectly), 2.56% instruments pursuant to section 25a WpHG (o.w. 0% held indirectly; equity swaps with expiry on 18 June 2014 and 19 June 2014)
	25 June 2014	**0.00**	19 June 2014	< 5 %	2.96% pursuant to sections 21, 22 WpHG, 0.72% instruments pursuant to section 25 WpHG (o.w. 0.00% held indirectly), 0.00% instruments pursuant to section 25a WpHG (o.w. 0.00% held indirectly)
Credit Suisse Group AG, Zurich, Switzerland	12 June 2014	**6.00**	05 June 2014	> 5 %	1.59% pursuant to sections 21, 22 WpHG, 3.02% instruments pursuant to section 25 WpHG (o.w. 3.02% held indirectly), 1.39% instruments pursuant to section 25a WpHG (o.w. 1.39% held indirectly); equity swap, cash settlement expiring on 20 June 2014, 23 June 2014, 4 November 2014, 12 January 2015, 27 January 2015, 18 June 2015, 3 July 2015, 15 December 2015
Credit Suisse Investments, London, UK	12 June 2014	**6.02**	06 June 2014	> 5 %	2.09% pursuant to sections 21, 22 WpHG, 2.09% instruments pursuant to section 25 WpHG (o.w. 2.09% held indirectly), 1.84% instruments pursuant to section 25a WpHG (o.w. 1.84% held indirectly); equity swap, cash settlement expiring on 4 November 2014, 29 December 2014, 12 January 2015, 27 January 2015, 18 June 2015, 3 July 2015, 15 December 2015
Credit Suisse Group AG, Zurich, Switzerland	26 June 2014	**2.90**	19 June 2014	< 5 %	1.99% pursuant to sections 21, 22 WpHG, 0.68% instruments pursuant to section 25 WpHG (o.w. 0.68% held indirectly), 0.23% instruments pursuant to section 25a WpHG (o.w. 0.23% held indirectly); equity swap, cash settlement expiring on 4 November 2014, 8 January 2015, 12 January 2015, 27 January 2015, 13 May 2015, 14 May 2015, 18 June 2015, 3 July 2015, 15 December 2015, 2 October 2017

As at 30 September 2014, the Company holds 24,000 treasury shares. This corresponds to 0.017% of the voting rights.

Corporate Bodies and Advisory Board

Since the last reporting date, the composition of the Supervisory Board has changed. With effect from 28 February 2014, Ms. Annett Müller and Mr. Werner Prange left our Supervisory Board because of the transaction. Prof. Dr. Jan Schmitt resigned his Supervisory Board mandate with effect from 30 April 2014 and Mr. Detlef Klimpe with effect from 12 June 2014. They were succeeded to the Supervisory Board by Mr. Oliver Salomon with effect from 9 April 2014, Mr. Klaus Hanschur with effect from 17 April 2014, Dr. Franz-Josef Schmitz with effect from 1 May 2014 and Prof. Dr. h. c. Ludwig Georg Braun with effect from 12 June 2014. For further details regarding the composition of the Supervisory Board as well as its allocation of duties and responsibilities, please refer to the Annual Report as at 31 December 2013.

The composition of the Board of Management has remained unchanged since the last reporting date. Regarding the composition of the Board of Management as well as its allocation of duties and responsibilities, please refer to the Annual Report as at 31 December 2013.

Since the last reporting date, Mr. Meinhold and Prof. Polonius left the Advisory Board due to expiry of their terms of office. For the 2014/2015 term of office, Dr. Boris Augurzky, as well as from 3 July 2014 Ms. Susanne Helm are appointed as new members of the Advisory Board. For further details regarding the composition of the Advisory Board as well as its allocation of duties and responsibilities, please refer to the Annual Report as at the last reporting date.

Related parties

RHÖN-KLINIKUM Group companies, in given instances, enter into transactions with related parties, as further described in the Notes to the Consolidated Financial Statements as at 31 December 2013. The transactions conducted with related parties primarily result from service or lease relations arranged at arm’s length terms. In the view of the RHÖN-KLINIKUM Group, these transactions are not of material significance.

As a result of the addition of one company, the companies belonging to the group of related parties and the business transacted with these companies have changed in terms of the nature of the performance relationship and the amount of the pro rata temporis business volume compared with the Consolidated Financial Statements as at 31 December 2013. The same applies for the financial receivables and/or liabilities that existed with related parties. In the third quarter of 2014, the newly founded Marburger Ionenstrahl-Therapie Betriebs-Gesellschaft des Universitätsklinikums Heidelberg mit beschränkter Haftung was included. With this company, a long-term loan receivable of € 9.6 million existed as at 30 September.

With effect from 12 June 2014, Prof. Dr. h. c. Ludwig Braun was elected to the Supervisory Board. From that date until 30 September 2014, parties related to him performed supply and service relationships to the RHÖN-KLINIKUM Group in a volume of roughly € 2.3 million. As at the key date of 30 September 2014, accounts payable in a total amount of roughly € 0.1 million existed.

No other further material transactions with related parties have taken place.

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

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

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

The contractual remuneration for the members of the Supervisory Board and the Advisory Board as at the key date of 30 September 2014 has remained unchanged since the presentation in the 2013 Annual Report. Prior to the transaction with Fresenius/Helios, the variable remuneration component for 2014 was capped by the members of the Supervisory Board.

Within the Group there is a share-based remuneration for members of the Board of Management which is reported in accordance with IFRS 2. For the first time, RHÖN-KLINIKUM AG grants to the members of the Board of Management virtual shares which will be settled in cash in June 2019 and which are vested in accordance with the contractual agreements. For that reason, a provision will be formed in the amount of the expected expenditure and adjusted on each balance sheet date to its fair value and thus based on performance. The virtual shares will confer entitlement to receive dividends until June 2019 as well as participation in capital-adjustment measures and are limited to a maximum payout amount. In all other respects with regard to the contractual remuneration of members of the Board of Management, we refer to the presentation in the 2013 Annual Report.

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

During the reporting period, RHÖN-KLINIKUM AG received the following notifications of transactions pursuant to section 15a of the WpHG of 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
02 June 2014	Eugen Münch*	Member of Supervisory Board	RHÖN-KLINIKUM share ISIN DE0007042301	Transfer OTC	1,380,000	EUR 0.00	EUR 0.00
26 August 2014	Prof. Dr. Gerhard Ehninger	Member of Supervisory Board	RHÖN-KLINIKUM share ISIN DE0007042301	Sale via XETRA	10,571	EUR 23.7579501	EUR 251,145.29
30 September 2014	Jens-Peter Neumann	Member of Board of Management	RHÖN-KLINIKUM share ISIN DE0007042301	Sale via XETRA	6,666	EUR 24.00	EUR 159,984.00

* The transfer was effected by Mr. Münch on a non-remunerated basis to the charitable trust 'Stiftung Münch' approved on 4 June 2014. 690,000 non-par shares make up the basic assets of the trust, with an additional 690,000 non-par shares contributed as a specific-purpose reserve.

Employees

At the reporting date of 30 September 2014 the Group employed a total of 15,898 persons (31 December 2013: 43,363 persons). The decline versus the reporting date of 31 December 2013 is attributable to the sale of hospital subsidiaries to Fresenius/Helios.

Other financial obligations

The investment obligations resulting from company purchase agreements declined as at the reporting date to € 0.0 million (31 December 2013: € 137.6 million) as a result of the transaction. The remaining other financial obligations have not changed significantly since the last reporting date.

Contingent liabilities

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

Earnings per share

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

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

	No. of shares on 30 September 2014	No. of shares on 30 September 2013
Non-par shares	138,232,000	138,232,000
Treasury non-par shares	-24,000	-24,000
Shares in issue	**138,208,000**	**138,208,000**

Earnings per share are calculated as follows:

Non-par shares	30 September 2014	30 September 2013
Share in net consolidated profit (€ '000)	1,224,152	65,943
Weighted average number of shares outstanding, in thousands	138,208	138,208
Earnings per share in €	8.86	0.48

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 year under review as a result of cash inflows and outflows. The impact of acquisitions, divestments and other changes in the scope of consolidation has been eliminated. In accordance with IAS 7 (Statement of Cash Flows), a distinction is made between cash flows from operating activities, investing activities as well as financing activities. The liquidity shown in the statement of changes in financial position includes cash on hand, cheques as well as cash with banks. The result from the deconsolidation of subsidiaries in the amount of € 1.3 billion includes the entities transferred to Fresenius/Helios up to 30 September 2014 as well as to doctors practising at MVZ companies. The transaction with Fresenius/Helios accounts for an amount of € 1.3 billion. For the purposes of the Statement of Cash Flows, bank overdrafts in the amount of € 0.0 million (previous year: € 1.6 million) are deducted from cash and cash equivalents. The Statement of Cash Flows has included a figure of € 3.9 million for outstanding construction invoices (previous year: € 6.0 million) and a figure € 0.1 million for non-cash expenditures from financial derivatives (previous year: income of € 0.01 million).

Bad Neustadt a. d. Saale, 7 November 2014

RHÖN-KLINIKUM Aktiengesellschaft

THE BOARD OF MANAGEMENT

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

KEY RATIOS

KEY RATIOS JANUARY TO SEPTEMBER 2014 / JANUARY TO SEPTEMBER 2013

Data in € m	Jan. - Sept. 2014	Jan. - Sept. 2013	Change in %
Revenues	1,237.4	2,256.4	-45.2
Materials and consumables used	341.2	590.4	-42.2
Employee benefits expense	785.7	1,374.9	-42.9
Depreciation/amortisation and impairment	63.0	105.0	-40.0
Consolidated result according to IFRS	1,226.6	68.4	N.A.
Earnings share of RHÖN-KLINIKUM AG shareholders	1,224.1	65.9	N.A.
Earnings share of non-controlling interests	2.5	2.5	0.0
Return on revenue (%)	99.1	3.0	N.A.
EBT	1,247.1	89.7	N.A.
EBIT	1,327.5	117.9	N.A.
EBIT - ratio (%)	107.3	5.2	N.A.
EBITDA	1,390.5	222.9	N.A.
EBITDA ratio (%)	112.4	9.9	N.A.
Operating cash flow	1,289.1	174.1	N.A.
Property, plant and equipment as well as investment property	667.4 *	707.9 *	-5.7
Non-current income tax claims	4.5 *	6.6 *	-31.8
Equity according to IFRS	1,222.4	1,644.2	-25.7
Return on equity, %	82.5	5.6	N.A.
Balance sheet total according to IFRS	3,426.2	3,032.0	13.0
Investments in property, plant and equipment, intangible assets as well as in investment property	32.5	72.0	-54.9
Earnings per ordinary share (€)	8.86	0.48	N.A.
Number of employees (headcount)	15,898	43,188	-63.3
Case numbers (patients treated)	1,045,273	2,005,206	-47.9
Beds and places	5,546	17,104	-67.6

* Exlcuding held-for-sale assets

KEY RATIOS JULY TO SEPTEMBER 2014 / JULY TO SEPTEMBER 2013

Data in € m	July - Sept. 2014	July - Sept. 2013	Change in %
Revenues	278.3	749.6	-62.9
Materials and consumables used	80.1	197.8	-59.5
Employee benefits expense	179.2	456.8	-60.8
Depreciation/amortisation and impairment	15.4	34.9	-55.9
Consolidated result according to IFRS	12.8	17.7	-27.7
Earnings share of RHÖN-KLINIKUM AG shareholders	12.3	17.1	-28.1
Earnings share of non-controlling interests	0.5	0.6	-16.7
Return on revenue (%)	4.6	2.4	N.A.
EBT	12.9	27.5	-53.1
EBIT	20.7	36.5	-43.3
EBIT - ratio (%)	7.4	4.9	51.0
EBITDA	36.1	71.4	-49.4
EBITDA ratio (%)	13.0	9.5	36.8
Operating cash flow	28.1	52.8	-46.8
Property, plant and equipment as well as investment property	667.4 *	707.9 *	-5.7
Non-current income tax claims	4.5 *	6.6 *	-31.8
Equity according to IFRS	1,222.4	1,644.2	-25.7
Return on equity, %	0.9	4.3	-79.1
Balance sheet total according to IFRS	3,426.2	3,032.0	13.0
Investments in property, plant and equipment, intangible assets as well as in investment property	9.4	25.0	-62.4
Earnings per ordinary share (€)	0.09	0.12	-25.1
Number of employees (headcount)	15,898	43,188	-63.3
Case numbers (patients treated)	182,687	658,948	-72.3
Beds and places	5,546	17,104	-67.6

* Excluding held-for-sale assets

KEY RATIOS FOR THE INDIVIDUAL QUARTERS

Data in € m	July - Sept. 2014	April - June 2014	Jan. - March 2014
Revenues	278.3	329.6	629.5
Materials and consumables used	80.1	95.1	166.1
Employee benefits expense	179.2	220.0	386.4
Depreciation/amortisation and impairment	15.4	33.5	14.2
Consolidated result according to IFRS	12.8	-183.7	1,397.6
Earnings share of RHÖN-KLINIKUM AG shareholders	12.3	-184.4	1,396.3
Earnings share of non-controlling interests	0.5	0.7	1.3
Return on revenue (%)	4.6	-55.7	222.0
EBT	12.9	-183.8	1,418.1
EBIT	20.7	-167.0	1,473.8
EBIT - ratio (%)	7.4	-50.7	234.1
EBITDA	36.1	-133.5	1,488.0
EBITDA ratio (%)	13.0	-40.5	236.4
Operating cash flow	28.1	-150.2	1,411.2
Property, plant and equipment as well as investment property	667.4 *	674.5 *	707.3 *
Non-current income tax claims	4.5 *	6.8 *	6.8 *
Equity according to IFRS	1,222.4	2,864.5	3,071.8
Return on equity, %	0.9	-13.8	54.4
Balance sheet total according to IFRS	3,426.2	3,464.2	3,929.1
Investments in property, plant and equipment, intangible assets as well as in investment property	9.4	6.8	16.3
Earnings per ordinary share (€)	0.09	-1.33	10.10
Number of employees (headcount)	15,898	16,325	19,929
Case numbers (patients treated)	182,687	295,449	567,137
Beds and places	5,546	5,811	6,831

* Excluding held-for-sale assets

FINANCIAL CALENDAR

DATES FOR SHAREHOLDERS AND ANALYSTS

2014

7 November 2014	Publication of Interim Report for the quarter ending 30 September 2014

2015

27 February 2015	Preliminary results for financial year 2014
17 April 2015	Results Press Conference: Publication of 2014 Annual Financial Report
7 May 2015	Publication of Interim Report for the quarter ending 31 March 2015
10 June 2015	Annual General Meeting (at the Jahrhunderthalle Frankfurt)
6 August 2015	Publication of Half-Year Financial Report as at 30 June 2015
6 November 2015	Publication of Interim Report for the quarter ending 30 September 2015

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This Interim Report is also available in German.