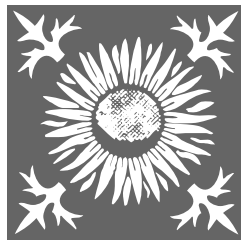


RHÖN-KLINIKUM AG



Interim Report
Q1 – Q3

2007

Key ratios January to September 2007 / January to September 2006

€'000	Jan. - Sept. 2007	Jan. - Sept. 2006	Changes in %
Revenues	1,512,520	1,427,877	5.93
Material and consumables used	368,987	364,869	1.13
Employee benefits expense	902,781	842,658	7.13
EBITDA	188,191	162,251	15.99
EBITDA, %	12.5	11.3	10.62
Depreciation and impairment	65,479	51,767	26.49
EBIT	122,712	110,484	11.07
EBIT, %	8.2	7.7	6.49
EBT	107,662	96,309	11.79
Net consolidated profit according to IFRS	86,862	70,071	23.96
Earnings share of minority owners	3,944	3,057	29.02
Earnings share of RHÖN-KLINIKUM AG shareholders	82,918	67,014	23.73
Return of revenues, %	5.8	4.9	18.37
Operating cash flow	140,728	122,008	15.34
Property, plant and equipment as well as investment property	1,183,463	1,049,991	12.71
Other financial assets	1,688	2,815	-40.04
Equity capital according to IFRS	785,998	689,223	14.04
Balance sheet total according to IFRS	2,054,240	1,988,629	3.30
Investments			
in property, plant and equipment as well as in investment property	122,839	321,106	-61.75
in other financial assets	252	157	60.51
Earnings per ordinary share (€)	0.80	0.65	23.08
Number of employees (at 30 September)	32,094	30,611	4.84
Case numbers (patients treated)	1,165,138	1,037,764	12.27
Beds and places	14,845	14,690	1.06

Key ratios July to September 2007 / July to September 2006

€'000	July - Sept. 2007	July - Sept. 2006	Changes in %
Revenues	505,554	489,833	3.21
Material and consumables used	121,879	123,806	-1.56
Employee benefits expense	302,356	288,184	4.92
EBITDA	63,244	58,649	7.83
EBITDA, %	12.5	12.0	4.17
Depreciation and impairment	21,341	19,273	10.73
EBIT	41,903	39,376	6.42
EBIT, %	8.3	8.1	2.47
EBT	34,231	33,851	1.12
Net consolidated profit according to IFRS	34,249	24,510	39.73
Earnings share of minority owners	1,552	1,057	46.83
Earnings share of RHÖN-KLINIKUM AG shareholders	32,697	23,453	39.42
Return of revenues, %	6.8	5.0	35.39
Operating cash flow	47,470	43,783	8.42
Property, plant and equipment as well as investment property	1,183,463	1,049,991	12.71
Other financial assets	1,688	2,815	-40.04
Equity capital according to IFRS	785,998	689,223	14.04
Balance sheet total according to IFRS	2,054,240	1,988,629	3.30
Investments			
in property, plant and equipment as well as in investment property	48,451	50,539	-4.13
in other financial assets	0	7	-100.00
Earnings per ordinary share (€)	0.32	0.23	39.13
Number of employees (at 30 September)	32,094	30,611	4.84
Case numbers (patients treated)	382,420	360,149	6.18
Beds and places	14,845	14,690	1.06

Key ratios for the individual quarters of 2007

€'000	July - Sept. 2007	April - June 2007	Jan. - March 2007
Revenues	505,554	504,955	502,012
Material and consumables used	121,879	120,235	126,874
Employee benefits expense	302,356	305,515	294,911
EBITDA	63,244	63,810	61,137
EBITDA, %	12.5	12.6	12.1
Depreciation and impairment	21,341	23,420	20,718
EBIT	41,903	40,390	40,419
EBIT, %	8.3	8.0	8.0
EBT	34,231	38,443	34,988
Net consolidated profit according to IFRS	34,249	27,410	25,202
Earnings share of minority owners	1,552	1,167	1,224
Earnings share of RHÖN-KLINIKUM AG shareholders	32,697	26,243	23,978
Return of revenues, %	6.8	5.4	5.0
Operating cash flow	47,470	47,337	45,920
Property, plant and equipment as well as investment property	1,183,463	1,155,520	1,145,283
Other financial assets	1,688	1,644	1,489
Equity capital according to IFRS	785,998	751,856	753,943
Balance sheet total according to IFRS	2,054,240	2,027,329	1,989,069
Investments			
in property, plant and equipment as well as in investment property	48,451	42,931	31,457
in other financial assets	0	171	81
Earnings per ordinary share (€)	0.32	0.25	0.23
Number of employees (at 30 September)	32,094	31,844	31,426
Case numbers (patients treated)	382,420	393,836	388,882
Beds and places	14,845	14,861	14,577

Dear Sir or Madam,

With the results for the first three quarters of financial year 2007, RHÖN-KLINIKUM Group has continued its growth course. We treated nearly 1.2 million patients, or roughly 12% more than last year, and further expanded our market share. Compared with the same period last year, revenues rose in the first nine months by 5.9% to reach € 1.5 billion and net consolidated profit gained 24% to €86.9 million. These results were achieved thanks to an expansion of service volumes and restructuring successes at newly acquired facilities, existing facilities, medical care centres (MVZs) and service companies.

As expected, the economic and political environment remains challenging. Nonetheless, RHÖN-KLINIKUM AG is pressing ahead with its restructuring efforts. Thanks to the transfer of ideas and know-how within our network of hospitals we are able to realise innovations in the interests of providing affordable cutting-edge medicine for everyone. In this same vein we strongly advocate that the relationship between services performed and remuneration should be strengthened and competition promoted.

The milestones we achieved in the third quarter have enabled us to expand our innovative edge in German hospital care: in August we laid the milestone for the particle therapy facility at our Marburg site; in September we concluded the agreement for the Group-wide introduction of the web-based electronic patient file (WebEPA). We have thus broadened the basis for raising our performance and efficiency.

With the particle therapy centre in Marburg we will set an international standard in tomorrow's tumour treatment. As pioneers, we will in future be able to treat cancer conditions which today are incurable.

Over the next few years the roll-out of the WebEPA will provide the Group with an electronic platform for quick, comprehensive and safe exchange of medical data between the Group's hospitals, MVZs and community-based physicians. Our aim is to strengthen regional, integrated healthcare delivery. The advantage of WebEPA is that treating doctors – within seconds in emergencies – will have access to a patient's entire medical history and will be able to view finding reports, X-rays, CT images and other data, and this regardless of where the data are stored. In this way we are raising the quality and efficiency of care by eliminating waiting times and cutting the costs of treatment.

Given the positive expectations for business performance in the fourth quarter of 2007, we re-affirm our revenue forecast for the full year of €2 billion and the updated earnings forecast of just over €110 million.

In the current financial year we will thus fully offset the extraordinary burdens from changes in legislation and wage increases to the tune of €39 million thanks to our rationalisation and restructuring measures as part of the ten-point programme already launched in 2006.

In August the earnings forecast was raised from €102 million to €110 million as a result of the corporation tax reform and the resulting cut in the rate of corporate tax.

Wolfgang Pföhler
Chairman of the Board of Management of
RHÖN-KLINIKUM AG

REPORT ON THE THIRD QUARTER AND THE FIRST NINE MONTHS OF FINANCIAL YEAR 2007

- Stable growth in patient numbers throughout the Group with visible restructuring successes
- Revalued deferred tax liabilities result in one-off non-cash positive effect of € 10.0 million in the third quarter
- The operating revenues and earnings achieved for 2007 are fully in line with our expectations and targets

GENERAL REMARKS

We are pleased to present this interim report which has been prepared in accordance with International Financial Reporting Standards (IFRS) in their version applicable for 2007. The accounting and valuation methods applied are consistent with those described in detail in the 2006 consolidated financial statements. For details we refer to our explanations in this regard.

In the interest of comparability with the previous year, we have converted all share-based key ratios to the new number of shares applicable since the 2007 Annual General Meeting, namely 103,680,000 shares (previously: 51,840,000 shares).

For arithmetic reasons rounding differences of ± one unit (€, %, etc.) may occur in the tables.

Economic Development

The general conditions on the hospital market in financial year 2007:

- increase in VAT to 19%
- introduction of a reform impost through a revenue deduction of 0.5%
- continuation of revenue deductions of 0.5% to finance integrated care
- impact of doctors' wages and
- less pronounced rise in rate of change in the aggregate income of all health insurance fund members in 2007

have created noticeable tensions within the healthcare system. Based on the business performance seen so far, we have succeeded in offsetting the burdens to the tune of some €29 million which have placed on RHÖN-KLINIKUM AG. This was primarily possible thanks to our ten-point programme already launched in 2006, which was successfully exe-

cuted within the Group and is bearing fruit in 2007. This stemmed in particular from growth in patient numbers of 2.0% – not including consolidation effects – as well as restructuring successes at the hospitals acquired from 2006 to the tune of €9.6 million (after deduction of extraordinary burdens digested in 2007).

The positive performance was helped by the complete elimination of losses at Universitätsklinikum Gießen und Marburg GmbH. After initial losses in the first quarter we already began generating surpluses in the second and third quarters. After the first nine months earnings before tax stood at €0.8 million.

At Krankenhaus Köthen GmbH, which has been part of the Group since 1 April 2007, we also streamlined loss-making structures within a short time. After six months the facility's loss had been cut to €0.4 million (compared with €1.3 million for the same period last year).

Trend in output

We have so far treated 1,165,138 patients in 2007 (previous year: 1,037,764 patients), i.e. a total of 127,374 more patients compared with the first nine months of financial year 2006. This represents a rise of 12.3%. Of this growth, the outpatient area accounted for roughly 83% and the inpatient area for around 17%. Adjusting for consolidation effects, this translates into organic growth of 2.1% in the acute inpatient area, 1.8% in the outpatient area, and 2.0% over all areas. We have been including patients at our medical care centres (MVZs) for the first time since 2007. In the first nine months we treated a total of 55,114 patients in these special outpatient facilities.

Trend in revenue and earnings of first to third quarter

Compared with the first nine months of financial year 2006, revenues rose by €84.6 million or 5.9% to reach €1,512.5 million (previous year: €1,427.9 million), thus developing in line with our targets. We are also pleased with the disproportionate growth in EBITDA by €25.9 million or 16.0% to €188.2 million as well as in EBIT by €12.2 million or 11.1% to €122.7 million. The revaluations of our financial instruments for interest-rate hedging to be performed on a quarterly basis have been reflected at income for the first time. The expectation of a rise in long-term interest rates reduced our net interest expenditure in the first nine months by €1.6 million, with expenditures of €1.9 million being charged at income in the third quarter. The rise in net consolidated profit of €16.8 million or 24.0% to €86.9 million includes the earnings-increasing but non-cash one-off effect of the revaluation of our deferred tax items by €10.0 million resulting from the 2008 tax reform. Excluding this one-off tax effect and without the effect from the market valuation of our financial instruments, net consolidated profit rose by €5.6 million or 8.0%, which is in line with our expectations and also disproportionate to growth in revenues. This development was made possible in particular by improvements in pre-tax earnings at the hospitals acquired since 2006. The improvement recorded at Universitätsklinikum Gießen und Marburg GmbH alone was €7.3 million (previous year: loss from February to September of €6.5 million).

Net consolidated profit of €86.9 million in the first nine months translates into an EpS of €0.80 (previous year: €0.65) after minority interests in profit amounting to €3.9 million.

Trend in revenues and earnings in the third quarter

In the third quarter we generated revenues of €505.6 million (previous year: €489.8 million) and net consolidated profit of €34.3 million (previous year: €24.5 million). Adjusted for the tax effect from the revaluation of our deferred tax items (€10.0 million) and the required impairment on the value of our financial instruments in the third quarter (€1.4 million after tax), an operating consolidated profit of

€25.7 million was generated which exceeds net consolidated profit of the same quarter last year by €1.2 million or 4.9%.

Net consolidated profit of €34.3 million in the third quarter translates into an EpS of €0.32 (previous year: €0.23) after minority interests in profit of €1.6 million.

Investments and financing

In the first nine months of the current financial year, we invested a total of €179.7 million (previous year: €752.8 million) Group-wide, of which €58.2 million in the third quarter (previous year: €59.6 million). A total of €16.0 million (previous year: €210.5 million) was accounted for by hospital takeovers and purchase price instalments.

From own funds we invested €123.0 million (previous year: €321.3 million), of which €48.4 million (previous year: €45.0 million) in the third quarter.

Since the last reporting date our net debt to banks (not including securities amounting to €12.2 million) has risen from €439.0 million to €474.2 million and our equity capital has increased from €728.7 million to €786.0 million. These numbers already include liquidity outflows to shareholders and minority owners in the amount of €29.6 million. Our equity capital ratio has seen a slight increase versus 31 December 2006, from 36.7% to 38.2%. Our non-current assets are fully financed at matching maturities by equity capital and long-term debt.

In the first nine months of financial year 2007 we generated a cash flow (not including one-off non-cash effects) of €140.7 million (previous year: €122.0 million), of which €47.5 million in the third quarter (previous year: €43.8 million).

With our available credit lines in conjunction with the capital-related measures adopted at the 2007 Annual General Meeting, we are also well prepared for further buoyant growth in the future. Thanks to our interest hedging transactions, we are also able to finance our growth on favourable terms.

Group financial structures are sound and stable.

Outlook

For financial year 2007 we expect revenues of €2 billion and net consolidated profit of just over €110 million. We expect our growth to continue in future as well.

From 2008 we will benefit decisively from the 2008 corporation tax reform. We expect our tax rate of currently roughly 27% to fall to around 18% in future. On the revenue side the long-standing trend of disproportionately moderate growth in remuneration with a rate of change of 0.64% is likely to continue.

The apparently sustained economic upturn in Germany in our view has only temporarily relieved privatisation pressures on public hospital operators, as the investment backlog and operating losses will persist. For this reason we expect to see growth at our Group driven by acquisitions in future also. We are taking advantage of the time until further acquisitions to strengthen the Group on an ongoing and sustained basis.

CONSOLIDATED TREND

Sites and capacities

	Date	Hospitals	Beds
As at 30 June 2007		46	14,861
Net change in beds in existing hospitals (balance)			-16
As at 30 September 2007		46	14,845

In the third quarter of 2007 there were no changes in the scope of consolidation.

As at 30 September 2007 we have 46 consolidated hospitals with 14,845 beds/places at a total of 35 sites in nine federal states. Since 1 July 2007 there have been only minor changes in the number of approved beds as part of our acute-inpatient capacities.

We are pleased with the good progress being made with integration at Krankenhaus Köthen GmbH, consolidated since 1 April 2007. We are recording significant growth in patient numbers and are confident that we will achieve a very significant improvement in that facility's financial situation already in 2007. Currently we expect to be able to limit the loss for the

year to roughly €0.6 million (previous year: €2.6 million).

	Date	MVZs	Practices
1 July 2007		10	28
Commissioned in Erlenbach	1 July 2007	1	2
Extensions at already existing MVZs		-	2
As at 30 September 2007		11	32

The expansion of our MVZ capacities with one facility commissioned in Erlenbach and the expansion at existing MVZ facilities is moving ahead on schedule. By the end of the current financial year we expect the further integration of seven doctor's practices at a total of three sites.

The ten service companies established together with partners on 1 January 2007 for provision of infrastructural services (including cleaning, catering, domestic services) have lived up to our expectations. While still preserving competitive elements we are able to meet our demand for infrastructure services at lower costs.

Patients

January to September	2007	2006
Patients receiving inpatient and semi-inpatient treatment in our Acute hospitals	413,746	392,114
Rehabilitation hospitals and other facilities	7,150	6,901
	420,896	399,015
Patients receiving outpatients treatment		
in our acute hospitals	689,128	638,749
in our MVZ	55,114	0
Total	1,165,138	1,037,764

In the first nine months a total of 1,165,138 patients (up by +127,374 patients / +12.3%) were treated in the Group's hospitals and MVZs. Of this increase, outpatient treatments account for 82.8%. After deducting consolidation effects (Universitätsklinikum Gießen und Marburg GmbH, Krankenhaus Köthen GmbH and first-time inclusions at the MVZs), this translates into growth in patient numbers of 20,198 patients or 2.0%. This organic growth is distributed nearly uniformly over the entire Group.

Per-case revenues

January to September	2007	2006
Case revenues inpatient and semi-inpatient acts (€)	3,435	3,435
outpatient activities (€)	90	90

Per-case revenues remained identical compared with the previous year. However, given that in the inpatient area we treated patients of higher severity classification throughout the Group, prices declined compared with last year.

Employees

	Number
As at 31 December 2006	30,409
Added from personnel taken over in service companies	1,718
Added from personnel taken over in Köthen	396
Change in number of employees at long-standing hospitals	-429
As at 30 September 2007	32,094

At 30 September 2007, the Group employed 32,094 persons (31 December 2006: 30,409). The newly consolidated facility in Köthen added 396 new employees. By 30 September 2007, following the integration of ten service companies, we took over a total of 1,718 employees from external service companies that had previously served the Group. The hospitals consolidated at the end of 2006 witnessed a slight decline in staff numbers (-429).

BUSINESS DEVELOPMENT

In the first nine months of financial year 2007 our hospitals put in a good performance overall despite the various challenges brought by legislative measures and wage developments for doctors. Thanks to higher service volumes and cost cuts, it was possible to offset extraordinary burdens of roughly €29 million for the first nine months and to generate further profit contributions beyond that. The hospitals have developed in line with our expectations.

At our MVZs we succeeded in cutting past start-up losses. Whereas the first half of 2007

still reported a slight undercoverage (-€0.1 million), third-quarter numbers were balanced.

Our ten service companies met their targets, making a slightly positive contribution to earnings of €0.5 million in the first nine months of financial year 2007.

Compared with the same period last year, we achieved restructuring successes throughout the Group, as measured by the improvement in EBIT of €12.2 million.

EBIT	January to September	2007	2006	Change	
		€million	€million	€million	%
Long-standing hospitals		122.7	120.1	2.6	2.2
Acquisitions 2006 (Universitätsklinikum Gießen and Marburg GmbH, Heinz Kalk-Krankenhaus GmbH, Frankwaldklinik Kronach GmbH)		0.1	-8.9	9.0	o.A.
Acquisitions 2007 (Krankenhaus Köthen GmbH)		-0.4	0.0	-0.4	o.A.
Remaining companies (MVZs and service companies)		0.3	-0.7	1.0	142.9
Total		122.7	110.5	12.2	11.0

Revenues and earnings

The Group's economic performance is shown as follows:

January to September	2007	2006	Change	
	€million	€million	€million	%
Revenues	1,512.5	1,427.9	84.6	5.9
EBITDA	188.2	162.3	25.9	16.0
EBIT	122.7	110.5	12.2	11.1
EBT	107.7	96.3	11.4	11.8
Operating cash flow	140.7	122.0	18.7	15.3
Consolidated profit	86.9	70.1	16.8	24.0

Without taking into account further acquisitions, we expect our key ratios to steadily improve in the further course of financial year 2007 as well as in 2008.

January to September	2007	2006
	%	%
Return of equity (after taxes)	12.1	10.5
Return of revenues	5.8	4.9
Material ratio	24.4	25.6
Personnel ratio	59.7	59.0
Depreciation ratio	4.3	3.6
Other cost ratio	10.1	9.7
Tax ratio	1.4	1.8

Compared with the same period last year, revenues grew by €84.6 million or 5.9%. Adjusting for changes in the scope of consolidation, this translates into organic growth of €42.6 million or 3.0%.

Compared with the previous year, the cost-of-materials ratio declined slightly, whereas the personnel cost ratio saw a slight rise. This essentially comes as a result of our ten service companies that came on stream. The services purchased externally last year were fully recognised as services procured under the item 'materials and consumables used', whereas this year they are reported under the employee benefits expense item.

The completion and commissioning of our totally new buildings in Nienburg (end of 2006) and Pirna (early in 2007) resulted in a rise in the depreciation and amortisation ratio.

The financial result worsened by €0.9 million compared with the same period last year. This stemmed from the net earnings-reducing effects of the revaluation of our interest rate hedging instruments resulting from a change in interest rates (€1.6 million) and the obligation, as of 2007, to total our corporate tax credits with interest accruing (€0.6 million). The rise in our net debt to banks and the resulting higher interest burden put a drag on earnings (€3.1 million).

The decline in the tax rate compared with the previous year stems from the earnings-increasing effect of the revaluation of our deferred tax items which brought a one-off non-cash effect of €10.0 million. Moreover, the tax expense item was also impacted by the rise in the assessment basis as well as the imputing of corporate tax credits for 2007 as a result of the 2008 tax reform (previous year: €1.7 million).

In the first nine months of financial year 2007 we raised net consolidated profit by €16.8 million or 24.0% to €86.9 million (previous year: €70.1 million). After deducting the one-off tax effect from the revaluation of deferred tax items as well as the impact of the revaluation of our financial instruments, we achieved an adjusted net consolidated profit of €75.7 million which exceeds the previous year's net consolidated profit by €5.6 million or

8.0%. This development was essentially owing to the break-even reached at Universitätsklinikum Gießen und Marburg GmbH which improved its contribution to consolidated earnings compared with the same period last year by €7.3 million to €+0.8 million (February through September of the previous year: -€6.5 million).

Minority interests in profit rose slightly by €0.9 million to reach €3.9 million.

The interest of RHÖN-KLINIKUM AG shareholders in profit for the first nine months of 2007 rose by €15.9 million or 23.7% to €82.9 million compared with the same period last year. This corresponds to earnings per share of €0.80 (previous year: €0.65).

Asset and capital structure

	30.09.2007		31.12.2006	
	€million	%	€million	%
ASSETS				
Non-current assets	1,457.9	71.0	1,403.6	70.9
Current assets	596.3	29.0	576.0	29.1
	2,054.2	100.0	1,979.6	100.0
LIABILITIES				
Shareholders' equity	786.0	38.2	728.7	36.7
Non-current debt	705.4	34.4	683.8	34.5
Current debt	562.8	27.4	567.1	28.8
	2,054.2	100.0	1,979.6	100.0

Driven by acquisitions and investments, our assets increased by €74.6 million or 3.8%.

The equity ratio rose moderately from 36.7% to 38.2%, attributable to the high internal financing strength of our company.

	2007			2006
	Shareholders	Minorities	Total	Total
	Mio €	Mio €	Mio €	Mio €
Balance at 01 Jan.	691.1	37.6	728.7	641.5
Net consolidated profit for the first nine month	82.9	4.0	86.9	70.1
Dividends paid	-25.9	-3.7	-29.6	-26.5
Change in scope of consolidation	-1.8	1.8	0.0	4.1
Balance at 30 Sep.	746.3	39.7	786.0	689.2

We now report equity of €786.0 million (31 December 2006: €728.7 million), with dividend payments to shareholders and minority owners in the amount of €29.6 million already being included.

Non-current assets are fully covered by equity and non-current liabilities. Net debt to banks rose since the last reporting date from €439.0 million by €35.2 million to

€ 474.2 million as at 30 September 2007. Not included in the calculation of net debt are marketable securities worth € 12.2 million.

Our internal financing strength has increased significantly. Compared with the same period last year, cash flow rose by € 18.7 million or 15.3% to reach € 140.7 million.

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

January to September	2007 €million	2006 €million
Cash generated (+) / net cash (-) from operating activities	106.3	131.4
Cash generated (+) / net cash (-) used in investing activities	-111.3	-194.5
Cash generated (+) / net cash (-) from financing activities	-2.2	194.9
Change in cash and cash equivalents	-7.2	131.8
Cash and cash equivalents on 1 January	155.8	92.8
Cash and cash equivalents on 30 September	148.6	224.6

Investing activities

Aggregate investments of € 179.7 million (previous year: € 752.8 million) in the first nine months of financial year 2007 are shown in the following table:

	Application of		
	subsidies	own funds	Total
	€million	€million	€million
Ongoing investments	56.7	107.0	163.7
Hospital acquisitions	0.0	16.0	16.0
Total	56.7	123.0	179.7

Of these investments made in the first nine months, € 56.7 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 IAS.

An analysis of investments by site is given below:

	€million
Gießen/Marburg	41.2
Bad Neustadt a.d.Saale	8.7
Frankfurt (Oder)	5.8
Bad Kissingen	4.3
Miltenberg/Erlenbach	5.4
Pirna	3.3
Leipzig	4.6
Bad Berka	4.8
Kronach	3.8
Hildesheim	4.2
Weißeritztal	2.3
Cuxhaven	2.5
Hammelburg	3.2
Pforzheim	2.2
Other sites	10.7
Total	107.0

In the case of Krankenhaus Köthen GmbH, we acquired assets totalling € 12.4 million. As agreed, the second purchase price tranche for Klinikum Salzgitter GmbH of € 3.6 million was paid after the conditions for payment were satisfied.

In the remaining course of financial year 2007 we expect further investments in the amount of roughly € 75 million from investment projects already under way.

Under company purchase agreements entered into we still have outstanding investment obligations of € 574.5 million until 2012.

Bad Neustadt a. d. Saale, 25 October 2007

RHÖN-KLINIKUM AG

THE BOARD OF MANAGEMENT

Consolidated Balance Sheet 30 September 2007

	30 September 2007		31 December 2006	
	€'000	%	€'000	%
ASSETS				
Non-current assets				
Goodwill and other intangible assets	253,072	12.3	242,841	12.3
Property, plant and equipment	1,179,249	57.4	1,135,952	57.3
Investment property	4,214	0.2	4,338	0.2
Income tax claims	19,645	1.0	19,055	1.0
Other financial assets	1,688	0.1	1,436	0.1
	1,457,868	71.0	1,403,622	70.9
Current assets				
Inventories	38,187	1.9	39,035	2.0
Accounts receivable, other receivables and other financial assets	366,287	17.8	339,927	17.1
Current income tax claims	17,117	0.8	20,905	1.1
Cash and cash equivalents	174,781	8.5	176,136	8.9
	596,372	29.0	576,003	29.1
	2,054,240	100.0	1,979,625	100.0

	30 September 2007		31 December 2006	
	€'000	%	€'000	%
EQUITY AND LIABILITIES				
Equity				
Subscribed capital	259,200	12.6	51,840	2.6
Capital reserve	37,582	1.8	37,582	1.9
Other reserves	366,714	17.9	496,552	25.0
Net cons. profit attr. to shareholders of RHÖN-KLINIKUM AG	82,918	4.0	105,200	5.3
Treasury shares	-76	0.0	-77	0.0
Equity attributable to shareholders of RHÖN-KLINIKUM AG	746,338	36.3	691,097	34.8
Outside owners' minority interests in group equity	39,660	1.9	37,644	1.9
	785,998	38.2	728,741	36.7
Long-term debt				
Financial debt	600,938	29.3	566,576	28.6
Deffered tax liabilities	14,950	0.7	23,381	1.2
Provisions for post-employment benefits	8,001	0.4	7,289	0.4
Other provisions	4,126	0.2	4,514	0.2
Other liabilities	77,424	3.8	81,989	4.1
	705,439	34.4	683,749	34.5
Short-term debts				
Accounts payable	99,048	4.8	166,020	8.4
Current income tax liabilities	17,806	0.9	18,407	0.9
Financial debt	47,999	2.3	49,219	2.5
Other provisions	19,732	1.0	19,707	1.0
Other liabilities	378,218	18.4	313,782	16.0
	562,803	27.4	567,135	28.8
	2,054,240	100.0	1,979,625	100.0

Consolidated income statement

January to September	2007		2006	
	€'000	%	€'000	%
Revenues	1,512,520	100.0	1,427,877	100.0
Other operating income	100,753	6.7	80,036	5.6
	1,613,273	106.7	1,507,913	105.6
Material and consumables used	368,987	24.4	364,869	25.6
Employee benefit expense	902,781	59.7	842,658	59.0
Other operating expenses	153,314	10.1	138,135	9.7
	1,425,082	94.2	1,345,662	94.3
Interim result (EBITDA)	188,191	12.5	162,251	11.3
Depreciation and impairment	65,479	4.3	51,767	3.6
Operating earnings (EBIT)	122,712	8.2	110,484	7.7
Finance expenditure	22,661	1.5	19,722	1.4
Finance income	7,611	0.5	5,547	0.4
Financial result	15,050	1.0	14,175	1.0
Earnings before income taxes (EBT)	107,662	7.2	96,309	6.7
Income taxes	20,800	1.4	26,238	1.8
Net consolidated profit	86,862	5.8	70,071	4.9
of which attributable				
to minority owners	3,944	0.3	3,057	0.2
to the shareholders of RHON-KLINIKUM AG	82,918	5.5	67,014	4.7
Earnings per ordinary share in €	0.80		0.65	

July to September	2007		2006	
	€'000	%	€'000	%
Revenues	505,554	100.0	489,833	100.0
Other operating income	33,747	6.7	26,506	5.4
	539,301	106.7	516,339	105.4
Material and consumables used	121,879	24.1	123,806	25.3
Employee benefit expense	302,356	59.8	288,184	58.8
Other operating expenses	51,822	10.3	45,700	9.3
	476,057	94.2	457,690	93.4
Interim result (EBITDA)	63,244	12.5	58,649	12.0
Depreciation and impairment	21,341	4.2	19,273	3.9
Operating earnings (EBIT)	41,903	8.3	39,376	8.1
Finance expenditure	8,032	1.6	6,959	1.4
Finance income	360	0.1	1,434	0.3
Financial result	7,672	1.5	5,525	1.1
Earnings before income taxes (EBT)	34,231	6.8	33,851	7.0
Income taxes	-18	0.0	9,341	1.9
Net consolidated profit	34,249	6.8	24,510	5.1
of which attributable				
to minority owners	1,552	0.3	1,057	0.2
to the shareholders of RHON-KLINIKUM AG	32,697	6.5	23,453	4.9
Earnings per ordinary share in €	0.32		0.23	

Statement of changes in shareholder's equity

	Shareholders €'000	Minorities €'000	Total €'000
Balance at 31 Dec. 2005	609,219	32,313	641,532
Net consolidated profit for the first nine month of 2006	67,014	3,057	70,071
Dividends paid	-23,321	-3,189	-26,510
Change in scope of consolidation	0	4,130	4,130
Balance at 30 Sep. 2006	652,912	36,311	689,223
Balance at 31 Dec. 2006	691,097	37,644	728,741
Net consolidated profit for the first nine month of 2007	82,918	3,944	86,862
Dividends paid	-25,913	-3,692	-29,605
Other Changes	-1,764	1,764	0
Balance at 30 Sep. 2007	746,338	39,660	785,998

Cash flow statement

January to September	2007 Mio €	2006 Mio €
Earnings before taxes	107.7	96.3
Financial result (net)	15.1	14.1
Depreciation and losses on the disposal of assets	65.5	51.9
	188.3	162.3
Changes in net current assets		
Change in inventories	1.4	-1.0
Change in accounts receivable	-5.4	-5.0
Change in other receivables	-8.7	44.6
Change in liabilities (excluding financial debt)	-19.9	-18.7
Change in provisions	0.1	-6.0
Income taxes paid	-26.8	-25.1
Interest paid	-22.7	-19.7
Cash generated (+) / net cash (-) from operating activities	106.3	131.4
Investments in property, plant and equipment and in intangible assets	-116.5	-108.2
Purchase of securities	-52.5	0.0
Sale of securities	49.5	0.0
Acquisition of subsidiaries, net of cash acquired	-3.2	-93.7
Sale proceeds from disposal of assets	3.8	1.9
Interest received	7.6	5.5
Cash generated (+) / net cash (-) used in investing activities	-111.3	-194.5
Payments on taking financial debts	105.0	236.3
Repayment of financial debts	-77.6	-14.9
Dividend payments to shareholders of RHÖN-KLINIKUM AG	-25.9	-23.3
Dividends paid to minority owners	-3.7	-3.2
Cash generated (+) / net cash (-) from financing activities	-2.2	194.9
Change in cash and cash equivalents	-7.2	131.8
Cash and cash equivalents on 1 January	155.8	92.8
Cash and cash equivalents on 30 September	148.6	224.6

Financial calendar - dates for shareholders and analysts

2007

8 November 2007 DVFA analysts conference

2008

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

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This Quarterly Report is also available in German.