CONSOLIDATED INTERIM REPORT IN ACCORDANCE WITH IFRS

H1 2019

ASKLEPIOS KLINIKEN
GMBH & CO. KGAA, HAMBURG

Gesund werden. Gesund leben.

1 JANUARY - 30 JUNE 2019

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FOREWORD BY THE GROUP MANAGEMENT

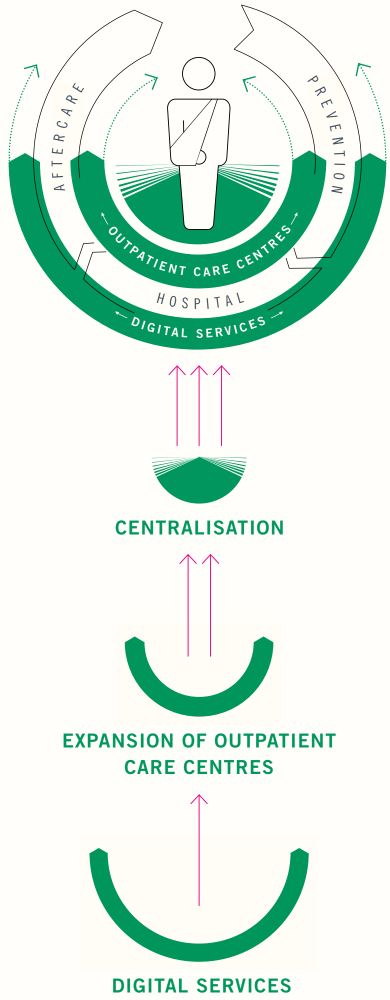
Ladies and gentlemen,

We are delighted that 44,814 more patients than in the previous year chose to place their trust in us in the first half of 2019. Our staff of over 47,000 Asklepios employees provided medical treatment, nursing care and support to a total 1,227,556 patients between January and June. The Asklepios Group reported a 3.2% increase in revenue compared with the previous year. Although this puts us ahead of our full-year forecast, operating performance and the development of our EAT margin in particular are failing to meet our expectations.

The new regulatory conditions that came into force in 2019, including amendments to the German Hospital Structure Act and the Nursing Staff Reinforcement Act, pose a permanent challenge to us as they do to the entire hospital sector. The amended regulations will further complicate the already complex hospital market – and will do nothing to improve medical quality. The upshot of this for our employees will be more time spent dealing with red tape – and less time spent helping patients. We want to counteract this development with innovative, digital processes and solutions to continuously improve the quality of healthcare for our patients – in spite of the regulatory requirements.

It was with this in mind that we expanded our corporate strategy to include the "Digital HealthyNear" vision, which we presented to the public at the annual financial press conference in May 2019. The implementation of innovations designed to benefit our patients and make healthcare fit for the future – including online appointment systems, digital patient records, telemedicine, automations and even robotics – is made possible only by continued investments. In the first half of 2019, we increased our investments from own funds by 22.0% year on year to EUR 93.1 million. We are developing our digitalisation strategy, strengthening our workforce through training opportunities, modernising our hospital network and focusing on new markets. We strive to consistently provide the best possible medical quality.

In terms of specific efforts with regard to digitalisation, since January we have been continuing to work on establishing the online appointment system at Asklepios. A total of 46 hospitals have now signed the contract to install the Samedi system. Bad Oldesloe became the 27th hospital to activate our online appointment system. We also pressed ahead with the digital surgery project. The Asklepios hospitals in Hamburg joined forces with the Hamburger Abendblatt to launch a health podcast featuring doctors providing information on a specific illness on a weekly basis.



Alongside investments in digital applications, we continued to invest in our workforce with a view to providing the best possible level of care to our patients. After all, from our perspective education gives people a future, and we are continuing to ramp up our training programme – providing around 2,600 training opportunities across the country. This continues to make us one of the largest training providers in the German healthcare system. To combat the nursing crisis, we also took the initiative to recruit around 800 nurses from abroad for the German market. However, bureaucratic obstacles have meant that not all of them have reached our hospitals yet.

In June, we acquired an 80% stake in Belgian company Pulso Europe BV. The company's main key area is setting up Employee Assistance Programmes (EAPs) at external companies. On 1 July 2019, our hospital group also acquired an 80% stake in Fürstenberg Institut GmbH, Germany's largest EAP provider and an expert in the provision of services that promote health and performance in the workplace. These acquisitions will bolster our newly established "corporate health" business segment. Alongside Pulso, Fürstenberg Institut is another perfect addition to the portfolio of companies we already have including INSITE Interventions, TALINGO EAP and Asklepios Connecting Health. All these companies focus on different areas from psychological counselling and direct telephone support all the way through to short-term therapy. This means that we are now able to offer an attractive range of services throughout the value chain from primary through to tertiary prevention and medical care as well as situational and behavioural prevention – all designed to keep our employees and companies healthy and efficient. Not only this, but it also allows Asklepios to establish itself in the B2B market and is a valuable addition to bridge healthcare gaps.

For the 2019 financial year, we anticipate organic revenue growth that lies above our previous forecast of 2.5% to 3.0%. Consolidated net income (EAT) is falling short of our expectations to date. At this time, we are reiterating our forecast of a slight year-on-year increase in EAT. Although our equity has increased by 1.6% compared with the end of 2018, the equity ratio as at 30 June 2019 was 32.9%, and thus lower than the figure as at 31 December 2018 (36.9%). We put this down to balance sheet extension as a result of IFRS 16 effects. Taking into account the effects of IFRS 16, we expect our equity ratio to remain stable as against the previous year.

Kind regards

Kai Hankeln

Hafid Rifi

Joachim Gemmel

Prof. Dr. Christoph U. Herborn

Marco Walker

KEY FIGURES OF THE ASKLEPIOS GROUP

Group key figures	6 months 2019	6 months 2018	Change in %
Number of patients	1,227,556	1,182,742	+3.8
Cost weight	289,875	299,433	–3.2
Number of beds	27,022	26,849	+0.6
Employees (full-time equivalents)	35,929	35,174	+2.1

EUR million	6 months 2019	6 months 2018	Change in %
Net cash from operating activities	68.8	135.3	–49.1
Revenue	1,755.4	1,700.8	+3.2
EBITDA	174.8	159.0	+9.9
EBITDA margin in %	*10.0*	*9.4*	
EBIT	69.4	86.4	–19.7
EBIT margin in %	*4.0*	*5.1*	
EAT	41.9	60.7	–30.9
EAT margin in %	*2.4*	*3.6*	
Investments in property, plant and equipment and intangible assets (own funds)[1]	93.1	76.3	+22.0
Own funds ratio in %	73.9	66.5	
Interest coverage factor (EBITDA/net interest income)	7.9	8.5	

EUR million	30 June 2019	31 December 2018	Change in %
Total assets	4,614.4	4,050.3	+13.9
Equity	1,518.8	1,494.5	+1.6
Equity ratio in %	*32.9*	*36.9*	
Financial liabilities	1,378.4	1,378.7	+0.0
Cash and cash equivalents	267.2	351.6	–24.0
Net debt	1,111.2	1,027.0	+8.2
Net debt/EBITDA[2]	2.7	2.6	

[1] In relation to investments at hospital locations

[2] EBITDA of the preceding twelve months

BUSINESS PERFORMANCE IN THE FIRST HALF OF 2019

In the period from January to June 2019, the healthcare facilities of the Asklepios Group cared for a total of 1,227,556 patients, 3.8% more than in the same period of the previous year (6M 2018: 1,182,742). The number of cost weights declined by 3.2% to 289,875 (6M 2018: 299,433).

Our revenue totalled EUR 1,755.4 million in the first half of 2019, up EUR 54.6 million or 3.2% year on year (6M 2018: EUR 1,700.8 million). We thus exceeded our forecast for revenue development (2.5% – 3.0%).

EBITDA in the first six months of 2019 was up 9.9% on the same period of the previous year at EUR 174.8 million (6M 2018: EUR 159.0 million). The EBITDA margin was 10.0% (6M 2018: 9.4%). In the first half of 2019, the cost of materials ratio came to 21.1% (6M 2018: 21.4%). The staff costs ratio increased to 66.5% (6M 2018: 65.4%). The other expenses ratio was 9.2% (6M.2018: 10.0%).

Overall, consolidated net income (EAT) for the period from January to June 2019 declined to EUR 41.9 million (6M 2018: EUR 60.7 million), corresponding to an EAT margin of 2.4% (6M 2018: 3.6%).

In the first half of 2019, cash flow from operating activities totalled EUR 68.8 million (6M 2018: EUR 135.3 million). Investments financed with the Group's own funds amounted to EUR 93.1 million in the reporting period (6M 2018: EUR 76.3 million). In the first half of 2019, the share of own funds was 73.9% (6M 2018: 66.5%).

The Asklepios Group's financial position is stable. The Group's net debt amounted to EUR 1,111.2 million as at 30 June 2019 (31 December 2018: EUR 1,027.0 million). The ratio of net debt to EBITDA for the past 12 months was 2.7x (31 December 2018: 2.6x). The equity ratio of 32.9% was lower than at the end of 2018 (31 December 2018: 36.9%). Cash and cash equivalents amounted to EUR 267.2 million (31 December 2018: EUR 351.6 million) and unused credit facilities totalled EUR 443.9 million as at 30 June 2019. The Group thus has sufficient financial resources to fund further corporate growth.

NET ASSETS, FINANCIAL POSITION AND RESULTS OF OPERATIONS

1. BUSINESS PERFORMANCE AND RESULTS OF OPERATIONS

	6 months 2019		6 months 2018	
	EUR million	%	EUR million	%
Revenue	1,755.4	100.0	1,700.8	100.0
Other operating income	117.2	6.7	106.2	6.2
Cost of materials	–369.7	–21.1	–364.8	–21.4
Staff costs	–1,167.1	–66.5	–1,112.1	–65.4
Other operating expenses	–161.0	–9.2	–170.9	–10.0
EBITDA	**174.8**	**10.0**	**159.0**	**9.4**
Depreciation, amortisation and impairment	–105.4	–6.0	–72.7	–4.3
EBIT	**69.4**	**4.0**	**86.4**	**5.1**
Net investment income	8.4	0.5	4.9	0.3
Net interest income	–22.0	–1.3	–18.6	–1.1
Income taxes	–13.9	–0.8	–11.9	–0.7
Consolidated net income (EAT)	**41.9**	**2.4**	**60.7**	**3.6**

The Asklepios Group generated revenue of EUR 1,755.4 million in the first six months of 2019 (6M 2018: EUR 1,700.8 million), thus achieving revenue growth of 3.2%. This revenue growth was predominantly organic. We thus exceeded our forecast for revenue development (2.5% – 3.0%).

82.6% (6M 2018: 83.0%) of revenue was generated in acute care hospitals, 16.3% (6M 2018: 16.1%) in rehabilitation clinics and 1.1% (6M 2018: 0.9%) in social welfare facilities and other facilities.

The new accounting standards of IFRS 16 "Leases" were applied starting in the 2019 financial year. The effects resulted in a shift within the income statement; the comparability of the previous year's figures is therefore limited. The effects relate primarily to other operating expenses and depreciation, amortisation and impairment as well as to property, plant and equipment and liabilities from leasing.

Other operating income of EUR 117.2 million (6M 2018: EUR 106.2 million) includes income from additional services, rental and leasing, insurance claims, income from granting rights of use, and income from clinical studies and research projects.

Development of case numbers	6 months 2019	6 months 2018	Absolute change	Relative change
No. of inpatient cases	342,315	349,176	–6,861	–2.0%
No. of outpatient cases	885,241	833,566	+51,675	+6.2%
Number of patients	**1,227,556**	**1,182,742**	**+44,814**	**+3.8%**
Cost weight	289,875	299,433	–9,558	–3.2%
Number of beds	27,022	26,849	+173	+0.6%

A total of 1,227,556 patients visited the Asklepios Group's facilities in the first half of 2019. The development was positive compared with the same period of the previous year (1,182,742 patients). However, the number of inpatient cases was down at 342,315 (6M 2018: 349,176). Outpatient case numbers rose by 6.2% to 885,241 (6M 2018: 833,566).

The number of cost weights decreased to 289,875 (6M 2018: 299,433). The cost weight is a key figure used to bill medical services in hospitals. Multiplying the cost weight by the base case value produces the amount that a health insurance fund has to pay to a hospital for a case such as this. Average inpatient care case income rose from EUR 4,366.67 in the previous year to EUR 4,563.42 in the first half of 2019 (up 4.5%).

Treatment days in the post-acute sector fell by 3,437 (down 0.2%) to 1,480,703 days. In psychiatry, 3,446 (0.5%) fewer days and thus a total of 717,522 days were worked.

With a stable development in the number of beds and in the number of hospitalisation days in the post-acute area, utilisation came to 82.5% (6M 2018: 83.9%).

The individual ratios of cost and earnings to revenue developed as follows:

	6 months 2019	6 months 2018
	%	%
Cost of materials ratio	21.1	21.4
Staff costs ratio	66.5	65.4
Other expenses ratio (not including rental expenditure)	9.2	10.0
EBITDA	**10.0**	**9.4**
Depreciation and amortisation expense ratio	6.0	4.3
EBIT	**4.0**	**5.1**
EAT	**2.4**	**3.6**

Absolute cost of materials rose by EUR 4.9 million or 1.3% from EUR 364.8 million to EUR 369.7 million. The main factors in the higher cost of materials firstly included the increased medical requirements for consumable supplies for doctors and nurses as well as for implants and transplants. There was also an increase in energy consumption. Nonetheless, the cost of materials ratio of 21.1% was slightly lower than in the same period of the previous year (21.4%).

Absolute staff costs climbed by EUR 55.0 million or 4.9% to EUR 1,167.1 million, while the staff costs ratio rose from 65.4% to 66.5%. This was due to a 2.1% increase in the number of full-time equivalents employed in the Group as well as to higher average staff costs per full-time equivalent. In view of political changes on the healthcare market, it is very important to invest particularly in specialist medical staff and the nursing service and thereby bring about an improvement in our staffing ratio.

Other operating expenses fell by EUR 9.9 million or 5.8% to EUR 161.0 million (6M 2018: EUR 170.9 million). The ratio went down to 9.2% (6M 2018: 10.0%).

EBITDA increased to EUR 174.8 million in the first half of the year (6M 2018: EUR 159.0 million). At 10.0%, the EBITDA margin was up on the previous year's level (9.4%).

The depreciation and amortisation expense ratio was 6.0% and thus higher than in the same period of the previous year (4.3%).

The EBIT of EUR 69.4 million generated in the first half of 2019 meant a margin of 4.0% (6M 2018: EUR 86.4 million and 5.1%).

Net investment income amounted to EUR 8.4 million (6M 2018: EUR 4.9 million) and related to the pro rata income of investments accounted for using the equity method.

At EUR 22.0 million, net interest income was higher than in the previous year (EUR 18.6 million). Interest income amounted to EUR 0.7 million (6M 2018: EUR 0.7 million). Interest expenses rose to EUR 22.7 million in the first half of the year as a result of IFRS 16 effects (6M 2018: EUR 19.3 million).

Income taxes expenses increased to EUR 13.9 million in the reporting period after EUR 11.9 million in the same period of the previous year.

Overall, consolidated net income (EAT) in the first half of 2019 was down year on year at EUR 41.9 million (6M 2018: EUR 60.7 million). The EAT margin was 2.4% in the first six months of 2019 (6M 2018: 3.6%).

2. FINANCIAL POSITION AND NET ASSETS

As a conservative company in terms of finance, the Group's financing structure is long-term in nature. Accordingly, most underlying credit volumes are hedged against interest fluctuation risks in the long term. Asklepios Kliniken GmbH & Co. KGaA is responsible for the operational management of cash and cash equivalents and the financing of Group companies. This is based on the careful investment of cash and cash equivalents in line with credit rating considerations, with broad diversification across banks within Germany's major deposit protection systems.

In addition to cash and cash equivalents of EUR 267.2 million, the Group still has unutilised credit facilities of around EUR 443.9 million at its disposal (31 December 2018: EUR 450.7 million).

Financial liabilities amounted to EUR 1,378.4 million (31 December 2018: EUR 1,378.7 million). The financial liabilities essentially comprise the 2013 and 2015 schuldschein loan agreements and the schuldschein with a volume of EUR 780.0 million issued on 6 November 2017.

According to internal guidelines, the debt ratio – measured as net debt/EBITDA – must not exceed 3.5x. The following table illustrates how this ratio was calculated in the first half of 2019:

EUR million	30 June 2019	31 December 2018
Financial liabilities	1,378.4	1,378.7
Cash and cash equivalents	267.2	351.6
Net debt	1,111.2	1,027.1
EBITDA LTM	413.3	397.6
Net debt/EBITDA	**2.7x**	**2.6x**

Net debt amounts to 2.7x (previous year: 2.6x), and is therefore in line with our internal guidelines. The interest coverage factor (EBITDA/net interest income) as at 30 June 2019 is 7.9x (previous year: 8.5x).

Summarised statement of financial position	30 June 2019 EUR million	30 June 2019 %	31 December 2018 EUR million	31 December 2018 %
Non-current assets	3,463.0	75.0	2,921.1	72.1
Current assets	1,151.4	25.0	1,129.1	27.9
ASSETS	**4,614.4**	**100.0**	**4,050.3**	**100.0**
Equity	1,518.8	32.9	1,494.5	36.9
Non-current liabilities and provisions	2,402.2	52.1	1,938.2	47.9
Current liabilities and provisions	693.4	15.0	617.6	15.2
EQUITY AND LIABILITIES	**4,614.4**	**100.0**	**4,050.3**	**100.0**

The Group's accounting and financing structures are sound. As was already the case on 31 December 2018, non-current assets are financed at a rate of over 100% with matching maturities via equity or long-term borrowings.

Non-current assets increased by EUR 541.9 million year on year to EUR 3,463.0 million. This increase was chiefly due to the rise in property, plant and equipment (IFRS 16 effect). This item also includes equity investments in non-consolidated companies.

Equity amounted to EUR 1,518.8 million and was thus above its level as at 31 December 2018 (EUR 1,494.5 million). As a result of IFRS 16 effects and the absolute increase in total assets, the equity ratio fell to 32.9% (31 December 2018: 36.9%). Asklepios has permanent interest-free and redemption-free access to subsidies of around EUR 1,178.4 million (31 December 2018: EUR 1,195.4 million). As these subsidies will fall due for repayment only in the hypothetical event of no longer being included in the hospital plan, these funds are in effect similar to equity.

Non-current liabilities amounted to EUR 2,402.2 million (31 December 2018: EUR 1,938.2 million). These comprise pension provisions, other non-current provisions, financial liabilities and other liabilities due in more than one year, and deferred taxes. Non-current financial liabilities include the schuldschein loan agreement of EUR 780 million issued in the 2017 financial year alongside the 2013 and 2015 schuldschein loan agreements. The increase in non-current liabilities is due in particular to the effects of IFRS 16 lease liabilities.

Internal financing capability is still at a stable level. Cash flow from operating activities was influenced by the EBITDA figure of EUR 174.8 million (previous year: EUR 159.0 million).

The following table shows the change in cash and cash equivalents over the course of the year:

EUR million	6 months 2019	6 months 2018
EBITDA	174.8	159.0
Cash flow from operating activities	68.8	135.3
Cash flow from investing activities	–142.7	–120.4
Cash flow from financing activities	–10.5	–95.8
Change in cash and cash equivalents	**–84.4**	**–80.9**
Cash and cash equivalents on 1 January	351.6	612.3
Cash and cash equivalents on 30 June	**267.2**	**531.5**

Cash and cash equivalents changed by EUR 84.4 million to EUR 267.2 million in the first six months of 2019. Cash flow from operating activities amounted to EUR 68.8 million (6M 2018: EUR 135.3 million).

Against operating cash flow there is cash flow from investing activities of EUR 142.7 million (6M 2018: EUR 120.4 million). Payments for investing activities essentially comprise investments in fixed assets and acquisitions of subsidiaries.

There was a cash outflow of EUR 10.5 million for financing activities (6M 2018: cash inflow of EUR 95.8 million). Cash flow from financing activities was influenced mainly by the repayment of the UCL facility and the borrowing of a loan by MediClin.

3. CAPITAL EXPENDITURE

Capital expenditure was as follows in the first six months of 2019:

	Capital expenditure in H1 2019		
	Total in EUR million	Of which subsidised	Internal financing ratio
Intangible assets	14.2	0.4	97.2%
Land and buildings	10.8	2.9	73.1%
Technical equipment	2.7	0.8	70.4%
Operating and office equipment	37.4	16.1	57.0%
Assets under construction	60.9	12.8	79.0%
Total	**126.0**	**32.9**	**73.9%**

The majority of capital expenditure (own funds) in the financial year related to the following locations:

Location	Capital expenditure EUR million
Blomenburg (Selent)	8.9
Weserbergland-Klinik (Höxter)	7.1
Klinik Sobernheim	4.7
Klinikum Bad Abbach	1.8
Klinik Parchim	1.8
Klinik Lindau	1.8
Klinik Harburg (Hamburg)	1.7
Klinik Langen	1.5
Südpfalzkliniken (Burglengenfeld)	1.4
Kliniken Weißenfels-Hohenmölsen	1.4

After deducting subsidised capital expenditure, net capital expenditure amounted to EUR 93.1 million (6M 2018: EUR 76.3 million) or 5.3% of revenue (6M 2018: 4.5%). Without deducting subsidies, capital expenditure amounted to EUR 126.0 million (6M 2018: EUR 114.7 million). At EUR 55.8 million in total, expenses for maintenance and servicing were up as against the same period of the previous year (6M 2018: EUR 45.7 million). Expressed as a percentage of revenue, 3.2% was invested in ongoing maintenance (6M 2018: 2.7%). This means that Asklepios used 8.5% of revenue for internally financed capital expenditure and maintenance work (6M 2018: 7.2%).

FORECAST AND REPORT ON RISKS AND OPPORTUNITIES

1. RISK MANAGEMENT, RISK AND OPPORTUNITY REPORT

For basic explanations and details of the existing risk management system and the unchanged opportunities and risks of the Group, please refer to the 2018 annual report.

2. FORECAST

For the 2019 financial year as a whole, we anticipate organic revenue growth that lies above our previous forecast of 2.5% to 3.0%. Consolidated net income (EAT) is falling short of our expectations to date. At this time, we are reiterating our forecast of a slight year-on-year increase in EAT. Although our equity has increased by 1.6% compared with the end of 2018, the equity ratio as at 30 June 2019 was 32.9%, and thus lower than the figure as at 31 December 2018 (36.9%). We put this down to balance sheet extension as a result of IFRS 16 effects. Taking into account the effects of IFRS 16, we expect our equity ratio to remain stable as against the previous year.

CONSOLIDATED INCOME STATEMENT

(unaudited)

EUR '000	Note no.	6 months 2019	6 months 2018
Revenue	V.1	1,755,428	1,700,768
Other operating income	V.2	117,197	106,175
		1,872,625	**1,806,943**
Cost of materials		369,724	364,848
Staff costs		1,167,120	1,112,130
Other operating expenses	V.3	161,027	170,927
Operating result/EBITDA[1]		**174,754**	**159,038**
Depreciation, amortisation and impairment			
of intangible assets and depreciation and impairment of financial assets and property, plant and equipment		105,380	72,660
Operating result/EBIT[2]		**69,374**	**86,379**
Net investment income		8,435	4,891
Net investment income		**8,435**	**4,891**
Interest and similar income		655	680
Interest and similar expenses		–22,684	–19,323
Net interest income		**–22,028**	**–18,643**
Net finance costs	**V.4**	**–13,593**	**–13,752**
Earnings before income taxes		**55,781**	**72,627**
Income taxes	V.5	–13,855	–11,948
Consolidated net income for the period		**41,926**	**60,679**
of which attributable to the parent company		*34,728*	*45,448*
of which attributable to non-controlling interests		*7,198*	*15,231*

[1] Operating earnings before interest, taxes and depreciation and amortisation

[2] Operating earnings before interest and taxes

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(unaudited)

EUR '000	6 months 2019	6 months 2018
Consolidated net profit	**41,926**	**60,679**
Share in OCI of an associate accounted for using the equity method	–72	184
Total changes in value reclassified to profit or loss if certain conditions are met	**–72**	**184**
Change in actuarial gains (+)/losses (–) from defined benefit pension commitments and similar obligations	–12,664	0
Income taxes	482	0
Total changes in value not reclassified to profit or loss	**–12,182**	**0**
Total changes in value recognised in equity (other comprehensive income)	**–12,254**	**184**
Total comprehensive income (total consolidated net profit and other comprehensive income)	**29,672**	**60,863**
of which attributable to the parent company	*22,530*	*45,632*
of which attributable to non-controlling interests	*7,142*	*15,231*

CONSOLIDATED STATEMENT OF CASH FLOWS

(unaudited)

EUR '000	6 months 2019	6 months 2018
Consolidated net profit	41,926	60,679
Gross cash flow (EBITDA)	174,754	159,038
Cash flow from operating activities/net cash flow	68,847	135,348
Cash flow from investing activities	–142,714	–120,434
Cash flow from financing activities	–10,516	–95,778
Change in cash and cash equivalents	**–84,383**	**–80,864**
Cash and cash equivalents as at 1 January	351,626	612,333
Cash and cash equivalents as at 30 June	**267,243**	**531,469**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited)

EUR '000	Note no.	30 June 2019	31 December 2018
ASSETS			
Non-current assets			
Intangible assets	VII.1	721,571	706,007
Property, plant and equipment	VII.2	2,118,494	1,608,745
Investments accounted for using the equity method, financial assets, other financial assets and other assets		555,552	538,224
Trade receivables		531	202
Deferred taxes		66,809	67,954
Total non-current assets		**3,462,958**	**2,921,131**
Current assets			
Inventories		124,080	117,422
Trade receivables		583,028	521,985
Current income tax assets		12,389	2,780
Other financial assets		141,352	124,177
Other assets		23,347	11,140
Cash and cash equivalents	VII.3	267,243	351,626
Total current assets		**1,151,439**	**1,129,129**
Total assets		**4,614,396**	**4,050,260**

EUR '000	Note no.	30 June 2019	31 December 2018
EQUITY AND LIABILITIES			
Equity attributable to the parent company			
Issued capital		101	101
Reserves		1,118,731	995,988
Consolidated net profit		34,728	137,818
Non-controlling interests		365,227	360,636
Total equity	**VII.4**	**1,518,787**	**1,494,543**
Non-current liabilities			
Trade payables		74	153
Financial liabilities		1,341,719	1,331,588
Liabilities from leasing		463,700	5,411
Pensions and similar obligations		267,470	268,337
Other provisions		215,040	217,126
Deferred taxes		49,773	47,569
Other financial liabilities		57,301	60,568
Other liabilities		7,130	7,410
Total non-current liabilities		**2,402,208**	**1,938,163**
Current liabilities			
Trade payables		68,828	90,806
Financial liabilities		36,677	47,077
Liabilities from leasing		44,158	616
Pensions and similar obligations		6,268	6,324
Other provisions		91,376	78,408
Current income tax liabilities		10,304	14,093
Other financial liabilities		172,571	174,230
Other liabilities		263,220	206,001
Total current liabilities		**693,402**	**617,555**
Total equity and liabilities		**4,614,396**	**4,050,260**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(unaudited)

EUR '000	Equity attributable to the parent company						
	Issued capital	Capital reserves	Retained earnings	Consolidated net profit	Total	Non-controlling interests	Equity
As at 1 January 2018	**101**	**243,162**	**695,934**	**153,965**	**1,093,162**	**323,418**	**1,416,580**
Net income	0	0	0	45,448	45,448	15,231	60,679
Other comprehensive income	0	0	184	0	184	0	184
Total comprehensive income	**0**	**0**	**184**	**45,448**	**45,632**	**15,231**	**60,863**
Payment obligations and distributions	0	0	0	0	0	–1,356	–1,356
Changes in the consolidated group	0	0	0	0	0	554	554
Allocation to reserves	0	0	153,965	–153,965	0	0	0
Other changes	0	0	140	0	140	–190	–50
Total transactions recognised directly in equity	**0**	**0**	**154,105**	**–153,965**	**140**	**–992**	**–852**
As at 30 June 2018	**101**	**243,162**	**850,223**	**45,448**	**1,138,934**	**337,658**	**1,476,591**
As at 1 January 2019	**101**	**243,162**	**752,826**	**137,818**	**1,133,907**	**360,636**	**1,494,543**
Net income	0	0	0	34,728	34,728	7,198	41,926
Other comprehensive income	0	0	–12,198	0	–12,198	–56	–12,254
Total comprehensive income	**0**	**0**	**–12,198**	**34,728**	**22,530**	**7,142**	**29,672**
Payment obligations and distributions	0	0	0	0	0	–1,120	–1,120
Changes in the consolidated group	0	0	–1,593	0	–1,593	0	–1,593
Allocation to reserves	0	0	137,818	–137,818	0	0	0
Other changes	0	0	–1,285	0	–1,285	–1,430	–2,715
Total transactions recognised directly in equity	**0**	**0**	**134,940**	**–137,818**	**–2,878**	**–2,550**	**–5,428**
As at 30 June 2019	**101**	**243,162**	**875,568**	**34,728**	**1,153,559**	**365,228**	**1,518,787**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the first half of 2019 in accordance with IFRS (unaudited)

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I. BASIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

Group structure: principles and business segments

The name of the company is Asklepios Kliniken GmbH & Co. KGaA, Rübenkamp 226, Hamburg, Germany (hereinafter also referred to as AKG, the Group, or the company), and it is entered in the commercial register at the Hamburg Local Court under HRB 149532. The company was formed on 7 June 2004.

Asklepios Kliniken GmbH & Co. KGaA and its subsidiaries operate predominantly on the German market in the clinical acute care and rehabilitation sectors and, to a very limited extent, in the nursing sector. The purpose of the company is the acquisition and operation of healthcare institutions and the provision of consulting services.

The Group operates facilities in numerous federal states in Germany. The Group structure is geared towards regional differences in terms of personnel and company law. The operating entities are essentially the Asklepios hospitals of AKG in which investments are held directly and the equity investments of the two sub-group financial statements included in the consolidated financial statements, Asklepios Kliniken Hamburg GmbH, Hamburg (74.9% equity investment), and MediClin AG, Offenburg (52.73% equity investment).

With the "corporate health" business segment established in the first half of 2019, Asklepios is focusing on setting up Employee Assistance Programmes (EAPs) at external companies. Asklepios is expanding its operations in other European countries with the addition of Belgian company Pulso Europe BV alongside Fürstenberg Institut GmbH, INSITE Interventions GmbH, TALINGO EAP GmbH and Asklepios Connecting Health. All these companies focus on different areas from psychological counselling and direct telephone support all the way through to short-term therapy.

The Group also has selected foreign operations. They relate almost exclusively to the investment in Greece (Athens Medical Center S.A.) and to Mind District Holding BV in the Netherlands, which operates in the e-mental health sector.

II. ACCOUNTING PRINCIPLES

1. REGULATIONS APPLIED

The consolidated interim financial statements as at 30 June 2019 have been prepared for the results of the first six months of 2019 in accordance with the requirements of IAS 34 and, pursuant to section 315e(3) of the German Commercial Code (HGB), in accordance with the requirements of the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board valid at the end of the reporting period and endorsed by the European Union in the versions effective from 2019.

The consolidated interim financial statements do not contain all of the information that is required in the consolidated financial statements prepared at the end of the financial year and should therefore be read in conjunction with the consolidated financial statements for the year ended 31 December 2018.

In order to prepare the consolidated interim financial statements, the accounting policies presented in detail in the 2018 consolidated financial statements were applied unchanged. For details, please refer to the corresponding explanations.

2. NEW STANDARDS AND STANDARDS EFFECTIVE FOR THE FIRST TIME

The following new or amended IFRS standards and interpretations took effect on 1 January 2019:

- IFRS 16 Leases
- Amendments to IFRS 9 Prepayment Features with Negative Compensation
- IFRIC 23 Uncertainty over Income Tax Treatments
- Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures
- Amendments to IAS 19 Plan Amendment, Curtailment or Settlement
- Improvements to International Financial Reporting Standards, 2015–2017 cycle

IFRS 16 Leases
IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information on the effects of leases.

IFRS 16.9 defines a lease as an agreement whereby the lessor conveys to the lessee the right to use an identified asset for a certain period of time in exchange for consideration.

Unlike IAS 17, IFRS 16 no longer makes a distinction between a finance and an operating lease where the lessee is concerned. The lessee recognises a right-of-use asset. The right-of-use asset is accounted for at cost and is depreciated over the shorter of the lease term and the economic life of the asset. The right-of-use asset is recognised against a lease liability under equity and liabilities in the statement of financial position. The asset is initially measured at the amount of the lease liability plus any initial direct costs incurred by the lessee. Adjustments may also be required for lease incentives. The discounted amount of all future lease payments is included in the measurement of the lease liability. Lessors continue to classify leases as operating or finance leases.

A lessee may elect to account for lease payments as an expense on a straight-line basis over the lease term or another systematic basis for the following two types of leases:

- Short-term leases with a lease term of 12 months or less and containing no purchase options
- Leases for which the underlying asset is of low value (low-value asset))

This standard has significantly increased the leases recognised by the Asklepios Group. There were no adjustments made for prior periods under the transition method we selected in accordance with IFRS 16. The change in accounting policy resulted in the following transition effects as at 1 January 2019 and in the current financial year:

- Recognition of right-of-use assets increased property, plant and equipment by EUR 525.3 million.
- Liabilities from leasing were higher due to the recognition of lease liabilities totalling EUR 525.3 million (of which EUR 51.3 million current and EUR 474.0 million non-current).
- The significant decrease in rental expenses brought other operating expenses down by EUR 29.6 million, while depreciation, amortisation and impairment and interest expenses increased by EUR 26.6 million and EUR 5.1 million respectively.
- The adoption of IFRS 16 had a negative impact of EUR 1.8 million on the company's consolidated net income.

All other new or amended IFRS standards and interpretations did not have any effects on the figures and information presented in the company's consolidated interim financial statements – other than those described in the accounting methods – when they were first applied.

As at 30 June 2019, there were no new endorsements of IFRS standards and interpretations that will be effective in subsequent years compared with the consolidated financial statements as at 31 December 2018.

The list below shows the IFRS/IAS standards and interpretations that have not yet been endorsed:

Not yet endorsed:	Publication	Effective date
IFRS 17 Insurance Contracts	May 2017	1 January 2021
Amendments to the Conceptual Framework — Comprehensive IASB Project	March 2018	1 January 2020
Amendments to IFRS 3 Business Combinations	October 2018	1 January 2020
Amendments to IAS 1 and IAS 8 – Definition of Material	October 2018	1 January 2020

3. RECOGNITION

Assets and liabilities and expenses and income have been offset in accordance with IAS 1.33 when offsetting reflects the substance of the transaction. Receivables and liabilities were netted at the level of each German federal state in accordance with the Krankenhausfinanzierungsgesetz (KHG – German Hospital Financing Act).

III. BASIS OF CONSOLIDATION

In addition to Asklepios Kliniken GmbH & Co. KGaA as the ultimate parent company, the consolidated group also includes the subsidiaries directly or indirectly controlled by AKG. The Group controls a subsidiary when it is exposed to variable returns from its investment in the subsidiary or has rights to these returns and has the ability to use its power over the subsidiary to affect these returns. The subsidiaries are consolidated from the day the Group obtains control. The subsidiaries are deconsolidated when the Group loses control.

Associates are entities over which the Group has significant influence but no control. Investments in associates are reported using the equity method and initially measured at cost. The share of the Group in associates contains the goodwill incurred on acquisition.

As at 30 June 2019, Asklepios operates a total of around 160 healthcare facilities such as hospitals, nursing homes, medical centres for shared practices and other medical centres.

IV. ACCOUNTING METHODS

1. GOODWILL AND INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Goodwill and the carrying amounts of investments recognised using the equity method are tested for impairment once a year as at 30 September. Impairment testing also takes place if circumstances indicate that the carrying amount may be impaired. The key assumptions used to determine the recoverable amount are explained in the consolidated financial statements as at 31 December 2018.

2. SENSITIVITY IN RELATION TO CHANGES TO THE ASSUMPTIONS MADE

There were no items subject to significant estimates with regard to the calculation of the value in use of the cash-generating units to which the goodwill is allocated or the assumptions applied when calculating provisions – with the exception of the assumptions and estimates regarding the interest rate for the defined benefit pension obligation resulting from the termination with a pension institution and the change in the interest rate for pension provisions – in this consolidated interim report.

V. SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

1. REVENUE

Revenue breaks down by business segment as follows:

EUR million	6 months 2019	6 months 2018
Clinical acute care	1,449.5	1,411.4
Post-acute and rehabilitation clinics	286.3	273.7
Social and welfare facilities	7.6	7.6
Miscellaneous	12.0	8.1
Total	**1,755.4**	**1,700.8**

Revenue is generated from the rendering of services.

2. OTHER OPERATING INCOME

Other operating income is broken down as follows:

EUR million	6 months 2019	6 months 2018
Income from operations	43.3	37.7
Income from ancillary, additional and other operations	33.8	32.3
Income from cost reimbursements	12.5	13.1
Income from other grants	4.8	3.8
Miscellaneous	22.7	19.3
Total	**117.2**	**106.2**

Income from operations includes income from pharmacy sales as a major item. Income from ancillary, additional and other operations includes rental income of EUR 6.9 million (6M 2018: EUR 6.7 million).

3. OTHER OPERATING EXPENSES

Other operating expenses relate to:

EUR million	6 months 2019	6 months 2018
Maintenance and servicing	55.8	45.7
Taxes, dues and insurance	22.9	20.8
Contributions, consulting and audit fees	18.7	18.1
Advertising and travel expenses	11.1	10.0
Expenses for hiring employees and external staff	10.6	9.6
Office supplies, postage and telephone charges	10.5	10.2
Other administrative and IT expenses	10.5	8.6
Training expenses	7.7	6.5
Rental expenditure	1.0	29.3
Miscellaneous	12.3	12.1
Total	**161.0**	**170.9**

4. NET FINANCE COSTS

Net finance costs break down as follows:

EUR million	6 months 2019	6 months 2018
Net investment income	8.4	4.9
Interest and similar income	0.7	0.7
Interest and similar expenses	–22.7	–19.3
Net finance costs	**–13.6**	**–13.8**

5. INCOME TAXES

Income taxes break down as follows:

EUR million	6 months 2019	6 months 2018
Current income taxes	10.7	10.9
Deferred income taxes	3.2	1.0
Total	**13.9**	**11.9**

VI. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

In the first half of 2019, cash and cash equivalents changed by EUR 84.4 million compared with 31 December 2018 to EUR 267.2 million. Cash flow from operating activities amounted to EUR 68.8 million (6M 2018: EUR 135.3 million).

Against operating cash flow there is cash flow from investing activities of EUR 142.7 million (6M 2018: EUR 120.4 million). Payments for investing activities essentially comprise investments in fixed assets and acquisitions of subsidiaries.

There was a cash outflow of EUR 10.5 million for financing activities (6M 2018: cash inflow of EUR 95.8 million). Cash flow from financing activities was influenced mainly by the borrowing of financial liabilities by MediClin in the amount of EUR 7.0 million and by the first-time repayment of financial liabilities from right-of-use assets in accordance with IFRS 16 in the amount of EUR 25.5 million.

VII. SELECTED NOTES ON ITEMS OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

1. INTANGIBLE ASSETS

2019 EUR '000	Goodwill	Other intangible assets	Prepayments for intangible assets	Total
Cost as at 1 January 2019	**557,915**	**252,540**	**18,242**	**828,697**
Changes in consolidated group	12,141	1,325	0	13,467
Additions/investments similar to acquisitions	1,930	6,763	5,094	13,786
Disposals	–345	–546	–4	–896
Reclassification	0	500	–193	307
as at 30 June 2019	**571,641**	**260,581**	**23,139**	**855,361**
Cumulative depreciation, amortisation and impairment as at 1 January 2019	**–14,772**	**–107,919**	**0**	**–122,691**
Changes in consolidated group	0	–173	0	–173
Amortisation and impairment for the financial year	–144	–10,945	0	–11,089
Reclassifications	0	–13	0	–13
Amortisation and impairment on disposals	13	161	0	174
as at 30 June 2019	**–14,902**	**–118,888**	**0**	**–133,790**
Residual carrying amounts as at 30 June 2019	**556,739**	**141,693**	**23,139**	**721,571**

2018 EUR '000	Goodwill	Other intangible assets	Prepayments for intangible assets	Total
Cost as at 1 January 2018	**519,859**	**231,314**	**8,067**	**759,240**
Changes in consolidated group	29,682	598	0	30,280
Additions/investments similar to acquisitions	4,811	18,587	13,375	36,773
Disposals	–796	–1,780	–37	–2,613
Reclassification	4,360	3,820	–3,163	5,017
as at 31 December 2018	**557,915**	**252,540**	**18,242**	**828,697**
Cumulative depreciation, amortisation and impairment as at 1 January 2018	**–14,603**	**–88,923**	**0**	**–103,526**
Changes in consolidated group	–185	–229	0	–414
Amortisation and impairment for the financial year	0	–19,939	0	–19,939
Reclassifications	–1	25	0	24
Amortisation and impairment on disposals	17	1,147	0	1,164
as at 31 December 2018	**–14,772**	**–107,919**	**0**	**–122,690**
Residual carrying amounts as at 31 December 2018	**543,143**	**144,621**	**18,242**	**706,007**

2. PROPERTY, PLANT AND EQUIPMENT

2019 EUR '000	Land and buildings including buildings on third-party land	Technical equipment and machinery	Operating and office equipment	Assets under construction	Total
Cost as at 1 January 2019	**1,985,939**	**167,924**	**619,300**	**148,490**	**2,921,653**
Changes in consolidated group	0	0	420	0	420
Additions	531,657	1,991	24,331	48,021	605,999
Disposals	–118	–283	–8,987	–1,052	–10,441
Reclassification	8,297	–2,061	1,707	–8,250	–307
as at 30 June 2019	**2,525,775**	**167,570**	**636,771**	**187,208**	**3,517,324**
Cumulative depreciation, amortisation and impairment as at 1 January 2019	**–823,978**	**–88,205**	**–400,726**	**0**	**–1,312,908**
Changes in consolidated group	0	0	–232	0	–232
Amortisation and impairment for the financial year	–58,734	–5,863	–29,693	0	–94,290
Amortisation and impairment on disposals	38	146	8,407	0	8,590
Reclassifications	0	–222	235	0	13
as at 30 June 2019	**–882,674**	**–94,145**	**–422,011**	**0**	**–1,398,827**
Residual carrying amounts as at 30 June 2019	**1,643,101**	**73,426**	**214,761**	**187,208**	**2,118,494**

2018 EUR '000	Land and buildings including buildings on third-party land	Technical equipment and machinery	Operating and office equipment	Assets under construction	Total
Cost as at 1 January 2018	**1,893,775**	**153,500**	**581,710**	**128,213**	**2,757,198**
Changes in consolidated group	2,097	0	550	0	2,647
Additions	31,243	9,039	55,836	118,776	214,894
Disposals	–4,912	–2,553	–28,517	–12,089	–48,071
Reclassification	63,736	7,938	9,720	–86,411	–5,017
as at 31 December 2018	**1,985,939**	**167,924**	**619,300**	**148,490**	**2,921,653**
Cumulative depreciation, amortisation and impairment as at 1 January 2018	**–761,279**	**–79,630**	**–369,514**	**0**	**–1,210,423**
Changes in consolidated group	–136	0	–281	0	–416
Amortisation and impairment for the financial year	–64,523	–11,105	–57,854	0	–133,482
Amortisation and impairment on disposals	1,891	2,530	27,018	0	31,440
Reclassifications	70	0	–93	0	–24
as at 31 December 2018	**–823,978**	**–88,205**	**–400,726**	**0**	**–1,312,908**
Residual carrying amounts as at 31 December 2018	**1,161,962**	**79,719**	**218,574**	**148,490**	**1,608,745**

3. CASH AND CASH EQUIVALENTS

Cash and short-term deposits are subject to variable interest rates. Short-term deposits are made for different periods of time depending on the Group's liquidity requirements. Interest is charged at the respective interest rates applicable for short-term deposits. The fair value of cash and cash equivalents corresponds to their carrying amount.

4. EQUITY

In accordance with IAS 1, the development of equity is presented in a statement of changes in consolidated equity, which is a separate component of the interim financial statements.

5. ADDITIONAL INFORMATION ON FINANCIAL INSTRUMENTS

Determination of fair value

The following table shows financial instruments measured at fair value analysed in terms of measurement method. The different levels are as follows:

- Level 1: Market prices (unadjusted) used on the active market for identical assets and liabilities
- Level 2: Inclusive data, apart from the level 1 market prices, that is observable for the assets and liabilities either directly (i.e. as price) or indirectly (i.e. derived from price)
- Level 3: Inclusive data for assets and liabilities not based on market data (on this level, the Group's investments are reported at amortised cost, as no market price can be determined for them)

30 June 2019 (EUR million)	Level 1	Level 2	Level 3	Net total
Financial assets	0.0	0.0	3.3	3.3
Financial liabilities	0.0	0.0	0.0	0.0

31 December 2018 (EUR million)	Level 1	Level 2	Level 3	Net total
Financial assets	0.0	0.0	2.9	2.9
Financial liabilities	0.0	0.0	0.0	0.0

The fair value of financial instruments that are traded on the active market is based on the quoted market bid price at the close of business at the end of the reporting period. The market is considered active if quoted prices are readily and regularly available from an exchange, dealer, industry group, pricing service or regulatory agency, and those prices represent current and regularly occurring market transactions on an arm's length basis.

The fair value of financial instruments that are not traded on an active market is calculated using a measurement method. Fair value is thus estimated on the basis of the results of a measurement method that makes maximum use of market inputs, and relies as little as possible on entity-specific inputs. If all inputs required for measuring fair value are observable, the instrument is assigned to level 2.

If one or more significant inputs are not based on observable market data, the instrument is assigned to level 3. There were no reclassifications in the financial year or in the previous year.

Carrying amounts, amounts recognised and fair values by class and measurement category

EUR '000	Measurement category as per IFRS 9	Carrying amount 30 June 2019	Amount recognised in statement of financial position as per IFRS 9			Fair value 30 June 2019
			Amortised cost	Fair value in other comprehensive income	Fair value in profit or loss	
ASSETS		**1,055,416**	**1,055,416**	**0**	**0**	**1,055,416**
Cash and cash equivalents	FAAC	267,243	267,243	0	0	267,243
Trade receivables	FAAC	583,559	583,559	0	0	583,559
Other financial assets	FAAC	204,614	204,614	0	0	204,614
EQUITY AND LIABILITIES		**1,677,170**	**1,677,170**	**0**	**0**	**1,688,067**
Trade payables	FLAC	68,902	68,902	0	0	68,902
Financial liabilities	FLAC	1,378,396	1,378,396	0	0	1,382,164
Other financial liabilities	FLAC	229,872	229,872	0	0	237,001
Of which: aggregated by IFRS 9 measurement category:						
Financial assets at amortised cost (loans and receivables)	FAAC	1,055,416	1,055,416	0	0	1,055,416
Financial liabilities at amortised cost (unchanged)	FLAC	1,677,170	1,677,170	0	0	1,688,067

Categories: FAAC – Financial assets at cost; FLAC – Financial liabilities at cost

EUR '000	Measurement category as per IFRS 9	Amount recognised in statement of financial position as per IAS 39	Carrying amount 31 Dec. 2018	Amount recognised in statement of financial position as per IFRS 9			Amount recognised in statement of financial position as per IAS 17	Fair value 31 Dec. 2018
				Amortised cost	Fair value in other comprehensive income	Fair value in profit or loss		
ASSETS			**1,057,811**	**1,057,811**	**0**	**0**	**0**	**1,057,811**
Cash and cash equivalents	FAAC	LaR	351,626	351,626	0	0	0	351,626
Trade receivables	FAAC	LaR	522,187	522,187	0	0	0	522,187
Other financial assets	FAAC	LaR	183,998	183,998	0	0	0	183,998
EQUITY AND LIABILITIES			**1,710,449**	**1,710,449**	**0**	**0**	**6,026**	**1,721,756**
Trade payables	FLAC	FLAC	90,960	90,960	0	0	0	90,960
Financial liabilities	FLAC	FLAC	1,378,665	1,378,665	0	0	0	1,382,575
Finance lease liabilities	n.a.	n.a.	6,026	6,026	0	0	6,026	6,026
Other financial liabilities	FLAC	FLAC	234,798	234,798	0	0	0	242,195
Of which: aggregated by IFRS 9 (IAS 39) measurement category:								
Financial assets at amortised cost (loans and receivables)	FAAC	LaR	1,057,811	1,057,811	0	0	0	1,057,811
Financial liabilities at amortised cost (unchanged)	FLAC	FLAC	1,704,423	1,704,423	0	0	0	1,721,756

IFRS 9 categories: FAAC – Financial assets at cost; FLAC – Financial liabilities at cost
IAS 39 categories: LaR – Loans and receivables; FLAC – Financial liabilities at cost

VIII. OTHER NOTES

1. CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contingent liabilities and other financial obligations essentially relate to rental and lease agreements and supply agreements, and comprise the following:

EUR '000	30 June 2019	31 December 2018
Rental and lease agreements	38,418	491,294
Supply agreements	33,164	35,184
Sureties	25,346	27,055
Purchase commitments	25,087	25,823
Maintenance contracts	24,090	27,289
Capital commitments	3,175	3,616
Insurance contracts	1,141	1,361
Miscellaneous	64,188	45,620
Total	**214,609**	**657,242**

The purchase commitments include orders in investments that were not yet delivered as at the cut-off date.

All other financial obligations are carried at their nominal amount and are due as follows:

	EUR '000
Up to 1 year	123,255
Between 1 and 5 years	44,153
More than 5 years	47,200
Total	**214,609**

2. RELATED PARTY DISCLOSURES

For Asklepios Kliniken GmbH & Co. KGaA, related parties as defined by IAS 24.9 include entities controlled by the Group and entities significantly influenced by the Group and vice versa. In particular, the parent company, fellow subsidiaries, subsidiaries and equity investments are therefore defined as related parties.

Transactions with these companies are conducted at arm's length conditions.

Dr Bernard gr. Broermann, Königstein-Falkenstein, is the sole shareholder of Broermann Holding Gesellschaft mit beschränkter Haftung – which in turn is the parent company of Asklepios Kliniken GmbH & Co. KGaA.

3. LEGAL DISPUTES

The company is occasionally involved in legal disputes in the course of its business activities. The company is not aware of any events that could have a significantly adverse effect on its financial position and financial performance.

4. SUPPLEMENTARY REPORT

On 1 July 2019, Asklepios Kliniken GmbH & Co. KGaA acquired an 80% stake in Fürstenberg Institut GmbH headquartered in Hamburg, Germany's largest EAP provider and an expert in the provision of services that promote health and performance in the workplace.

Effective 31 December 2012, Asklepios Westklinikum Hamburg GmbH (Westklinikum) ended its membership in the Pension Institution of the Federal Republic and the Federal States (VBL). There are legal disputes in connection with the price Westklinikum should pay for VBL's pension and pension entitlement obligations under the equity investment. Provisions were recognised for the risk arising from this matter. In June 2019, the shareholder meeting of Asklepios Kliniken Hamburg GmbH resolved to agree a settlement with VBL, which includes a payment to settle all claims. In July 2019, the VBL boards likewise approved this settlement.

FINANCIAL CALENDAR

03.05.
Annual Report 2018

23.05.
Report on the first quarter

22.08.
Report on the first half of the year

21.11.
Report on the third quarter

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