

J.P. Morgan Global High Yield & Leveraged Finance Conference

Loews Miami Beach | March 1, 2011



**FRESENIUS
MEDICAL CARE**

AGENDA

- ▶ 1 BUSINESS UPDATE
- ▶ 2 FINANCIALS & OUTLOOK
- ▶ 3 GROWTH STRATEGY & SUMMARY

1

BUSINESS UPDATE

Q4 & Fiscal Year 2010

Fiscal Year – Overview

Record Results for 2010

- ▶ Achieved revenue guidance and upper end of net income guidance
- ▶ Revenue growth of 7% at constant currency
- ▶ Organic revenue growth of 6%
- ▶ Advanced global strategy

US-\$ in millions	Guidance 2010	FY 2010	Growth in %
Net Revenue	> 12,000	12,053	7
Net income, attributable to FMC AG & Co. KGaA	960 - 980	979	10
Capital expenditure	550 - 650	507	
Acquisitions, net of divestitures	up to 500	618	
Leverage ratio (Debt/Ebitda multiple)	< 2.5	2.38	

Fiscal Year – Revenue split by region

Total revenue improved 7% to \$ 12,053 million

▶ North America

Revenue	\$ 8,130 m	+ 7%
Organic growth		+ 6%

▶ International ~ 33% of total revenue

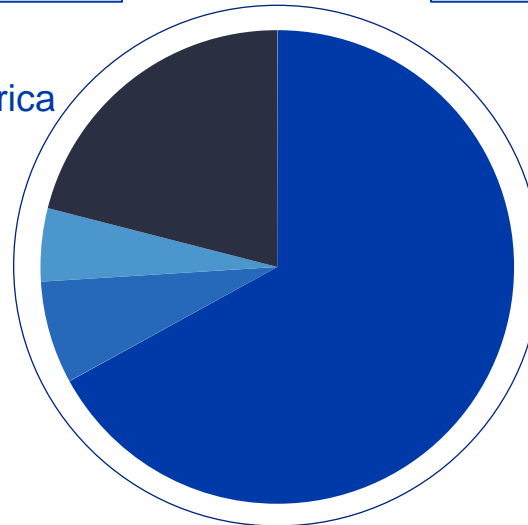
Revenue	\$ 3,923 m	+ 8%cc
Organic Growth		+ 5%

Europe	\$ 2,549 m	+ 6%cc
Asia-Pacific	\$ 777 m	+15%cc
Latin America	\$ 597 m	+ 9%cc

▶ 21% Europe | Middle East | Africa

▶ 5% Latin America

▶ 7% Asia-Pacific



▶ 67% North America

cc = constant currency

Q4 – Overview

Excellent finish of the fiscal year 2010

- ▶ Revenue growth of 5% at constant currency
- ▶ Impressive earnings development

US-\$ in millions	Q4 2009	Q4 2010	Growth in %
Net Revenue	3,035	3,167	4
Operating income (EBIT)	491	539	10
Net income, attributable to FMC AG & Co. KGaA	247	271	10
Earnings per share	0.82	0.90	9

Q4 – Revenue split by region

Total revenue improved 4% to \$ 3,167 million

▶ North America

Revenue	\$ 2,072 m	+ 3%
Organic growth		+ 3%

▶ International ~ 35% of total revenue

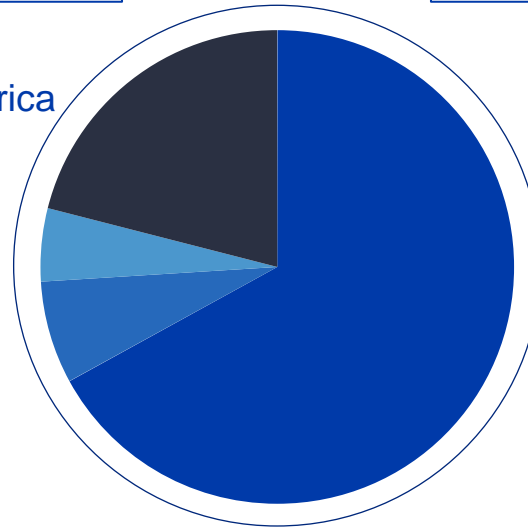
Revenue	\$ 1,095 m	+10%cc
Organic Growth		+ 5%

Europe	\$ 696 m	+ 7%cc
Asia-Pacific	\$ 230 m	+21%cc
Latin America	\$ 169 m	+14%cc

▶ 22% Europe | Middle East | Africa

▶ 6% Latin America

▶ 7% Asia-Pacific



▶ 65% North America

cc = constant currency

Q4 – Dialysis Services

Strong global revenue growth

- ▶ Continued impressive same market growth + 5%
- ▶ Excellent organic revenue growth in International + 8%
- ▶ USA preparing for the „bundle“

US-\$ in millions	Q4 2009	Q4 2010	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
North America	1,799	1,862	3	3	3.3	4.4
International	427	492	15	18	8.0	6.2
▶ Total	2,226	2,354	6	6	4.1	5.0

cc = constant currency

Fiscal Year– Dialysis Services

Outstanding growth globally

- ▶ Delivered nearly 32.000.000 treatments globally + 8%
- ▶ Providing care to nearly 215.000 patients globally +10%
- ▶ Represented with 2.757 dialysis clinics worldwide + 8%
- ▶ Excellent organic revenue growth + 7%

US-\$ in millions	FY 2009	FY 2010	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
North America	6,794	7,303	7	7	6.7	4.3
International	1,556	1,767	14	13	6.3	5.1
▶ Total	8,350	9,070	9	9	6.6	4.6

cc = constant currency

Q4 – Dialysis Services | Quality outcomes

Excellent quality improvement programs

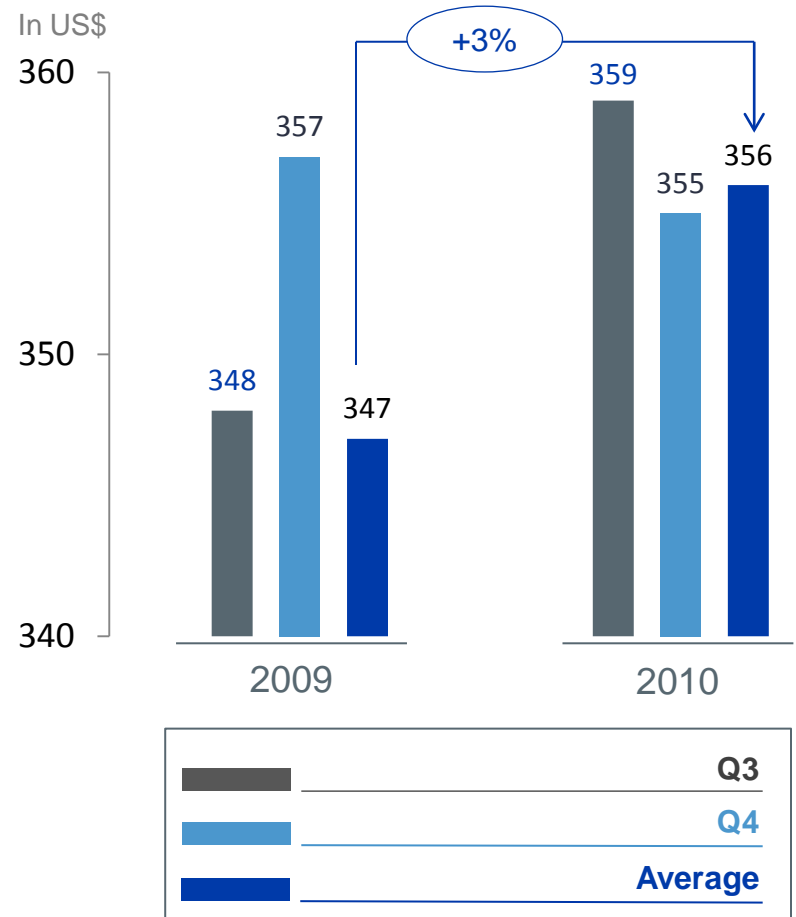
	United States		EMEA	
% of patients	Q4 2009	Q4 2010	Q4 2009	Q4 2010
Kt/V \geq 1.2	96	97	95	95
Hemoglobin = 10-12 g/dl	64	71	52	54
Hemoglobin < 10 g/dl	7	7	11	12
Albumin \geq 3.5 g/dl	83	84	86	86
Phosphate 3.5 – 5.5 mg/dl	55	57	61	59
No Catheter	73	76	83	82
Hospitalization days – per patient	10.0	9.9	8.6	9.7

Q4 | FY – Dialysis Services | Revenue per treatment US

Encouraging reimbursement environment

Q4 reduction in revenue per treatment driven by pharma utilization

- ▶ FY 2010 vs FY 2009 average: +3%
- ▶ Q4 2010 vs. Q4 2009: -0.5%
- ▶ Q4 2010 vs. Q3 2010: -1%



Q4 – Dialysis Products

Above market growth for total product revenue at +6%cc with accelerating acquisitions

► Asia-Pacific revenue growth of 11%cc

US-\$ in millions	Q4 2009	Q4 2010	Growth in %	Growth in %cc
Total product revenue (incl. Internal)	1,075	1,117	4	6
External Revenue	809	813	-	3
North America	213	210	(1)	(1)
International	596	603	1	4

cc = constant currency

Fiscal Year – Dialysis Products

In line with expectations

- ▶ Total revenue growth of 5%
- ▶ International sales grew at 4%
- ▶ Double digit sales growth in Asia-Pacific of 12%cc

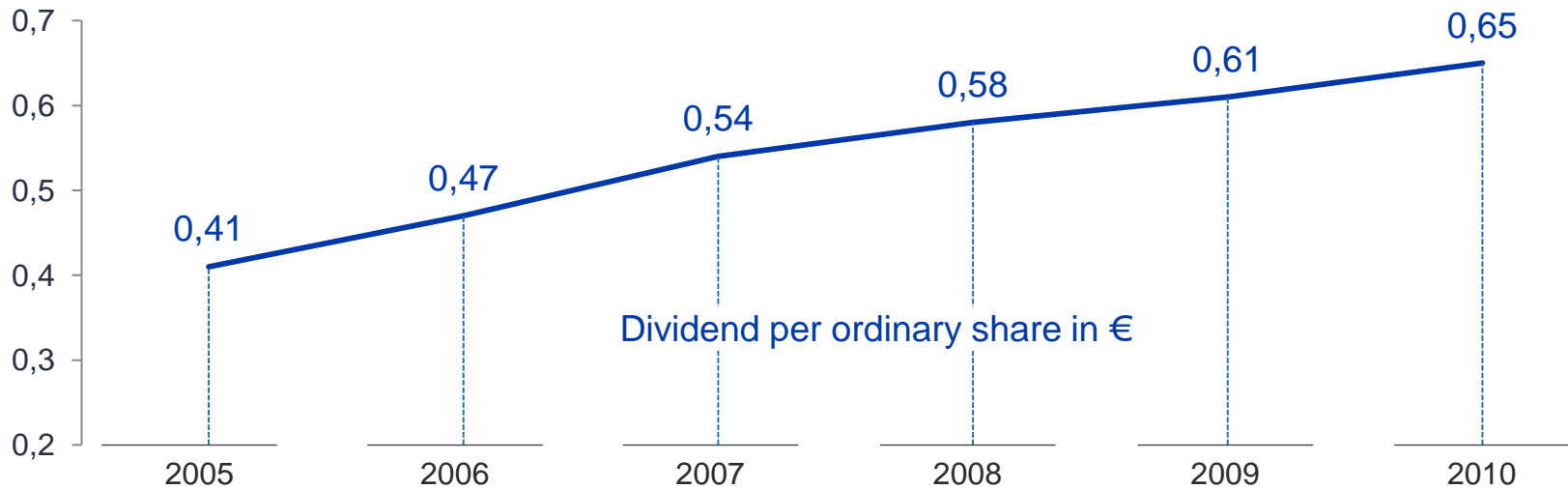
US-\$ in millions	FY 2009	FY 2010	Growth in %	Growth in %cc
Total product revenue (incl. Internal)	3,891	4,098	5	5
External Revenue	2,897	2,983	3	3
North America	818	827	1	1
International	2,079	2,156	4	4

cc = constant currency

2010 – Annual Dividend Proposal

14th consecutive dividend increase

- ▶ Dividend up 7% versus 2009
- ▶ EPS growth of 9% for 2010



GOAL 10 – Long-term target overachieved

TARGETS

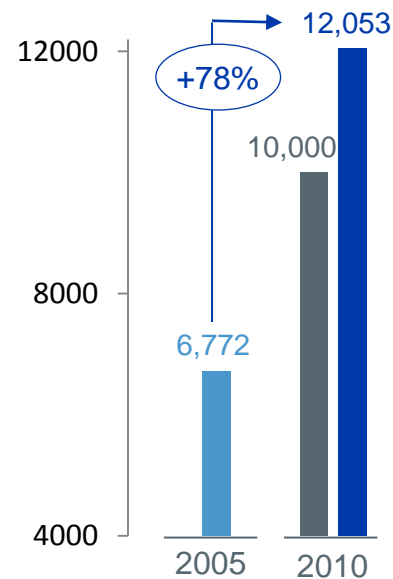
- ▶ 8% revenue growth per annum 2005 - 2010
- ▶ Net income growth of low to mid teens
- ▶ 5-6% operational core growth
- ▶ 2-3% strategic growth

RESULTS

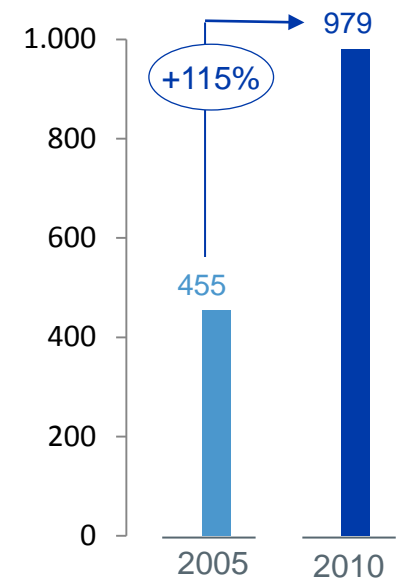
- ▶ Revenue:
12% CAGR 2005 - 2010

- ▶ Net income, attributable to FMC AG & Co. KGaA (reported)
17% CAGR 2005 - 2010

Revenue In US\$ million



Net income In US\$ million

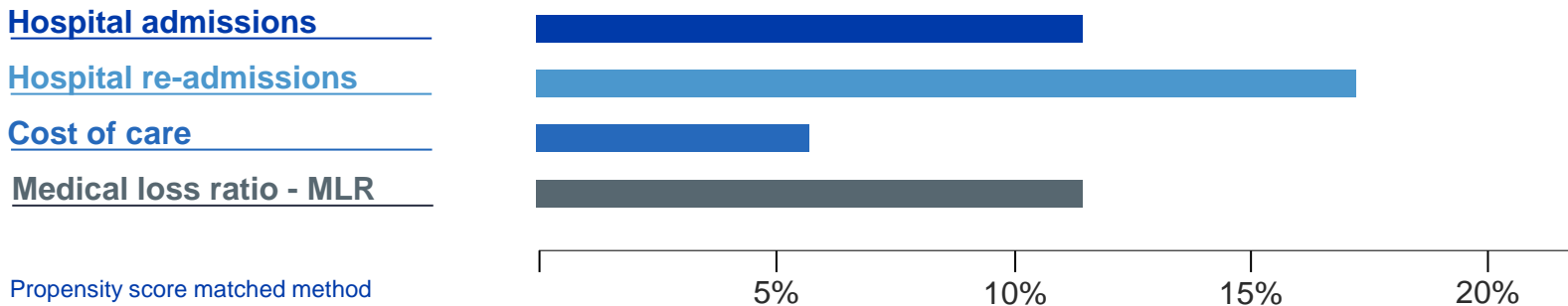


RCG = Renal Care Group acquisition | CAGR = Compound annual growth rate

FME – CMS ESRD demonstration project outcomes

Improved survival, reduced hospitalization and lower cost

FME utilization savings vs. Medicare Fee for Service 2008 (case mix adjusted)



Propensity score matched method

Source: extracted from the Arbor research collaborative for health evaluation report (2006-2008)

ADJUSTED 2 YEAR MORTALITY IMPROVED BY 24%

2010 | 2011 – Expansion & Product Launches

Drivers for sustained revenue and earnings growth

Expansion

▶ Acquisition of Asia Renal Care with more than 100 clinics

- ▶ Strengthened our leadership position by acquiring the largest service provider in Asia-Pacific outside of Japan

▶ Acquisition of Gambro-PD-business

- ▶ Improves our market position in Asia-Pacific and Europe with a complementary products and technology portfolio

▶ Joint venture with Galenica

- ▶ Phase 1 closed in December 2010
- ▶ Combines the global leaders to develop improved therapies for CKD patients suffering from iron deficiency, anemia and bone mineral metabolism

▶ Acquisition of Euromedic dialysis services

- ▶ Improves our market position and achieves critical scale of our clinic network in Eastern Europe
- ▶ Expected close late Q2 | 2011

2010 | 2011 – Expansion & Product Launches

Drivers for sustained revenue and earnings growth

New renal product launches

▶ USA

- ▶ Liberty cycler
- ▶ 2008K@Home-machine
- ▶ 2008T-machine

▶ International

- ▶ 4008S-classic machine, 5008S-machine

▶ New dialyzers



Liberty Cyclcer



2008T



2008K
@home



4008S
classic



5008S



2010 – Summary

Leadership

- ▶ Maintain global leadership position
- ▶ Continue to shape the future of the dialysis industry

Quality

- ▶ Continue focusing on superior quality in services and products

Growth

- ▶ Benefit from product innovations and new product launches
- ▶ Take advantage of international growth potential and introduce new therapy offerings
- ▶ Continue horizontal expansion of service and product range

Financials

- ▶ Control costs and spending and continue profitable growth momentum
- ▶ Seek attractive investment opportunities

2

FINANCIALS & OUTLOOK

Q4 & Fiscal Year 2010

Q4 – Profit & Loss

US-\$ in millions	Q4 2009	Q4 2010	Growth in %
Net Revenue	3,035	3,167	4 5%cc
Operating income (EBIT)	491	539	10
EBIT-margin in %	16.2	17.0	
Interest expense, net	75	74	
Income before taxes	416	465	12
Income tax expense	145	169	
Tax rate in %	35	36	
Non-controlling interest	24	25	
Net income attributable to FMC AG & Co. KGaA	247	271	10

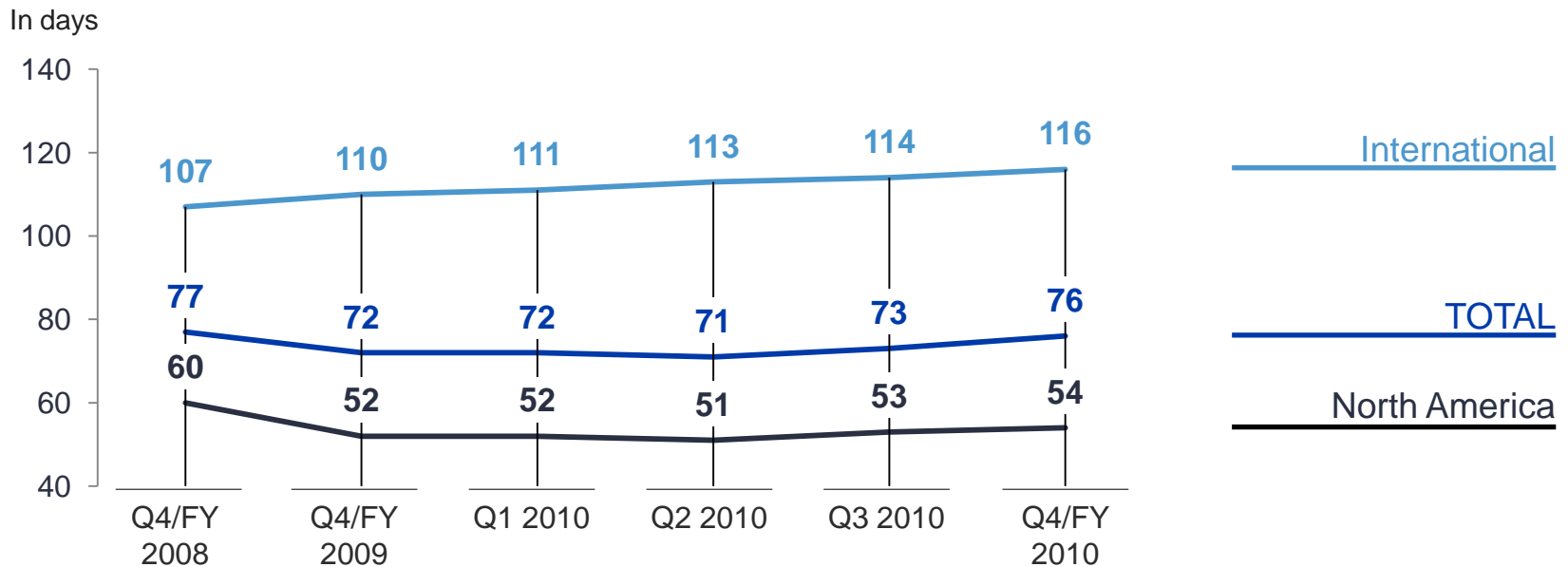
Fiscal Year – Profit & Loss

US-\$ in millions	FY 2009	FY 2010	Growth in %	
Net Revenue	11,247	12,053	7	7%cc
Operating income (EBIT)	1,756	1,924	10	
EBIT-margin in %	15.6	16.0		40 bps improvement
Interest expense, net	300	280		
Income before taxes	1,456	1,644	13	
Income tax expense	491	578		
Tax rate in %	34	35		
Non-controlling interest	74	87		
Net income attributable to FMC AG & Co. KGaA	891	979	10	

2010 – Day Sales Outstanding (DSO)

Excellent level in 2010 despite slight upward trend

- ▶ 2008/2009: reduction of 5 days in DSO
- ▶ 2009/2010: increase of 4 days in DSO
 - ▶ USA – preparation for „Bundle“
 - ▶ Europe – country deficit pressure



Q4 – Cash Flow

US-\$ in millions	Q4 2009	Q4 2010	Growth in %
Operating Cash Flow	458	341	(26)
% of revenue	15	11	
Capital Expenditure, net	(173)	(168)	
Free cash flow	285	173	(39)
% of revenue	9	5	
Acquisitions, net of divestitures	(79)	(379)	
Free cash flow after acquisitions	206	(206)	
% of revenue	7		

Fiscal Year – Cash Flow

US-\$ in millions	FY 2009	Q4 2010	Growth in %
Operating Cash Flow	1,339	1,368	2
% of revenue	12	11	
Capital Expenditure, net	(562)	(507)	
Free cash flow	777	861	11
% of revenue	7	7	
Acquisitions, net of divestitures	(186)	(618)	
Free cash flow after acquisitions	591	243	
% of revenue	6	2	

Major Debt Portfolio and Maturities

As of December 31, 2010

	Amount in mio	
Accounts Receivable Facility	\$ 700	2010 - 11
Credit Agreement Rev. / TLA	\$ 2,535	2010 - 13
Credit Agreement TLB	\$ 1,538	2010 - 13
Senior Notes 2010 – 2016	€ 250	2010 - 16
Senior Notes 2007 – 2017	\$ 500	2010 - 17
Senior Notes 2011 – 2021	\$ 650	2011 - 21
Senior Notes 2011 – 2021	€ 300	2011 - 21
Trust Preferred Securities IV	\$ 225	2010 - 11
Trust Preferred Securities V	€ 300	2010 - 11
Notes Schuldscheindarlehen	€ 200	2009 - 12 / 14
EIB	\$ 165	2010 - 12
EIB	€ 140	2010 - 13

Financial Cushion

As of December 31, 2010

US-\$ in millions	Facility	Utilization ¹	Cushion
Revolving Credit Facility	1,200	203	997
Term Loan A	1,335	1,335	0
Term Loan B	1,538	1,538	0
Senior Credit Agreement	4,073	3,076	997
Accounts Receivable Program	668	510	158
Other Bank Facilities	664	430	234
▶ Total ²	5,405	4,016	1,390

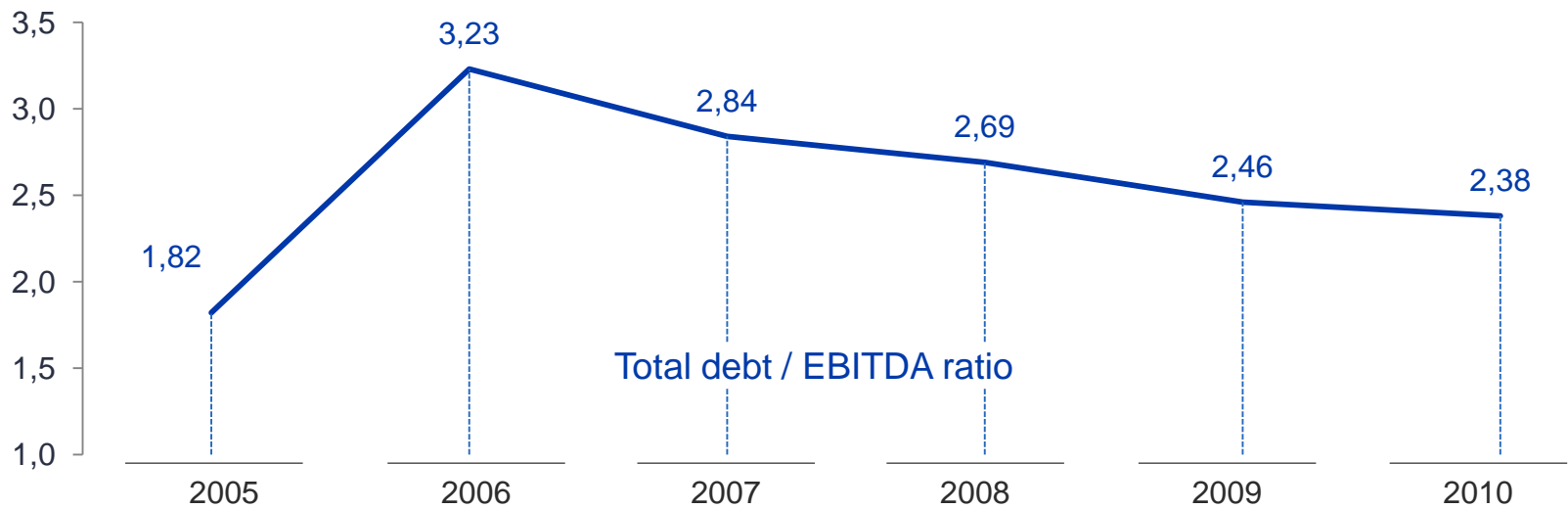
¹ Utilization may differ from balance sheet debt due to off-balance sheet items (e.g. letters of credit and guarantees)

² \$700 million facility amount, limit represents maximum amount of eligible receivables

Fiscal Year – Total Debt/EBITDA

Achieved target to be below 2.5

► Successful bond placement



2011– Outlook

Another record year to be expected

- ▶ For 2011 strong revenue growth and further EBIT-margin improvement expected
- ▶ Net income guidance does not consider a correction of the „transition adjuster “ for US dialysis clinics in 2011

US-\$ in millions	FY 2011 E
Net Revenue	12,800 – 13,000
Net income attributable to FMC AG&Co. KGaA	1,035 – 1,055
Capital expenditure in % of revenue	~ 5%
Acquisitions	~ 1,200
Leverage ratio (Debt/Ebitda multiple)	≤ 2.8

cc = constant currency

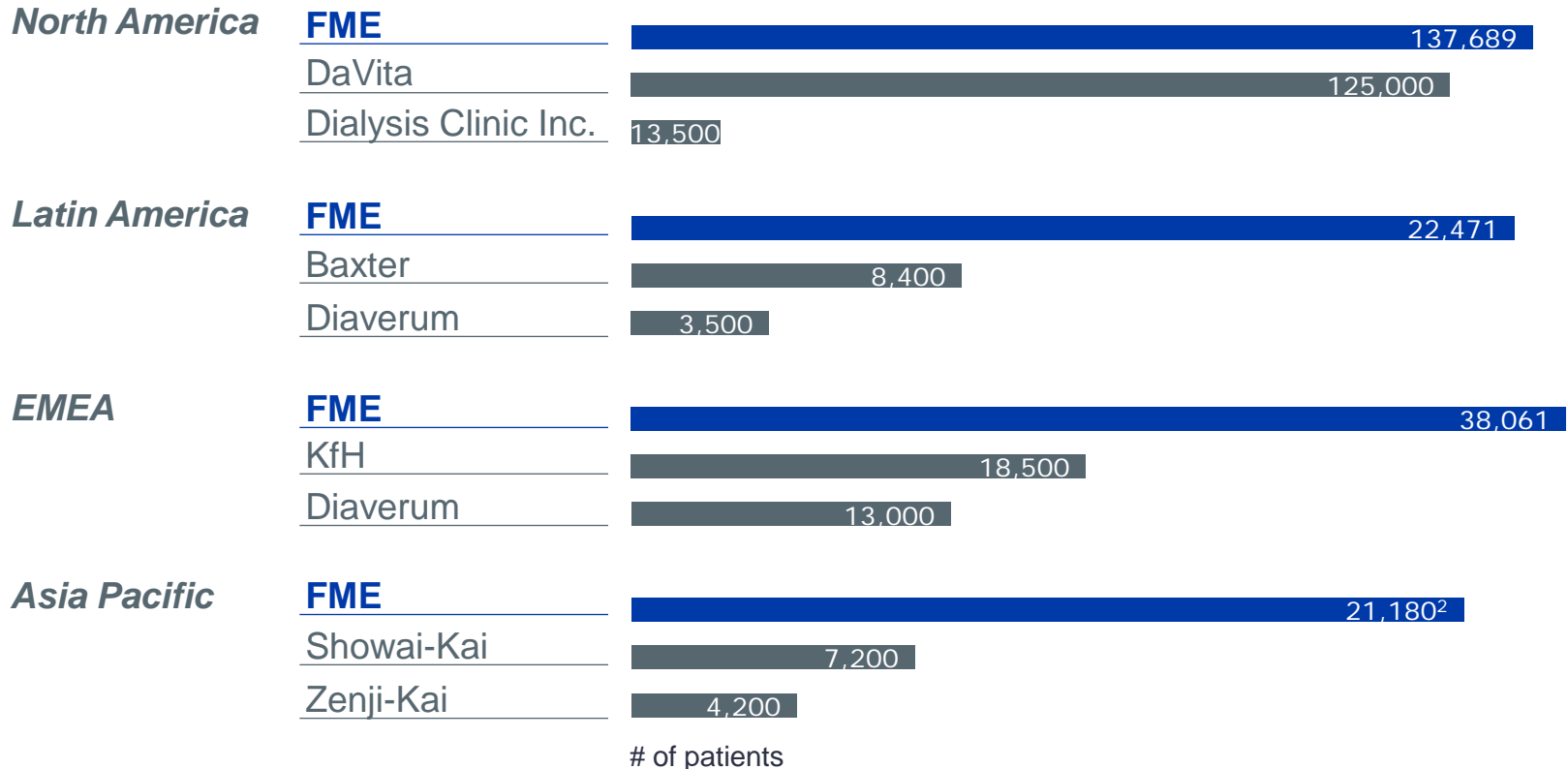
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Growth Strategy & Summary

Q4 & Fiscal Year 2010

World Leader in Dialysis Services¹

We lead in every major market, treating more than 214,648 patients worldwide



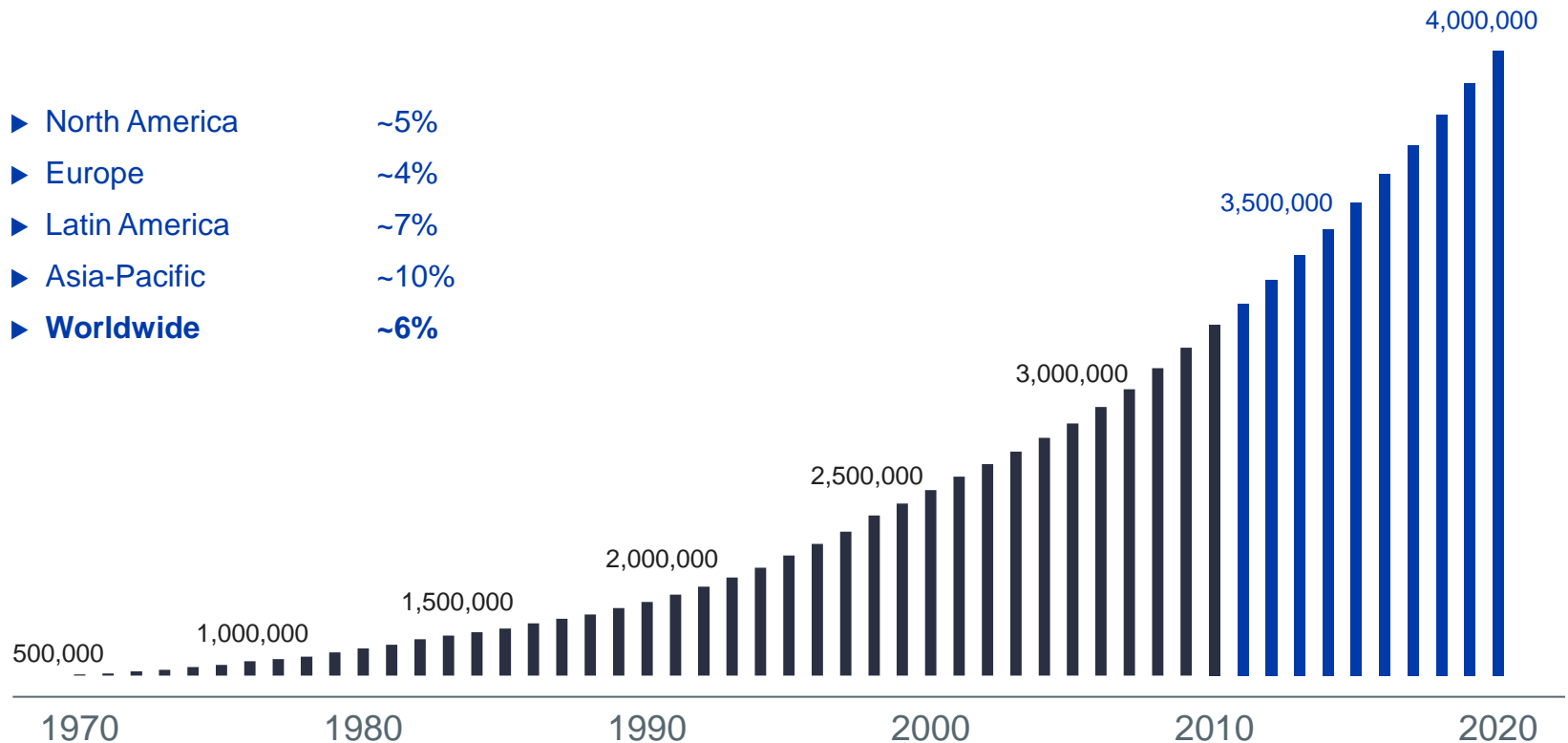
¹ Based on company statements and estimates

² Patients including managed clinics

Development of Dialysis Patient Population

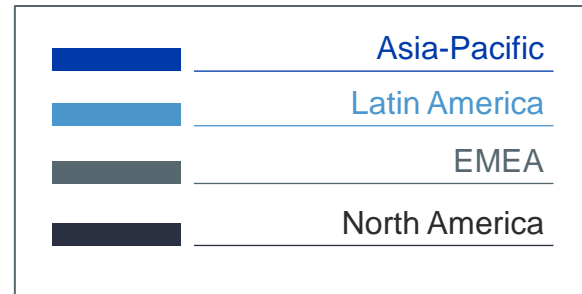
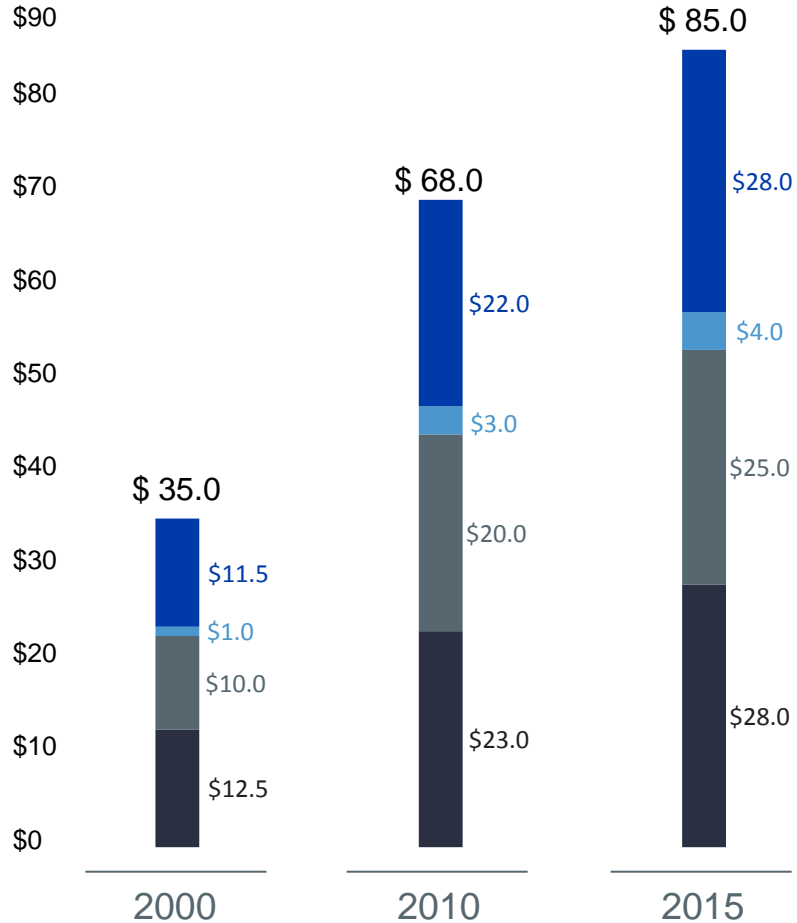
2020:
Estimates suggest an increase to nearly
4 million dialysis patients

- ▶ North America ~5%
- ▶ Europe ~4%
- ▶ Latin America ~7%
- ▶ Asia-Pacific ~10%
- ▶ **Worldwide ~6%**



Market Opportunity by Region

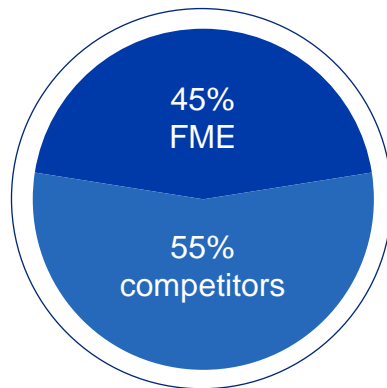
In billions



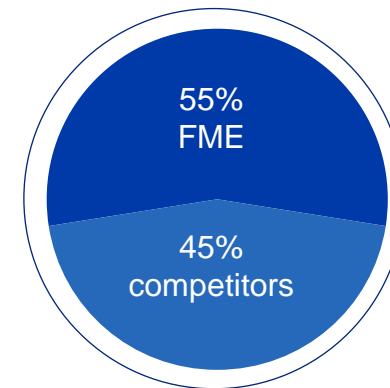
Market Position by Major Product Groups 2010

	Rank 1	Rank 2	Rank 3
Dialyzers	FME	Gambro	Nipro
Dialysis machines	FME	Gambro	Nikkiso
Hemodialysis concentrates	FME	Fuso	Gambro
Bloodlines	FME	Gambro	Kawasumi
Peritoneal dialysis products	Baxter	FME	Gambro

Dialyzers



Dialysis machines



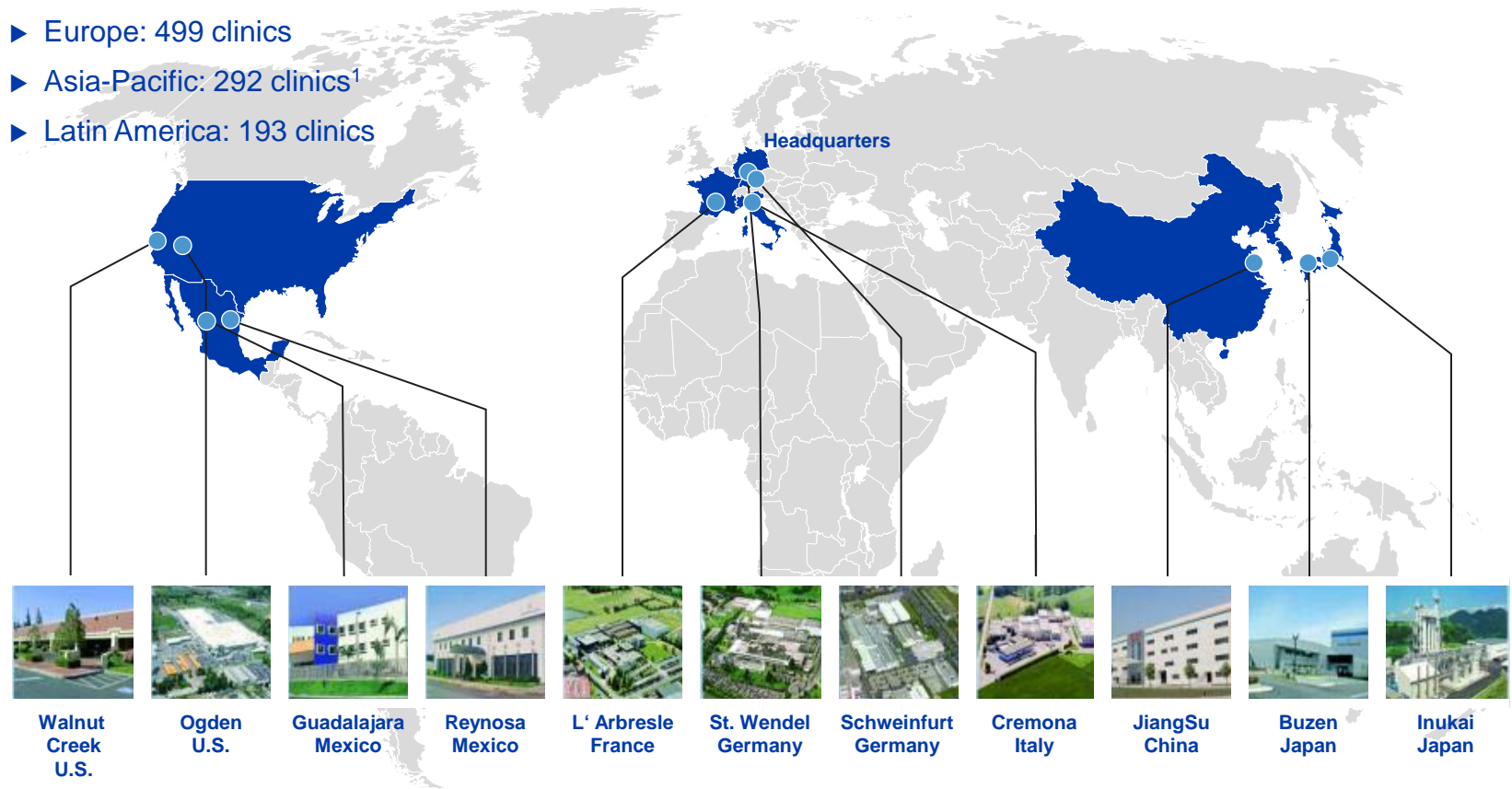
Produced more than ~92,000,000 dialyzers in 2010

Major Production Sites

Dialysis clinics

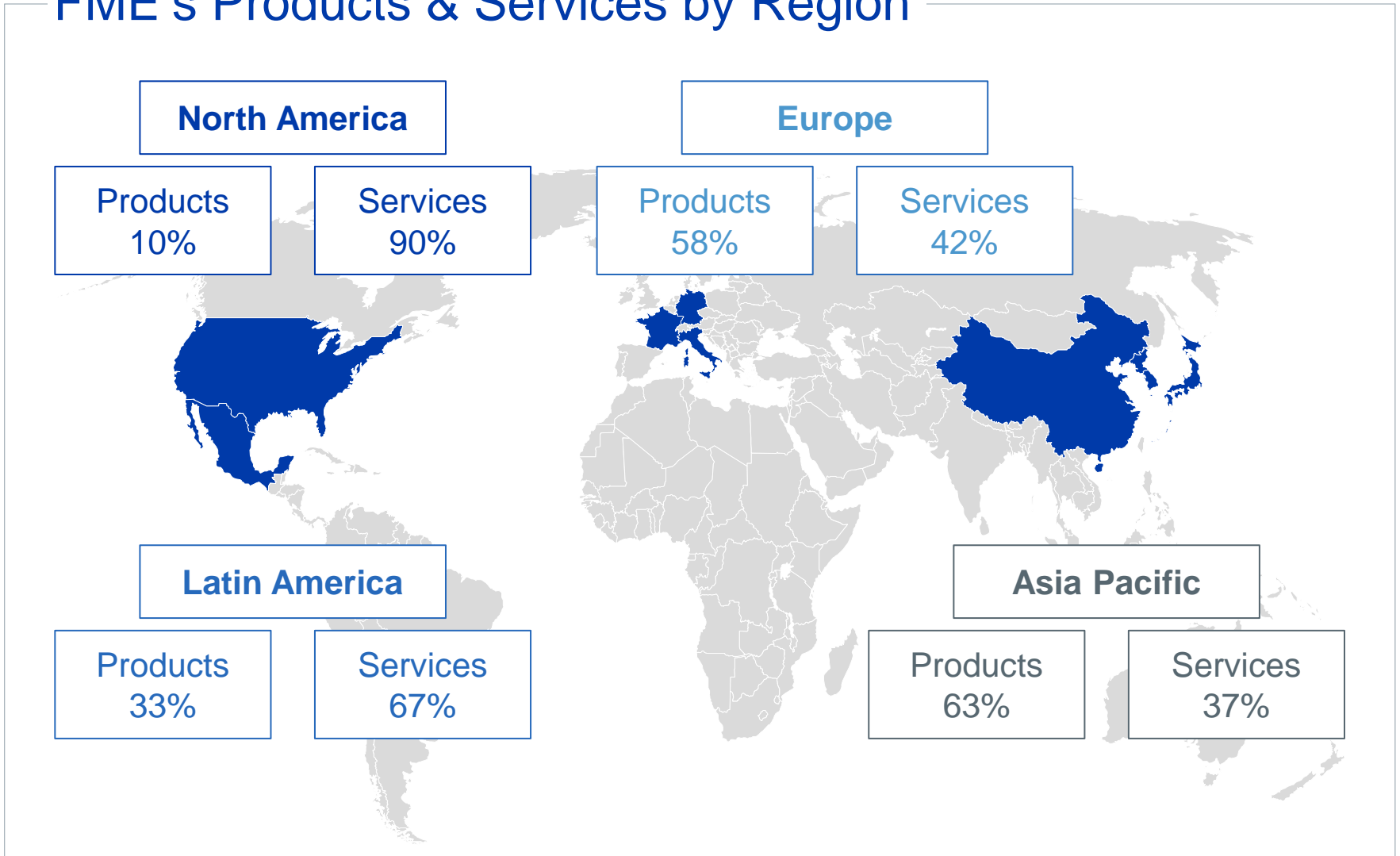
- ▶ North America: 1,823 clinics
- ▶ Europe: 499 clinics
- ▶ Asia-Pacific: 292 clinics¹
- ▶ Latin America: 193 clinics

● Major Production Sites

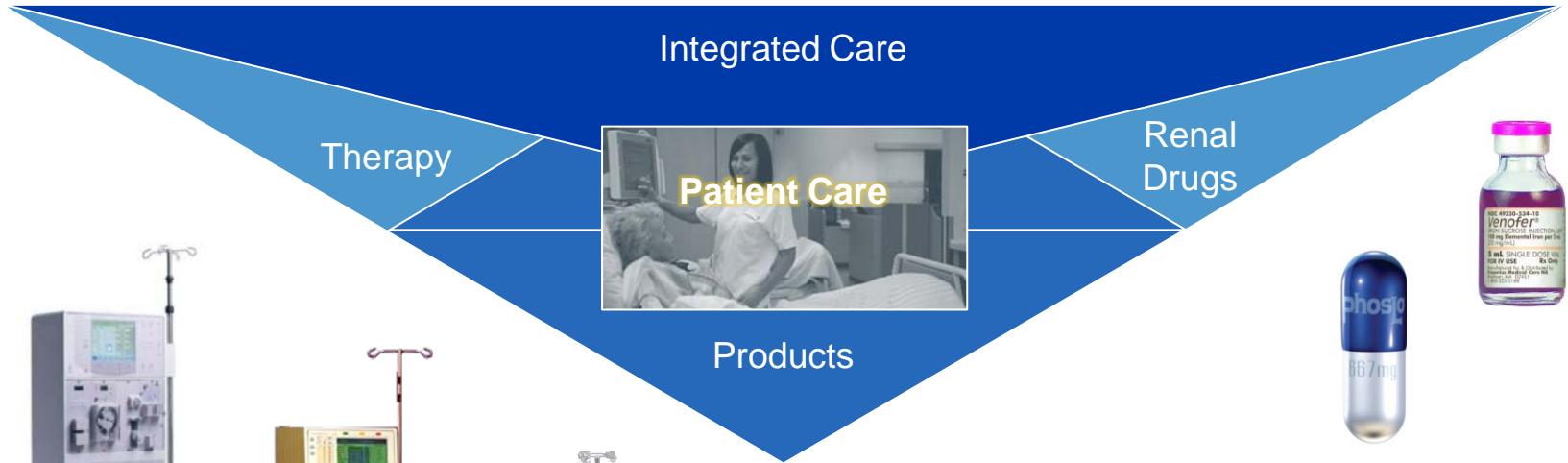


¹ Clinics including managed clinics

FME's Products & Services by Region



Continued Growth Opportunities



2008K



4008S



5008S



Liberty Cyclor

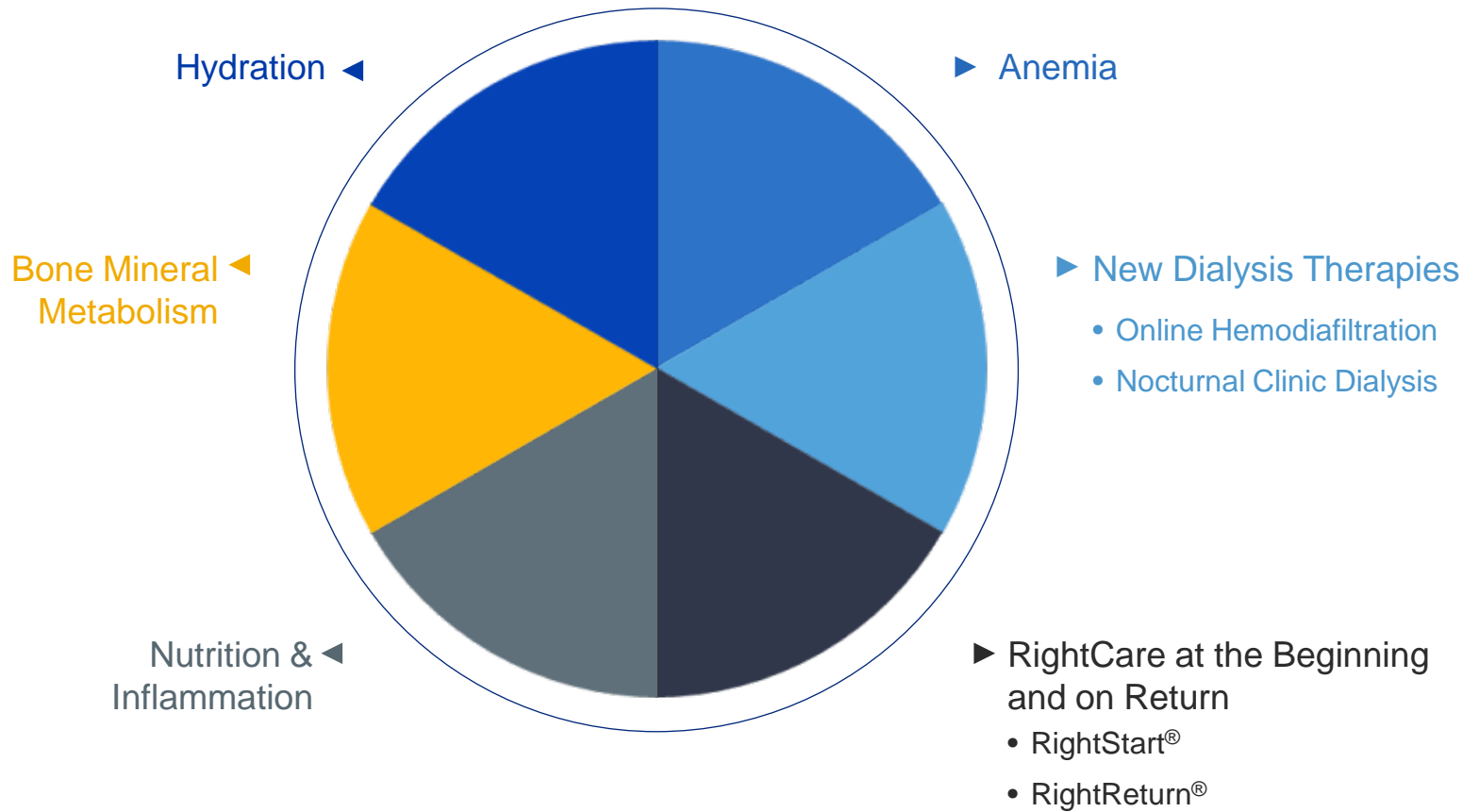


SleepSafe



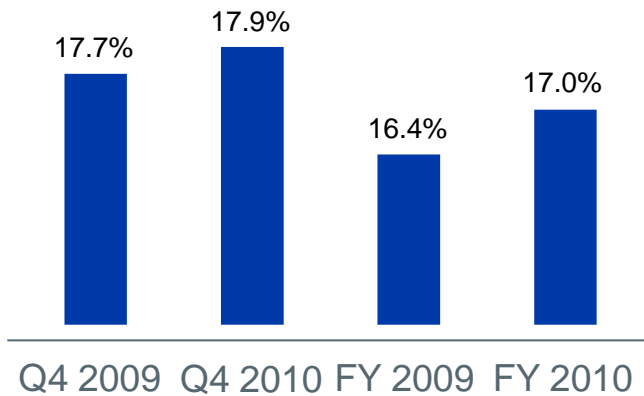
Global Strategy:

Services – Areas to improve dialysis outcomes

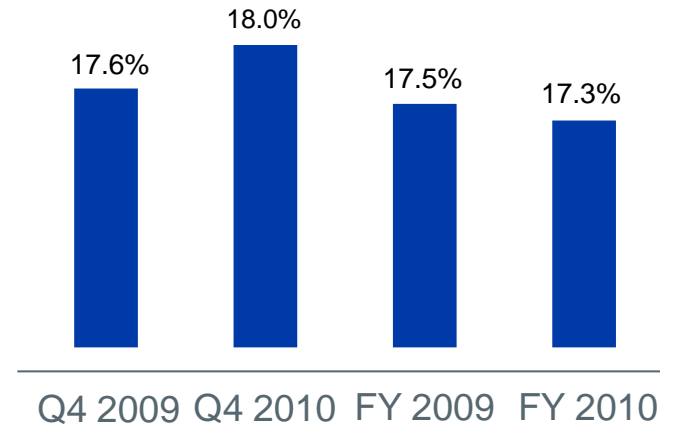


Operating Margin Development

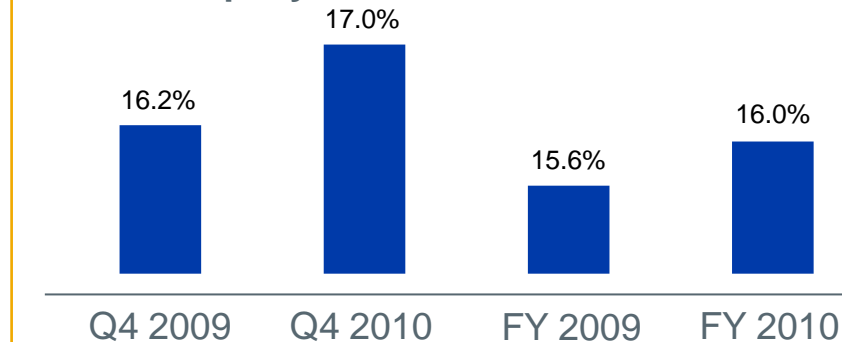
North America



International



Total Company



CREATING A FUTURE WORTH LIVING.
FOR PEOPLE. WORLDWIDE.
EVERY DAY.

Thank you very much for your attention!

Attachment 1

Reconciliation of non-US-GAAP financial measures to most comparable US-GAAP measure

All numbers are in US\$ millions

External Revenue Q4	Q4 2009	Q4 2010	Growth in %	Growth in %cc
International product revenue	692	717	4	7
- Internal revenue	(96)	(114)		
= International external revenue	596	603	1	4
North America product revenue	383	400	4	4
- Internal revenue	(170)	(190)		
= North America external revenue	213	210	(1)	(1)
Total product revenue	1,075	1,117	4	6
- Internal revenue	(266)	(304)		
► Total external revenue	809	813	0	3
External Revenue Fiscal Year	2009	2010	Growth in %	Growth in %cc
International product revenue	2,428	2,553	5	5
- Internal revenue	(349)	(397)		
= International external revenue	2,079	2,156	4	4
North America product revenue	1,463	1,545	6	6
- Internal revenue	(645)	(718)		
= North America external revenue	818	827	1	1
Total product revenue	3,891	4,098	5	5
- Internal revenue	(994)	(1,115)		
► Total external revenue	2,897	2,983	3	3

Attachment 2

Reconciliation of non-US-GAAP financial measures to most comparable US-GAAP measure

All numbers are in US\$ millions

Capital Expenditure, net	Q4 2009	Q4 2010	FY 2009	FY 2010
Purchase of property, plant and equipment	(175)	(174)	(574)	(523)
- Proceeds from sale of property, plant and equipment	2	6	12	16
= Capital expenditure, net	(173)	(168)	(562)	(507)
Cash Flow	Q4 2009	Q4 2010	FY 2009	FY 2010
Acquisitions, investments and net purchases of intangible assets	(79)	(386)	(188)	(764)
+ Proceeds from divestitures	0	138	52	146
= Acquisitions and investments, net of divestitures	(79)	(248)	(136)	(618)
Repayments (Proceeds)	-	131	(50)	-
= Acquisitions and investments (net), net of divestitures	(79)	(379)	(186)	(618)
Patients, treatments, clinics - Fiscal Year 2010		Clinics	Patients	Treatments in million
North America		1,823	137,689	20.85
Growth in %		2	4	5
International		934	76,959	10.82
Growth in %		21	21	13
Europe		499	38,061	5.45
Latin America		193	22,471	3.39
Asia-Pacific		242	16,427	1.97
► TOTAL		2,757	214,648	31.67
Growth in %		8	10	8

Attachment 3

Reconciliation of non-US-GAAP financial measures to most comparable US-GAAP measure

All numbers are in US\$ millions

Debt	FY2010	FY 2009	FY 2008	FY 2007	FY 2006	FY 2005
Short term borrowings (incl. A/R program)	671	316	684	217	331	151
+ Short term borrowing from related parties	10	10	1	2	5	19
+ Current portion of long-term debt and capital lease obligations	264	158	455	85	160	126
+ Current portion of Trust Preferred Securities	-	-	-	670	-	-
+ Long-term debt and capital lease obligations less current portion	4,310	4,428	3,957	4,004	3,829	707
+ Trust Preferred Securities less current portion	625	656	641	664	1,254	1,188
▶ TOTAL debt	5,880	5,568	5,738	5,642	5,579	2,191
EBITDA	FY2010	FY 2009	FY 2008	FY 2007	FY 2006	FY 2005
Last twelve month operating income (EBIT)	1,924	1,756	1,672	1,580	1,367	939
+ Last twelve month depreciation and amortization	503	457	416	363	326	251
+ Non-cash charges	45	50	44	41	35	14
▶ EBITDA (annualized)	2,472	2,263	2,132	1,984	1,728	1,204
▶ Total Debt / EBITDA	2.38	2.46	2.69	2.84	3.23	1.82

Contacts



Fresenius Medical Care

Investor Relations

Else-Kröner-Str. 1

61352 Bad Homburg v.d.H.

Ticker: FME or FMS (NYSE)

WKN: 578 580

ISIN: DE00057858002

- ▶ **Oliver Maier** | Head of Investor Relations & Corporate Communications
Tel: +49-(0) 6172 – 609 – 2601
Email: oliver.maier@fmc-ag.com
- ▶ **Gerrit Jost**
Tel: +49-(0) 6172 – 609 – 5216
Email: gerrit.jost@fmc-ag.com
- ▶ **Terry Morris**
Tel: +1- 800 – 948 – 2538
Email: terry.morris@fmc-na.com

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