

Bryan Garnier European Healthcare Conference

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Paris



**FRESENIUS
MEDICAL CARE**

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If not mentioned differently the term net income refers to the net income attributable to the shareholders of Fresenius Medical Care AG Co. KGaA independent of being the reported or the adjusted number. Amounts are in US-\$ if not mentioned otherwise.

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Business Update

Q3 and Nine Month 2014

Strong operational performance in Q3

	Q3 2014 in \$ millions	Growth in %
Net Revenue	4,113	12
Earnings before interest and tax (EBIT)	590	6
Net income, reported	271	(1)
Earnings per share (EPS), reported	0.89	(1)

- ▶ Guidance confirmed for 2014
- ▶ Global Efficiency Program (GEP) on track
- ▶ Further sequential growth acceleration supported by all major regions
- ▶ Important steps towards expanding „care coordination“ business

Sequential performance

	Q1 2014 in %	Q2 2014 in %	Q3 2014 in %
Revenue growth			
Total	2.9	6.2	12.2
Constant currency	4.3	6.7	13.2
Organic	3.2	4.5	6.6
of which Services	4.1	5.6	6.3
of which Products (external)	0.2	1.1	7.3
EBIT growth			
Total reported	(10)	2	6
Net income growth			
Total reported	(9)	(11)	(1)

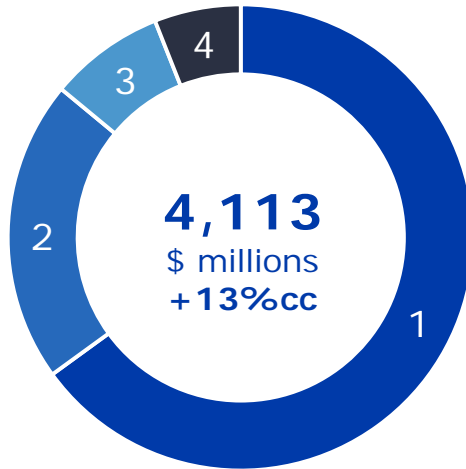
Revenue breakdown Q3 2014

North America

Revenue	\$ 2,710 m	+ 11%
Organic growth		+ 5%

International ~ 34% of total revenue

Revenue	\$ 1,386 m	+ 16%cc
Organic growth		+ 8%
Europe	\$ 784 m	+ 7%cc
Asia-Pacific	\$ 387 m	+ 41%cc
Latin America	\$ 215 m	+ 18%cc



1	North America	66%
2	Europe/Middle East/Africa	20%
3	Asia-Pacific	9%
4	Latin America	5%

cc = constant currency

Revenue growth in Dialysis Services

	Q3 2013 in \$ millions	Q3 2014 in \$ millions	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
North America	2,224	2,498	12	12	5.8	3.5
International	589	699	19	25	8.6	3.9
Total Dialysis Services	2,813	3,197	14	15	6.3	3.6



	9M 2013 in \$ millions	9M 2014 in \$ millions	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
North America	6,485	7,015	8	8	4.8	3.4
International	1,750	1,913	9	15	7.7	4.3
Total Dialysis Services	8,235	8,928	8	10	5.4	3.7

cc = constant currency

Quality outcomes

% of patients	U.S.		EMEA		Asia-Pacific	
	Q2 2014	Q3 2014	Q2 2014	Q3 2014	Q2 2014	Q3 2014
Kt/V \geq 1.2	97	97	96	95	97	97
No catheter (>90 days)	83	83	83	83	92	92
Hemoglobin = 10 – 12 g/dl	74	73	63	75	59	59
Hemoglobin = 10 – 13 g/dl (International)	79	78	77	76	67	67
Albumin \geq 3.5 g/dl	82	82	89	90	91	91
Phosphate \leq 5.5 mg/dl	63	64	77	76	71	71
Calcium 8.4 – 10.2 mg/dl	84	84	78	75	74	75
Hospitalization days, per patient	9.4	8.9	9.4	9.5	4.2	4.2

Revenue growth in Dialysis Products (external)

		Q3 2013 in \$ millions	Q3 2014 in \$ millions	Growth in %	Growth in %cc
Product Revenue		853	916	7	7
of which North America		212	212	-	-
of which International		633	687	9	9
		9M 2013 in \$ millions	9M 2014 in \$ millions	Growth in %	Growth in %cc
Product Revenue		2,508	2,583	3	3
of which North America		614	609	(1)	(1)
of which International		1,869	1,930	3	3

cc = constant currency

Summary

- ▶ Third quarter shows further improvement from second quarter
- ▶ The global efficiency program (GEP) is on track
- ▶ Good organic growth overall
- ▶ Strong operational performance in products as well as services
- ▶ Integration of recent acquisitions in Care Coordination well on track
- ▶ Very Strong Cash Flow generation

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Financials & Outlook

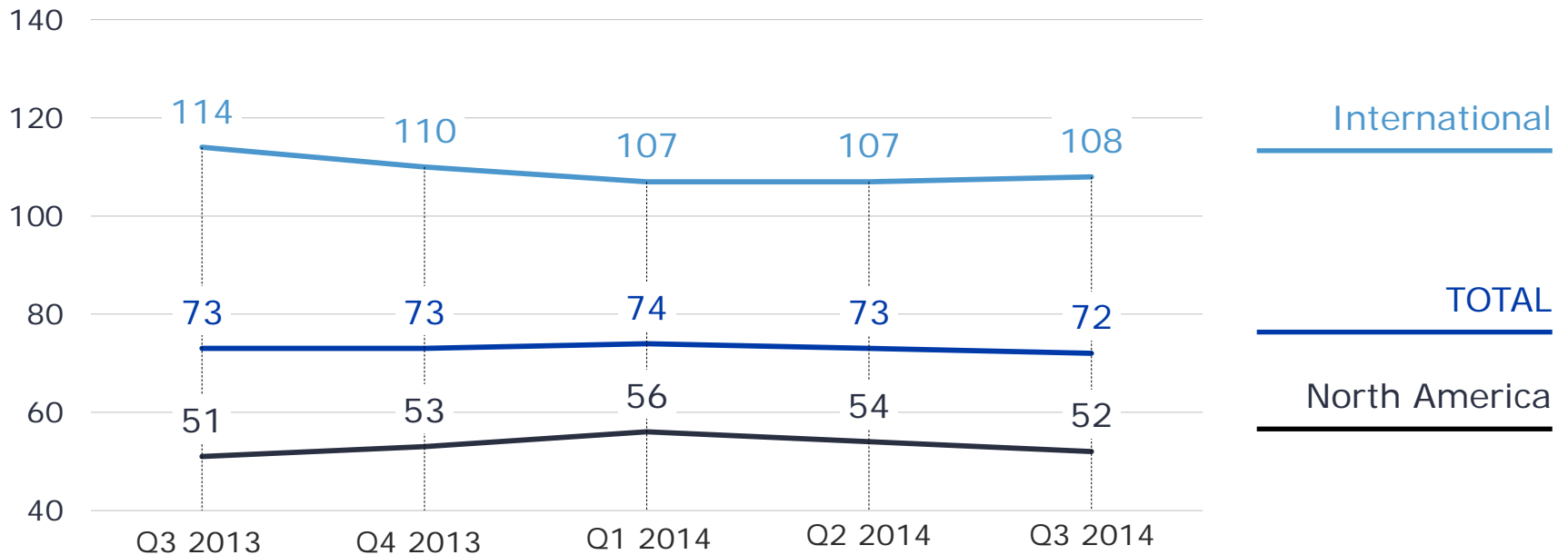
Q3 and Nine Month 2014

Q3 Profit & Loss

	Q3 2013 in \$ millions	Q3 2014 in \$ millions	Growth in %
Net revenue	3,666	4,113	12
Operating income (EBIT)	557	590	6
EBIT-margin in %	15.2	14.3	
Net interest expense	103	99	
Income before taxes	454	491	8
Income tax expense	148	162	
Tax rate in %	32.6	32.9	
Non-controlling interest	33	58	
Net income	273	271	(1)

Day Sales Outstanding (DSO)

In days



- ▶ Positive trend in International and benchmark level in North America
- ▶ North America up 1 day y-o-y and International down 6 days y-o-y

Cash Flow

	Q3 2013 in \$ millions	Q3 2014 in \$ millions	Growth in %
Operating cash flow	605	712	18
Capital expenditures, net	(175)	(224)	
Free cash flow	430	488	13
Free cash flow, after acquisitions and investments	235	(125)	

	9M 2013 in \$ millions	9M 2014 in \$ millions	Growth in %
Operating cash flow	1,446	1,274	(12)
Capital expenditures, net	(494)	(639)	
Free cash flow	952	635	(33)
Free cash flow, after acquisitions and investments	673	(410)	

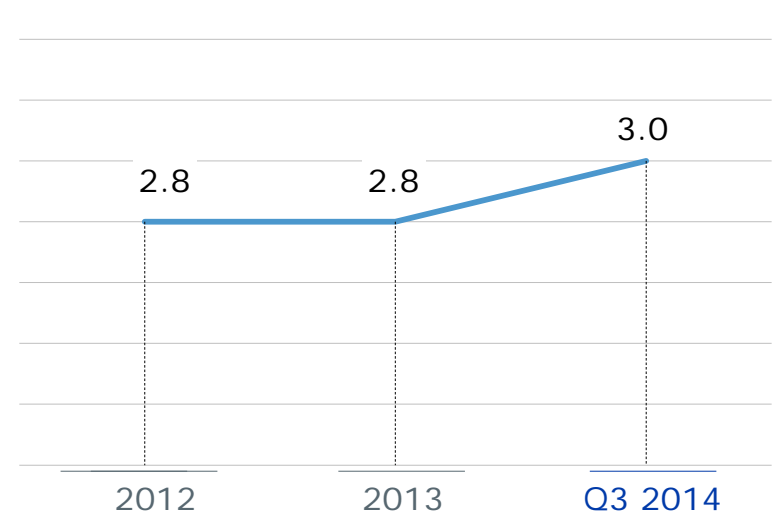
A reconciliation to the most directly comparable U.S. GAAP financial measures is provided in the attachments

Total Debt/EBITDA–ratio

Total debt in \$ millions



Total debt/EBITDA-ratio



Ratings	S&P	Moody's	Fitch
Company	BB+	Ba1	BB+
Outlook	positive	Stable	positive

A reconciliation to the most directly comparable U.S. GAAP financial measures is provided in the attachments

2014 Guidance confirmed

In \$	2014 E
Revenue	~ 15.2 bn
EBIT	~ 2.2bn
Net income	1 –1.05bn

- ▶ Outlook excludes potential net cost savings of up to \$60 m before taxes for 2014
- ▶ Investments in quality/compliance systems and legal cost to continue to comply with standards
- ▶ Outlook excludes revenue contribution of ~\$500 m from acquisitions (until end of Q3)

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Questions & Answers

Q3 and Nine Month 2014

CREATING A FUTURE WORTH LIVING.
FOR DIALYSIS PATIENTS.
WORLDWIDE.
EVERY DAY.

Thank you very much for your attention!

9M Profit & Loss

	9M 2013 in \$ millions	9M 2014 in \$ millions	Growth in %
Net revenue	10,743	11,511	7
Operating income (EBIT)	1,595	1,591	-
EBIT-margin in %	14.8	13.8	
Net interest expense	310	294	
Income before taxes	1,285	1,297	1
Income tax expense	421	440	
Tax rate in %	32.8	33.9	Adjusted tax rate * 32.6%
Non-controlling interest	103	147	
Net income	761	710	(7) Adjusted net income \$728 m

* Adjusted for special tax impact of \$18 m

Exchange rates

\$:€	Q3 2013	9M 2013	Q3 2014	9M 2014
Period end	1.351	1.351	1.258	1.258
Average	1.324	1.317	1.326	1.355

\$:ARS	Q3 2013	9M 2013	Q3 2014	9M 2014
Period end	5.811	5.811	8.489	8.489
Average	5.576	5.281	8.290	7.983

Dialysis days per quarter

	Q1	Q2	Q3	Q4	Full Year
2012	78	78	78	80	314
2013	76	78	79	80	313
2014	76	78	79	79	312
2015	77	78	79	79	313

Total Product Revenue	Q3 2013	Q3 2014	Growth in %	Growth in %cc
International product revenue	755	810	7	8
- Internal revenue	(122)	(123)	-	5
= International external revenue	633	687	9	9
North America product revenue	422	432	2	2
- Internal revenue	(210)	(220)	5	5
= North America external revenue	212	212	-	-
Total product revenue	1,186	1,259	6	7
- Internal revenue	(333)	(343)	3	5
Total external revenue	853	916	7	7

Total Product Revenue	9M 2013	9M 2014	Growth in %	Growth in %cc
International product revenue	2,221	2,296	3	4
- Internal revenue	(352)	(366)	4	9
= International external revenue	1,869	1,930	3	3
North America product revenue	1,215	1,238	2	2
- Internal revenue	(601)	(629)	5	5
= North America external revenue	614	609	(1)	(1)
Total product revenue	3,461	3,578	3	4
- Internal revenue	(953)	(995)	4	6
Total external revenue	2,508	2,583	3	3

Patients, treatments, clinics – 9M 2014

	Clinics	Patients	Treatments in million
North America	2,158	174,335	19.73
Growth in %	2	3	4
International	1,191	108,800	11.79
Growth in %	7	12	7
Europe	636	53,073	6.00
Latin America	239	30,563	3.45
Asia-Pacific	316	25,164	2.34
Total	3,349	283,135	31.53
Growth in %	4	7	5

Attachment 1

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

In \$ millions

Debt	9M 2014	FY 2013	FY 2012
Short term borrowings (incl. A/R program)	140	97	118
+ Short term borrowing from related parties	291	62	4
+ Current portion of long-term debt and capital lease obligations	924	511	335
+ Long-term debt and capital lease obligations less current portion	7,713	7,747	7,841
TOTAL debt	9,068	8,417	8,298

EBITDA	9M 2014 ¹⁾	FY 2013	FY 2012 ²⁾
Last twelve month operating income (EBIT)	2,265	2,256	2,255
+ Last twelve month depreciation and amortization	684	648	612
+ Non-cash charges	50	68	64
EBITDA (annualized)	2,999	2,972	2,931
Total Debt / EBITDA	3.0	2.8	2.8

1) Pro-forma numbers including Sound Physicians Inc.

2) Pro-forma numbers incl. Liberty Dialysis Holding Inc. after FTC mandated divestitures

Attachment 2

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

In \$ millions

Cash Flow	Q3 2013	Q3 2014	9M 2013	9M 2014
Acquisitions, investments and net purchases of intangible assets	(195)	(614)	(297)	(1,049)
+ Proceeds from divestitures	0	1	18	4
= Acquisitions and investments, net of divestitures	(195)	(613)	(279)	(1,045)

Capital Expenditure, net	Q2 2013	Q2 2014	9M 2013	9M 2014
Purchase of property, plant and equipment	(179)	(227)	(512)	(646)
- Proceeds from sale of property, plant & equipment	4	3	18	7
= Capital expenditure, net	(175)	(224)	(494)	(639)

Constant Currency: Changes in revenue include the impact of changes in foreign currency exchange rates. We use the non-GAAP financial measure “at constant exchange rates” in our filings to show changes in our revenue without giving effect to period-to-period currency fluctuations. Under U.S. GAAP, revenues received in local (non-U.S. dollar) currency are translated into U.S. dollars at the average exchange rate for the period presented. When we use the term “constant currency,” it means that we have translated local currency revenues for the current reporting period into U.S. dollars using the same average foreign currency exchange rates for the conversion of revenues into U.S. dollars that we used to translate local currency revenues for the comparable reporting period of the prior year. We then calculate the change, as a percentage, of the current period revenues using the prior period exchange rates versus the prior period revenues. This resulting percentage is a non-GAAP measure referring to a change as a percentage “at constant exchange rates.”

We believe that revenue growth is a key indication of how a company is progressing from period to period and that the non-GAAP financial measure constant currency is useful to investors, lenders, and other creditors because such information enables them to gauge the impact of currency fluctuations on its revenue from period to period. However, we also believe that data on constant currency period-over-period changes have limitations, particularly as the currency effects that are eliminated could constitute a significant element of our revenue and could significantly impact our performance. We therefore limit our use of constant currency period-over-period changes to a measure for the impact of currency fluctuations on the translation of local currency revenue into U.S. dollars. We do not evaluate our results and performance without considering both constant currency period-over-period changes in non-U.S. GAAP revenue on the one hand and changes in revenue prepared in accordance with U.S. GAAP on the other. We caution the readers of this report to follow a similar approach by considering data on constant currency period-over-period changes only in addition to, and not as a substitute for or superior to, changes in revenue prepared in accordance with U.S. GAAP. We present the fluctuation derived from U.S. GAAP revenue next to the fluctuation derived from non-GAAP revenue. Because the reconciliation is inherent in the disclosure, we believe that a separate reconciliation would not provide any additional benefit.

Contacts

Fresenius Medical Care

Investor Relations

Else-Kröner-Str. 1
61352 Bad Homburg v.d.H.

Ticker: FME or FMS (NYSE)

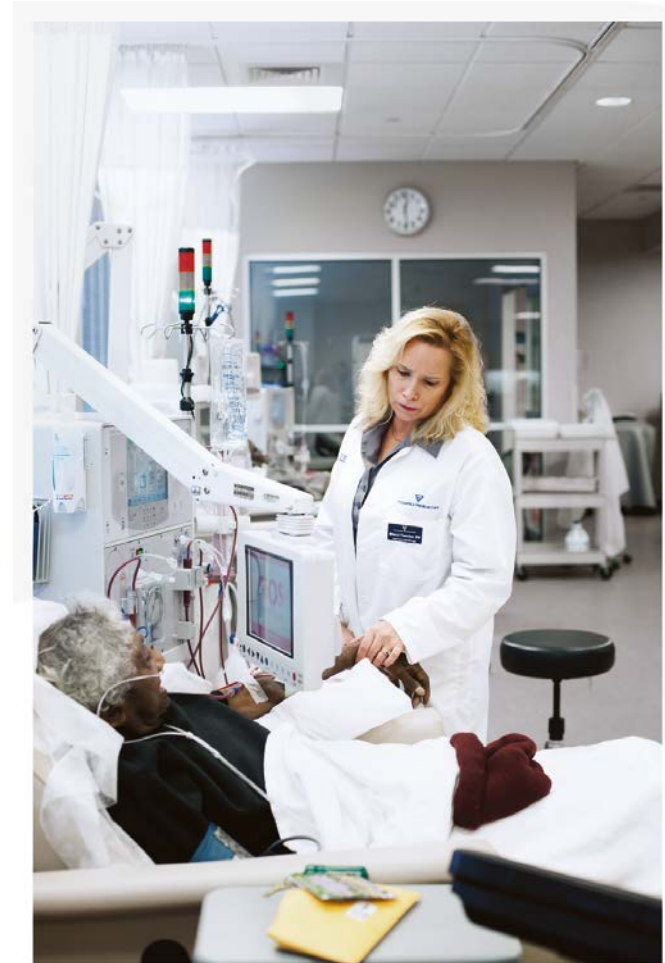
WKN: 578 580

ISIN: DE00057858002

- ▶ **Oliver Maier**
Head of Investor Relations and
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



Financial Calendar *

Feb 25, 2015	Report on Fiscal Year 2014
Apr 30, 2015	Report on 1 st quarter 2015
May 19, 2015	Annual General Meeting
Jul 30, 2015	Report on 2 nd quarter 2015
Oct 29, 2015	Report on 3 rd quarter 2015
Feb 25, 2016	Report on Fiscal Year 2015

* Please notice that these dates might be subject to change

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