



Deutsche Bank 20th Annual European Leveraged Finance Conference

London | June 9, 2016



**FRESENIUS
MEDICAL CARE**



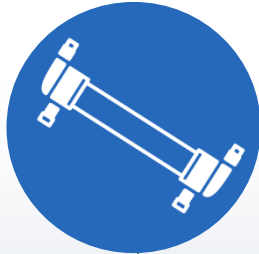
CREATING A FUTURE
WORTH LIVING

Fresenius Medical Care today

Every **0.7** seconds we **provide**
a **dialysis treatment**
somewhere on the globe



37
production sites



120m
sold dialyzers



3,400
clinics



294,400
patients



44.6m
dialysis treatments



104,033
employees



Our company profile

Health care services

Dialysis services



Therapies & laboratory services for patients with chronic kidney failure

\$11.5bn **69**%*

Care Coordination



Businesses supporting dialysis, e.g. vascular services

\$1.9bn **11**%*

Products

Dialysis products



e.g., dialysis machines, dialyzers & bloodline systems

\$3.3bn **20**%*

* in % of 2015 revenue

AGENDA



Market dynamics

1

Business update & outlook

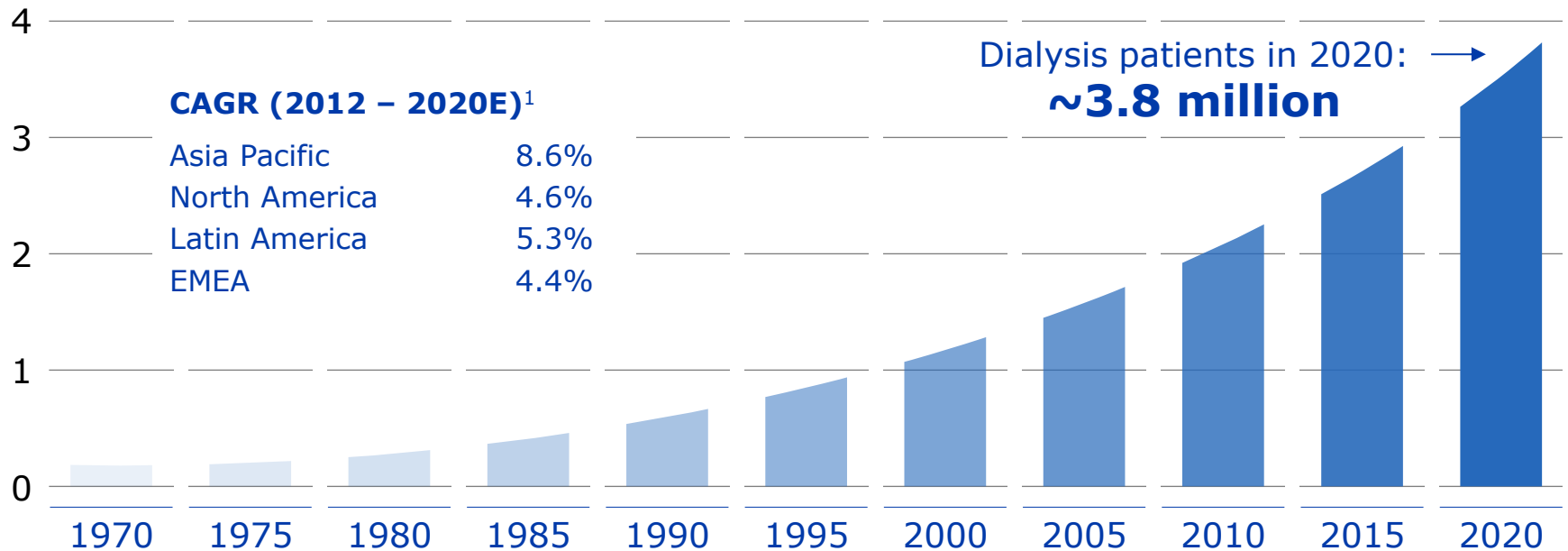
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Credit highlights

3

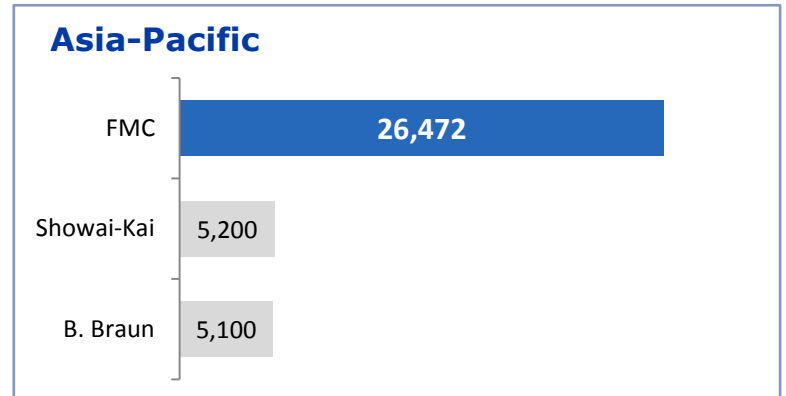
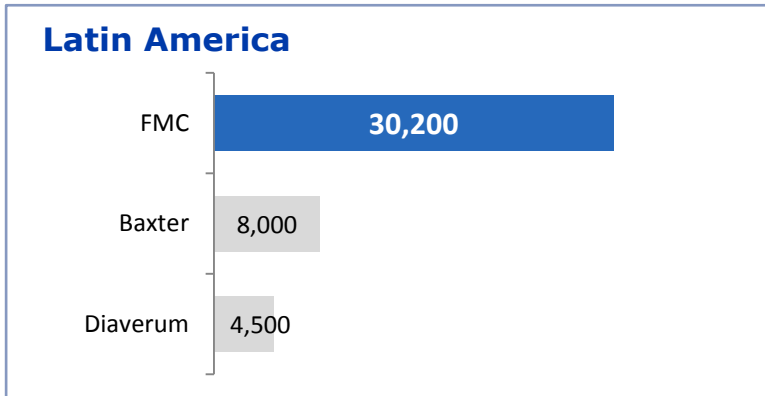
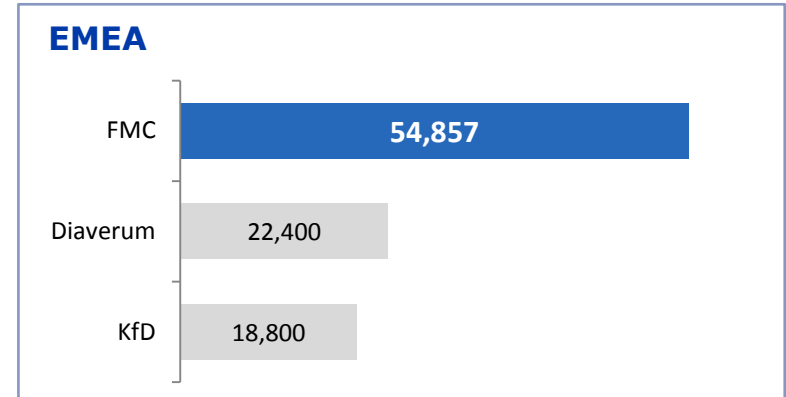
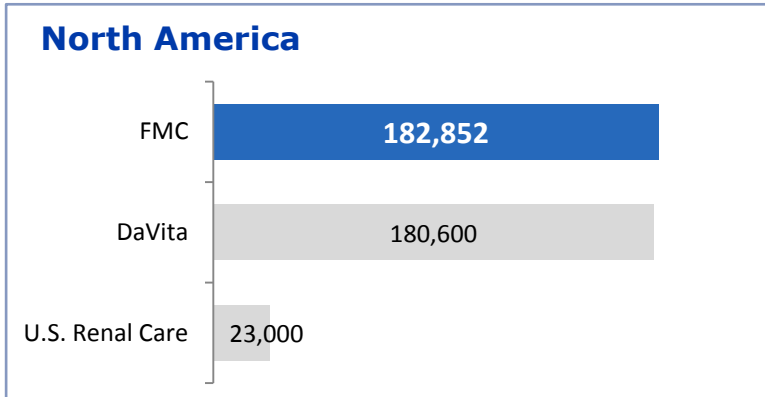
Expected global dialysis patient growth

- ▶ Expected patient growth of around 6% p.a.
- ▶ Driven by age, lifestyle and higher life expectancy



¹ Internal estimates

Dialysis services worldwide: Patients treated¹



USD ~73bn Market

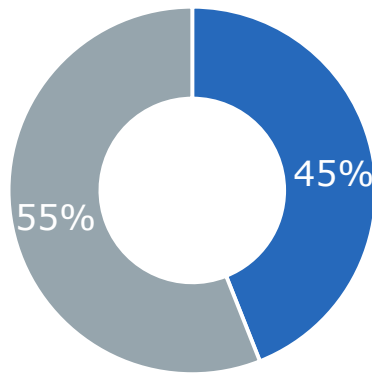
We lead in every major market, treating > 290,000 patients worldwide

¹ as of December 31, 2015, based on company statements and own estimates.

Market position by major product groups 2015

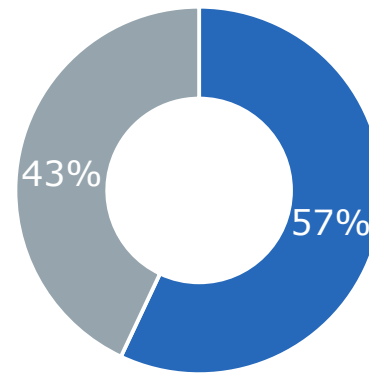
	Position 1
Dialyzers	FMC
Dialysis machines	FMC
Hemodialysis concentrates	FMC
Bloodlines	FMC
Peritoneal dialysis products	Baxter

Dialyzers

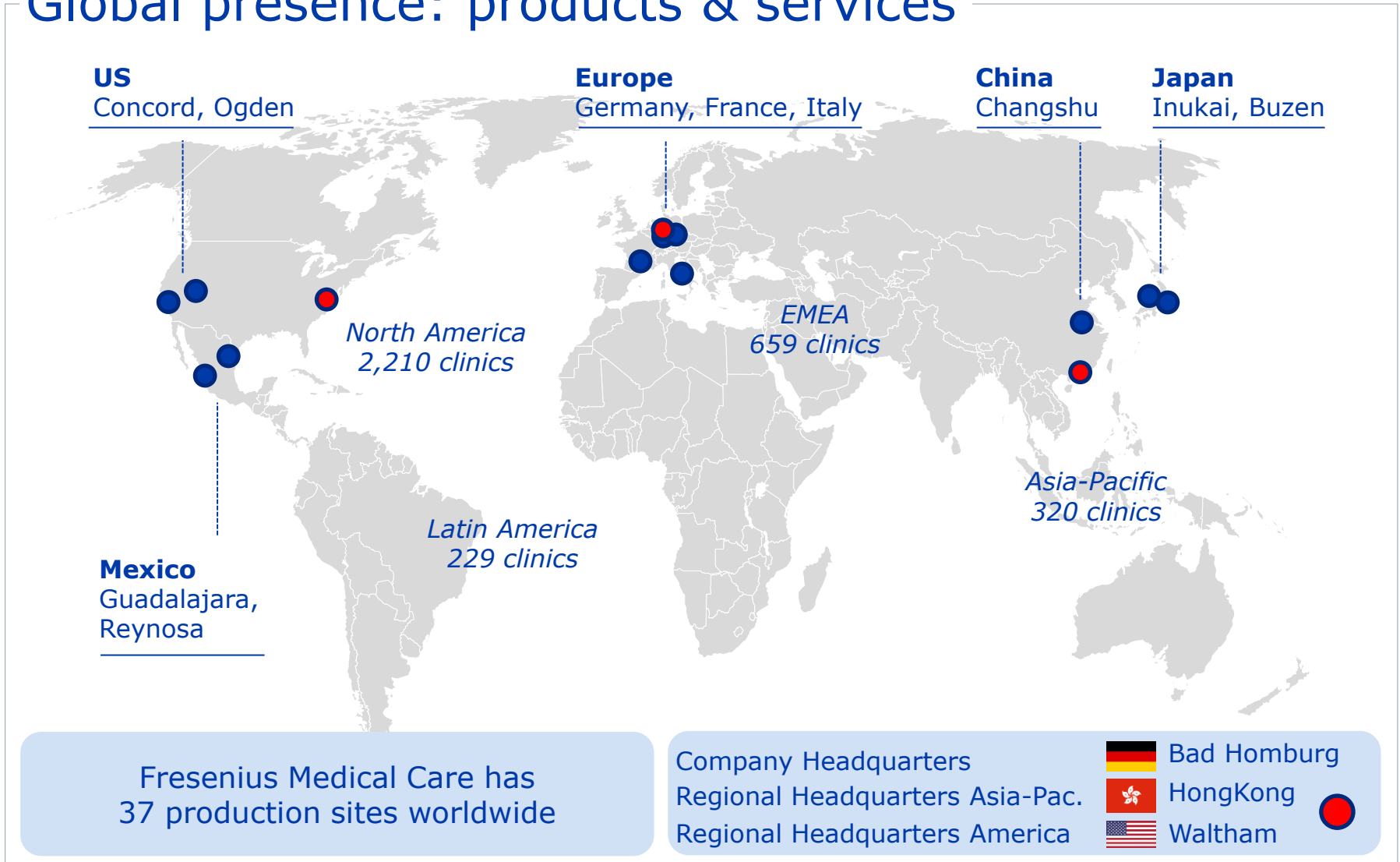


- FME
- Competitors

Dialysis machines



Global presence: products & services



AGENDA



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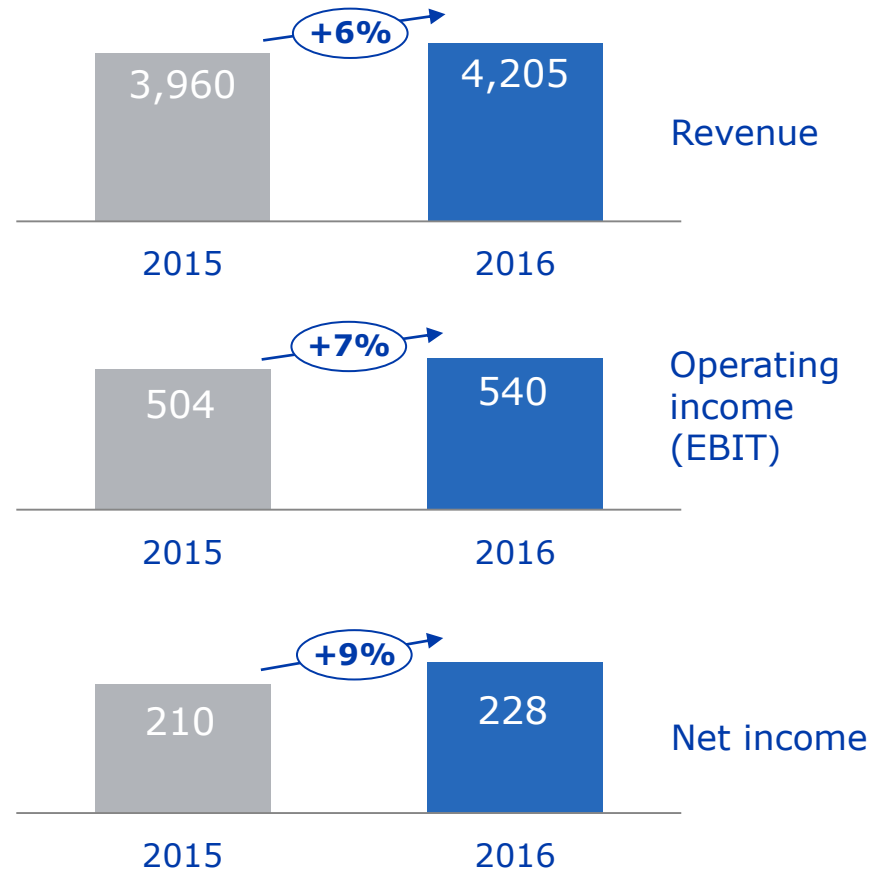
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Strong start to the year

Q1 2016 Highlights

- ▶ Strong growth in group revenue and net income
- ▶ Excellent development in North American business
- ▶ EMEA, Asia Pacific and Latin America impacted by foreign currency headwinds
- ▶ Care Coordination with good organic growth
- ▶ First quarter performance in line to achieve full year guidance

Q1 2016 Performance (US\$ million)



Diagrams: different scales applied

Solid organic growth in all regions

North America

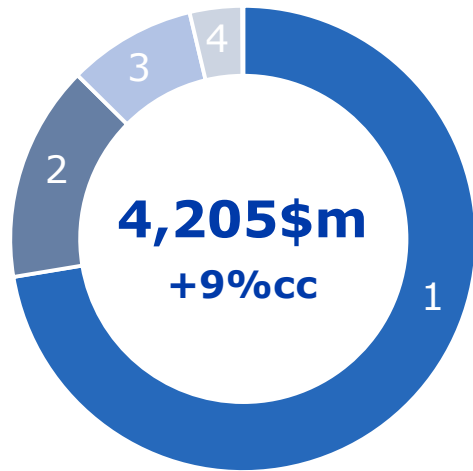
US\$ million

Revenue	3,044	+10%
Organic growth		+7%

EMEA, Asia-Pacific, Latin America

US\$ million

Revenue	1,158	+7% ^{cc}
Organic growth		+7%



1	North America	72%
2	EMEA	15%
3	Asia-Pacific	9%
4	Latin America	4%

EMEA

Revenue	631	+5% ^{cc}
Organic growth		+4%

Asia-Pacific

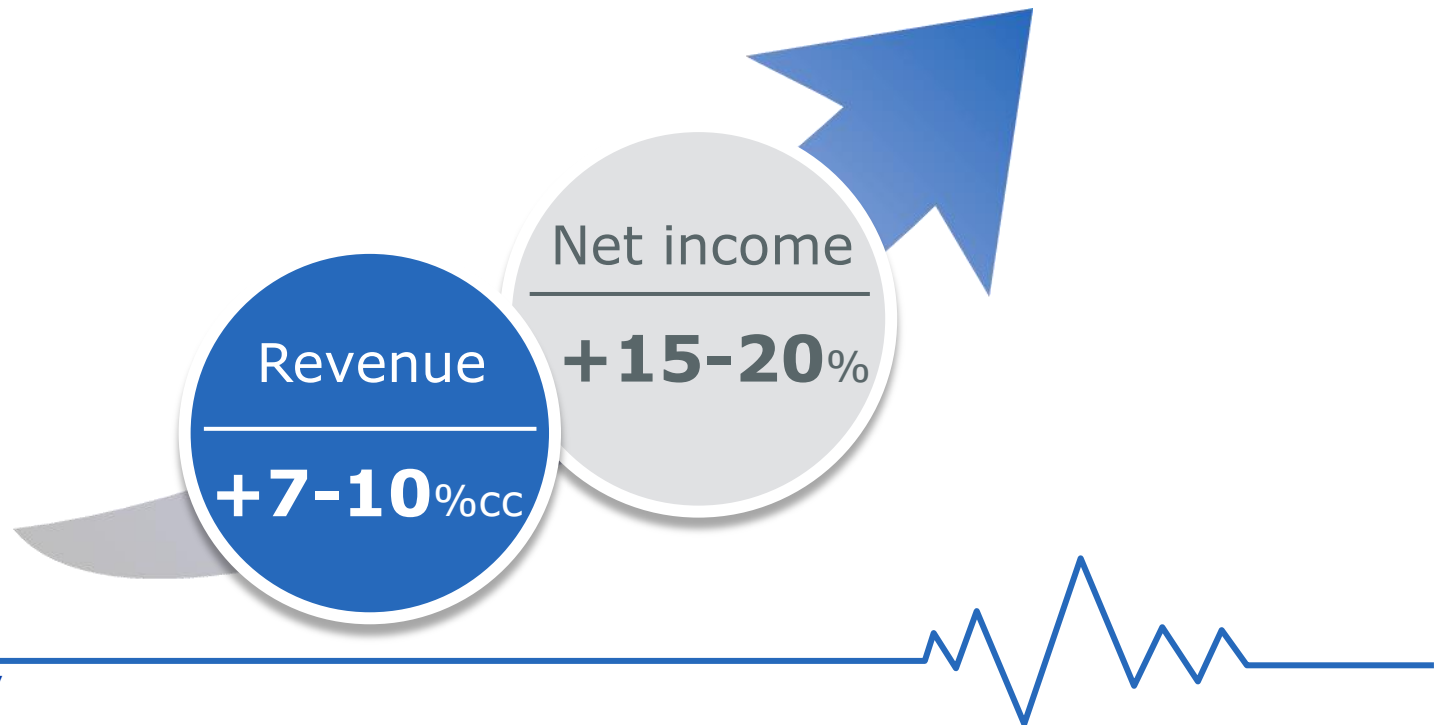
Revenue	374	+10% ^{cc}
Organic growth		+11%

Latin America

Revenue	153	+5% ^{cc}
Organic growth		+12%

cc = constant currency, corporate revenue = \$3m

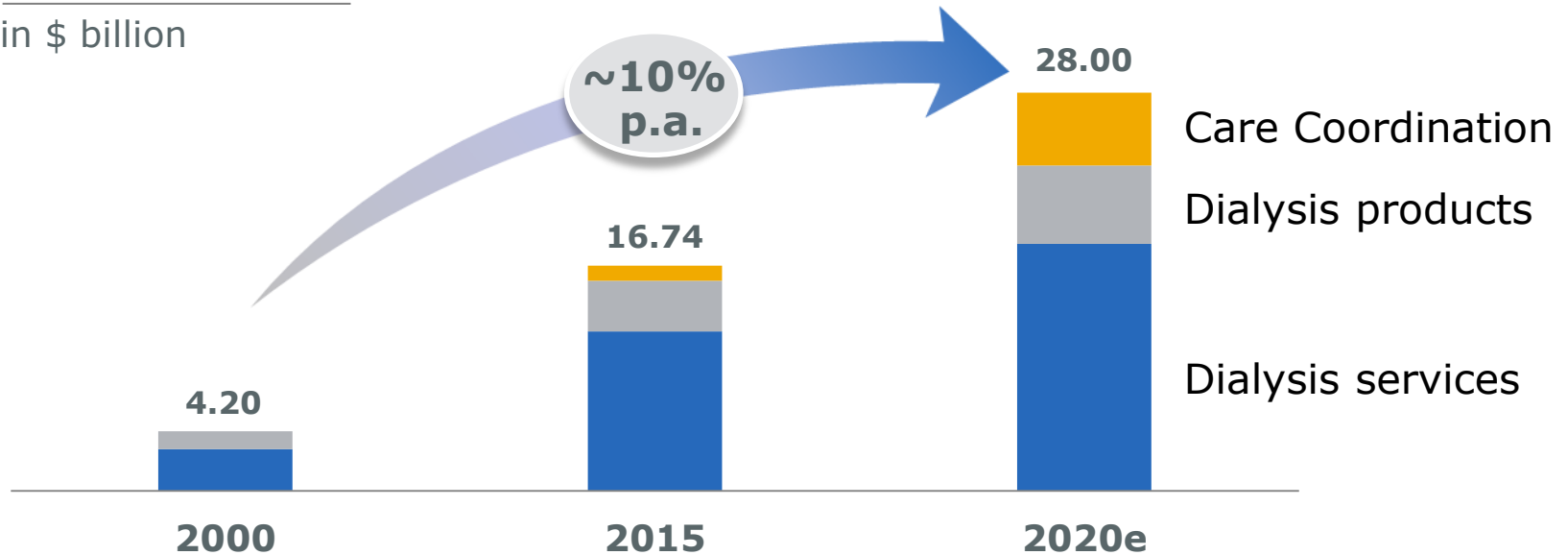
Outlook 2016 confirmed



- ▶ 2016 net income growth outlook is based on current exchange rates
- ▶ Savings from the Global Efficiency Program are included
- ▶ Acquisitions 2015/2016 are not included
- ▶ Net income growth based on US\$ 1,057 million in 2015

Long-term goals up to 2020

Revenue
in \$ billion



- ▶ We expect an average increase in net income in the high single-digit percentage range for the same period.
- ▶ We will continue to grow our dialysis services and products business.
- ▶ We plan to further expand our Care Coordination activities.

AGENDA



Market dynamics

1

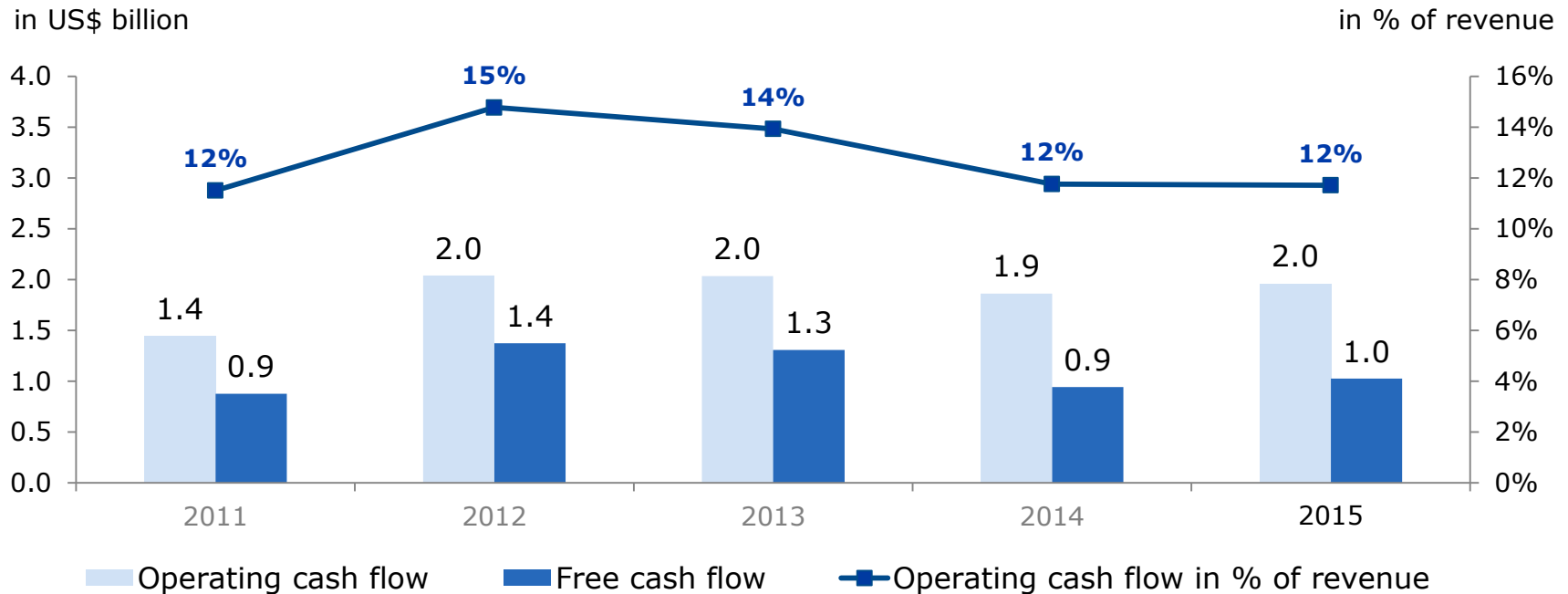
Business update & outlook

2

Credit highlights

3

Strong cash flow development



- ▶ Steady and predictable operating cash flow
- ▶ Target: Cash flow generation of >10% of total revenue
- ▶ Strong free cash flow of ~US\$ 1 billion p.a. on average

Clear priorities for use of cash

Cash from operating activities

1 Capital expenditures

- Guidance 2016: \$1.0 - \$1.1bn
- Capex breakdown: ~50% maintenance, ~50% expansion

2 Acquisitions & investments

- Guidance 2016: \$750m
- Strong cash flow allows for opportunistic approach

3 Dividend

- Dividend 2016: EUR 0.80 per share
- Dividend to grow approx. in line with net income

4 Share buy-back

- ~7.5m shares (~€385m) repurchased in 2013
- Currently no plans for large share buy-backs

2014-2020*:

~\$11bn
(~\$8bn dialysis products & services,
~\$3bn Care Coordination)

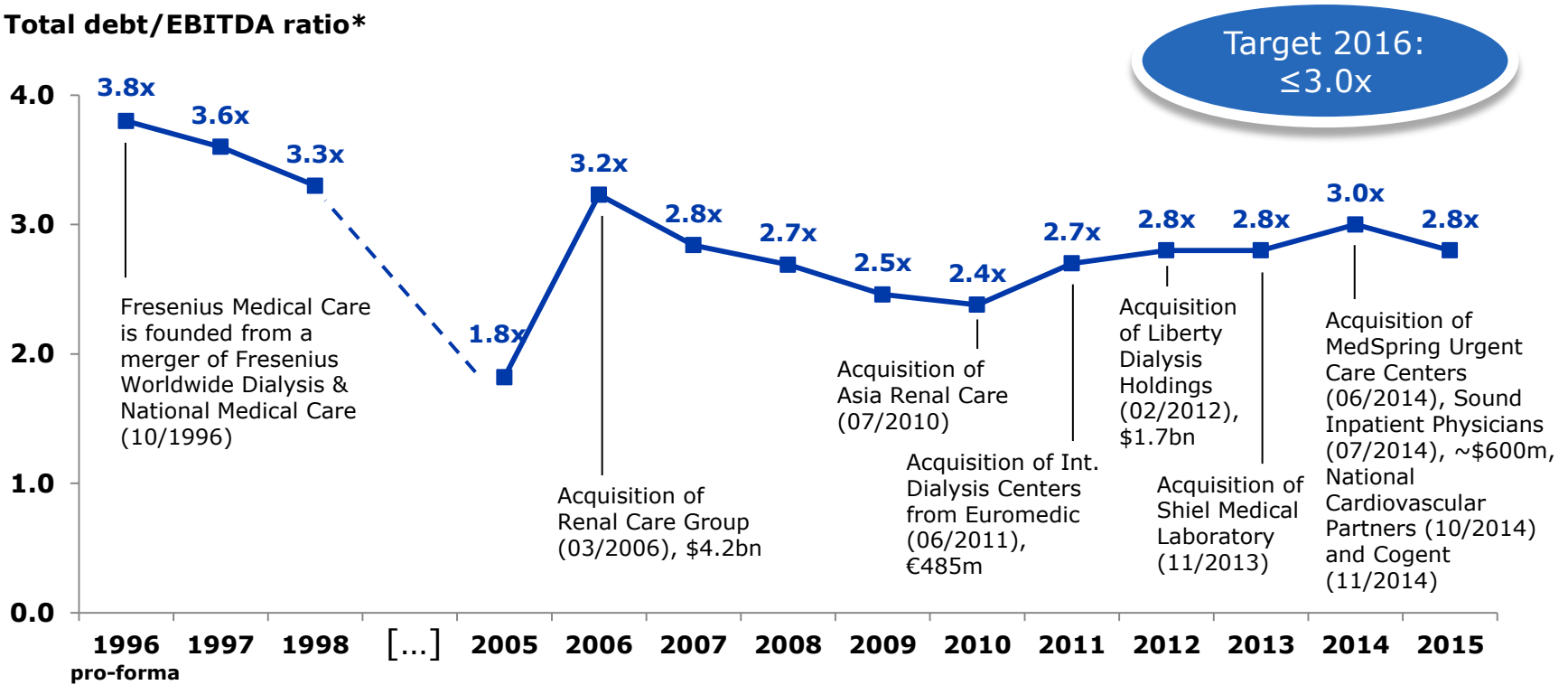
2014-2020*:

~\$3bn

* As announced at the FMC Capital Markets Day 2014.

Healthy leverage profile: Debt/EBITDA

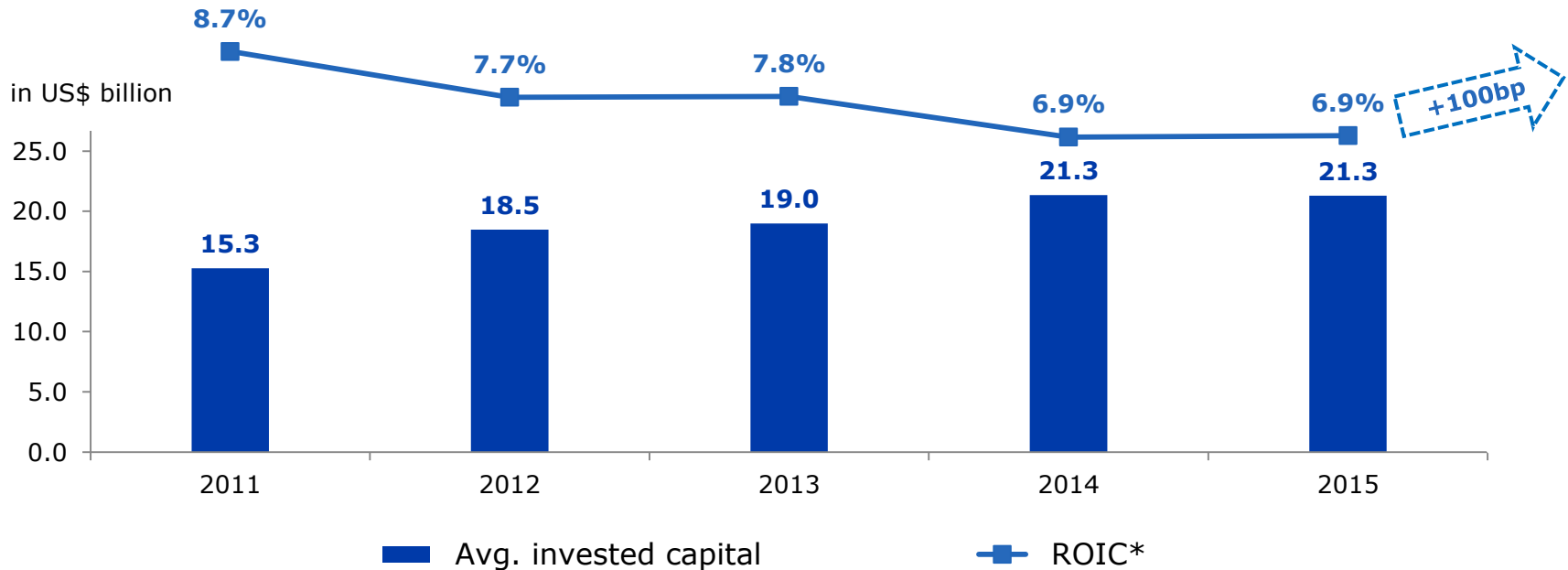
Total debt/EBITDA ratio*



- ▶ History of successful deleveraging after large acquisitions
- ▶ Clear commitment to keep leverage ratio at or below 3.0x

* Reclassification of debt issuance costs from current/non-current asset to long-term liabilities as of 2010.

Stable returns on invested capital

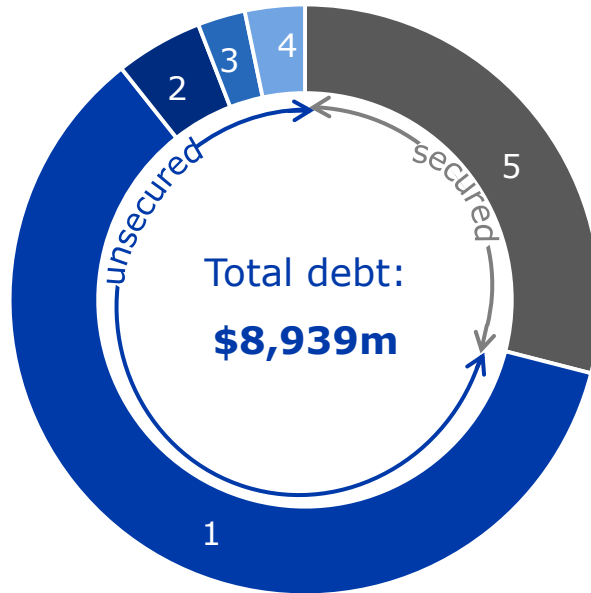


- ▶ Long-term value creation based on accretive acquisitions and organic growth
- ▶ New business segment Care Coordination still in investment mode
- ▶ ROIC to improve by 100 basis points over the planning period (2014-2020)

* Based on net operating profit after tax (NOPAT) and average invested capital over the fiscal year.

Diversified financing mix

As of March 31, 2016



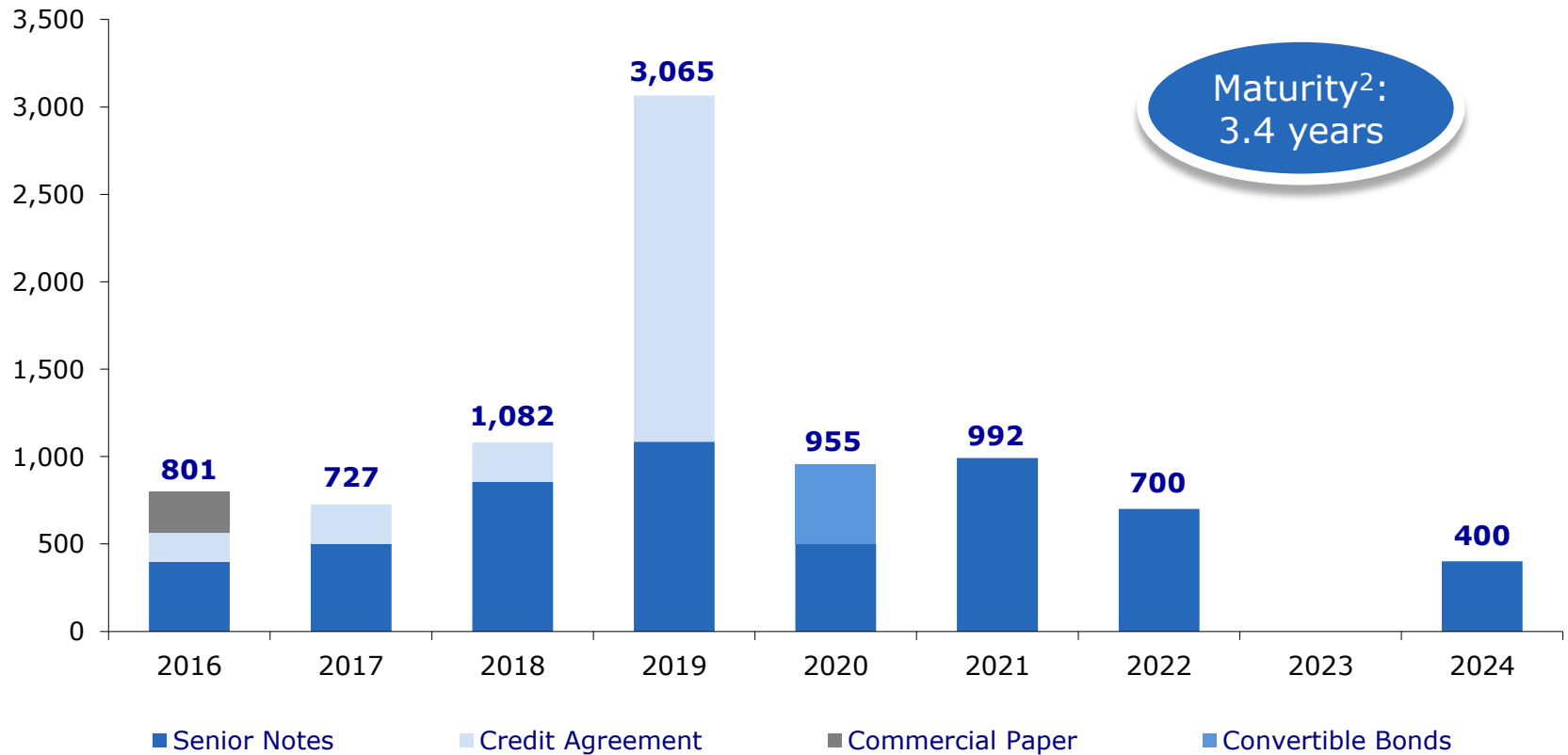
1	Senior notes	60%
2	Equity-neutral convertible bond	5%
3	Commercial paper	3%
4	Other financial liabilities	3%
5	Senior secured credit facilities	29%

Funding strategy

- Ensure financial flexibility through diversification of financing instruments
- Optimize cost of capital
- Limit financial risks
- Balance maturity profile

Well balanced debt maturity profile¹

in \$ million



¹ based on utilization of major financing instruments, as of March 31, 2016.

² weighted-average time-to-maturity as of March 31, 2016.

Credit ratings

	Standard & Poor's	Moody's	Fitch
Long-term	BBB-	Ba1	BB+
Outlook	stable	stable	stable
Secured debt	BBB-	Baa3	BBB-
Unsecured debt	BB+	Ba2	BB+

- ▶ Fresenius Medical Care's credit ratings allow for good access to the international capital markets at all times
- ▶ Strong cash flow and sufficient debt capacity provide flexibility to finance opportunistic acquisitions if needed

Financing highlights



Strong and predictable cash flow generation



Healthy credit profile and solid balance sheet



Stable returns on invested capital



Diversified mix of financing instruments



Well-balanced maturity profile

20 YEARS

CREATING A FUTURE
WORTH LIVING

Attachment 1

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

US\$ million

Debt	FY 2014 ¹⁾	FY 2015	Q1 2016
Short term borrowings	133	109	349
+ Short term borrowing from related parties	5	19	64
+ Current portion of long-term debt and capital lease obligations	314	664	678
+ Long-term debt and capital lease obligations less current portion	9,014	7,854	7,848
TOTAL debt	9,466	8,646	8,939

EBITDA	FY 2014 ²⁾	FY 2015 ²⁾	Q1 2016
Last twelve month operating income (EBIT)	2,347	2,327	2,363
+ Last twelve month depreciation and amortization	716	717	723
+ Non-cash charges	57	83	84
EBITDA (annualized)	3,120	3,127	3,170
Total Debt ¹⁾ / EBITDA	3.0	2.8	2.8

1) Reclassification of debt issuance costs from current / non-current assets to long-term liabilities

2) EBITDA: including largest acquisitions

Attachment 2

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

US\$ million

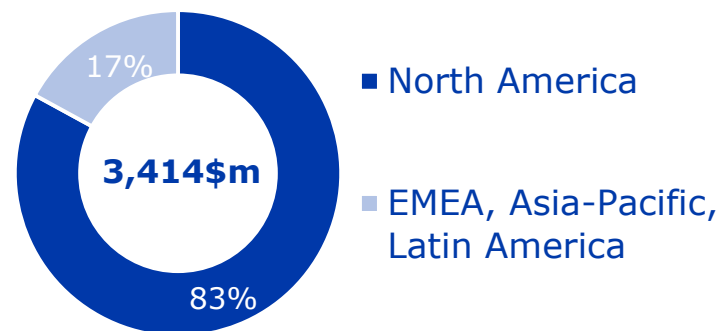
Cash Flow	Q1 2015	Q1 2016
Acquisitions, investments and net purchases of intangible assets	(22)	(91)
+ Proceeds from divestitures	11	-
= Acquisitions and investments, net of divestitures	(11)	(91)

Capital expenditures, net	Q1 2015	Q1 2016
Purchase of property, plant and equipment	(201)	(250)
- Proceeds from sale of property, plant & equipment	4	4
= Capital expenditure, net	(197)	(246)

Health Care revenue continues to grow

	Q1 2016 US\$ million	Q1 2015 US\$ million	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
North America	2,832	2,571	10	10	8	4
of which Care Coordination	522	434	20	20	17	-
EMEA, Asia-Pacific, Latin America	582	611	(5)	6	7	4
Total Health Care	3,414	3,182	7	9	7	4

- ▶ 5% increase in dialysis treatments
- ▶ Higher revenue supported by favorable payer development
- ▶ Care Coordination with good organic growth

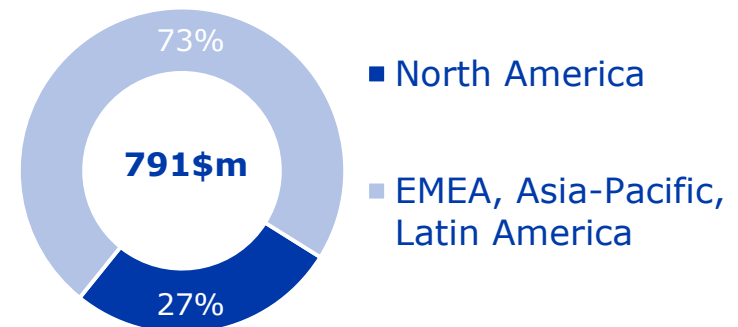


cc = constant currency

Dialysis Products show good demand

	Q1 2016 US\$ million	Q1 2015 US\$ million	Growth in %	Growth in %cc
North America	212	200	6	6
EMEA, Asia-Pacific, Latin America	576	569	1	8
Corporate	3	9	(63)	(62)
Total Dialysis Products	791	778	2	6

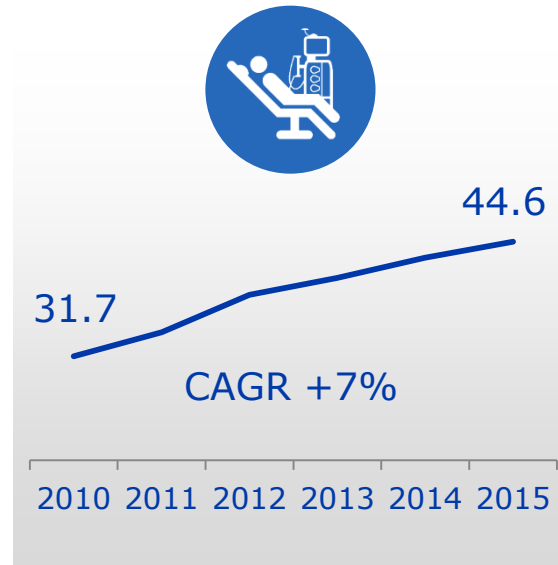
- ▶ Increased sales of dialyzers, machines and bloodlines
- ▶ Solid growth despite strong comparable first half 2015
- ▶ Foreign currency headwinds outside North America
- ▶ Global PD growth at 4% yoy (cc); North American PD growth at 15% yoy



PD = Peritoneal Dialysis, yoy = year-over-year, cc = constant currency

Patients, treatments, clinics – our global footprint

FY 2015	Patients	Treatments (mn)	Clinics
North America	182,852	27.7	2,210
EMEA	54,857	8.2	659
Asia-Pacific	26,472	3.8	320
Latin America	30,200	4.9	229
Total	294,381	44.6	3,418

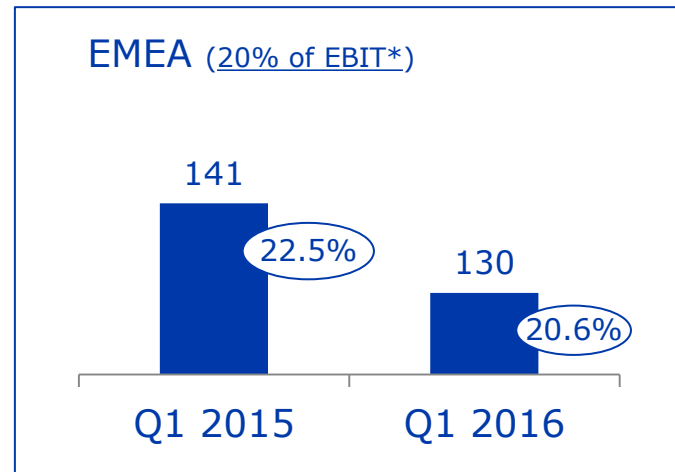
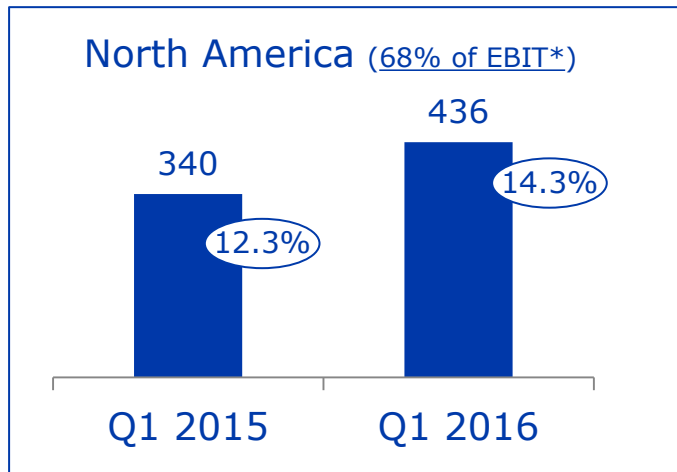


Profit grows faster than top line

	Q1 2016 in \$ million	Q1 2015 in \$ million	Growth in %
Net revenue	4,205	3,960	6
Operating income (EBIT)	540	504	7
<i>EBIT-margin in %</i>	12.8	12.7	(10bp)
Net interest expense	105	102	3
Income before taxes	435	402	8
Income tax expense	138	138	-
<i>Tax rate in %</i>	31.8	34.4	(250bp)
Non-controlling interest	69	54	25
Net income	228	210	9

- ▶ Revenue increased by 9% constant-currency, in line with full-year guidance
- ▶ Lower income tax expense due to increased noncontrolling interest in the US and lower tax rates in certain tax jurisdictions
- ▶ Net income supported by lower cost for healthcare supplies and savings from Global Efficiency Program

North America again with strong margin increase

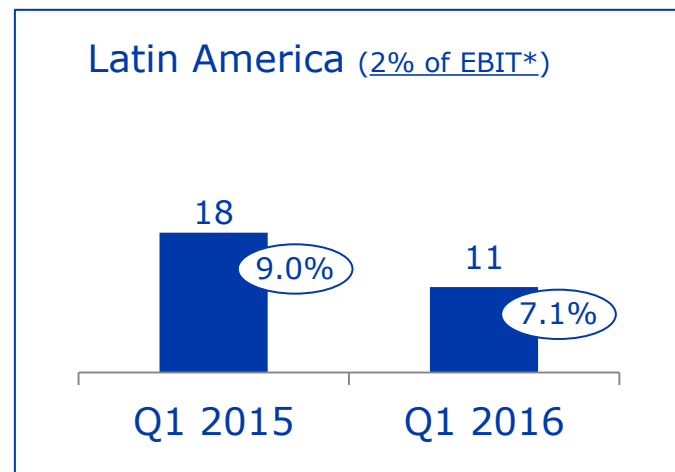
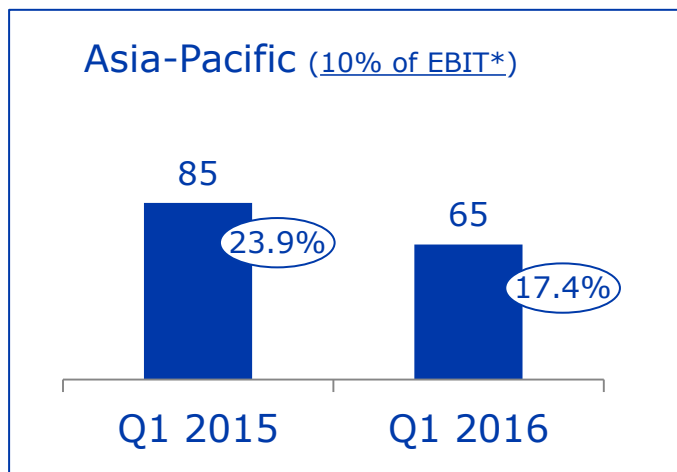


in US\$ million

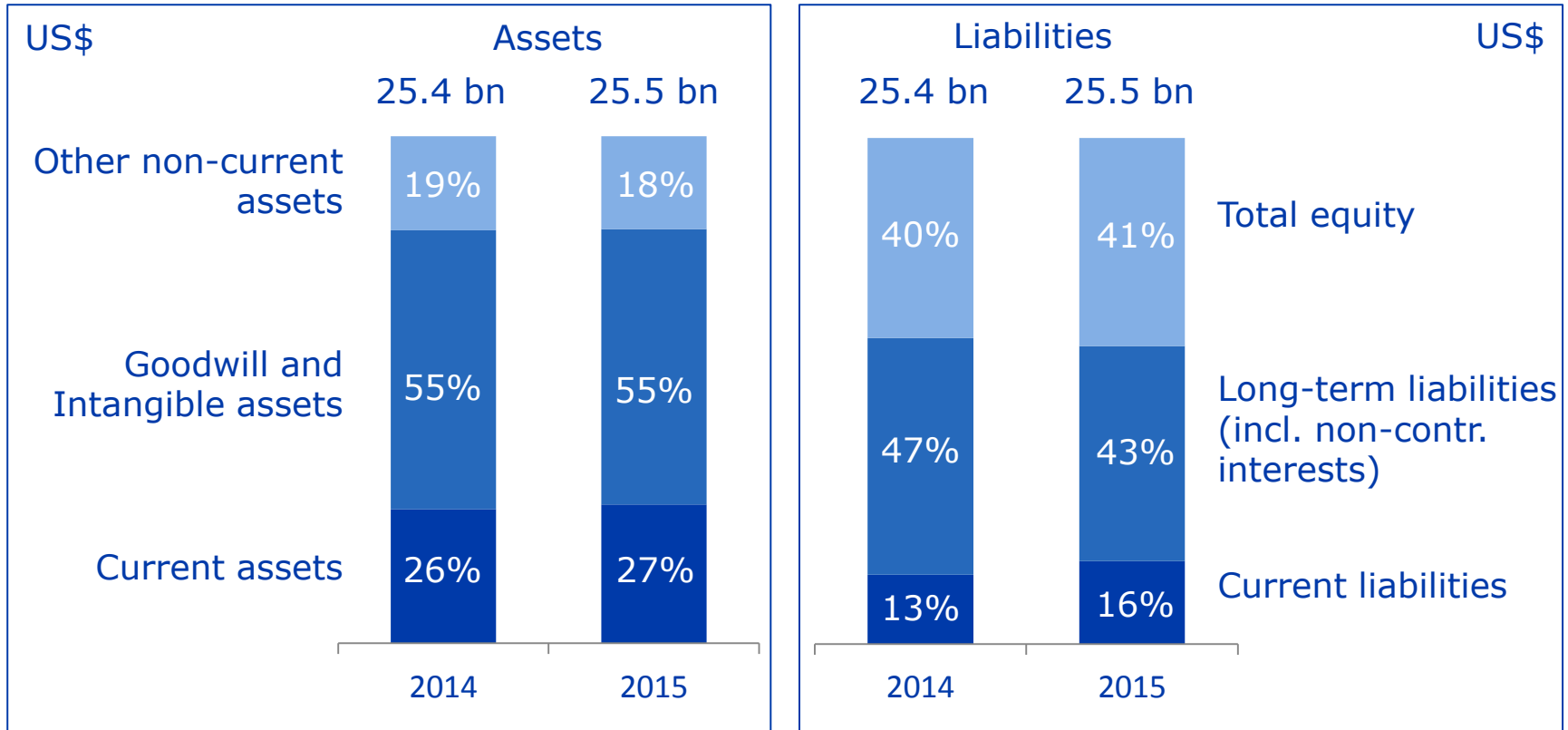
■ EBIT

○ EBIT-margin

Diagrams: different scales applied



Solid balance sheet



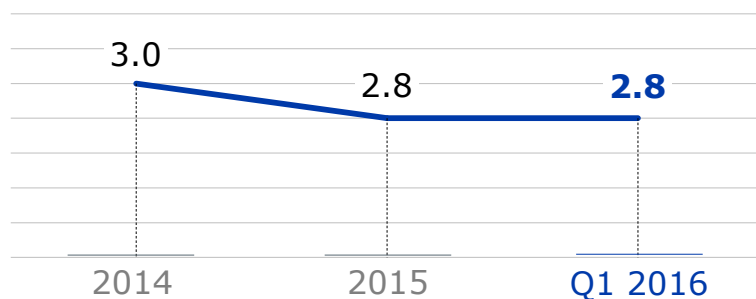
- ▶ Stable proportion of assets & liabilities as of December 31, 2015
- ▶ Strong equity ratio of 41% in 2015 (+100bp yoy)

Cash flow development and credit profile

Days sales outstanding (DSO) at 74 days worldwide.

	Q1 2016 in \$ million	Q1 2015 in \$ million
Operating cash flow	180	447
in % of revenue	4.3	11.3
Capital expenditures, net	(246)	(197)
Free cash flow	(66)	250
Free cash flow, after acquisitions and investments	(157)	239

Total debt/EBITDA-ratio



Current ratings

	S&P	Moody's	Fitch
Company	BBB-	Ba1	BB+
Outlook	stable	stable	stable

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

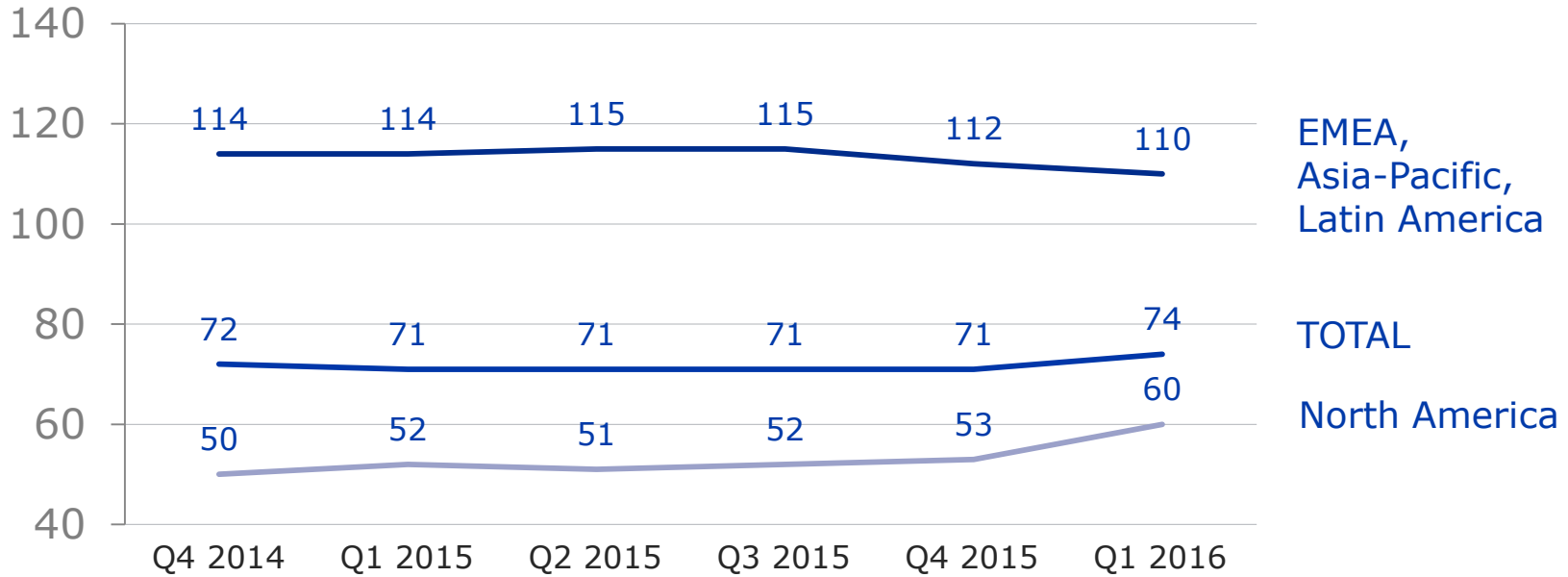
Quality outcomes remain stable

% of patients	North America		EMEA		Latin America ¹		Asia-Pacific ¹	
	Q4 2015	Q1 2016	Q4 2015	Q1 2016	Q4 2015	Q1 2016	Q4 2015	Q1 2016
Kt/V ≥ 1.2	98	98	96	96	92	92	97	97
No catheter (>90 days)	84	85	82	82	83	82	91	91
Hemoglobin = 10 – 12 g/dl	72	72	77	78	52	52	60	58
Hemoglobin = 10 – 13 g/dl (International)	78	77	77	77	69	68	68	66
Albumin ≥ 3.5 g/dl	81	82	92	91	90	90	89	89
Phosphate ≤ 5.5 mg/dl	64	64	79	78	75	75	72	70
Calcium 8.4 – 10.2 mg/dl	84	84	77	74	75	76	75	74
Hospitalization days, per patient	10.0	10.0	9.4	9.4	3.5	3.5	4.2	4.3

¹ Outcome data in these regions might be more volatile over time as clinic data will be added

Day sales outstanding (DSO)

in days



- ▶ The DSO increase in the North America Segment is largely due to a delay in invoicing within the quarter.

Exchange rates

		Q1 2015	FY 2015	Q1 2016
€:\$	Period end	1.0759	1.0887	1.1385
	Average	1.1261	1.1095	1.1020
\$:CNY	Period end	6.2004	6.4855	6.4571
	Average	6.2367	6.2851	6.5427
\$:RUB	Period end	58.0351	74.1009	67.0225
	Average	63.0147	61.3538	74.8191
\$:ARS	Period end	8.8095	12.9825	14.6423
	Average	8.6890	9.2570	14.4491

U.S. dialysis days per quarter

	Q1	Q2	Q3	Q4	Full year
2014	76	78	79	80	313
2015	76	78	79	79	312
2016	78	78	79	79	314
2017	77	78	79	78	312

Capitalization as of March 31, 2016

	March 31, 2016			EBITDAx ¹ Q1 2016
	in \$ m	in € m	% of total capitalization	
Cash and cash equivalents	518	455	1.46%	
Revolving credit facility	47	42	0.13%	
Term Loan A USD	2,250	1,976	6.33%	
Term Loan A EUR	308	270	0.86%	
Total credit agreement debt	2,605	2,288	7.32%	0.8
Senior Notes	5,422	4,762	15.24%	
Convertible bonds	431	379	1.21%	
A/R facility	0	0	0.00%	
Commercial Paper	233	205	0.66%	
Other debt less total debt issuance costs ²	247	217	0.69%	
Total net debt	8,421	7,396	23.67%	2.7
Market capitalization	27,150	23,847	76.33%	
Total capitalization³	35,570	31,243	100.00%	

¹ Based on annualized EBITDA (Q1 2016) of \$3,170m.

² Consists of other bank debt (incl. short term debt), capital lease obligations.

³ Based on outstanding shares and FME share price as of March 31, 2016.

NOTE: Debt balances based on exchange rate of USD/EUR of 1.1385 as of March 31, 2016.

2020 growth strategy

**Opening up
new business
areas**

**Growing in our
core business**



**Enhancing
products and
treatments**

**Increasing
flexibility and
efficiency**

Safe harbor statement: This presentation includes certain forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Act of 1934, as amended. The Company has based these forward-looking statements on its views with respect to future events and financial performance. Actual results could differ materially from those included in the forward-looking statements due to various risk factors and uncertainties, including changes in business, economic competitive conditions, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings and the availability of financing. Given these uncertainties, readers should not put undue reliance on any forward-looking statements. These and other risks and uncertainties are discussed in detail in Fresenius Medical Care AG & Co. KGaA's (FMC AG & Co. KGaA) reports filed with the Securities and Exchange Commission (SEC) and the German Exchange Commission (Deutsche Börse).

Forward-looking statements represent estimates and assumptions only as of the date that they were made. The information contained in this presentation is subject to change without notice and the company does not undertake any duty to update the forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable law and regulations.

If not mentioned differently the term net income after minorities 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. The term EMEA refers to the region Europe, Middle East and Africa. Amounts are in US-\$ if not mentioned otherwise.

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.

Financial calendar *

Aug 2, 2016	Report on 2 nd quarter 2016
Oct 27, 2016	Report on 3 rd quarter 2016
May 25, 2016	UBS Global Healthcare Conference, NY
May 30, 2016	Danske German Corporate Day, Copenhagen
May 31, 2016	Kepler Cheuvreux One-Stop-Shop, Geneva
June 7, 2016	Goldman Sachs Global Healthcare Conference, LA
June 7, 2016	Jefferies Healthcare Conference, NY

* Please note that dates and/or participation might be subject to change

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London | June 9, 2016



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WORTH LIVING