



BofAML Global Healthcare Conference

London | September 14, 2016



**FRESENIUS
MEDICAL CARE**



CREATING A FUTURE
WORTH LIVING

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.

Fresenius Medical Care today

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

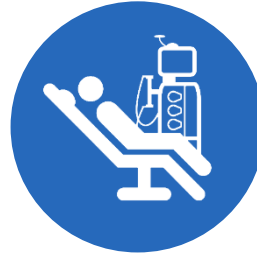


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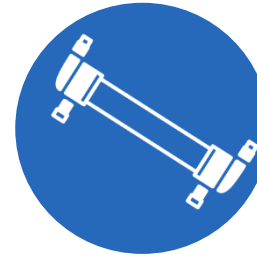
Production sites



3,504
clinics



301,548
patients



22,821,121
dialysis treatments
(1st half 2016)



106,556
employees



AGENDA



Market dynamics

1

Business update: Q2 2016

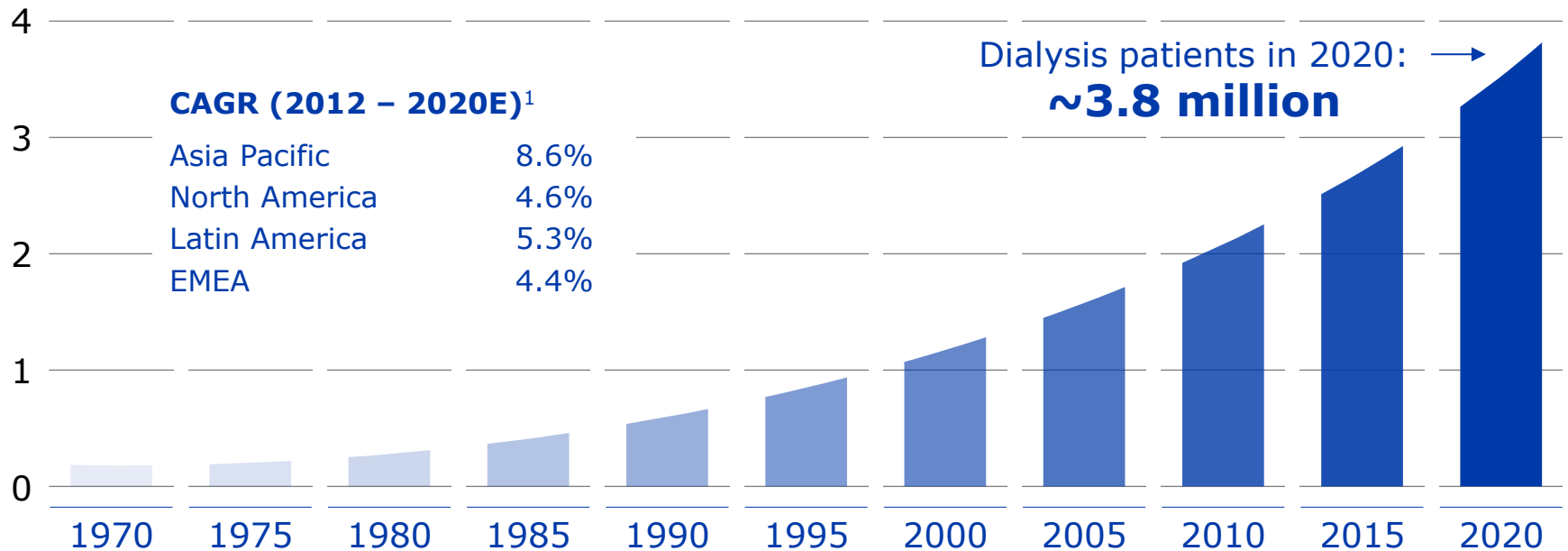
2

Financials & outlook

3

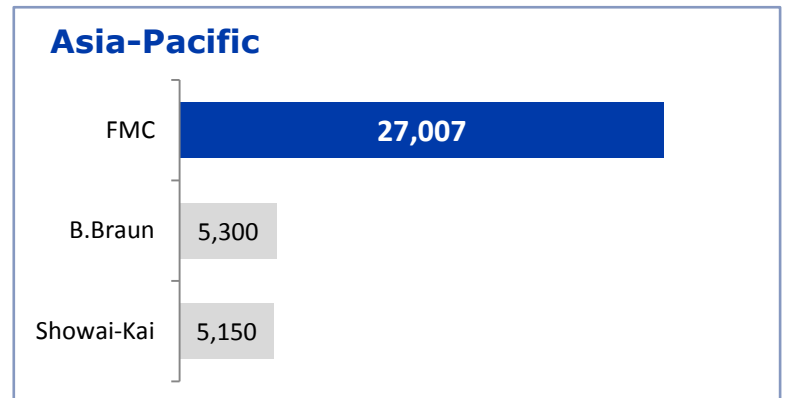
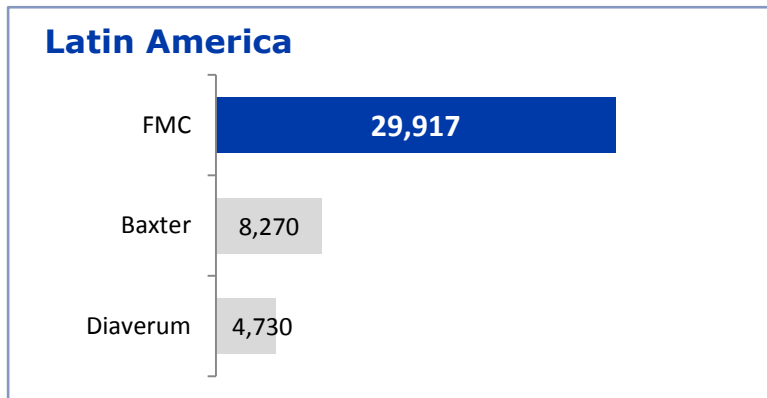
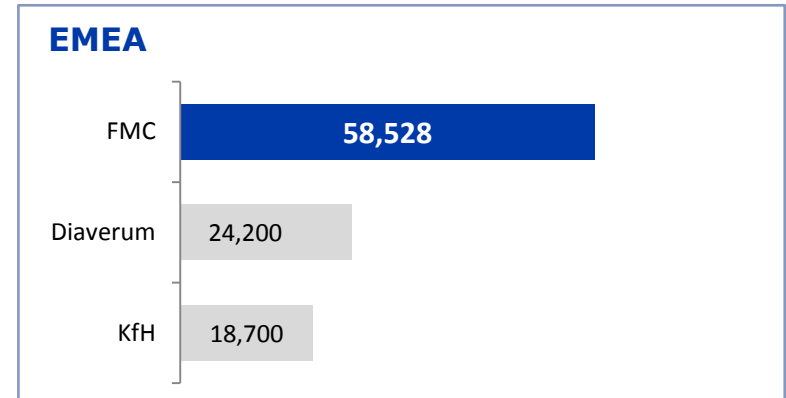
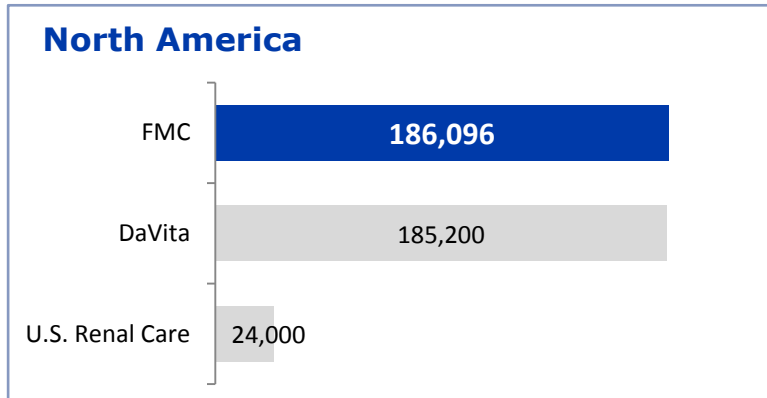
Expected global dialysis patient growth

- ▶ 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

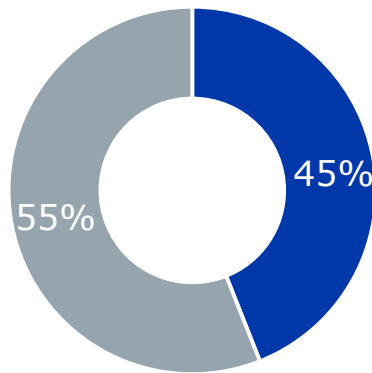
We lead in every major market,
treating > 290,000 patients worldwide

¹ as of June 30, 2015, based on company statements and own estimates.

Market position by major product groups 2015

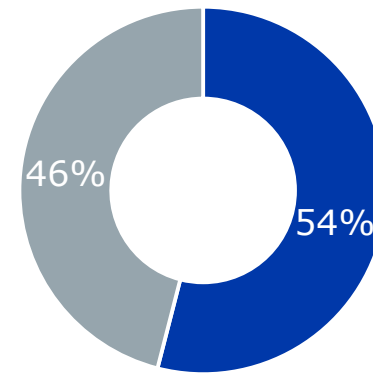
| | Position 1 |
|------------------------------|-------------------|
| Dialyzers | FMC |
| Dialysis machines | FMC |
| Hemodialysis concentrates | FMC |
| Bloodlines | FMC |
| Peritoneal dialysis products | Baxter |

Dialyzers



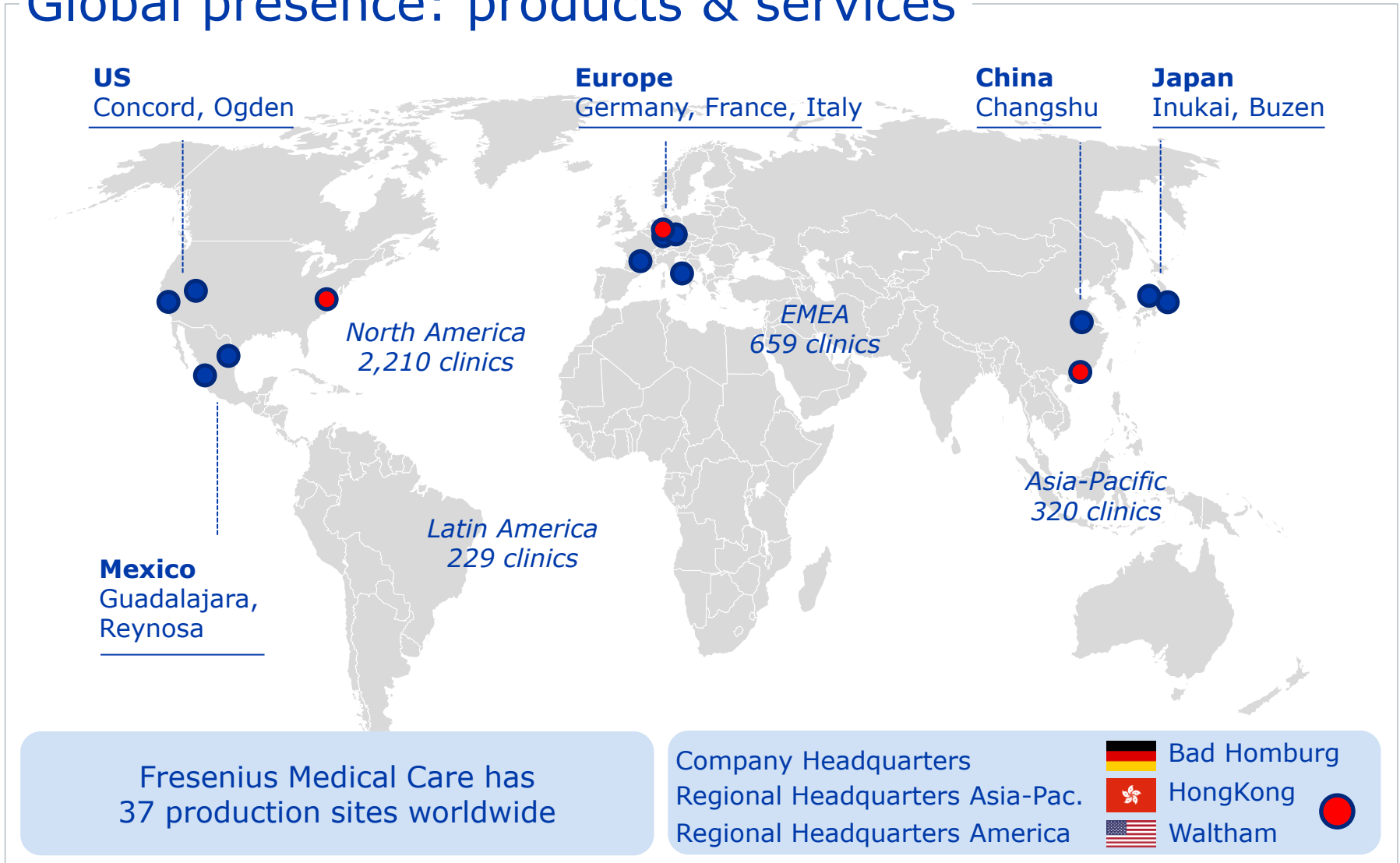
■ FME
■ Competitors

Dialysis machines



Sold around 120 million dialyzers in 2015

Global presence: products & services



AGENDA



Market dynamics

1

Business update: Q2 2016

2

Financials & outlook

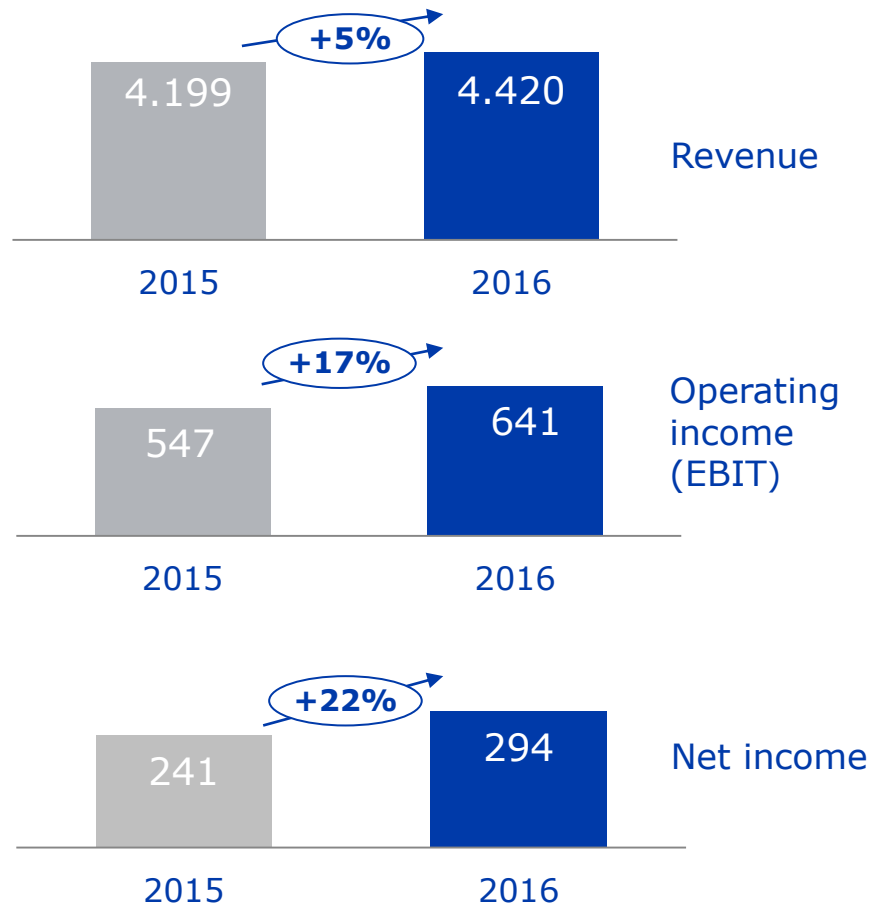
3

Q2: Accelerated earnings growth

Q2 2016 Highlights

- ▶ Solid revenue growth driven by very good results in health care services
- ▶ North America again with excellent operating performance
- ▶ Care Coordination continues to show significant top-line growth
- ▶ New innovative hemodialysis therapy system 6008 launched in May
- ▶ For the first time providing services to more than 300,000 patients worldwide
- ▶ On track to achieve full year guidance

Q2 2016 Performance (US\$ million)



Q2: Solid revenue development in all segments

North America

US\$ million

| | | |
|----------------|-------|-----|
| Revenue | 3,168 | +8% |
| Organic growth | | +7% |

EMEA

US\$ million

| | | |
|----------------|-----|-------|
| Revenue | 676 | +3%cc |
| Organic growth | | 0% |

Asia-Pacific

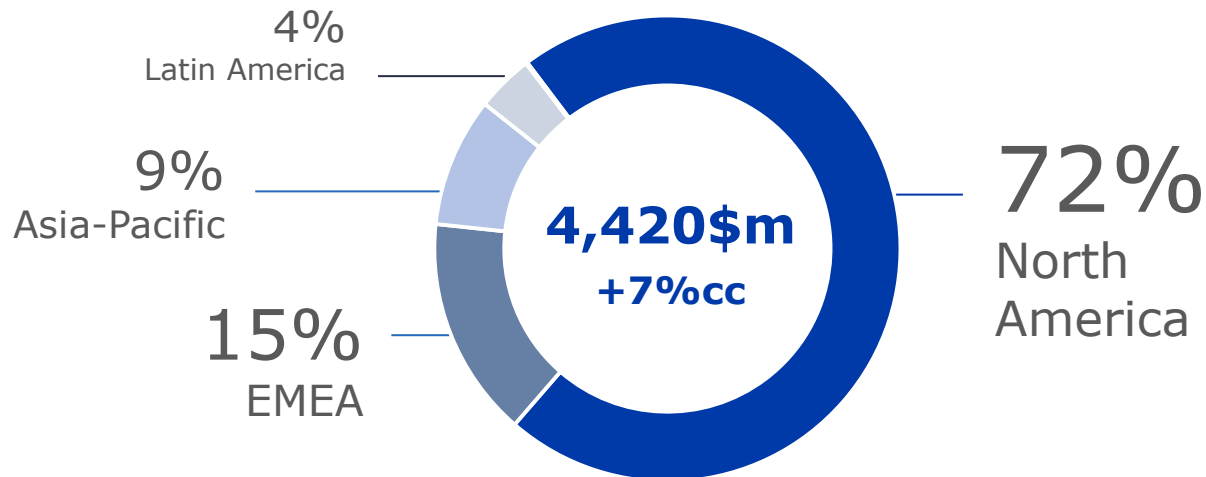
US\$ million

| | | |
|----------------|-----|-------|
| Revenue | 397 | +6%cc |
| Organic growth | | +7% |

Latin America

US\$ million

| | | |
|----------------|-----|-------|
| Revenue | 175 | +9%cc |
| Organic growth | | +17% |



cc = constant currency, corporate revenue = \$4m

Q2: Quality outcomes remain stable

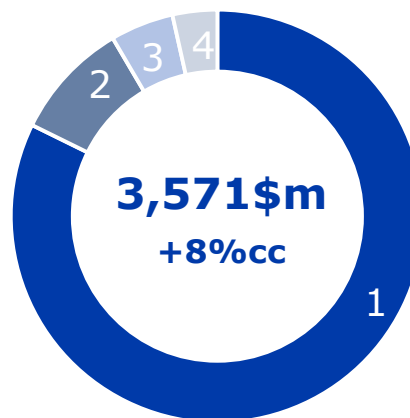
| % of patients | North America | | EMEA | | Latin America ¹ | | Asia-Pacific ¹ | |
|---|---------------|---------|------------|---------|----------------------------|---------|---------------------------|---------|
| | Q2 2016 | Q1 2016 | Q2 2016 | Q1 2016 | Q2 2016 | Q1 2016 | Q2 2016 | Q1 2016 |
| Kt/V ≥ 1.2 | 98 | 98 | 96 | 96 | 92 | 92 | 97 | 97 |
| No catheter (>90 days) | 84 | 85 | 81 | 82 | 82 | 82 | 91 | 91 |
| Hemoglobin = 10 – 12 g/dl | 73 | 72 | 77 | 78 | 52 | 52 | 58 | 58 |
| Hemoglobin = 10 – 13 g/dl (International) | 78 | 77 | 77 | 77 | 69 | 68 | 66 | 66 |
| Albumin ≥ 3.5 g/dl | 81 | 82 | 90 | 91 | 90 | 90 | 87 | 89 |
| Phosphate ≤ 5.5 mg/dl | 63 | 64 | 76 | 78 | 77 | 75 | 71 | 70 |
| Calcium 8.4 – 10.2 mg/dl | 83 | 84 | 73 | 74 | 74 | 76 | 75 | 74 |
| Hospitalization days, per patient | 10.0 | 10.0 | 9.4 | 9.4 | 3.6 | 3.5 | 4.0 | 4.3 |

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

Q2: Health care services revenue continues to grow

| | Q2 2016 US\$ million | Q2 2015 US\$ million | Growth in % | Growth in %cc | Organic growth in % | Same market growth in % |
|----------------------------|-------------------------|-------------------------|-------------------|------------------|---------------------------|----------------------------------|
| Total health care | 3,571 | 3,345 | 7 | 8 | 7 | 3 |
| North America | 2,938 | 2,722 | 8 | 8 | 7 | 3 |
| of which Care Coordination | 564 | 468 | 21 | 21 | 17 | n.a. |
| EMEA | 331 | 309 | 7 | 9 | 3 | 3 |
| Asia-Pacific | 177 | 164 | 8 | 2 | 4 | 5 |
| Latin-America | 125 | 139 ¹ | (10) ¹ | 18* | 19 | 2 |

- ▶ 4% increase in dialysis treatments
- ▶ Positive impact from a higher volume with commercial payers
- ▶ Care Coordination with significant organic growth



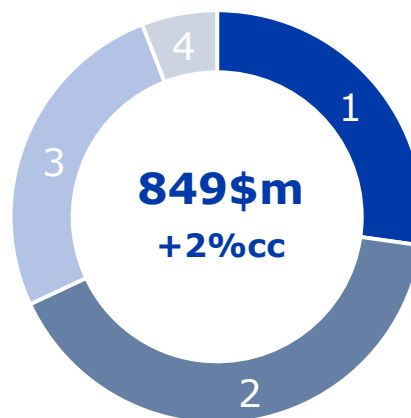
| | | |
|---|---------------|-----|
| 1 | North America | 82% |
| 2 | EMEA | 9% |
| 3 | Asia-Pacific | 5% |
| 4 | Latin America | 4% |

¹ Pro-forma health care services revenue, reflecting sale of Fresenius Medical Care's clinics in Venezuela in July 2015 (\$11 million revenue in Q2 2015).

Q2: Dialysis products grow despite strong Q2 2015

| | Q2 2016 US\$ million | Q2 2015 US\$ million | Growth in % | Growth in %cc |
|--------------------------------|--------------------------------|--------------------------------|----------------|------------------|
| Total dialysis products | 849 | 854 | (1) | 2 |
| North America | 230 | 224 | 2 | 2 |
| EMEA | 345 | 359 | (4) | (3) |
| Asia-Pacific | 220 | 212 | 4 | 9 |
| Latin America | 50 | 53 | (5) | 8 |
| Corporate | 4 | 6 | (30) | (31) |

- ▶ Increased sales of dialyzers and machines
- ▶ Very tough comparison due to exceptionally strong performance in the comparable quarter last year
- ▶ Foreign currency headwinds outside of North America



| | | |
|---|---------------|-----|
| 1 | North America | 27% |
| 2 | EMEA | 41% |
| 3 | Asia-Pacific | 26% |
| 4 | Latin America | 6% |

AGENDA



Market dynamics

1

Business update: Q2 2016

2

Financials & outlook

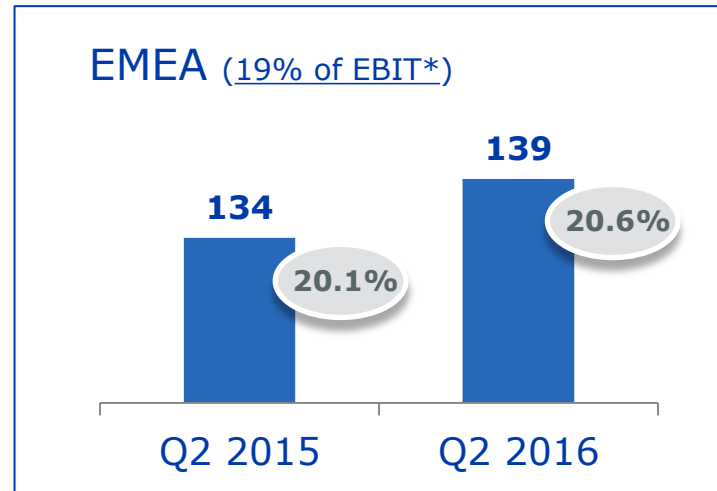
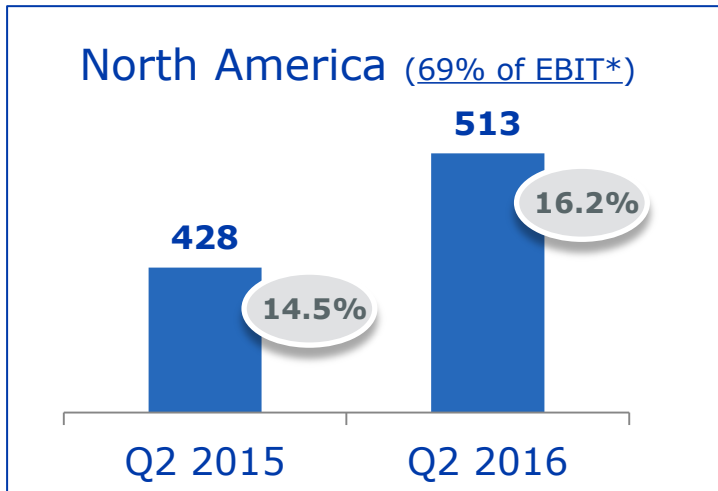
3

Q2/H1: Strong profit increase

| | Q2 2016 US\$ million | Q2 2015 US\$ million | Growth in % | H1 2016 US\$ million | H1 2015 US\$ million | Growth in % |
|--------------------------------|--------------------------------|-------------------------|----------------|--------------------------------|-------------------------|----------------|
| Net revenue | 4,420 | 4,199 | 5 | 8,626 | 8,159 | 6 |
| Operating income (EBIT) | 641 | 547 | 17 | 1,181 | 1,051 | 12 |
| <i>EBIT-margin in %</i> | 14.5 | 13.0 | 150bp | 13.7 | 12.9 | 80bp |
| Net interest expense | 102 | 102 | 1 | 208 | 204 | 2 |
| Income before taxes | 539 | 445 | 21 | 973 | 847 | 15 |
| Income tax expense | 169 | 135 | 24 | 306 | 273 | 12 |
| <i>Tax rate in %</i> | 31.3 | 30.4 | 90bp | 31.5 | 32.2 | (70bp) |
| Non-controlling interest | 76 | 69 | 11 | 145 | 124 | 17 |
| Net income | 294 | 241 | 22 | 522 | 450 | 16 |

- ▶ Revenue for the first half increased by 8% constant currency, in line with full-year guidance.
- ▶ Net income supported by lower cost for healthcare supplies and savings from Global Efficiency Program.

Q2: Margin improvement across all segments

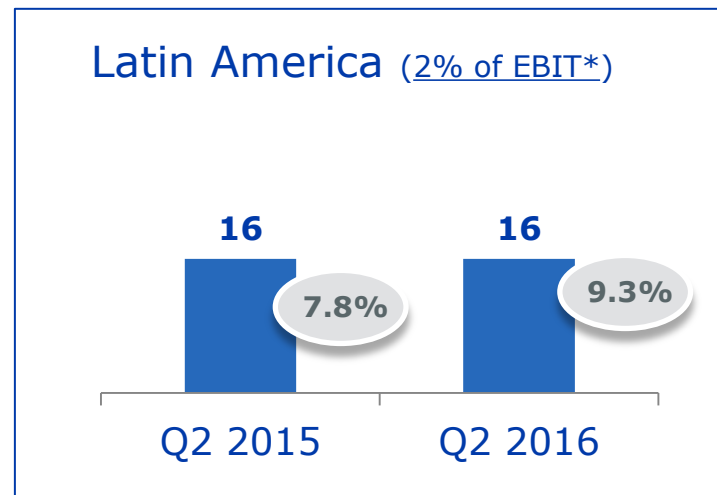
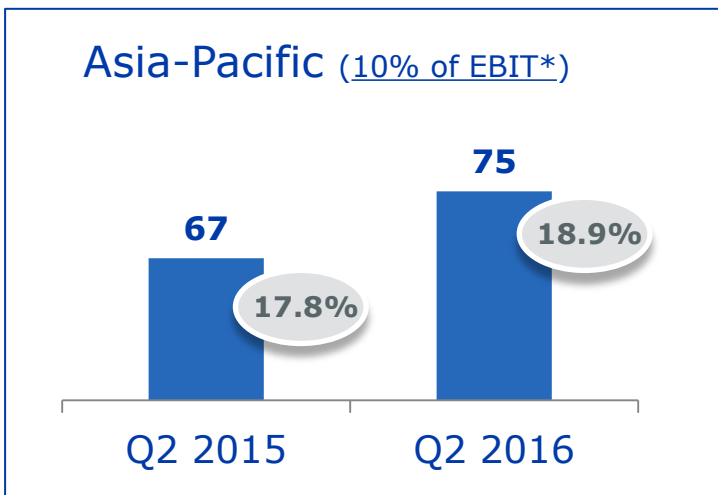


in US\$ million

■ EBIT

○ EBIT-margin

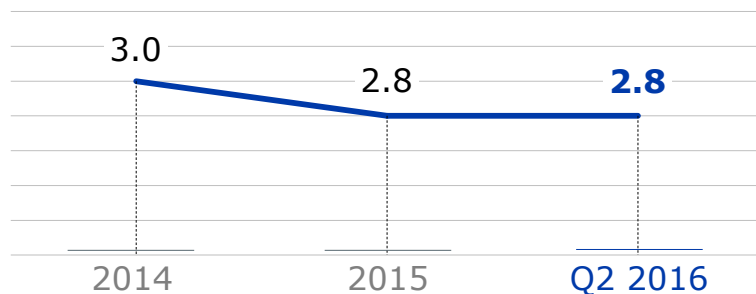
Diagrams: different scales applied



Q2: Cash flow development and credit profile

| | Q2 2016 | H1 2016 | Q2 2015 | H1 2015 |
|--|----------------|----------------|---------------|------------|
| | in \$ million | | in \$ million | |
| Operating cash flow | 678 | 857 | 385 | 832 |
| in % of revenue | 15.3 | 9.9 | 9.2 | 10.2 |
| Capital expenditures, net | (252) | (498) | (214) | (411) |
| Free cash flow | 426 | 359 | 171 | 421 |
| Free cash flow, after acquisitions and investments | 359 | 202 | 116 | 355 |

Total debt/EBITDA-ratio

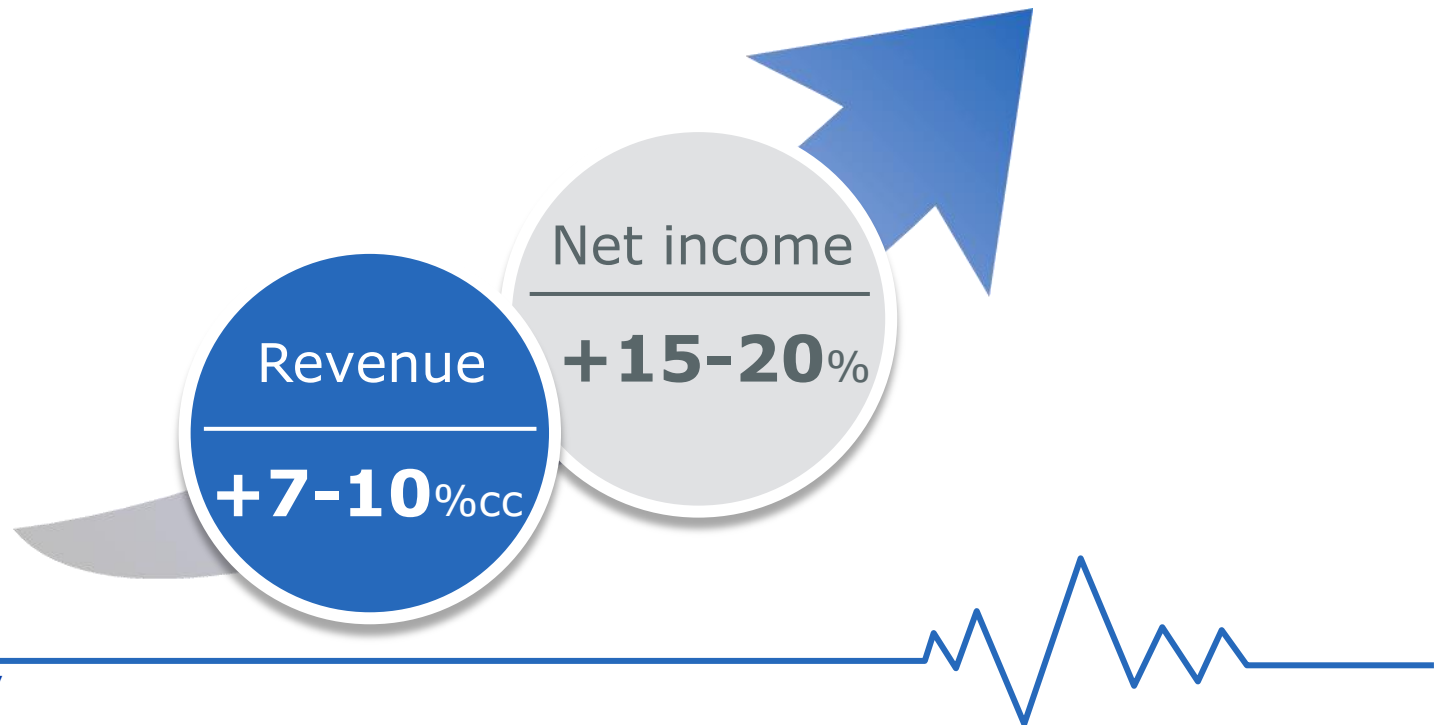


Current ratings

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

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

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

2020 growth strategy

**Opening up
new business
areas**

**Growing in our
core business**

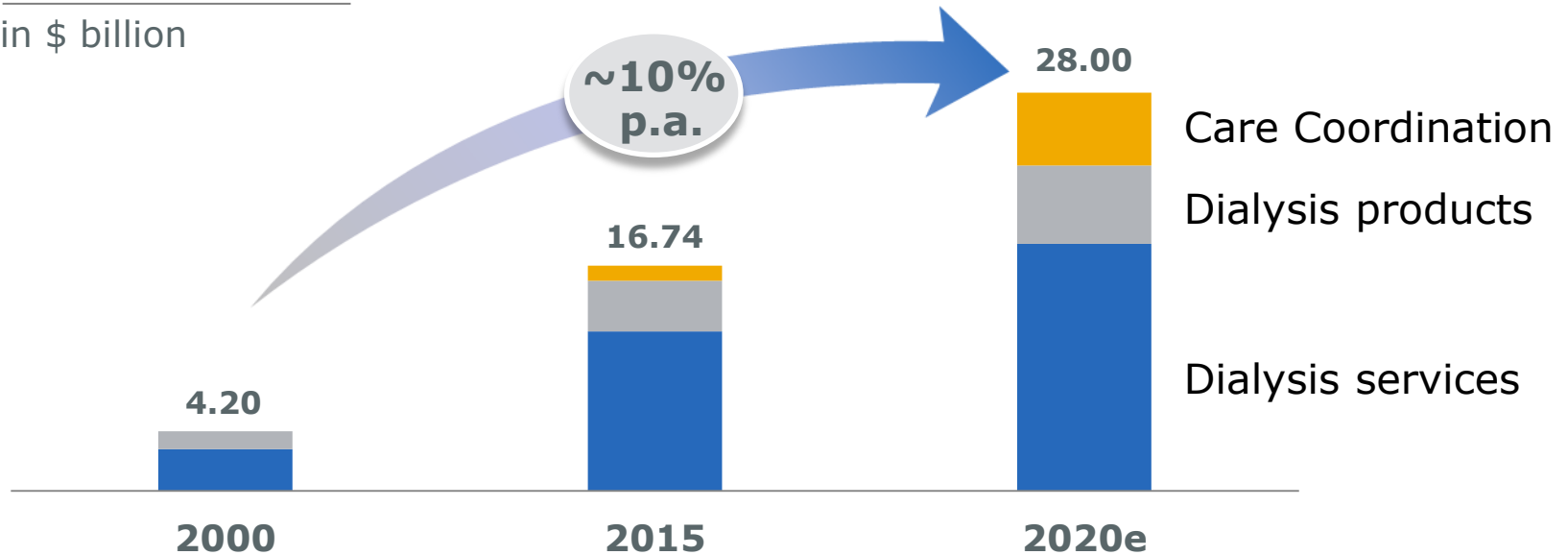


**Enhancing
products and
treatments**

**Increasing
flexibility and
efficiency**

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.

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 | Q2 2016 |
|---|-----------------------|--------------|----------------|
| Short term borrowings | 133 | 109 | 705 |
| + Short term borrowing from related parties | 5 | 19 | 3 |
| + Current portion of long-term debt and capital lease obligations | 314 | 664 | 675 |
| + Long-term debt and capital lease obligations less current portion | 9,014 | 7,854 | 7,702 |
| TOTAL debt | 9,466 | 8,646 | 9,085 |

| EBITDA | FY 2014 ²⁾ | FY 2015 ²⁾ | Q2 2016 ²⁾ |
|---|-----------------------|-----------------------|------------------------------|
| Last twelve month operating income (EBIT) | 2,347 | 2,327 | 2,466 |
| + Last twelve month depreciation and amortization | 716 | 717 | 739 |
| + Non-cash charges | 57 | 83 | 89 |
| EBITDA (annualized) | 3,120 | 3,127 | 3,294 |
| 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 | Q2 2015 | Q2 2016 | H1 2015 | H1 2016 |
|--|---------|----------------|---------|----------------|
| Acquisitions, investments and net purchases of intangible assets | (79) | (213) | (101) | (304) |
| + Proceeds from divestitures | 24 | 146 | 35 | 147 |
| = Acquisitions and investments, net of divestitures | (55) | (67) | (66) | (157) |
| Capital expenditures, net | Q2 2015 | Q2 2016 | H1 2015 | H1 2016 |
| Purchase of property, plant and equipment | (217) | (256) | (418) | (506) |
| - Proceeds from sale of property, plant & equipment | 3 | 4 | 7 | 8 |
| = Capital expenditure, net | (214) | (252) | (411) | (498) |

H1: Health care services & product revenue

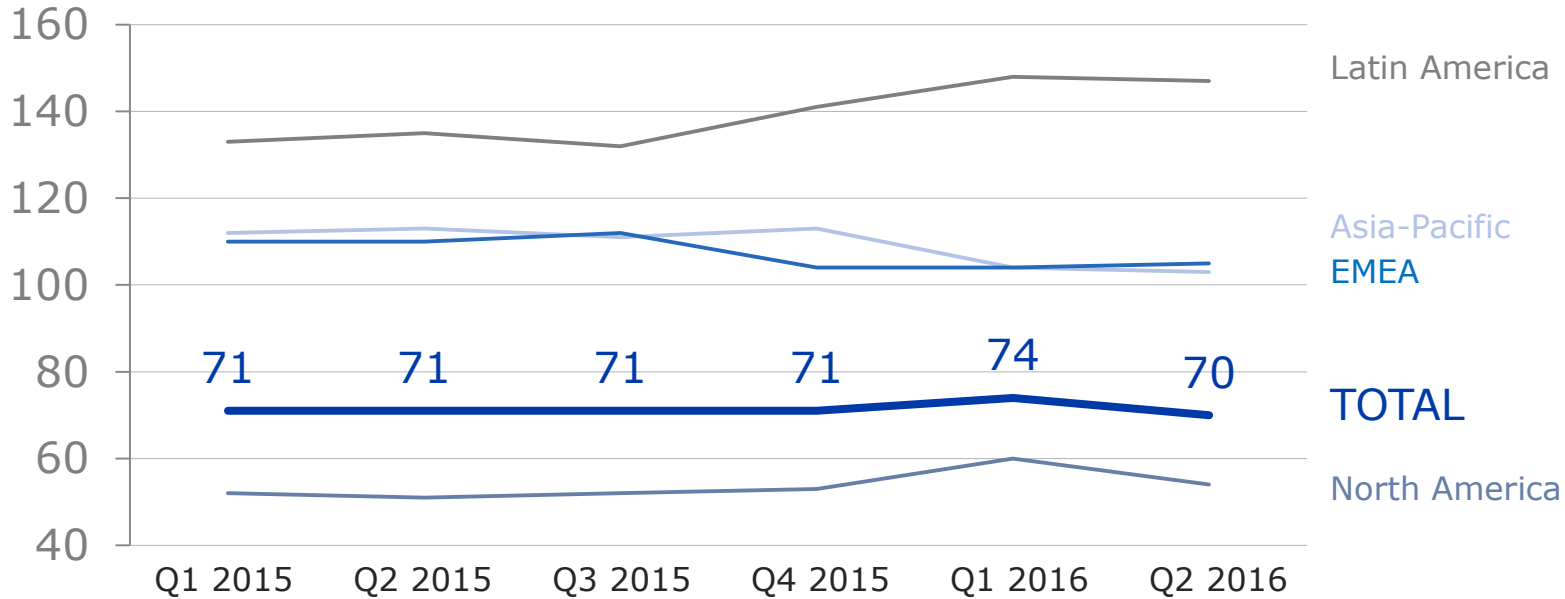
| | H1 2016 US\$ million | H1 2015 US\$ million | Growth in % | Growth in %cc | Organic growth in % | Same market growth in % |
|-----------------------------------|-----------------------------------|-----------------------------------|----------------|------------------|---------------------------|----------------------------------|
| Total health care services | 6,985 | 6,527 | 7 | 9 | 7 | 4 |
| North America | 5,770 | 5,293 | 9 | 9 | 7 | 3 |
| of which Care Coordination | 1,086 | 902 | 20 | 20 | 17 | - |
| EMEA | 632 | 610 | 4 | 8 | 3 | 4 |
| Asia-Pacific | 345 | 328 | 5 | 3 | 4 | 6 |
| Latin-America | 238 | 296 | (20) | 9 | 17 | 2 |

| | H1 2016 US\$ million | H1 2015 US\$ million | Growth in % | Growth in %cc |
|--------------------------------|--------------------------------|--------------------------------|----------------|------------------|
| Total dialysis products | 1,641 | 1,632 | 1 | 4 |
| North America | 442 | 424 | 4 | 4 |
| EMEA | 675 | 687 | (2) | 1 |
| Asia-Pacific | 426 | 401 | 6 | 12 |
| Latin America | 90 | 105 | (14) | 2 |
| Corporate | 8 | 15 | (48) | (48) |

cc = constant currency

Day sales outstanding (DSO)

in days



- ▶ The DSO increase in the North America Segment in Q1 2016 is mainly due to an adjustment which impacted invoicing. This effect was largely resolved in Q2 2016.

H1: Patients, treatments, clinics

| | Patients as of June 30, 2016 | Treatments H1 2016, in million | Clinics as of June 30, 2016 |
|---------------|--|--|---------------------------------------|
| North America | 186,096 | 14.2 | 2,249 |
| Growth in % | 4 | 5 | 2 |
| EMEA | 58,528 | 4.3 | 700 |
| Asia-Pacific | 27,007 | 1.9 | 324 |
| Latin America | 29,917 | 2.3 | 231 |
| Total | 301,548 | 22.8 | 3,504 |
| Growth in % | 4 | 4 | 2 |

Exchange rates

| | | Q2 2015 | H1 2015 | Q2 2016 | H1 2016 |
|---------------|------------|---------|---------|---------|---------|
| €:\$ | Period end | 1.119 | 1.119 | 1.110 | 1.110 |
| | Average | 1.105 | 1.116 | 1.129 | 1.116 |
| \$:CNY | Period end | 6.200 | 6.200 | 6.643 | 6.643 |
| | Average | 6.204 | 6.221 | 6.543 | 6.539 |
| \$:RUB | Period end | 55.729 | 55.729 | 64.421 | 64.421 |
| | Average | 52.674 | 57.932 | 65.828 | 70.165 |
| \$:ARS | Period end | 9.105 | 9.105 | 14.911 | 14.911 |
| | Average | 8.960 | 8.822 | 14.211 | 14.326 |

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 |

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 *

| | |
|-----------------|--|
| Oct 27, 2016 | Report on 3 rd quarter 2016 |
| Sep 20, 2016 | Berenberg & Goldman Sachs Corporate Conference, Munich |
| Sep 21, 2016 | Baader Investment Conference, Munich |
| Sep 22, 2016 | Bernstein's Strategic Decision Conference, London |
| Sep 29, 2016 | JP Morgan Investor Forum, Milan |
| Nov 7, 2016 | Credit Suisse Healthcare Conference, Scottsdale |
| Nov 14-16, 2016 | BofAML German Corporate Days Asia, Singapore/Hong Kong |
| Nov 17, 2016 | HSBC Healthcare Day, Frankfurt |

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

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