

# Citi Global Healthcare Conference

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New York | December 7, 2017



**FRESENIUS  
MEDICAL CARE**

**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 current estimates and assumptions made to the best of our knowledge. 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) Annual Report on Form 20-F under the heading "Forward-Looking Statements" and under the headings in that report referred to therein, and in FMC AG & Co. KGaA's other 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. The term EMEA refers to the region Europe, Middle East and Africa. Amounts are in Euro if not mentioned otherwise.

# Agenda

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At a glance

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Strategy

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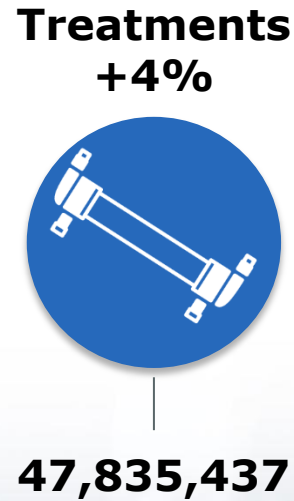
Q3 2017 financials

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Outlook

# Fresenius Medical Care – global footprint

Every **0.7 seconds**  
we provide a dialysis treatment



Numbers as of September 2017, treatments: last 12 month

# Our solid revenue profile

Percentage of FY 2016 revenue (€, IFRS)

## Health care services

### Dialysis Services



Therapies & laboratory services for patients with chronic kidney failure

**11.3bn**      **68%**

### Care Coordination



North America -  
Businesses supporting dialysis,  
e.g. vascular services

**2.2bn**      **14%**

## Products

### Dialysis Products



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

**3.1bn**      **18%**

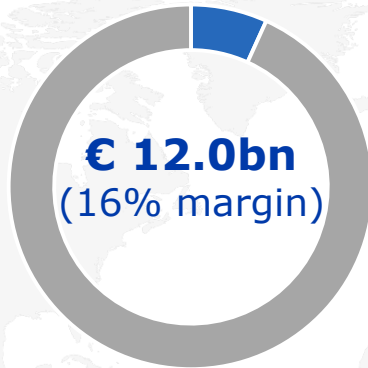
# Delivering across all regions

Service revenue  Product revenue

## North America

73% of total revenue

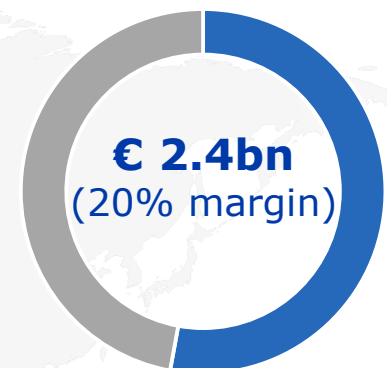
Patients	Clinics
~189,000	~2,300
+3%	+4%



## EMEA

14% of total revenue

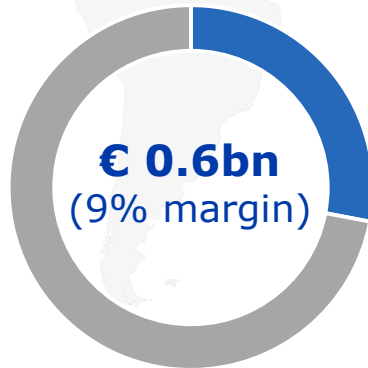
Patients	Clinics
~60,000	~710
+9%	+8%



## Latin America

4% of total revenue

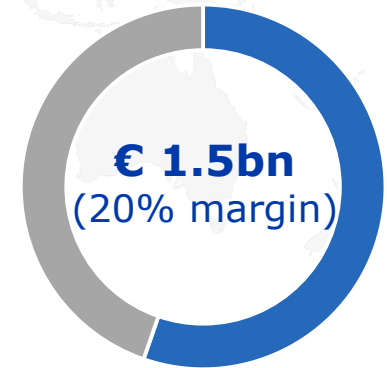
Patients	Clinics
~30,000	~230
+1%	+2%



## Asia-Pacific

9% of total revenue

Patients	Clinics
~29,000	~370
+11%	+17%

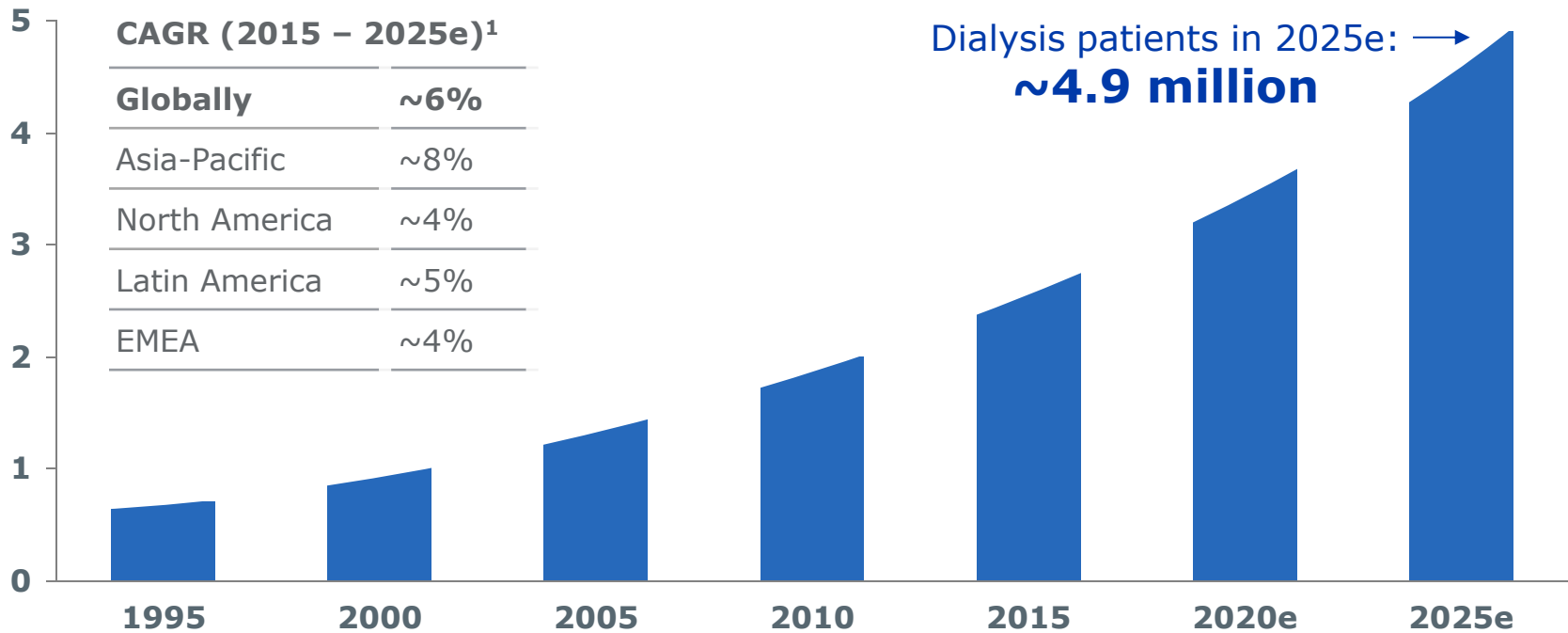


Segment revenue FY 2016, according to IFRS in EUR bn, number of patients and clinics as of YE 2016, yoy change

# Organic growth drivers

## Patient growth driven by

- ▶ age, lifestyle and higher life expectancy
- ▶ increasing wealth and access to medical treatments



<sup>1</sup> Internal estimates as of Dec. 31, 2016

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# Strategy – Core competencies

INNOVATING  
PRODUCTS

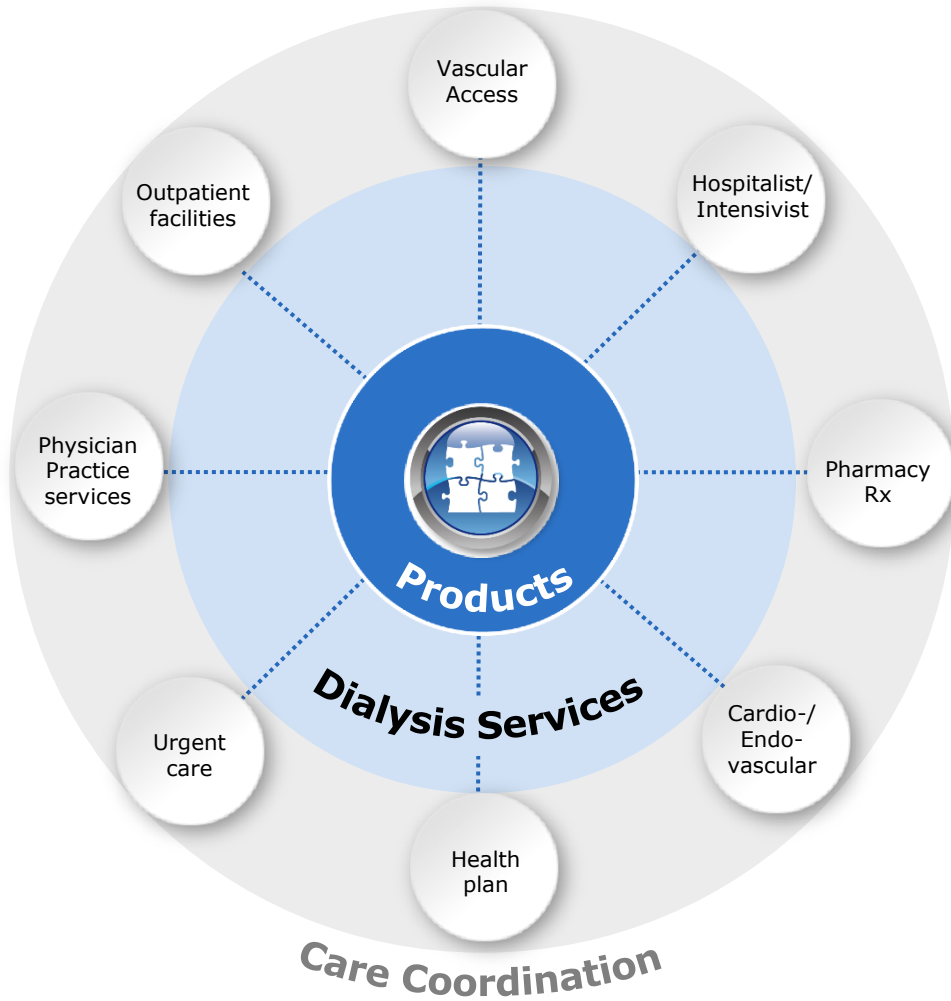
STANDARDIZING  
MEDICAL PROCEDURES



COORDINATING  
PATIENTS EFFICIENTLY

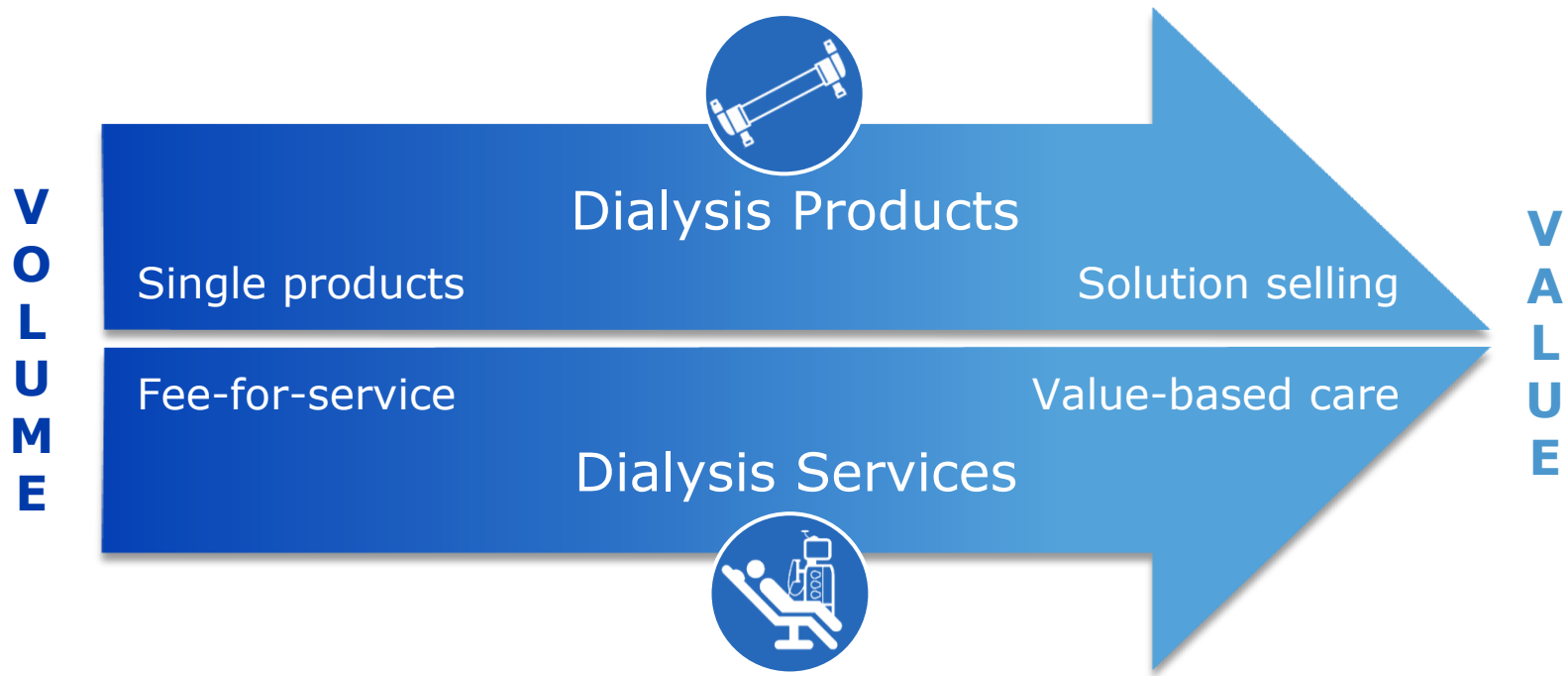
OPERATING  
OUTPATIENT FACILITIES

# Strategy – Leverage core competencies



# Strategy – From volume to value

Tailored offerings according to market maturity



# Market position by major product groups<sup>1</sup>

Dialyzers  
Dialysis machines  
Hemodialysis concentrates  
Bloodlines

Peritoneal dialysis products



#2

## Innovating for the patient

### R&D 2016

- ▶ Spend 147 Euro million (+14%)
- ▶ 5% of product revenue
- ▶ 7,748 patents
- ▶ 794 employees, FTE (+22%)

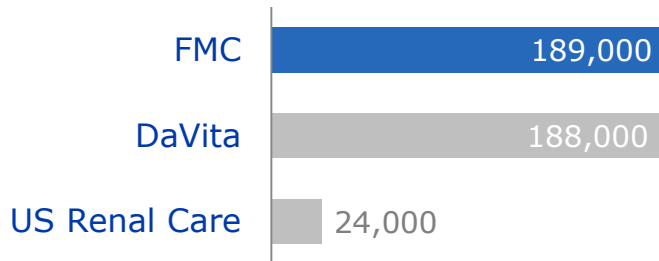
### 6008 - new dialysis machine

- ▶ Innovative and userfriendly
- ▶ Technologies for lower ramp up time, faster cleaning, safer treatments
- ▶ Allow skilled nurses more time with patients

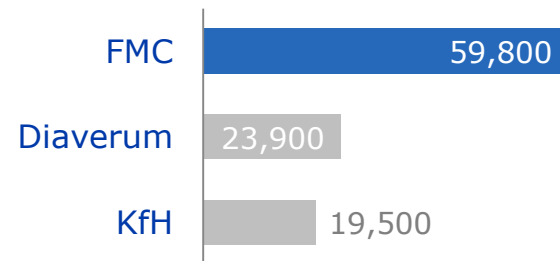
1 as of Dec. 31, 2016

# Dialysis services worldwide: Patients treated<sup>1</sup>

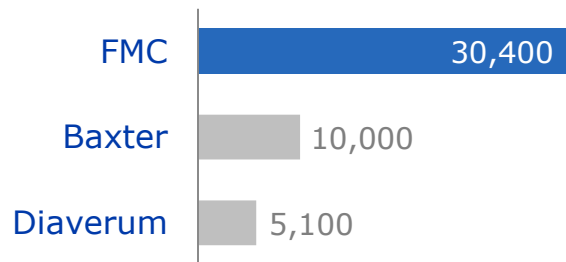
## North America



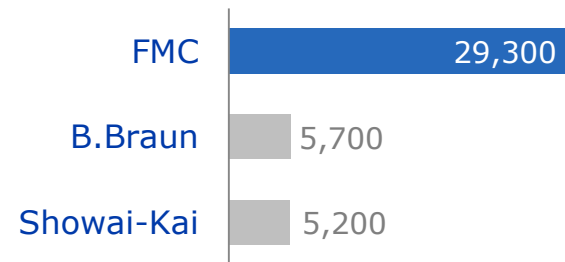
## EMEA



## Latin America



## Asia-Pacific



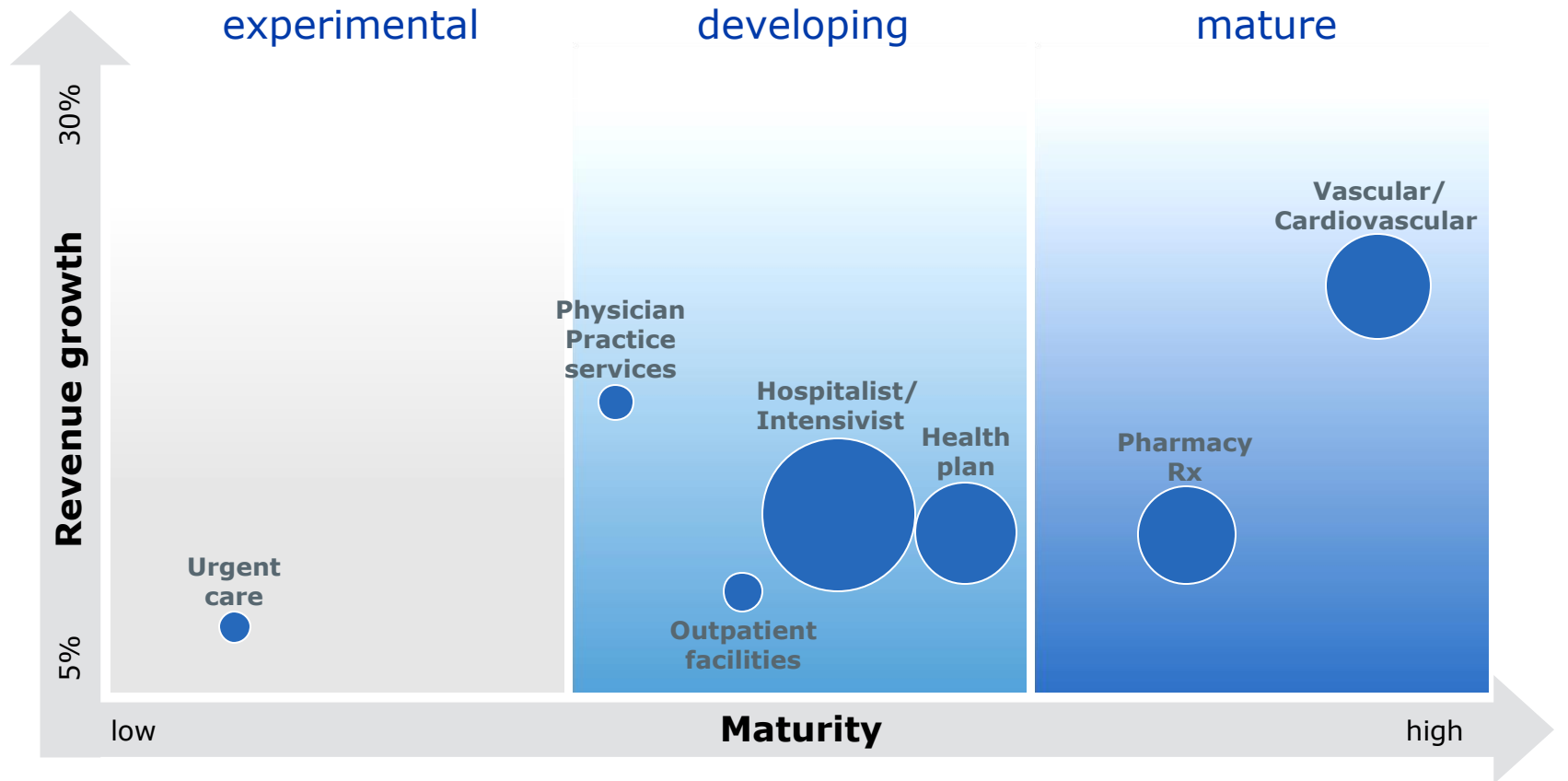
USD  
~73bn  
Market

We lead in every major market,  
treating > 300,000 patients worldwide

<sup>1</sup> based on company statements and FME estimates as of Dec. 31, 2016

# Our portfolio of Care Coordination businesses

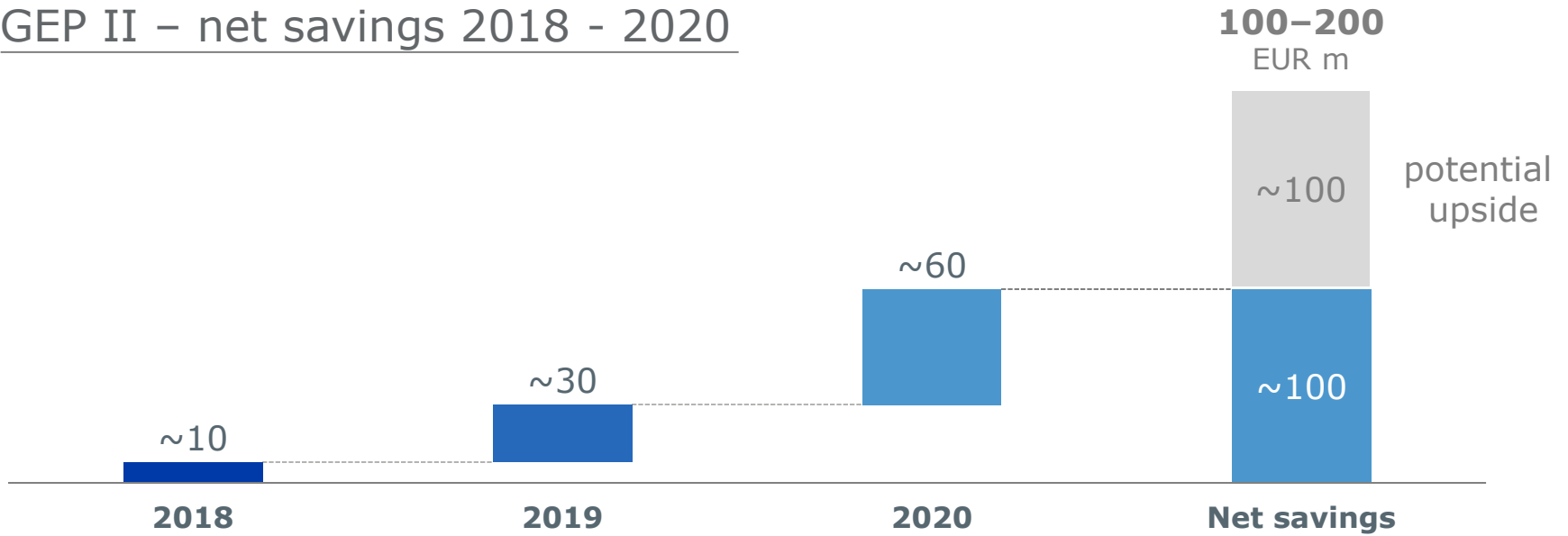
Mid-term revenue and growth profile – 2020e



Size of bubble indicates absolute revenue contribution in 2020e. Positioning of bubble illustrative.

# Global Efficiency Program

## GEP II – net savings 2018 - 2020



### Drivers

- ▶ GEP 2<sup>nd</sup> harvest
- ▶ Global collaboration
- ▶ Standardization
- ▶ Automation



# Acquisition Rationale



**FRESENIUS  
MEDICAL CARE**

**The world's largest  
provider of dialysis  
products and services**



**Superior  
home dialysis  
technology**



**Outstanding  
manufacturing & marketing  
capabilities**

**Significant player in  
critical care for acute  
kidney injury / failure**

**Existing FME integration of home patients  
77% Pharmacy | 7% Health Plan | 6% Vascular Access**



# Home Dialysis Segment: Increasing Penetration

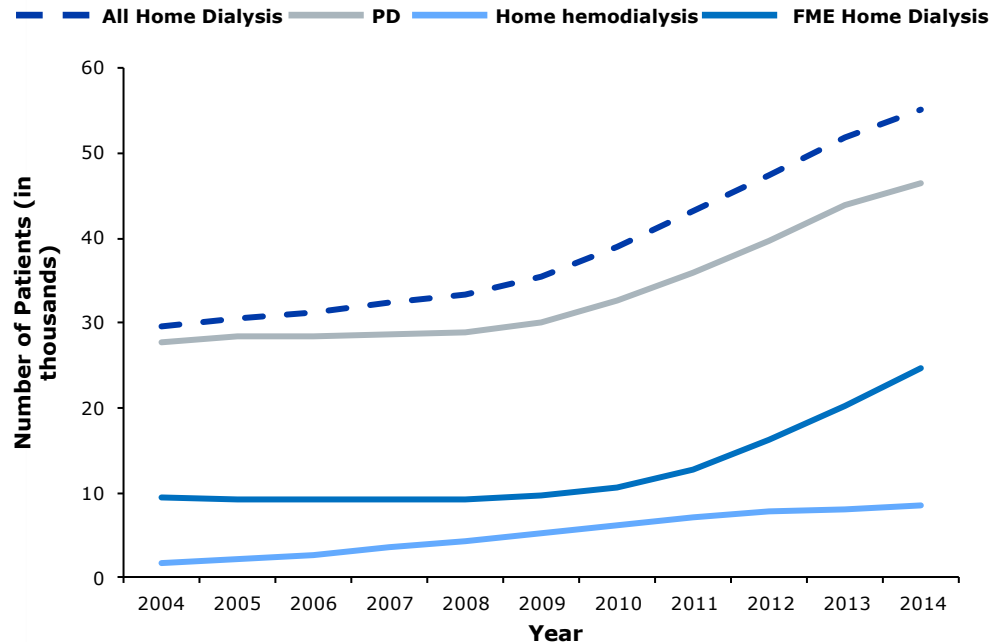


- ▶ Address the evolving needs and expectations of patients
- ▶ 82% of patients and families fully educated on their treatment options would select a home modality<sup>1</sup>

## Home dialysis advantages

- ▶ More engaged patients, taking responsibility for their wellbeing while reducing cost of care supporting our value based strategy
- ▶ Flexibility to tailor the therapy around the patient's lifestyle while delivering positive clinical results
- ▶ Higher patient satisfaction in home environment

## Trends in home dialysis in the U.S. (number of ESRD cases in thousands) 2004-2014<sup>2</sup>



Data Source: [https://www.usrds.org/2016/view/v2\\_01.aspx](https://www.usrds.org/2016/view/v2_01.aspx) (figure 1.19)

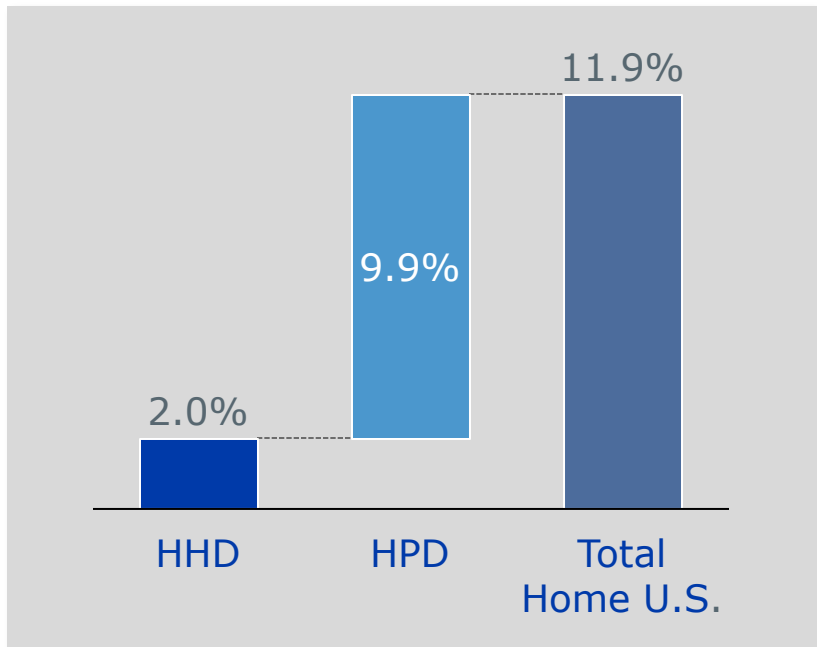
# Home Dialysis Segment: Opportunity



► **Significant growth opportunity in home modalities**

## Home dialysis treatment by modality in 2016

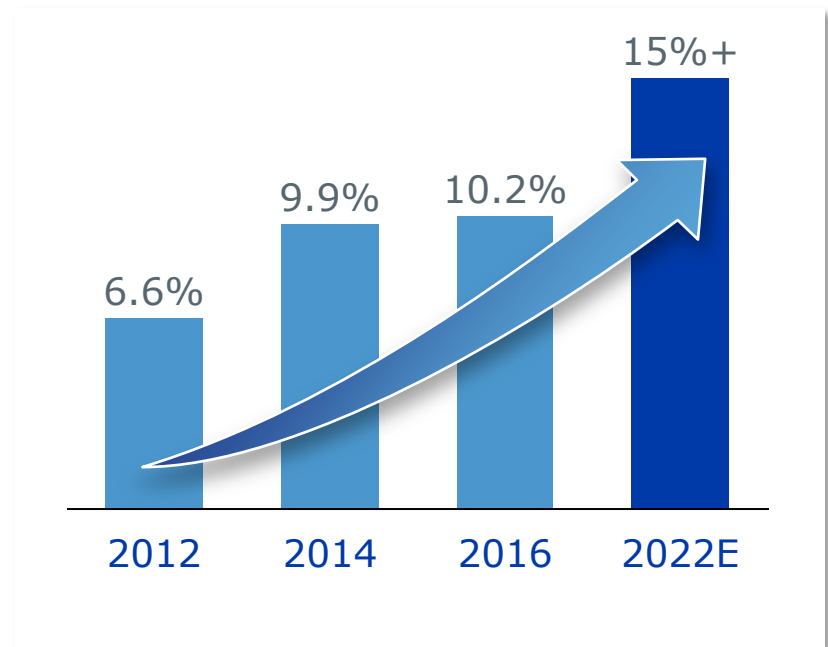
(in % of ESRD cases)



Data Source: Fresenius Medical Care

## FME home dialysis patients in the U.S.

(in % of FME patients in the U.S.)



Data Source: Fresenius Medical Care

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## Q3 2017: Some things new, some continue

- ▶ Natural Disaster in North America impressively managed by disaster response teams but impacted operations
- ▶ Solid underlying growth in Healthcare Products and Services
- ▶ Turnaround of Care Coordination margin as expected
- ▶ FX headwinds negatively affected revenue and earnings
- ▶ Significant portfolio optimization activities
  - NxStage acquisition offer and approval of NxStage shareholders on October 27, 2017. Closing expected in 2018.
  - Divestment of Shiel Medical Laboratory to Quest Diagnostics. Closing expected in Q4 2017.

## 9m 2017: Solid growth delivered

	9m 2017 € million	9m 2016 € million	Growth in %	Growth in %cc
Revenue	13,355	12,153	10	10
Revenue adjusted <sup>1</sup>	13,259	12,153	9	9
EBIT	1,843	1,679	10	10
EBIT adjusted <sup>1,2</sup>	1,767	1,679	5	5
Net income <sup>3</sup>	886	781	13	14
Net income adjusted <sup>1,2,3</sup>	842	781	8	8
Basic EPS [€]	2.89	2.56	13	13
Basic EPS [€] adjusted <sup>1,2</sup>	2.75	2.56	8	8

- ▶ Solid underlying growth in group revenue and net income
- ▶ Natural Disasters in North America impacted cost for delivery of treatments in Q3 and continue to impact in Q4

## Q3 2017: Net income impacted by headwinds

	<b>Q3 2017</b> € million	<b>Q3 2016</b> € million	Growth in %	Growth in %cc
<b>Revenue</b>	<b>4,336</b>	<b>4,211</b>	<b>3</b>	<b>8</b>
<b>Revenue adjusted<sup>1</sup></b>	<b>4,339</b>	<b>4,211</b>	<b>3</b>	<b>8</b>
<b>EBIT</b>	<b>609</b>	<b>611</b>	<b>0</b>	<b>4</b>
<b>EBIT adjusted<sup>1,2</sup></b>	<b>624</b>	<b>611</b>	<b>2</b>	<b>6</b>
<b>Net income<sup>3</sup></b>	<b>309</b>	<b>304</b>	<b>2</b>	<b>6</b>
<b>Net income adjusted<sup>1,2,3</sup></b>	<b>319</b>	<b>304</b>	<b>5</b>	<b>8</b>
<b>Basic EPS [€]</b>	<b>1.01</b>	<b>0.99</b>	<b>1</b>	<b>6</b>
<b>Basic EPS [€] adjusted<sup>1,2</sup></b>	<b>1.04</b>	<b>0.99</b>	<b>5</b>	<b>8</b>

- ▶ Exchange rate effects impacted revenue and earnings growth
- ▶ Earnings affected by:
  - Natural Disaster Costs and VA Agreement FX adjustments
  - Lower Contributions from the vascular business
  - Increased costs in pharmacy services business
  - Lower income from equity method investees
  - Bad debt expense

1 Adjusted for the FX impact on the effects of the VA agreement | 2 Excl. Natural Disaster Costs (Details Chart 32)  
| 3 Net income attr. to shareholders of FME | cc = constant currency

# Q3 2017: Organic growth across all regions

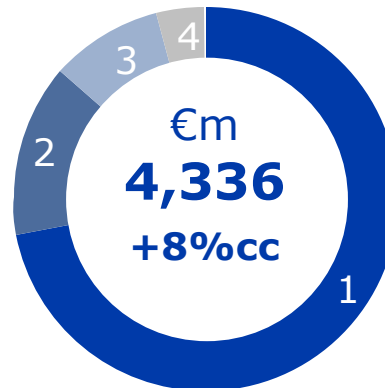
North America	€ million	
Revenue	3,115	+2%
Organic growth		+6%

EMEA	€ million	
Revenue	632	+5%
Organic growth		+3%

Asia-Pacific	€ million	
Revenue	411	+7%
Organic growth		+7%

Latin America	€ million	
Revenue	175	+2%
Organic growth		+10%

- ▶ Solid organic growth across all regions
- ▶ North America solid organic growth supported by high growth rates in Care Coordination

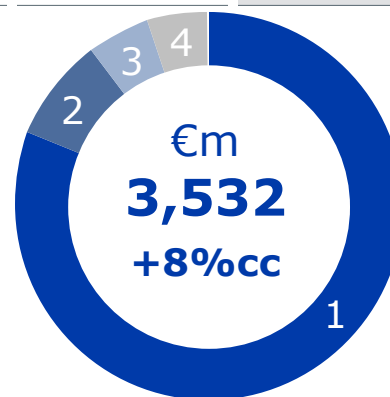


1	North America	72%
2	EMEA	15%
3	Asia-Pacific	9%
4	Latin America	4%

# Q3 2017: Health Care Services – strong growth

Revenue	Q3 2017 € million	Q3 2016 € million	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
<b>Total Health Care</b>	<b>3,532</b>	<b>3,438</b>	<b>3</b>	<b>8</b>	<b>6</b>	<b>2</b>
North America	2,904	2,841	2	8	6	2
of which Care Coordination	705	588	20	26	20	-
EMEA	311	300	4	5	2	3
Asia-Pacific	194	173	12	21	5	2
of which Care Coordination	52	-	n.a.	n.a.	n.a.	-
Latin America	123	124	(1)	11	9	0

- ▶ North American Care Coordination business continues to show very strong growth
- ▶ EMEA driven by patient growth and acquisitions
- ▶ Growth in Asia-Pacific strongly supported by acquisitions
- ▶ Latin America with strong organic growth, but more than offset by FX translation



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

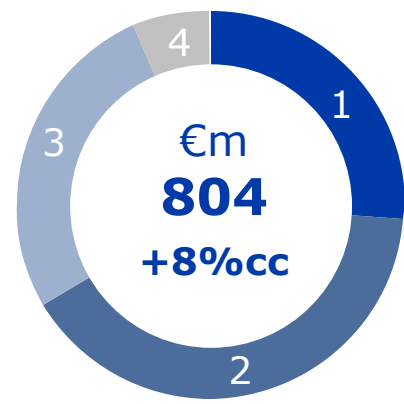
cc = constant currency



# Q3 2017: Dialysis Products show strong demand

	Q3 2017 € million	Q3 2016 € million	Growth in %	Growth in %cc
<b>Total Health Care Products</b>	<b>804</b>	<b>773</b>	<b>4</b>	<b>8</b>
<b>Dialysis Products</b>	<b>785</b>	<b>761</b>	<b>3</b>	<b>7</b>
North America	211	209	1	6
EMEA	302	293	3	5
Asia-Pacific	217	210	4	9
Latin America	52	48	9	13
<b>Non-Dialysis Products</b>	<b>19</b>	<b>12</b>	<b>58</b>	<b>58</b>

- ▶ North America higher sales of PD products and machines
- ▶ EMEA increased sales of dialyzers, products for PD and acute care
- ▶ Asia-Pacific increased sales of machines, dialyzers, bloodlines and PD products

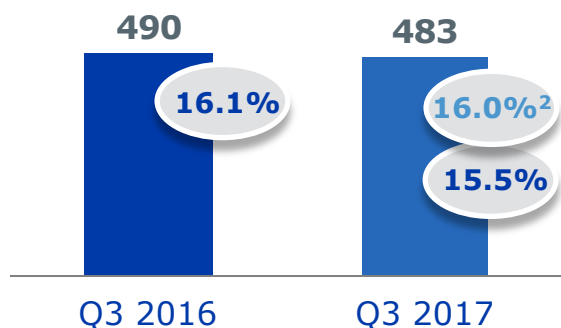


- 1 North America 26%
- 2 EMEA 40%
- 3 Asia-Pacific 27%
- 4 Latin America 7%

PD= Peritoneal Dialysis    cc = constant currency

# Q3 2017: regional margin profile

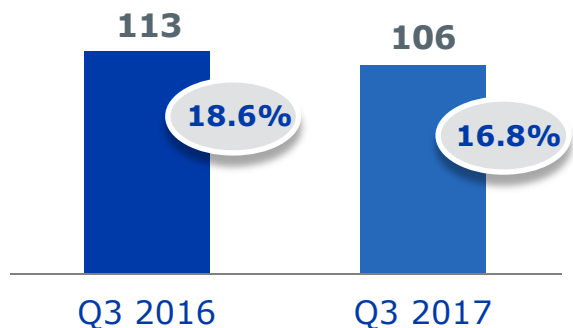
## North America (71% of EBIT<sup>1</sup>)



- ▶ Dialysis business margin of 18.1% reflect
  - negative: Natural Disaster Costs, higher personnel expense, higher costs such as other supplies and rent expense, higher bad debt
  - positive: lower costs for health care supplies
- ▶ Care Coordination margins of 6.6% reflect
  - positive: higher earnings recognized from BPCI & ESCOs, contributions for laboratory services
  - negative: higher bad debt expense, lower revenue for vascular services, increased costs for pharmacy services

Diagrams: different scales applied

## EMEA (15% of EBIT<sup>1</sup>)



- ▶ Operating profit margin development reflects
  - negative: investments in Xenios, foreign currency transaction effects, lower income from equity method investees, pressure on reimbursement
  - positive: legal settlement, lower bad debt expense and currency translation effects

in € million

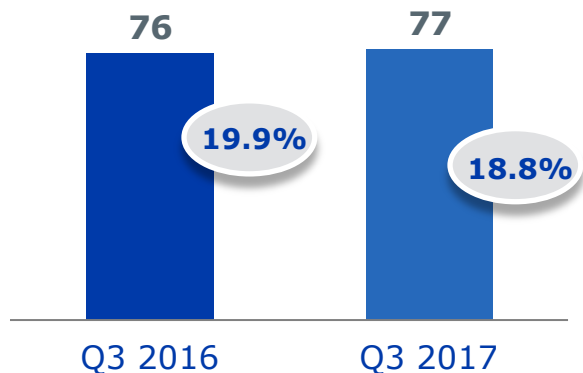
■ ■ EBIT

○ % EBIT-margin

<sup>1</sup> Excl. Corporate | <sup>2</sup> Excl. VA agreement and Natural Disaster Costs (Details Chart 32)

# Q3 2017: regional margin profile

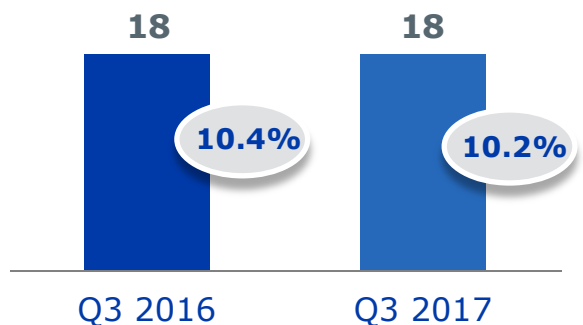
## Asia-Pacific (11% of EBIT<sup>1</sup>)



- ▶ Operating profit margin development impacted by:
  - negative: unfavorable mix effects related to acquisitions with lower margins, foreign currency transaction effects, lower income from equity method investees
  - positive: foreign currency translation effects
- ▶ Care Coordination margin of 17.7% dominated by Cura Group

Diagrams: different scales applied

## Latin America (3% of EBIT<sup>1</sup>)



- ▶ Operating profit margin development reflects
  - negative: foreign currency transaction effects, higher overhead costs
  - positive: reimbursement rate increases which mitigated inflationary cost increases

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# Outlook<sup>1</sup>

	<b>Guidance 2017</b>	<b>2016 base</b> (IFRS/€m)
Revenue growth	<b>8 to 10%</b>	16,570
Net income growth	<b>7 to 9%</b>	1,144

	<b>Vision 2020</b> (2014-2020, avg. % p.a.)	<b>2020<sup>2</sup></b> (IFRS/€bn)
Revenue growth	<b>~ 10</b>	<b>24</b>
Net income growth	<b>high single digit</b>	

## Assumptions:

- ▶ Numbers at constant currency, 2017 target excl. effect from agreement with United States Departments of Veterans Affairs and Justice and Natural Disaster Costs
- ▶ Net income refers to net income attributable to shareholders of FMC AG & Co. KGaA

# Back-up

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**FRESENIUS  
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# Attachment 1

Reconciliation of non-IFRS financial measures to the most comparable IFRS measure

€ million

<b>Debt</b>	FY 2015	FY 2016	<b>9m 2017</b>
Short term debt	101	572	936
+ Short term debt from related parties	18	3	3
+ Current portion of long-term debt and capital lease obligations	610	724	891
+ Long-term debt and capital lease obligations less current portion	7,214	6,833	5,832
<b>Total debt</b>	<b>7,943</b>	<b>8,132</b>	<b>7,662</b>
Cash and cash equivalents	516	709	729
<b>Total net debt</b>	<b>7,427</b>	<b>7,423</b>	<b>6,933</b>
<b>EBITDA</b>	FY 2015	FY 2016 <sup>1</sup>	<b>9m 2017<sup>1</sup></b>
Last twelve month operating income (EBIT)	2,129	2,398	2,583
+ Last twelve month depreciation and amortization	648	710	747
+ Non-cash charges	47	65	54
<b>EBITDA (annualized)</b>	<b>2,824</b>	<b>3,173</b>	<b>3,384</b>
<b>Total net debt / EBITDA</b>	<b>2.6</b>	<b>2.3</b>	<b>2.0</b>

<sup>1</sup> EBITDA: including largest acquisitions

# Attachment 2

Reconciliation of non-IFRS financial measures to the most comparable IFRS measure

€ million

<b>Cash Flow</b>	Q3 2016	<b>Q3 2017</b>	9m 2016	<b>9m 2017</b>
Acquisitions, investments and net purchases of intangible assets	(74)	(77)	(346)	(428)
- Proceeds from divestitures	41	21	173	31
= Acquisitions and investments, net of divestitures	(33)	(56)	(173)	(397)
<b>Capital expenditures, net</b>	Q3 2016	<b>Q3 2017</b>	9m 2016	<b>9m 2017</b>
Purchase of property, plant and equipment	(216)	(228)	(670)	(632)
- Proceeds from sale of property, plant & equipment	5	2	12	18
= Capital expenditure, net	(211)	(226)	(658)	(614)



# Attachment 3

Reconciliation of non IFRS financial measures to the most directly comparable IFRS financial measures

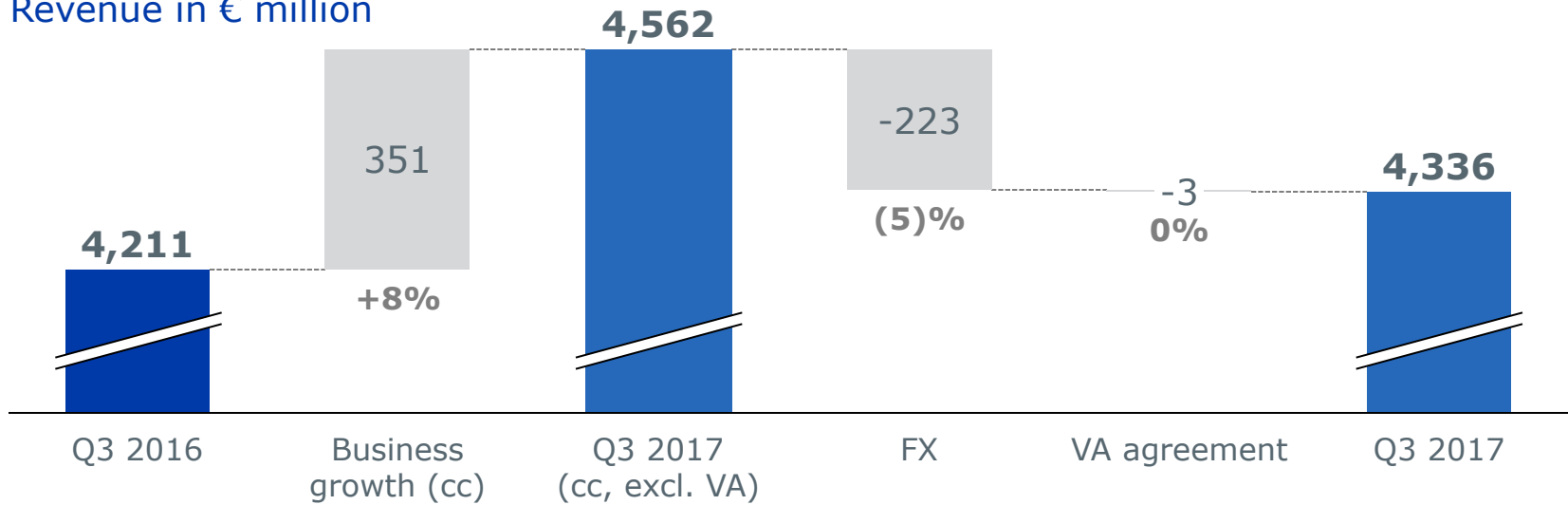
Operating performance excluding VA agreement and adjusted for the cost effects, net of anticipated recoveries from natural disasters in North America (Special Items) – basis for guidance 2017

€ million	Q3 2016	Q3 2017	9m 2016	9m 2017
<b>Revenue</b>	<b>4,211</b>	<b>4,336</b>	<b>12,153</b>	<b>13,355</b>
VA agreement	-	(3)	-	96
<b>Revenue excluding VA agreement</b>	<b>4,211</b>	<b>4,339</b>	<b>12,153</b>	<b>13,259</b>
<b>Operating income (EBIT)</b>	<b>611</b>	<b>609</b>	<b>1,679</b>	<b>1,843</b>
VA agreement	-	(3)	-	88
Natural Disaster Costs	-	(12)	-	(12)
<b>Operating income (EBIT) excluding Special Items</b>	<b>611</b>	<b>624</b>	<b>1,679</b>	<b>1,767</b>
<b>Net income<sup>1</sup></b>	<b>304</b>	<b>309</b>	<b>781</b>	<b>886</b>
VA agreement	-	(2)	-	52
Natural Disaster Costs	-	(8)	-	(8)
<b>Net income<sup>1</sup> excluding Special Items</b>	<b>304</b>	<b>319</b>	<b>781</b>	<b>842</b>

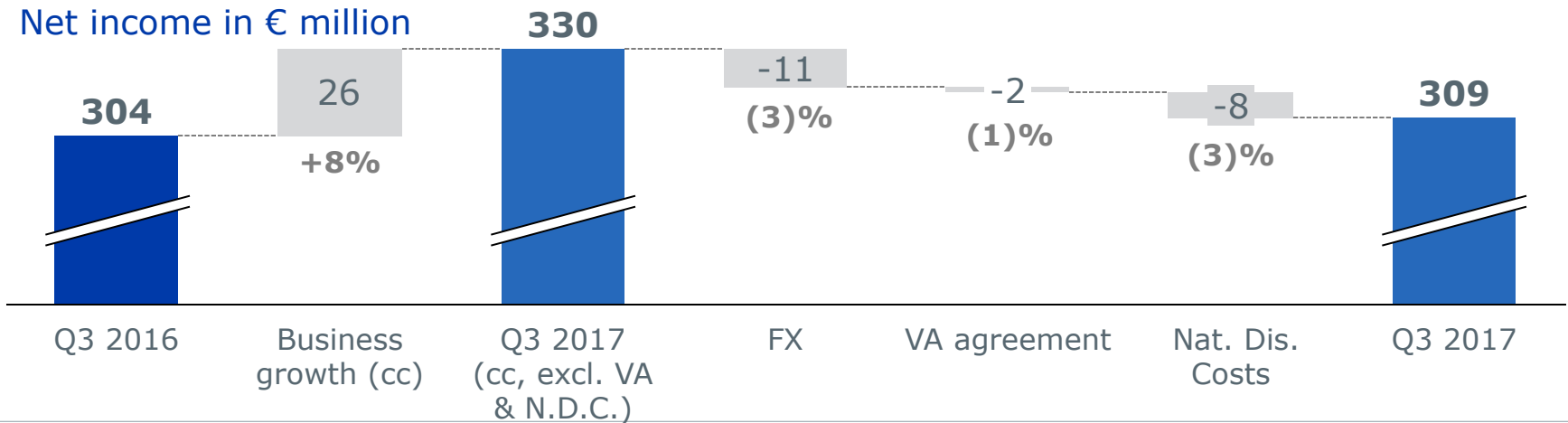
1 attributable to shareholders of FMC AG & Co. KGaA

# Q3 2017: revenue and net income reconciliation

Revenue in € million



Net income in € million



FX = translational foreign exchange effects | cc= constant currency

## Q3 2017: Net income impacted by headwinds

				Adjusted <sup>2</sup>			
	Q3 2017 € million	Q3 2016 € million	Growth in %	Q3 2017 € million	Q3 2016 € million	Growth in %	Growth in % <sup>cc</sup>
<b>Net revenue</b>	<b>4,336</b>	<b>4,211</b>	<b>3</b>	<b>4,339<sup>3</sup></b>	<b>4,211</b>	<b>3</b>	<b>8</b>
<b>Operating income (EBIT)</b>	<b>609</b>	<b>611</b>	<b>0</b>	<b>624</b>	<b>611</b>	<b>2</b>	<b>6</b>
<i>EBIT-margin in %</i>	<i>14.0</i>	<i>14.5</i>	<i>(0.5) pp</i>	<i>14.4</i>	<i>14.5</i>	<i>(0.1) pp</i>	<i>(0.3) pp</i>
Net interest expense	86	90	(4)	86	90	(4)	0
Income before taxes	523	521	0	538	521	3	7
Income tax expense	152	152	0	157	152	3	8
<i>Tax rate in %</i>	<i>29.0</i>	<i>29.2</i>	<i>(0.2) pp</i>	<i>29.2</i>	<i>29.2</i>	<i>0.0 pp</i>	<i>(0.1) pp</i>
Non-controlling interest	62	65	(5)	62	65	(5)	1
<b>Net income<sup>1</sup></b>	<b>309</b>	<b>304</b>	<b>2</b>	<b>319</b>	<b>304</b>	<b>5</b>	<b>8</b>

- ▶ Solid underlying growth affected by FX effects
- ▶ Net income negatively impacted by FX adjustments for VA agreement and unforeseeable Natural Disaster Costs

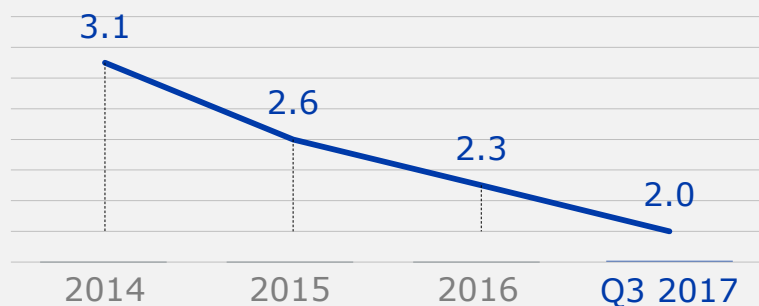
1 Net income attr. to shareholders of FME | 2 Adjusted for the FX impact on the effects of the VA agreement and Natural Disaster Costs (Details Chart 32) | 3 No revenue adjustments for Natural Disaster Costs | cc= constant currency

# Q3 2017: Strong cash flow & deleveraging

	<b>Q3 2017</b> in € million	Q3 2016 in € million	<b>9m 2017<sup>1</sup></b> in € million	9m 2016 in € million
<b>Operating cash flow</b>	<b>612</b>	<b>393</b>	<b>1,664</b>	<b>1,160</b>
in % of revenue	14.1	9.3	12.5	9.5
Capital expenditures, net	(226)	(211)	(614)	(658)
<b>Free cash flow</b>	<b>386</b>	<b>182</b>	<b>1,050</b>	<b>502</b>
Free cash flow, after acquisitions and investments	330	149	653	329

Days sales outstanding (DSO) at 67 days worldwide.

## Net debt/EBITDA



## Current ratings

	<b>S&amp;P</b>	<b>Moody's</b>	<b>Fitch</b>
Company	BBB-	Baa3	BBB-
Outlook	stable	stable	stable

<sup>1</sup> Incl. \$205m (€193m) cash contribution from VA agreement

## Q3 2017: Quality outcomes remain on high level

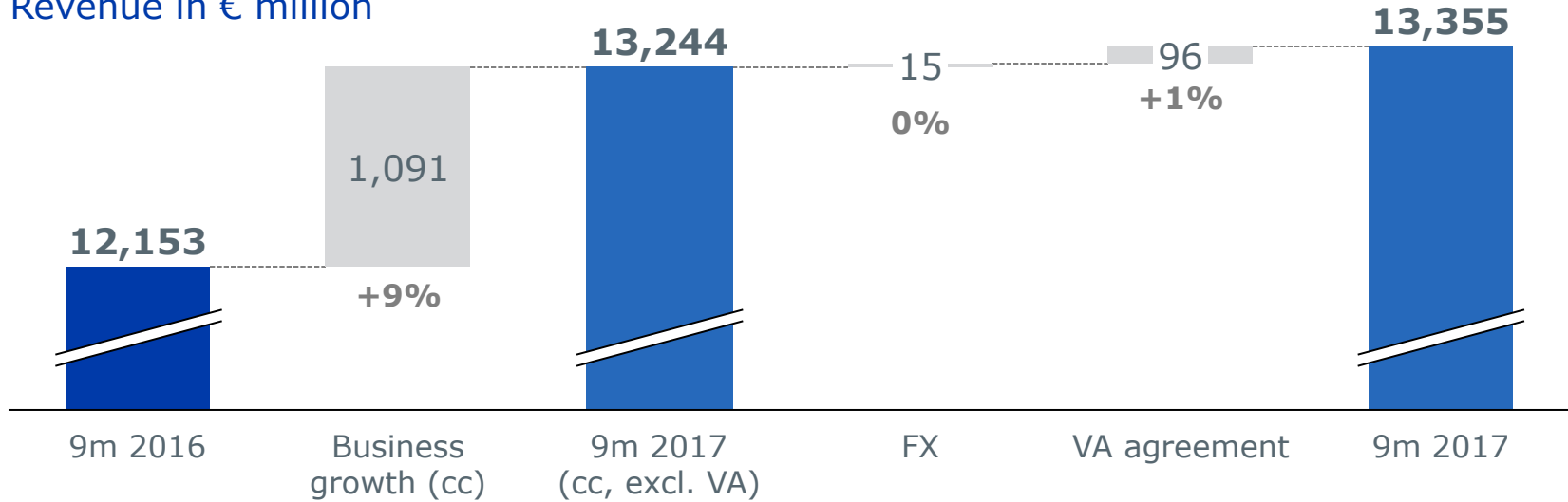
% of patients <sup>1</sup>	North America		EMEA		Latin America		Asia-Pacific	
	Q3 2017	Q2 2017	Q3 2017	Q2 2017	Q3 2017	Q2 2017	Q3 2017	Q2 2017
Kt/V $\geq$ 1.2	<b>98</b>	98	<b>95</b>	95	<b>92</b>	93	<b>96</b>	96
No catheter (>90 days)	<b>84</b>	84	<b>80</b>	81	<b>81</b>	81	<b>88</b>	88
Hemoglobin = 10 – 12 g/dl	<b>73</b>	73	<b>78</b>	78	<b>51</b>	51	<b>58</b>	58
Hemoglobin = 10 – 13 g/dl (International)	<b>79</b>	80	<b>77</b>	77	<b>69</b>	69	<b>66</b>	66
Albumin $\geq$ 3.5 g/dl <sup>2</sup>	<b>78</b>	78	<b>87</b>	86	<b>91</b>	91	<b>88</b>	87
Phosphate <sup>3</sup> $\leq$ 5.5 mg/dl	<b>62</b>	62	<b>76</b>	75	<b>76</b>	77	<b>70</b>	69
Calcium 8.4 – 10.2 mg/dl	<b>85</b>	84	<b>76</b>	74	<b>78</b>	78	<b>75</b>	74
Hospitalization days, per patient	<b>9.9</b>	10.1	<b>7.5</b>	7.7	<b>4.0</b>	3.9	<b>3.8</b>	3.9

<sup>1</sup> Outcome data in these regions might be more volatile over time as clinic data will be added |

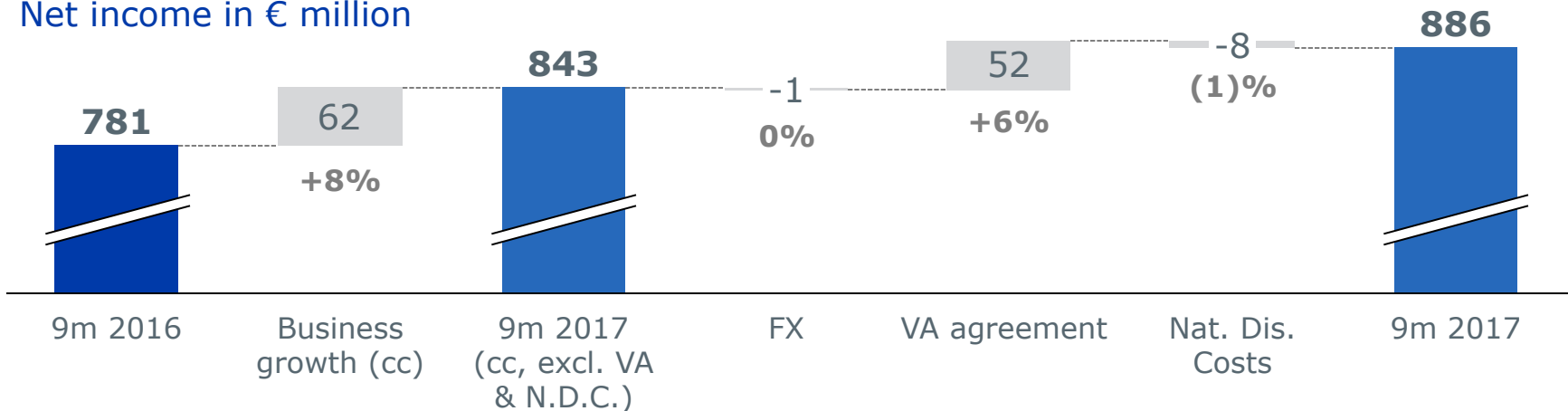
<sup>2</sup> International standard BCR CRM470 | <sup>3</sup> Phosphate reported as mg/dL of phosphorus

# 9m 2017: revenue and net income reconciliation

Revenue in € million



Net income in € million



FX = translational foreign exchange effects | cc= constant currency

## 9m 2017: Solid growth delivered

				Adjusted <sup>2</sup>			
	9m 2017 € million	9m 2016 € million	Growth in %	9m 2017 € million	9m 2016 € million	Growth in %	Growth in %cc
<b>Net revenue</b>	<b>13,355</b>	<b>12,153</b>	<b>10</b>	<b>13,259<sup>3</sup></b>	<b>12,153</b>	<b>9</b>	<b>9</b>
<b>Operating income (EBIT)</b>	<b>1,843</b>	<b>1,679</b>	<b>10</b>	<b>1,767</b>	<b>1,679</b>	<b>5</b>	<b>5</b>
<i>EBIT-margin in %</i>	<i>13.8</i>	<i>13.8</i>	<i>0.0 pp</i>	<i>13.3</i>	<i>13.8</i>	<i>(0.5) pp</i>	<i>(0.5) pp</i>
Net interest expense	274	276	(1)	274	276	(1)	(1)
Income before taxes	1,569	1,403	12	1,493	1,403	6	7
Income tax expense	484	427	13	454	427	6	4
<i>Tax rate in %</i>	<i>30.8</i>	<i>30.4</i>	<i>0.4 pp</i>	<i>30.4</i>	<i>30.4</i>	<i>0 pp</i>	<i>0 pp</i>
Non-controlling interest	199	195	2	197	195	1	1
<b>Net income<sup>1</sup></b>	<b>886</b>	<b>781</b>	<b>13</b>	<b>842</b>	<b>781</b>	<b>8</b>	<b>8</b>

- ▶ Net interest expense decreased due to the replacement of interest bearing Senior Notes, by debt instruments at lower interest rates
- ▶ Income tax expense increase driven by a lower portion of tax-free income attributable to noncontrolling interests and higher tax expense related to the VA Agreement
- ▶ Net income growth negatively impacted by unforeseeable Natural Disaster Costs

1 Net income attr. to shareholders of FME | 2 Excl. VA agreement, Natural Disaster Costs (Details Chart 32)  
| 3 No revenue adjustments for Natural Disaster Costs | cc= constant currency

## 9m 2017: Health care services revenue

Revenue	9m 2017 € million	9m 2016 € million	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
<b>Total Health Care Services</b>	<b>10,950</b>	<b>9,910</b>	<b>11</b>	<b>10</b>	<b>7</b>	<b>3</b>
North America	9,086	8,224	10	10	7	3
of which Care Coordination	2,094	1,615	30	29	22	-
EMEA	925	866	7	6	2	3
Asia-Pacific	553	482	15	16	5	4
of which Care Coordination	111	-	n.a.	n.a.	n.a.	-
Latin America	386	338	14	16	15	1

cc = constant currency



## 9m 2017: Health care products revenue

Revenue	9m 2017 € million	9m 2016 € million	Growth in %	Growth in %cc
<b>Total Health Care Products</b>	<b>2,405</b>	<b>2,243</b>	<b>7</b>	<b>7</b>
<b>Dialysis Products</b>	<b>2,345</b>	<b>2,207</b>	<b>6</b>	<b>6</b>
North America	629	604	4	4
EMEA	903	874	3	4
Asia-Pacific	653	592	10	11
Latin America	149	128	16	10
<b>Non-Dialysis Products</b>	<b>60</b>	<b>36</b>	<b>64</b>	<b>64</b>

cc = constant currency

## Exchange rates

		9m 2016	FY 2016	9m 2017
<b>€:\$</b>	Period end	1.116	1.054	1.181
	Average	1.116	1.107	1.114
<b>€:CNY</b>	Period end	7.446	7.320	7.853
	Average	7.347	7.352	7.577
<b>€:RUB</b>	Period end	70.514	64.300	68.252
	Average	76.183	74.145	64.999
<b>€:ARS</b>	Period end	17.073	16.718	20.500
	Average	16.225	16.334	18.135
<b>€:BRL</b>	Period end	3.621	3.431	3.764
	Average	3.956	3.856	3.535

## Financial targets

<b>Revenue growth</b> Average annual, constant currency	<b>2016</b>	<b>2017<sup>1</sup> – 2020</b>
Products	3.6%	5–7%
Services	6.8%	6–8%
Care Coordination	24.1%	15–20%
<b>Total revenue growth</b>	<b>8.2%</b>	<b>~10%</b>

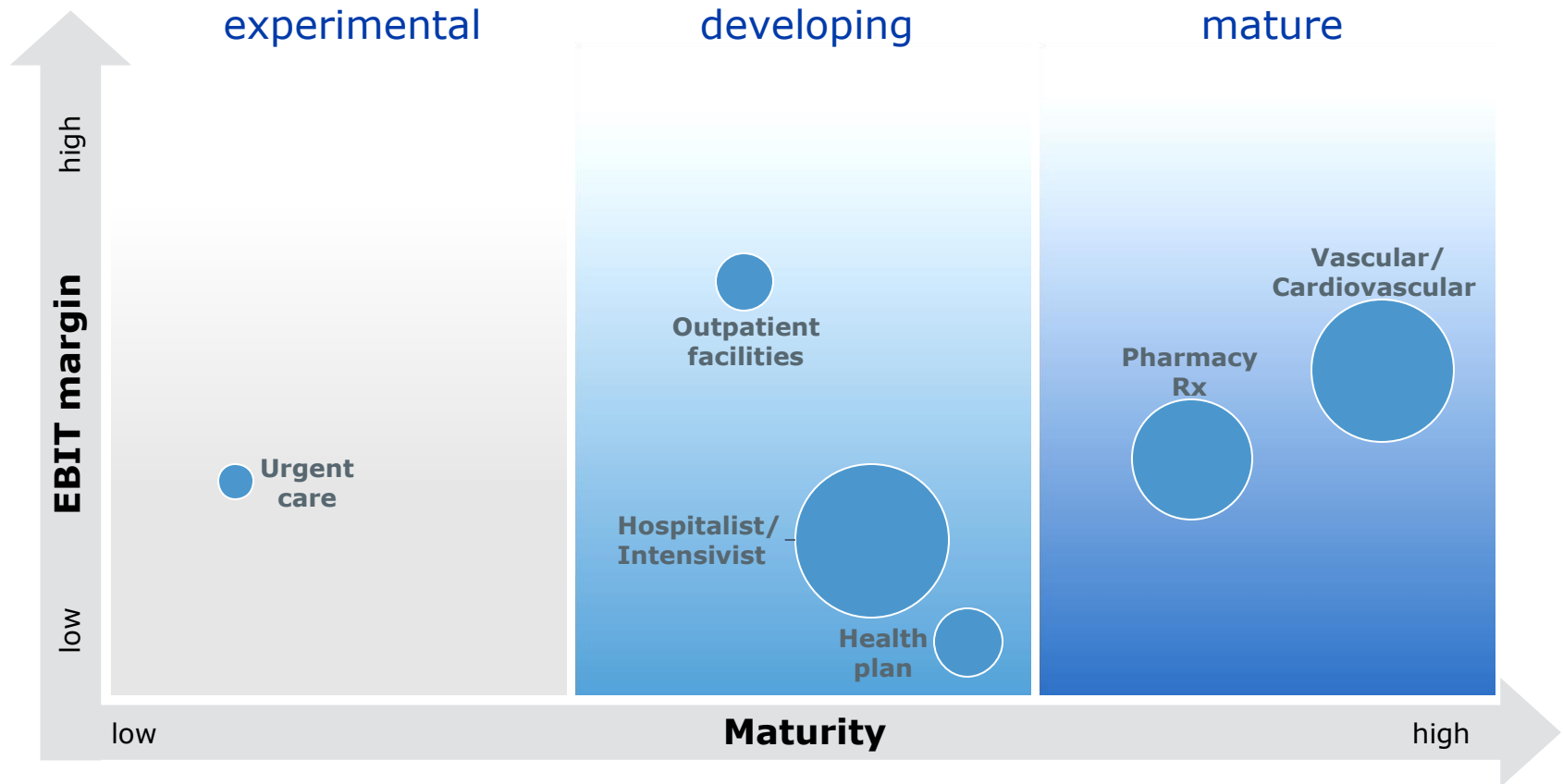
<b>Net income and EPS<sup>2</sup></b> Average annual, constant currency	<b>2016</b>	<b>2017<sup>1</sup> – 2020</b>
Net Income growth rate	15.9%	High single digit
EPS growth rate	15.4%	High single digit

<sup>1</sup> Excluding impact related to an agreement with the United States Department of Veterans Affairs and Justice and Natural Disaster Costs |

<sup>2</sup> Excluding settlement costs for an agreement in principle for the GranuFlo case. All figures and estimates EUR / IFRS

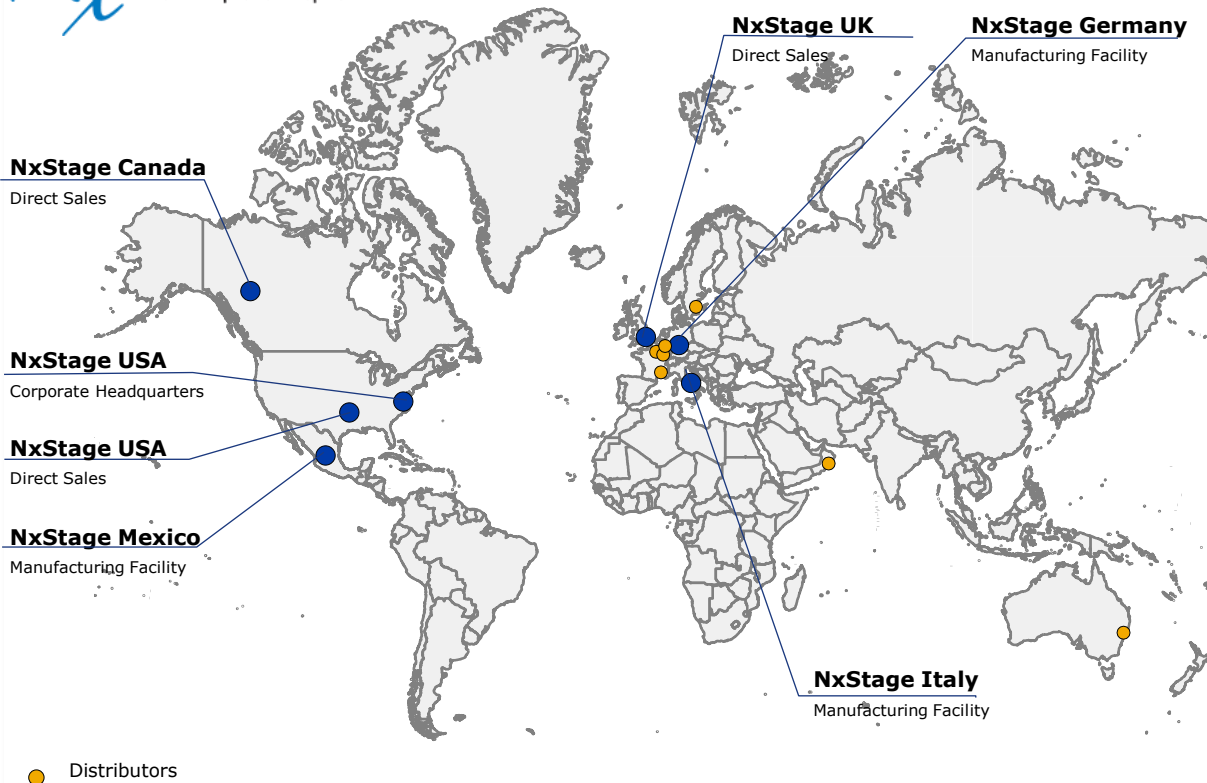
# Our portfolio of Care Coordination businesses

Mid-term high single-digit EBIT margin average targeted – 2020e



Size of bubble indicates absolute EBIT contribution in 2020e. Positioning of bubble illustrative.

# NxStage Medical: Facts & Figures



- ▶ **Founded in 1998**
- ▶ **IPO in 2005**
- ▶ **Patients in 21 countries have been treated with NxStage products**
- ▶ **3,400 employees**
  - 700 in the U.S.
  - 2,700 outside the U.S., primarily in manufacturing
- ▶ **2016 revenue of USD 366 million**

# Transaction Highlights

## Purchase Price

- ▶ USD 30.00 per share in cash for acquisition of 100% of NxStage Medical shares
- ▶ Enterprise value of USD 2.0 billion or around EUR 1.7 billion<sup>1</sup>

## EPS Impact

- ▶ Accretive to EPS in year 3 from closing
- ▶ Accretive to ROIC in year 4 from closing

## Financing

- ▶ All cash transaction financed with debt
- ▶ Potentially adding 60-70 bp to net debt / EBITDA after closing

## Closing & Timing

- ▶ Transaction closing expected in 2018
- ▶ Customary conditions as required by U.S. and German authorities

<sup>1</sup> Assumes 1 EUR/USD exchange rate of 1.18 as of August 04, 2017

# Transaction Highlights

## Synergy Potential

- ▶ Initial net cost synergies potential of approximately USD 80 to 100 million p.a. before tax over 3 to 5 years is expected

## Key Synergy Drivers

- ▶ Labor efficiencies
- ▶ SG&A
- ▶ Manufacturing
- ▶ Distribution
- ▶ Facility cost avoidance
- ▶ CAPEX

## Integration Costs

- ▶ Integration costs of around USD 150 million in the first 3 years from announcement are assumed

# Financial calendar<sup>1</sup>

February 27, 2018

Report on 4<sup>th</sup> quarter 2017

January 8-9, 2018

J.P. Morgan Healthcare Conference, San Francisco

January 9-10, 2018

Commerzbank German Investment Conference,  
New York

January 11, 2018

ODDO BHF Forum, Lyon

January 15-16, 2018

UniCredit & Kepler Cheuvreux German Corporate  
Conference, Frankfurt

<sup>1</sup> Please note that dates and/or participation might be subject to change



**Constant currency:** Changes in revenue, operating income, net income attributable to shareholders of FMC AG & Co. KGaA and other items include the impact of changes in foreign currency exchange rates. We use the non-IFRS financial measure “at constant exchange rates” or constant currency in our filings to show changes in our revenue, operating income, net income attributable to shareholders of FMC AG & Co. KGaA and other items without giving effect to period-to-period currency fluctuations. Under IFRS, amounts received in local (non-Euro) currency are translated into Euros at the average exchange rate for the period presented. Once we translate the local currency for the constant currency, we then calculate the change, as a percentage, of the current period using the prior period exchange rates versus the prior period. This resulting percentage is a non-IFRS measure referring to a change as a percentage “at constant currency.”

We believe that the non-IFRS 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 a company's revenue, operating income and other items from period to period. However, we also believe that the usefulness of data on constant currency period-over-period changes is subject to limitations, particularly if the currency effects that are eliminated constitute a significant element of our revenue, operating income, net income attributable to shareholders of FMC AG & Co. KGaA and other items and 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 into Euros. We do not evaluate our results and performance without considering both constant currency period-over-period changes in non-IFRS revenue, operating income, net income attributable to shareholders of FMC AG & Co. KGaA and other items and changes in revenue, operating income, net income attributable to shareholders of FMC AG & Co. KGaA and other items prepared in accordance with IFRS. 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, operating income, net income attributable to shareholders of FMC AG & Co. KGaA and other items prepared in accordance with IFRS. We present the growth rate derived from IFRS measures next to the growth rate derived from non-IFRS measures such as revenue, operating income, net income attributable to shareholders of FMC AG & Co. KGaA and other items. Because the reconciliation is inherent in the disclosure, we believe that a separate reconciliation would not provide any additional benefit.

# Contacts

FME Investor Relations  
Else-Kröner-Str. 1  
61352 Bad Homburg v.d.H.  
Germany

Ticker: FME or FMS (NYSE)  
WKN: 578 580  
ISIN: DE00057858002

► **Dr. Dominik Heger**  
Head of Investor Relations and  
Corporate Communications  
Tel.: +49-(0) 6172-609-2601  
Email: [dominik.heger@fmc-ag.com](mailto:dominik.heger@fmc-ag.com)

► **Robert Adolph**  
Director Investor Relations  
Tel.: +49-(0) 6172-609-2477  
Email: [robert.adolph@fmc-ag.com](mailto:robert.adolph@fmc-ag.com)

► **Philipp Gebhardt**  
Senior Manager Investor Relations  
Tel.: +49-(0) 6172-609-7323  
Email: [philipp.gebhardt@fmc-ag.com](mailto:philipp.gebhardt@fmc-ag.com)

