FRESENIUS MEDICAL CARE

CAPITAL MARKETS DAY
Oliver Maier

April 3 2014, New York City

Welcome

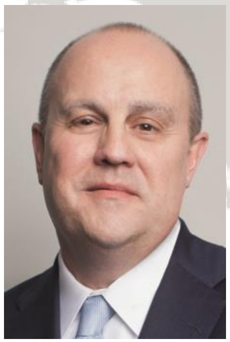
to 2014 Capital Markets Day

New York City

Today's Agenda

09:00	**Welcome** Oliver Maier
09:10	**Global Overview and Strategy** Rice Powell
09:50	**Region: North America** Ron Kuerbitz
10:20	**Region: Asia Pacific** Roberto Fuste
10:40	**Region: EMEA** Rice Powell
11:00	**Q&A**
11:20	**Break**
11:40	**Global R&D (GRD)** Olaf Schermeier
12:00	**Global Manufacturing Operations (GMO)** Kent Wanzek
12:20	**Medical/Care Coordination** Frank Maddux
12:40	**Q&A**
13:00	**Lunch**
13:40	**Financials** Mike Brosnan
14:10	**Summary** Rice Powell
14:15	**Q&A**
14:30	**Finish**

Today’s Presenters

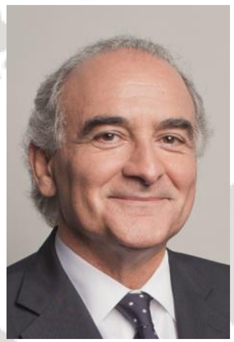


Rice Powell

Chairman & Chief Executive Officer

Ron Kuerbitz

North America



Roberto Fuste

Asia Pacific

Olaf Schermeier

Research & Development

Kent Wanzek

Global Manufacturing Operations

Frank Maddux

Chief Medical Officer

Michael Brosnan

Chief Financial Officer

FRESENIUS MEDICAL CARE

GLOBAL OVERVIEW & STRATEGY

Rice Powell

April 3 2014, New York City

Agenda

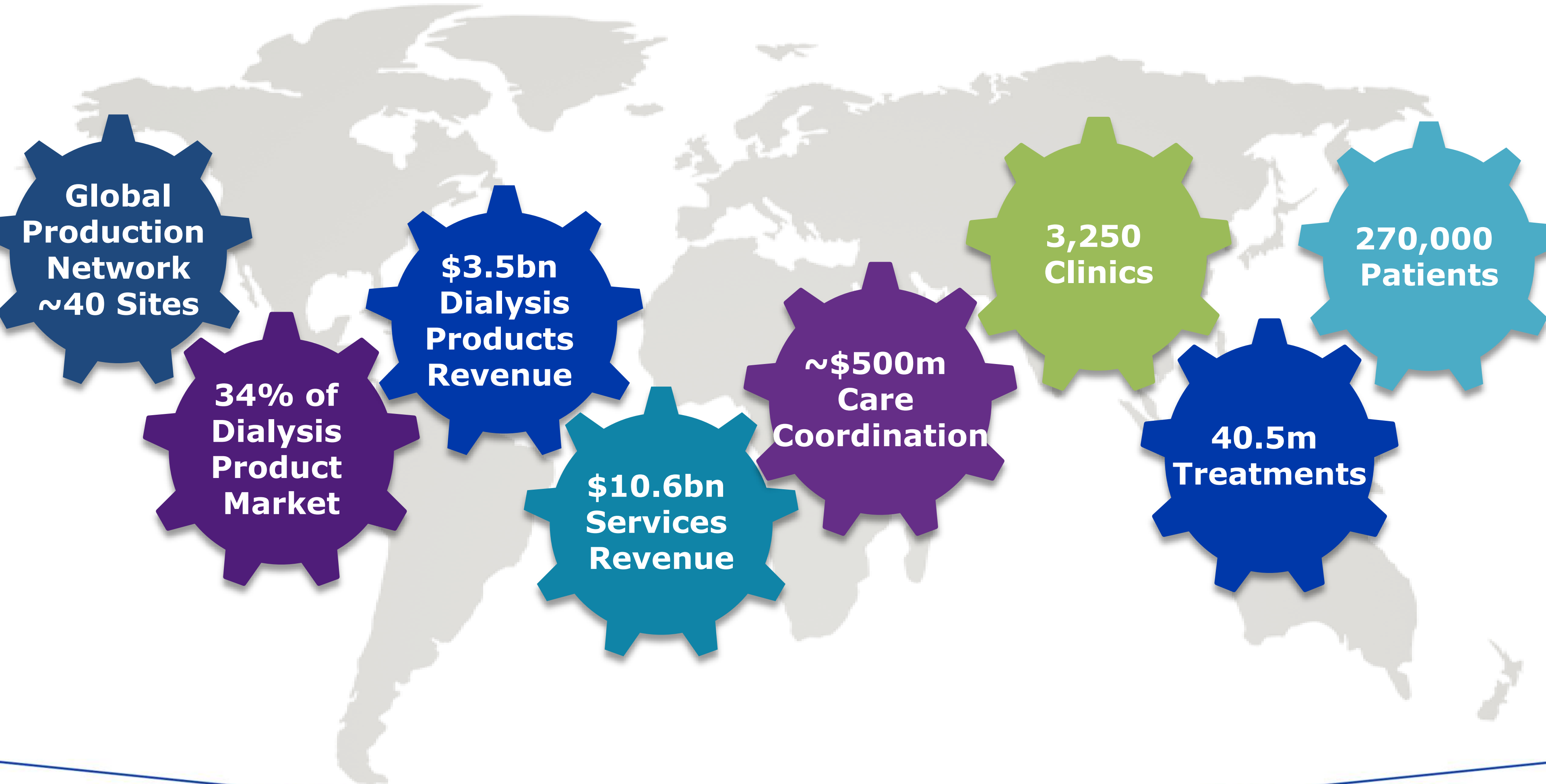
A	Fresenius Medical Care Today - A Global Perspective
B	Market Dynamics
C	Our Global Strategy

FRESENIUS MEDICAL CARE TODAY

A Global Perspective

FRESENIUS
MEDICAL CARE

Fresenius Medical Care Today



Source: 2013 Company data and estimates

We are the World's Leading Provider of Dialysis Services

North America

Provider	Patients	Countries
FRESENIUS MEDICAL CARE	171,440	2
DaVita.	163,000	1
DCi	14,000	1
U.S. RENAL CARE	14,000	1
AMERICAN RENAL associates	9,450	1
DSI RENAL	6,550	1

Europe, Middle East, Africa

Provider	Patients	Countries
FRESENIUS MEDICAL CARE	51,540	23
KfH	18,500	2
DIAVERUM	18,500	14
B BRAUN	11,500	17
PHV – Der Dialysepartner	6,900	1
Baxter	2,750	3
DaVita.	1,650	4

Latin America

Provider	Patients	Countries
FRESENIUS MEDICAL CARE	29,270	8
Baxter	8,750	2
DIAVERUM	4,250	3
DaVita.	1,650	1
B BRAUN	850	1

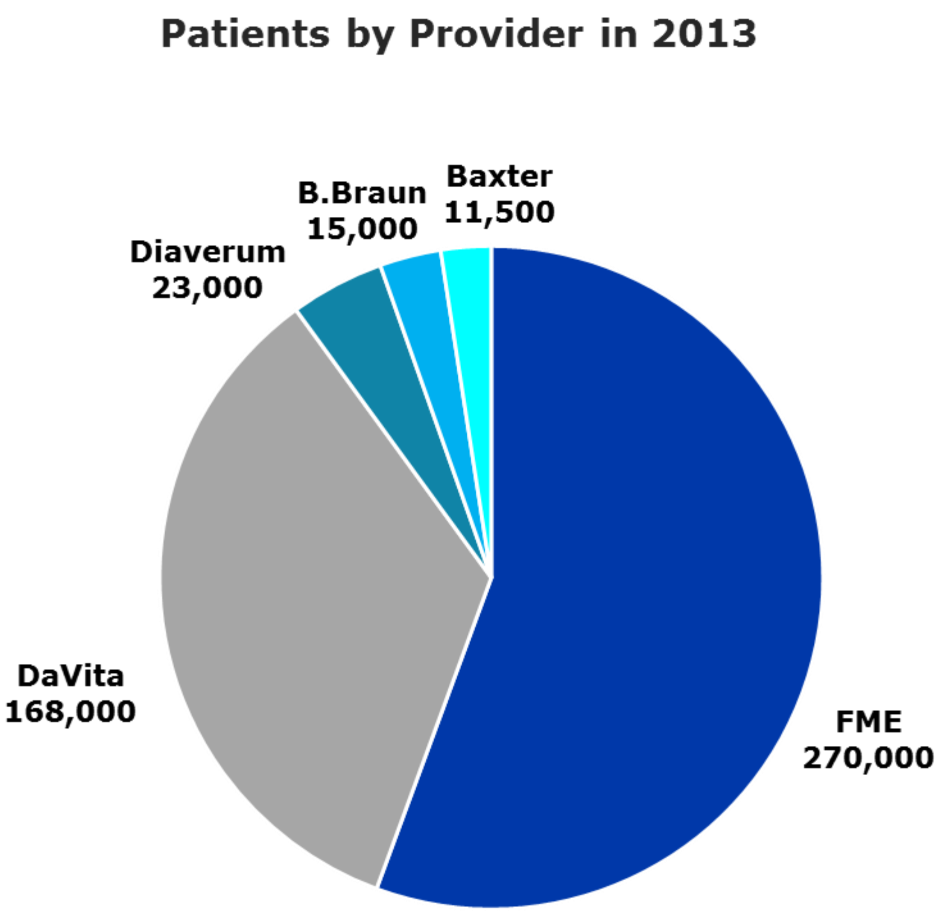
Asia Pacific

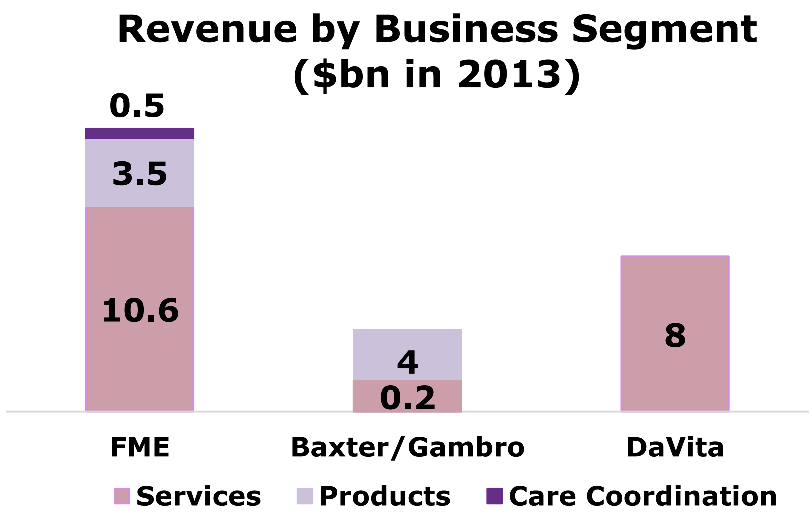
Provider	Patients	Countries
FRESENIUS MEDICAL CARE	17,870	12
Zenjin-Kai	6,000	1
医療法人社団 松和会 Medical Corporation SHOWAKAI	5,000	1
徳洲会グループ TOKUSHUKAI GROUP	4,000	1
B BRAUN	2,650	5
DaVita.	1,750	5
DIAVERUM	300	1

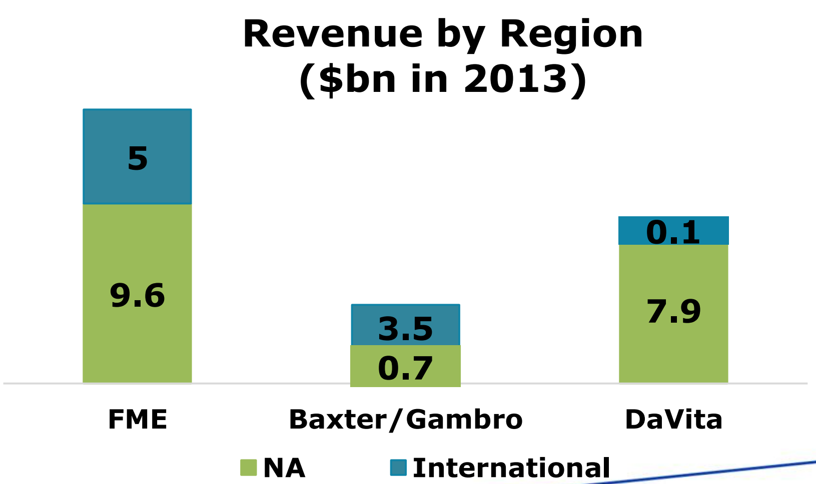
FRESENIUS MEDICAL CARE

Source: 2013 Company data and estimates

Vertical Integration Enables Extension of Renal Care







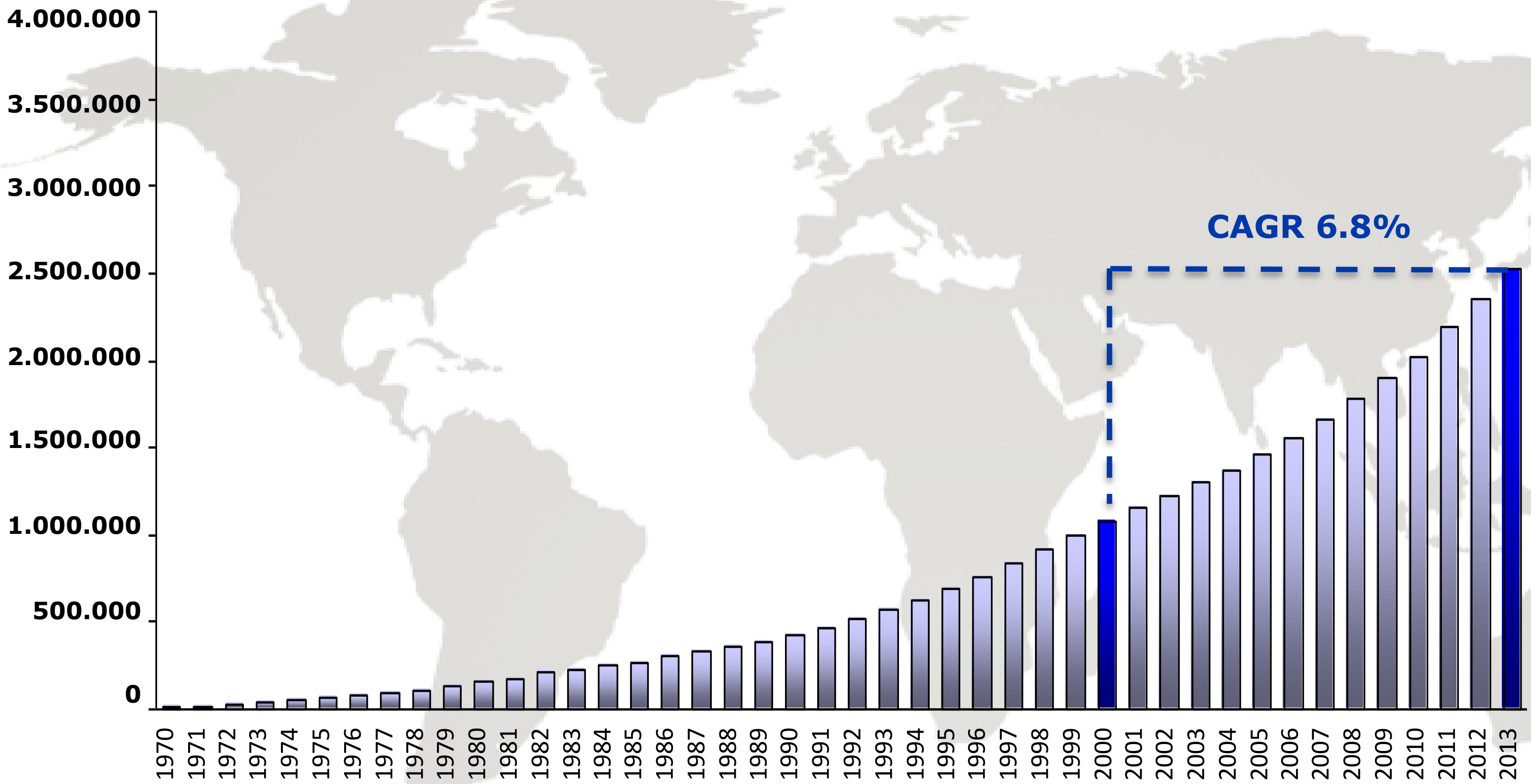
FRESENIUS MEDICAL CARE

Source: 2013 Company data and estimates

MARKET DYNAMICS

FRESENIUS
MEDICAL CARE

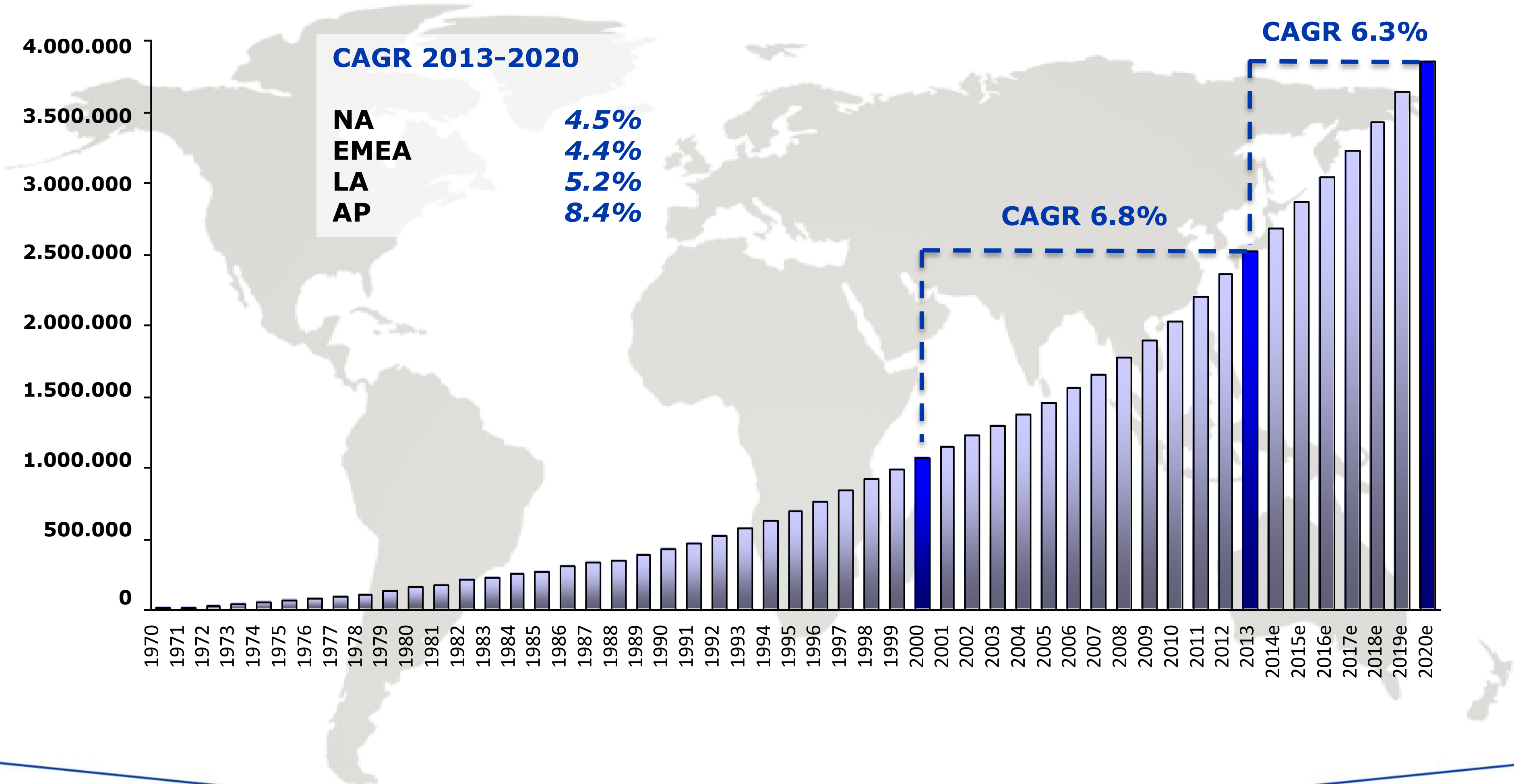
Development of Dialysis Patient Numbers



FRESENIUS MEDICAL CARE

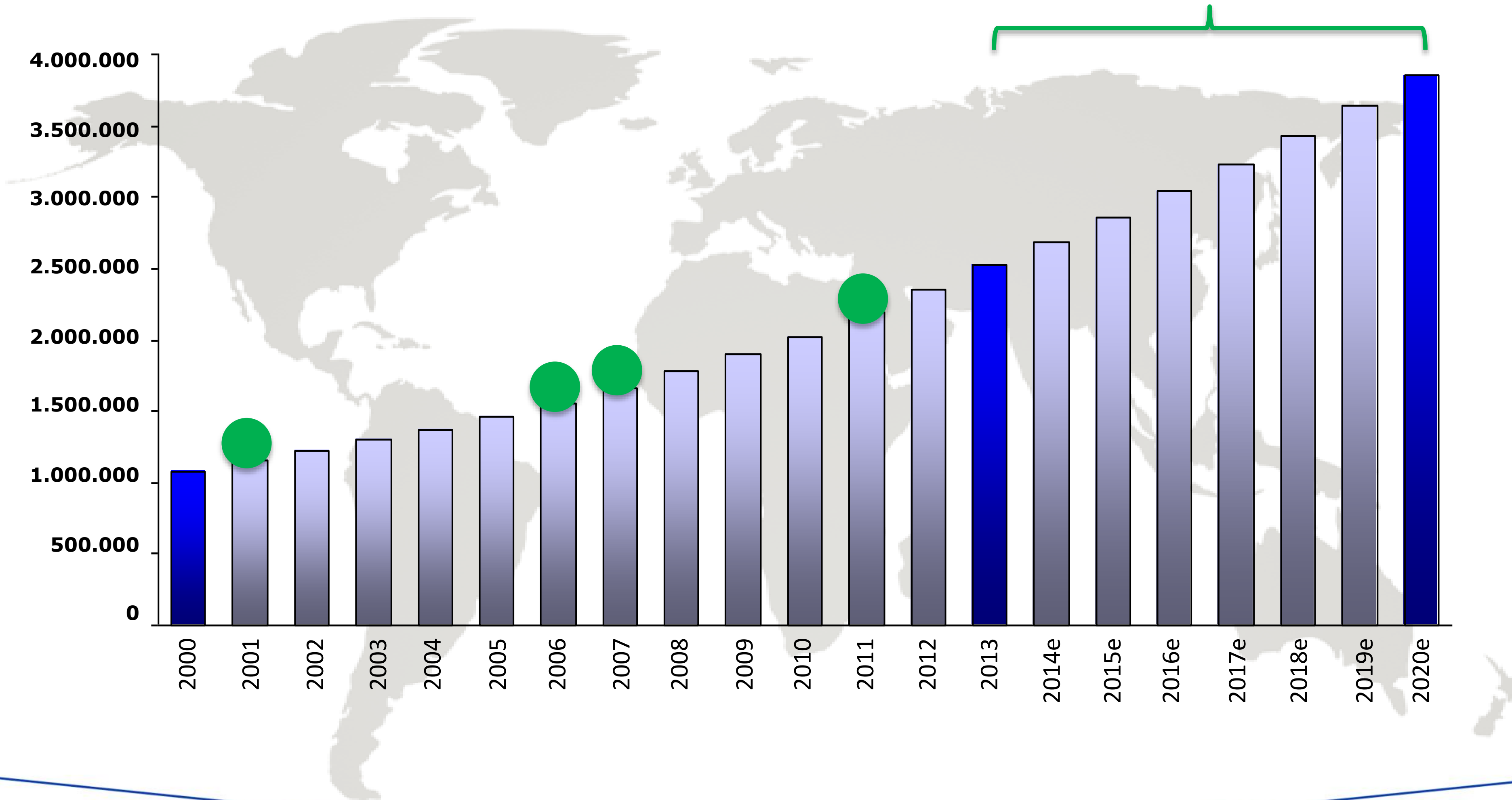
Source: 2013 Company data and estimates

Development of Dialysis Patient Numbers



Source: 2013 Company data and estimates

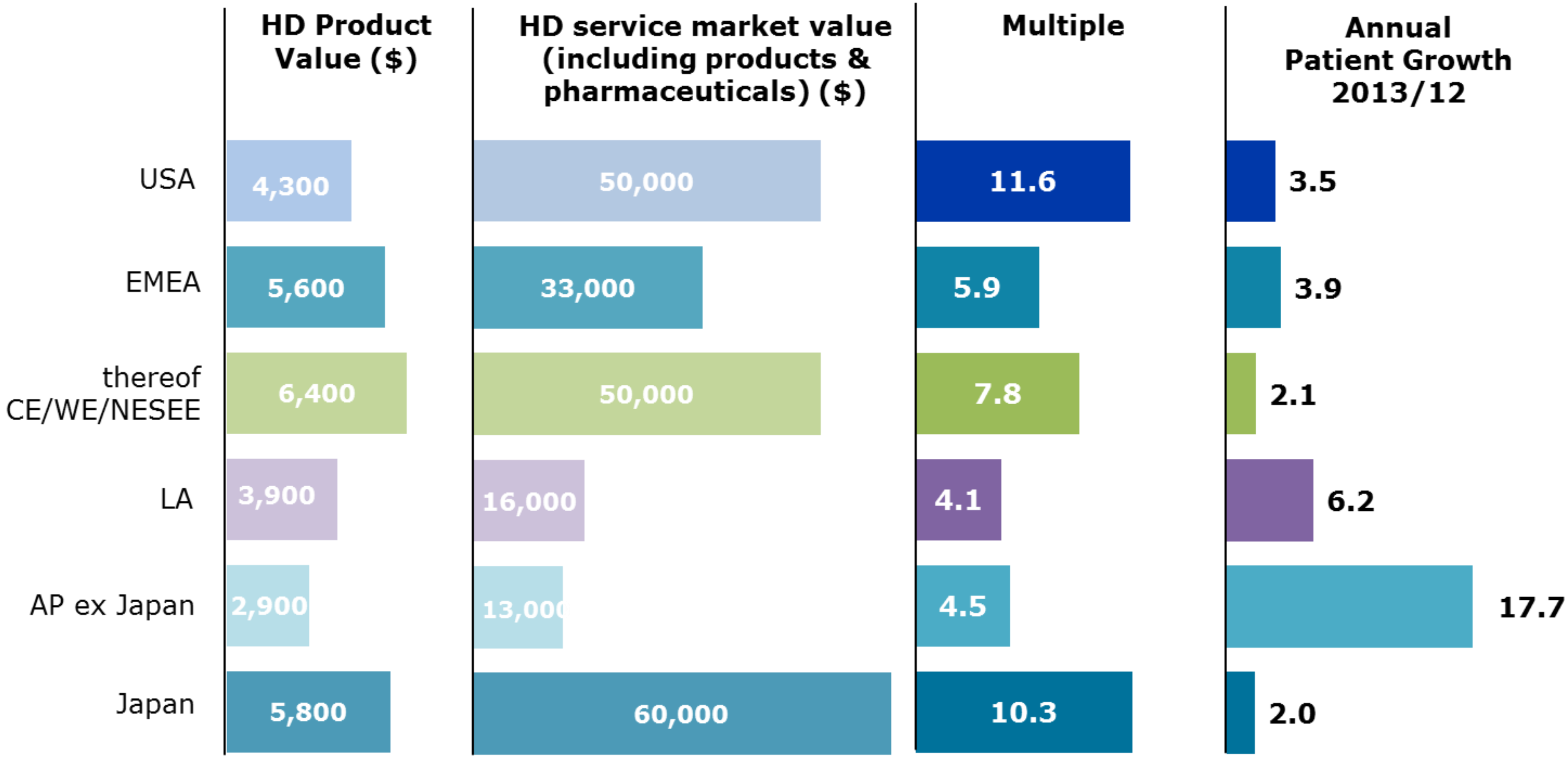
Innovations Shaping the Future



FRESENIUS MEDICAL CARE

Source: 2013 Company data and estimates

Global Market Potential (Per Patient/Per Year)



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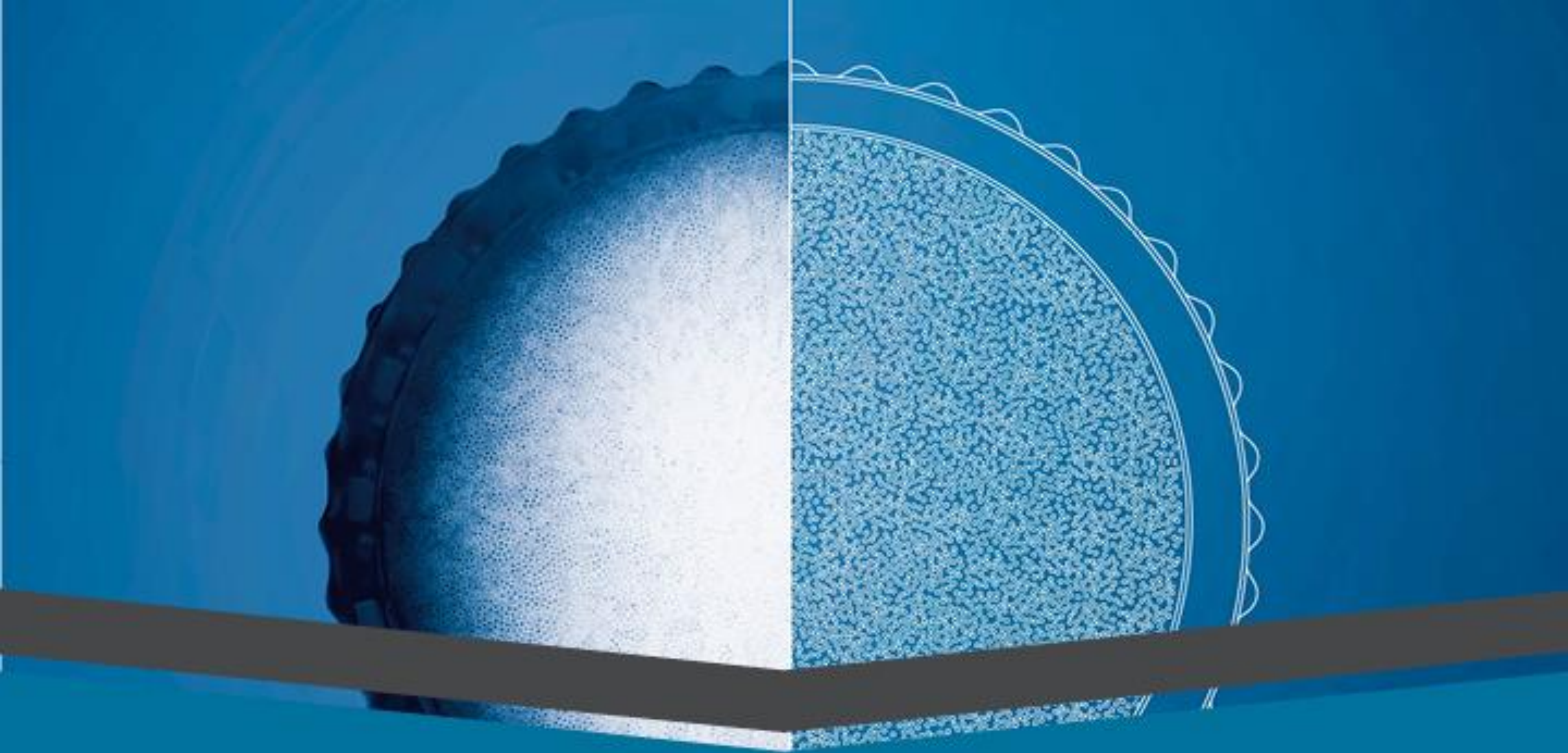
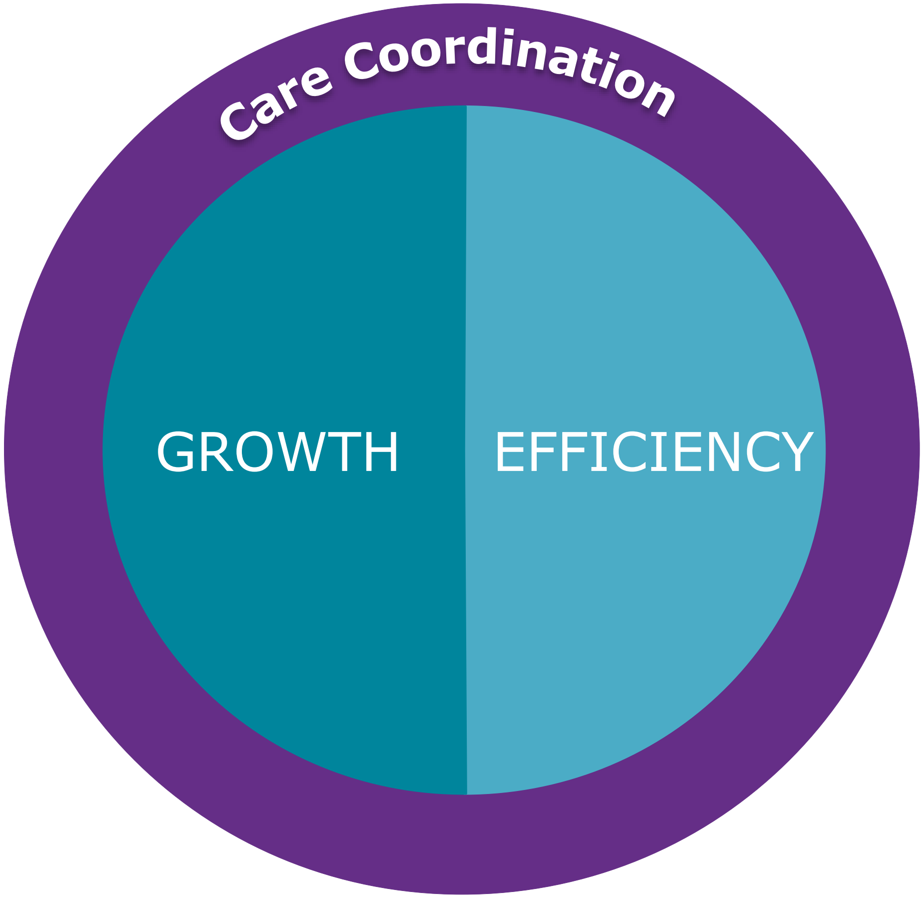
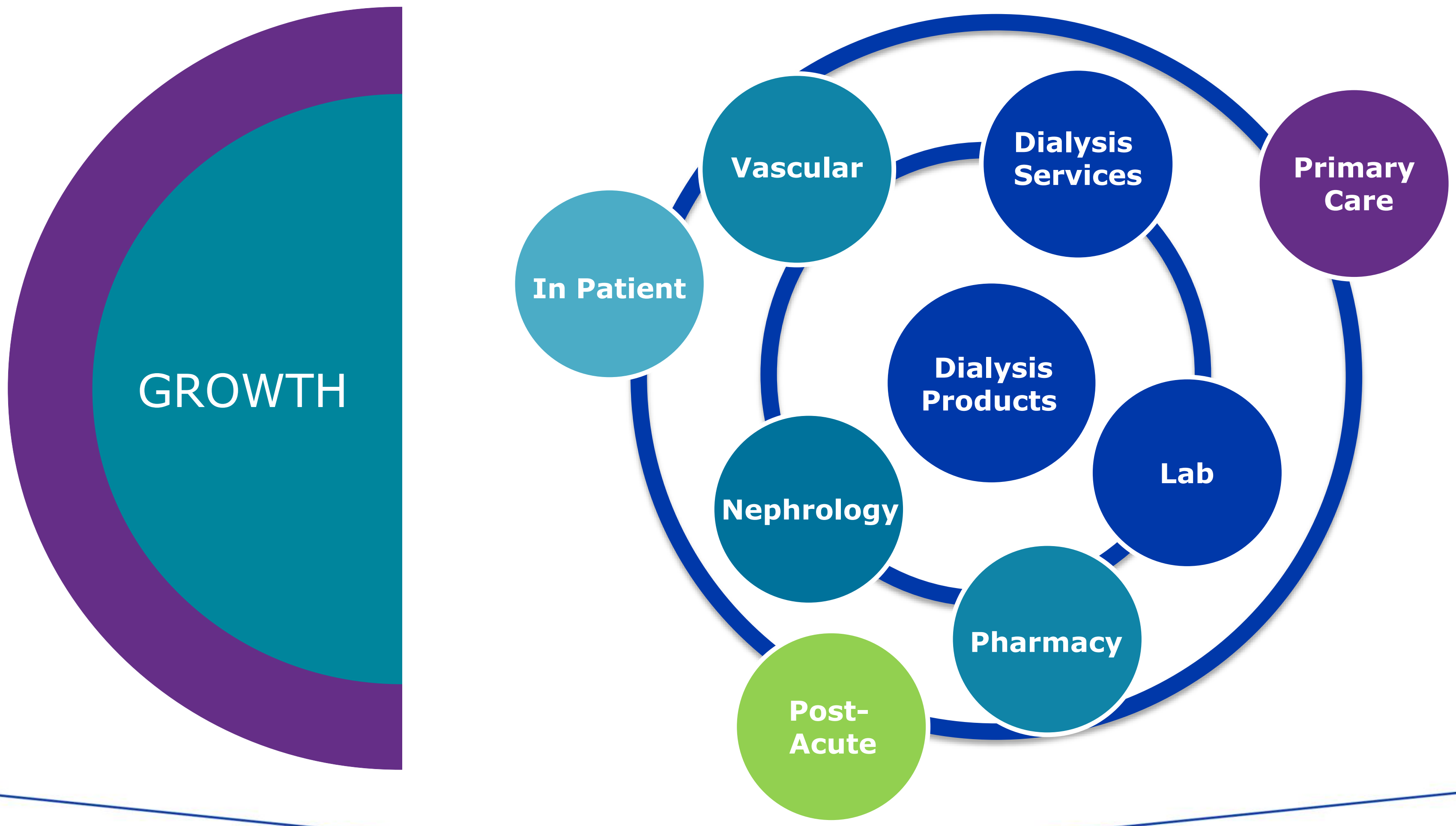


OUR STRATEGY

Driving the Business Forward



Our Vision of Care Coordination



Objectives and Strategy for GEP

EFFICIENCY

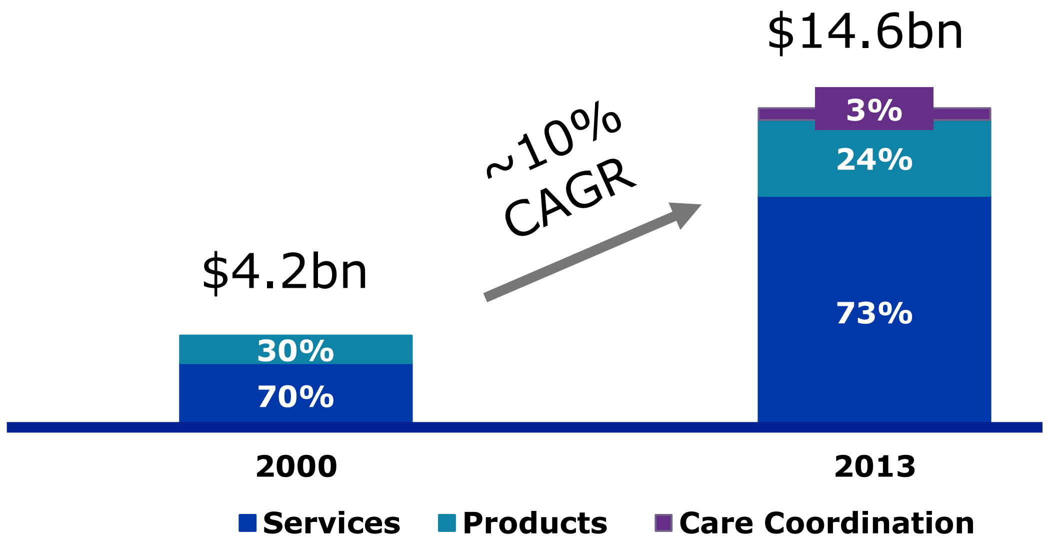
OBJECTIVES

- **Identify efficiency potential**
- **Enhance overall competitiveness**
- **Liberate resources for reinvestment**
- **Achieved sustained efficiency gains over multiple years**

APPROACH

- **18 projects active with monthly results review to ensure execution and delivery**
- **Owned and led by 2 executives with a dedicated full-time team**

2020 Vision



Drivers

- Market consolidation globally
- Introduction of single use therapy in FME clinics
- International expansion
- Starting expansion into Care Coordination

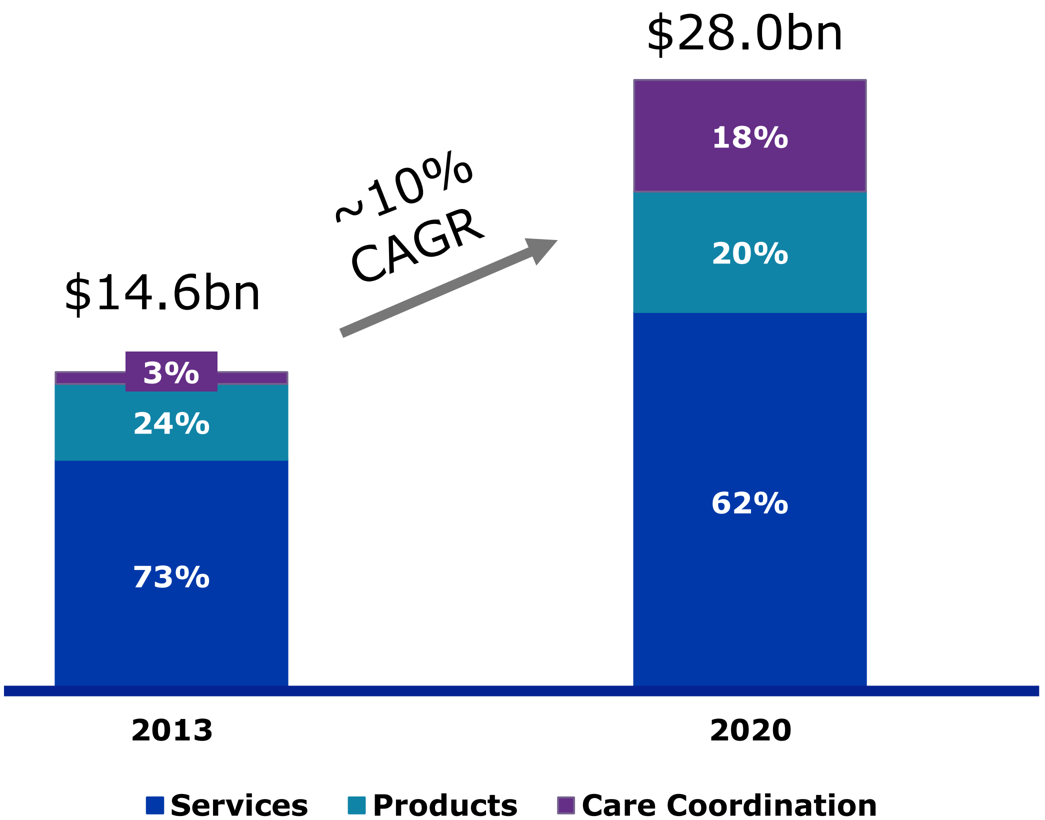
FRESENIUS MEDICAL CARE

Source: 2013 Company data and estimates

2020 Vision

Drivers

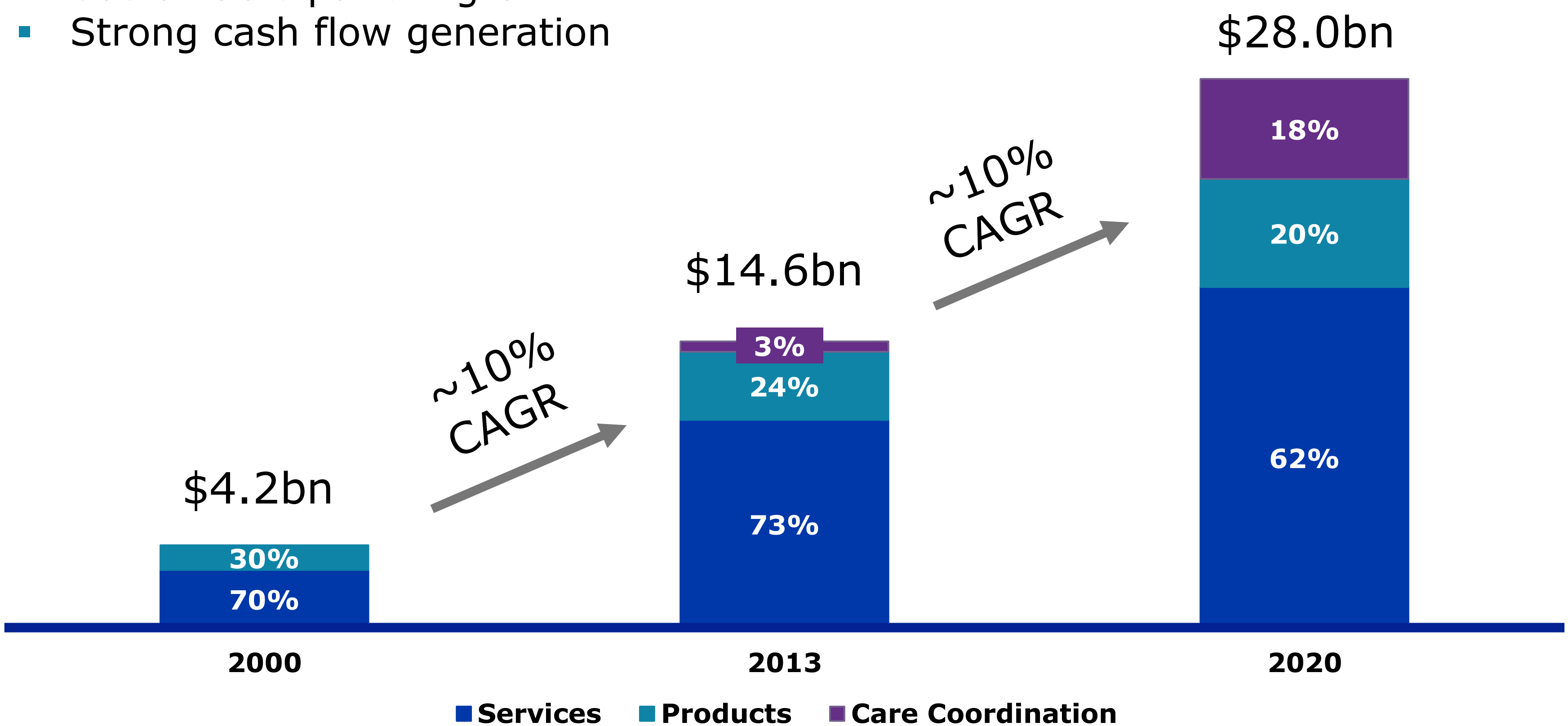
- Compliant, profitable growth
- Pushing our core beyond 128 countries with products; and >40 countries with dialysis care
- Recognize that moving beyond our core brings businesses with different risk and margin profiles
- Reimbursement pressure is a fact of life



Source: 2013 Company data and estimates

2020 Vision

- Focus on quality outcomes through better therapy
- Sustainable patient growth
- Strong cash flow generation



Source: 2013 Company data and estimates

FRESENIUS MEDICAL CARE

NORTH AMERICA
Ron Kuerbitz

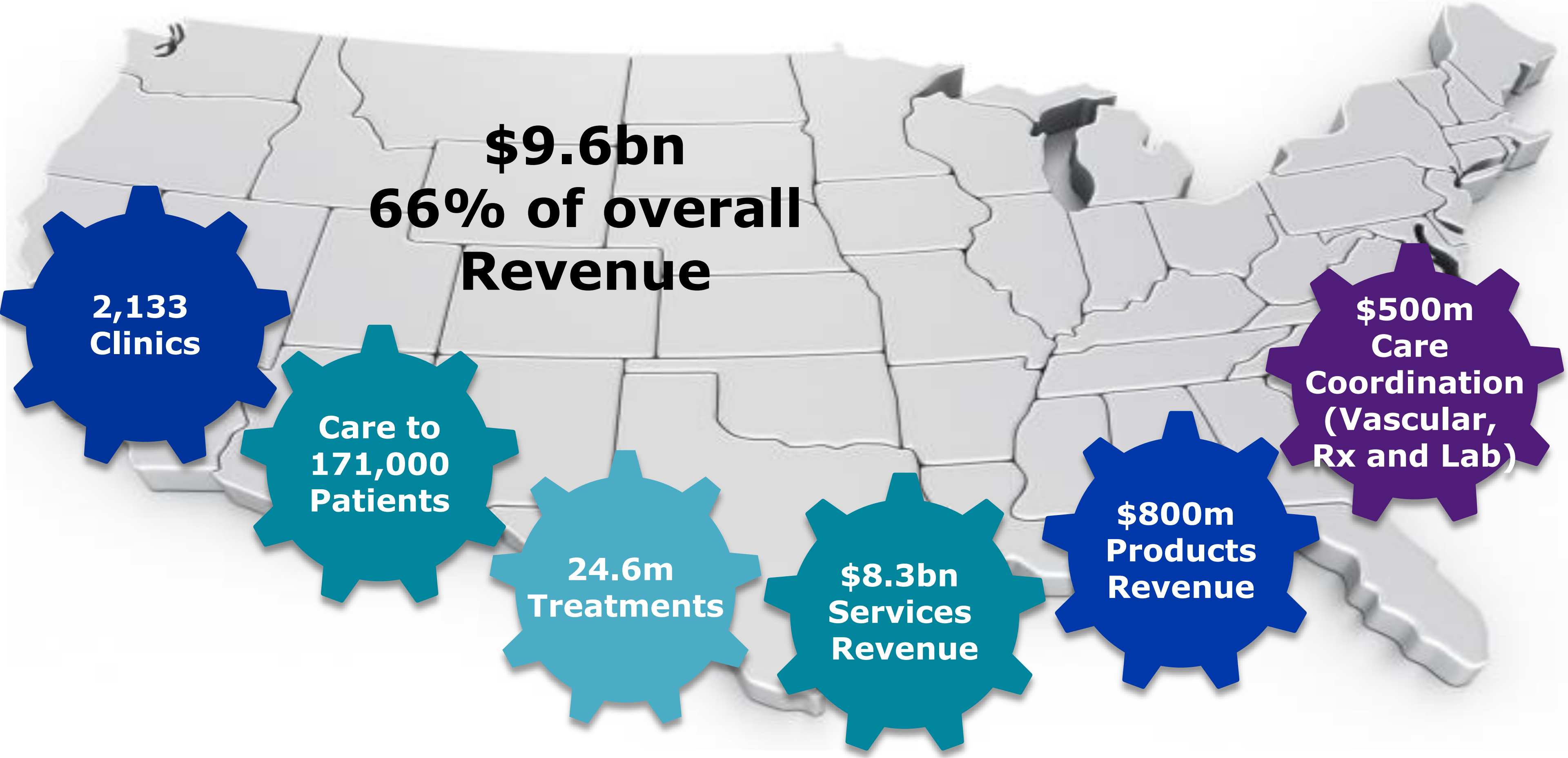
April 3 2014, New York City

Agenda

A	**Our Business Today**
B	**Market Dynamics**
C	**Our Strategy & Vision**

FRESENIUS MEDICAL CARE

Our Business Today



FRESENIUS
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Market Dynamics

DEMOGRAPHICS*

Stable patient growth >3%

- 27.5% of Medicare population has diabetes
- 12.7% of Medicare population has CKD

ESRD population has multiple co-morbidities

PAYOR RELATIONSHIPS

Stable government reimbursement

Stable commercial reimbursement

- Single-digit rate growth

Steady cash flows

GROWTH OPPORTUNITIES

37% of US dialysis market

Targeted dialysis growth opportunities remain

Additional opportunities in Care Coordination

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*** Source: United States Renal Data Service (USRDS), 2013 Annual Data Report***

Driving the Business Forward

DIALYSIS PRODUCTS AND SERVICES

EFFICIENCY

- Drug
- Operational
- Administrative

GROWTH

- Targeted geographic expansion
- Improve patient mortality
- Reduce hospitalization

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Poised to Deliver on Our Promise of Care Coordination

CARE COORDINATION			
	Medicare FFS (Case Mix Adjusted)	FMCNA Demo	% Improvement
One-year Mortality	14.6%	9.3%	36%
Two-year Mortality	26.1%	19.9%	24%
Two-year All-Cause Hospitalizations	76.1%	60.5%	20%
Two-year CVD Hospitalizations	75.2%	59.7%	21%
Readmissions	0.71	0.64	10%
Physician Visits	10.57	8.43	20%
SNF Stays	0.6	0.28	53%

FMCNA Demo improved health outcomes and achieved cost savings of 5.1%

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All results were adjusted for demographics and co-morbidities

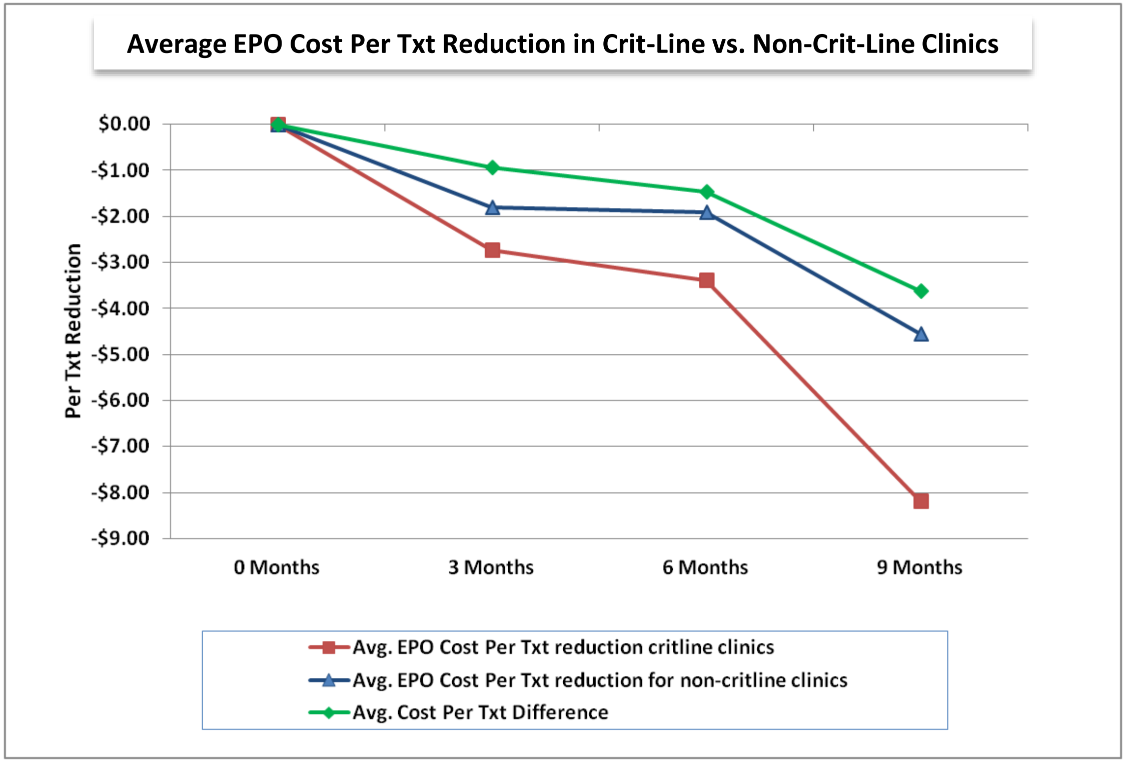
Source: Arbor Research: ESRD Demonstration Disease Management Demonstration Evaluation from 2006-2008, the First Three Years of a Five-Year Demonstration, December 8, 2010.

Poised to Deliver on Our Promise of Care Coordination

CARE COORDINATION

TECHNOLOGICAL INNOVATION

CRIT-LINE	
Fluid-Related Hosp.	↓ 6%
All-Cause Hospitalization	↓ 10%
% Patients With High BP	↓ 12%



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Poised to Deliver on Our Promise of Care Coordination

CARE COORDINATION

TECHNOLOGICAL INNOVATION

DATA ANALYTICS

Goal

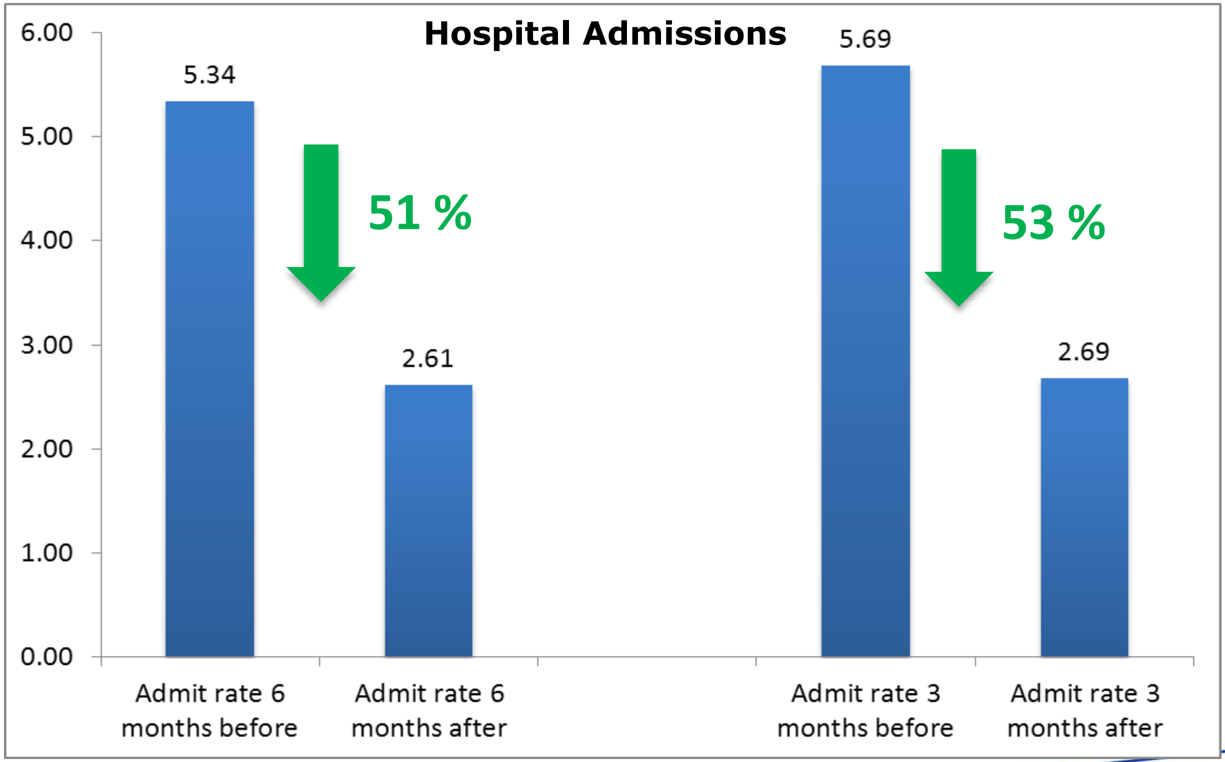
Identify high risk ESRD patients (>5 hosp. in next 12 months)

Model

Clinical predictors yield 90% accuracy

Targeted care coordination/clinical interventions

Results



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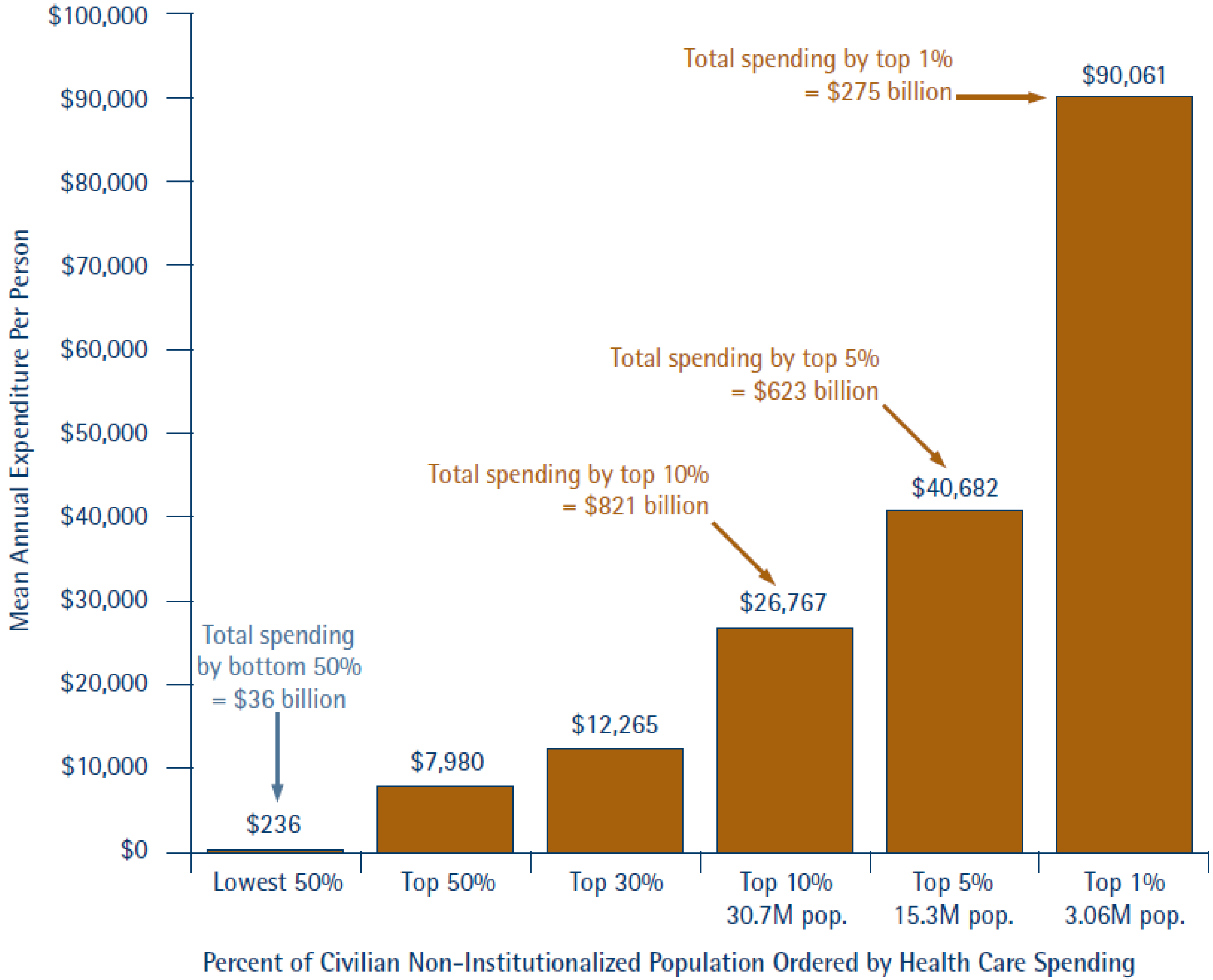
High Cost Special Needs Population



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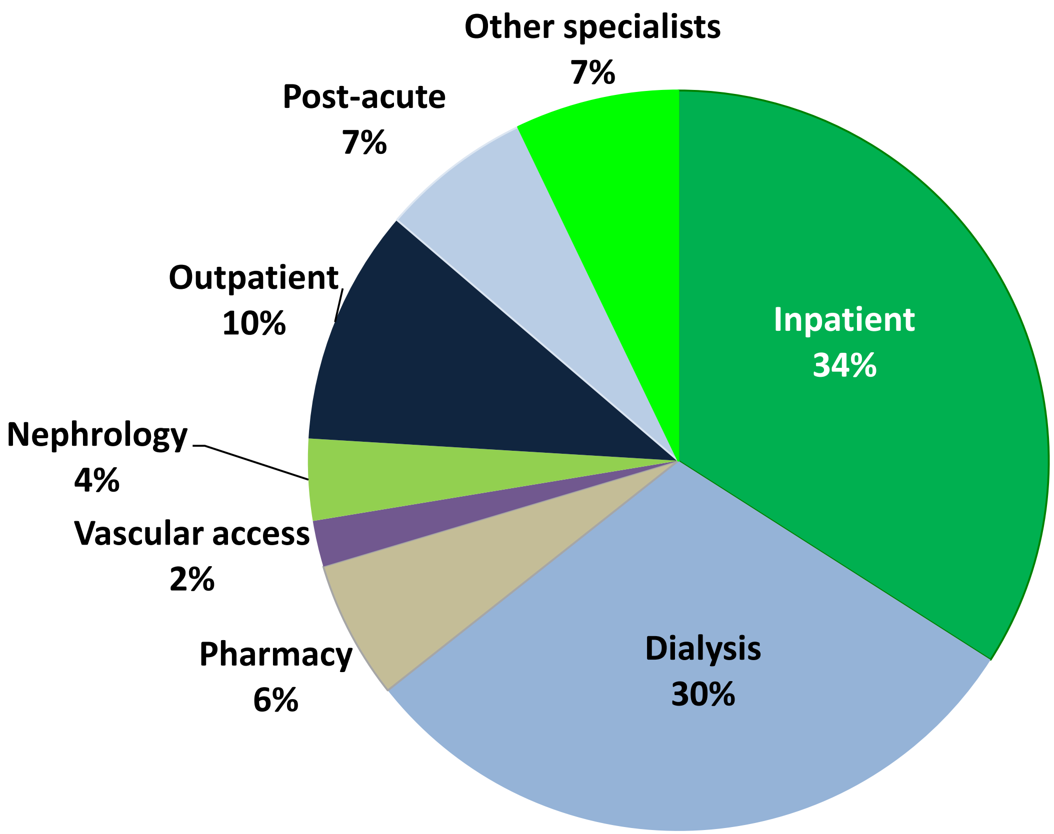
Source: NIHCM Foundation analysis of data from the 2009 Medical Expenditure Panel Survey

Specialized Network Required

Medicare Spending – Dialysis Patients



	Per Patient/Year	
Inpatient	$	29,706
Dialysis		26,452
Outpatient		8,999
Post-acute (SNF + Home Health + Hospice)		5,767
Vascular access		1,755
Nephrology		3,110
Other specialists		6,214
Pharmacy		5,270
Total	$	87,273

Source: United States Renal Data Service

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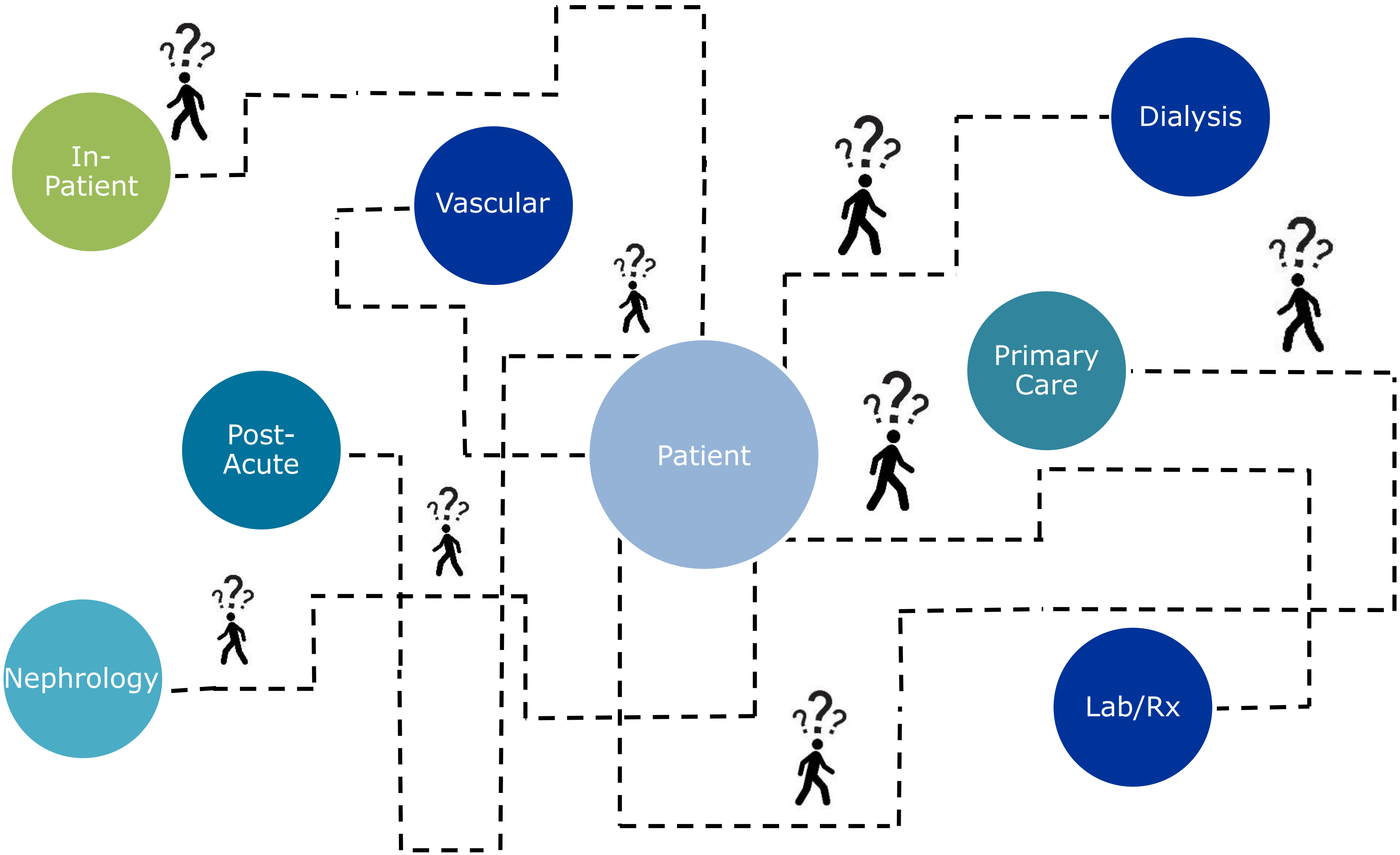
Current Fragmented Care Model



FRESENIUS MEDICAL CARE

Our Vision of Care Coordination: The Renal Care Network

FRESENIUS MEDICAL CARE

FRESENIUS MEDICAL CARE

ASIA PACIFIC
Roberto Fusté

April 3 2014, New York City

Agenda

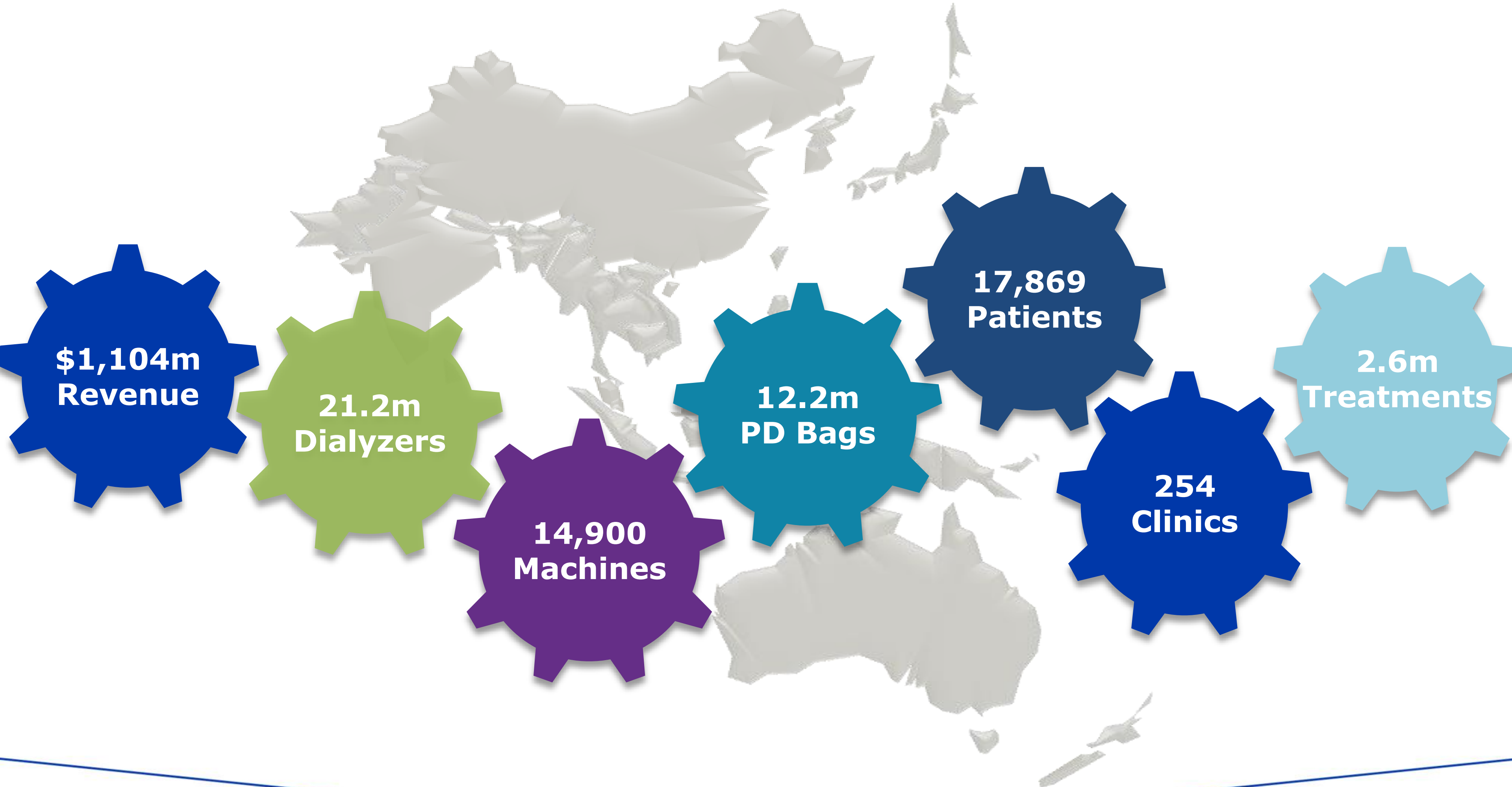
A	**Our Business Today**
B	**Market Dynamics**
C	**Our Strategy**
C	**A Focus on Japan & China**

FRESENIUS MEDICAL CARE

OUR BUSINESS TODAY

FRESENIUS
MEDICAL CARE

Our Business Today



FRESENIUS MEDICAL CARE

Source: 2013 Company data and estimates

MARKET DYNAMICS

FRESENIUS
MEDICAL CARE

Key Market Trends

Stable HD/PD Ratio

HD	PD
90%	10%

Increasing Efforts for Healthcare Coverage

- China
- Thailand
- Indonesia
- Malaysia
- Philippines

ASEAN Integration Accelerates

Adding US$1.9tn to Global Economy by 2025

Legal & Political Constraints for NephroCare

Lessening Constraints

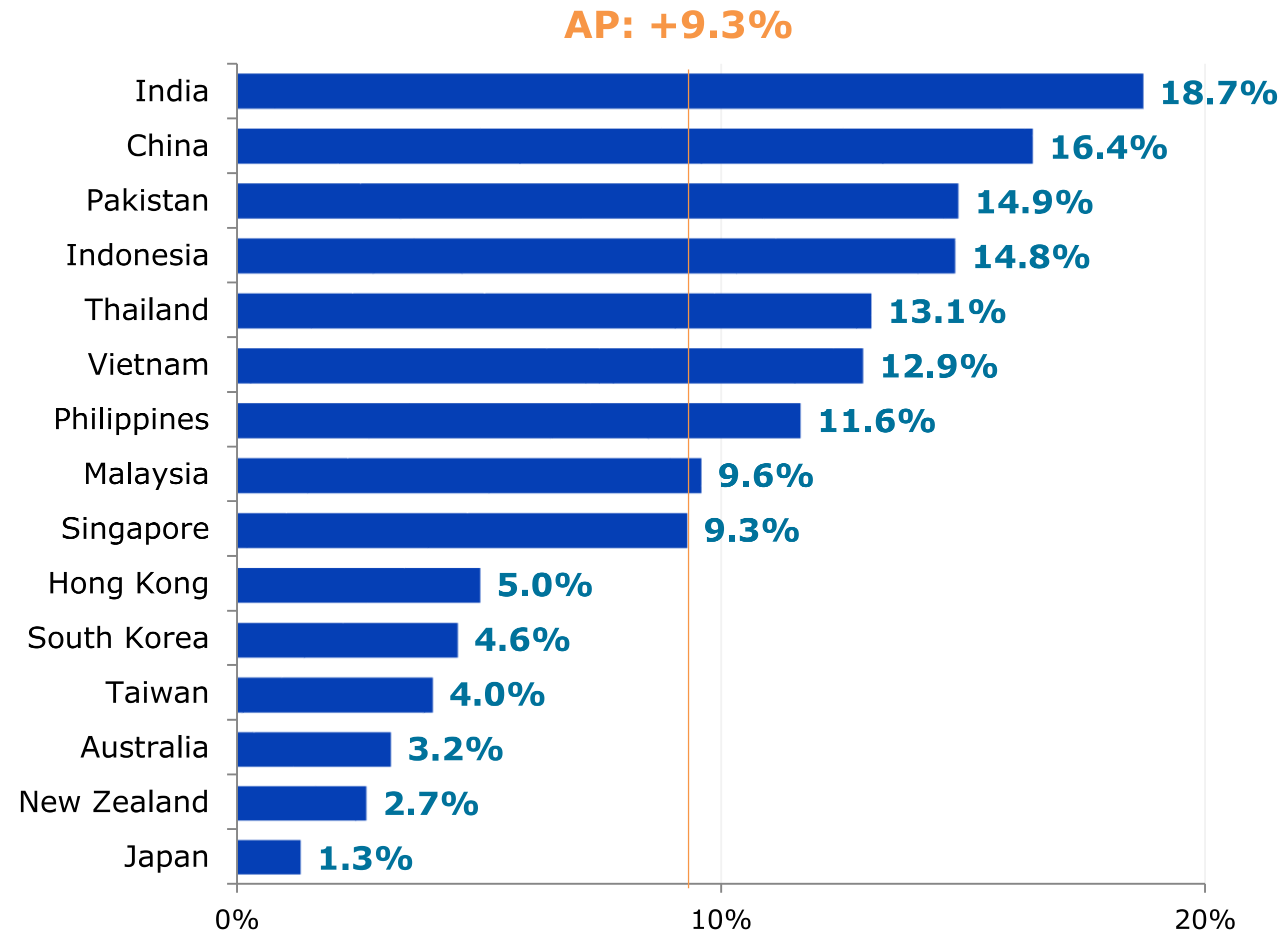
- China
- Japan
- Malaysia
- Hong Kong

Increasing Constraints

- Taiwan
- Korea

FRESENIUS MEDICAL CARE

Dialysis Patient Growth by Country 2013 vs. 2012



FRESENIUS MEDICAL CARE

Source: BAO 2013

Public Dialysis Coverage

Full

AUSTRALIA
$317*

JAPAN
$243*

KOREA
$147*

TAIWAN
$106*

THAILAND
$49*

N.ZEALAND
$205*

Partial

CHINA
$59*

INDIA
$18*

MALAYSIA
$48*

PHILIPPINES
$94*

SINGAPORE
$140*

INDONESIA
$78*

None

PAKISTAN

VIETNAM

MYANMAR

BANGLADESH

FRESENIUS MEDICAL CARE

* Average Reimbursement per Treatment (USD), Source: BAO 2013

Geographical Dynamics

CHINA

1.4 billion
Population 2014

410,230 (+17.5%)
Dialysis Patients 2014

5.2%
Healthcare Spend as % of GDP

$59*
Average Reimbursement

Varies Across Regions/Cities

Universal Coverage by 2020

JAPAN

127 million
Population 2014

323,646 (+1.9%)
Dialysis Patients 2014

9.3%
Healthcare Spend as % of GDP

$243*
Average Reimbursement

Reimbursement Encouraging Higher Therapies

Stable/Flat Fee Development

INDIA

1.2 billion
Population 2014

98,727 (+16.1%)
Dialysis Patients 2014

3.9%
Healthcare Spend as % of GDP

$18*
Average Reimbursement

Not Available for General Public - Only Covers Gov't Employees & Family

ASEAN

637 million
Population 2014

155,994 (+9.6%)
Dialysis Patients 2014

3.6%
Healthcare Spend as % of GDP

$0 - $140*
Average Reimbursement

Vastly Different Healthcare Systems & Reimbursement Across ASEAN Countries

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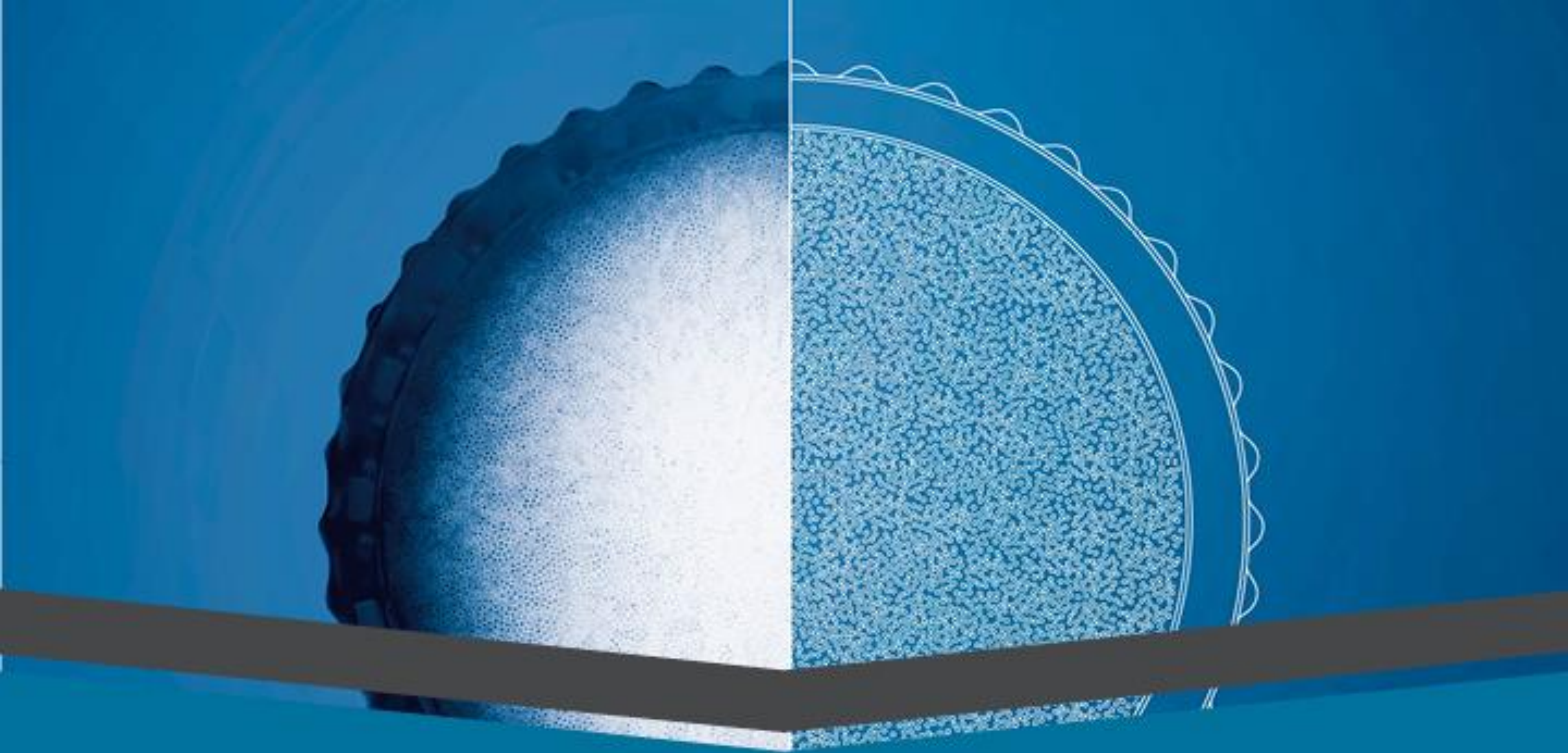
**Average Reimbursement per Treatment (USD)*
Source: 2020 Patient Projection, BAO 2013, U.S. Census Bureau (population estimates)



OUR STRATEGY

Driving the Business Forward

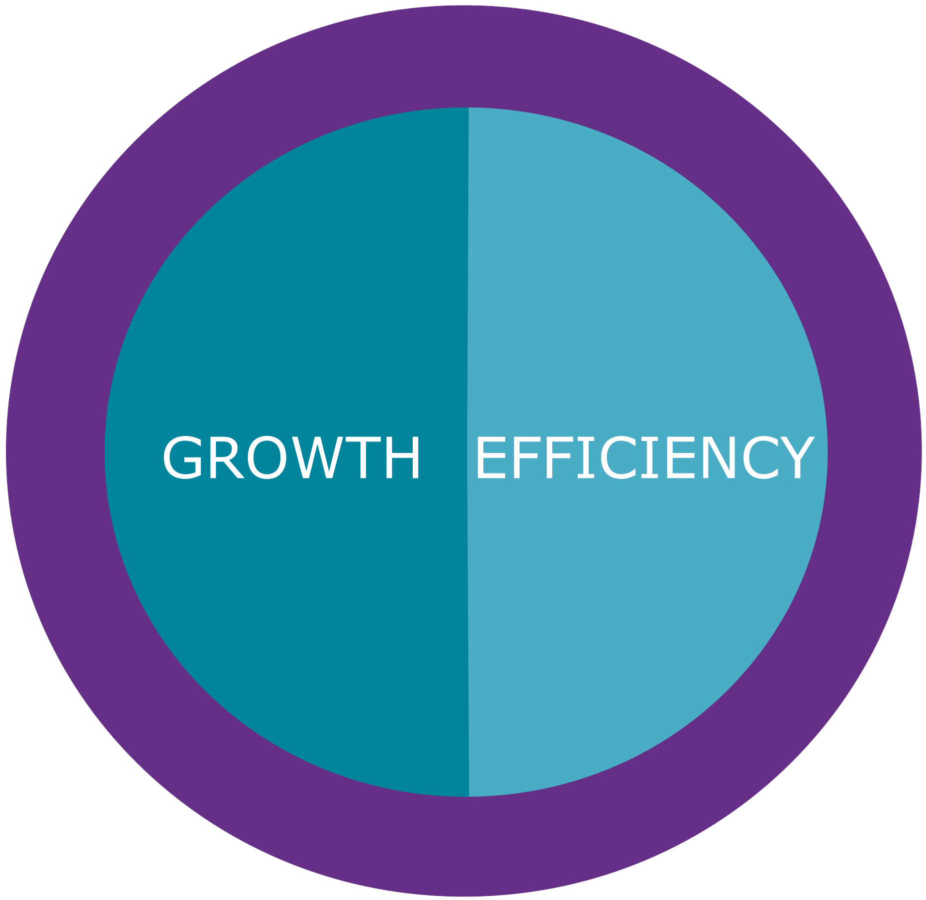
Developing Markets

74% of De Novos

70% of CapEx

72% of New Hires

30% of GEP Savings



Developed Markets

26% of De Novos

30% of CapEx

28% of New Hires

70% of GEP Savings

Strategic Alignment

Growth Energy

- Strong Organic Growth
- Focus On Key Strategic Markets
- Total Customer Solutions
- Related & New Businesses

Operational Excellence

- Strong Local Organizations
- Regional Strategy and Support
- Business Systems / SCM

Financial Performance

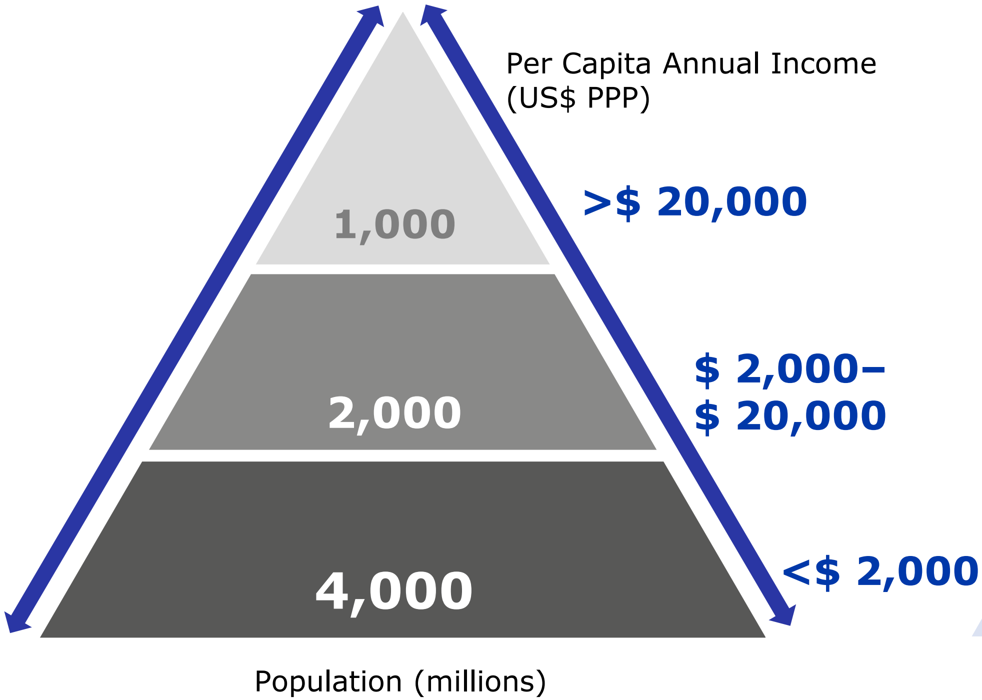
- Local Production Expansion
- Cost Management
- Global Efficiency Program
- ROIC / ROA

Best & Committed Employees

- The Renal Company
- Engaged Team
- Compliance Program
- Education & Certification

Market Segments & Our Focus

Bottom of the Pyramid



The Triple A

Providing a Comprehensive & Sustainable Renal Offering

Services Strategic Directions

Geographical Penetration

China Privatization Opportunity
2 Projects Proceeding in Shandong Province

Market Opportunities

- Strong Private Investment in Healthcare Clinics
- Rapid Growth in Chronic & Acute HD
- Enter into PD Market

China Privatization Opportunity

- **Private dialysis care pilot projects** in Shandong
- Establish **35 new NCDCs in 2014** to **135 centers** by year end

New Nationwide Distribution Structure

- **Higher penetration** and **lower exposure**

Strengthening Leadership in Products

- Continue strong market leadership in **dialysis machines** and drive **high flux single-use dialyzer** sales
- Expand into **Tier 2 and Tier 3 cities**
- Prepare to **enter PD market in 2015**
- Grow **acute** business strongly

Services Strategic Directions

Geographical Penetration

Japan
Deregulation would provide opportunity

Market Opportunities

2nd Largest Dialysis Patient Population in AP

Reimbursement Encouraging Higher Therapies

Deregulation of Healthcare Services Business

Continue Successful Strategic Alliance with Nikkiso

- **5.4% dialyzers market share***
- **3.0m dialyzers sales target** in 2014
- **Launched CorDiax** in Q1 2014

FRESENIUS MEDICAL CARE

****Source: BAO 2013***

Services Strategic Directions

Geographical Penetration

China Privatization Opportunity

2 Projects Proceeding in Shandong Province

Japan

Deregulation would provide opportunity

Expansion in India

2 Dialysis Care JVs in Place;
A 3rd JV to Set Up 3 Clinics Underway

De Novo Growth

22 Clinics and 35 NCDCs in 2014

Services Expansion

Vascular Access Care

1st Center in Taiwan; Expansion Underway Across Region

Diabetes Care

Implementation in Progress

Polyclinics / Labs

FIDN as Differentiator for Renal Specialized Staff

Currently in Philippines, Singapore, Malaysia; New Programs to Start in Taiwan, China, India in 2014

Product Strategic Directions

Country-Affordable Solutions

Machines / Dialyzers
Basic machine & economical disposables

Concentrates
Localization via production set-up / acquisitions / OEMs

Bloodlines
In-sourcing

PD
Basic PD
China, Malaysia

Expansion of Local Portfolio

Needles
Global sourcing & enter new markets

Acute
Expansion to new markets

Renal Pharma
Local portfolios with registrations / new products
Channel management agreement with Vifor Pharma

Care Coordination Asia Pacific

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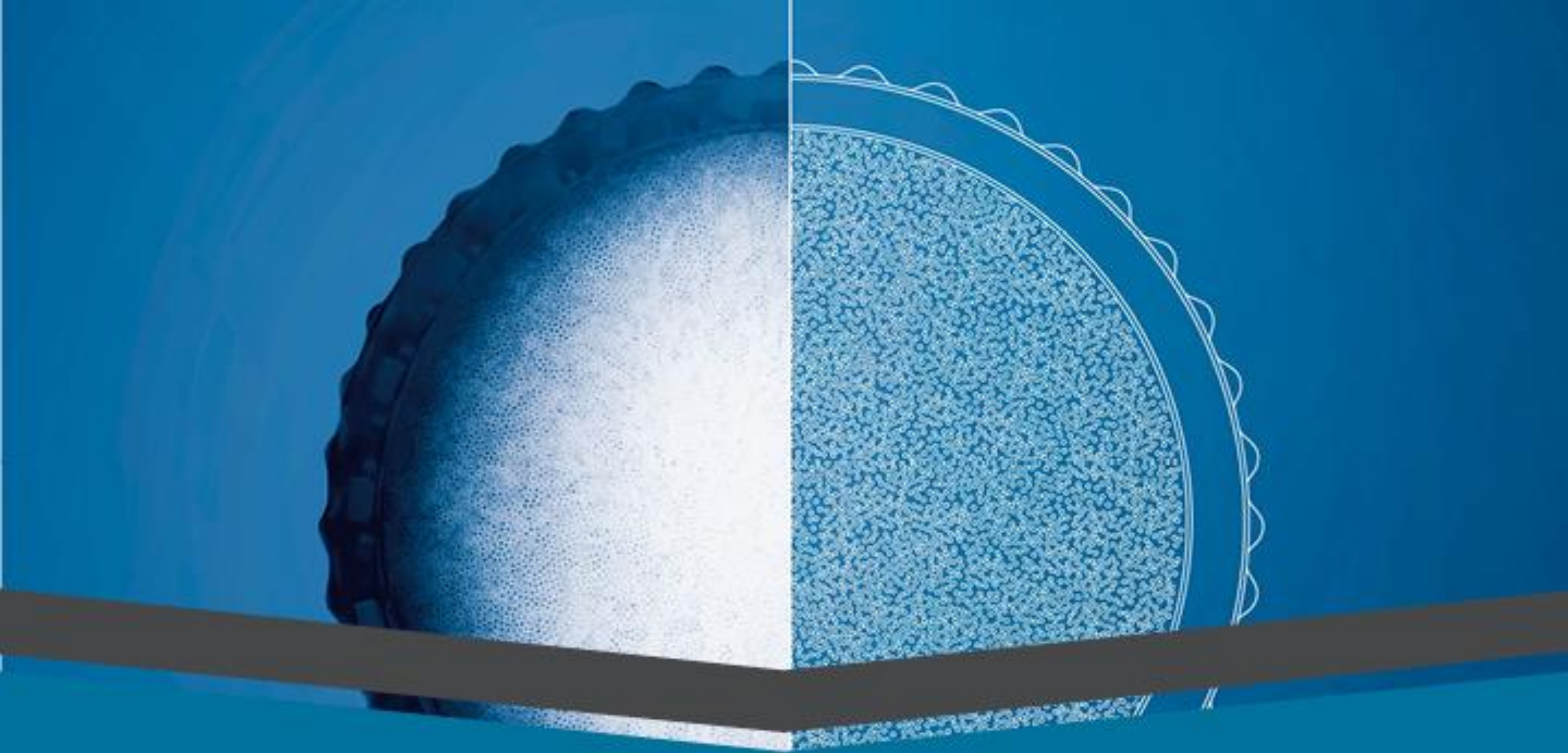
MEDICAL CARE

THE RENAL COMPANY

Diabetes Education	Diabetes Diagnosis & Management	CKD Prevention	CKD Treatment	ESRD Transition Management	HD Chronic	HD Acute	Home Therapies PD/HHD	Clinics	Polyclinics Other Services	Renal Drugs	Vascular Care	Diabetes Complication Mgmt	Training & Education	Holiday Services	FIDN	Renal Consulting	Transplantation



VIDEO

FRESENIUS MEDICAL CARE

EMEA
Rice Powell

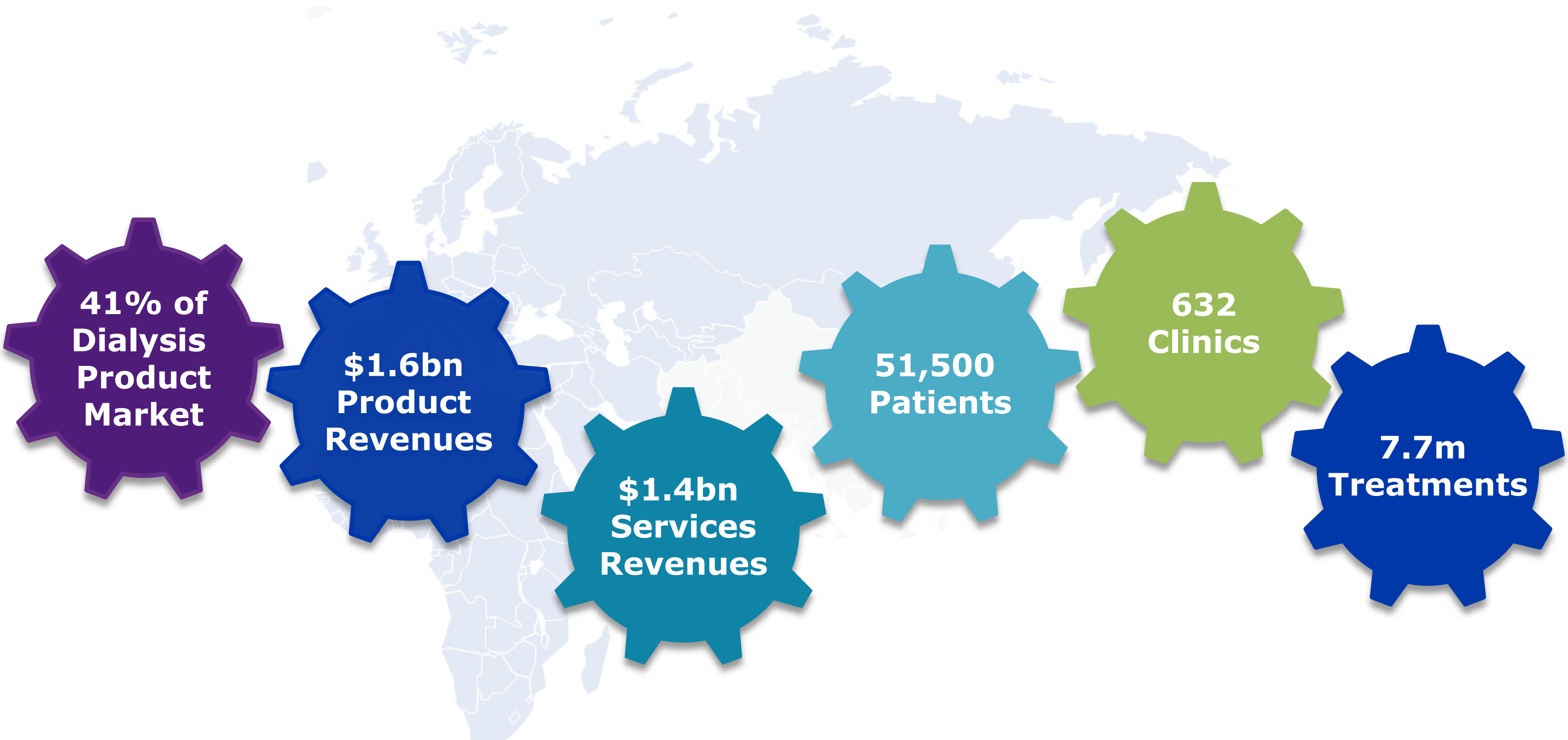
April 3 2014, New York City

Dominik Wehner, Chief Executive Officer, EMEA

Agenda

FRESENIUS MEDICAL CARE

Our Business Today



FRESENIUS MEDICAL CARE

MARKET DYNAMICS

FRESENIUS
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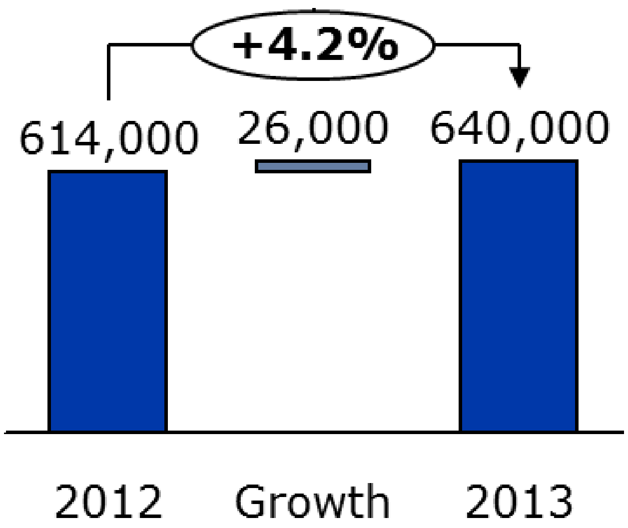
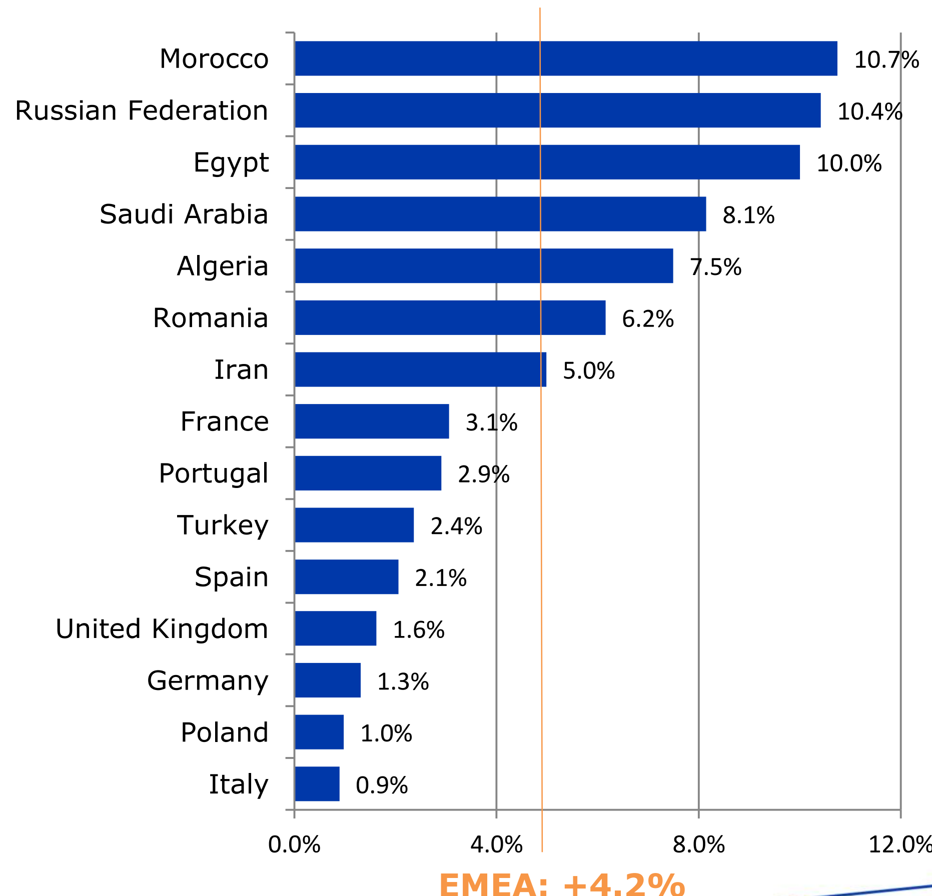
Patient Growth EMEA

Dialysis Patient Growth



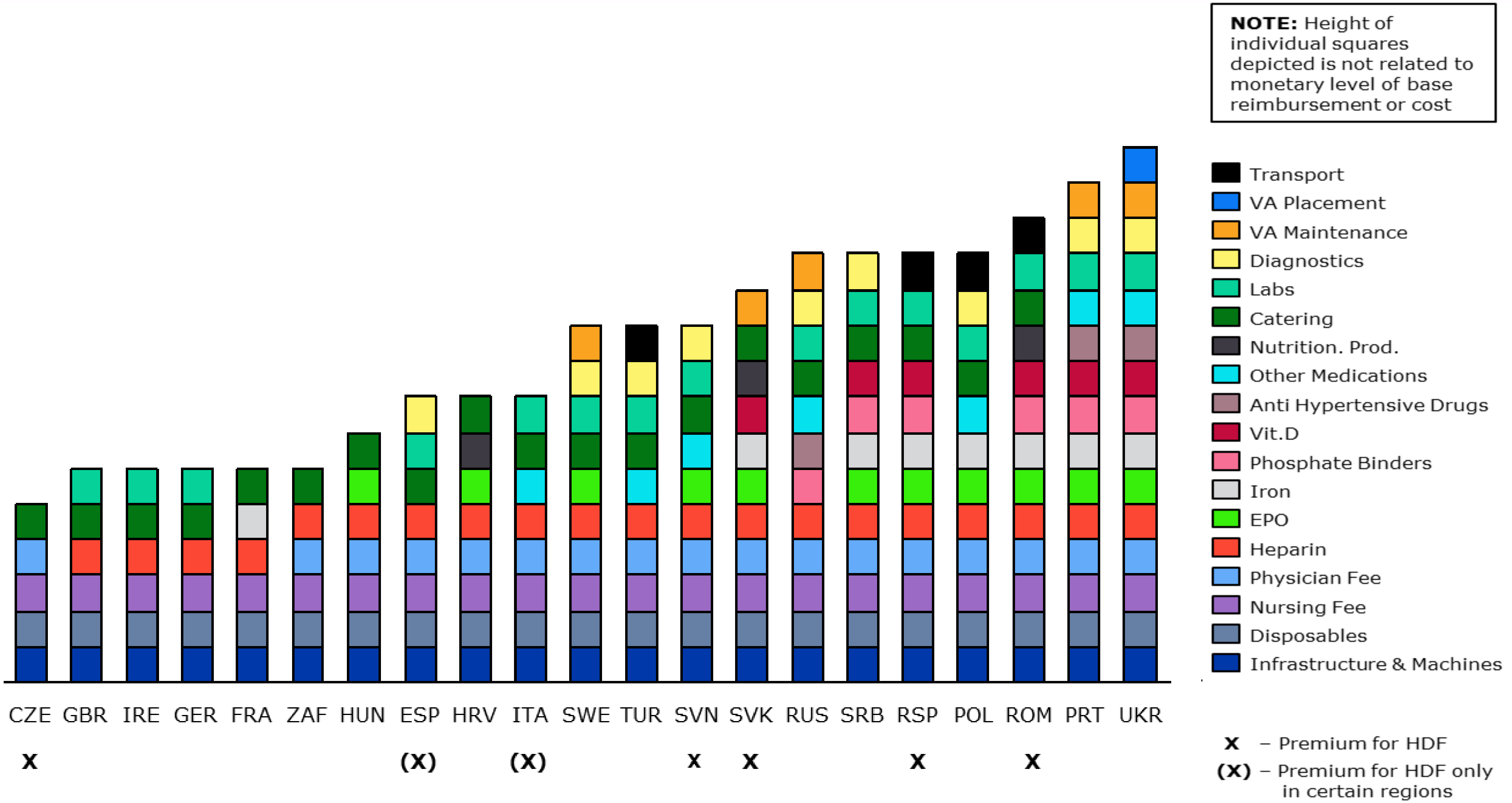
Growth in Dialysis Patients 2012/2013 (countries with over 10,000 dialysis patients only)



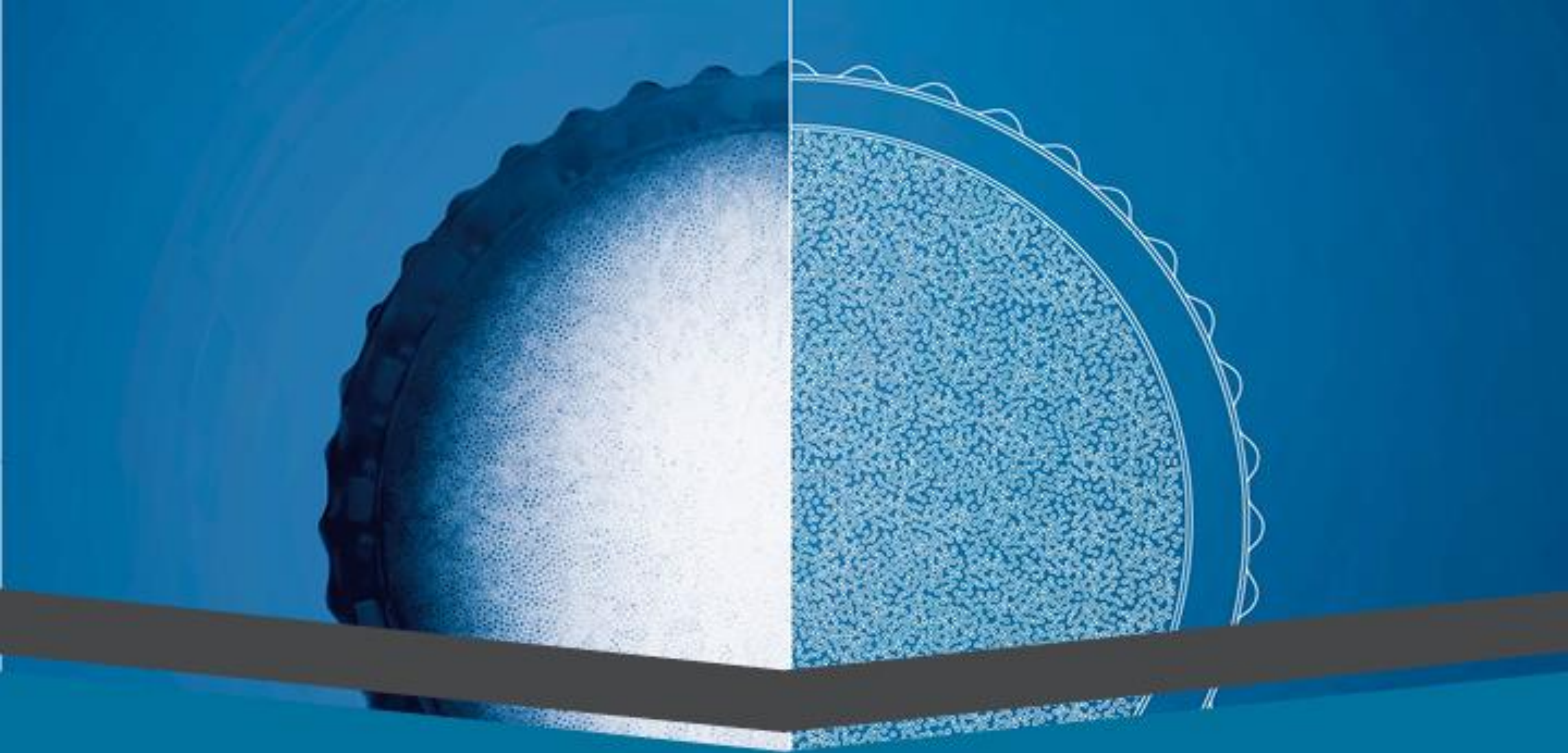
FRESENIUS MEDICAL CARE

Source: Company data as of February 2014

Dialysis Base Reimbursement



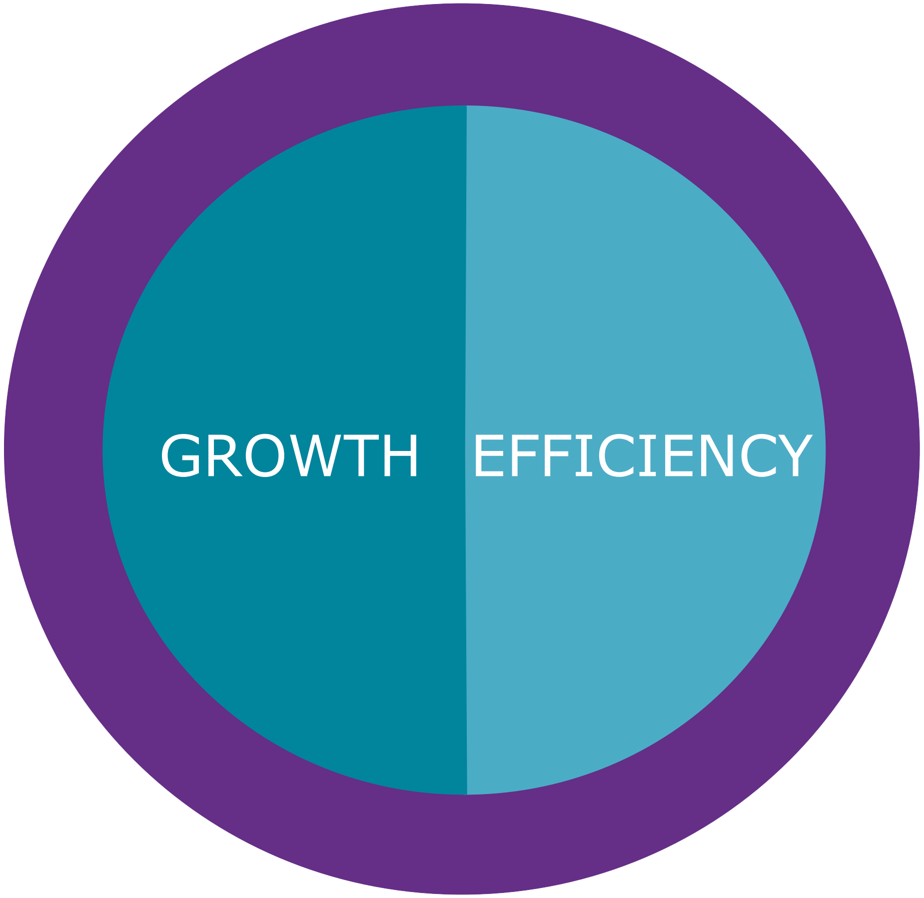
Data based on MCS 2012



OUR STRATEGY

FRESENIUS MEDICAL CARE

Driving the Business Forward



FRESENIUS MEDICAL CARE

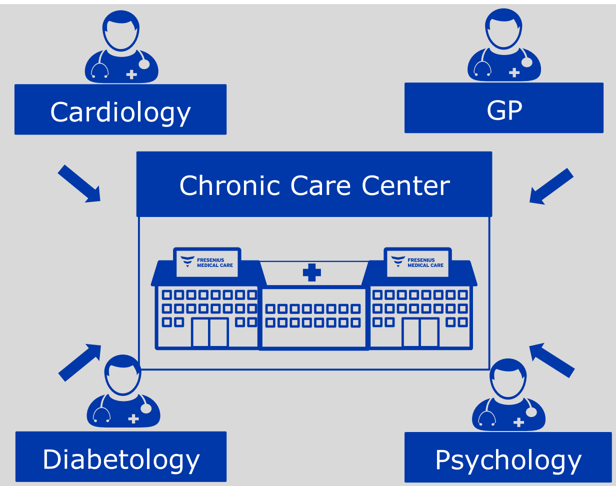
EMEA Strategy

GROWTH

- Growth in Eastern Europe
- Expand service portfolio to support Care Coordination in Western Europe and follow-up of CKD/ ESRD patients' co-morbidities

PRESENT

FUTURE

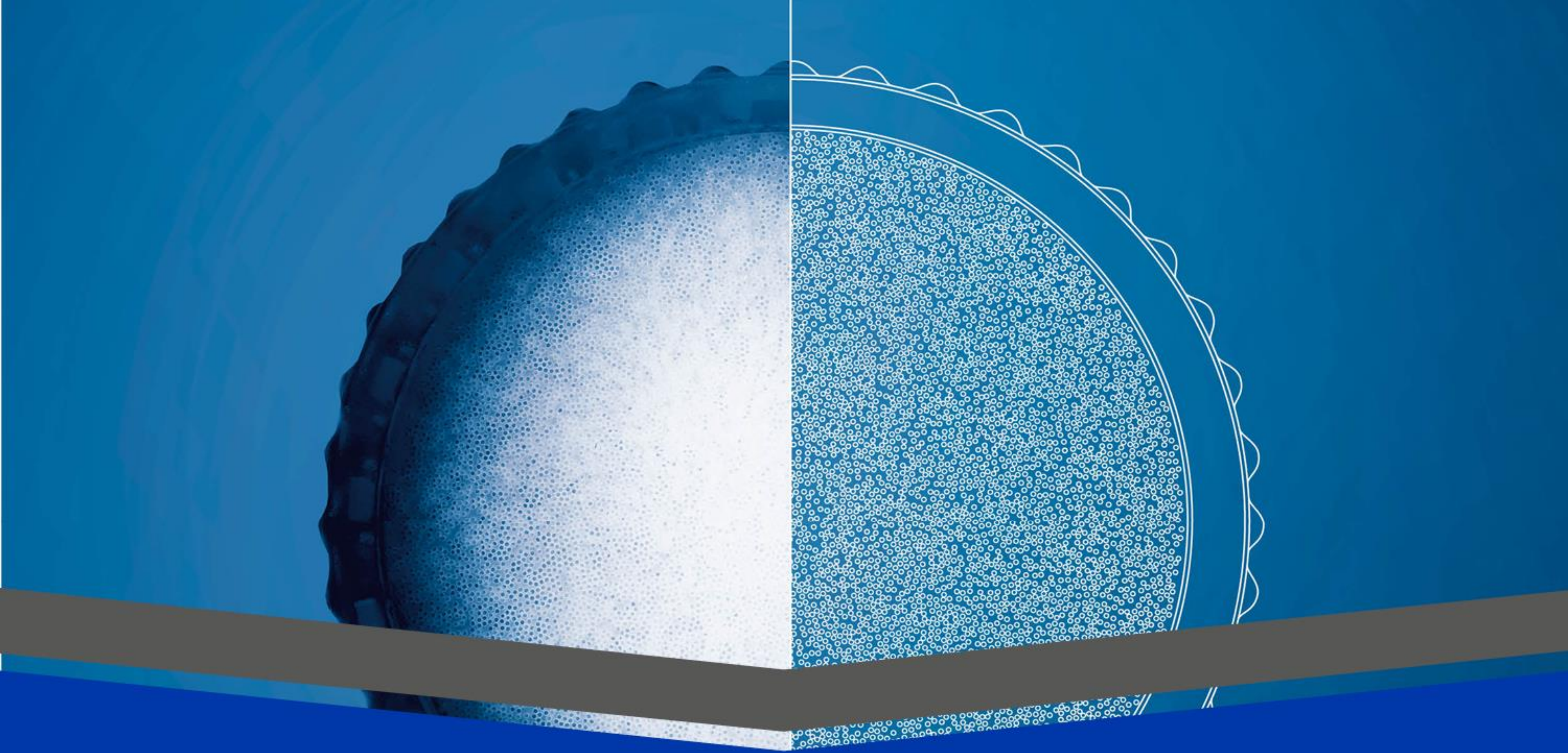


EMEA Strategy

EFFICIENCY

Operational

Administrative



A FOCUS ON…..

Spain, France and Turkey

FRESENIUS MEDICAL CARE

Spain: Start of Comprehensive Price in Two Regions

Dialysis Service Business in Spain

- 62 NephroCare clinics
- 5,220 patients
- >820,000 treatments p.a.
- ~$198 reimbursement
- 23% market share
- 39% share of private market

Murcia 1st Comprehensive Contract Awarded

- 186 HD-patients
- ~$210 reimbursement, incl. supplement for HDF-therapy

Catalonia Change to Comprehensive Contract for the Region

- 1,230 HD-patients
- ~$240 reimbursement, incl. supplement for HDF-therapy

France: Inclusion of EPO in HD Reimbursement

Dialysis Service Business in France

Dialysis Market in France

- ~1,000 clinics
- 43,000 patients on dialysis
- ~17% of Patients treated in company-owned clinics

Growth/ Market Consolidation Opportunity

NephroCare

- 37 NephroCare Clinics
- 2,200 Patients
- 350,000 Treatments
- $363 Reimbursement

Inclusion of EPO into Dialysis Reimbursement as of March 1, 2014

- Inclusion of EPO into Dialysis Reimbursement
- Implementation of anemia-monitoring tools to improve and optimize achievement of hemoglobin targets

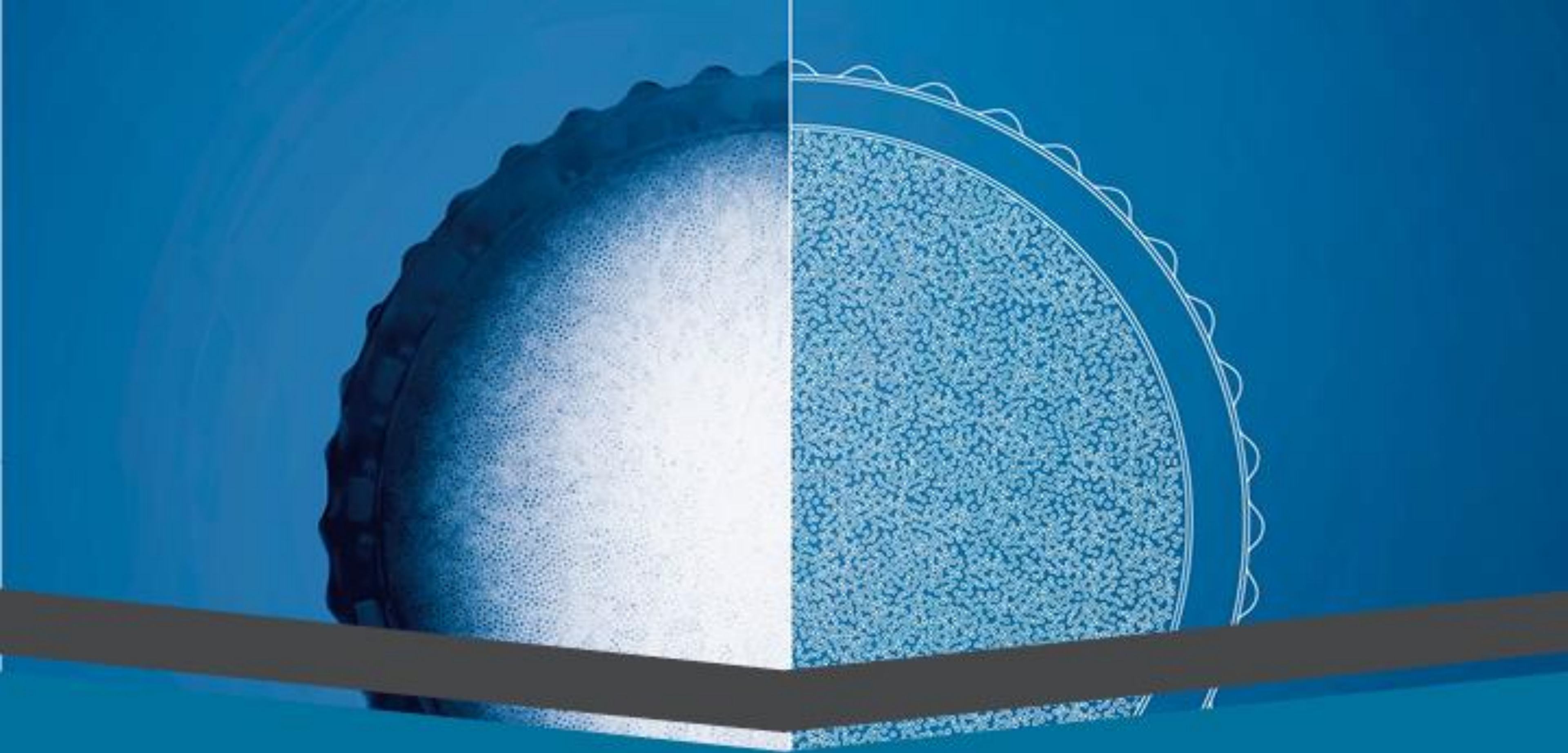
Turkey: Reimbursement Management in Challenging Environment – Increase by 7% Achieved in 2014

Dialysis Service Market in Turkey

- >57,000 patients in 852 Dialysis centers
- 7,000 HD patients in 52 FME clinics
- No major reimbursement increase since 2005 despite high inflation levels

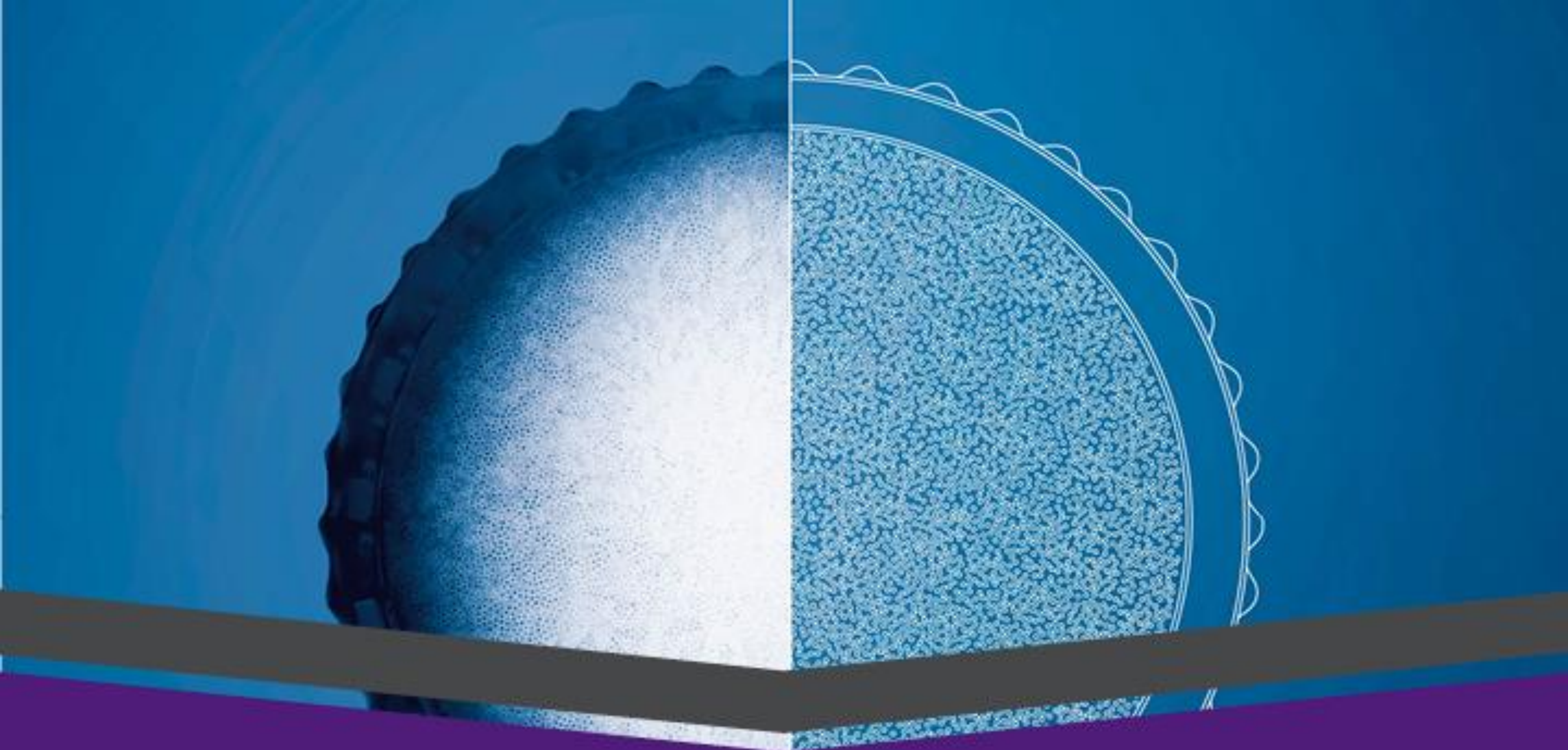
Continuous Ongoing Cost Reduction Programs

- Continuous negotiations with Health Insurance and Government
- 5 centers closed, 6 centers merged, 4 centers acquired and merged with 4 existing centers
- More closures/divestures planned
- Discussion with MOH and Health Insurance about additional payment on quality



Q&A

FRESENIUS MEDICAL CARE



MORNING BREAK

11:20 – 11:40

FRESENIUS MEDICAL CARE

GLOBAL R&D (GRD)
Olaf Schermeier

April 3 2014, New York City

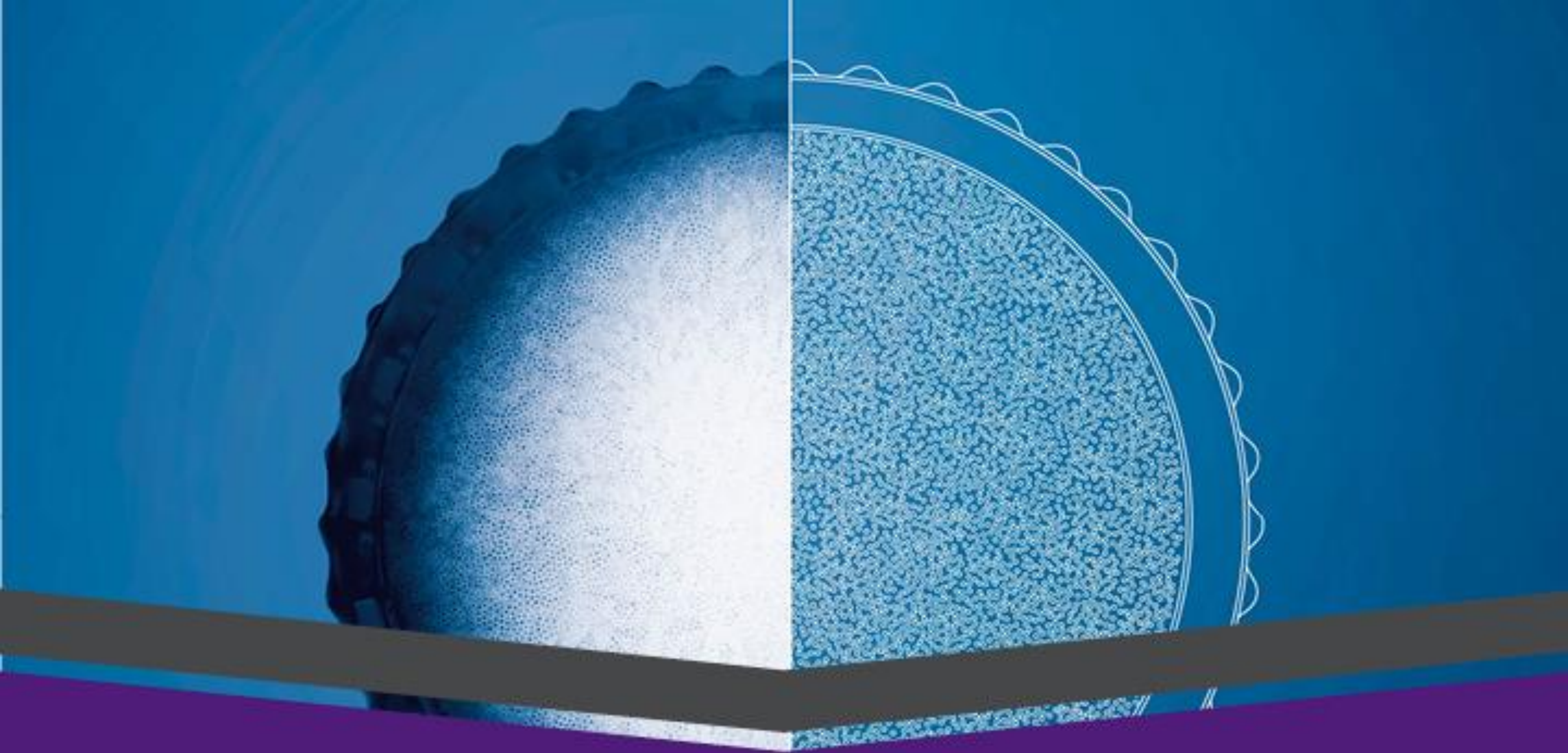
Agenda

FRESENIUS MEDICAL CARE

Global R&D Mission

1st choice in product innovation and quality, leveraging our vertical integration and adding value through our products and therapy improvements

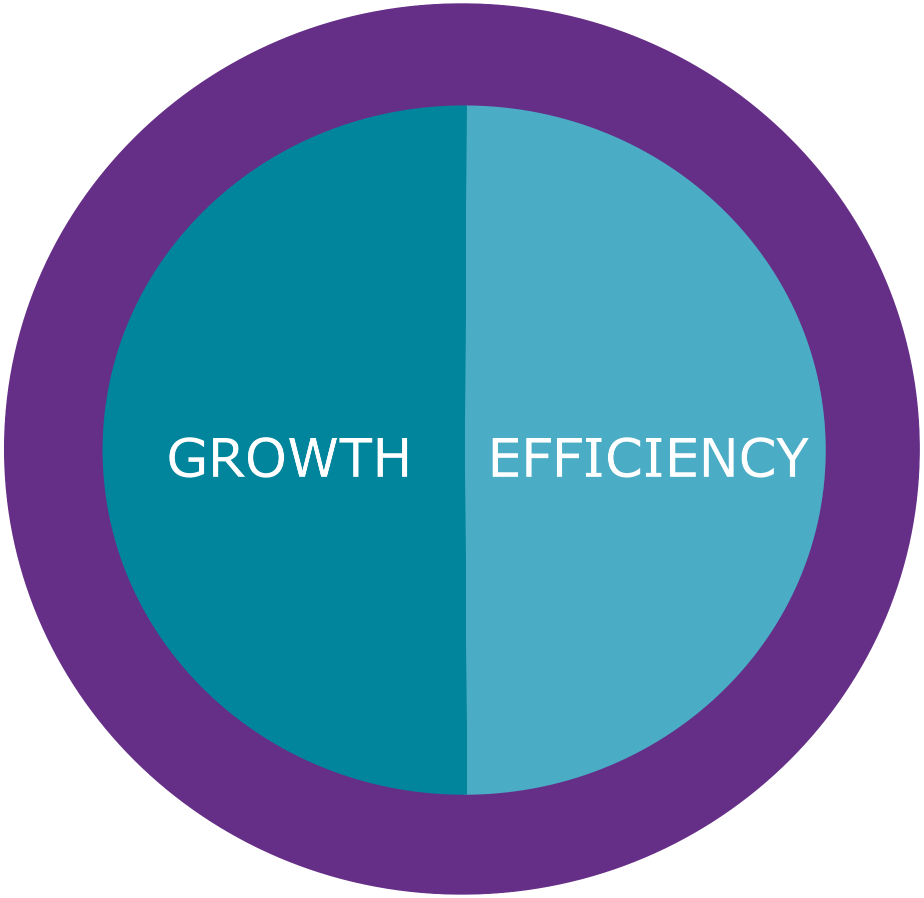
GRD
GLOBAL RESEARCH & DEVELOPMENT
FRESENIUS MEDICAL CARE



OUR STRATEGY

FRESENIUS MEDICAL CARE

Driving the Business Forward



Our Strategy

Portfolio- and Project Management System	Global Organization	Technology Leaders	Leverage Vertical Integration	Dedicated platforms for developing markets
Focus Pipeline, Improve Execution	Efficiency on process and platform level	Improve Therapy and outcome	Use Technology to drive down labour costs	Increase availability of basic therapy

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INNOVATION

A Focus in our Business

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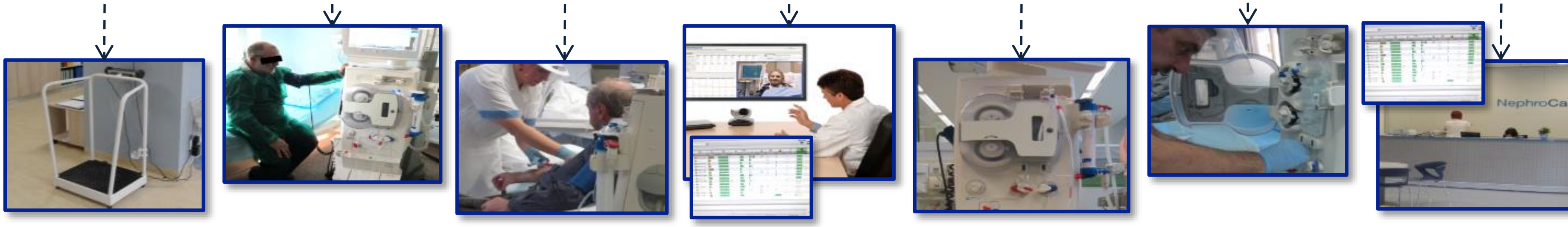
Process Automation

Manual Workflow
Nurses and Technicians using standard equipment

Optimized Workflow
using automation technologies



Dedicated New Machine Platforms Targeted to the Needs of Developing Markets

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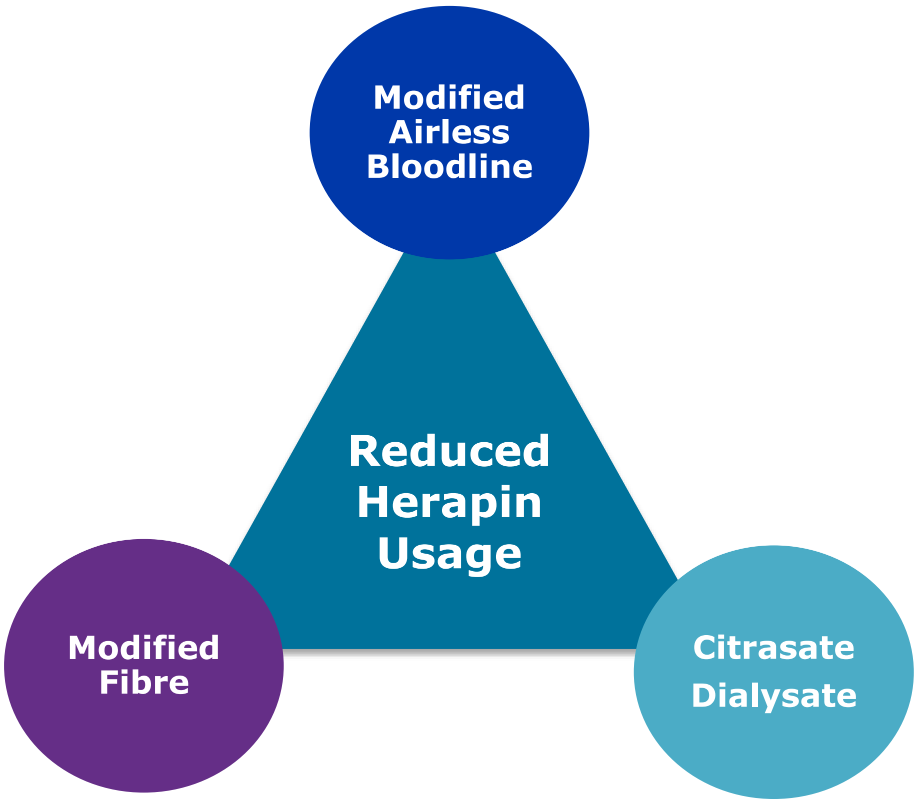
Innovation on Dialyzers and Bloodlines to Reduce Drug Utilization



Modified Fiber Stopped @ 21hr 29min

Arterial

Venous

Traditional Fiber Clot @ 3hr 51min

Arterial

Venous

FRESENIUS MEDICAL CARE

Dedicated New Platforms Targeted to the Needs of Home HD Patients

FRESENIUS MEDICAL CARE

GMO

GLOBAL MANUFACTURING OPERATIONS

FRESENIUS MEDICAL CARE

GLOBAL MANUFACTURING OPERATIONS (GMO)

Kent Wanzek

April 3 2014, New York City

Agenda

FRESENIUS MEDICAL CARE

Our Business Today

FMCNA Supply Chain

- 14 Distribution Centers
- 47 Cross Docks
- 450 Trucks
- $12m TruBlu Revenues
- $3m Savings – Raw Materials on TruBlu fleet

$989m PPE
(Net Book Value)

- CapEx 4-6% of Product Sales (External + Internal)

Strategic Procurement

- $1.1bn purchased raw materials and components
- 70% long-term supply agreements

$2.3bn Production Value

13,700 Employees

- 12,700 Operations
- ~15% of Production Value
- 1,000 Supply Chain

40 Production Sites in 20 Countries

2013 Numbers
- #1 Dialyzers – 112m
- #1 Hemodialysis Machines – 48,500
- #1 Bloodlines – 175m
- #1 Concentrates - 30%
- #2 Peritoneal Dialysis - 25%
- 24/7 or 24/6 in most facilities

Our Capabilities

Fiber Spinning

Durables

Solutions

Warehousing, Distribution

Dialyzers

Injection Molding, Extrusion

Foils, Films

Electronic Components

Our Strategy - Adding Value

Reliable Product Quality

Performance Monitoring

Risk Management

Vertical Integration (Make vs. Buy)

Commercial Deployment

GMO

GLOBAL MANUFACTURING OPERATIONS

FRESENIUS MEDICAL CARE

Leading. Quality. Value. Solutions.

FRESENIUS MEDICAL CARE

MEDICAL/CARE COORDINATION
Franklin W. Maddux, MD FACP

April 3 2014, New York City

Agenda

FRESENIUS MEDICAL CARE

Our Approach to Value Based Care Models

$$\text{Value} = \frac{\text{Quality}}{\text{Cost}}$$

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Enterprise Segments

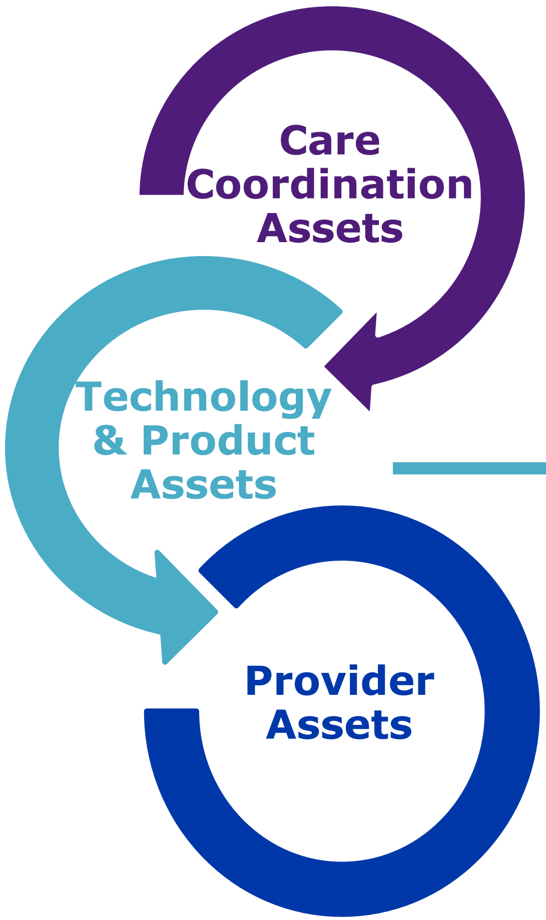
Products & Therapy Assets

Chronic Disease Care Provider Network Assets

Care Coordination & Performance Risk Assets

Aligning Resources to Coordinate Care Throughout the Health Value Chain

Business Asset Types Per Enterprise Segment



Performance Risk Contracting

Population Health Insurance

Retail Health Care Management

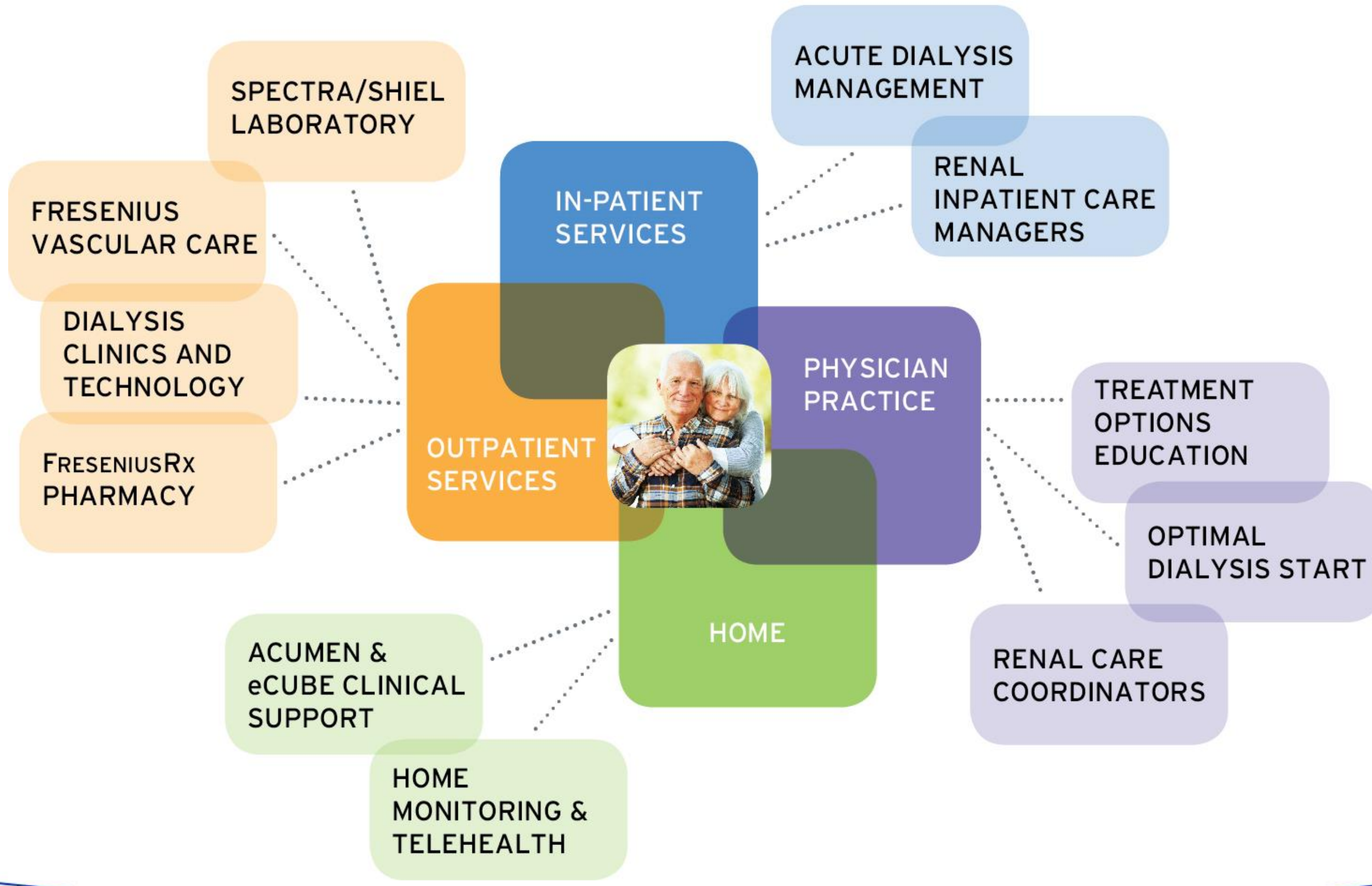
Medical Devices

Pharma & Therapy Technologies

Product & Therapy Research

Acute & Chronic Renal Disease
Adjacent Chronic Illnesses
Vascular Access
Pharmacy & Lab
Research, Analytics & Data

Accessing the Patient Where They Receive Care



Chronic Disease Care is Distinctive:
Best Example is Renal Disease Care

Clinical Healthcare Segments

Chronic Disease Care Characteristics

- Goal is Crisis Avoidance
- Evidence-Based Care Exists
- Standardized Protocols
- Intensive Measurement
- Trends to Predict Problems
- Frequent Patient Contact & Education
- Efficient Care Yields Better Outcomes

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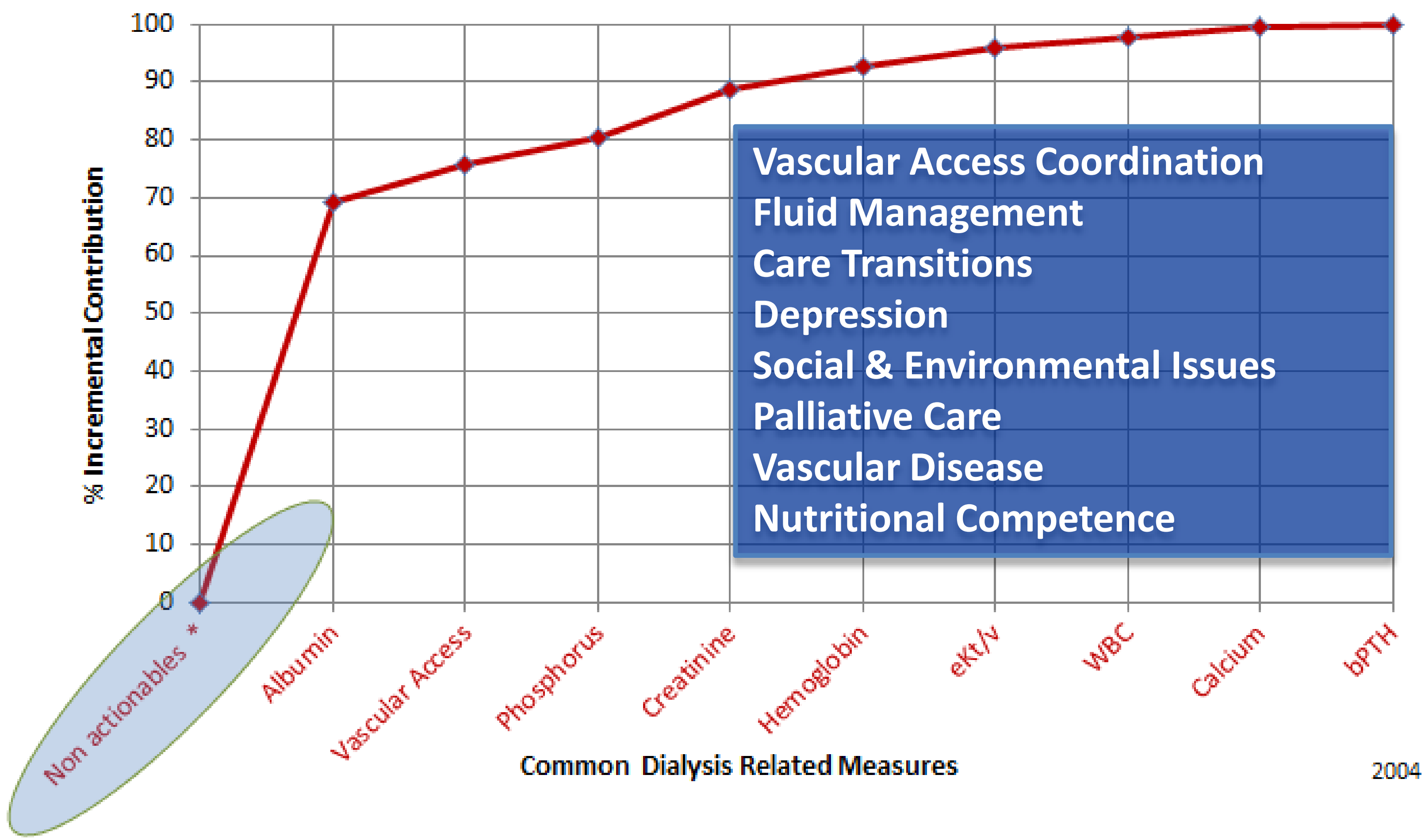
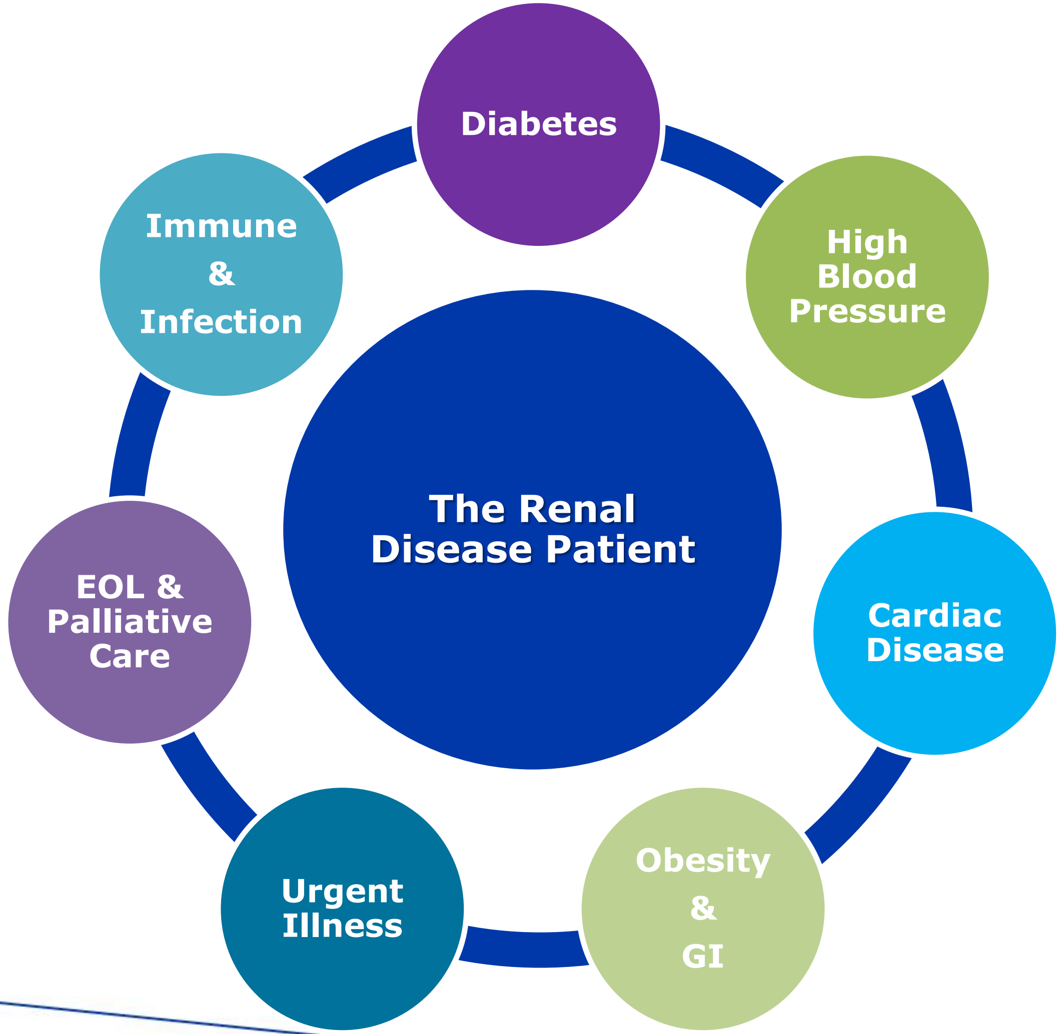
Evolution of Our Ability to Influence Outcomes



FRESENIUS MEDICAL CARE

Renal Patient Outcomes: Impact of Adjacent Illnesses



Only 30% of hard outcomes in renal disease patients controlled by dialysis treatment parameters

Outcomes driven by associated illnesses and the management of multiple conditions

2004

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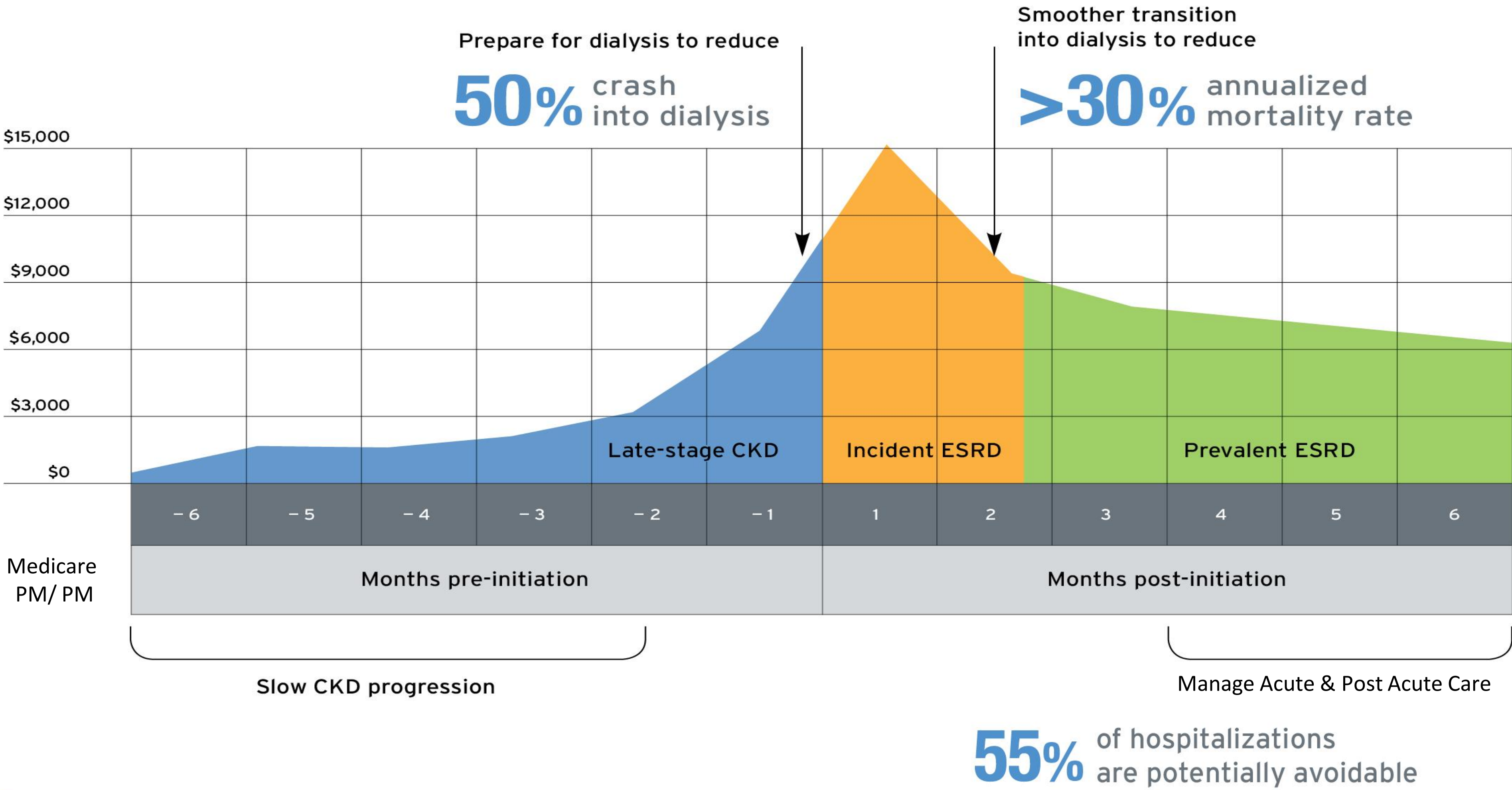
Organized Care for Renal Disease



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HOW IT WORKS?

Anemia Management

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Sequencing the Anemia Management Medication Portfolio in the Coming Years

2013 — **2018**

Short Acting ESA Agents

Long Acting ESA Agents

HIF Inhibitors - Novel Agents

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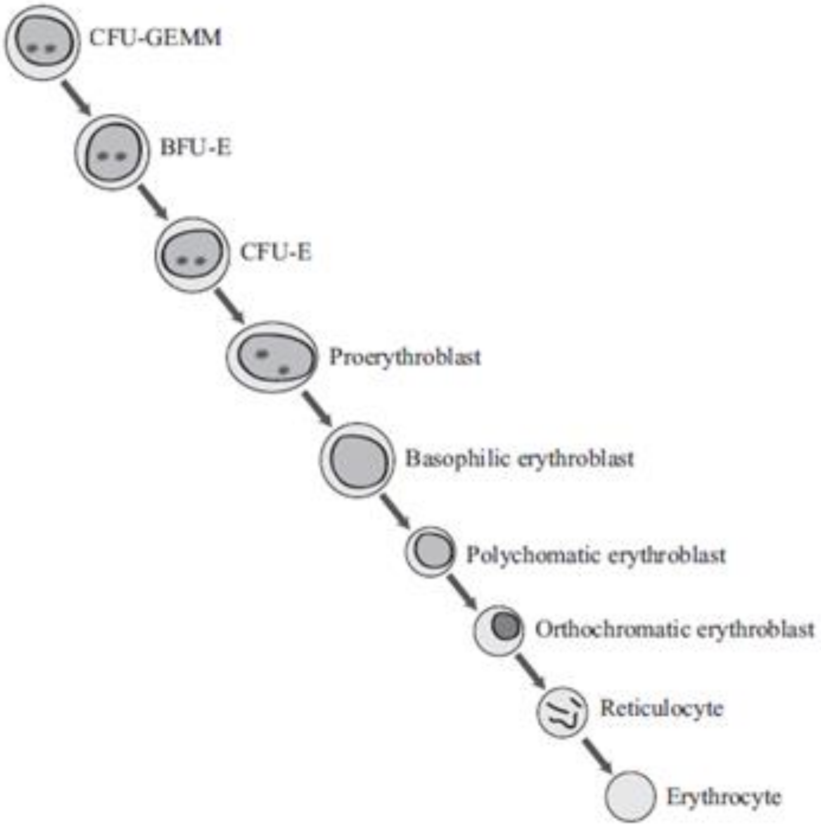
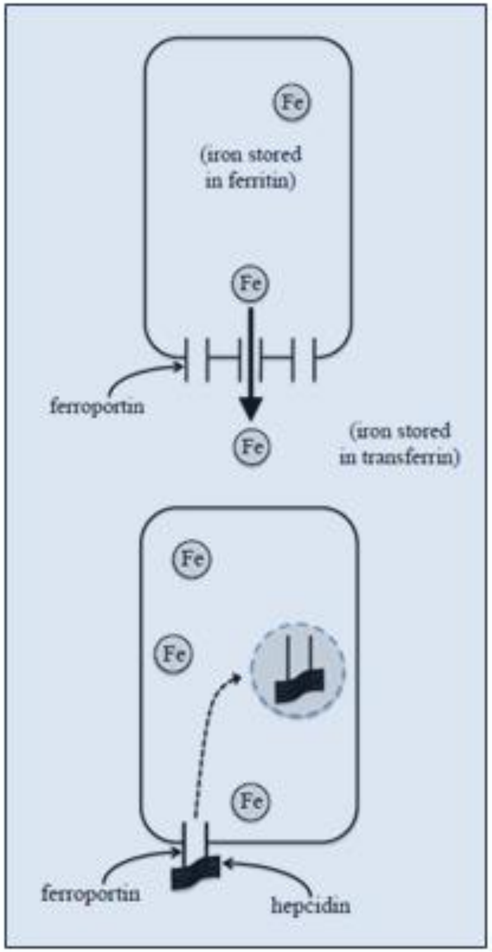
Modeling Erythropoiesis in ESRD Patients



Erythropoiesis cell lineage



Mathematical Modeling of the ESRD Patient Physiology

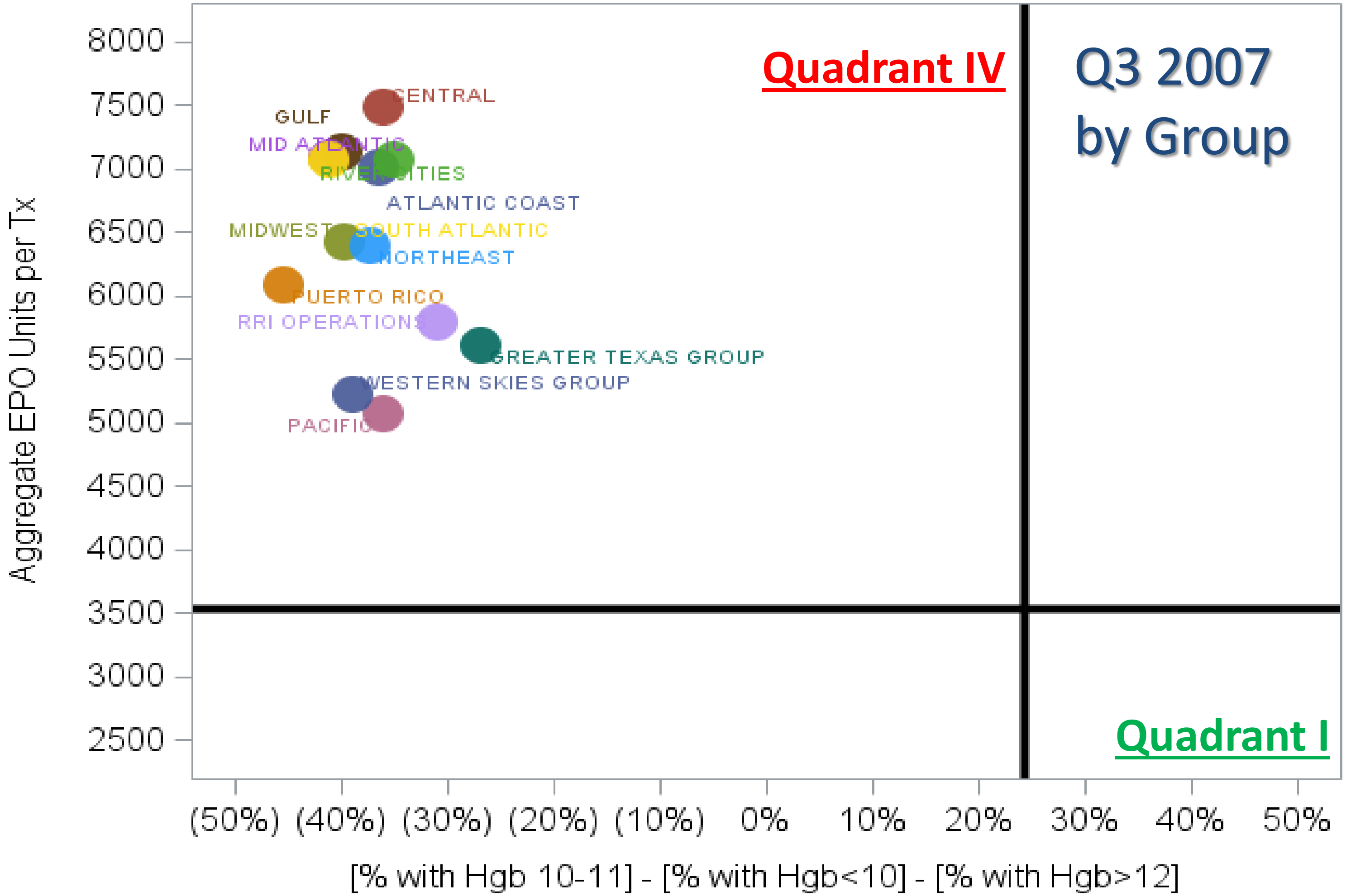
$$\frac{\partial}{\partial t}\int_{\gamma}^{\gamma+\Delta\gamma}\int_{\mu}^{\mu+\Delta\mu} P(t,\xi,\zeta)\,d\xi\,d\zeta = 2(\text{rate entering iron class } \gamma \text{ from class } 2\gamma)$$
$$- (\text{rate of cells leaving iron class } \gamma)$$
$$- (\text{death rate}) + (\text{rate of maturation in})$$
$$- (\text{rate of maturation out})$$
$$+ (\text{rate of hemoglobinization in})$$
$$- (\text{rate of hemoglobinization out})$$

$$\begin{aligned}
&= 2\int_{\gamma}^{\gamma+\Delta\gamma}\int_{\mu}^{\mu+\Delta\mu} \beta P(t,\xi,2\zeta)\,d\xi\,d\zeta \\
&\quad - \int_{\gamma}^{\gamma+\Delta\gamma}\int_{\mu}^{\mu+\Delta\mu} \beta P(t,\xi,\zeta)\,d\xi\,d\zeta \\
&\quad - \int_{\gamma}^{\gamma+\Delta\gamma}\int_{\mu}^{\mu+\Delta\mu} \delta P(t,\xi,\zeta)\,d\xi\,d\zeta \\
&\quad + \int_{\gamma}^{\gamma+\Delta\gamma} \rho P(t,\mu,\zeta)\,d\zeta - \int_{\gamma}^{\gamma+\Delta\gamma} \rho P(t,\mu+\Delta\mu,\zeta)\,d\zeta \\
&\quad + \int_{\mu}^{\mu+\Delta\mu} hP(t,\xi,\gamma)\,d\xi - \int_{\mu}^{\mu+\Delta\mu} hP(t,\xi,\gamma+\Delta\gamma)\,d\xi,
\end{aligned}$$

Algorithms

- V5
  - Current CMAB computerized algorithm
  - 65000 patients
- B
  - Pilot with Basal EPO on hold, 25% reduction
  - 4630 patients
- C
  - Pilot with basal EPO on hold, 50% reduction
  - 3213 patients
- A
  - Alternate CMAB A – like Arizona
  - 5700 patients
- Other
  - Hawaii, Kaiser, other individual algorithms, residual V4 (<15,000)
  - 52000 patients

Dustin Kapraun, Peter Kotanko, Franz Kappel and Doris Furtinger



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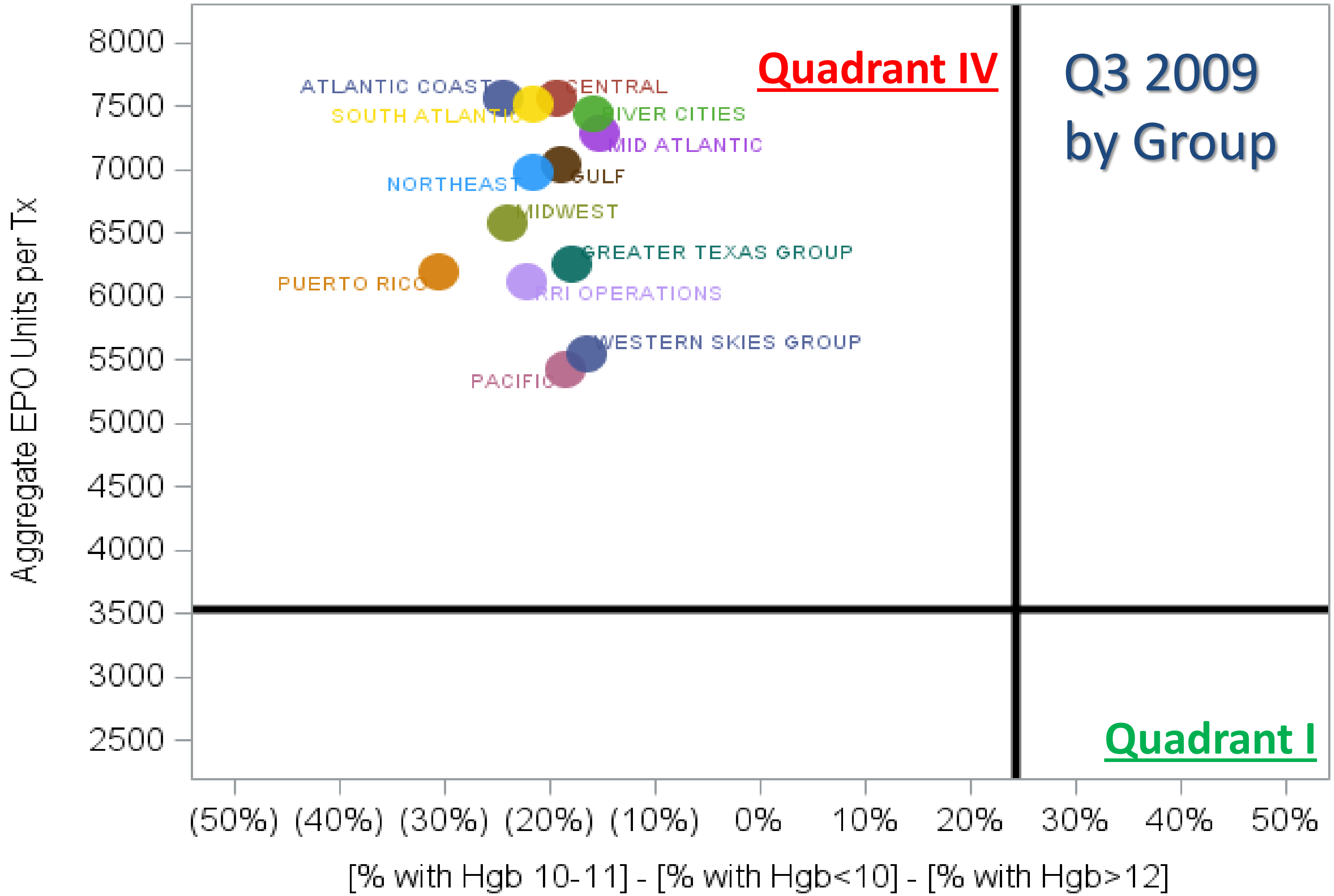
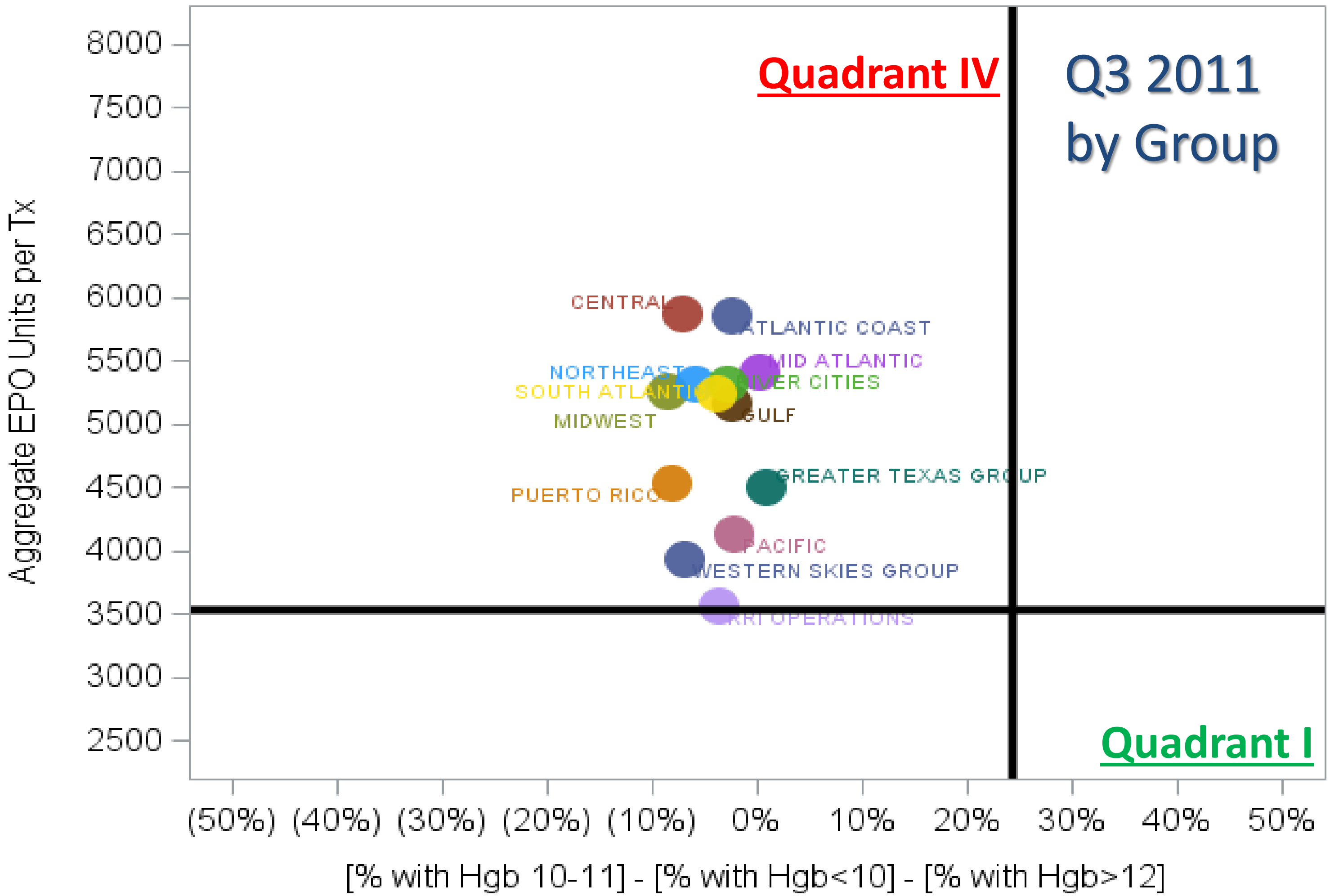
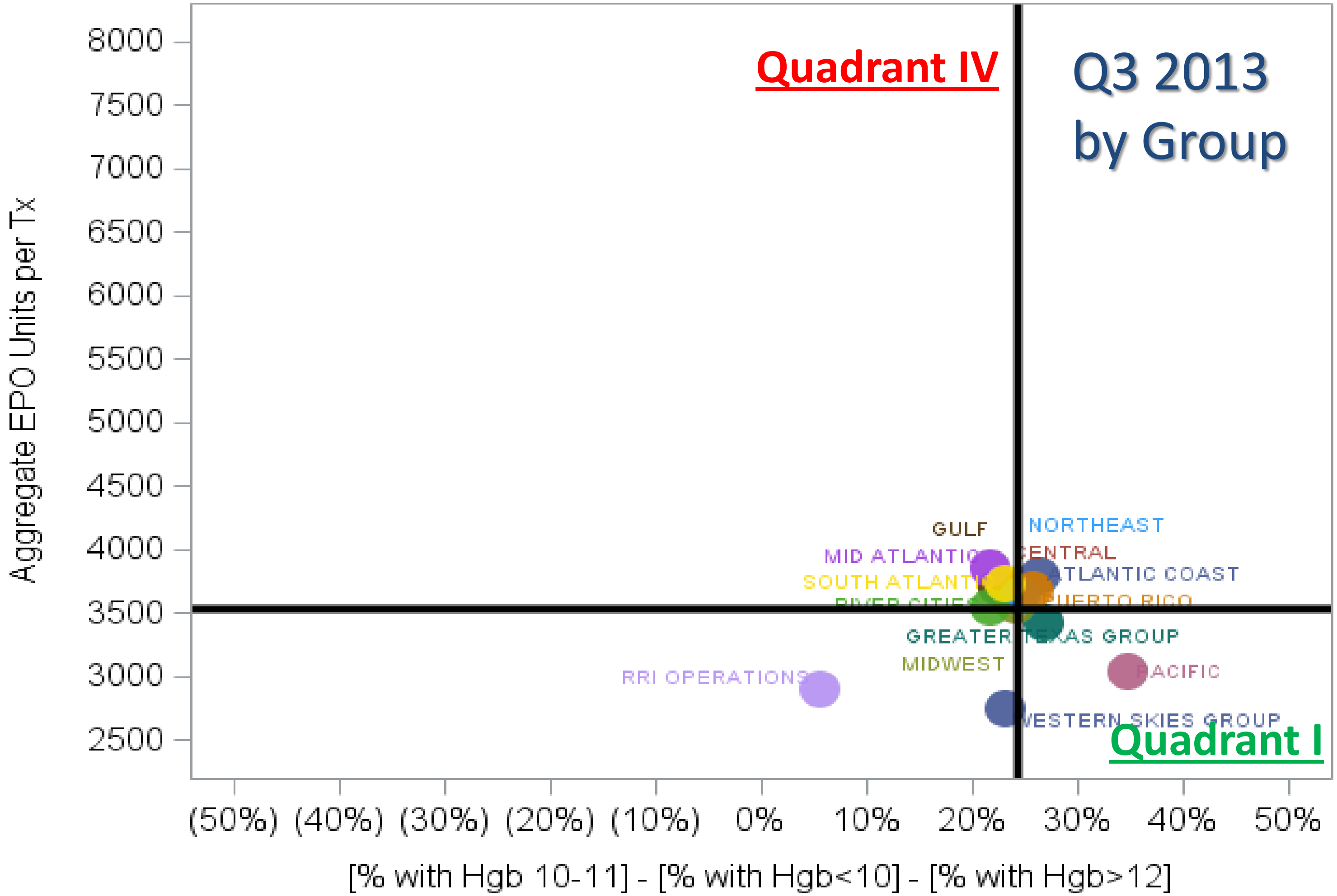

Quadrant IV
Q3 2009
by Group
Quadrant I
Aggregate EPO Units per Tx
8000
7500
7000
6500
6000
5500
5000
4500
4000
3500
3000
2500
(50%)
(40%)
(30%)
(20%)
(10%)
0%
10%
20%
30%
40%
50%
[% with Hgb 10-11] - [% with Hgb<10] - [% with Hgb>12]
ATLANTIC COAST
CENTRAL
SOUTH ATLANTIC
RIVER CITIES
MID ATLANTIC
NORTHEAST
GULF
MIDWEST
GREATER TEXAS GROUP
PUERTO RICO
RRI OPERATIONS
WESTERN SKIES GROUP
PACIFIC



Quadrant IV
Q3 2011
by Group
Quadrant I
Aggregate EPO Units per Tx
8000
7500
7000
6500
6000
5500
5000
4500
4000
3500
3000
2500
CENTRAL
ATLANTIC COAST
MID ATLANTIC
NORTHEAST
SOUTH ATLANTIC
IVER CITIES
GULF
MIDWEST
GREATER TEXAS GROUP
PUERTO RICO
PACIFIC
WESTERN SKIES GROUP
(50%)
(40%)
(30%)
(20%)
(10%)
0%
10%
20%
30%
40%
50%
[% with Hgb 10-11] - [% with Hgb<10] - [% with Hgb>12]



FRESENIUS MEDICAL CARE

HOW IT WORKS?

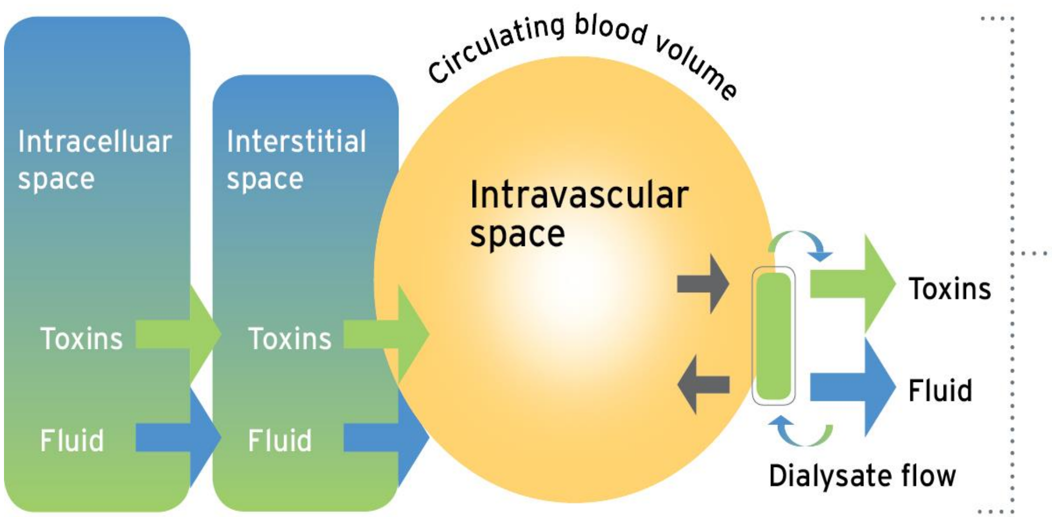
Fluid Management Strategies

1. Targeting the Correct Dry Weight
2. Avoiding Sodium Loading During Dialysis
3. Avoiding Missed & Shortened Treatments

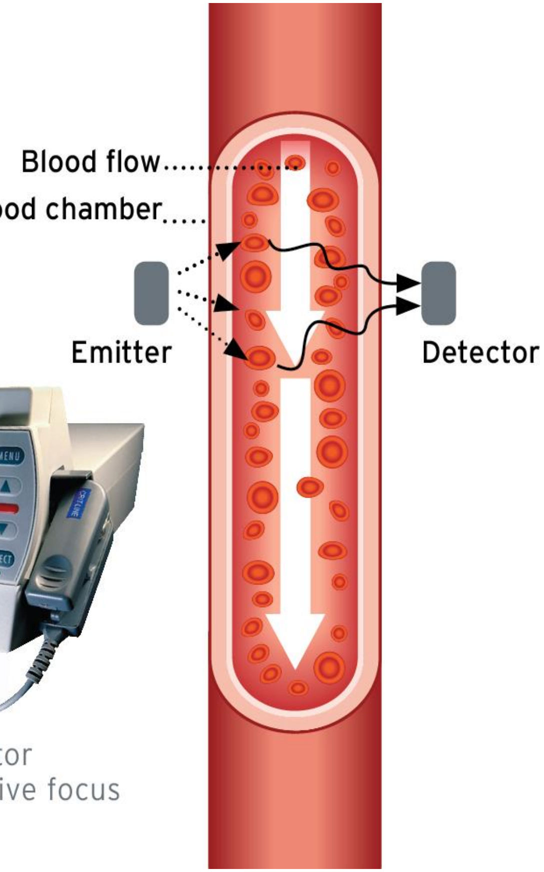
FRESENIUS MEDICAL CARE

Assessing fluid balance

Window into your patient's bloodstream
Vascular space dynamics are key in fluid management



The Crit-Line monitor permits a noninvasive focus on these dynamics



Crit-Line Initial Results: Four Months of Follow Up

-6%

Fluid-Related Admissions

-10%

All-Cause Hospital Admissions

-12%

% of Patients with Post SBP>=180

N=226 clinics

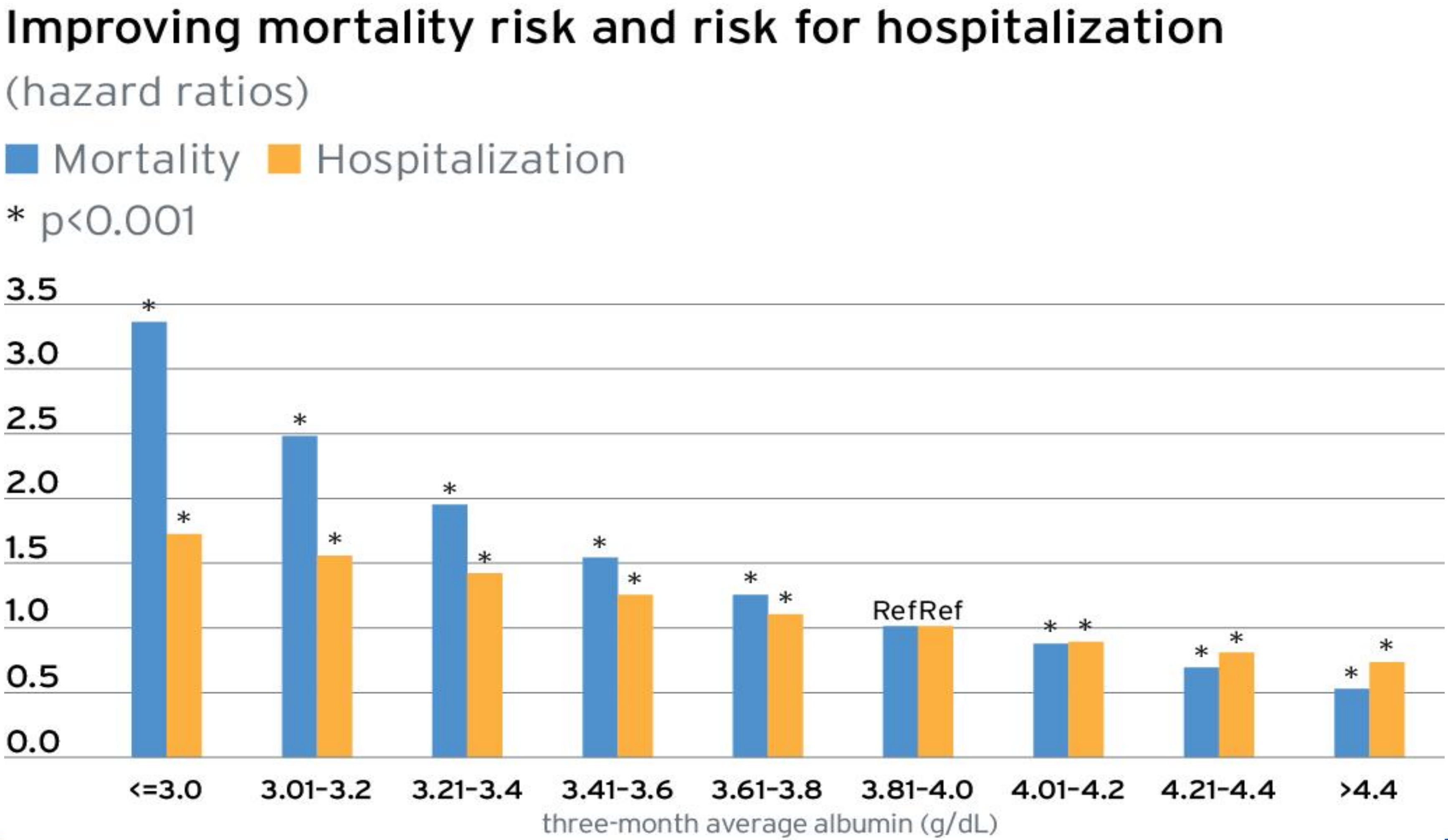
FRESENIUS MEDICAL CARE

HOW IT WORKS?

Maintaining Nutritional Competence

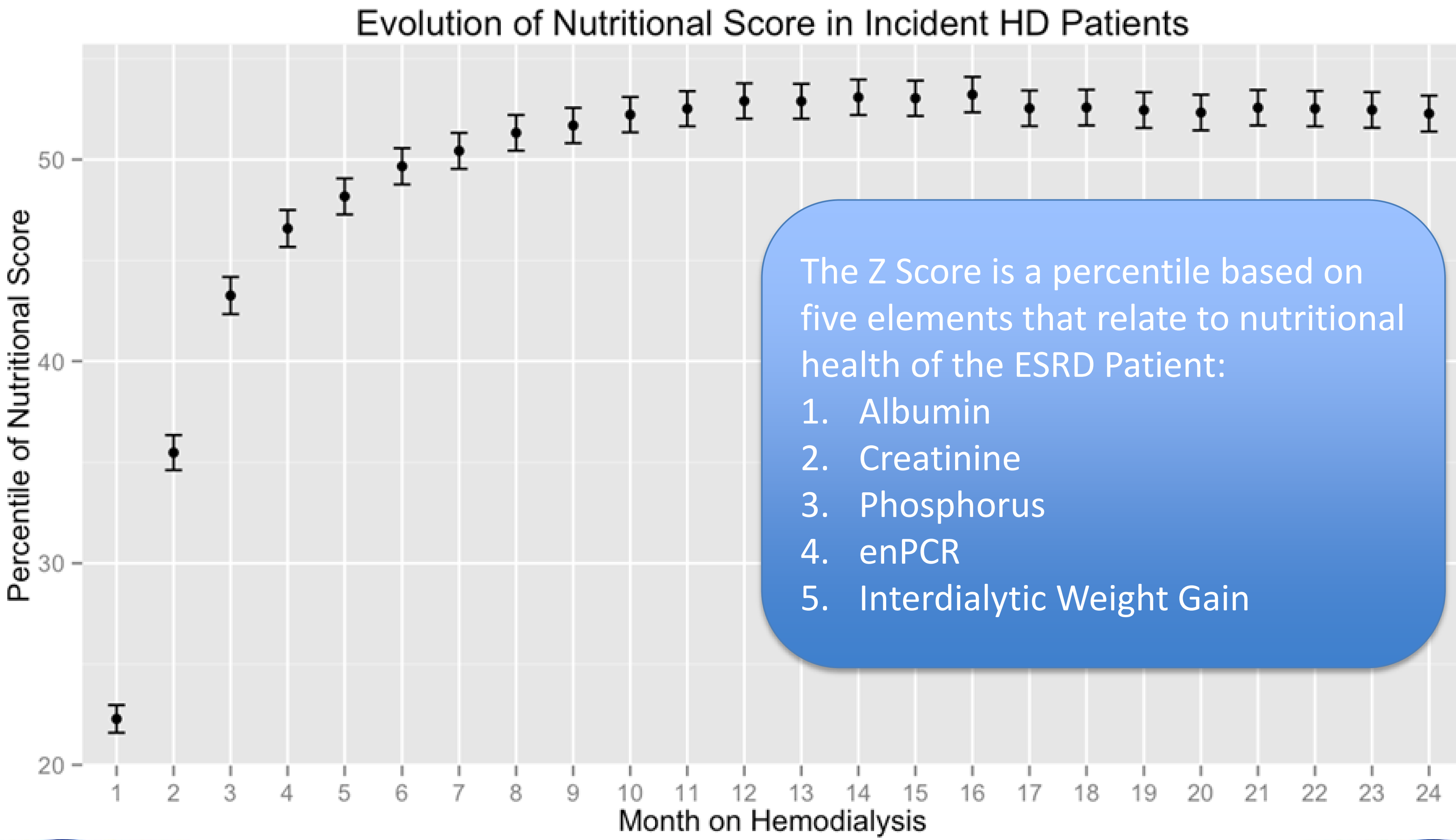
FRESENIUS MEDICAL CARE

Why is Nutrition So Important?



FRESENIUS MEDICAL CARE

A Novel Nutritional Competence Indicator – The Z Score



The Z Score is a percentile based on five elements that relate to nutritional health of the ESRD Patient:

1. Albumin
2. Creatinine
3. Phosphorus
4. enPCR
5. Interdialytic Weight Gain

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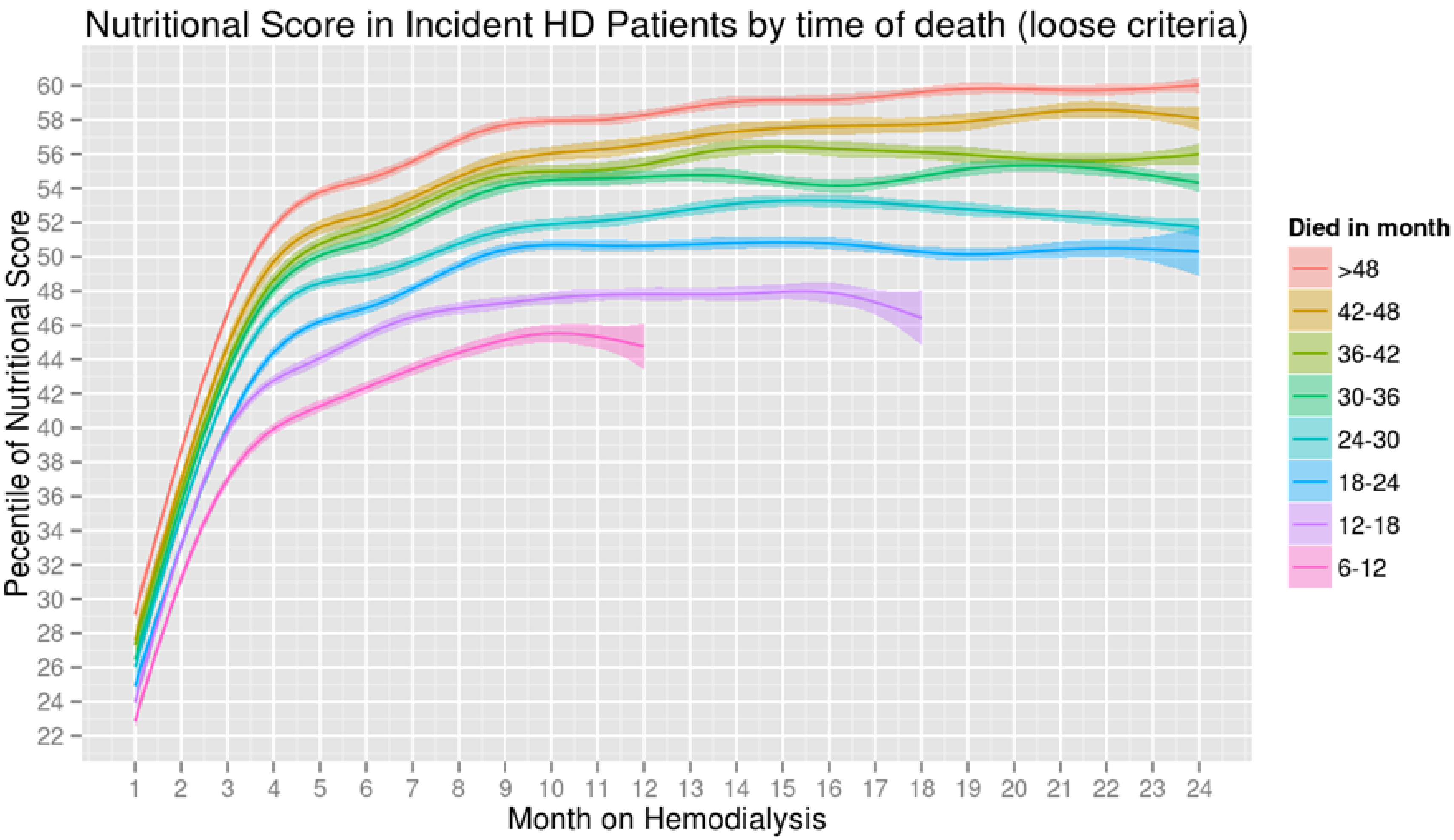
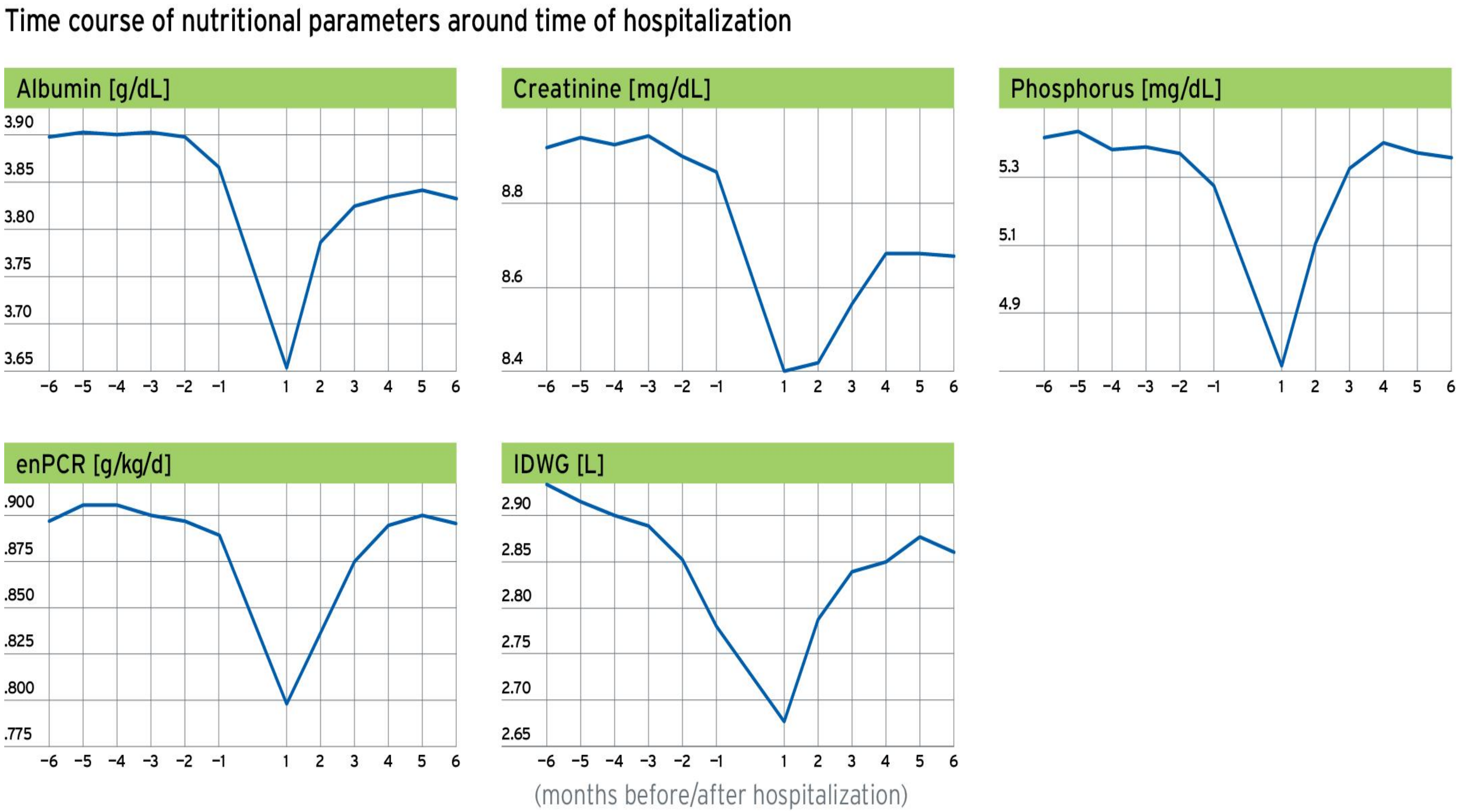
The Trajectory of the Z Score Change Helps Predict Outcomes



Components of the Nutritional Z Score During Hospitalization



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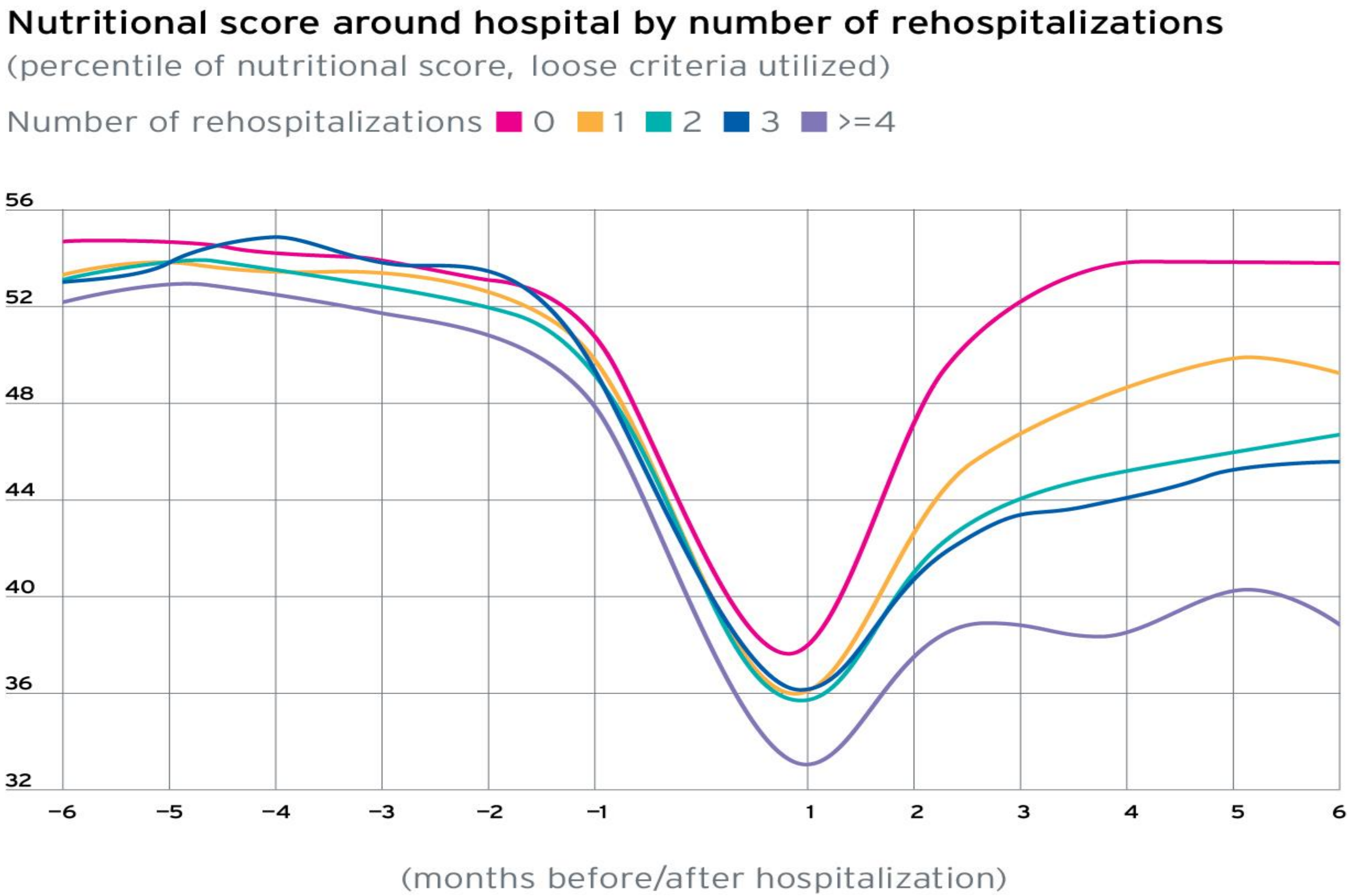
The Impact of Readmission on Nutritional Competence



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PREDICTIVE ANALYTICS

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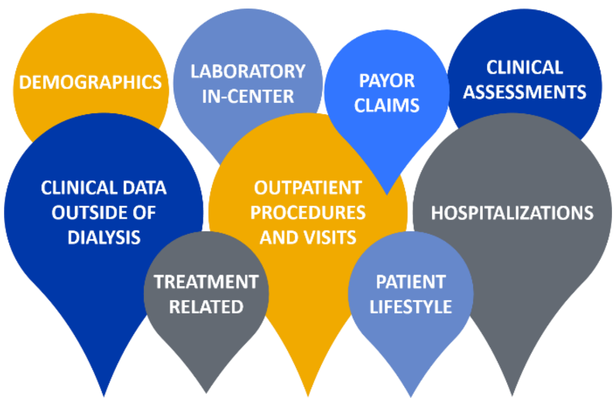
MEDICAL CARE

Predictive Analytics – The Process

Data Needed



Skills Needed

- Medical/clinical expertise
- Data analytics expertise
- Expertise in wide-scale production
- Internal Statisticians
- External Statisticians

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Patient Cohorts

CKD 4-5

ESRD INCIDENT PATIENTS

ESRD PREVELANT

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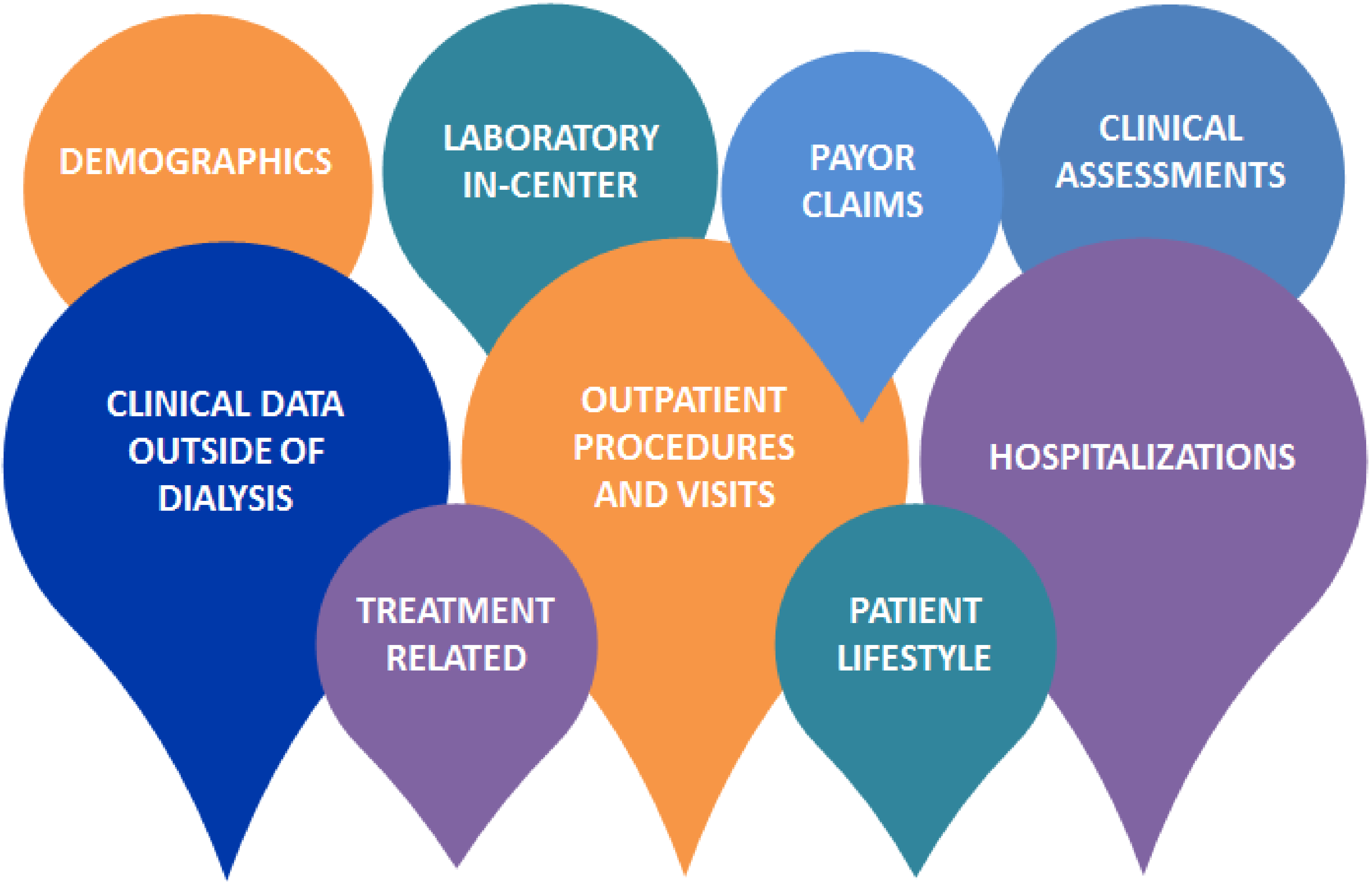
Data Sources



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Example Predictive Models

CKD PROGRESSION MODEL
INPUT = CLINICAL DATA
OUTPUT = GFR IN 6 MONTHS

CKD PROGRESSION LIGHT MODEL
INPUT = CLAIMS DATA
OUTPUT = GFR IN 6 MONTHS

HIGH-RISK HOSPITALIZATION MODEL
INPUT = CLINICAL DATA
OUTPUT = PROBABILITY OF >5 ADMITS

HIGH-RISK LIGHT HOSPITALIZATION MODEL
INPUT = CLINICAL DATA
OUTPUT = PROBABILITY OF >5 ADMITS

HIGH-RISK INCIDENT MODEL
INPUT = CLINICAL DATA
OUTPUT = OUTCOMES IN 120 DAYS

READMISSION MODEL
INPUT = CLINICAL DATA
OUTPUT = PROBABILITY OF READMISSION

EOL MODEL
INPUT = CLINICAL DATA
OUTPUT = DEATH IN NEXT 6 MONTHS

Complex Mathematical Models

HIGH-RISK HOSPITALIZATION MODEL

OUTPUT = PROBABILITY OF >5 ADMITS IN 12 MNS

- Decision Trees
- Random Forest
- Artificial Neural Networks (ANN)
- Supported Vector Machines (SVM)
- Least Absolute Shrinkage and Selection Operator
- Multivariate Adaptive Regression Spline (MARS)
- Predictors based on historical hospitalization rate
- Multiple regression models
- Generalized Additive Model (GAM)
- General Linear Model (GLM)

Measuring Successful Models

HIGH-RISK HOSPITALIZATION MODEL

OUTPUT = PROBABILITY OF >5 ADMITS IN 12 MNS

AUC = 0.90

41 PREDICTORS

NON-LINEAR RELATIONSHIPS

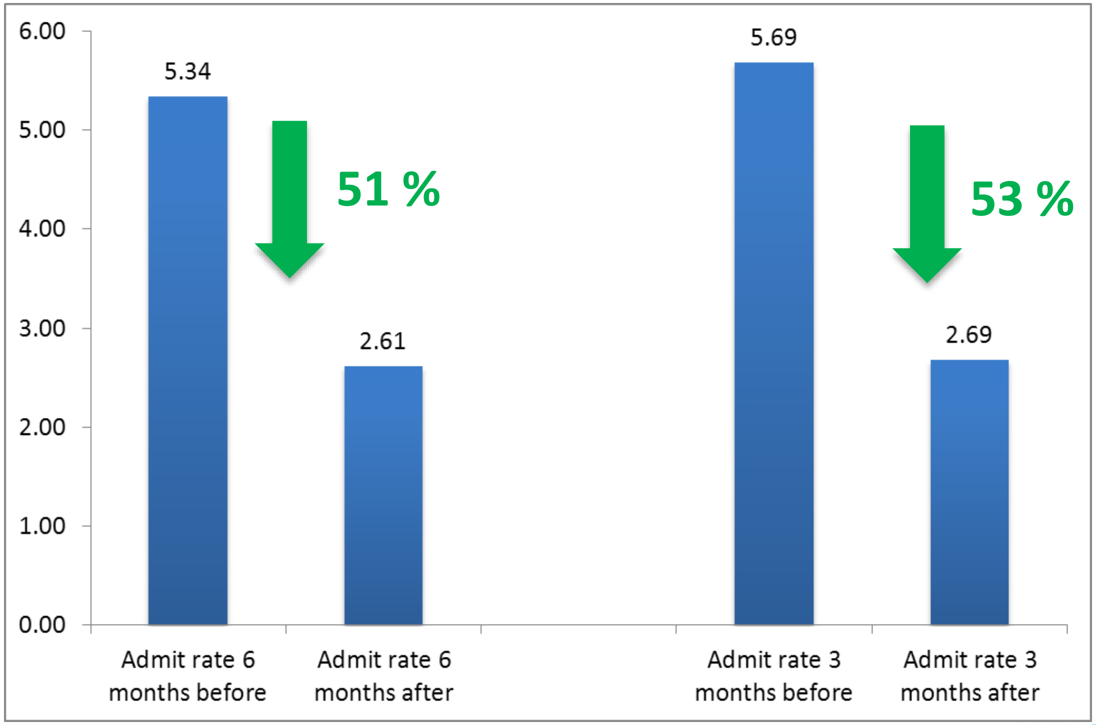
Applying Interventions Selectively

HIGH-RISK HOSPITALIZATION MODEL

OUTPUT = PROBABILITY OF
>5 ADMITS IN 12 MNS

MODEL FULLY AUTOMATED AND IMPLEMENTED

INITIAL RESULTS



FRESENIUS MEDICAL CARE

Q&A

FRESENIUS MEDICAL CARE

LUNCH

13:00 – 13:40

FRESENIUS
MEDICAL CARE

This Afternoon's Agenda

13:40	**Financials -** Mike Brosnan
14:10	**Summary -** Rice Powell
14:15	**Q&A**

FRESENIUS MEDICAL CARE

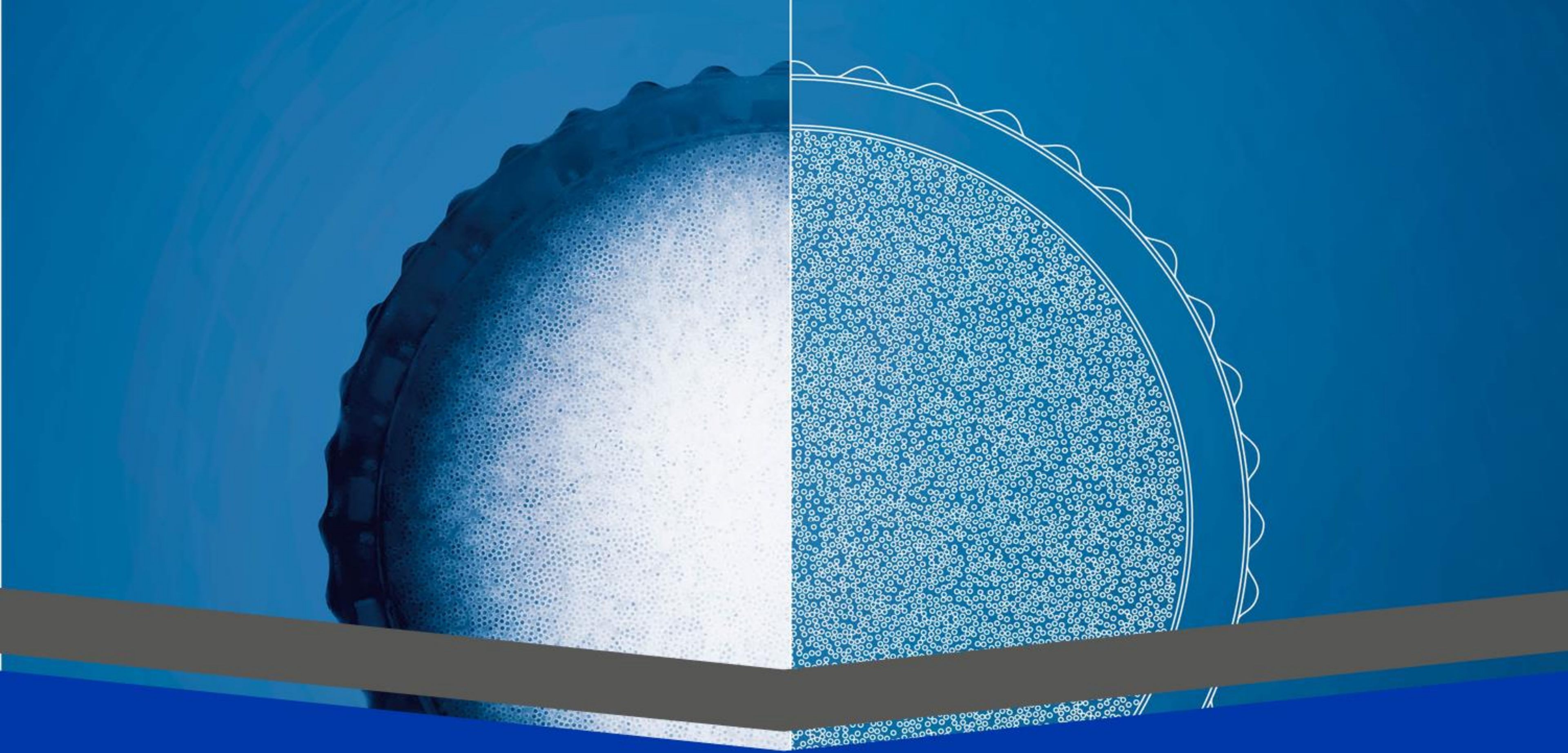
FINANCIALS
Mike Brosnan

April 3 2014, New York City

Agenda

A	**Global Efficiency Program**
B	**Financial Outlook**
C	**Capital Allocation**
D	**Summary**

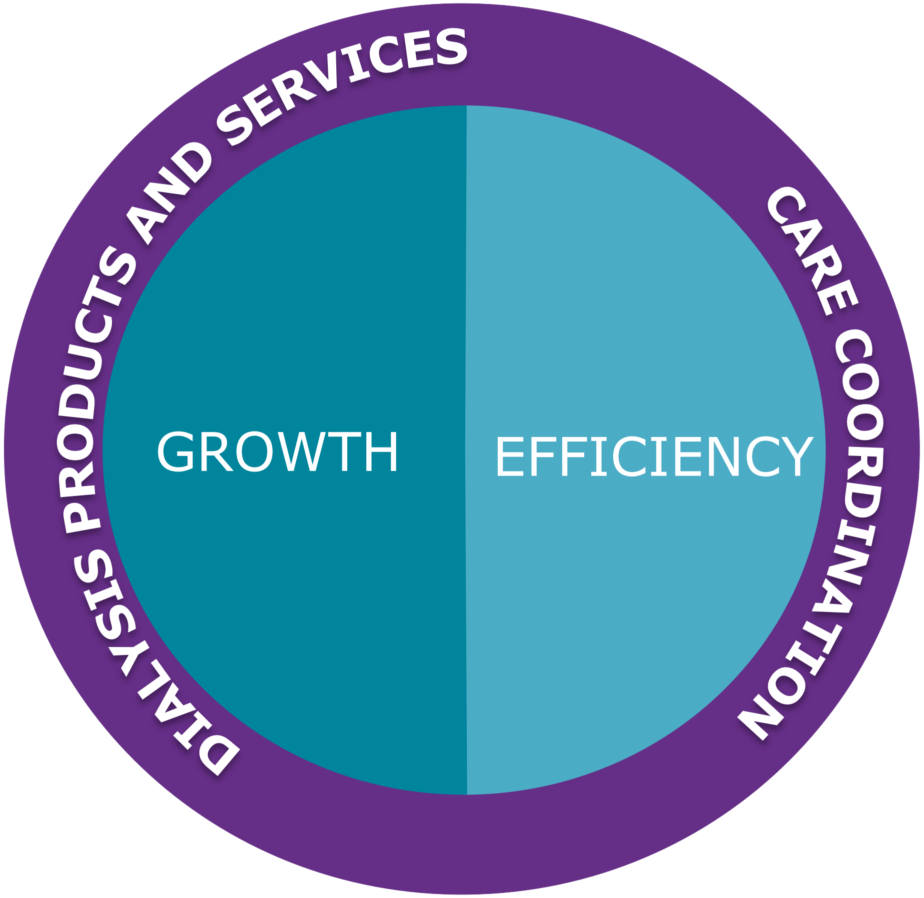
FRESENIUS MEDICAL CARE



GLOBAL EFFICIENCY PROGRAM

FRESENIUS MEDICAL CARE

Driving the Business Forward



Top Five Projects with High Savings Potential

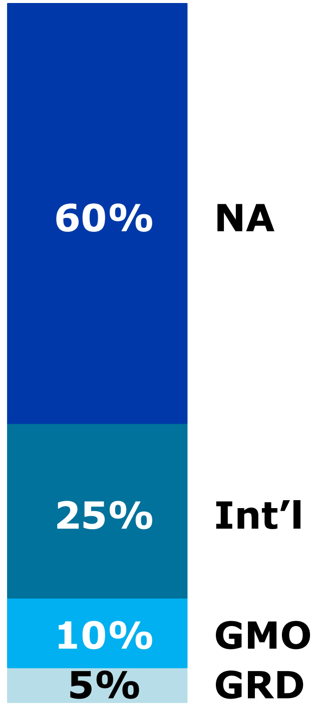
EFFICIENCY

Full run rate by 2017 of $300m

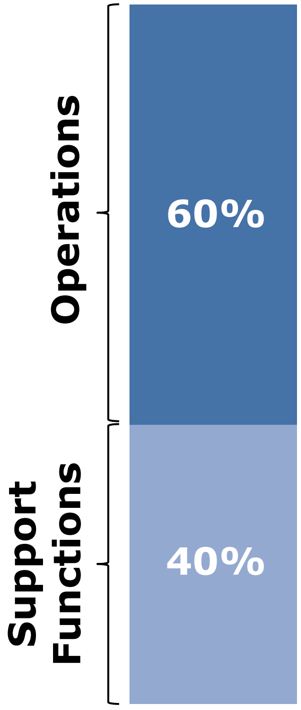
70%	Top Five
30%	Additional

- Procurement
- Organizational structure
- Clinical Service Initiatives
- GMO
- GRD

Efficiency Scope: Break Out of Savings Run-Rate



Organizational view

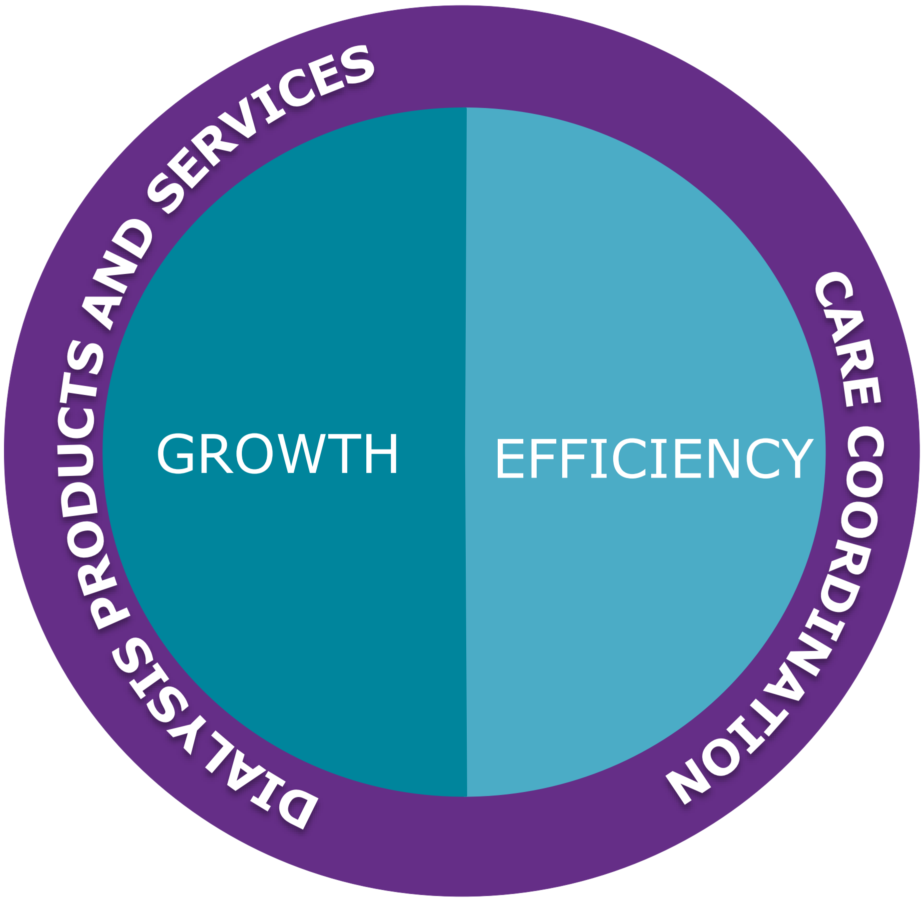


Value chain/ functional view

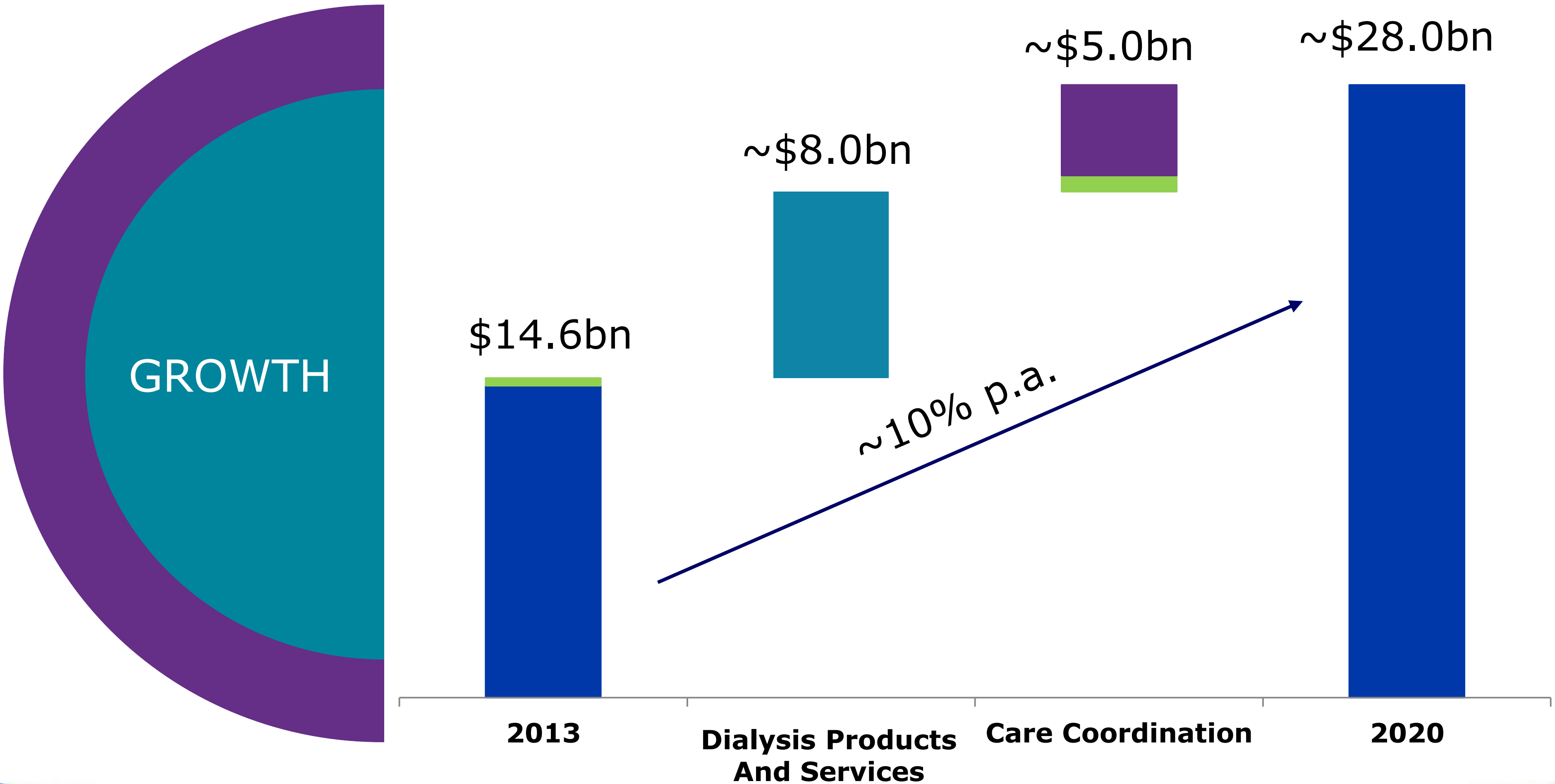
- Positive NPV
- Savings to Cost 3x
- Project EPS Accretion >10%

FINANCIAL OUTLOOK

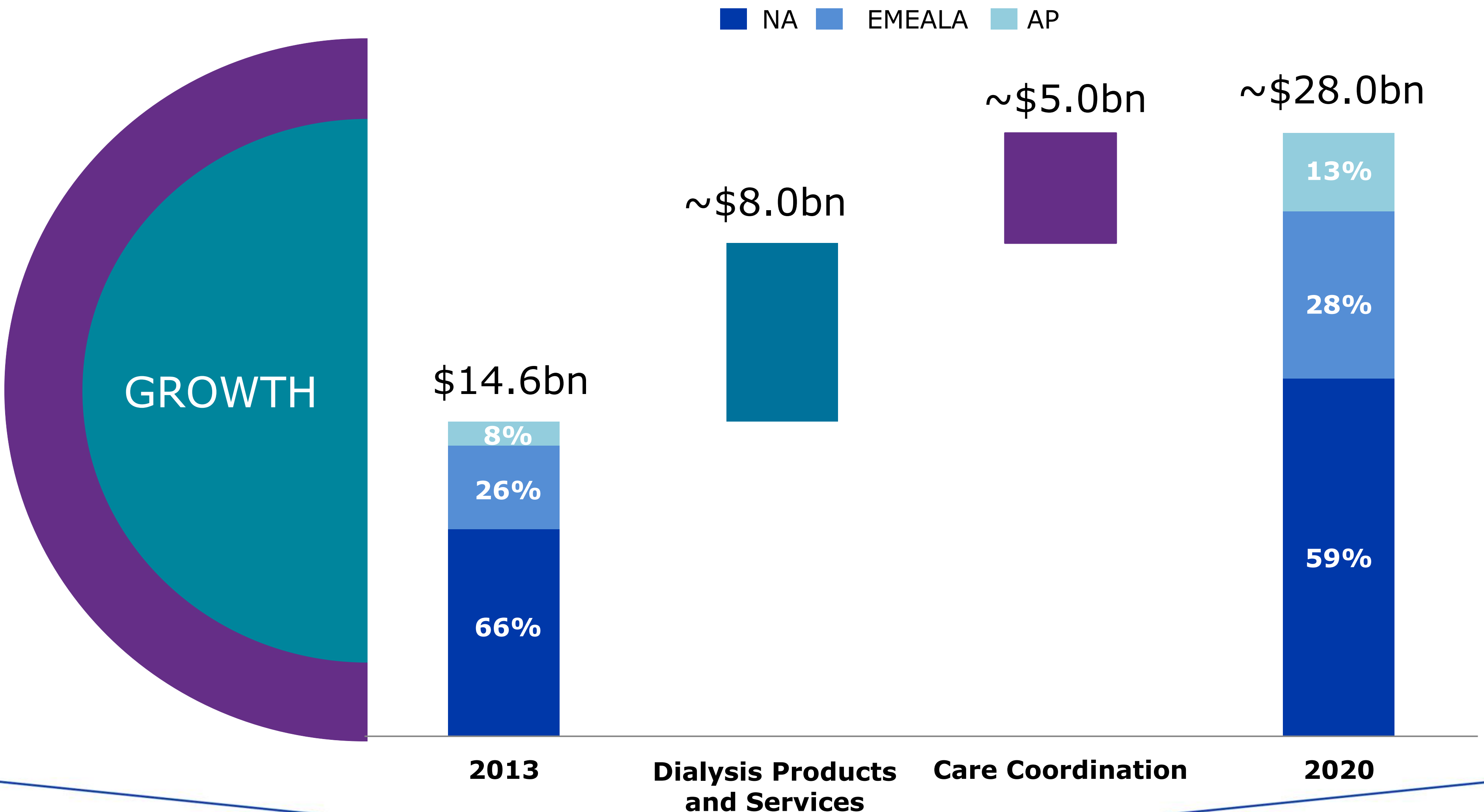
Driving the Business Forward



Revenue and Revenue Growth: Breakdown 2020



Revenue and Revenue Growth: Breakdown 2020



FRESENIUS MEDICAL CARE

Financial Targets: Revenue
(Average Annual, Constant Currency)

2015 - 2020				
	Volume/ Patient	Price/ Mix	Market Share/ Acquisitions	Total Growth
Products	3-4%	±2%	1-2%	4-7%
Services	5-6%	±1%	1-2%	6-8%
Care Coordination				>10%
Total Revenue Growth Rate (p.a.)				**~10%**

FRESENIUS MEDICAL CARE

Financial Targets: Net Income and EPS

2015 - 2020	
Net Income Growth Rate (p.a.)	**High Single Digit**
EPS Growth Rate (p.a.)	**High Single Digit**

CAPITAL ALLOCATION

Capital Allocation Framework

Funding	Investment	Return
• Cash Flow from Operations • Additional Net Debt	• Dialysis Products and Services – Organic/ De novo – Acquisitions • Care Coordination – Organic/ De novo – Acquisitions	• De-leverage/ Incremental Shareholder Return • Estimated Sustainable Dividend

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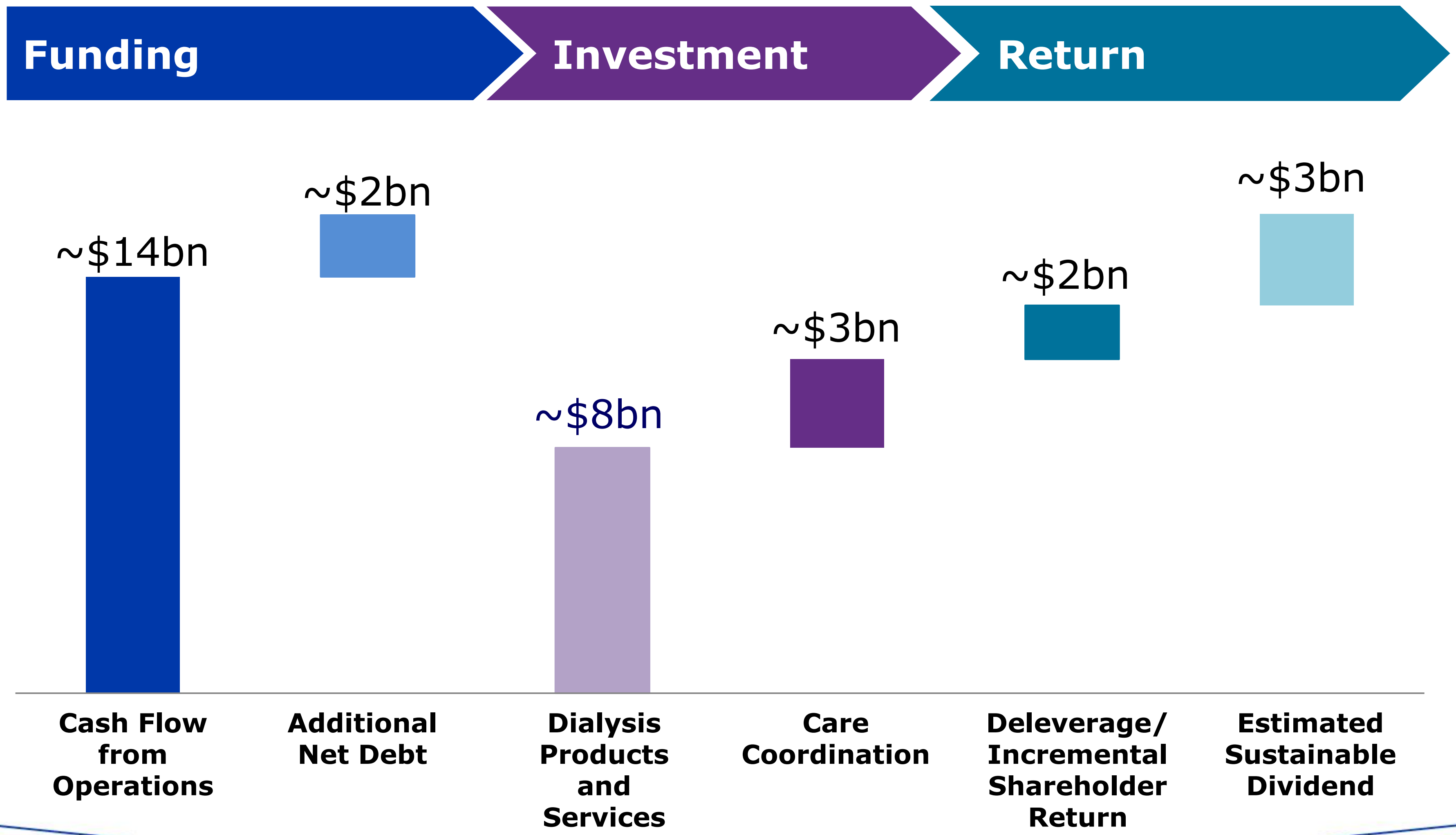
Capital Allocation 2014 - 2020



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Financial Targets: Cash Flow from Operations and CapEx

2014 - 2020	
Cash Flow from Operations in % of Revenue	**>10%**
CapEx in % of Revenue	**5-6%**

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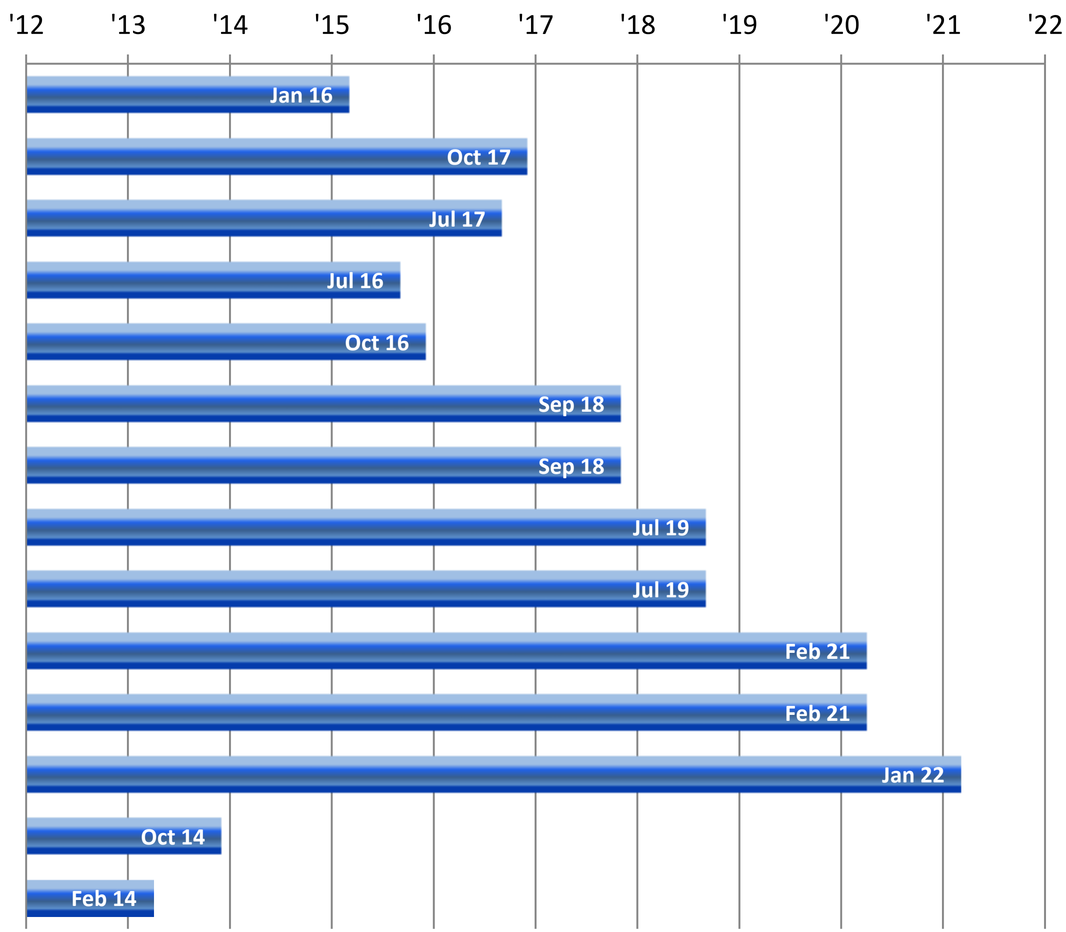
Major Debt Portfolio and Maturities

(as of December 31, 2013)

	Amount in million
Accounts Receivable Facility	$ 800
Credit Agreement	$ 3,790
Senior Notes 2007 - 2017	$ 500
Senior Notes 2010 - 2016	€ 250
Senior Notes 2011 - 2016	€ 100
Senior Notes 2011 - 2018	€ 400
Senior Notes 2011 - 2018	$ 400
Senior Notes 2012 - 2019	$ 800
Senior Notes 2012 - 2019	€ 250
Senior Notes 2011 - 2021	$ 650
Senior Notes 2011 - 2021	€ 300
Senior Notes 2012 - 2022	$ 700
Notes (Schuldscheindarlehen)[1]	€ 34
EIB[1]	€ 140



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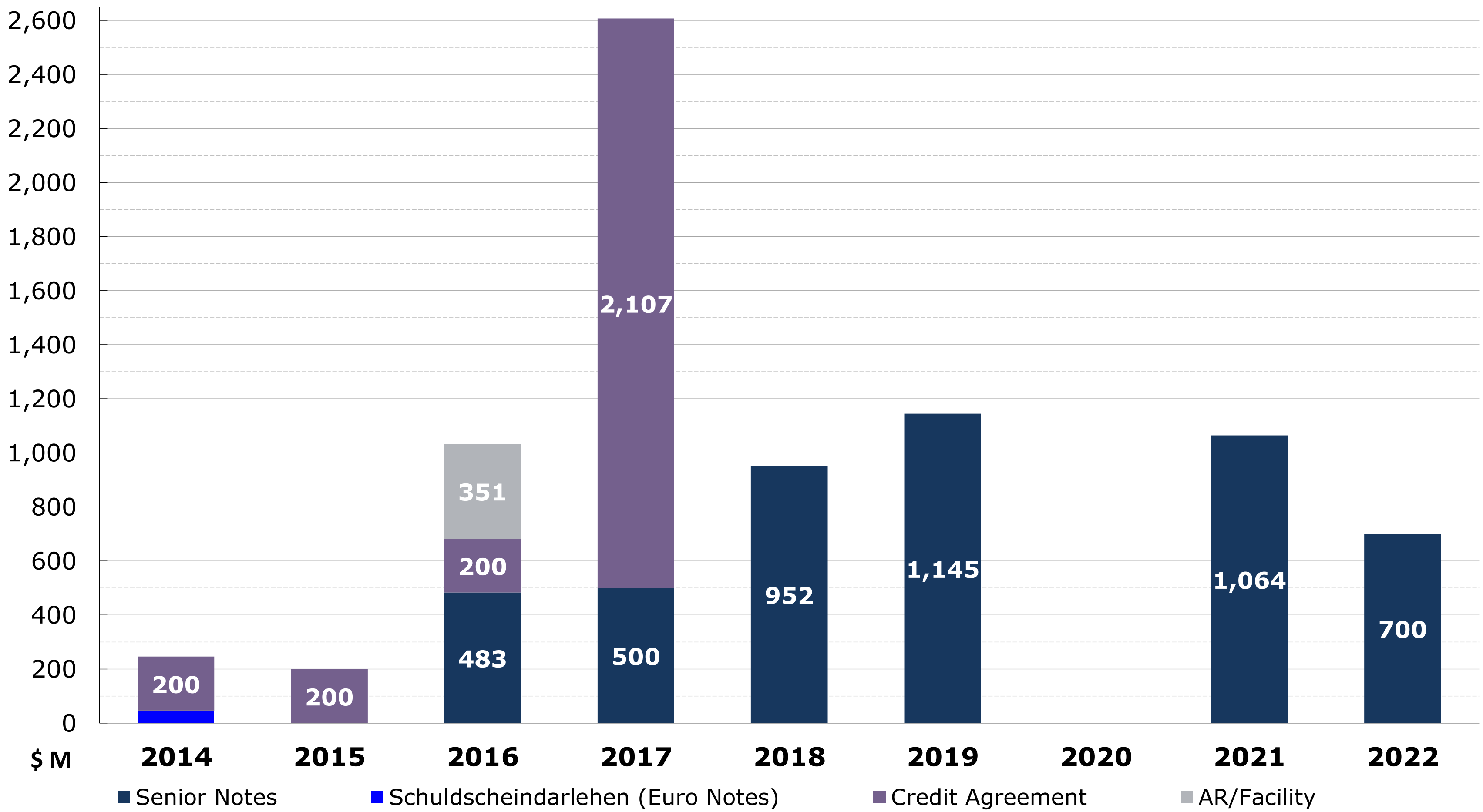
1 outstanding as of Dec. 2013

Debt Maturity Profile

(as of December 31, 2013)



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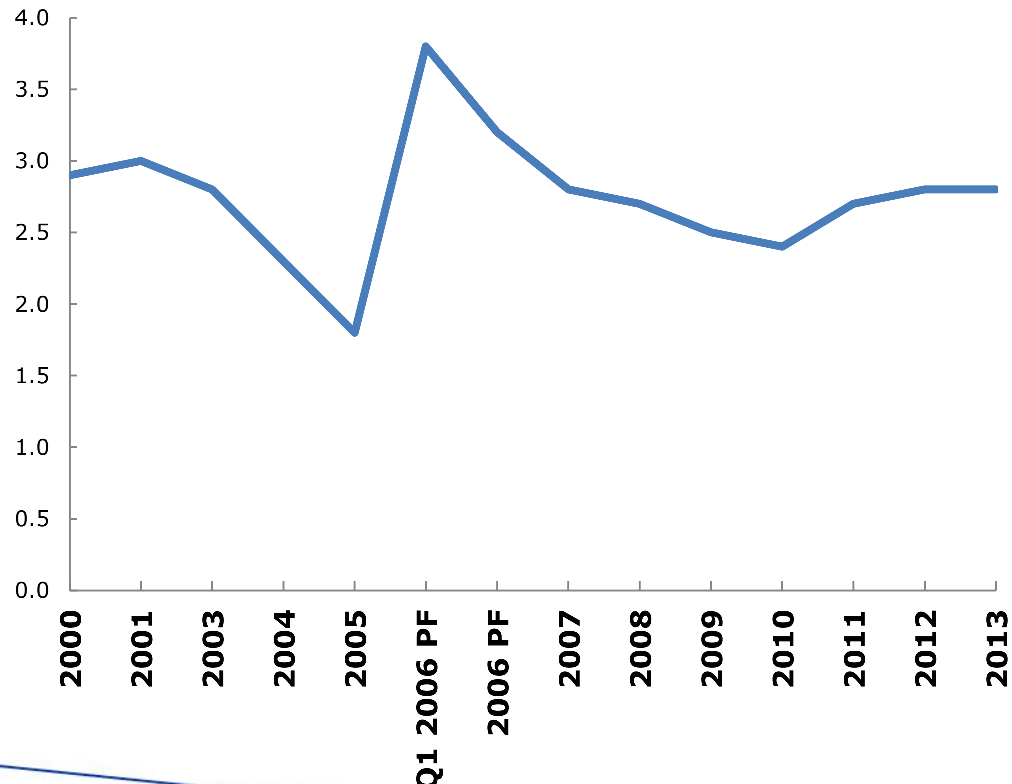
Based on utilization of major long-term financing instruments

Business Model Supports Leverage

2000-2013

- Leverage as Funded Debt to EBITDA



2014–2020

- Leverage Ratio
- Opportunities in Leveraged Finance
- Opportunities in Debt Capital Markets
- 50-60 Basis Points Increase Pro Forma

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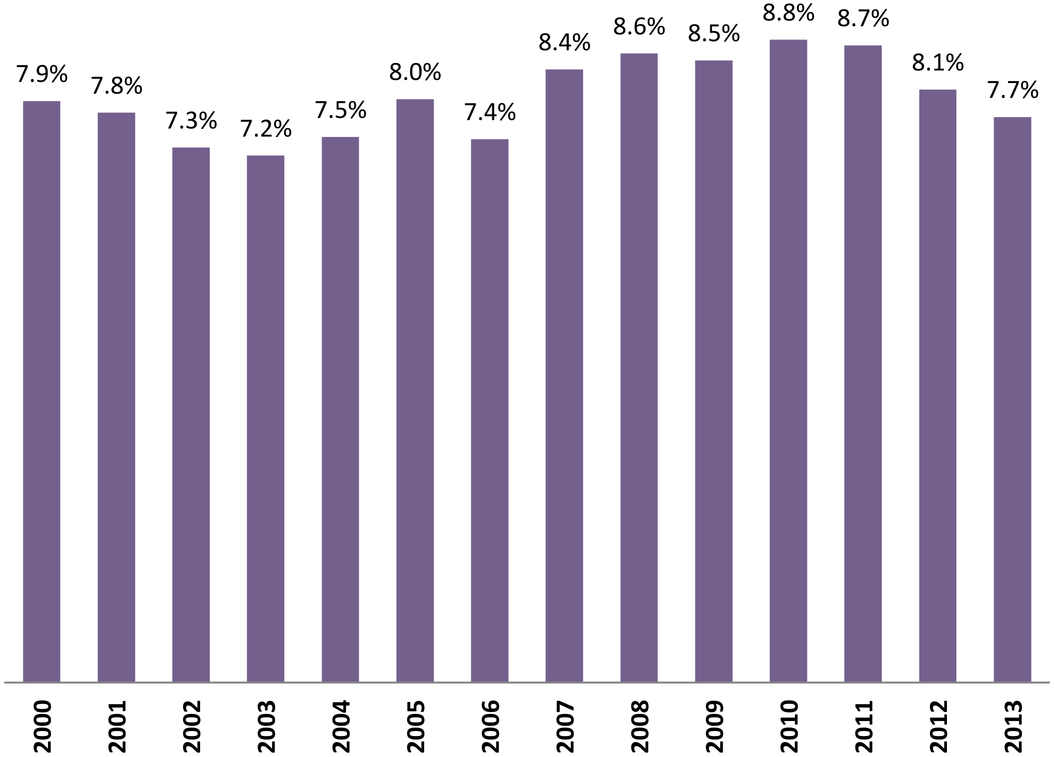
Return on Invested Capital

2000-2013

- Sustainable Value Generation



2014–2020

- Continued Value Accretive Growth
- From 2014 Onward Improvement Expected
- Increase by >100 Basis Points over the Period

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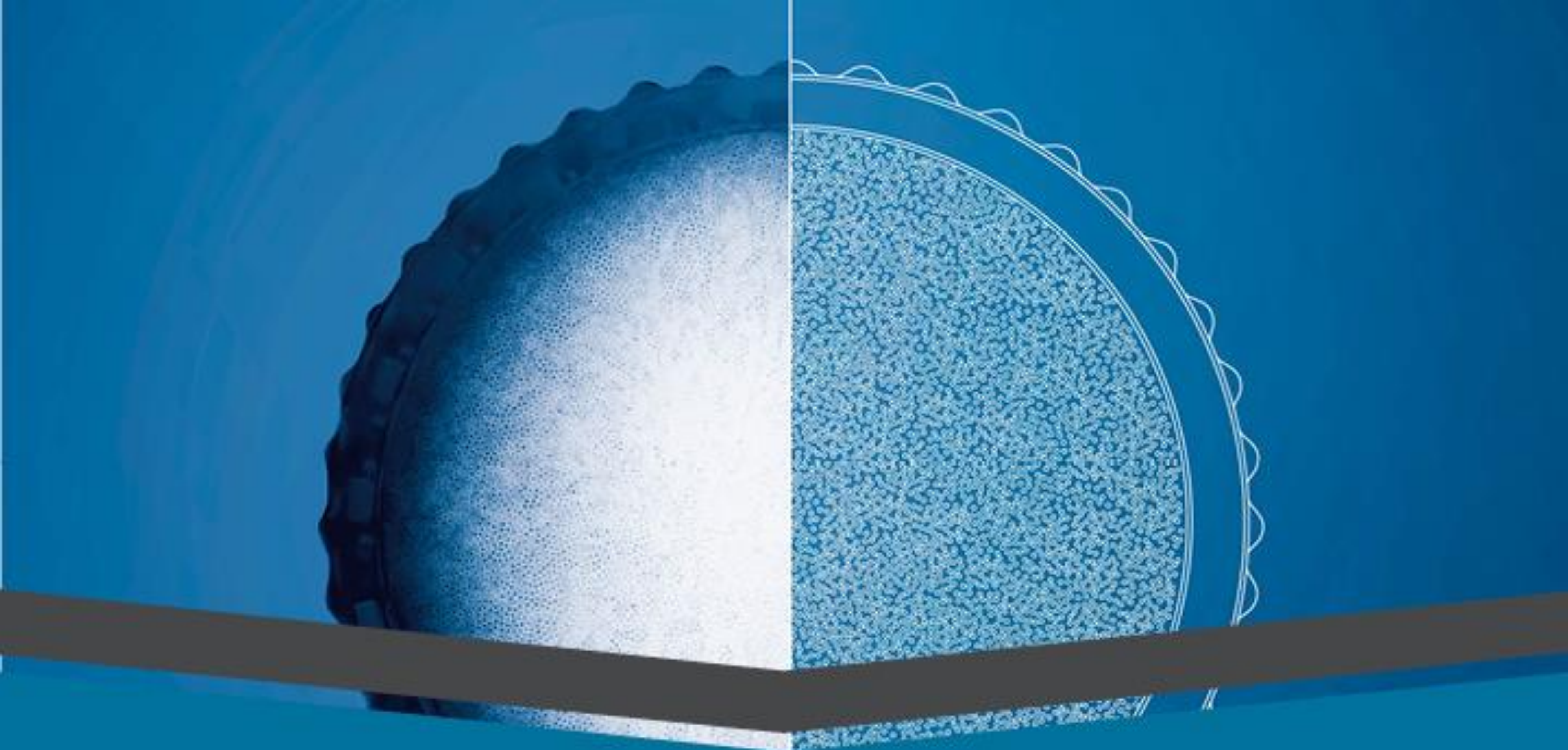

SUMMARY

FRESENIUS MEDICAL CARE

Summary

Growth	In Services, in Products and in Care Coordination
Efficiency	Identified areas with efficiency potential to be incorporated under the Global Efficiency Program (GEP)
Shareholder Value	Sustainable Increase in EPS Reliable Dividend

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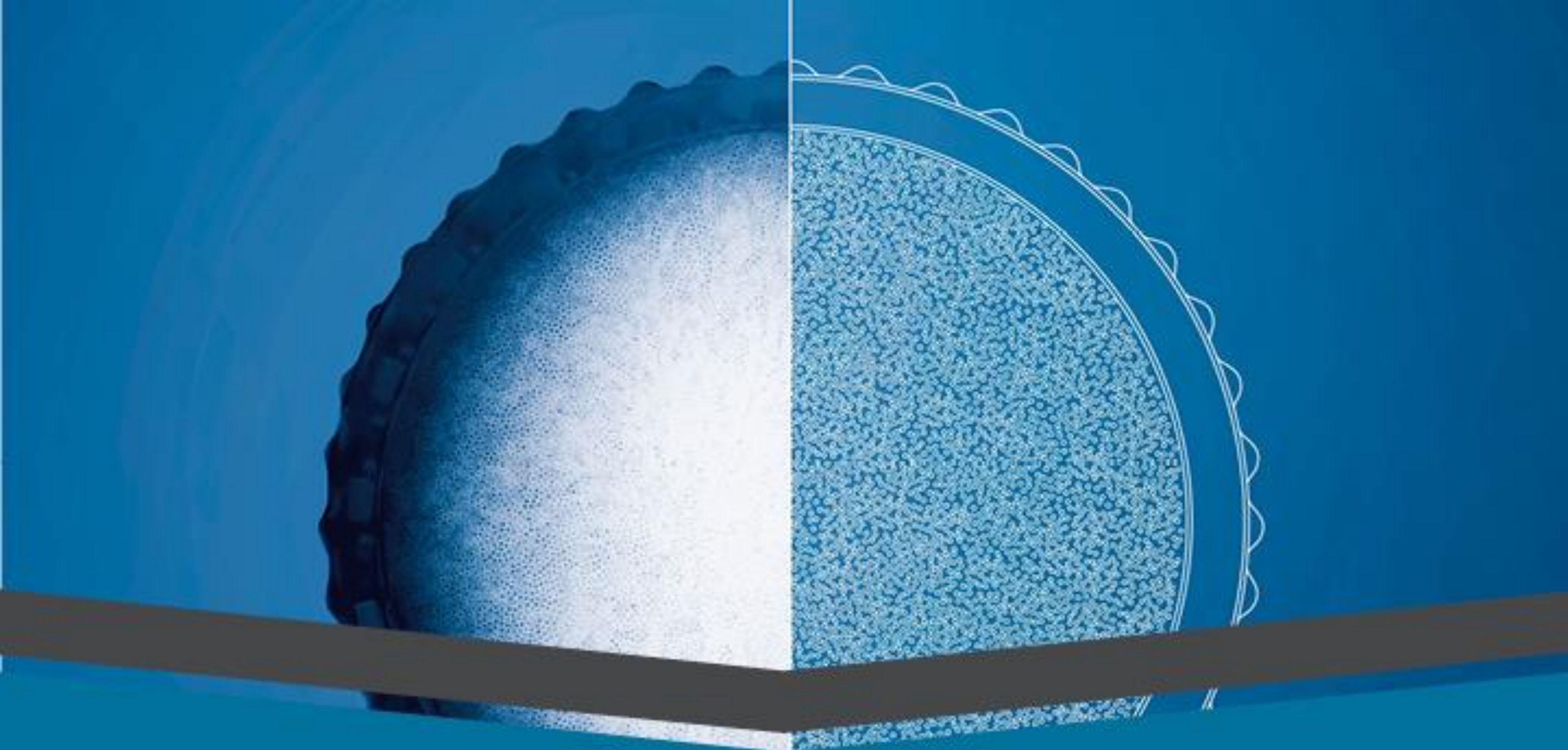
SUMMARY
Rice Powell

April 3 2014, New York City



Q&A

FRESENIUS
MEDICAL CARE

Thank you

2014 Capital Markets Day

New York City

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 an 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).

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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. Numbers mentioned are in US-$.