



Fresenius Medical Care

The World's Leading Renal Therapy Company

Second Quarter / First Half 2009 Results

Conference Call, August 4, 2009



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Forward Looking Statements



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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. 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. These and other risks and uncertainties are discussed in detailed in the Company's reports filed with the Securities and Exchange Commission (SEC) and the German Exchange Commission (Deutsche Börse).

Agenda



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1. Business Update

2. Financials and Outlook

3. Questions & Answers





Strong organic growth of 8% and on target for Full Year 2009

Dialysis Services:

- Continued improvement in mortality and further reduction in hospitalization
 - New Therapies
 - USA – Clinic Nocturnal
 - Europe – Online Hemodiafiltration
 - Integrated Care (Accountable Care) model expanded

patient growth y-o-y

+32%

+52%

+28%

Dialysis Products:

- Production at highest quality levels
- Renal Pharma revenue of ~ USD 300 m expected for 2009

Second Quarter 2009 – Overview



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Solid quarter and on track for the year

	Q2 2008	Q2 2009	Growth
Revenue	\$ 2,665 m	\$ 2,764 m	+ 4%
Net income <small>attributable to FME AG & Co. KGaA</small>	\$ 211 m	\$ 221 m	+5%
Earnings per share	\$ 0.71	\$ 0.74	+4%

- Total revenue growth of +9%cc and organic growth of +8%
- EBIT affected mainly by higher personnel- and pharma costs and product mix
- Net income growth of +5% and on track for full year guidance

cc = constant currency



Strong performance with significant currency headwinds

	H1 2008	H1 2009	Growth
Revenue	\$ 5,177 m	\$ 5,323 m	+ 3%
Net income <small>attributable to FME AG & Co. KGaA</small>	\$ 397 m	\$ 419 m	+ 6%
Earnings per share	\$ 1.34	\$ 1.41	+ 5%

- Also for the Half Year 2009 a total revenue growth of +9%cc and organic growth of +8%

cc = constant currency

Second Quarter 2009 – Revenue



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Total Revenue increased 4% to \$ 2,764 m (9%cc)

By Region

By Segment

North America

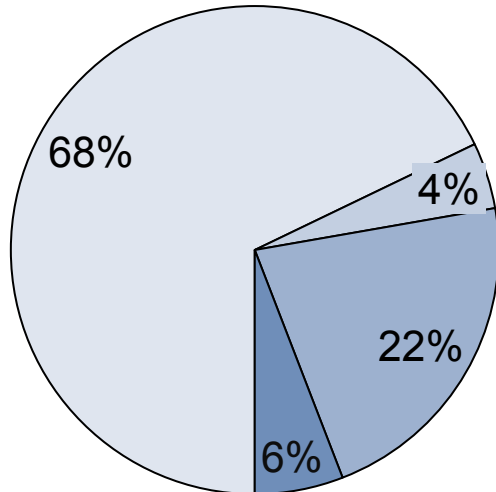
Revenue \$ 1,876 m
Growth 9%

International \$ 888 m

- 32% of total revenue
- 8% organic growth

Dialysis Services

Revenue \$ 2,054 m
Growth 7% / 10%cc



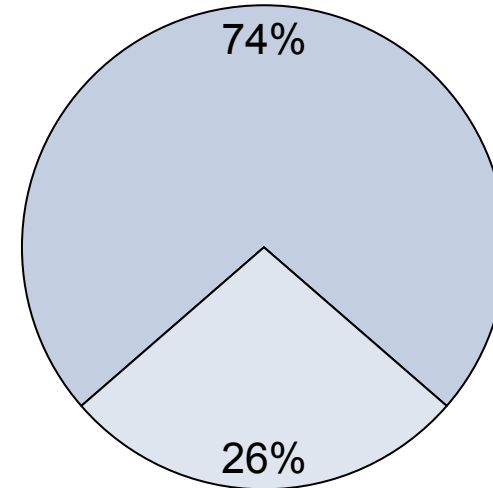
Latin America

Revenue \$ 123 m
Growth - 3% / 17%cc

Europe

Revenue \$ 607 m
Growth - 9% / 8%cc

Asia-Pacific
Revenue \$ 158 m
Growth - 1% / 6%cc



Dialysis Products

Revenue \$ 710 m
Growth - 4% / 7%cc

cc = constant currency

Second Quarter 2009 - Dialysis Services Global



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Very Strong revenue growth in North America

US-\$ in millions	Q2 2008	Q2 2009	Growth	cc
North America	1,533	1,677	9%	
International	391	377	-4%	13%
Total	1,924	2,054	7%	10%

Treating more than 190,000 patients in ~ 2,470 clinics

cc = constant currency

Second Quarter 2009 - Dialysis Services Global



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Excellent Performance in all Key Metrics

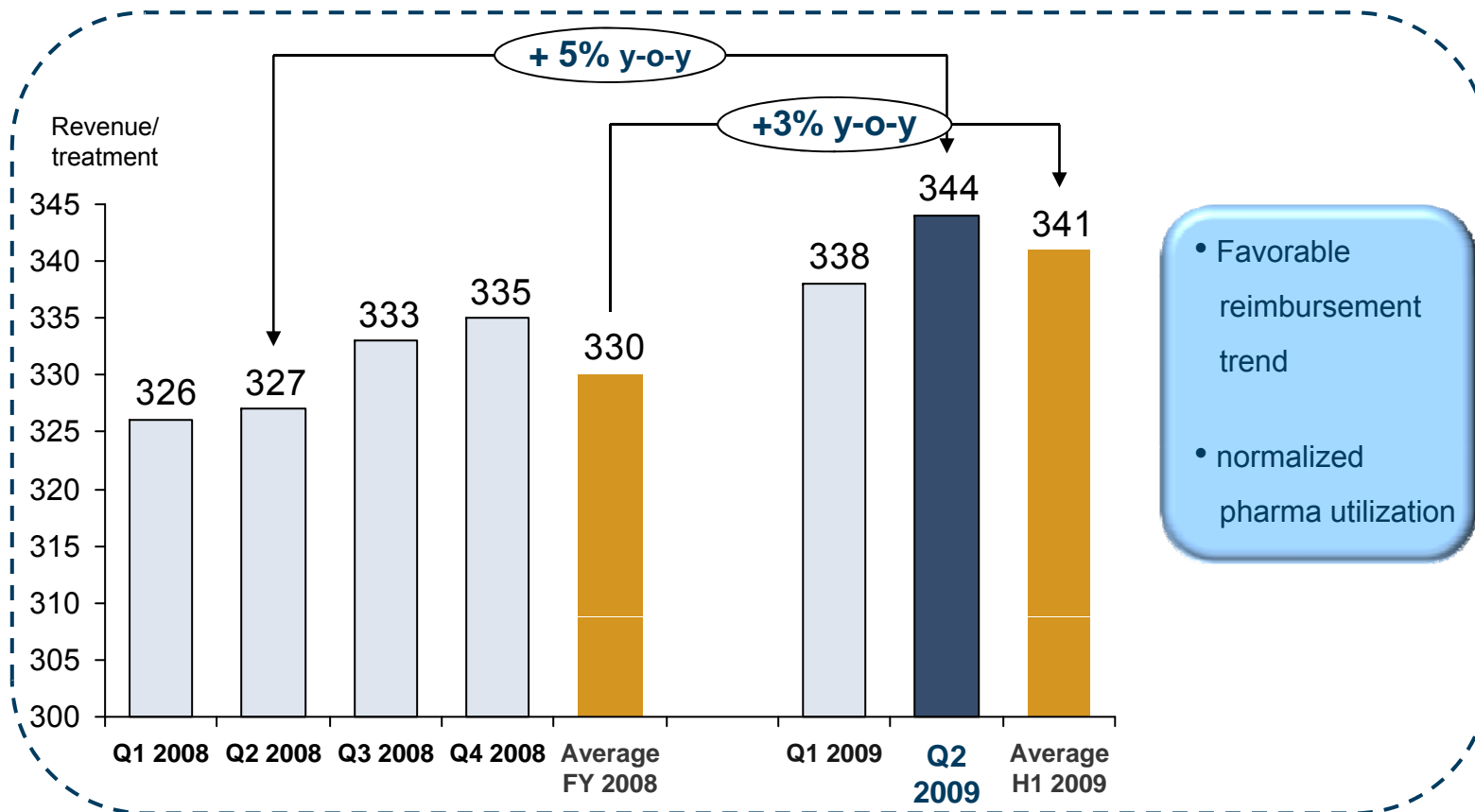
Q2 2009	Total	North America	International
Organic revenue growth	+ 9%	+ 8%	+ 11%
Same market treatment growth	+ 4%	+ 4%	+ 6%
Revenue per treatment		\$ 338¹⁾	\$ 159
Growth		+ 5%	+ 2% ^{cc}
Number of clinics	2,471	1,731	740
Growth	+ 7%	+ 5%	+ 10%
De novos (including managed clinics)	24	15	9

1) including Mexico

cc = constant currency



Further improved revenue per treatment



Second Quarter 2009 - Quality Outcomes

Overall Strong Quality Performance

	North America		International	
	Q2 2008	Q2 2009	Q2 2008	Q2 2009
% of FME patients				
Kt/V \geq 1.2	95%	96%	95%	95%
Hemoglobin = 10-12 g/dl	60%	63%	52%	54%
Hemoglobin = 10-13 g/dl	85%	86%	76%	77%
Albumin \geq 3.5 g/dl	80%	82%	84%	85%
Phosphate 3.5-5.5 mg/dl	52%	52%	60%	60%
Hospitalization days	10.5 *	10.1 *	7.6	8.0

* The hospitalization rates for the US reflects FMS adoption of CMS policy.
Reduction of hospitalization days account for approx. \$60 million in savings and therefore benefits payors and patients

Second Quarter 2009 - Dialysis Products



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Strong External Product Growth of 7%cc

US-\$ in millions	Q2 2008	Q2 2009	Growth	cc
Total Revenue (incl. Internal Revenue)	953	941	-1%	9%
External Revenue	741	710	-4%	7%
North America	182	199	10%	
International	559	511	-9%	6%

cc = constant currency

Healthcare Reform Initiatives – In the News 2009

- No clear set of provisions in Congress yet
- Proposed cost is shrinking – easier to pay for with less risk to dialysis patients
- Terms of the evolving public plan seem to be manageable for providers
- Provider reforms including Accountable Care Organizations (ACOs) have broad consensus

Bundling - 2011

- Proposed rule on bundling 2011 from the Center for Medicare and Medicaid Services expected soon for public review and comment
- Review and comment process will take months; no final rule likely until 2010
- Proposed rule likely to be based on 2007 actual and 2008 estimated reimbursements
- Components to look for: risk adjusters; outlier payments; and quality incentives
 - Must be analyzed to determine actuarially validity

Second Quarter 2009 - Summary



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Strong organic growth of 8% and on target for Full Year 2009

Further improvement in quality performance metrics in both products and services

Continued acceptance and expansion of new products and therapies worldwide

Expect margin improvement in the second half of 2009

R&D investments expected to continue at current level

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Second Quarter 2009 - Profit & Loss



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\$ in millions	Q2 2008	Q2 2009	Growth
Net revenue	2,665	2,764	4% *
Operating income (EBIT)	429	418	-3%
EBIT margin in %	16.1	15.1	
Interest expense, net	82	76	
Income before income tax	347	342	-1%
Income Tax expense	126	103	
Tax rate	36%	30%	
Non controlling interest	10	18	
Net income attributable to FME AG & Co. KGaA	211	221	5%

* 9% growth at constant currency, 8% organic growth

Half Year 2009 - Profit & Loss



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\$ in millions	H1 2008	H1 2009	Growth
Net revenue	5,177	5,323	3% *
Operating income (EBIT)	818	813	-1%
EBIT margin in %	15.8	15.3	
Interest expense, net	165	149	
Income before income tax	653	664	2%
Income Tax expense	237	214	
Tax rate	36%	32%	
Non controlling interest	19	31	
Net income attributable to FME AG & Co. KGaA	397	419	6%

* 9% growth at constant currency, 8% organic growth

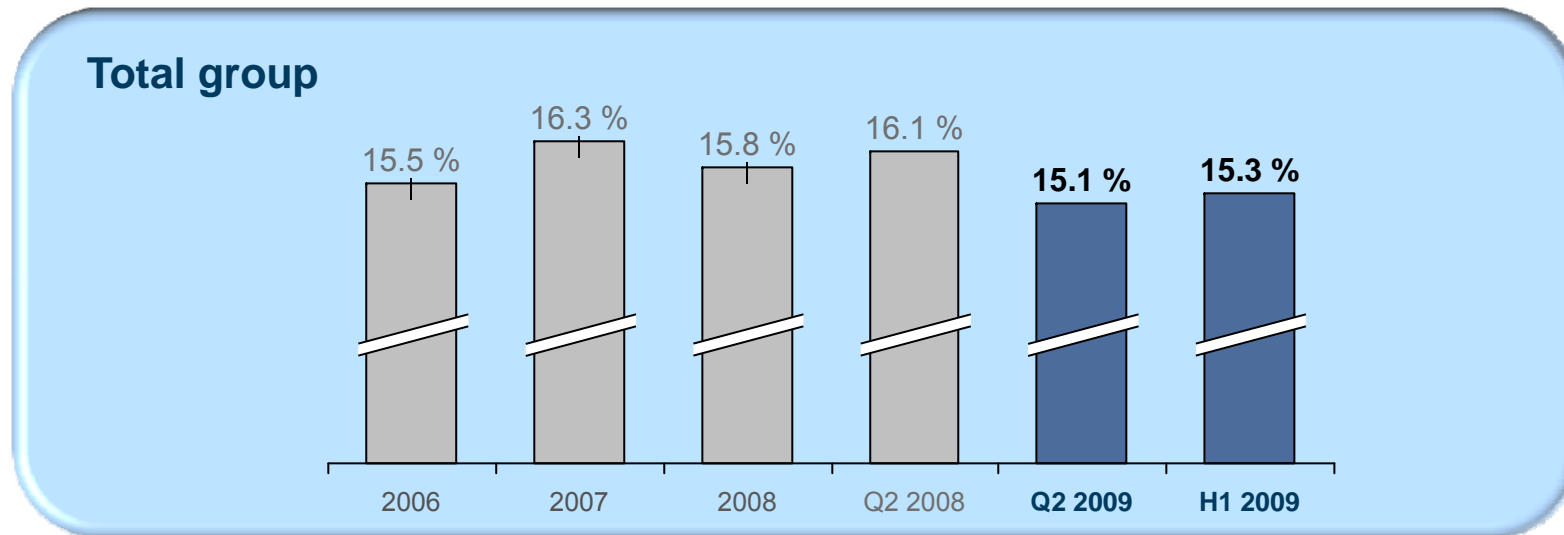
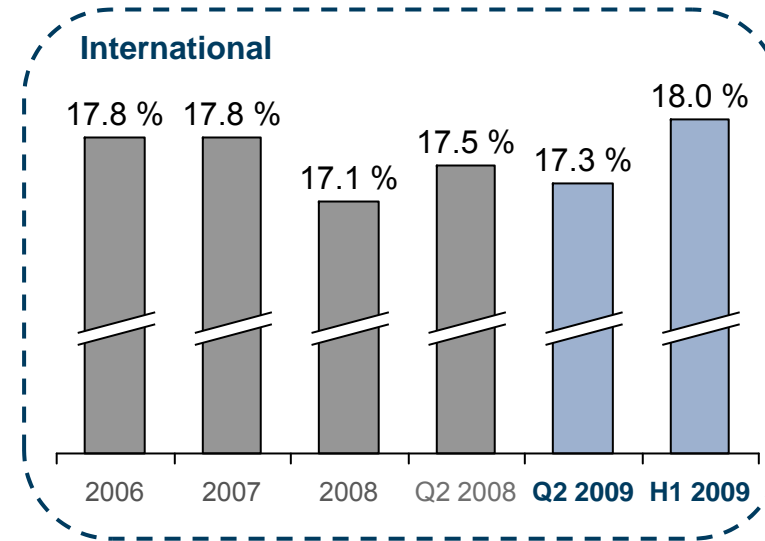
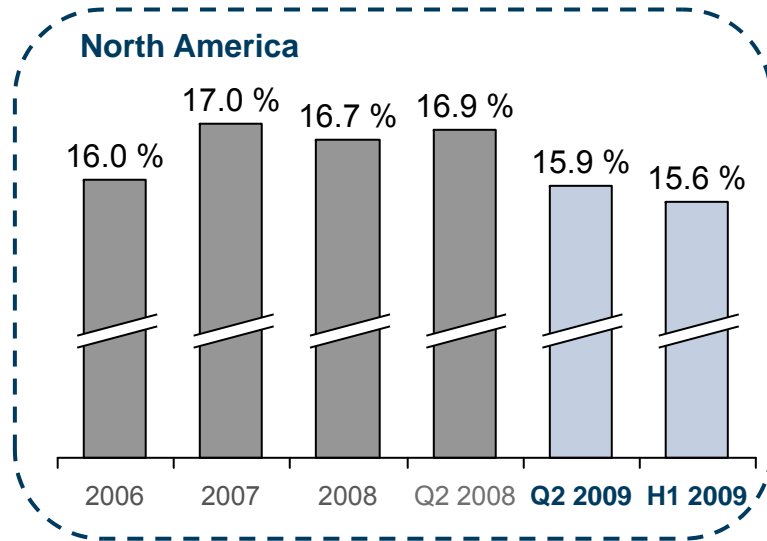
Major impacts on operating results versus Q2 2008:

- + Increased commercial payor rates
 - + Normalized pharma utilization rate
 - + Cost efficiencies in the Dialysis Product Business and Manufacturing
-
- Higher Personnel and other Service business costs
 - Significantly higher pharma costs - mainly Heparin
 - Product mix – as there is a revenue shift from PhosLo to IV Iron
 - Higher corporate expenses

Operating Margin Development

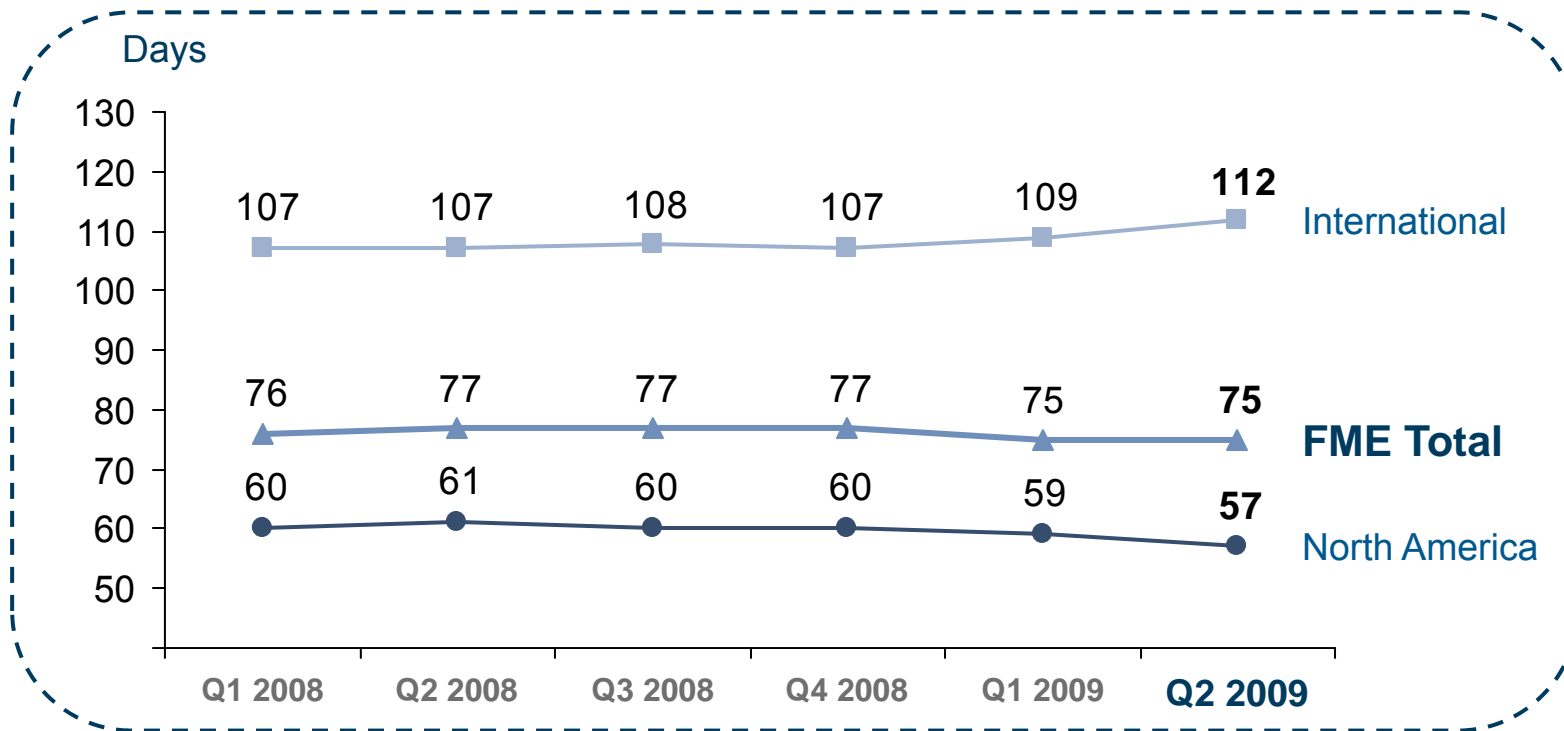


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Days Sales Outstanding (DSO)

Stable despite difficult environment



Second Quarter 2009 – Cash Flow



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Operating Cash Flow back at 10% of Revenues

\$ in millions	Q2 2008	Q2 2009	Growth
Operating Cash Flow ¹⁾	209	282	35%
Capital Expenditures, net ¹⁾	(179)	(139)	
Free Cash Flow	30	143	378%
Acquisitions, net of divestitures ¹⁾	(58)	5	
Free Cash Flow, after acquisitions	(28)	148	

1) A reconciliation to the most directly comparable US-GAAP financial measure is provided in the attachment.

Half Year 2009 – Cash Flow



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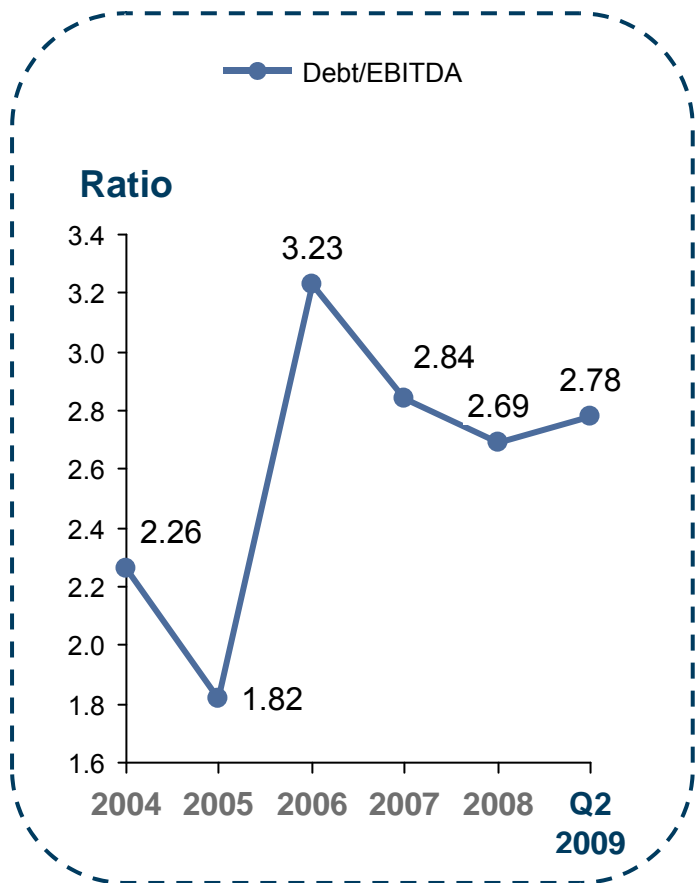
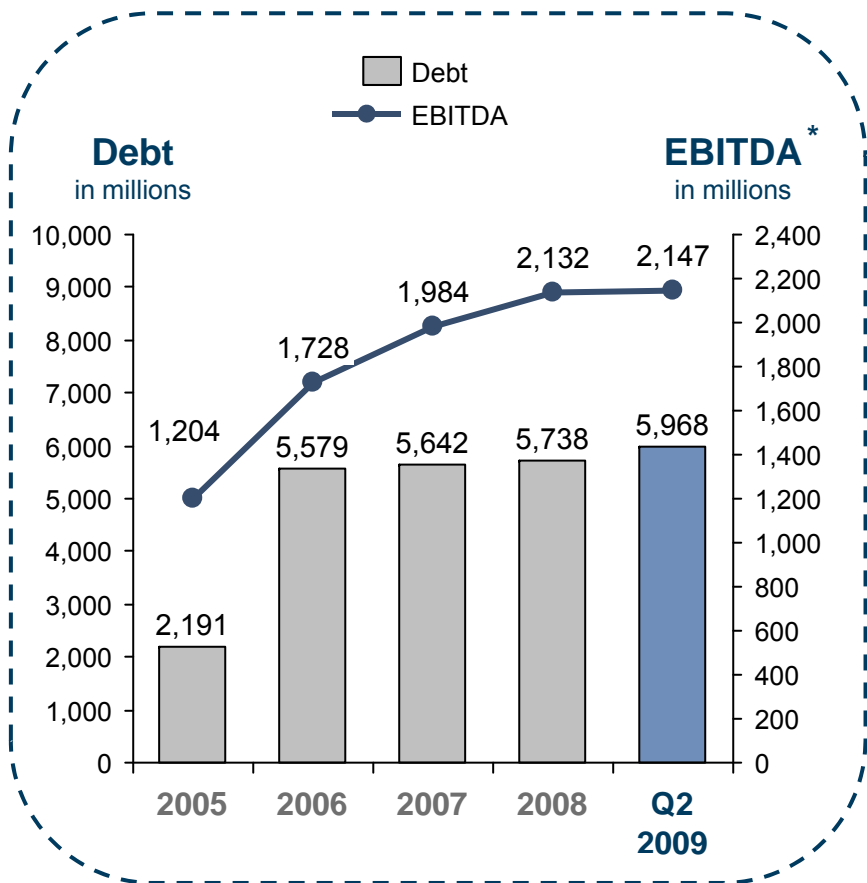
Very strong Cash Flow performance

\$ in millions	H1 2008	H1 2009	Growth
Operating Cash Flow ¹⁾	401	437	9%
Capital Expenditures, net ¹⁾	(332)	(249)	
Free Cash Flow	69	188	174%
Acquisitions, net of divestitures ¹⁾	(92)	(31)	
Free Cash Flow, after acquisitions	(23)	157	

1) A reconciliation to the most directly comparable US-GAAP financial measure is provided in the attachment.

Q2 2009 - Debt / EBITDA Development

Slightly up based on Dividend Payment



ltm = last twelve months

* including non-cash charges and in 2006/2007 excluding restructuring costs, in-process R&D and gain from the sale of dialysis clinics. A reconciliation to the most directly comparable US-GAAP financial measure is provided in the attachment.

Fiscal Year 2009 – Outlook Confirmed



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US-\$ in millions	Guidance
Net Revenues	> \$ 11,100
Net Income <small>attributable to FME AG & Co. KGaA</small>	\$ 850 – 890
Leverage ratio (Debt/EBITDA)	< 2.7
Capital Expenditures	~ \$ 550 - 650
Acquisitions	~ \$ 200 - 300

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**Thank You
for your interest in
Fresenius Medical Care !**





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Attachment I



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

All numbers are in \$ millions

Debt	Q2 2009	FY 2008	FY 2007	FY 2006	FY 2005
Short term borrowings (incl. A/R program) ¹⁾	445	684	217	331	151
+ Short term borrowings from related parties	110	1	2	5	19
+ Current portion of long-term debt and capital lease obligations	345	455	85	160	126
+ Current portion of Trust Preferred Securities	0	0	670		
+ Long-term debt and capital lease obligations, less current portion	4,420	3,957	4,004	3,829	707
+ Trust Preferred Securities (net of current portion)	648	641	664	1,254	1,188
= Total debt	5,968	5,738	5,642	5,579	2,191

EBITDA	Q2 2009	Q2 2008	FY 2008	FY 2007 ²⁾	FY 2006 (pro forma)	FY 2005
Last twelve months operating income (EBIT)	1,668	1,642	1,672	1,580	1,367	939
+ Last twelve months depreciation and amortization	433	392	416	363	326	251
+ Non-cash charges	46	42	44	41	35	14
= EBITDA (annualized)	2,147	2,076	2,132	1,984	1,728	1,204

1) A/R securitization program off-balance sheet in 2003 and included in short term borrowings from 2004 onwards

2) Excluding restructuring costs and in-process R&D

Attachment II



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

All numbers are in \$ millions

External Revenue	Q2 2009	Q2 2008	growth	cc
International product revenue	581	638	- 9%	+ 7%
- Internal revenue	(70)	(79)		
= External revenue	511	559	- 9%	+ 6%
North America product revenue	360	315	+ 14%	
- Internal revenue	(161)	(133)		
= External revenue	199	182	+ 10%	
TOTAL product revenue	941	953	- 1%	+ 9%
- Internal revenue	(211)	(212)		
= External revenue	710	741	- 4%	+ 7%

Capital expenditure (net)	H1 2009	H1 2008	Q2 2009	Q2 2008
Purchase of property, plant and equipment	(254)	(343)	(142)	184
- Proceeds from sale of property, plant and equipment	5	11	3	5
= Capital expenditure (net)	(249)	(332)	(139)	(179)

Cash Flow	H1 2009	H1 2008	Q2 2009	Q2 2008
Acquisitions and Investment and net purchases of intangible assets	(82)	(133)	(45)	(60)
Proceeds from divestitures	51	41	50	2
Acquisitions, net of divestitures	(31)	(92)	5	(58)

cc = constant currency

Dialysis Services - Global



H1 2009	Clinic	Patients	Treatments (in million)
Total	2,471	190,081	14.4
Growth	+ 7%	+ 6%	+ 5%
North America	1,731	129,163	9.7
Growth	+ 5%	+ 4%	+ 3%
International	740	60,918	4.7
Growth	+ 10%	+ 10%	+ 11%
Europe	421	30,936	2.4
Latin America	192	20,579	1.6
Asia-Pacific	127	9,403	0.7

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Reminder ...



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Third Quarter Results 2009 – November 3, 2009

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