

**ROADSHOW USA**

**MARCH 14 & 15, 2019**

**CARE  
AND  
LIVE**



**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. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy or might not even be anticipated. The Company has based these forward-looking statements on current estimates and assumptions which we believe are reasonable and which are 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 or competitive conditions, changes in reimbursement, regulatory compliance issues, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, cyber security issues 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 Frankfurt Stock Exchange (Frankfurter Wertpapierbörse).

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

**1 AT A GLANCE**

2 STRATEGY

3 Q4 & FY 2018 FINANCIALS

4 OUTLOOK

## ■ 2018: GROWTH CONTINUED



+5% Clinics  
**3,928**



+4% Patients  
**333,331**



+4% Treatments  
**50,027,579**

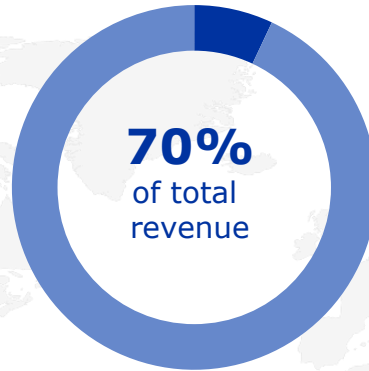


Quality remains  
on a consistently  
**high level**

# ■ 2018: €16.5BN REVENUE

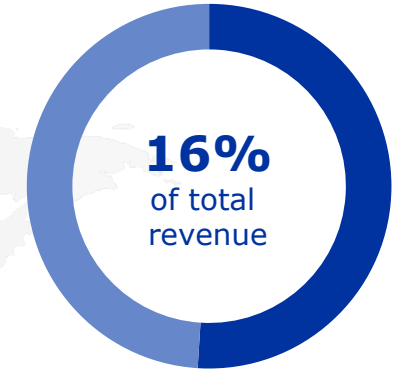
## NORTH AMERICA

| Revenue | EBIT <sup>1</sup> | Patients | Clinics |
|---------|-------------------|----------|---------|
| €11.5bn | €2,655m           | ~204,100 | ~2,500  |
| (6%cc)  | +33%cc            | +3%      | +6%     |



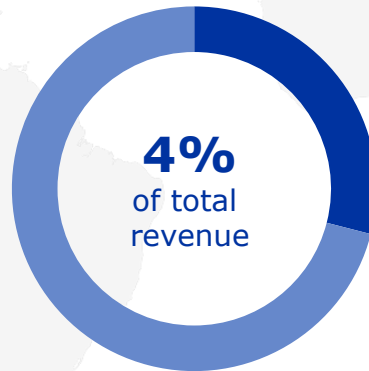
## EMEA

| Revenue | EBIT    | Patients | Clinics |
|---------|---------|----------|---------|
| €2.6bn  | €399m   | ~65,000  | ~775    |
| +4%cc   | (10%cc) | +4%      | +4%     |



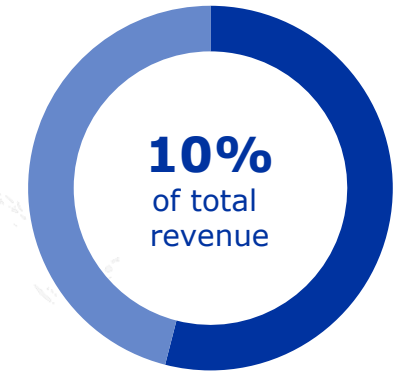
## LATIN AMERICA

| Revenue | EBIT    | Patients | Clinics |
|---------|---------|----------|---------|
| €0.7bn  | €29m    | ~32,700  | ~230    |
| +22%cc  | (65%cc) | +4%      | (1%)    |



## ASIA-PACIFIC

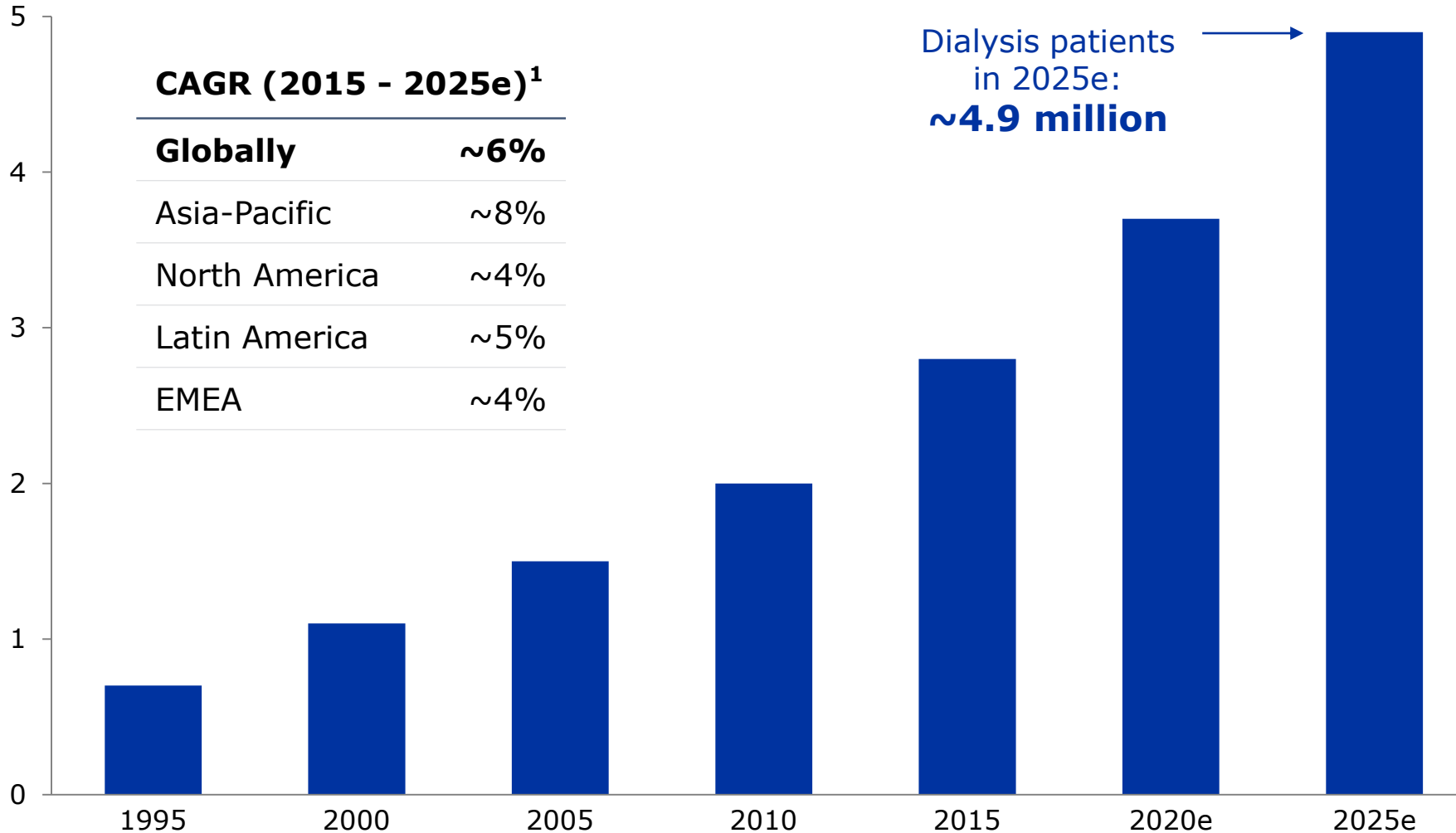
| Revenue | EBIT   | Patients | Clinics |
|---------|--------|----------|---------|
| €1.7bn  | €304m  | ~31,500  | ~390    |
| +8%cc   | (1%cc) | +6%      | +3%     |



Segment revenue FY 2018, number of patients and clinics as of YE 2018, yoy change | <sup>1</sup> Including gain from divestiture of Care Coordination activities

Service revenue  Product revenue

# ORGANIC GROWTH DRIVERS



| CAGR (2015 - 2025e) <sup>1</sup> |            |
|----------------------------------|------------|
| <b>Globally</b>                  | <b>~6%</b> |
| Asia-Pacific                     | ~8%        |
| North America                    | ~4%        |
| Latin America                    | ~5%        |
| EMEA                             | ~4%        |

**PATIENT GROWTH DRIVEN BY:**

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

**2018 global patient number grew by 6%**

<sup>1</sup> Internal estimates as of Dec. 31, 2017



# AGENDA

**1** AT A GLANCE

**2** **STRATEGY**

**3** Q4 & FY 2018 FINANCIALS

**4** OUTLOOK

# STRATEGY - CORE COMPETENCIES

**INNOVATING  
PRODUCTS**

**COORDINATING  
PATIENTS EFFICIENTLY**

**STANDARDIZING  
MEDICAL PROCEDURES**

**OPERATING  
OUTPATIENT FACILITIES**



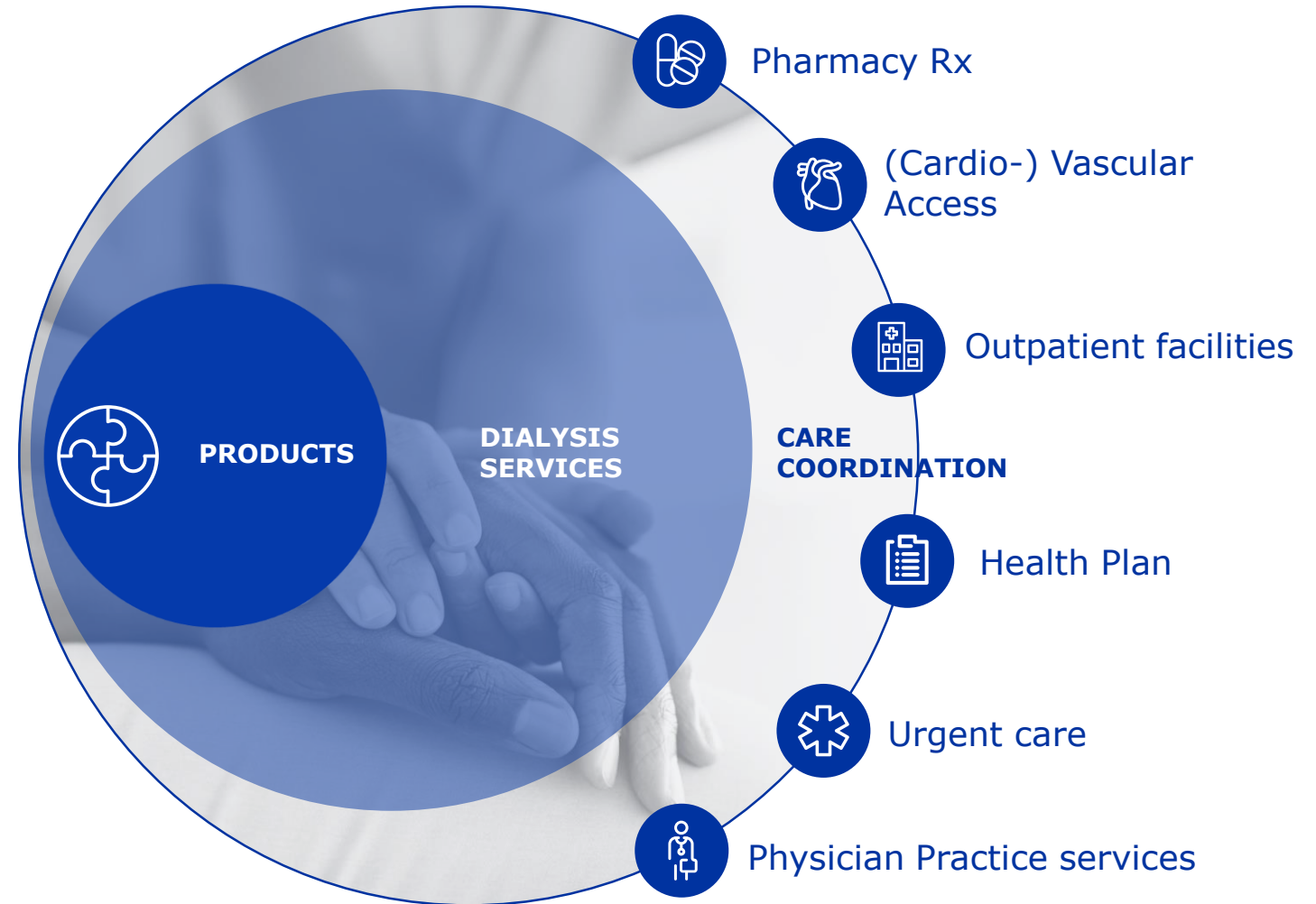


# ■ GLOBAL MARKET LEADER IN DIALYSIS

- Innovate for enhancing patient care
- Market leading high quality products
- Solution selling

- Standardized medical procedures
- Enable best treatment outcomes
- Capture growth in developing markets

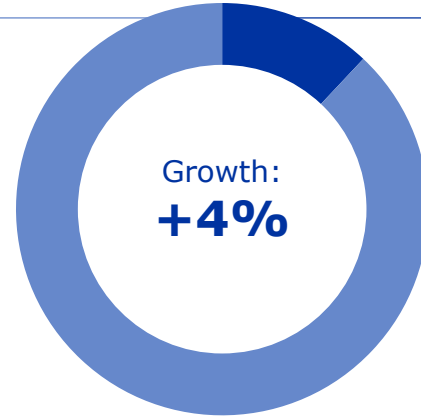
- Coordinating patients efficiently
- Data analytics & predictive modelling
- Develop & enhance value based care



# ■ DELIVERING ON OUR HOME STRATEGY

SPLIT OF  
**TOTAL**  
TREATMENTS  
U.S. 2018

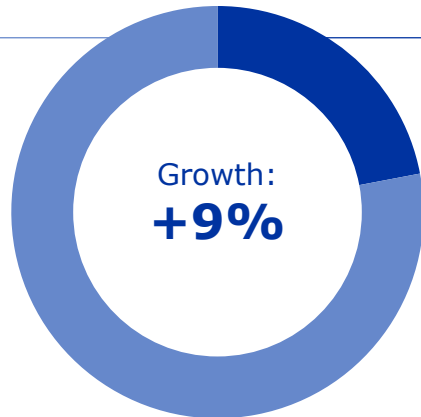
**In-center**  
88%



**Home**  
**2018**  
12%

SPLIT OF  
**HOME**  
TREATMENTS  
U.S. 2018

**PD**  
78%  
Growth:  
+8%



**HD**  
22%  
Growth:  
+14%

- Target 2022:  
15%+ of treatments performed  
in a home setting
- Investing into expansion of  
home treatments
  - patient education
  - home training clinics
  - distribution infrastructure
  - home machines
- Increasing awareness for early  
recognition of CKD to ensure  
smooth transition to dialysis

# ■ CAPTURE GROWTH IN DEVELOPING ECONOMIES

## DEVELOPING ECONOMIES - EXAMPLE CHINA

HEALTHCARE  
**EXPENDITURE**  
IN % GDP

6%

**\$12.3tr**  
2017



POPULATION  
**DIABETICS**  
IN % TOTAL  
POPULATION

11%

**1.4bn**

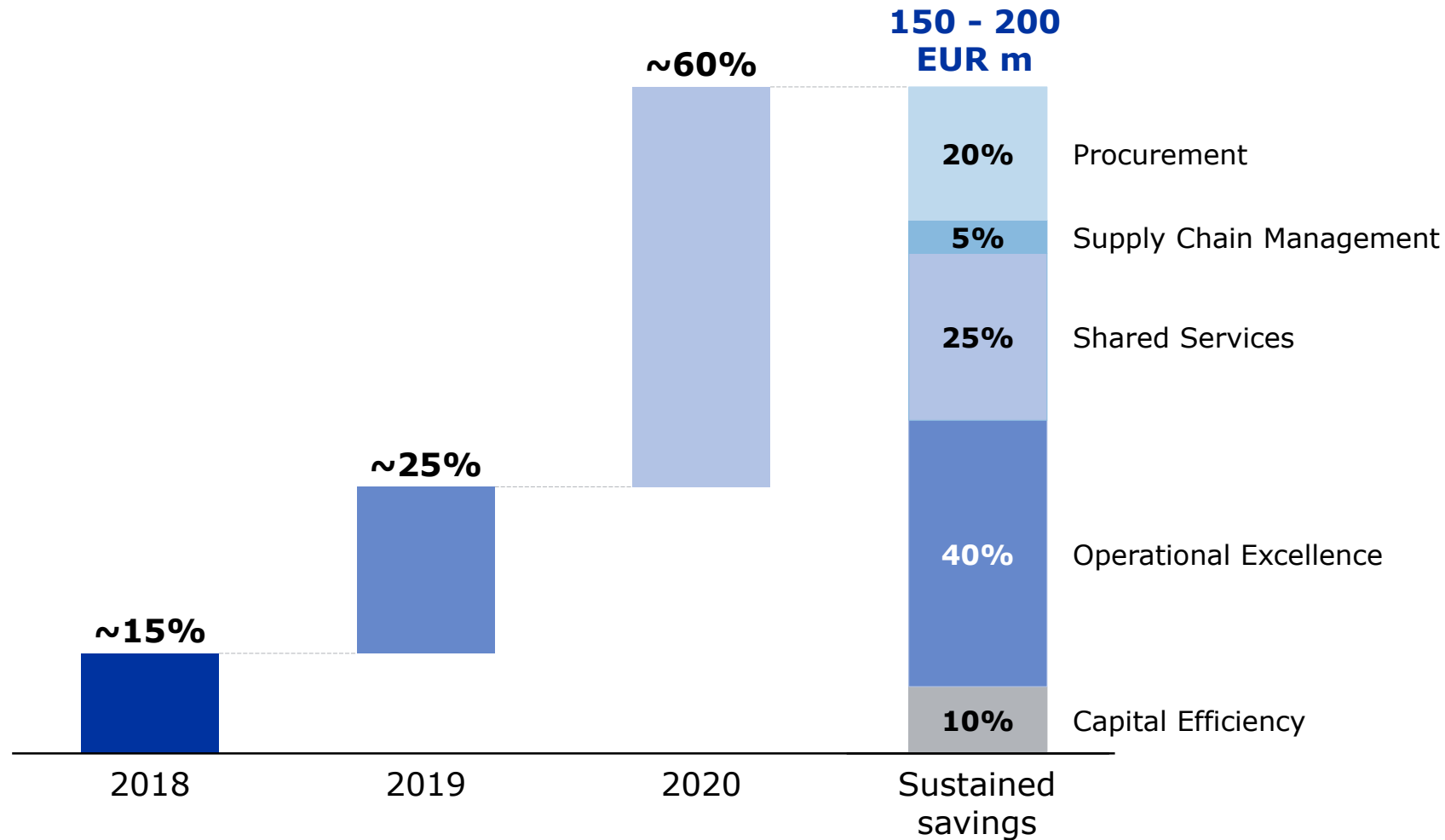


- Early mover in developing economies with products first
- Leverage experience from the products business into the service business - e.g. advancing in the Chinese market with own dialysis clinics and renal hospitals
- Investing in manufacturing capacities in the growing and upcoming markets
- Expand Care Coordination outside North America
- Transfer know-how into new markets

Source: WORLD BANK

# GLOBAL EFFICIENCY PROGRAM II

## SUSTAINED SAVINGS 2018 - 2020

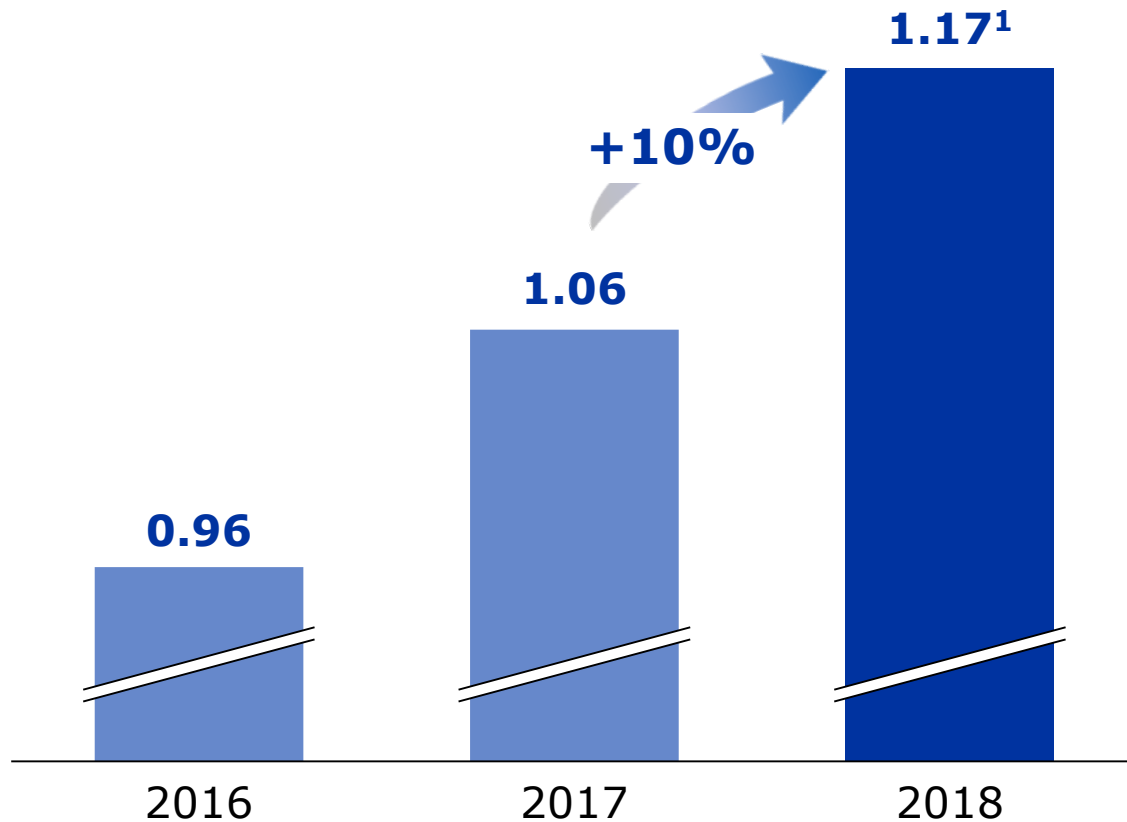


### 2018 AHEAD OF SCHEDULE

- Projects already positively contributed in the first year of the program
- 15% sustained savings generated in 2018 instead of originally targeted 10%

# ■ DIVIDEND INCREASE AND SHARE BUYBACK PROPOSED

DIVIDEND PER SHARE IN EUR



<sup>1</sup> proposed dividend for approval at the AGM on May 16, 2019

## DIVIDEND PROPOSAL 2018

- 22<sup>nd</sup> consecutive dividend increase proposed
- Dividend proposal reflects investments in future growth

## SHARE BUYBACK

- Volume: up to EUR 1bn
- Time horizon: 2019-2020

# ■ 2019 WILL BE AN INVESTMENT YEAR

## FOCUS ON

- Resolving identified operational issues
- Invest around €100 million in 2019 cost optimization program
  - Further steps to improve cost base
  - Accretive to net income already in 2020
  - Additional efforts to GEP II
- GEP II with increasing contribution
- Share buyback: create additional shareholder return
- Capturing growth in developing economies
- Investing in growth of U.S. home treatments
- Integration of NxStage and realizing synergies



## OPPORTUNITIES

- Higher contributions from GEP II
- Faster recovery of commercial volumes
- Higher contribution from expansion in developing economies



## RISKS

- Lower than expected contribution from de novo clinics and acquisitions
- Legislative activities
- Unforeseen regulatory changes



# AGENDA

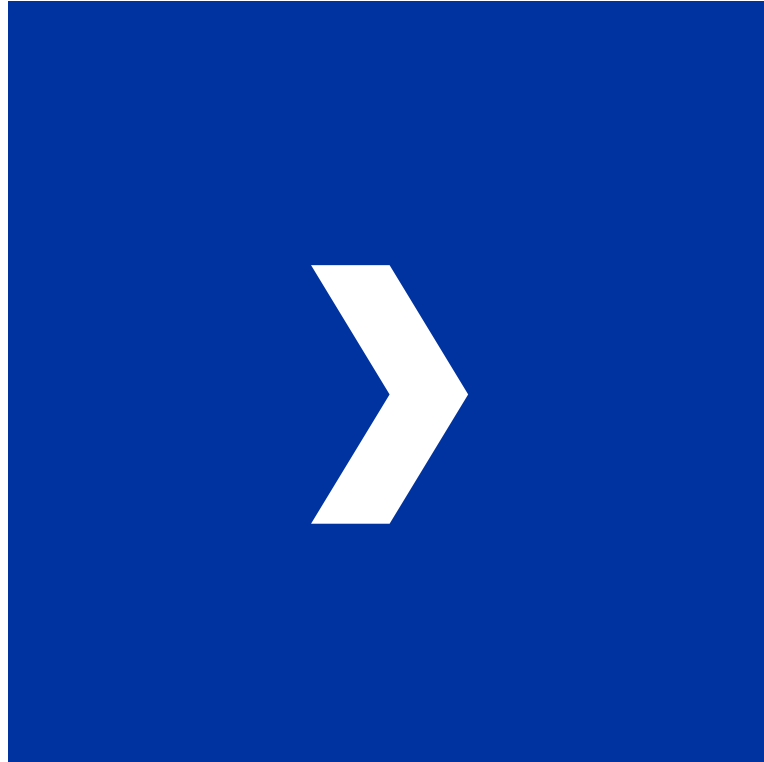
**1** AT A GLANCE

**2** STRATEGY

**3** **Q4 & FY 2018 FINANCIALS**

**4** OUTLOOK

## ■ FY 2018: UPDATE



Very **solid Q4** performance

Revised full year **guidance achieved**

**GEP II** ahead of schedule

**Dividend increase** of 10% proposed

**NxStage** closing expected in the next couple of days



# ■ Q4 2018: DELIVERED STRONG RESULTS<sup>1</sup>

|                                  | <b>Q4 2018</b><br>€ million | <b>Q4 2017</b><br>€ million | <b>Growth</b><br>in % | <b>Growth</b><br>in %cc |
|----------------------------------|-----------------------------|-----------------------------|-----------------------|-------------------------|
| <b>Revenue</b>                   | <b>4,300</b>                | <b>4,429</b>                | <b>(3)</b>            | <b>(3)</b>              |
| Revenue on a comparable basis    | 4,300                       | 4,024                       | 7                     | 7                       |
| <b>Operating income (EBIT)</b>   | <b>613</b>                  | <b>519</b>                  | <b>18</b>             | <b>12</b>               |
| EBIT on a comparable basis       | 648                         | 456                         | 42                    | 39                      |
| <b>Net income</b>                | <b>425</b>                  | <b>394</b>                  | <b>8</b>              | <b>1</b>                |
| Net income on a comparable basis | 408                         | 361                         | 13                    | 9                       |
| Net income adjusted              | 353                         | 325                         | 8                     | 4                       |

- Revenue impacted by divestiture of Sound and IFRS 15 implementation
- Net income impacted by divestiture, U.S. ballot and FCPA
- Strong net income growth on a comparable basis

<sup>1</sup> For a detailed reconciliation please refer to chart 37

# ■ Q4 2018: ORGANIC GROWTH IN ALL REGIONS

## NORTH AMERICA

€ million

|                |              |        |
|----------------|--------------|--------|
| <b>Revenue</b> | <b>2,981</b> | (9)%cc |
| Organic growth |              | +4%    |

## EMEA

€ million

|                |            |       |
|----------------|------------|-------|
| <b>Revenue</b> | <b>679</b> | +5%cc |
| Organic growth |            | +4%   |

## ASIA-PACIFIC

€ million

|                |            |       |
|----------------|------------|-------|
| <b>Revenue</b> | <b>454</b> | +9%cc |
| Organic growth |            | +9%   |

## LATIN AMERICA

€ million

|                |            |        |
|----------------|------------|--------|
| <b>Revenue</b> | <b>182</b> | +33%cc |
| Organic growth |            | +30%   |

### Latin America

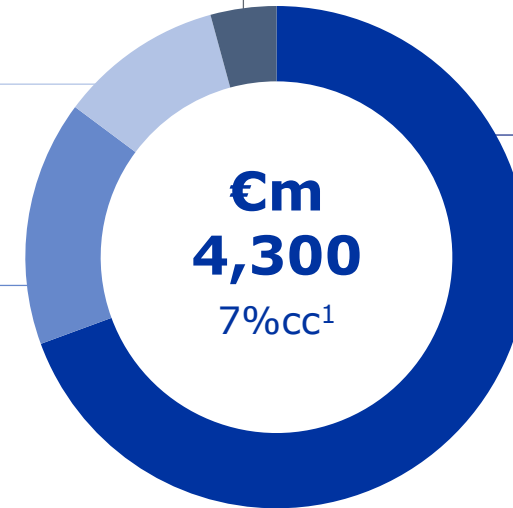
4%

### Asia-Pacific

11%

### EMEA

16%

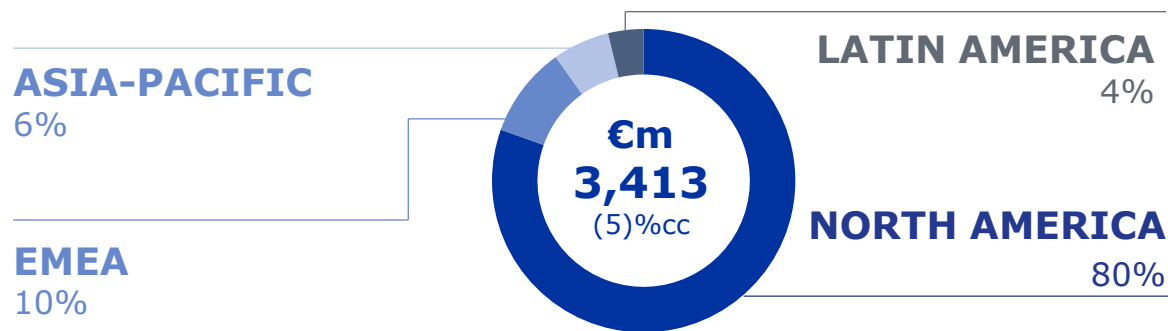


**North America**  
69%

- Organic growth trend continued in all markets
- North America affected by the divestitures of Care Coordination activities and IFRS 15
- Growth in Asia-Pacific and Latin America remain on a high level

# ■ Q4 2018 SERVICES: ORGANIC GROWTH CONTINUED

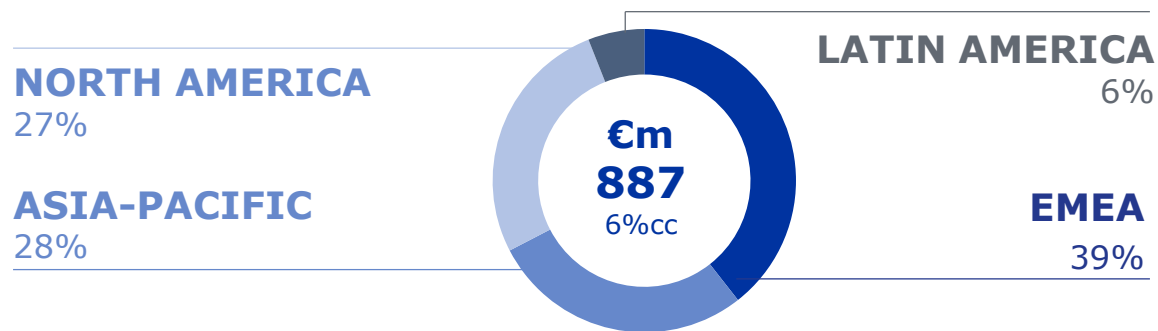
|                            | Q4 2018<br>€ million | Q4 2017<br>€ million | Growth<br>in % | Growth<br>in %cc | Organic<br>growth<br>in % | Same market<br>growth<br>in %cc |
|----------------------------|----------------------|----------------------|----------------|------------------|---------------------------|---------------------------------|
| <b>Total</b>               | <b>3,413</b>         | <b>3,581</b>         | <b>(5)</b>     | <b>(5)</b>       | <b>6</b>                  | <b>3</b>                        |
| North America              | 2,746                | 2,950                | (7)            | (10)             | 4                         | 3                               |
| of which Care Coordination | 291                  | 715                  | (59)           | (62)             | (22)                      | n.a.                            |
| EMEA                       | 331                  | 312                  | 6              | 9                | 6                         | 3                               |
| Asia-Pacific               | 207                  | 191                  | 8              | 7                | 6                         | 8                               |
| of which Care Coordination | 60                   | 57                   | 5              | 6                | (6)                       | n.a.                            |
| Latin America              | 129                  | 128                  | 0              | 44               | 40                        | 0                               |



- **North America** growth impacted by Care Coordination divestiture and IFRS 15
- **EMEA** growth driven by same market treatment growth, acquisitions and organic growth
- **Asia-Pacific** growth driven by same market treatment growth and acquisitions, affected by lower organic revenue per treatment

# ■ Q4 2018 PRODUCTS: ORGANIC GROWTH IN ALL REGIONS

|                                   | Q4 2018<br>€ million | Q4 2017<br>€ million | Growth<br>in % | Growth<br>in %cc | Organic<br>growth<br>in % |
|-----------------------------------|----------------------|----------------------|----------------|------------------|---------------------------|
| <b>Total Health Care Products</b> | <b>887</b>           | <b>848</b>           | <b>5</b>       | <b>6</b>         | <b>6</b>                  |
| <b>Dialysis Products</b>          | <b>869</b>           | <b>828</b>           | <b>5</b>       | <b>6</b>         | <b>7</b>                  |
| North America                     | 235                  | 214                  | 10             | 7                | 7                         |
| EMEA                              | 330                  | 328                  | 1              | 2                | 3                         |
| Asia-Pacific                      | 247                  | 227                  | 9              | 11               | 11                        |
| Latin America                     | 53                   | 57                   | (5)            | 8                | 9                         |
| <b>Non-Dialysis Products</b>      | <b>18</b>            | <b>20</b>            | <b>(5)</b>     | <b>(5)</b>       | <b>(5)</b>                |



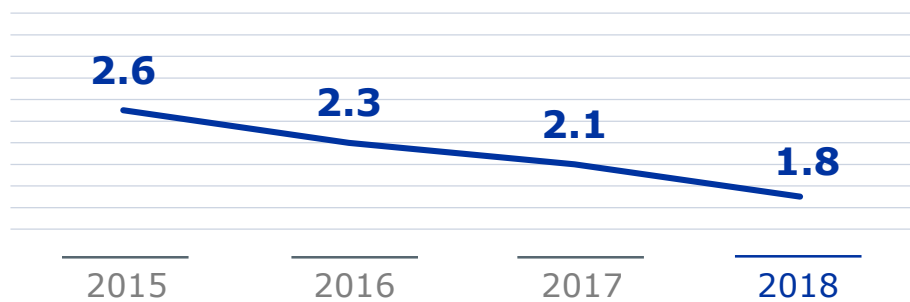
## PRODUCT REVENUE DRIVEN BY

- **EMEA**  
renal drugs, bloodlines, products for acute care, PD products, machines and dialyzers
- **Asia-Pacific**  
chronic HD and acute products
- **North America**  
chronic HD products and renal drugs

# ■ 2018: CASH FLOW, NET LEVERAGE RATIO & CURRENT RATINGS

|  | Q4 2018<br>€ million | Q4 2017<br>€ million | 2018<br>€ million | 2017<br>€ million |
|--|----------------------|----------------------|-------------------|-------------------|
| <b>Operating cash flow</b>   | <b>698</b>           | <b>528</b>           | <b>2,062</b>      | <b>2,192</b>      |
| in % of revenue  | 16.2                 | 11.9                 | 12.5              | 12.3              |
| Capital expenditures, net  | <b>301</b>           | <b>227</b>           | <b>1,003</b>      | <b>841</b>        |
| <b>Free cash flow</b>  | <b>397</b>           | <b>301</b>           | <b>1,059</b>      | <b>1,351</b>      |
| Free cash flow, after net acquisitions and investments,<br>incl. net investments in securities | 296                  | 548                  | 1,817             | 1,200             |

## NET LEVERAGE RATIO (NET DEBT/EBITDA)<sup>1</sup>



| Current ratings <sup>2</sup> | S&P      | Moody's | Fitch  |
|------------------------------|----------|---------|--------|
| Rating                       | BBB-     | Baa3    | BBB-   |
| Outlook                      | positive | stable  | stable |

<sup>1</sup> EBITDA: including acquisitions & divestitures with a purchase price above €50m and in 2018 excluding (gain) loss related to divestitures of Care Coordination activities |

<sup>2</sup> Latest update: S&P: Jan. 8, 2019; Moody's: May 15, 2018; Fitch: March 8, 2018



# AGENDA

**1** AT A GLANCE

**2** STRATEGY

**3** Q4 & FY 2018 FINANCIALS

**4** **OUTLOOK**

# ■ OUTLOOK<sup>1</sup>

| (cc)                       | TARGETS 2019 | 2018 BASE<br>(in € million) |
|----------------------------|--------------|-----------------------------|
| Revenue growth adjusted    | 3 to 7%      | 16,026                      |
| Net income growth adjusted | (2) to 2%    | 1,341                       |

| (cc)                       | TARGETS 2020                         |
|----------------------------|--------------------------------------|
| Revenue growth adjusted    | Mid to high single digit growth rate |
| Net income growth adjusted | Mid to high single digit growth rate |

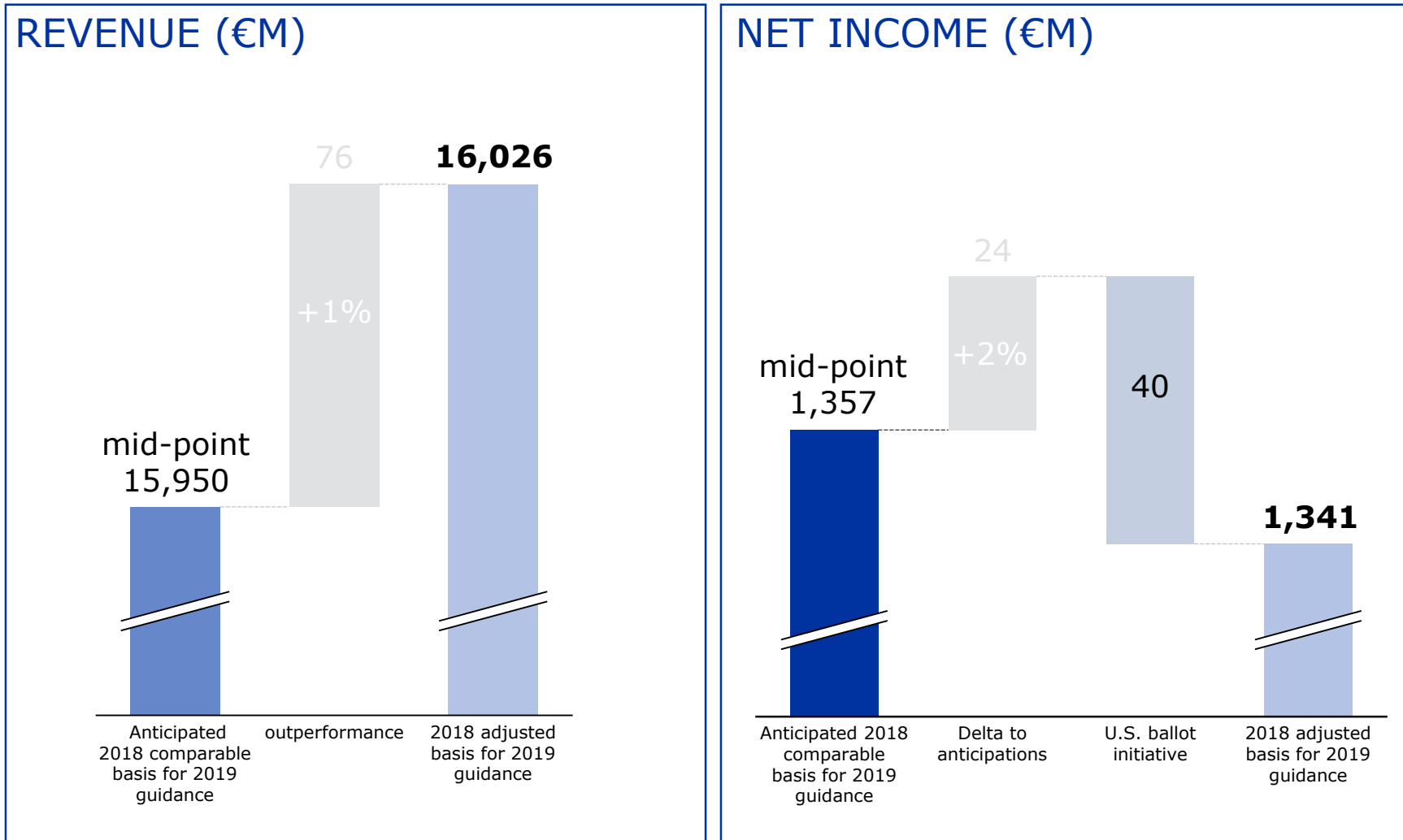
<sup>1</sup>Targets for 2019 and 2020 are in constant currency. These targets as well as the 2018 base are and will be adjusted in order to make the business performance in the respective periods comparable for items such as: FCPA related charges, the IFRS 16 implementation, the contributions from Sound in H1 2018, the gain (loss) related to divestitures of Care Coordination activities and expenses for the cost optimization program. All effects from the pending NxStage acquisition are excluded from the targets for 2019 and 2020.



**BACKUP**



# ■ BASIS FOR ADJUSTED GROWTH 2019 HIGHER THAN ASSUMED



- 2018 revenue 1% ahead of line anticipated range
- 2018 net income exceeded anticipated range by 2%

<sup>1</sup> For a detailed reconciliation please refer to chart 37

# ■ 2018: REVISED FULL YEAR GUIDANCE ACHIEVED<sup>1</sup>

|                                  | <b>2018</b><br>€ million | <b>2017</b><br>€ million | <b>Growth</b><br>in % | <b>Growth</b><br>in %cc | <b>Guidance 2018</b><br>in %cc |
|----------------------------------|--------------------------|--------------------------|-----------------------|-------------------------|--------------------------------|
| <b>Revenue</b>                   | <b>16,547</b>            | <b>17,784</b>            | <b>(7)</b>            | <b>(2)</b>              |                                |
| Revenue on a comparable basis    | 16,547                   | 16,739                   | (1)                   | 4                       | 2-3                            |
| <b>Operating income (EBIT)</b>   | <b>3,038</b>             | <b>2,362</b>             | <b>29</b>             | <b>33</b>               |                                |
| EBIT on a comparable basis       | 2,346                    | 2,278                    | 3                     | 6                       |                                |
| <b>Net income</b>                | <b>1,982</b>             | <b>1,280</b>             | <b>55</b>             | <b>60</b>               |                                |
| Net income on a comparable basis | 1,377                    | 1,242                    | 11                    | 14                      | 11-12                          |
| Net income adjusted              | 1,185                    | 1,162                    | 2                     | 4                       | 2-3                            |

<sup>1</sup> For a detailed reconciliation please refer to chart 37

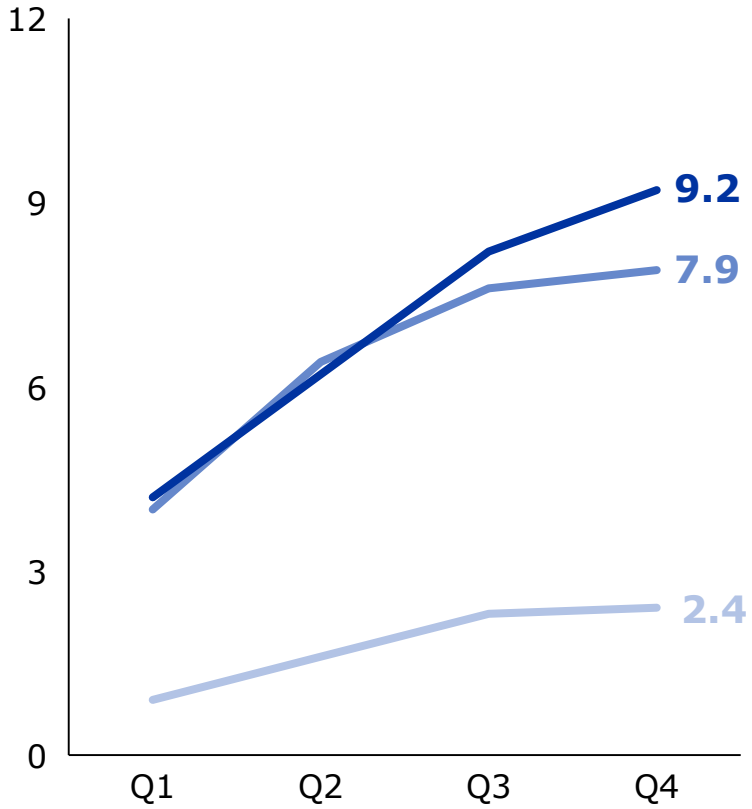
# ■ Q4 2018: QUALITY OUTCOMES REMAIN ON HIGH LEVEL<sup>1</sup>

|  | NORTH AMERICA  |         | EMEA           |         | LATIN AMERICA  |         | ASIA-PACIFIC   |         |
|--|----------------|---------|----------------|---------|----------------|---------|----------------|---------|
| <b>% of patients</b>                         | <b>Q4 2018</b> | Q4 2017 | <b>Q4 2018</b> | Q4 2017 | <b>Q4 2018</b> | Q4 2017 | <b>Q4 2018</b> | Q4 2017 |
| Kt/V ≥ 1.2                                   | <b>97</b>      | 97      | <b>95</b>      | 95      | <b>91</b>      | 93      | <b>96</b>      | 96      |
| Hemoglobin = 10–12 g/dl                      | <b>72</b>      | 73      | <b>83</b>      | 83      | <b>53</b>      | 52      | <b>58</b>      | 58      |
| Calcium = 8.4–10.2 mg/dl                     | <b>86</b>      | 85      | <b>81</b>      | 80      | <b>75</b>      | 77      | <b>74</b>      | 75      |
| Albumin ≥ 3.5 g/dl                           | <b>81</b>      | 79      | <b>90</b>      | 88      | <b>90</b>      | 90      | <b>89</b>      | 88      |
| Phosphate ≤ 5.5 mg/dl                        | <b>62</b>      | 63      | <b>81</b>      | 81      | <b>75</b>      | 76      | <b>67</b>      | 70      |
| Patients without catheter<br>(after 90 days) | <b>83</b>      | 83      | <b>79</b>      | 80      | <b>80</b>      | 81      | <b>86</b>      | 88      |
| <b>in days</b>                               |                |         |                |         |                |         |                |         |
| Days in hospital per patient year            | <b>10.2</b>    | 10.7    | <b>7.5</b>     | 7.7     | <b>4.2</b>     | 4.1     | <b>3.3</b>     | 3.8     |

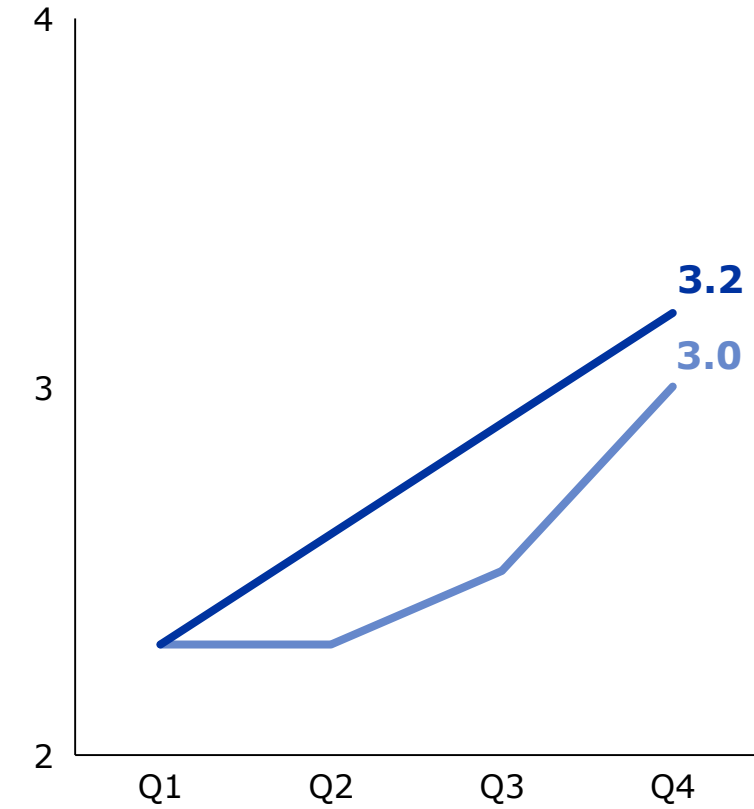
<sup>1</sup> Definitions cf. Annual Report, Section "Non-Financial Group Report"

# ■ Q4 2018: GROWTH TREND - ORGANIC AND VOLUME (%)

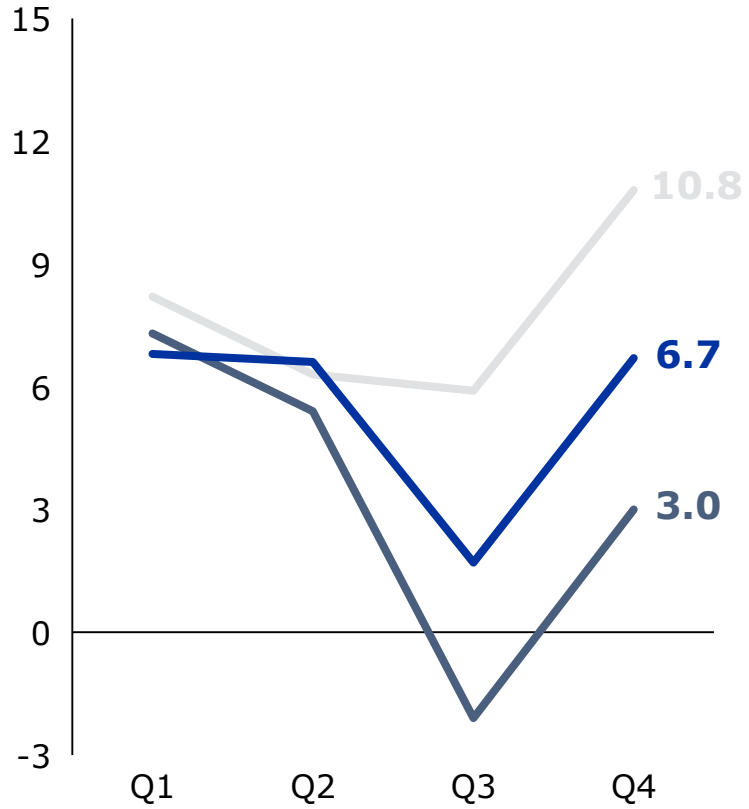
DIALYSIS SERVICES ORGANIC GROWTH



SAME MARKET TREATMENT GROWTH



DIALYSIS PRODUCTS ORGANIC GROWTH



Group

North America

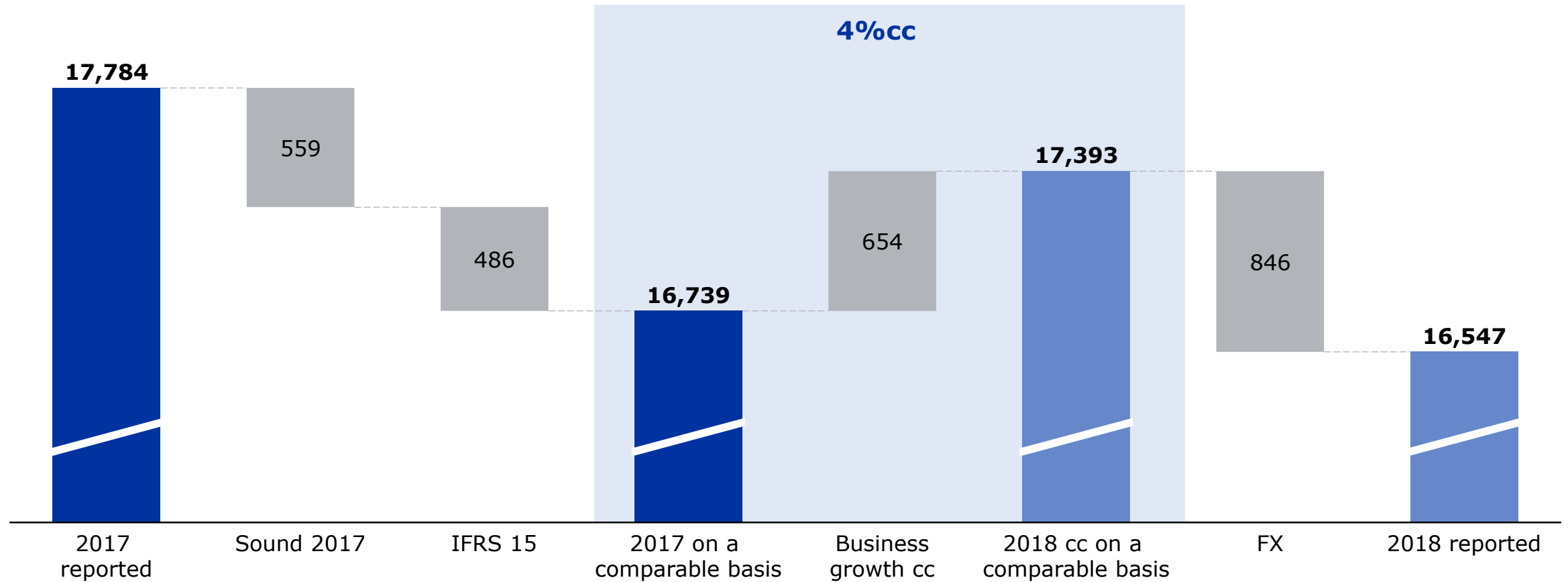
North America ex Calcimimetics

EMEA

Asia-Pacific

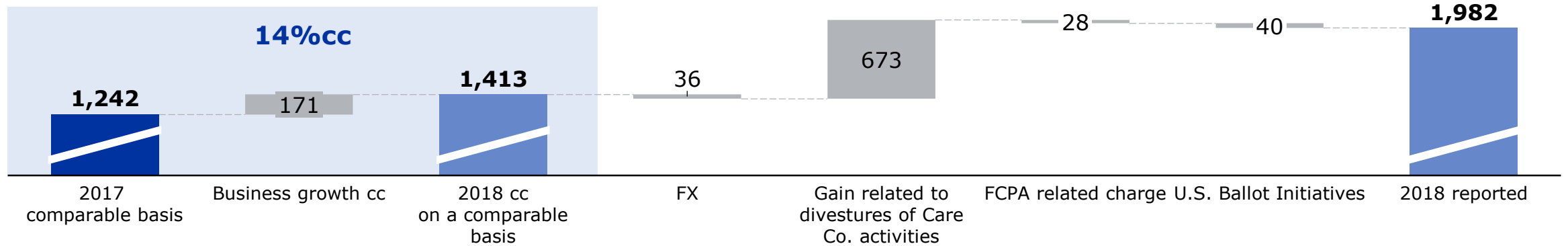
# ■ 2018: REVENUE GROWTH

REVENUE ON A **COMPARABLE BASIS**, € MILLION – TARGET: 2-3%CC GROWTH

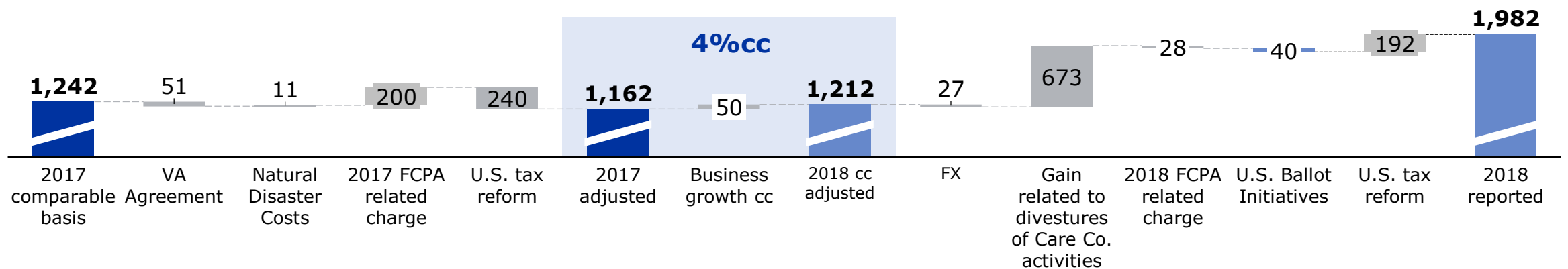


# ■ 2018: NET INCOME GROWTH

## NET INCOME ON A **COMPARABLE BASIS**, € MILLION - TARGET: 11-12%CC GROWTH

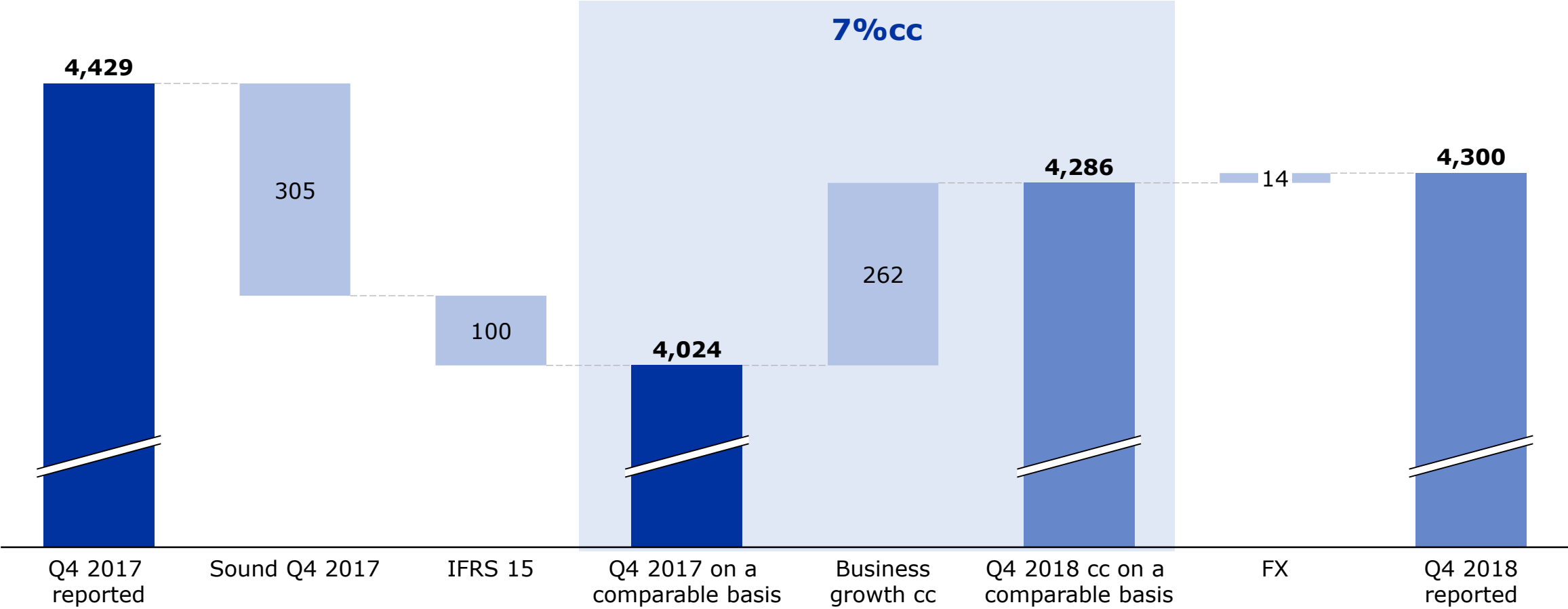


## NET INCOME **ADJUSTED**, € MILLION - TARGET: 2-3%CC GROWTH



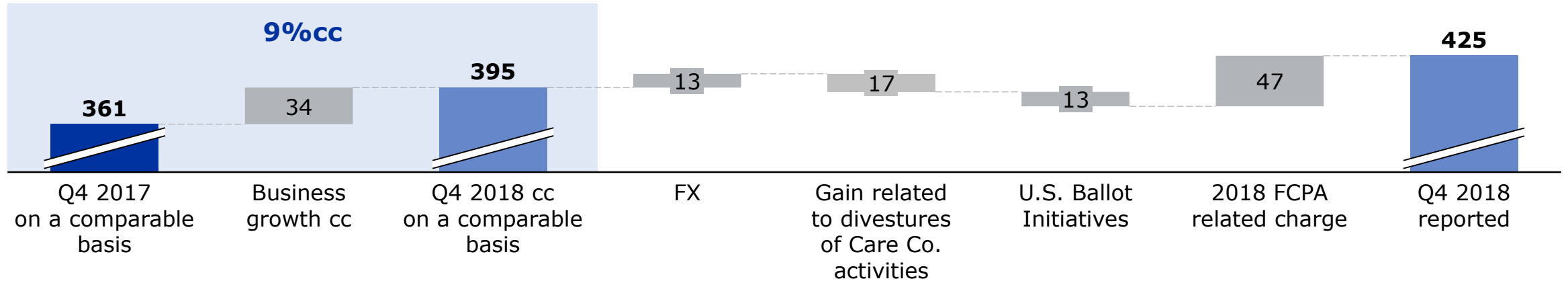
# ■ Q4 2018: REVENUE GROWTH

REVENUE ON A **COMPARABLE BASIS**, € MILLION

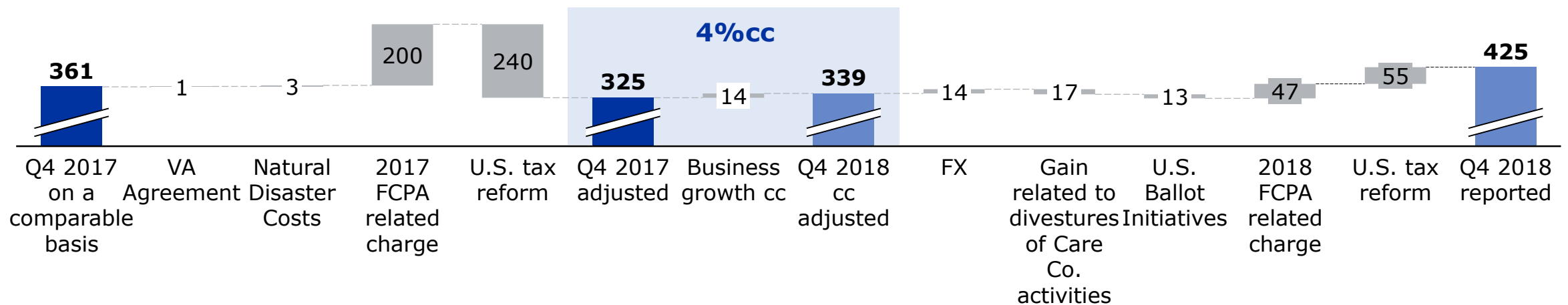


# ■ Q4 2018: NET INCOME GROWTH

## NET INCOME ON A **COMPARABLE BASIS**, € MILLION



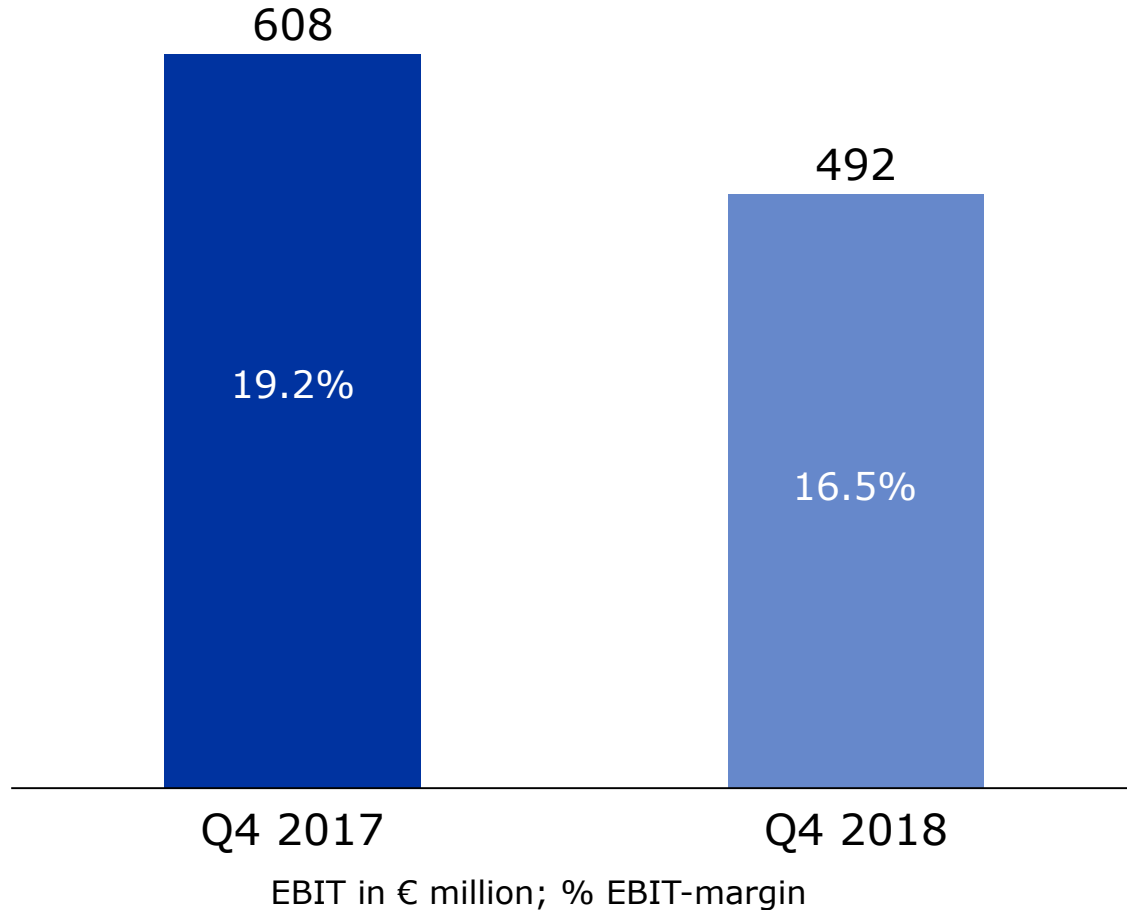
## NET INCOME **ADJUSTED**, € MILLION





# ■ Q4 2018: REGIONAL MARGIN PROFILE

## NORTH AMERICA (72% OF EBIT<sup>1</sup>)



<sup>1</sup> Excl. Corporate

### DIALYSIS BUSINESS MARGIN OF 18.5%

- **Positive:** Gain from decreased compensation expense, decreased personnel expense and the implementation of IFRS 15
- **Negative:** Discontinuation of non-IFRS-policy, shift of calcimimetics to the dialysis business and the impact from the U.S. ballot initiative
- U.S. revenue per treatment \$358 | FY 2018: \$354  
U.S. cost per treatment \$288 | FY 2018: \$289

### CARE COORDINATION MARGIN DOWN

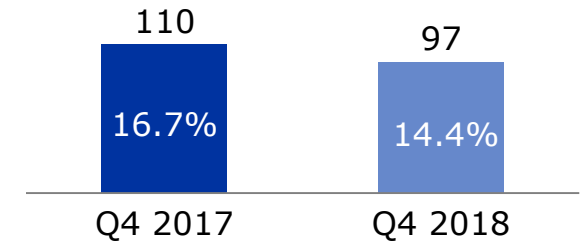
- **Positive:** Shift of calcimimetics to the dialysis business, favorable impact from pharmacy and lower bad debt expense
- **Negative:** Divestiture of Care Coordination activities in 2018, prior year gain from sale of Shiel Laboratories and lower earnings recognition related to ESCO's

# ■ Q4 2018: REGIONAL MARGIN PROFILE

## EMEA (14% of EBIT<sup>1</sup>)

### Operating income margin development reflects

- Impairment of intangible assets, the release of accruals as a result of favorable court settlements related to VAT in 2017, higher personnel costs and unfavorable foreign currency transaction effects

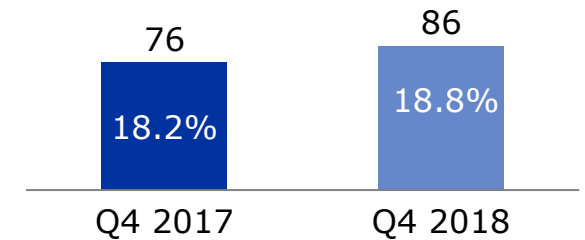


## ASIA-PACIFIC (13% of EBIT<sup>1</sup>)

### Operating income margin development impacted by

- **Positive:** Favorable impact from business growth and a gain from decreased compensation expense
- **Negative:** Unfavorable transaction effects

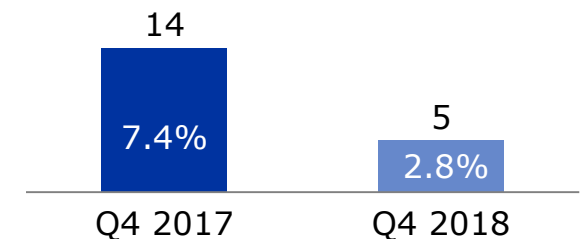
**Care Coordination margin of 21.8%**



## LATIN AMERICA (1% of EBIT<sup>1</sup>)

### Operating income margin development reflects

- **Positive:** Foreign currency translation
- **Negative:** Hyperinflation impact in Argentina



EBIT in € million; % EBIT-margin

Diagrams: different scales applied; <sup>1</sup> Excl. Corporate

# ■ Q4 2018: PROFIT AND LOSS<sup>1</sup>

|                                  | Q4 2018<br>€ million | Q4 2017<br>€ million | Growth<br>in % | Growth<br>in %cc |
|----------------------------------|----------------------|----------------------|----------------|------------------|
| <b>Revenue</b>                   | <b>4,300</b>         | <b>4,429</b>         | <b>(3)</b>     | <b>(3)</b>       |
| Revenue on a comparable basis    | 4,300                | 4,024                | 7              | 7                |
| Revenue adjusted                 | 4,300                | 4,025                | 7              | 6                |
| <b>EBIT</b>                      | <b>613</b>           | <b>519</b>           | <b>18</b>      | <b>12</b>        |
| <i>EBIT margin in %</i>          | <i>14.3</i>          | <i>11.7</i>          | <i>2.6pp</i>   | <i>1.8pp</i>     |
| EBIT on a comparable basis       | 648                  | 456                  | 42             | 39               |
| EBIT adjusted                    | 648                  | 663                  | (2)            | (4)              |
| <i>EBIT adjusted margin in %</i> | <i>15.1</i>          | <i>16.5</i>          | <i>(1.4)pp</i> | <i>(1.7)pp</i>   |
| Net interest expense             | 58                   | 80                   | (28)           | (30)             |
| Income before taxes              | 555                  | 439                  | 26             | 19               |
| Income tax expense               | 63                   | (30)                 | n.a.           | n.a.             |
| <i>Tax rate in %</i>             | <i>11.4</i>          | <i>(6.6)</i>         | <i>n.a.</i>    | <i>n.a.</i>      |
| Non-controlling interest         | 67                   | 75                   | (10)           | (12)             |
| <b>Net income</b>                | <b>425</b>           | <b>394</b>           | <b>8</b>       | <b>1</b>         |
| Net income on a comparable basis | 408                  | 361                  | 13             | 9                |
| Net income adjusted              | 353                  | 325                  | 8              | 4                |

<sup>1</sup> For a detailed reconciliation please refer to chart 37

# ■ 2018: PROFIT AND LOSS<sup>1</sup>

|                                  | 2018<br>€ million | 2017<br>€ million | Growth<br>in % | Growth<br>in %cc |
|----------------------------------|-------------------|-------------------|----------------|------------------|
| <b>Revenue</b>                   | <b>16,547</b>     | <b>17,784</b>     | <b>(7)</b>     | <b>(2)</b>       |
| Revenue on a comparable basis    | 16,547            | 16,739            | (1)            | 4                |
| Revenue adjusted                 | 16,547            | 16,645            | (1)            | 4                |
| <b>EBIT</b>                      | <b>3,038</b>      | <b>2,362</b>      | <b>29</b>      | <b>33</b>        |
| <i>EBIT margin in %</i>          | <i>18.4</i>       | <i>13.3</i>       | <i>5.1pp</i>   | <i>4.8pp</i>     |
| EBIT on a comparable basis       | 2,346             | 2,278             | 3              | 6                |
| EBIT adjusted                    | 2,346             | 2,409             | (3)            | 1                |
| <i>EBIT adjusted margin in %</i> | <i>14.2</i>       | <i>14.5</i>       | <i>(0.3)pp</i> | <i>(0.6)pp</i>   |
| Net interest expense             | 301               | 365               | (17)           | (14)             |
| Income before taxes              | 2,737             | 1,997             | 37             | 42               |
| Income tax expense               | 511               | 443               | 15             | 21               |
| <i>Tax rate in %</i>             | <i>18.7</i>       | <i>22.2</i>       | <i>(3.5)pp</i> | <i>(3.3)pp</i>   |
| Non-controlling interest         | 244               | 274               | (11)           | (7)              |
| <b>Net income</b>                | <b>1,982</b>      | <b>1,280</b>      | <b>55</b>      | <b>60</b>        |
| Net income on a comparable basis | 1,377             | 1,242             | 11             | 14               |
| Net income adjusted              | 1,185             | 1,162             | 2              | 4                |

<sup>1</sup> For a detailed reconciliation please refer to chart 37

# 2018: RECONCILIATION ADJUSTMENTS

## RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE IFRS FINANCIAL MEASURES

|   | Q4 2018<br>€ million | Q4 2017<br>€ million | 2018<br>€ million | 2017<br>€ million |
|---|----------------------|----------------------|-------------------|-------------------|
| <b>Revenue</b>  | <b>4,300</b>         | <b>4,429</b>         | <b>16,547</b>     | <b>17,784</b>     |
| IFRS 15 Implementation  |                      | (100)                |                   | (486)             |
| Sound H2 2017 <sup>1</sup>  |                      | (305)                |                   | (559)             |
| <b>Revenue on a comparable basis</b>                                | <b>4,300</b>         | <b>4,024</b>         | <b>16,547</b>     | <b>16,739</b>     |
| VA Agreement <sup>2</sup>   |                      | 1                    |                   | (94)              |
| <b>Revenue adjusted</b>   | <b>4,300</b>         | <b>4,025</b>         | <b>16,547</b>     | <b>16,645</b>     |
| <b>Net income<sup>5</sup></b>                                       | <b>425</b>           | <b>394</b>           | <b>1,982</b>      | <b>1,280</b>      |
| (Gain) loss related to divestitures of Care Coordination activities | 17                   |                      | (673)             |                   |
| Sound H2 2017 <sup>1</sup>  |                      | (33)                 |                   | (38)              |
| 2018 FCPA Related Charge  | (47)                 |                      | 28                |                   |
| U.S. Ballot Initiatives <sup>3</sup>                                | 13                   |                      | 40                |                   |
| <b>Net income<sup>5</sup> on a comparable basis</b>                 | <b>408</b>           | <b>361</b>           | <b>1,377</b>      | <b>1,242</b>      |
| VA Agreement <sup>2</sup>   |                      | 1                    |                   | (51)              |
| Natural Disaster Costs <sup>4</sup>                                 |                      | 3                    |                   | 11                |
| 2017 FCPA Related Charge  |                      | 200                  |                   | 200               |
| U.S. Tax Reform (excl. Sound H2 2017) <sup>6</sup>                  | (55)                 | (240)                | (192)             | (240)             |
| <b>Net income<sup>5</sup> adjusted</b>                              | <b>353</b>           | <b>325</b>           | <b>1,185</b>      | <b>1,162</b>      |

<sup>1</sup> Sound H2 2017: contribution of Sound Physicians | <sup>2</sup> VA Agreement: Agreement with the United States Departments of Veterans Affairs and Justice | <sup>3</sup> U.S. Ballot Initiatives: contributions to the opposition to the ballot initiatives in the U.S. | <sup>4</sup> Natural Disaster Costs: three hurricanes and an earthquake | <sup>5</sup> Attributable to shareholders of FMC AG & Co. KGaA | <sup>6</sup> U.S. Tax Reform: impacts from U.S. tax reform

# ■ DEBT AND EBITDA

## RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE IFRS FINANCIAL MEASURES

| € million   | 2018         | 2017         | 2016         |
|---|--------------|--------------|--------------|
| <b>Debt</b>   |              |              |              |
| Short term debt   | 1,205        | 760          | 572          |
| + Short term debt from related parties                              | 189          | 9            | 3            |
| + Current portion of long-term debt and capital lease obligations   | 1,107        | 884          | 724          |
| + Long-term debt and capital lease obligations less current portion | 5,045        | 5,795        | 6,833        |
| <b>Total debt</b>   | <b>7,546</b> | <b>7,448</b> | <b>8,132</b> |
| Cash and cash equivalents   | 2,146        | 978          | 709          |
| <b>Total net debt</b>   | <b>5,400</b> | <b>6,470</b> | <b>7,423</b> |
|   |              |              |              |
|   | <b>2018</b>  | <b>2017</b>  | <b>2016</b>  |
| <b>EBITDA<sup>1</sup></b>   |              |              |              |
| Last twelve month operating income (EBIT)                           | 2,215        | 2,372        | 2,398        |
| + Last twelve month depreciation and amortization                   | 716          | 731          | 710          |
| + Non-cash charges  | 45           | 51           | 65           |
| <b>EBITDA (annualized)</b>  | <b>2,976</b> | <b>3,154</b> | <b>3,173</b> |
| <b>Net leverage ratio (Net debt/EBITDA)</b>                         | <b>1.8</b>   | <b>2.1</b>   | <b>2.3</b>   |

<sup>1</sup> EBITDA: including acquisitions & divestitures with a purchase price above €50m and in 2018 excluding (gain) loss related to divestitures of Care Coordination activities

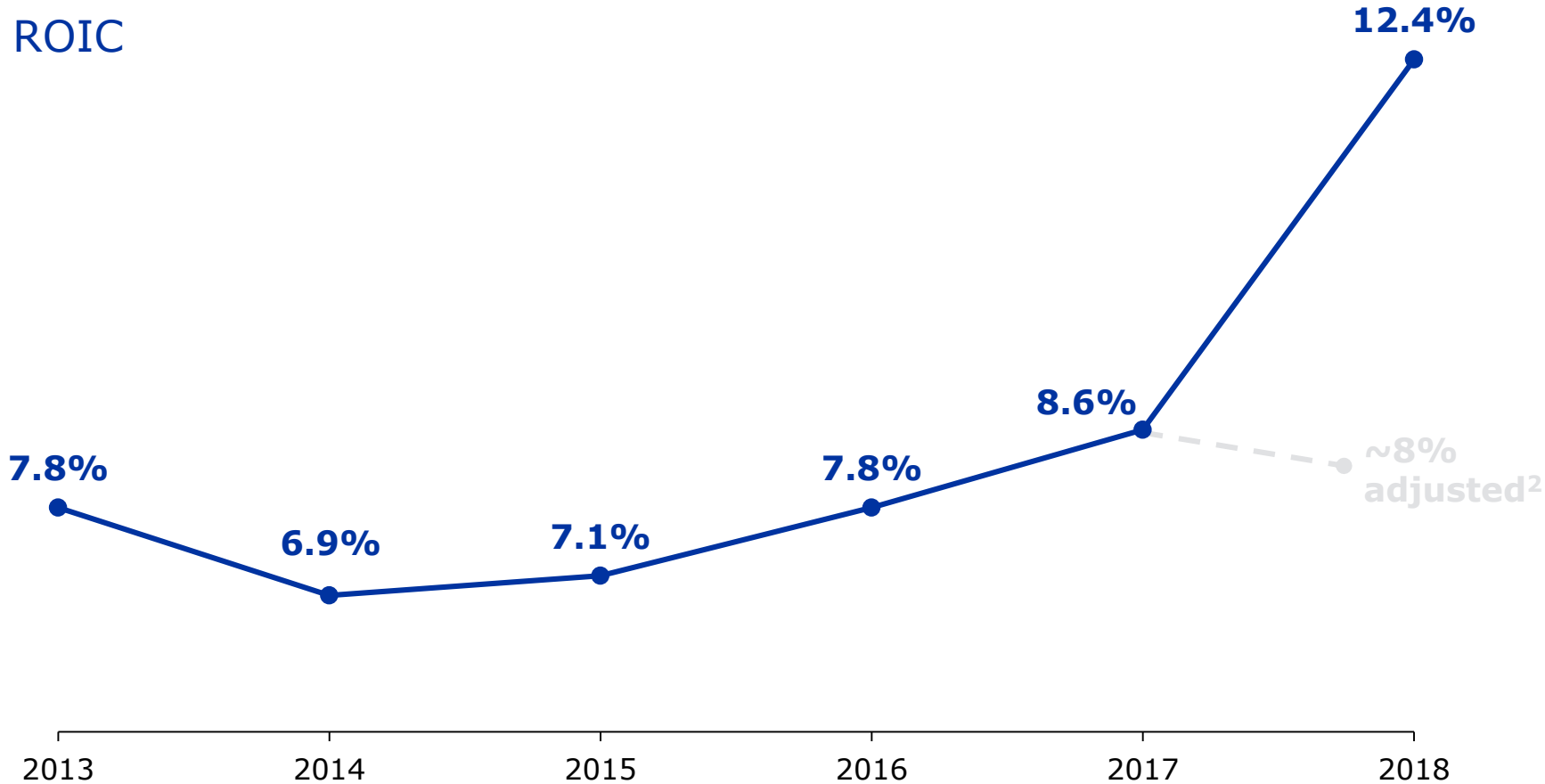
# ■ ACQUISITIONS & INVESTMENTS AND CAPITAL EXPENDITURES

## RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE IFRS FINANCIAL MEASURES

| € million  | Q4 2018 | 2017  | 2018  | 2017  |
|--|---------|-------|-------|-------|
| <b>Acquisitions and investments</b>                              |         |       |       |       |
| Acquisitions, investments and net purchases of intangible assets | (117)   | (138) | (925) | (566) |
| - Proceeds from divestitures                                     | 16      | 385   | 1,683 | 415   |
| = Acquisitions and investments, net of divestitures              | (101)   | 247   | 758   | (151) |
| Thereof investments in securities, net of divestitures           | (8)     | 246   | (330) | 246   |

|   | Q4 2018 | 2017  | 2018    | 2017  |
|---|---------|-------|---------|-------|
| <b>Capital expenditures, net</b>                    |         |       |         |       |
| Purchase of property, plant and equipment           | (325)   | (312) | (1,057) | (944) |
| - Proceeds from sale of property, plant & equipment | 24      | 85    | 54      | 103   |
| = Capital expenditure, net                          | (301)   | (227) | (1,003) | (841) |

# ■ RETURN ON INVESTED CAPITAL<sup>1</sup> (ROIC)



- Long-term value creation based on accretive acquisitions and organic growth
- ROIC adjusted<sup>2</sup> (esp. for divestitures of Care Coordination activities): around 8.0%

<sup>1</sup> Based on net operating profit after tax & average invested capital | adjusted for largest acquisitions and divestitures

<sup>2</sup> Adjusted for the divestiture of Care Coordination activities, FCPA related charge, U.S. Ballot Initiatives, U.S. tax reform / including these effects, ROIC for FY 2018 was 12.4%



# ESTIMATED EFFECTS ACCORDING TO IFRS 16

## ESTIMATED EFFECTS EXCLUDING NXSTAGE

| Balance Sheet           | Impact 2019e<br>€ million |
|-------------------------|---------------------------|
| <b>Assets</b>           |                           |
| Right-of-use assets     | ~3,900                    |
| Machinery and equipment | ~120                      |
| <b>Liabilities</b>      |                           |
| Lease Liabilities       | ~4,200                    |
| Other financial debt    | ~120                      |

| Profit and loss statement               | Impact 2019e<br>€ million |
|---|---------------------------|
| <b>Revenue</b>                          | ~(100)                    |
| Profit from sale-leaseback transactions | ~(40)                     |
| Rental expenses                         | ~(810)                    |
| <b>EBITDA</b>                           | ~770                      |
| Depreciation expense                    | ~(680)                    |
| <b>EBIT</b>                             | ~90                       |
| Net interest expenses                   | ~160                      |
| Taxes                                   | ~(20)                     |
| <b>Net Income</b>                       | ~(50)                     |

| Cash flow statement                   | Impact 2019e<br>€ million |
|---------------------------------------|---------------------------|
| Cash provided by operating activities | ~600                      |
| Cash used in investing activities     | ~(80)                     |
| Cash used in financing activities     | ~(520)                    |
| <b>Total</b>                          | <b>0</b>                  |

- Net leverage ratio will increase by about 0.6.

# ■ EXCHANGE RATES, U.S. DIALYSIS DAYS PER QUARTER, DEFINITIONS

## EXCHANGE RATES

| Euro vs.     |            | 2018   | 9m 2018 | 2017   |
|--------------|------------|--------|---------|--------|
| <b>€:\$</b>  | Period end | 1.145  | 1.158   | 1.199  |
|              | Average    | 1.181  | 1.194   | 1.130  |
| <b>€:CNY</b> | Period end | 7.875  | 7.966   | 7.804  |
|              | Average    | 7.808  | 7.779   | 7.629  |
| <b>€:RUB</b> | Period end | 79.715 | 76.142  | 69.392 |
|              | Average    | 74.026 | 73.395  | 65.938 |
| <b>€:ARS</b> | Period end | 43.039 | 47.423  | 22.639 |
|              | Average    | 32.984 | 29.845  | 18.754 |
| <b>€:BRL</b> | Period end | 4.444  | 4.654   | 3.973  |
|              | Average    | 4.308  | 4.297   | 3.605  |

## U.S. DIALYSIS DAYS PER QUARTER

|             | Q1        | Q2        | Q3        | Q4        | Full year  |
|-------------|-----------|-----------|-----------|-----------|------------|
| <b>2019</b> | <b>76</b> | <b>78</b> | <b>79</b> | <b>80</b> | <b>313</b> |
| 2018        | 77        | 78        | 78        | 80        | 313        |
| 2017        | 77        | 78        | 79        | 79        | 313        |
| 2016        | 78        | 78        | 79        | 79        | 314        |
| 2015        | 76        | 78        | 79        | 79        | 312        |

## DEFINITIONS

|                        |  |
|------------------------|--|
| <b>cc</b>              | Constant currency  |
| <b>HD</b>              | Hemodialysis   |
| <b>PD</b>              | Peritoneal dialysis  |
| <b>Net income</b>      | Net income attributable to shareholders of FME   |
| <b>Sound H2 2017</b>   | Contribution of Sound Physicians on the profit and loss statement in the second half year 2017 |
| <b>U.S. Tax Reform</b> | U.S. Tax Reform: Impacts from U.S. tax reform  |
| <b>VA Agreement</b>    | Agreement with the United States Departments of Veterans Affairs and Justice                   |

# ■ FINANCIAL CALENDAR 2019<sup>1</sup>

## REPORTING DATES & AGM

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|               |                                   |
|---------------|-----------------------------------|
| <b>May 2</b>  | Report on 1st quarter 2019        |
| <b>May 16</b> | Annual General Meeting, Frankfurt |

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## CONFERENCES

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|                 |  |
|-----------------|--|
| <b>March 18</b> | Goldman Sachs Healthcare Day, Madrid                       |
| <b>April 3</b>  | Bankhaus Lampe Deutschlandkonferenz, Baden-Baden           |
| <b>May 7-8</b>  | Deutsche Bank Annual Healthcare Conference, Boston         |
| <b>May 21</b>   | RBC Capital Markets Global Healthcare Conference, New York |

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

# ■ CONTACTS

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