

Health Care Worldwide

Bank of America Merrill Lynch – European Credit Conference
September 9, 2015 - London



Safe Harbor Statement

This presentation contains forward-looking statements that are subject to various risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to certain factors, e.g. changes in business, economic and competitive conditions, regulatory reforms, results of clinical trials, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. Fresenius does not undertake any responsibility to update the forward-looking statements contained in this presentation.

Agenda

- Company Overview
- Business Segments
 - Fresenius Medical Care
 - Fresenius Kabi
 - Fresenius Helios
 - Fresenius Vamed
- Financial Overview
- Financing Facilities and Debt Structure
- Summary and Outlook

Company Overview



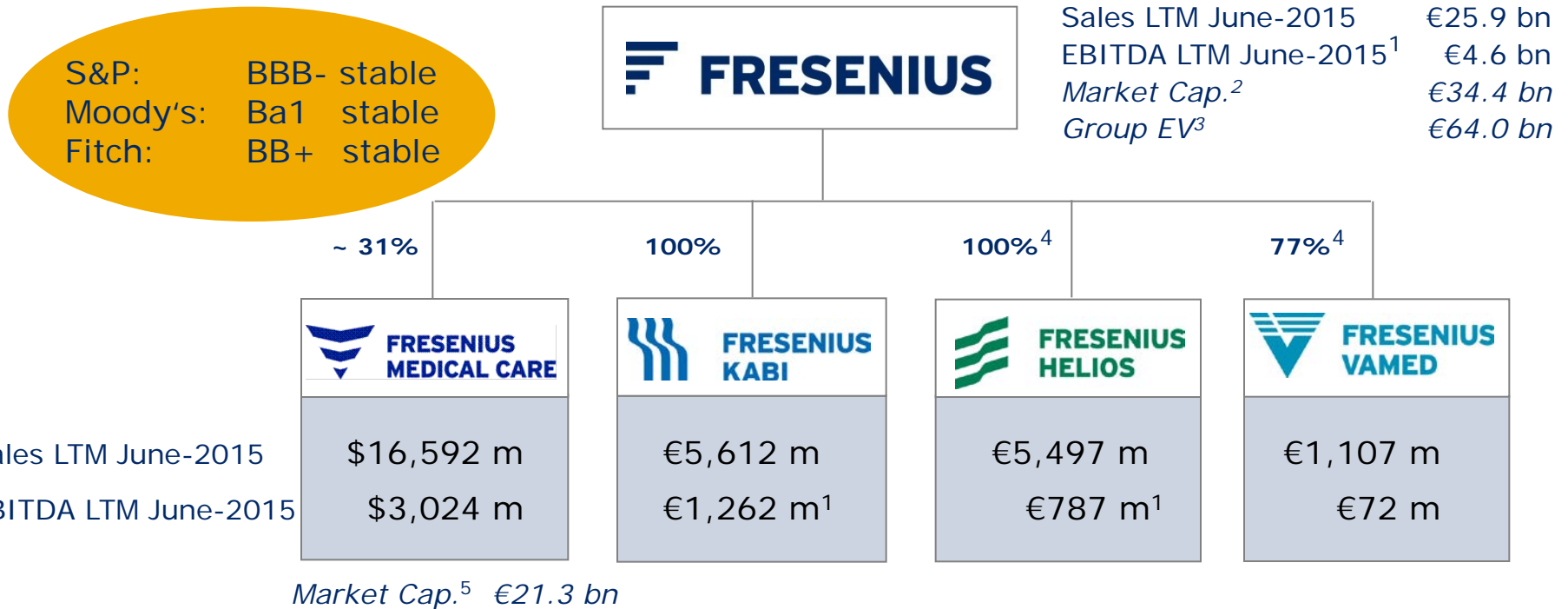
A Global Leader in Health Care Products and Services

-
- Sales €25.9 bn, net income¹ €2.1 bn
LTM June 2015
 - Strong and well-diversified portfolio
 - Global presence in approx. 100 countries
 - Long-term opportunities in growing, non-cyclical markets
 - Leading market positions
-



1 – Net income incl. attributable to non-controlling interest, before one-time items

Fresenius Group: Strong and Balanced Health Care Portfolio



1 – Before special items

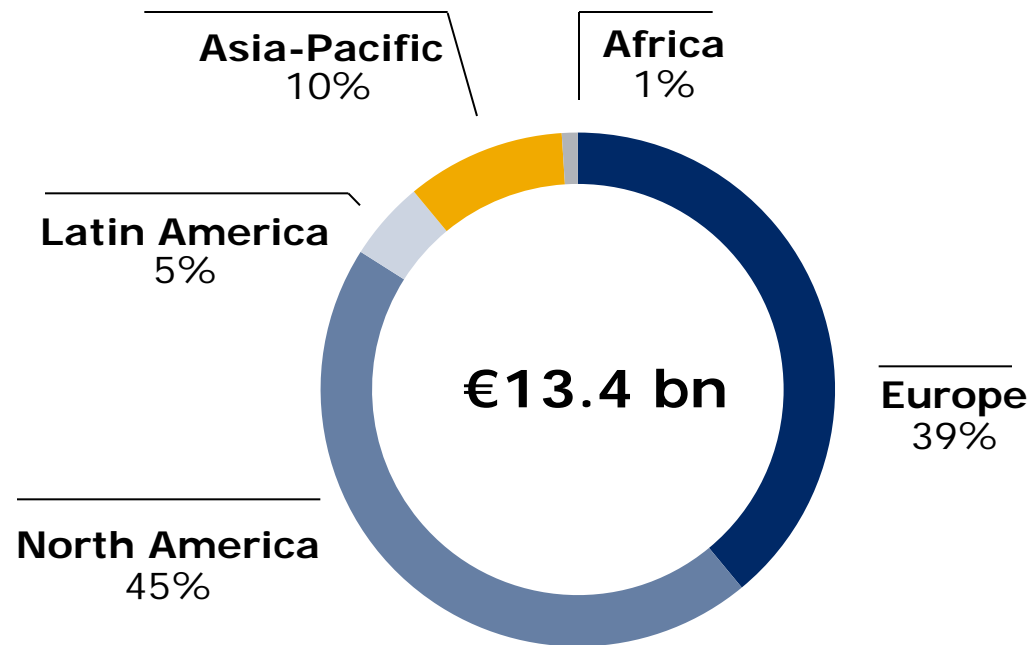
2 – Based on market cap of FSE as of August 31, 2015

3 – Based on consolidated market capitalization of FSE and FME as of August 31, 2015 and consolidated net debt as of June 30, 2015

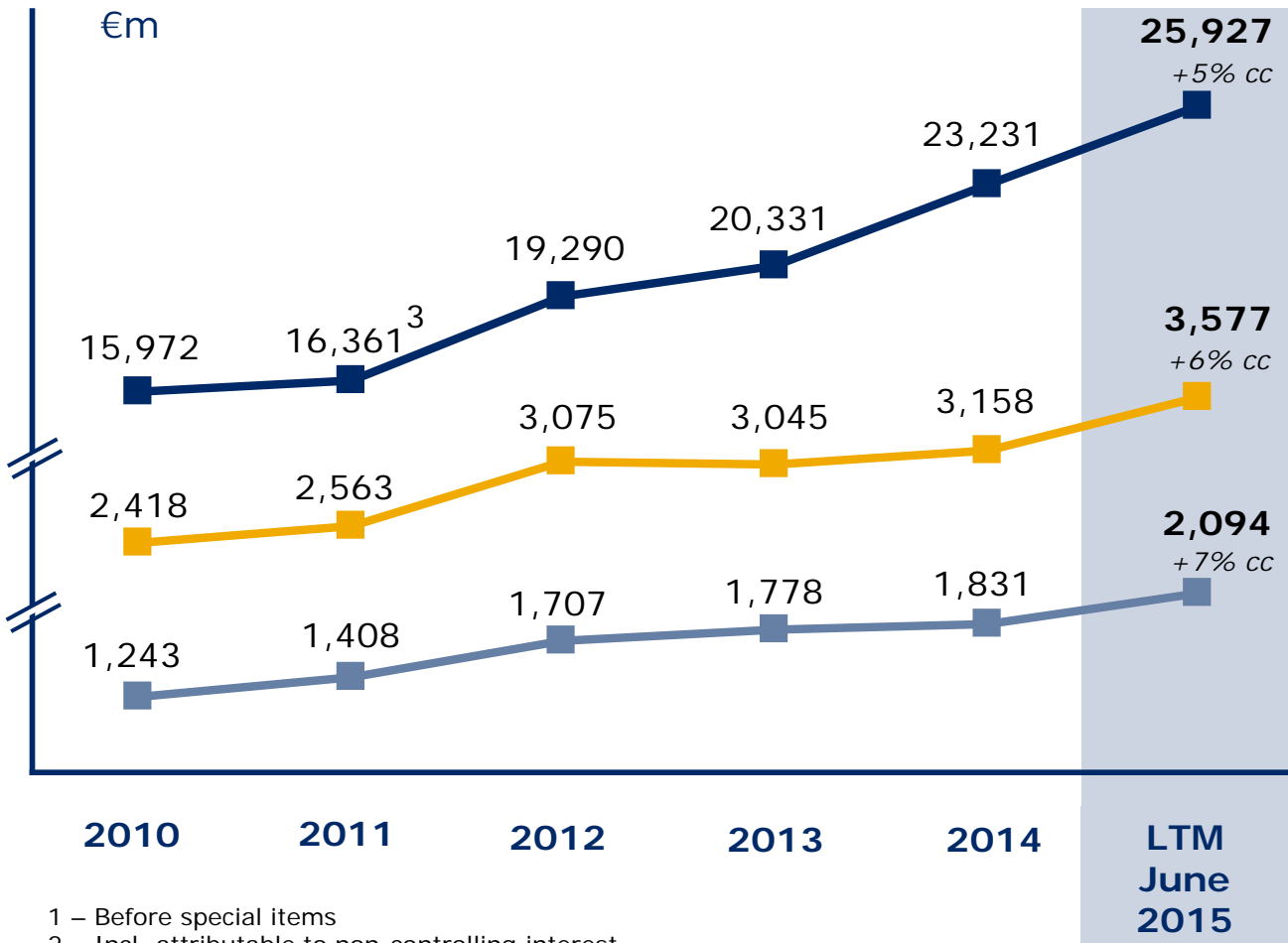
4 – Held by Fresenius ProServe GmbH, a wholly owned subsidiary of FSE

5 – Based on market cap of FME as of August 31, 2015

Fresenius Group: Sales Distribution by Region – H1/2015



Fresenius Group: Financial Results



Sales

5-year CAGR: 10%

EBIT¹

5-year CAGR: 8%

Net Income^{1,2}

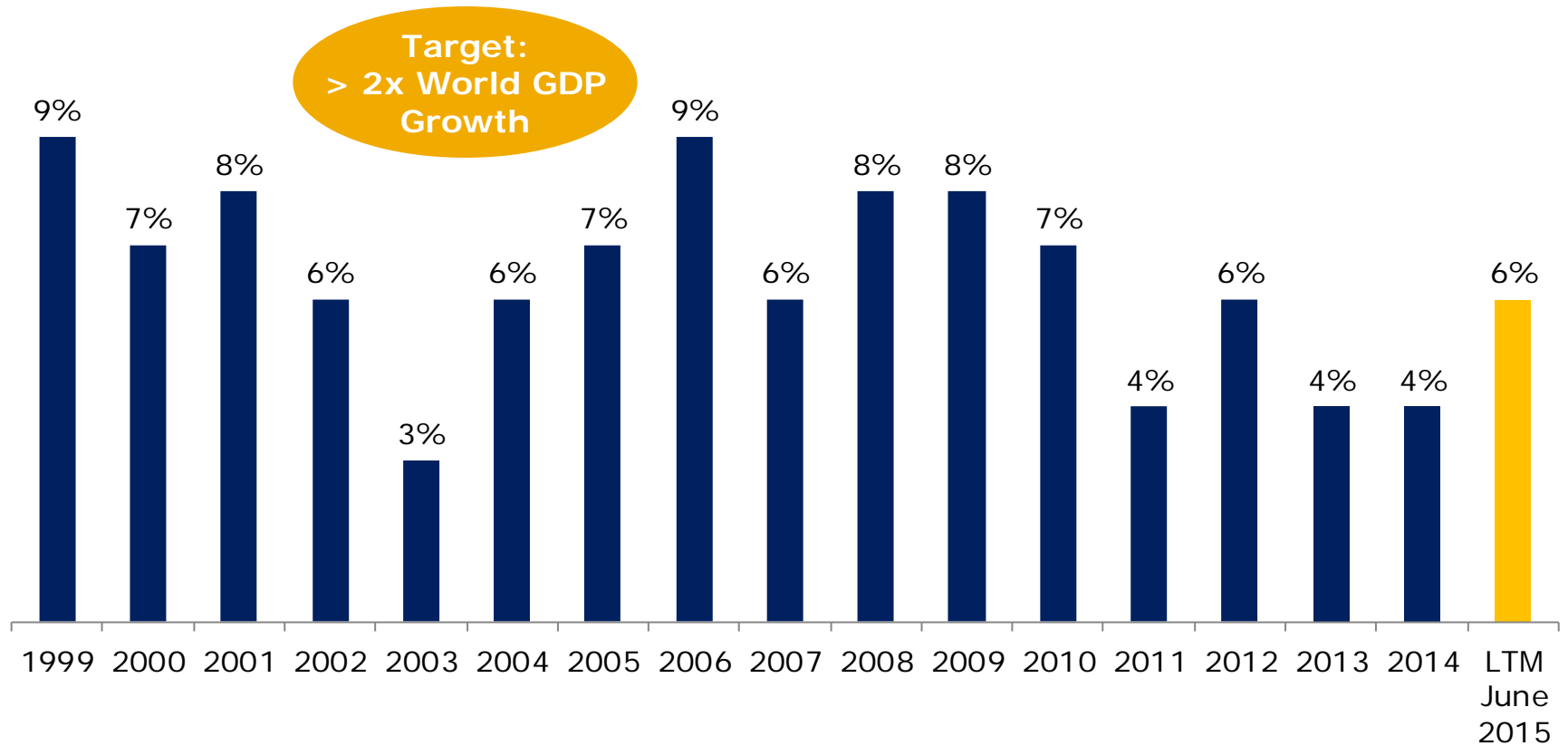
5-year CAGR: 11%

1 – Before special items

2 – Incl. attributable to non-controlling interest

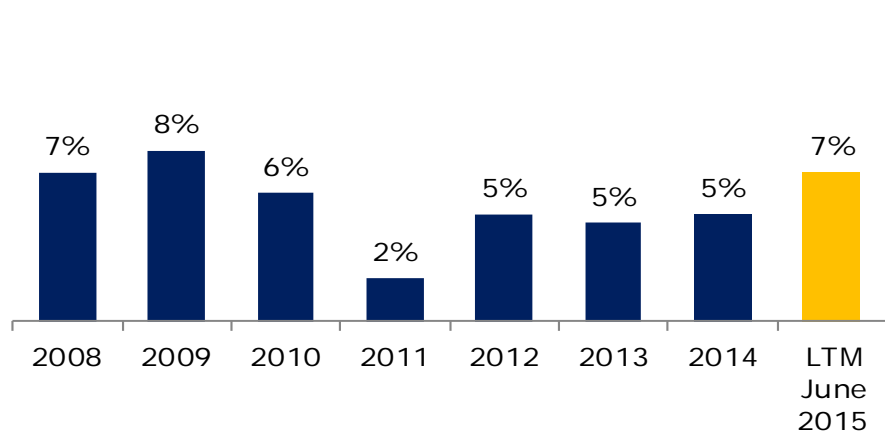
3 – 2011 sales were adjusted by -€161m according to a U.S. GAAP accounting change. This solely relates to Fresenius Medical Care North America.

Fresenius Group: Organic Growth 1999 – 2015

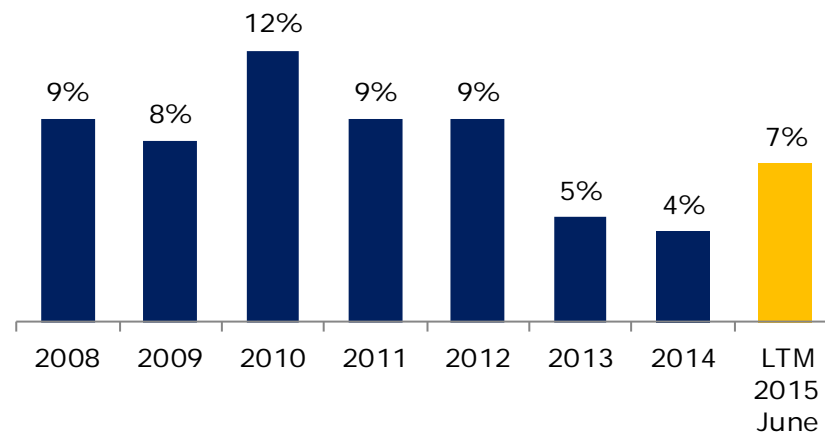


Fresenius Group: Sustainable Organic Sales Growth in all Business Segments

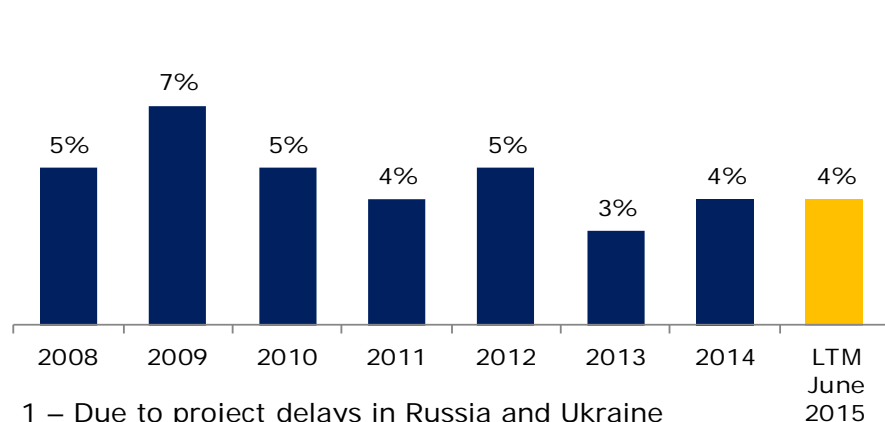
Fresenius Medical Care



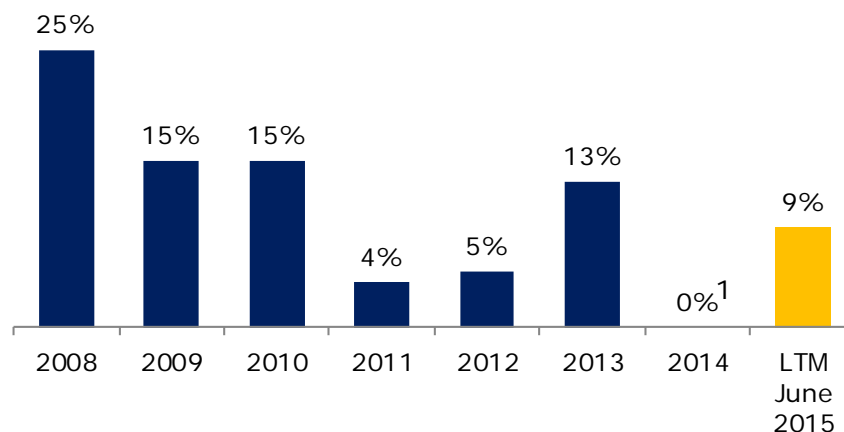
Fresenius Kabi



Fresenius Helios



Fresenius Vamed



1 – Due to project delays in Russia and Ukraine

Fresenius Group: Financial Results

		H1/15	H1/14
Sales		€13,429 m	€10,733 m
	Growth cc	13%	
	Growth actual rates	25%	
EBIT¹		€1,822 m	€1,403 m
	Growth cc	15%	
	Growth actual rates	30%	
Net income^{1,2}		€1,051 m	€788 m
	Growth cc	18%	
	Growth actual rates	33%	

1 – Before special items

2 – Incl. attributable to non-controlling interest

Fresenius Group: Financial Results by Business Segment

H1/2015	Fresenius Medical Care	Fresenius Kabi	Fresenius Helios	Fresenius Vamed
Sales Growth	\$8,159 m 10%	€2,932 m 19%	€2,774 m 10%	€463 m 16%
EBIT ¹ Growth	\$1,051 m 5%	€571 m 39%	€307 m 23%	€16 m 7%

1 – Before special items

Business Segments

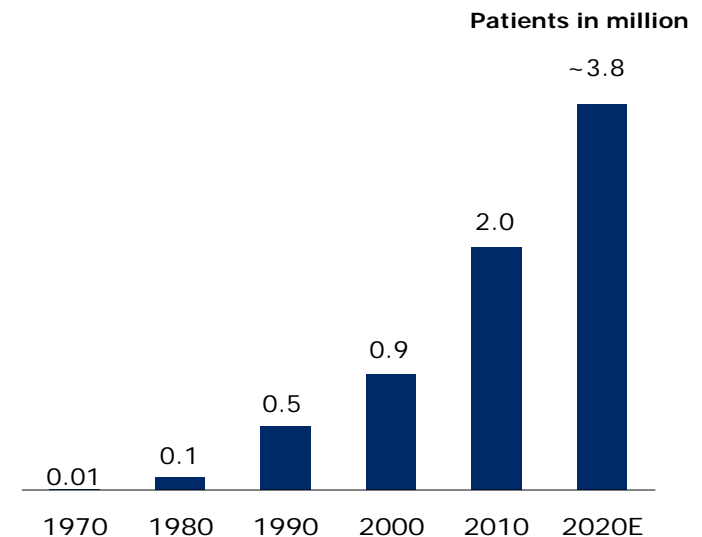


Fresenius Medical Care: Global Market Leader in Dialysis

- World leader in dialysis products and services treating 289,610 patients in 3,421 clinics worldwide¹
- Provide highest standard of patient care
 - Vertical integration
 - High quality products & services
 - Complete therapy offerings
- Leader in growing market
 - Dialysis market growing 4% cc and estimated to reach around \$100 bn by 2020
 - Patient growth driven by age, life style and mortality reduction

Industry Dynamics







- ~6% global patient growth p.a.
- ~3.8 million patients by 2020 expected








1 – As of June 30, 2015

Fresenius Medical Care: Market Leader in All Regions¹








North America

Provider	Patients	Countries
 FRESENIUS MEDICAL CARE	177,720	2
 Davita.	176,200	1
 U.S. RENAL CARE	16,050	1
 DCi	14,800	1
 AMERICAN RENAL ASSOCIATES	12,250	1
 DSI	7,430	1







Latin America

Provider	Patients	Countries
 FRESENIUS MEDICAL CARE	32,320	8
 Baxter	8,990	2
 DIAVERUM	4,400	3
 Davita.	2,370	1
 B BRAUN	930	1

Europe, Middle East, Africa

Provider	Patients	Countries
 FRESENIUS MEDICAL CARE	53,550	25
 DIAVERUM	21,300	15
 KFH	18,800	1
 B BRAUN	13,900	18
 RHV - Der Dialysepartner	6,900	1
 Davita.	3,590	4
 Baxter	2,660	3

Asia Pacific

Provider	Patients	Countries
 FRESENIUS MEDICAL CARE	26,020	12
 医療法人社団 松和会 MITSUBISHI CORPORATION SHOKWAKAI	5,100	1
 徳洲会グループ TOKUSHUKAI GROUP	4,000	1
 B BRAUN	3,880	5
 Davita.	1,830	5
 DIAVERUM	340	1

1 – Company data and estimates, as of June 30, 2015

Fresenius Medical Care: Key Figures H1/2015

<i>\$ million</i>	H1/2015	H1/2014	Growth
Total Sales	8,159	7,398	+10%¹
EBITDA	1,408	1,337	+5%
<i>EBITDA margin</i>	<i>17.3%</i>	<i>18.1%</i>	
EBIT	1,051	1,001	+5%
<i>EBIT margin</i>	<i>12.9%</i>	<i>13.5%</i>	
Net income²	450	439	+3%

1 – 8% organic growth, 9% acquisitions, -1% divestitures, -6% currency effects

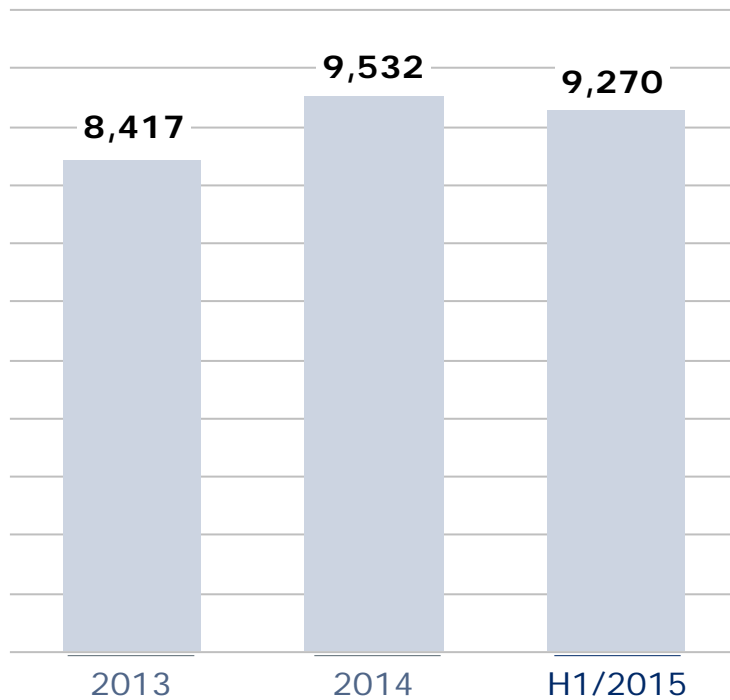
2 – Net Income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA

Fresenius Medical Care: Cash Flow H1/2015

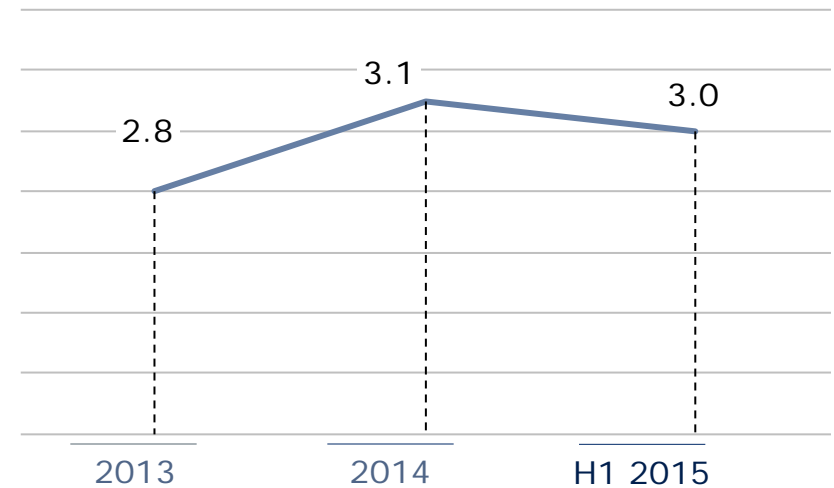
<i>\$ million</i>	H1/2015	H1/2014
Operating Cash Flow	832	562
<i>Operating Cash Flow Margin</i>	<i>10.2%</i>	<i>7.6%</i>
Capex (net)	-411	-415
Free Cash Flow (before acquisitions and dividends)	421	147
<i>Free Cash Flow Margin</i>	<i>5.2%</i>	<i>2.0%</i>
Free Cash Flow (after acquisitions and investments)	355	-285

Fresenius Medical Care: Leverage Ratio and Ratings

Total debt
\$ million



Debt/EBITDA

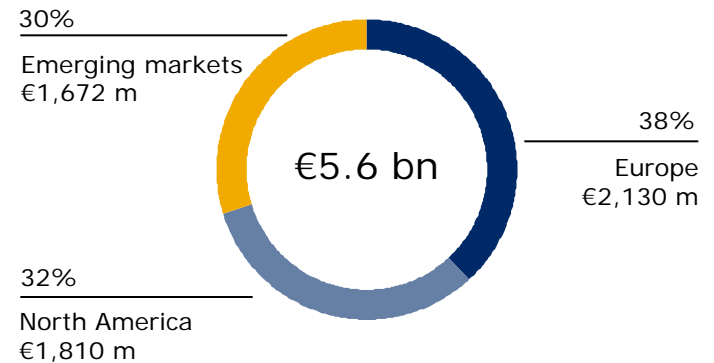


Current Ratings	S&P	Moody's	Fitch
Company	BBB-	Ba1	BB+
Outlook	stable	stable	stable

Fresenius Kabi: A Worldwide Leading Hospital Supplier

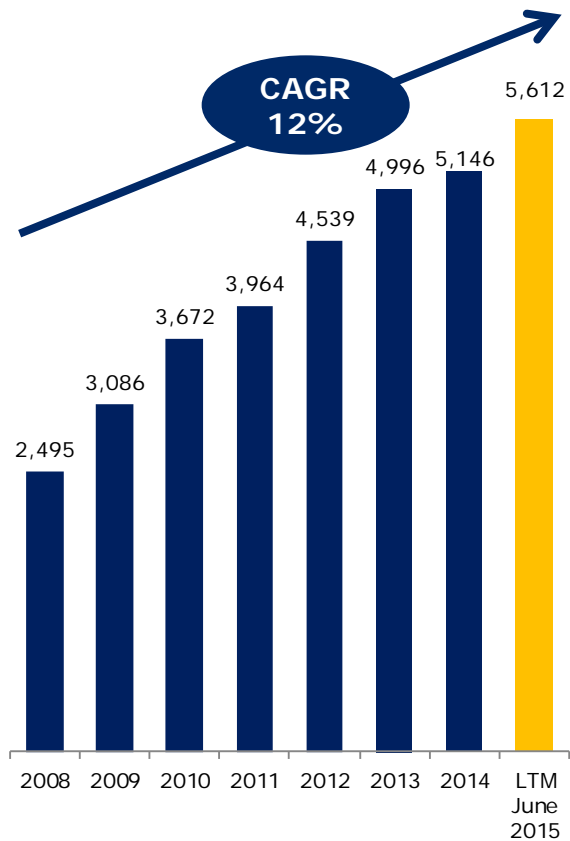
- Comprehensive product portfolio for critically and chronically ill patients
 - IV Drugs
 - Clinical Nutrition
 - Infusion Therapy
 - Medical Devices / Transfusion Technology
- Global addressable market: >€29 bn
- Leading market positions
- Focus on organic growth driven by geographic product rollout and robust product pipeline
- Aim to expand the business through selective acquisitions

LTM June 2015 Sales by Region

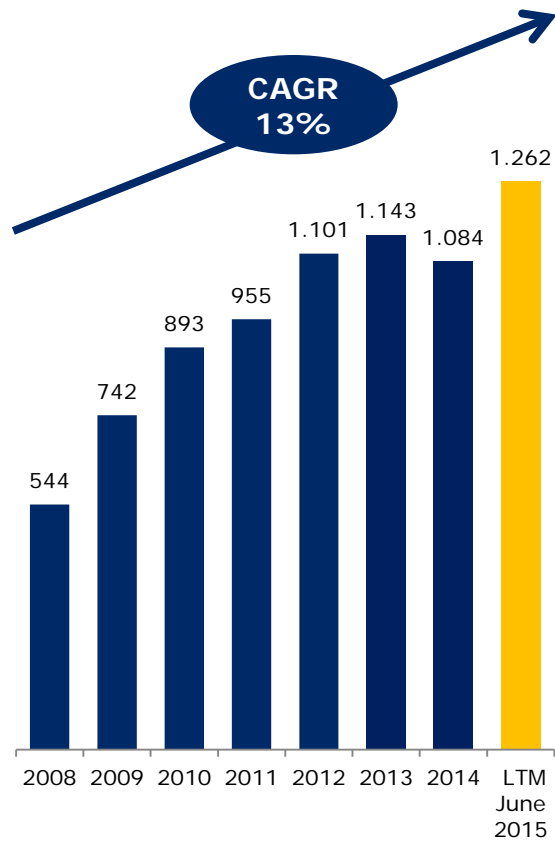


Fresenius Kabi: Strong Growth Track Record & High Profitability

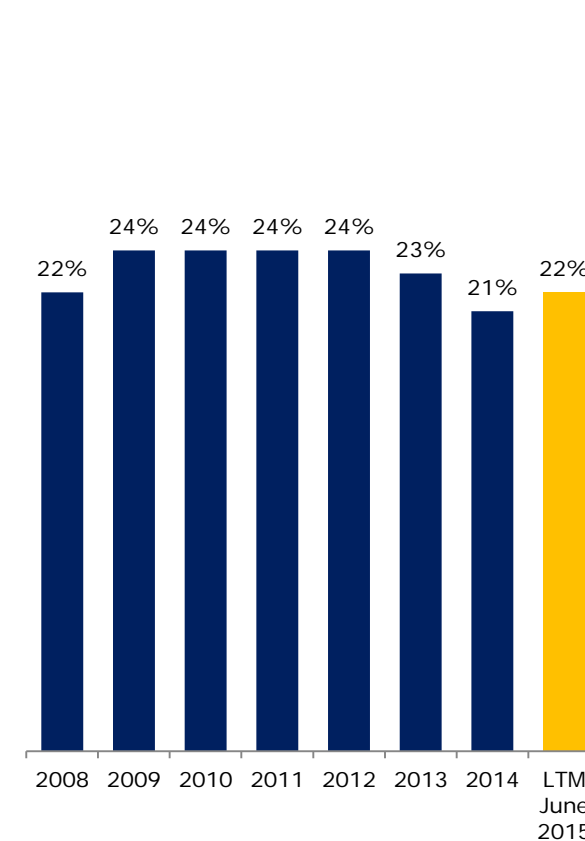
Sales in € m



EBITDA¹ in € m



EBITDA Margin (in %)



1 – Before special items

Fresenius Kabi: Key Figures H1/2015

<i>€ million</i>	H1/2015	H1/2014	Growth
Sales	2,932	2,466	+19% ¹
- I.V. Drugs	1,191	868	+37%
- Clinical Nutrition	772	662	+17%
- Infusion Therapy	468	476	-2%
- Medical Devices/ Transfusion Technology	501	460	+9%
EBITDA ²	691	513	+35%
<i>EBITDA margin</i>	23.6%	20.8%	
EBIT ²	571	411	+39%
<i>EBIT margin</i>	19.5%	16.7%	
Net income ³	309	217	+42%

1 – 8% organic growth, 1% acquisitions, -1% divestitures, 11% currency effects

2 – Before special items

3 – Net income attributable to shareholders of Fresenius Kabi AG; before special items

Fresenius Helios: Leading Hospital Operator in Germany

- German Acute Care Hospital Market: ~€87 bn¹, thereof 18% privatized
- 6% share in German Acute Care Hospital Market
- High-quality medical care, e.g., mortality rate for heart failure and pneumonia lower than German average (-30%), quality management system, transparency of medical outcomes
- Strong track record in hospital operations and acquisitions: targeting 12 – 15% EBIT margin within 6 years per individual clinic location
- Negligible bad debt ratio due to comprehensive population insurance coverage

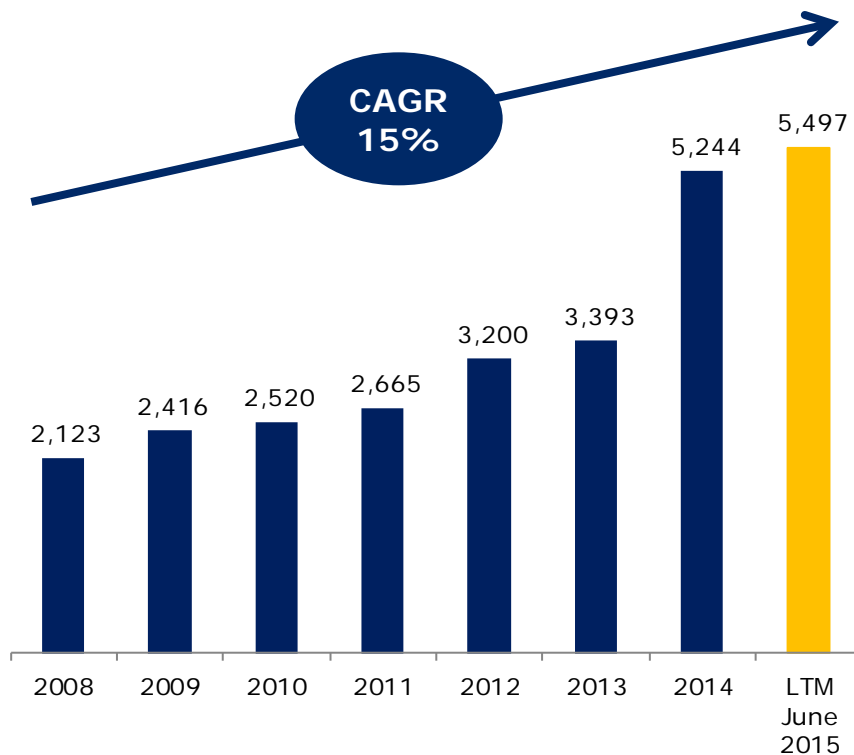
Largest Network with 111 Hospitals



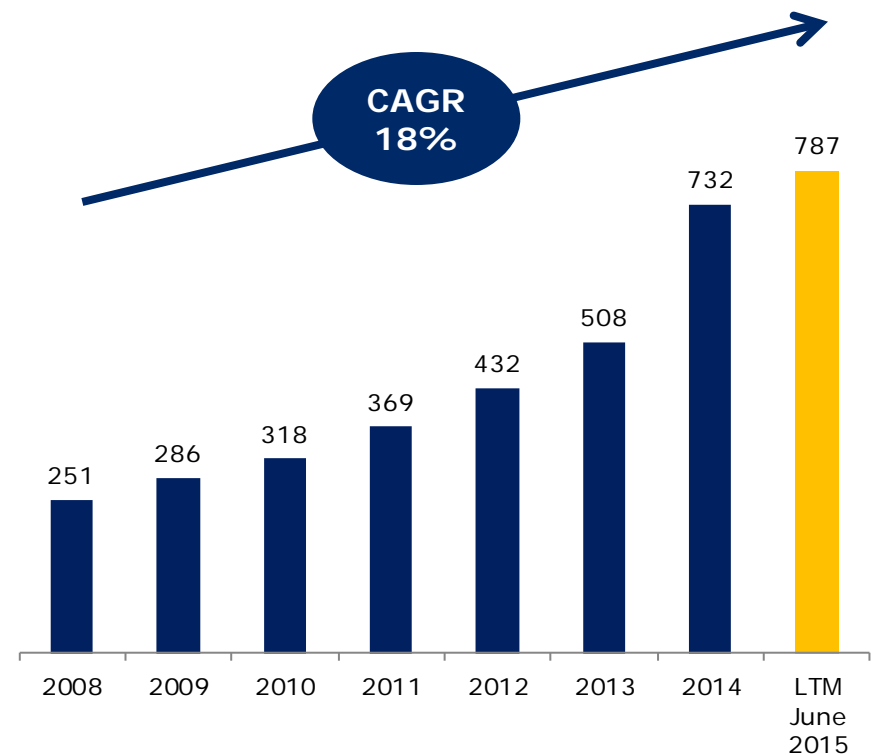
1 – German Federal Statistical Office 2014; total costs, gross of the German hospitals less academic research and teaching

Fresenius Helios: Strong Growth Track Record & Increased Profitability

Sales in € m



EBITDA¹ in € m



1 – Before special items

Fresenius Helios: Key Figures H1/2015

<i>€ million</i>	H1/2015	H1/2014	Growth
Sales	2,774	2,521	+10%¹
EBITDA²	399	344	+16%
<i>EBITDA margin</i>	<i>14.4%</i>	<i>13.6%</i>	
EBIT²	307	250	+23%
<i>EBIT margin</i>	<i>11.1%</i>	<i>9.9%</i>	
Net income³	226	179	+26%

1 – 3% organic growth, 8% acquisitions, -1% divestitures

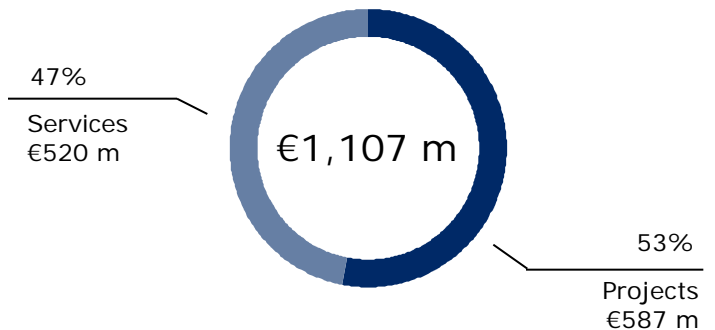
2 – Before special items

3 – Net income attributable to shareholders of HELIOS Kliniken GmbH; before special items

Fresenius Vamed: A Leading Global Specialist in Hospital Projects and Services

- Specialized in project development building hospital infrastructure and providing hospital services (technical services and operational management)
- Track record:
 - >710 health care projects in 77 countries successfully completed
 - Services provided to 510 hospitals and 130,000 beds globally
- Continuous demand for hospital infrastructure and operating efficiency; key markets Europe, Asia-Pacific, Africa

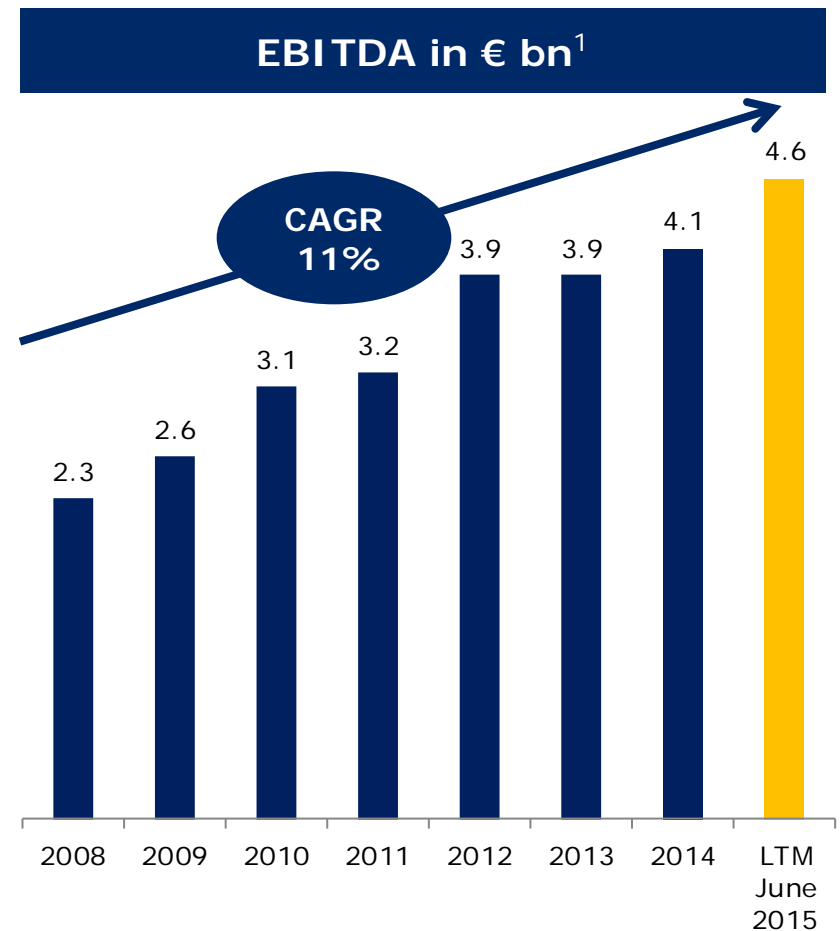
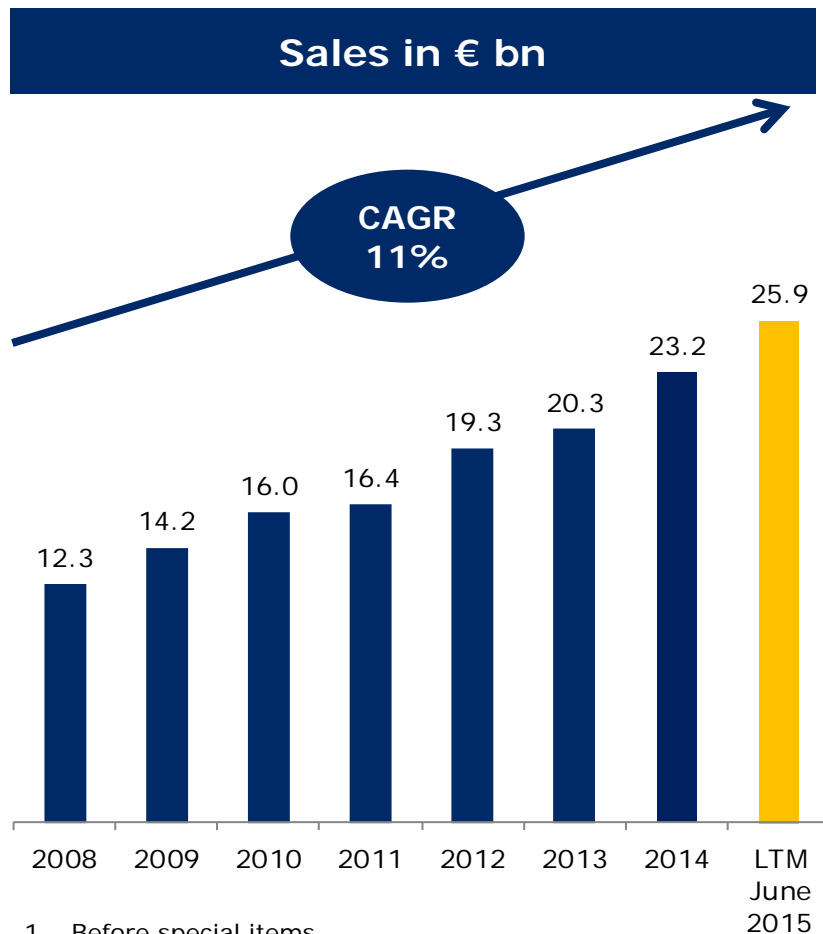
LTM June 2015 Sales by Business



Financial Overview



Fresenius Group: Demonstrated Strong Sales and EBITDA Growth



1 – Before special items

Fresenius Group: Key Figures H1/2015

<i>€ million</i>	H1/2015	H1/2014	Change actual rates	Change constant rates
Sales	13,429	10,733	+25%	+13% ¹
EBITDA ²	2,364	1,854	+28%	+13%
EBIT ²	1,822	1,403	+30%	+15%
Interest, net	-330	- 283	-17%	-4%
EBT ²	1,492	1,120	+33%	+18%
Taxes ²	-441	-332	-33%	-16%
Net income ^{3,4}	1,051	788	+33%	+18%
Employees	220,339	209,933		







1 – 7% organic growth, 7% acquisitions, -1% divestitures

2 – Before special items

3 – Net income attributable to shareholders of Fresenius SE & Co. KGaA; before special items

4 – Incl. attributable to non-controlling interest

Fresenius Group: Cash Flow Development LTM

€ million	Operating CF		Capex (net)		Free Cash Flow ¹	
	LTM H1/15	LTM Margin	LTM H1/15	LTM H1/15	LTM H1/15	LTM Margin
	780	13.9%	-354	-6.3%	426	7.6%
	584	10.6%	-261	-4.7%	323	5.9% ³
	9	0.8%	-12	-1.1%	-3	-0.3%
Corporate/ Other	-24	n.a.	-11	n.a.	-35	n.a.
	1,349	11.7%²	-638	-5.2%	711	6.5%²
	1,737	12.9%	-758	-5.6%	979	7.3%
	3,086	11.9%	-1,396	-5.4%	1,690	6.5%

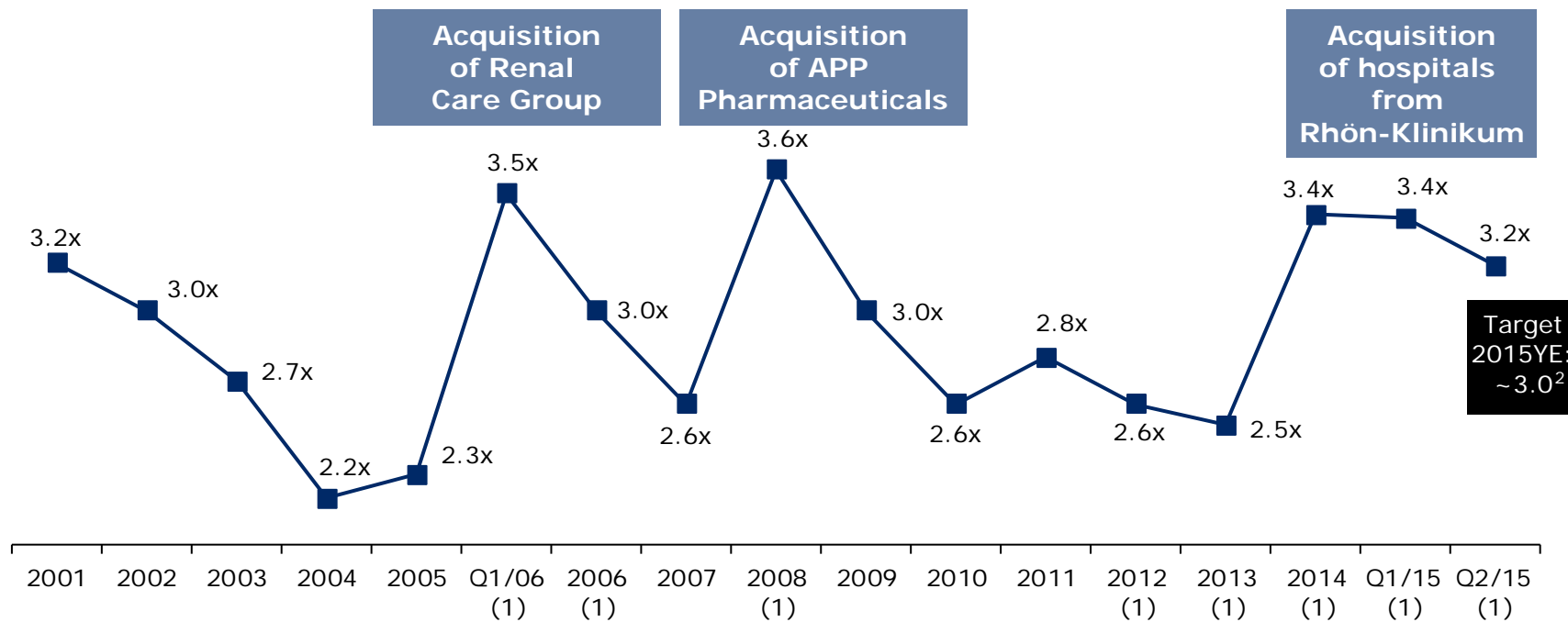
Margin = in % of sales

1 – Before acquisitions and dividends

3 – Understated: 6.8% excluding €53 million of capex commitments from acquisitions

2 – Margin incl. FMC dividend

Fresenius Group: Proven Track Record of Deleveraging

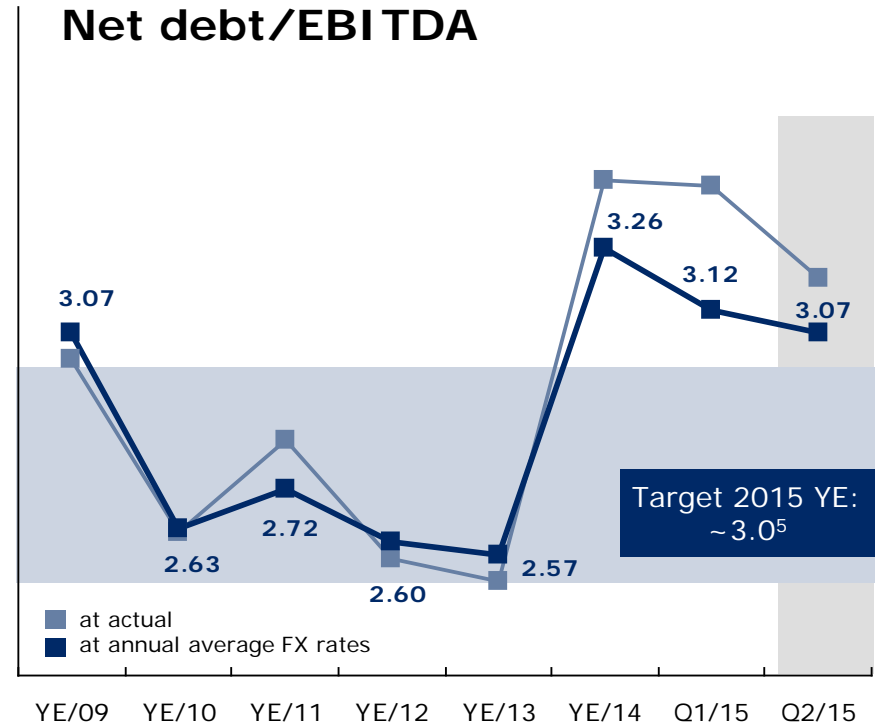


1 – Pro forma acquisitions; before special items

2 – At annual average exchange rates for both net debt and EBITDA; without major acquisitions; before special items

Fresenius Group: Debt and Interest Ratios

	Jun 30, 2015	Dec 31, 2014
Debt (€m)	15,661	15,454
thereof 51% \$ denominated		
Net debt (€m)	14,744	14,279
Net debt/EBITDA	3.19 ^{1,2}	3.41 ^{3,4}
EBITDA/Interest	7.2 ²	6.8 ³



1 - Pro forma including Fresenius Medical Care acquisitions; excluding two HELIOS hospitals

2 - Before integration costs, disposal gains (two HELIOS hospitals) and costs for Fresenius Kabi efficiency program

3 - Before integration costs and disposal gains (two HELIOS hospitals; Rhön stake)

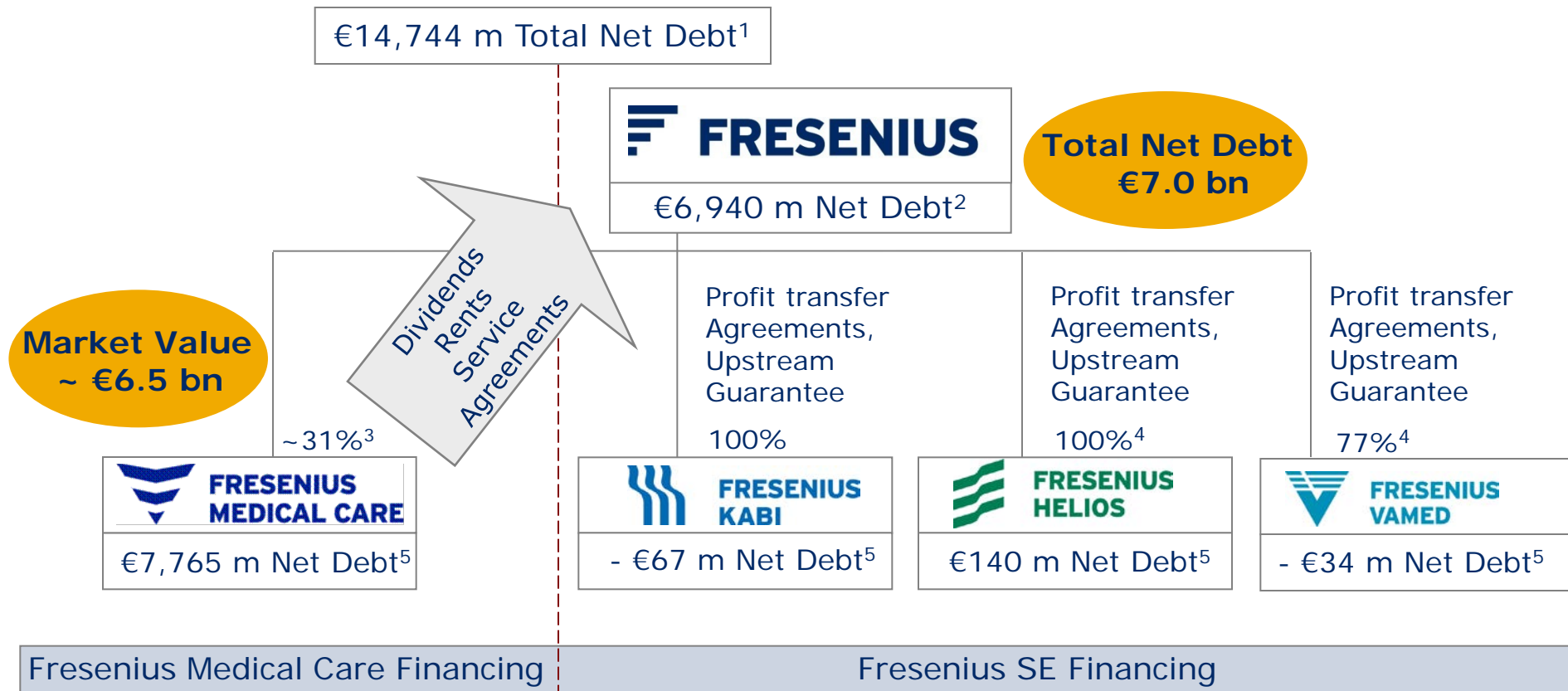
4 - Pro forma including acquired Rhön hospitals and Fresenius Medical Care acquisitions; excluding two HELIOS hospitals

5 - At annual average exchange rates for both net debt and EBITDA; without major acquisitions; before special items

Financing Facilities and Debt Structure



Fresenius Group: Current Debt and Cash Flow Structure - June 30, 2015



1 – External debt as of June 30, 2015

2 – Incl. Fresenius Finance B.V. and other financing subsidiaries

3 – Controlling stake

4 – As held by Fresenius ProServe GmbH, a wholly owned subsidiary of Fresenius SE & Co. KGaA, which provides the guarantees

5 – Incl. subsidiaries

Fresenius Group: Capitalization - June 30, 2015

	€ million	\$ million ⁴	% of total cap	EBITDA LTM x
FSE 2013 Credit Agreement: Term Loan A	1,858	2,079	2.9%	
FSE 2013 Credit Agreement: Term Loan B	439	491	0.7%	
Senior Notes	3,187	3,566	5.0%	
Convertible Bonds	462	517	0.7%	
Euro Notes	917	1,026	1.4%	
Commercial Paper	130	145	0.2%	
Other debt, gross	383	429	0.6%	
Total Debt (FSE excl. FMC), gross	7,376	8,253	11.5%	
Cash (excl. FMC)	397	444	0.6%	
Total debt (FSE excl. FMC), net	6,979	7,809	10.9%	
Total FMC debt, net ¹	7,765	8,688	12.1%	
Total consolidated debt, net	14,744	16,497	23.0%	3.2x ³
Market capitalization ²	49,225	55,206	77.0%	10.7x
Total capitalization	63,969	71,703	100.0%	13.9x
FSE Group EBITDA³				4,605

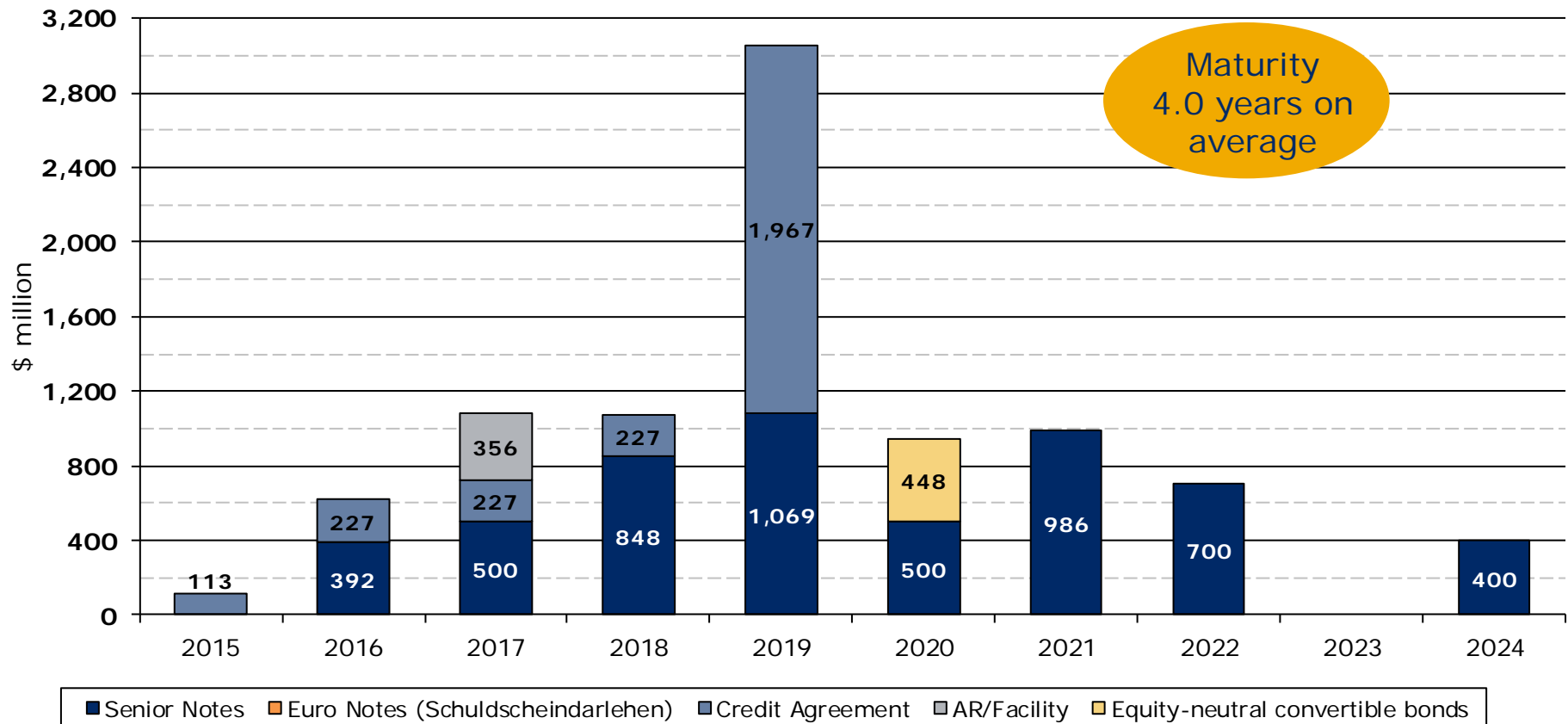
1 - Net of Cash and intercompany adjustments

2 - Based on market capitalization for FSE and FMC as of August 31, 2015

3 - Before special items

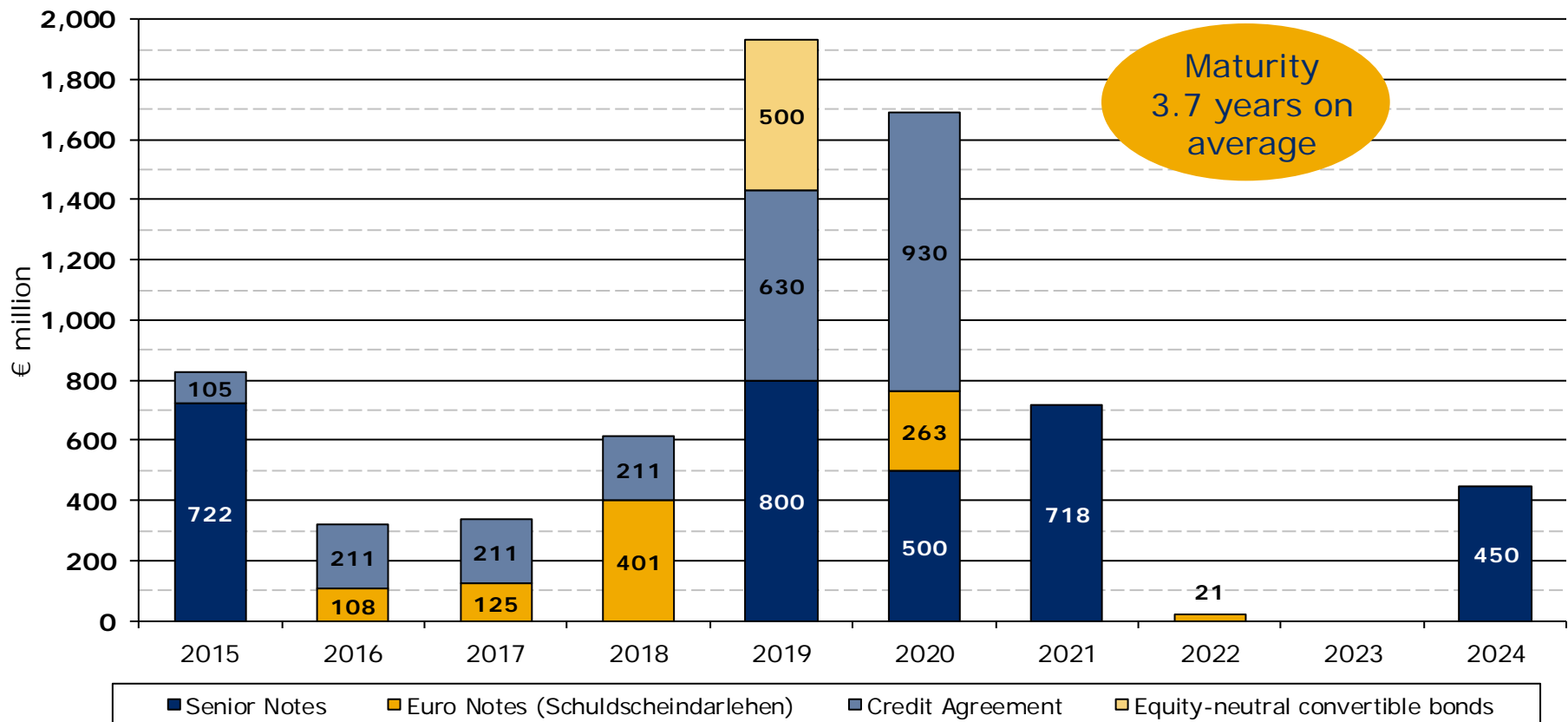
4 - Exchange rate as of June 30, 2015, except for market capitalization which uses exchange rate as of August 31, 2015

Fresenius Medical Care: Debt Maturity Profile¹ - June 30, 2015



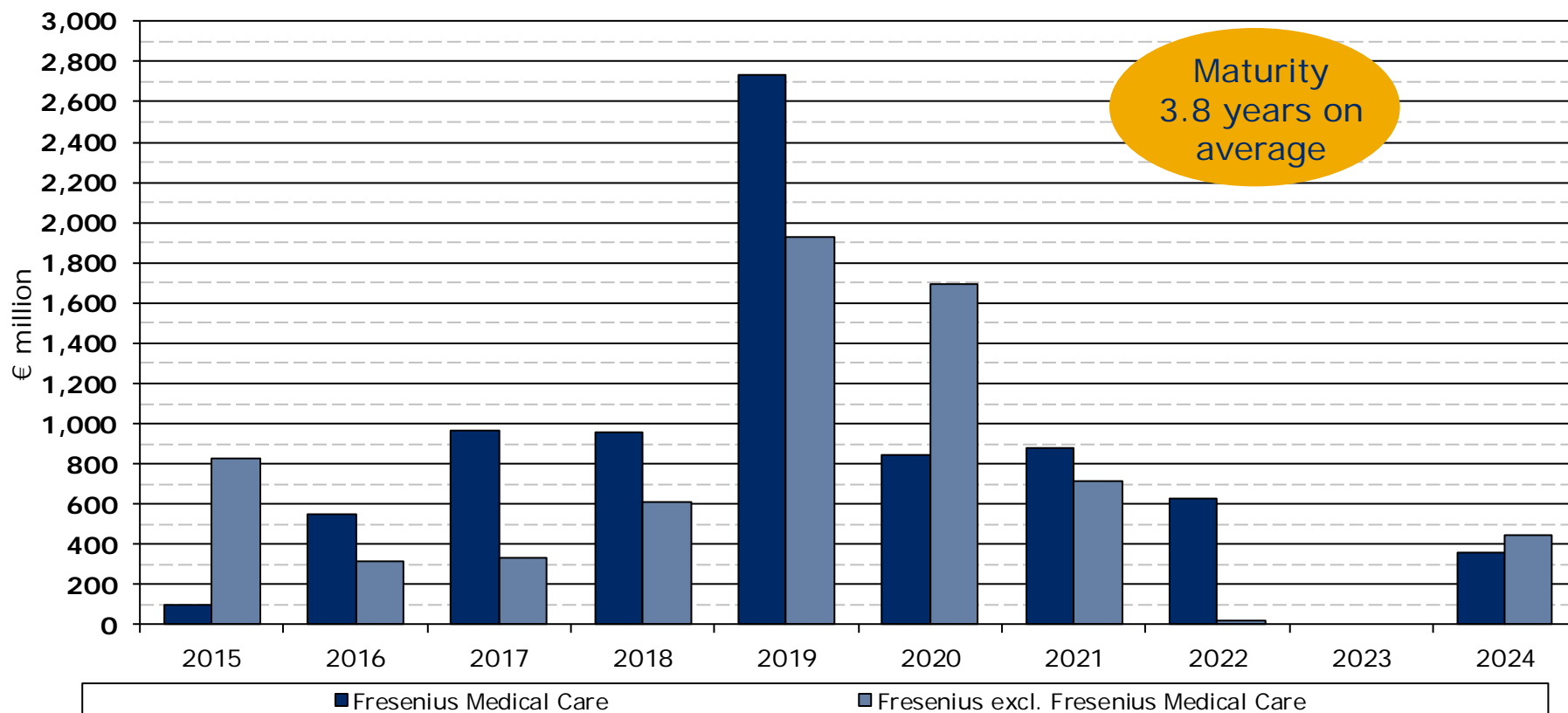
1 – Based on utilization of major financing instruments

Fresenius Group excl. FMC: Debt Maturity Profile¹ - June 30, 2015



1 – Based on utilization of major financing instruments

Fresenius Group: Debt Maturity Profile¹ - June 30, 2015



1 – Based on utilization of major financing instruments

Summary and Outlook



Fresenius Medical Care: Financial Outlook

	2015E	2016 Projection
Sales	5-7% 10-12%cc	7-10% cc
Net Income	0-5%	15 -20%

- The 2015 outlook and the projections for 2016 are based on current exchange rates and include savings from the Global Efficiency Program
- Potential acquisitions are not included
- The outlook is based on the execution and the operating cost investments within Care Coordination - in line with our 2020 strategy
- Topline revenue alignment for 2016 since we expect some of the initiatives in Care Coordination operations to be delayed into the following years

Fresenius Group: Increased Outlook for Fresenius Kabi

		Old	New
Fresenius Kabi	Sales growth organic	4% – 7%	6% – 8%
	EBIT growth constant currency	11% – 14%	18% – 21%
Fresenius Helios	Sales growth organic	3% – 5%	✓ ✓ ✓
	Sales growth reported	6% – 9%	
	EBIT	€630 – 650 m	
Fresenius Vamed	Sales growth organic	single-digit %	✓ ✓
	EBIT growth	5% – 10%	

Fresenius Group: Increased Earnings Guidance

	Old	New
Revenue growth at constant currency	7% – 10%	8% – 10%
Net income growth ¹ at constant currency	13% – 16%	18% – 21%

1 - Net income attributable to shareholders of Fresenius SE & Co. KGaA; 2015 before integration costs for hospitals of Rhön-Klinikum AG (~€10 m before tax), before costs for efficiency program at Fresenius Kabi (~€100 m before tax) and disposal gains from the divestment of two HELIOS hospitals (€34 m before tax); 2014 before special items

Fresenius Group: Ideal Strategic Posture to Benefit from Major Healthcare Trends



Aging population and higher incidence of chronic diseases

World population aged 60+ will more than double by 2050 to >2 bn (OECD)



Increasing health care spending in emerging markets

Increasing health care coverage and per capita spending (e.g. India: \$157, China: \$480, vs. USA: \$8,895; WHO)



Continuing growth of generics

Approx. \$19 bn branded IV drug sales (base: 2013) go off-patent in the U.S. by 2023

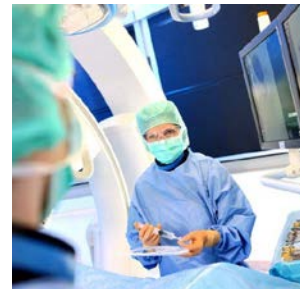


Rise of private providers in health care services

*Further privatization of German hospital market
Global opportunity to provide dialysis services (e.g. China, India)*

Fresenius Group: Attractive Mid-Term Growth Prospects Exceeding Target at Current FX Rates

Mid-Term Target
~ €30 billion sales
€1.4 to €1.5 billion net income¹
by 2017



Strong and Balanced Health Care Portfolio

1 – Excl. attributable non-controlling interest

Fresenius Group: Investment Highlights

Leading market positions

Diversified revenue base with four strong business segments

Global presence in growing, non-cyclical markets

Proven ability to integrate acquisitions

Clear track record of and commitment to de-leveraging

Strong financial performance and cash flow generation

Health Care Worldwide

