



# A Leading Global Health Care Group

Deutsche Bank – dbAccess German, Swiss & Austrian Conference  
June 18, 2015



For detailed financial information please see our annual/quarterly reports and/or conference call materials on [www.fresenius.com/ir](http://www.fresenius.com/ir).

**Frankfurt stock exchange (DAX30): FRE**  
**US ADR program (OTC): FSNUY**

## 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.

# Strong and Balanced Health Care Portfolio



Ownership: 31%

Dialysis products and services



Ownership: 100%

Hospital supplies



Ownership: 100%

Hospital operations



Ownership: 77%

Hospital projects and services

## 2014 Group Net Income Contribution

22%

43%

37%

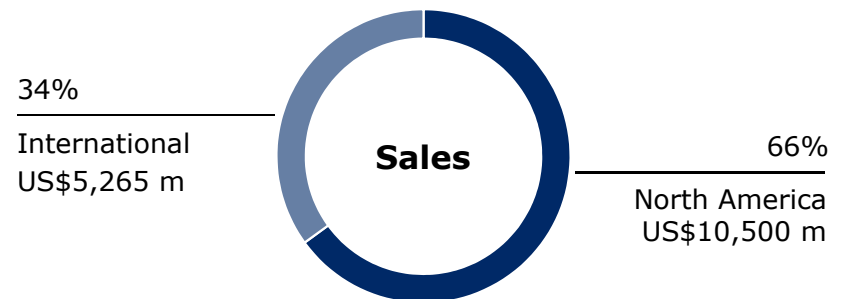
3%

Corporate: -5%

## Fresenius Medical Care: Global Market Leader in Dialysis

- Provide highest standard of care globally to more than 286,000 patients; delivering ~43 million treatments p.a.
- High quality dialysis products & services
  - Complete therapy offerings
  - Vertically integrated
- Service portfolio expansion in the field of Care Coordination
- Global clinic acquisitions and expansion into new geographies to support future growth

### 2014 Sales by Region

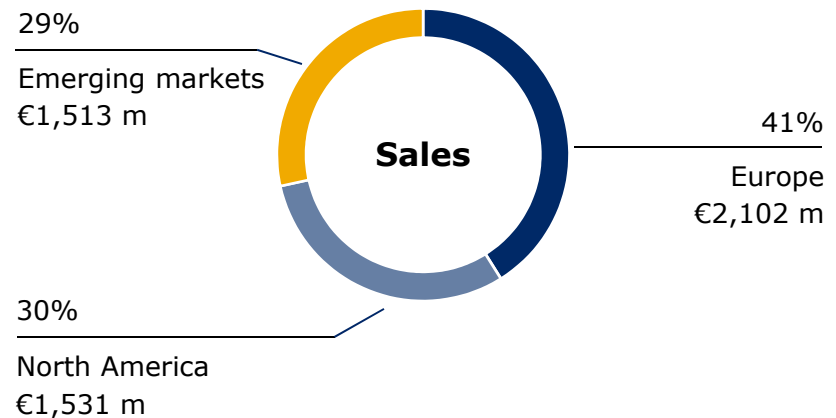


2014 Sales: US\$15,832 m; EBIT: US\$2,255 m

# 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
- Leading market positions; global market: >€29 bn<sup>1</sup>
- Focus on organic growth driven by geographic product rollout and robust pipeline plus selective acquisitions

## 2014 Sales by Region



<sup>1</sup> Addressable market

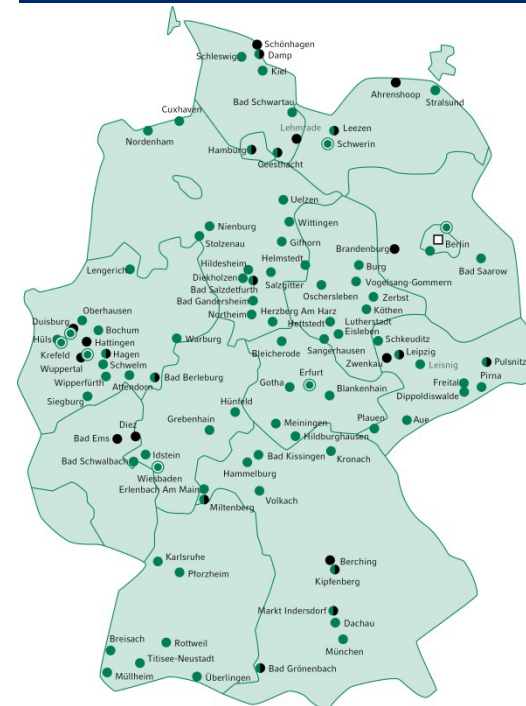
**2014 Sales: €5,146 m; EBIT: €873 m**

# Fresenius Helios: Leading Private Hospital Operator in Germany

- Acute and post-acute care in 111 proprietary hospitals<sup>1</sup>
- High-quality medical care (e.g. mortality rate for heart failure and pneumonia >30% below German average)
- Strong track record in hospital operations and acquisitions: targeting 12 – 15% EBIT margin within 6 years per individual clinic location
- Landmark acquisition of 41 hospitals from Rhön-Klinikum provides excellent long-term growth opportunities

<sup>1</sup> As of December 31, 2014

**Majority of population has access to a HELIOS hospital within one hour's drive**



~29,100  
acute care beds

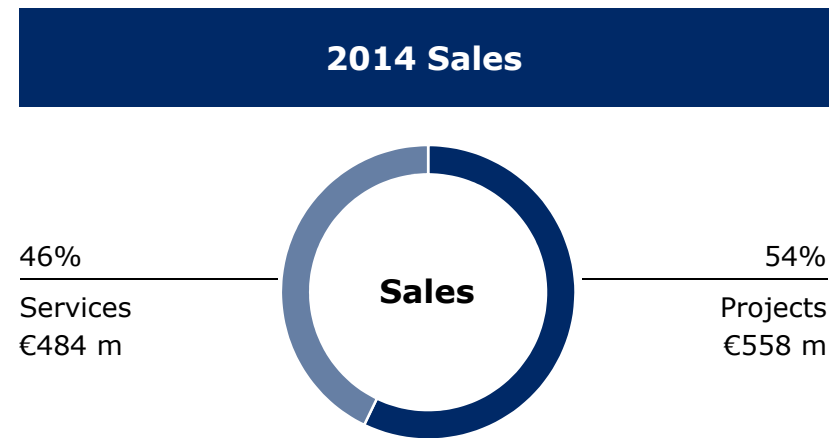
~1.2 million  
inpatient admissions

~3.0 million  
outpatient admissions

**2014 Sales: €5,244 m; EBIT: €553 m**

## 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



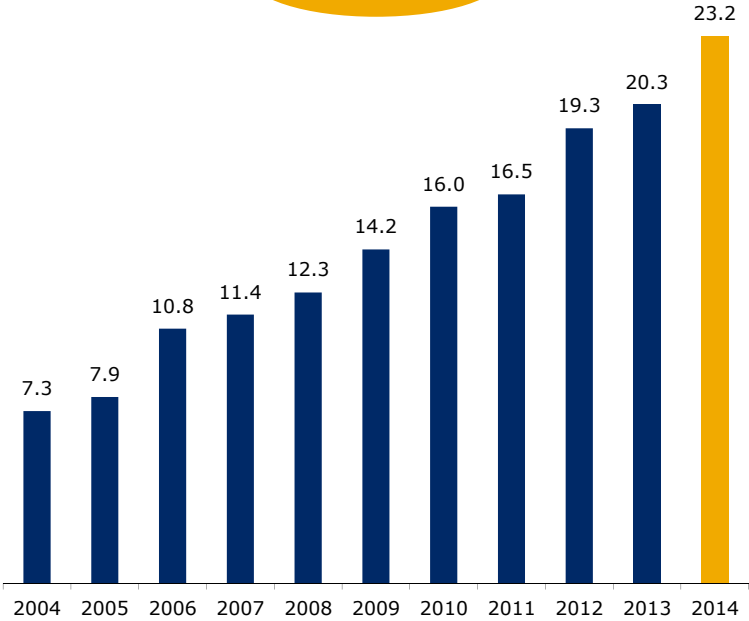
**2014 Sales: €1,042 m; EBIT: €59 m**

# Fresenius Group: Sales and Net Income Reach All-Time Highs

## Sales

€bn

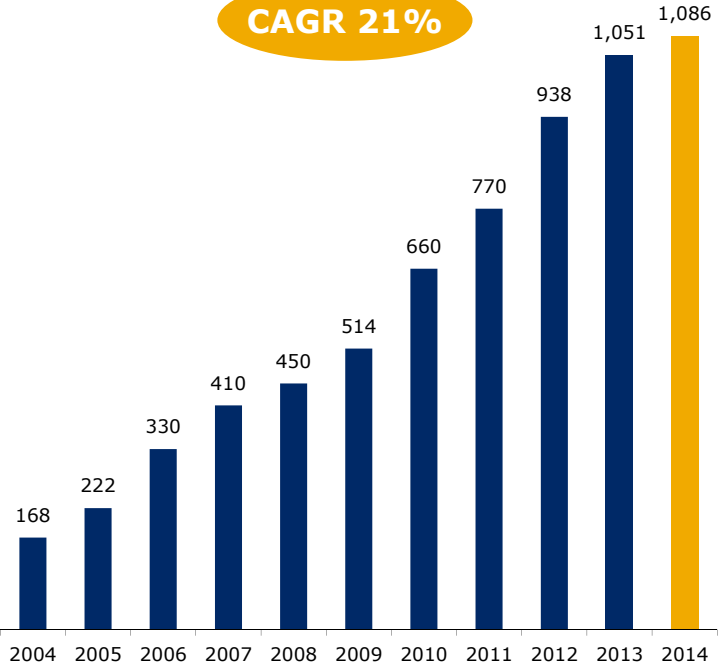
**CAGR 12%**



## Net Income<sup>1</sup>

€m

**CAGR 21%**

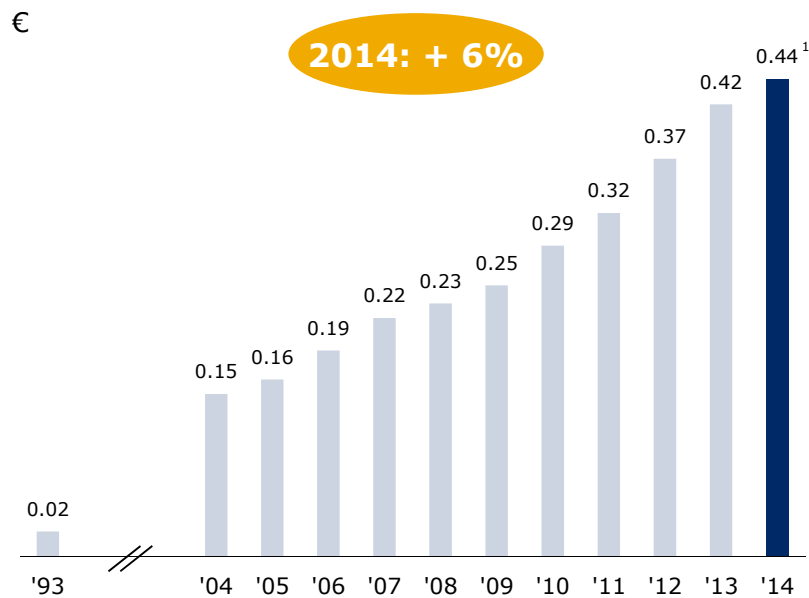


<sup>1</sup> Before special items



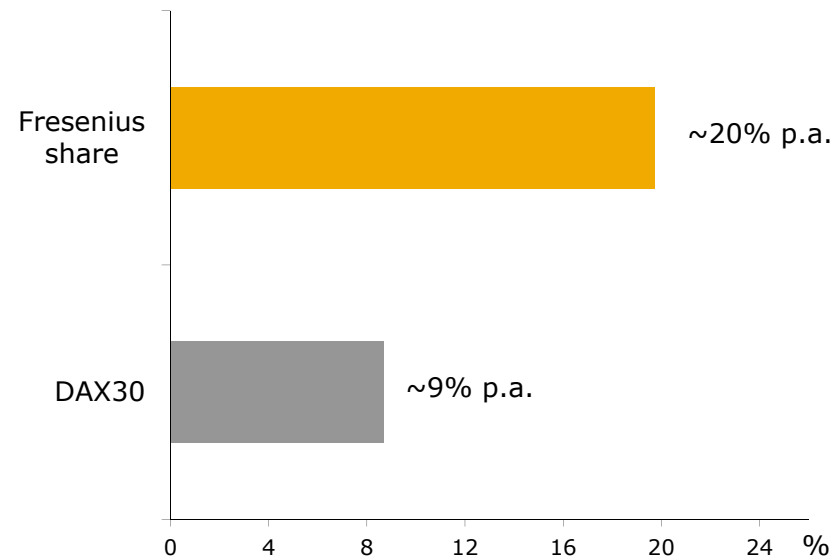
# Fresenius Group: Dividend Development and Total Shareholder Return

## 22<sup>nd</sup> consecutive dividend increase



**Dividend growth aligned to EPS growth**  
**Pay-out ratio: 22%**

## Total Return: Fresenius outperforms index



**Compounded annual total return**  
**Dec 31, 2004 – Dec 31, 2014**

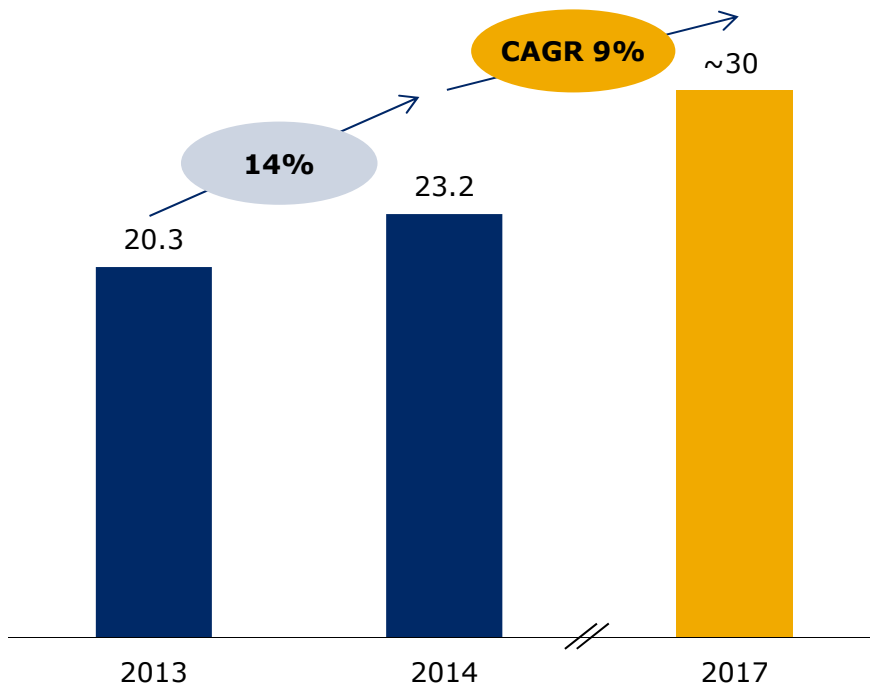
<sup>1</sup> Proposal 1993-2013 stock split-adjusted; 2013 pre split: €1.25

Source: Bloomberg; dividends reinvested

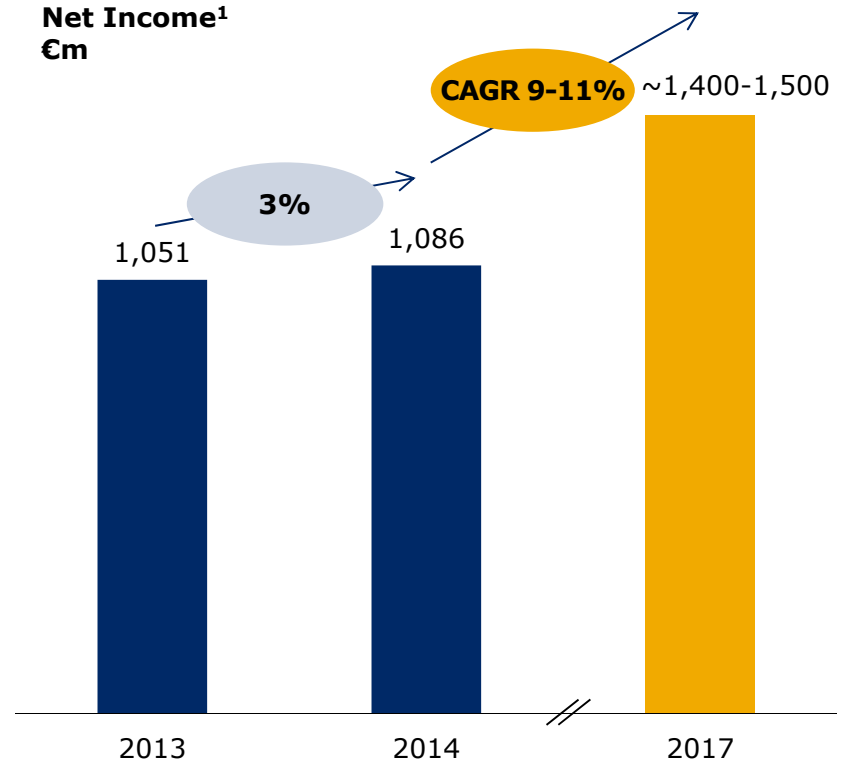
# Fresenius Group: Confirming 2017 Target / Exceeding Target at Current FX Rates

~€30 billion Sales; €1.4 to €1.5 billion Net Income

Sales  
€bn



Net Income<sup>1</sup>  
€m



## Financials Q1/15



## Fresenius Group: Q1/15 Financial Results

	<b>Sales</b>	<b>EBIT<sup>1</sup></b>	<b>Net income<sup>1</sup></b>
Q1/15	€6,483 m	€851 m	€292 m
Growth at constant currency rates	13%	18%	16%
Growth at actual currency rates	24%	32%	28%

<sup>1</sup> Before special items

## Fresenius Group: Financial Results by Business Segment

Q1/15	<b>Fresenius Medical Care</b>	<b>Fresenius Kabi</b>	<b>Fresenius Helios</b>	<b>Fresenius Vamed</b>
Sales Growth	US\$3,960 m 11%	€1,394 m 15%	€1,391 m 13%	€208 m 9%
EBIT Growth	US\$504 m 13%	€257 m 28%	€147 m 29%	€7 m 17%

## Q1 Business Segment Update



### Strong start into fiscal year 2015

#### Regional development

##### North America

- IV drug shortages easing more slowly than expected
- Product launches ahead of schedule
- Expected 2015 organic sales growth range now 0% to 5%

##### Europe

- Strong organic sales growth in IV drugs (10%) and Clinical Nutrition (8%)
- Sale of €77 m German oncology compounding activities to streamline business, effective February 1, 2015

##### Emerging Markets

- China standing out with 12% organic sales growth

#### Kabi efficiency program

- €100 m implementation costs confirmed for 2015; €10 m booked in Q1, remainder backloaded

## Q1 Business Segment Update



### Hospital business fully on track

- Continued successful integration of acquired Rhön hospitals; amount and timing of synergy target fully confirmed
- All labor agreements in line with budget assumptions for 2015 and 2016
- Acquisition of 66-bed hospital, affiliated to mid-sized HELIOS Hildesheim hospital, consolidation as of April 1, 2015, annual sales of ~€8 m



### Service business driving organic sales growth

- +10% organic sales growth in service business, project business flat
- Excellent order intake of €192 m in Q1/15 (Q1/14: €115 m)
- On track to meet full-year guidance

## Fresenius Group: Increased Outlook for Fresenius Kabi

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



## Fresenius Group: Increased Earnings Guidance

	Old	New
Revenue growth at constant currency	7% – 10%	✓
Net income growth <sup>1</sup> at constant currency	9% – 12%	13% – 16%

<sup>1</sup> 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

## Attachments



## Fresenius Group: Profit and Loss Statement

€m	Q1/15	Q1/14	Growth Q1/15 YoY	
			constant rates	actual rates
Sales	6,483	5,212	13%	24%
EBIT <sup>1</sup>	851	643	18%	32%
Net interest	-165	-138	-7%	-20%
Income taxes	-207	-133	-38%	-56%
Net income <sup>2</sup>	292	228	16%	28%

<sup>1</sup> 2015 before integration costs for acquired Rhön hospitals (€2 m), before costs for efficiency program at Fresenius Kabi (€10 m) and disposal gains from the divestment of two HELIOS hospitals (€34 m); 2014 before Fenwal integration costs (€1 m) and disposal gains from the divestment of two HELIOS hospitals (€22 m)

<sup>2</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA; 2015 before integration costs for acquired Rhön hospitals (€2 m), before costs for efficiency program at Fresenius Kabi (€7 m) and disposal gains from the divestment of two HELIOS hospitals (€34 m); 2014 before Fenwal integration costs (€1 m) and disposal gains from the divestment of two HELIOS hospitals (€21 m)

## Fresenius Kabi: Strong Organic Sales Growth

€m	Q1/15	Q1/14	Organic Growth
I.V. Drugs	545	441	6%
Clinical Nutrition	372	318	9%
Infusion Therapy	231	230	0%
Medical Devices/ Transfusion Technology	246	224	0%
<b>Total sales</b>	<b>1,394</b>	<b>1,213</b>	<b>5%</b>

## Fresenius Kabi: Strong EBIT Growth in all regions

€m	Q1/15	Q1/14	Growth
Europe Margin	83 16.0%	69 13.8%	20%
North America Margin	176 37.2%	147 38.5%	20%
Asia-Pacific/Latin America/Africa Margin	63 15.6%	49 14.8%	29%
Corporate and Corporate R&D	-65	-64	-2%
<b>Total EBIT</b> at constant currency <b>Margin</b>	<b>257</b> <b>18.5%</b>	<b>201</b> <b>16.6%</b>	<b>28%</b> 10%

EBIT excluding costs for Fresenius Kabi's efficiency program (€10 m)

## Fresenius Helios: Sales Growth in Line with Expectations

€m	Q1/15	Q1/14	Growth
Established clinic portfolio	1,263	1,214	4%
Acquisitions (consolidation <1 yr)	128		
Divestitures (deconsolidation <1 yr)		13	
<b>Total sales</b>	<b>1,391</b>	<b>1,227</b>	<b>13%</b>

## Fresenius Helios: Strong EBIT margin increase of established clinic portfolio

€m	Q1/15	Q1/14	Growth
<b>Total sales</b>	<b>1,391</b>	<b>1,227</b>	<b>13%</b>
<b>EBIT</b>			
Established clinic portfolio	143	113	27%
Margin	11.3%	9.3%	
Acquisitions / Divestitures (consolidation / deconsolidation <1 yr)	4	1	
<b>Total EBIT</b>	<b>147</b>	<b>114</b>	<b>29%</b>
<b>Margin</b>	<b>10.6%</b>	<b>9.3%</b>	

EBIT excluding disposal gains from the divestment of two HELIOS hospitals (€34 m) and integration costs for acquired Rhön hospitals (€2 m)

## Fresenius Helios: Performance Indicators

	Q1/15	Q1/14	Change
<b>No. of hospitals<sup>1</sup></b>	<b>111</b>	<b>110</b>	<b>0%</b>
- Acute care clinics	87	86	0%
- Post-acute care clinics	24	24	0%
<b>No. of beds<sup>1</sup></b>	<b>34,202</b>	<b>34,188</b>	<b>0%</b>
- Acute care clinics	29,029	29,068	0%
- Post-acute care clinics	5,173	5,120	1%
<b>Admissions</b>			
- Acute care (inpatient)	305,905	276,600	11%
<b>Occupancy</b>			
- Post-acute care	78%	79%	
<b>Average length of stay (days)</b>			
- Acute care <sup>2</sup>	6.6	6.6	
- Post-acute care	26.8	27.1	

<sup>1</sup> December 31, 2014

<sup>2</sup> German average (2013): 7.5



## Fresenius Helios: 2014 Clinic Development Plan

	Years in Portfolio								Total <sup>1</sup>
	<1	1	2	3	4 <sup>1</sup>	5	6	>6	
No. of clinics	-	-	12	3	40	-	6	49	111
Revenue (€m)	-	-	401	160	1,799	-	205	2,515	5,080
<b>Target</b>									
EBIT margin (%)	-	2.0	4.0	6.0	8.0	10.0	12.0	12.0-15.0	
EBIT (€m)	-	-	16.0	9.6	143.9	-	24.6	301.8	495.9
<b>Reported</b>									
EBIT margin (%)	-	-	8.1	4.8	7.9	-	8.8	13.5	10.6
EBIT (€m)	-	-	32.4	7.7	141.2	-	18.0	338.3	537.6
No. of clinics > target	-	-	8	1	19	-	2	22	52
No. of clinics < target	-	-	4	2	21	-	4	27	58

<sup>1</sup> includes all hospitals acquired from Rhön Klinikum, €29 m integration costs allocated to individual hospitals.

## Fresenius Vamed: Strong Order Intake

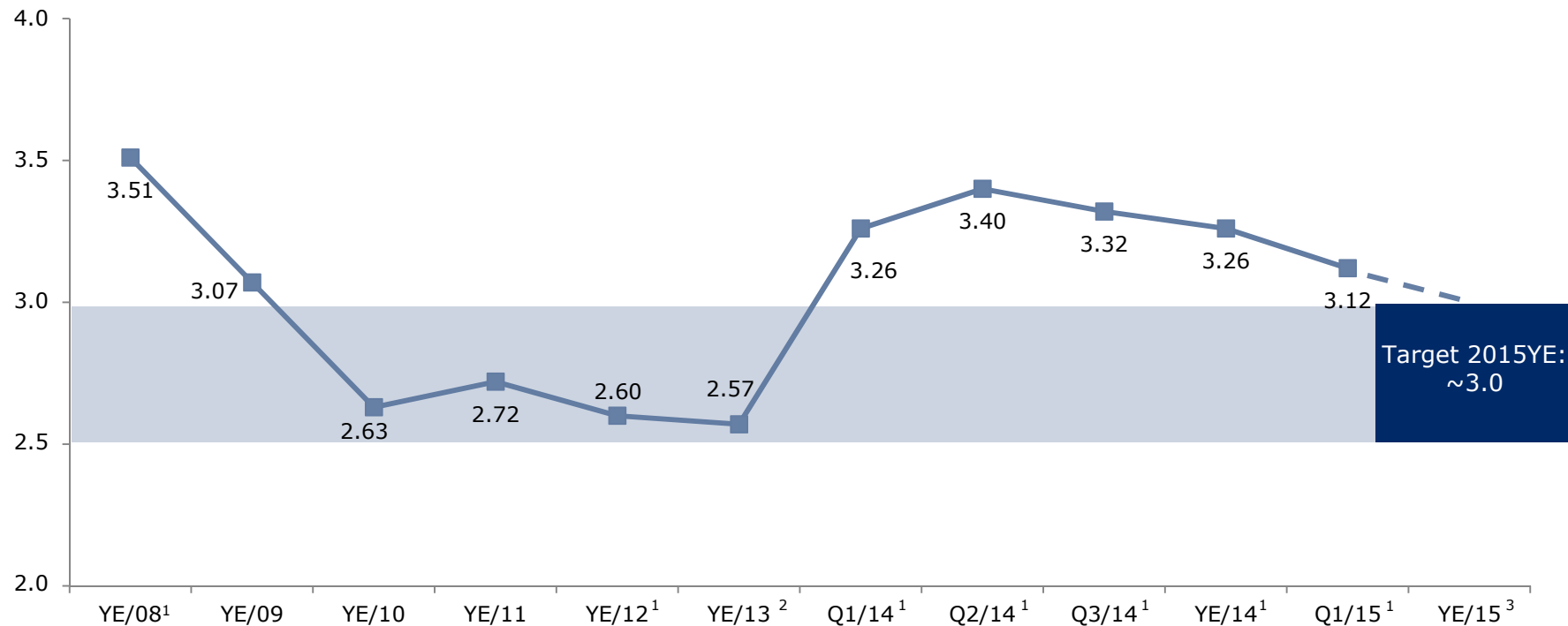
€m	Q1/15	Q1/14	Growth
Project business	80	80	0%
Service business	128	111	15%
<b>Total sales</b>	<b>208</b>	<b>191</b>	<b>9%</b>
<b>Total EBIT</b>	<b>7</b>	<b>6</b>	<b>17%</b>
<b>Margin</b>	<b>3.4%</b>	<b>3.1%</b>	
<b>Order intake<sup>1</sup></b>	<b>192</b>	<b>115</b>	<b>67%</b>
<b>Order backlog<sup>1</sup></b>	<b>1,510</b>	<b>1,398<sup>2</sup></b>	<b>8%</b>

<sup>1</sup> Project business only

<sup>2</sup> December 31, 2014

# Fresenius Group: Leverage Ratio

## Net debt/EBITDA (at annual average FX rates for both EBITDA and net debt)

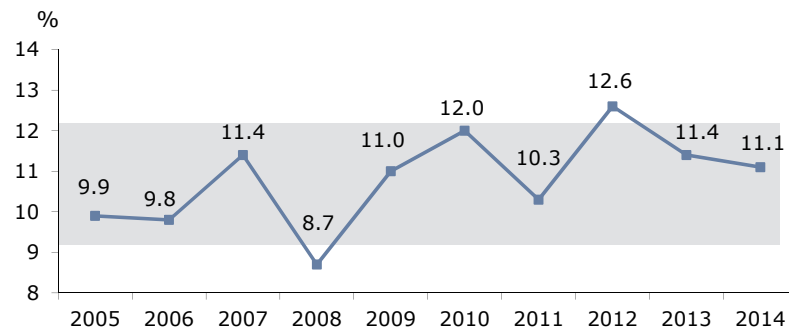
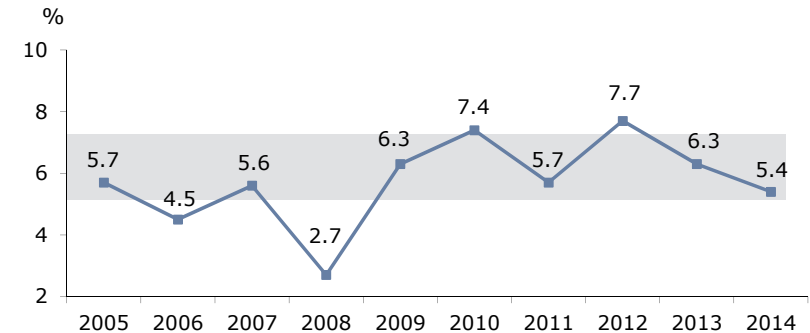
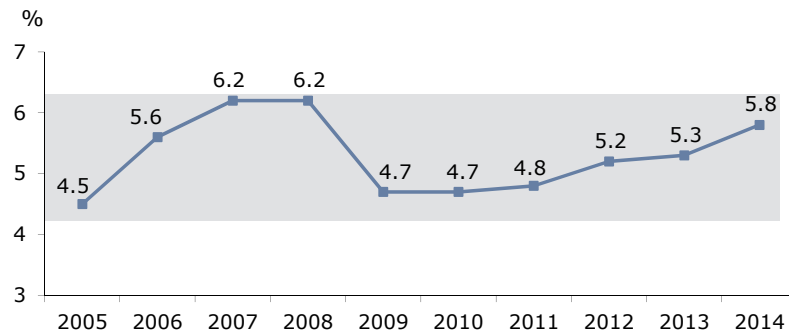
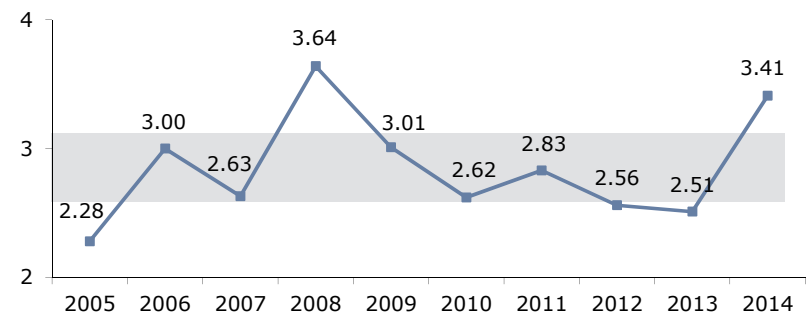


<sup>1</sup> Pro forma acquisitions; before special items






<sup>2</sup> Pro forma excluding advances made for the acquisition of hospitals from Rhön-Klinikum AG; before special items

<sup>3</sup> Before special items; without major acquisitions

# Fresenius Group: Consistent Cash Generation and Proven Track Record of Deleveraging

**CFFO margin**

**FCF margin (before acquisitions & dividends)**

**Capex in % of sales**

**Net Debt / EBITDA**


## Cash Flow Development LTM

€m	Operating CF		Capex (net)		Free Cash Flow <sup>1</sup>	
	LTM Q1/15	LTM Margin	LTM Q1/15	LTM Margin	LTM Q1/15	LTM Margin
	682	12.8%	-352	-6.6%	330	6.2%
	595	11.0%	-262	-4.8%	333	6.2% <sup>3</sup>
	8	0.8%	-9	-0.9%	-1	-0.1%
Corporate/ Other	-25	n.a.	-7	n.a.	-32	n.a.
	<b>1,260</b>	<b>11.4%<sup>2</sup></b>	<b>-630</b>	<b>-5.4%</b>	<b>630</b>	<b>6.0%<sup>2</sup></b>
	<b>2,976</b>	<b>12.1%</b>	<b>-1,353</b>	<b>-5.5%</b>	<b>1,623</b>	<b>6.6%</b>

<sup>1</sup> Before acquisitions and dividends

<sup>2</sup> Margin incl. FMC dividend

<sup>3</sup> Understated: 7.4% excluding €69 m of capex commitments from acquisitions

Margin = in % of sales

## Share Information

### Share key facts

Number of shares <sup>1</sup>	542,815,402
WKN / ISIN	578560 / DE0005785604
Ticker symbol	FRE
Bloomberg symbol	FRE GR
Reuters symbol	FREG.de

### ADR key facts

Ratio	4 ADRs = 1 ordinary share
ADR CUSIP / ISIN	35804M105 / US35804M1053
Ticker symbol	FSNUY
Exchange	OTCQX International Premier
Structure	Sponsored Level I ADR
Depository bank	Deutsche Bank

<sup>1</sup> As of March 31, 2015

## Financial Calendar 2015

30.07.2015      Report on 2<sup>nd</sup> quarter 2015

29.10.2015      Report on 3<sup>rd</sup> quarter 2015

Please note that these dates could be subject to change.

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