FRESENIUS

Quarterly Financial Report of Fresenius Group

applying United States Generally Accepted Accounting Principles

(U.S. GAAP)

1st Half and 2nd Quarter 2011

CONTENT

AMENDED REPORT

This Quarterly Financial Report amends the Quarterly Financial Report as filed by Fresenius SE & Co. KGaA on August 5, 2011.

The amendment is filed due to a reclassification within Fresenius Medical Care AG & Co. KGaA´s balance sheet at June 30, 2011 in an amount of €260 million from „Long-term debt and capital lease obligations, less current portion“ to „Current portion of long-term debt and capital lease obligations“.

The Amended Report provides disclosures as of June 30, 2011 and does not reflect events or disclosures after the submission of the Original Report, other than the reclassification described above.

Amendments are included on the following pages:

This Quarterly Financial Report was published on August 19, 2011.

FRESENIUS GROUP FIGURES AT A GLANCE

Fresenius is a health care group providing products and services for dialysis, hospitals and the medical care of patients at home. In addition, Fresenius focuses on hospital operation, as well as on engineering and services for hospitals and other health care facilities. In 2010, group sales were approximately €16.0 billion. On June 30, 2011, more than 140,000 employees have dedicated themselves to the service of health in about 100 countries worldwide.

SALES, EARNINGS, AND CASH FLOW

€ in millions	Q2/2011	Q2/2010	Change	H1/2011	H1/2010	Change
Sales	4,042	4,043	0%	8,004	7,686	4%
EBIT	632	620	2%	1,207	1,121	8%
Net income [1]	193	183	5%	363	302	20%
Earnings per ordinary share in € [1]	1.18	1.12	5%	2.23	1.86	20%
Operating cash flow	372	367	1%	650	805	-19%

BALANCE SHEET AND INVESTMENTS

€ in millions	June 30, 2011	Dec. 31, 2010	Change
Total assets	23,909	23,577	1%
Non-current assets	17,157	17,142	0%
Equity [2]	8,704	8,844	-2%
Net debt	8,404	8,015	5%
Investments [3]	1,143	471	143%

RATIOS

€ in millions	Q2/2011	Q2/2010	H1/2011	H1/2010
EBITDA margin	19.5%	19.2%	19.1%	18.6%
EBIT margin	15.6%	15.3%	15.1%	14.6%
Depreciation and amortization in % of sales	3.9	3.9	4.0	4.0
Operating cash flow in % of sales	9.2	9.1	8.1	10.5
Equity ratio (June 30/December 31)			36.4%	37.5%
Net debt/EBITDA (June 30/December 31)			2.7	2.6

[1] Net income attributable to Fresenius SE; adjusted for the effects of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) relating to the acquisition of APP Pharmaceuticals. These effects are not cash relevant.
[2] Equity including noncontrolling interest
[3] Investments in property, plant and equipment and intangible assets, acquisitions (H1). Does not include a €100 million cash out for a short-term bank deposit by Fresenius Medical Care in Q2 2010.

INFORMATION ON THE BUSINESS SEGMENTS

FRESENIUS MEDICAL CARE – Dialysis products, Dialysis care

US$ in millions	H1/2011	H1/2010	Change
Sales	6,230	5,828	7%
EBIT	955	892	7%
Net income [1]	481	459	5%
Operating cash flow	487	643	-24%
Investments/Acquisitions [5]	1,368	396	--
R & D expenses	53	44	19%
Employees, per capita on balance sheet date (June 30/December 31)	81,357	77,442	5%

FRESENIUS KABI – Infusion therapy, IV drugs, Clinical nutrition, Medical devices/Transfusion technology

€ in millions	H1/2011	H1/2010	Change
Sales	1,971	1,745	13%
EBIT	411	347	18%
Net income [2]	181	136	33%
Operating cash flow	205	189	8%
Investments/Acquisitions	76	80	-5%
R & D expenses	80	65	23%
Employees, per capita on balance sheet date (June 30/December 31)	23,670	22,851	4%

FRESENIUS HELIOS – Hospital operation

€ in millions	H1/2011	H1/2010	Change
Sales	1,293	1,223	6%
EBIT	123	110	12%
Net income [3]	72	62	16%
Operating cash flow	121	133	-9%
Investments/Acquisitions	45	83	-46%
Employees, per capita on balance sheet date (June 30/December 31)	33,931	33,321	2%

FRESENIUS VAMED – Engineering and services for hospitals and other health care facilities

€ in millions	H1/2011	H1/2010	Change
Sales	313	338	-7%
EBIT	12	15	-20%
Net income [4]	9	12	-25%
Operating cash flow	7	35	-80%
Investments/Acquisitions	4	4	0%
Order intake	164	328	-50%
Employees, per capita on balance sheet date (June 30/December 31)	3,170	3,110	2%

[1] Net income attributable to Fresenius Medical Care AG & Co. KGaA
[2] Net income attributable to Fresenius Kabi AG
[3] Net income attributable to HELIOS Kliniken GmbH
[4] Net income attributable to VAMED AG
[5] Does not include a US$133 million cash out for a short-term bank deposit in Q2 2010.

FRESENIUS SHARE

In the second quarter of 2011, the Fresenius share continued its upswing and reached a new all-time high. With an increase of 15% compared to the year-end quotation of 2010, the ordinary shares significantly outperformed the DAX.

FIRST HALF OF 2011

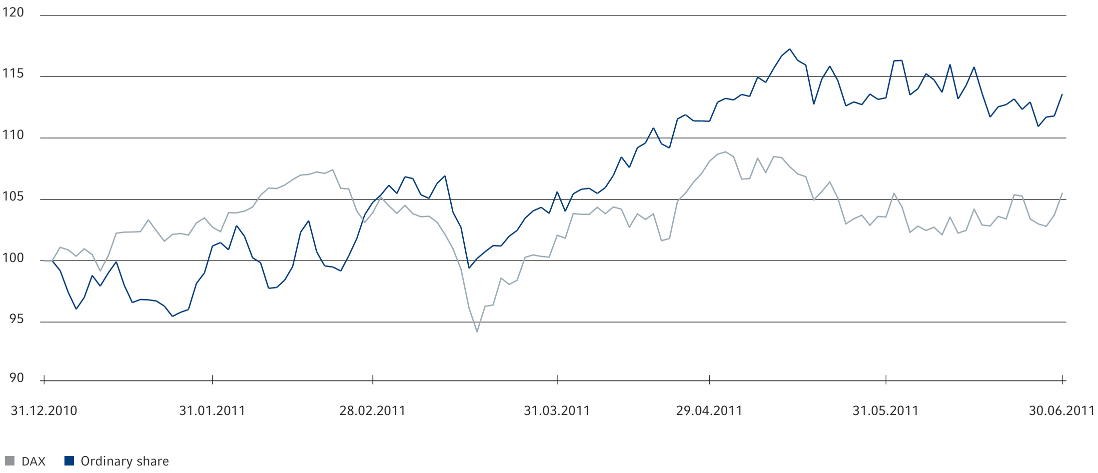
An upwind considerably supported the Fresenius ordinary share price from the end of January onwards, after a reluctant start into 2011. But the positive development at the capital markets was impacted by the catastrophe in Japan in March. In the second quarter of 2011, the share price continued to climb again, driven by the strong earnings development of the first quarter of 2011 and the raised guidance, reaching a new all-time-high of €73.58 on May 12, 2011.

The Fresenius share increased by 15% to €71.98 as of June 30, 2011, compared with the year-end quotation of 2010. In the same period, the DAX grew by 7%.

In the first half of 2011, the Fresenius shares improved the average daily trading volume by 3% compared to the average daily trading volume of 2010[2].

RELATIVE SHARE PRICE PERFORMANCE VS. DAX

31.12.2010 = 100



KEY DATA OF THE FRESENIUS SHARE

	H1/2011	2010	Change
Number of shares (June 30/December 31)	**162,788,889**	162,450,090[1]	
Quarter-end quotation in €	**71.98**	62.75	15%
High in €	**73.58**	67.59	9%
Low in €	**59.90**	41.80	43%
Ø Trading volume (number of shares per trading day)	**446,011**	431,460[2]	3%
Market capitalization, € in millions (June 30/December 31)	**11,718**	10,301[3]	14%

[1] Number of shares of the legal predecessor Fresenius SE, equally divided into 81,225,045 preference shares and 81,225,045 ordinary shares
[2] Based on the average XETRA trading volume of both the ordinary and preference shares of the legal predecessor Fresenius SE in 2010
[3] Based on the XETRA closing prices of both the ordinary and preference shares of the legal predecessor Fresenius SE as of Dec. 31, 2010

MANAGEMENT REPORT

Fresenius achieved excellent financial results in the first half. We are very pleased with Fresenius Kabi's growth in North America and in emerging markets, in particular in China. Based on the results of the first half of 2011, we raise our 2011 earnings guidance. Fresenius Medical Care's significant M & A activity this year shows that our Group's double-barreled growth strategy combining organic growth and acquisitions remains fully intact.

EXCELLENT SALES AND EARNINGS GROWTH – FRESENIUS RAISES EARNINGS OUTLOOK

- Group earnings[1] outlook raised to 15% – 18%
- Fresenius Medical Care fully confirms guidance
- Fresenius Kabi posts excellent growth, raises sales and earnings guidance
- Fresenius Helios raises earnings guidance
- Fresenius Vamed revises guidance due to project delays

	H1/2011	at actual rates	in constant currency
Sales	**€8.0 bn**	+4%	+6%
EBIT	**€1.2 bn**	+8%	+11%
Net income[1]	**€363 m**	+20%	+22%

HEALTH CARE INDUSTRY

The health care sector is one of the world's largest industries. It is relatively in-sensitive to economic fluctuations compared to other sectors and has posted above-average growth over the past years.

The main growth factors are: the rising medical needs, stronger demand for innovative products and therapies, advances in medical technology as well as growing health consciousness, which increases the demand for health care services and facilities.

In the emerging countries additional drivers are: expanding availability and correspondingly greater demand for primary health care and the increasing national incomes and hence higher spending on health care.

At the same time, the cost of health care is rising and claiming an ever-increasing share of national income.

Health care structures are being reviewed and possible cost-cutting potential identified in order to contain the steadily rising health care expenditures. Market-based elements are being introduced increasingly in the health care system to create incentives for cost and quality-conscious behaviour. Overall treatment cost shall be reduced through improved quality standards and optimized medical processes.

In addition, ever greater importance is being placed on disease prevention and innovative reimbursement models linked to treatment quality standards.

[1] Net income attributable to Fresenius SE & Co. KGaA; adjusted for the effects of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) relating to the acquisition of APP Pharmaceuticals. Both are non-cash charges.

RESULTS OF OPERATIONS, FINANCIAL POSITION, ASSETS AND LIABILITIES

SALES

Group sales increased by 4% (6% in constant currency) to €8,004 million (H1 2010: €7,686 million). Organic sales growth was 5%. Acquisitions contributed a further 1%. Currency translation had a negative effect of 2%. This is mainly attributable to the average U.S. dollar rate decreasing 5% against the euro in the first half of 2011.

Organic sales growth was 3% in both, North America and Europe. Prior year sales in Europe were positively influenced by Fresenius Vamed's large medical supply contract to the Ukraine. Organic sales growth reached 15% in Latin America, 19% in Asia-Pacific and 23% in Africa.

EARNINGS

Group EBITDA grew by 7% (10% in constant currency) to €1,526 million (H1 2010: €1,428 million). Group EBIT increased by 8% (11% in constant currency) to €1,207 million (H1 2010: €1,121 million). The EBIT margin improved by 50 basis points to 15.1% (H1 2010: 14.6%).

Group net interest was -€276 million (H1 2010: -€281 million).

The other financial result was -€151 million and includes valuation changes of the fair redemption value of the Mandatory Exchangeable Bonds (MEB) of -€156 million and the Contingent Value Rights (CVR) of €5 million. Both are non-cash items. As the CVR were delisted in March 2011, the effect relates solely to the first quarter of 2011. The MEB will come to maturity on August 14, 2011.

The Group tax rate[1] was 30.9% (H1 2010: 31.9%).

Noncontrolling interest increased to €280 million (H1 2010: €270 million), of which 93% was attributable to the noncontrolling interest in Fresenius Medical Care.

Group net income[2] increased by 20% (22% in constant currency) to €363 million (H1 2010: €302 million). Earnings per ordinary share increased by 20% to €2.23.

SALES BY REGION

€ in millions	H1/2011	H1/2010	Change at actual rates	Currency translations effects	Change at constant rates	Organic growth	Acquisitions/ Divestitures	Total sales
North America	**3,325**	3,409	-2%	-5%	3%	3%	0%	42%
Europe	**3,330**	3,176	5%	0%	5%	3%	2%	42%
Asia-Pacific	**754**	590	28%	1%	27%	19%	8%	9%
Latin America	**430**	379	13%	-2%	15%	15%	0%	5%
Africa	**165**	132	25%	3%	22%	23%	-1%	2%
Total	**8,004**	7,686	4%	-2%	6%	5%	1%	100%

SALES BY BUSINESS SEGMENT

€ in millions	H1/2011	H1/2010	Change at actual rates	Currency translations effects	Change at constant rates	Organic Growth	Acquisitions/ Divestitures	Total sales
Fresenius Medical Care	**4,440**	4,392	1%	-4%	5%	3%	2%	55%
Fresenius Kabi	**1,971**	1,745	13%	-1%	14%	13%	1%	25%
Fresenius Helios	**1,293**	1,223	6%	0%	6%	4%	2%	16%
Fresenius Vamed	**313**	338	-7%	0%	-7%	-6%	-1%	4%

[1] Adjusted for the effect of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) related to the acquisition of APP Pharmaceuticals
[2] Net income attributable to Fresenius SE & Co. KGaA; adjusted for the effects of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) relating to the acquisition of APP Pharmaceuticals. Both are non-cash items.

EARNINGS

€ in millions	Q2/2011	Q2/2010	H1/2011	H1/2010
EBIT	**632**	620	**1,207**	1,121
Net income [1]	**193**	183	**363**	302
Net income [2]	**129**	152	**257**	240
Earnings per ordinary share in € [1]	**1.18**	1.12	**2.23**	1.86
Earnings per ordinary share in € [2]	**0.79**	0.94	**1.58**	1.48

RECONCILIATION TO GROUP NET INCOME

The Group's U.S. GAAP financial results as of June 30, 2011 and as of June 30, 2010 include the effects of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) related to the acquisition of APP Pharmaceuticals. Those special items are recognized in the financial result of the "Corporate/Other" segment. Adjusted earnings represent the Group's business operations in the reporting period.

The table reconciles adjusted net income to net income according to U.S. GAAP in the first half and the second quarter.

Both the Mandatory Exchangeable Bonds and the Contingent Value Rights are viewed as liabilities and therefore recognized with their fair redemption value. Valuation changes will lead to gains or expenses on a quarterly basis until maturity of the instruments. This will only have an effect on 2011 results. As the CVR were delisted in March 2011, the effect relates solely to the first quarter of 2011. The MEB come to maturity in August 2011.

Group net income [2] (including special items) reached €257 million or €1.58 per ordinary share.

INVESTMENTS

The Fresenius Group spent €286 million on property, plant and equipment (H1 2010: €320 million). Acquisition spending was €857 million (H1 2010: €151 million), mainly due to the

RECONCILIATION

€ in millions	Q2/2011	Q2/2010	H1/2011	H1/2010
Earnings [1]	**193**	183	**363**	302
Other financial result:				
Mandatory Exchangeable Bonds (MEB) (mark-to-market)	**-64**	-34	**-111**	-83
Contingent Value Rights (CVR) (mark-to-market)	—	3	**5**	21
Earnings according to U.S. GAAP [2]	**129**	152	**257**	240

INVESTMENTS BY BUSINESS SEGMENT

€ in millions	H1/2011	H1/2010	thereof property, plant and equipment	thereof acquisitions	Change	% of total
Fresenius Medical Care [3]	**960**	299	170	790	--	84%
Fresenius Kabi	**76**	80	70	6	-5%	7%
Fresenius Helios	**45**	83	40	5	-46%	4%
Fresenius Vamed	**4**	4	2	2	0%	0%
Corporate/Other	**58**	5	4	54	--	5%
Total	**1,143**	471	286	857	143%	100%

[1] Net income attributable to Fresenius SE & Co. KGaA; adjusted for the effects of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) relating to the acquisition of APP Pharmaceuticals. Both are non-cash items.
[2] Net income attributable to Fresenius SE & Co. KGaA
[3] Does not include a €100 million cash out for a short-term bank deposit by Fresenius Medical Care in Q2 2010.

acquisitions of Euromedic's dialysis service business as well as a minority stake in Renal Advantage, Inc., both by Fresenius Medical Care.

CASH FLOW

Operating cash flow was €650 million (H1 2010: €805 million). Strong earnings growth was more than offset by increased DSOs (days sales outstanding), primarily related to the introduction of the new Medicare end-stage renal disease prospective payment system in the U.S. dialysis service business, and raised inventory levels. The cash flow margin was 8.1% (H1 2010: 10.5%). Net capital expenditure was €292 million (H1 2010: €320 million). Free cash flow before acquisitions and dividends was €358 million (H1 2010: €485 million). Free cash flow after acquisitions and dividends was -€791 million (H1 2010[1]: €58 million).

ASSET AND LIABILITY STRUCTURE

The Group's total assets increased slightly to €23,909 million (Dec. 31, 2010: €23,577 million). In constant currency, the increase was 6%. Current assets increased by 5% (9% in constant currency) to €6,752 million (Dec. 31, 2010: €6,435 million). Non-current assets were €17,157 million (Dec. 31, 2010: €17,142 million). In constant currency, the increase was 5%.

Total shareholders' equity decreased by 2% to €8,704 million (Dec. 31, 2010: €8,844 million). In constant currency, however, shareholders' equity increased by 4%. The equity ratio was 36.4% (Dec. 31, 2010: 37.5%).

Group debt grew by 3% (8% in constant currency) to €9,012 million (Dec. 31, 2010: €8,784 million) primarily resulting from acquisition financing. Net debt increased by 5% (10% in constant currency) to €8,404 million (Dec. 31, 2010: €8,015 million).

The net debt/EBITDA ratio increased slightly to 2.66 as of June 30, 2011 (Dec. 31, 2010: 2.62).

CASH FLOW STATEMENT (SUMMARY)

€ in millions	H1/2011	H1/2010	Change
Net income	537	510	5%
Depreciation and amortization	319	307	4%
Change in accruals for pensions	-2	13	-115%
Cash flow	**854**	830	3%
Change in working capital	-310	-87	--
Changes in mark-to-market evaluation of the MEB and the CVR	106	62	71%
Operating cash flow	**650**	805	-19%
Property, plant and equipment	-301	-330	9%
Proceeds from the sale of property, plant and equipment	9	10	-10%
Cash flow before acquisitions and dividends	**358**	485	-26%
Cash used for acquisitions/proceeds from disposals	-846	-131	--
Dividends	-303	-296	-2%
Free cash flow after acquisitions and dividends	**-791**	58	--
Financial investments	0	-100	100%
Cash provided by/used for financing activities	655	183	--
Effect of exchange rates on change in cash and cash equivalents	-25	47	-153%
Net change in cash and cash equivalents	**-161**	188	-186%

[1] Does not include a €100 million cash out for a short-term bank deposit by Fresenius Medical Care in Q2 2010.

SECOND QUARTER OF 2011

Group sales were €4,042 million at actual rates (Q2 2010: €4,043 million). In constant currency, sales increased by 6%. Organic sales growth was 4%.

EBIT increased by 2% at actual rates to €632 million (Q2 2010: €620 million). In constant currency, EBIT increased by 8%. Group net income[1] rose by 5% to €193 million (Q2 2010[1]: €183 million). In constant currency, growth of 10% was achieved. Earnings per share[1] increased by 5% to €1.18 per ordinary share (Q2 2010[1]: €1.12). In constant currency, earnings per share improved by 10%.

Group net income[2] including special items was €129 million (Q2 2010[2]: €152 million). Earnings per ordinary share[2] including special items was €0.79.

Investments in property, plant and equipment were €150 million (Q2 2010: €196 million). Acquisition spending increased to €546 million (Q2 2010: €70 million). More than 98% of the acquisition spending relates to the business segment Fresenius Medical Care.

ANNUAL GENERAL MEETING 2011

At the Annual General Meeting 2011, the shareholders of Fresenius SE & Co. KGaA approved all agenda items with an overwhelming majority. Shareholders received €0.86 per share (2009: €0.75). This is an increase of 15%. A shareholder majority of over 99% approved the actions of both the Management and Supervisory Boards for the 2010 fiscal year.

The voting results are as follows:

		Yes votes	No votes
Item no. 1	Resolution on the Approval of the Annual Financial Statements of Fresenius SE & Co. KGaA (previously Fresenius SE) for the Financial Year 2010	99.98%	0.02%
Item no. 2	Resolution on the Allocation of the Distributable Profit	99.99%	0.01%
Item no. 3	Resolution on the Approval of the Actions of the Then Management Board for the Financial Year 2010	99.64%	0.36%
Item no. 4	Resolution on the Approval of the Actions of the Then Supervisory Board for the Financial Year 2010	99.63%	0.37%
Item no. 5	Election of the Auditor and Group Auditor for the Financial Year 2011	99.76%	0.24%
Item no. 6	Resolution on the Cancellation of the Existing Authorized Capitals I to V and the Creation of New Authorized Capital I as well as a Corresponding Amendment to the Articles of Association	96.07%	3.93%
Item no. 7	Resolution on the Amendment to the Articles of Association	99.87%	0.13%
Item no. 8	Elections to the Joint Committee		
	Dr. Gerd Krick	99.51%	0.49%
	Dr. Gerhard Rupprecht	99.32%	0.68%

[1] Net income attributable to Fresenius SE & Co. KGaA; adjusted for the effects of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) relating to the acquisition of APP Pharmaceuticals. Both are non-cash items.

[2] Net income attributable to Fresenius SE & Co. KGaA

BUSINESS SEGMENTS

FRESENIUS MEDICAL CARE

Fresenius Medical Care is the world's leading provider of services and products for patients with chronic kidney failure. As of June 30, 2011, Fresenius Medical Care was treating 225,909 patients in 2,838 dialysis clinics.

US$ in millions	Q2/2011	Q2/2010	Change	H1/2011	H1/2010	Change
Sales	**3,194**	2,946	8%	**6,230**	5,828	7%
EBITDA	**646**	588	10%	**1,227**	1,138	8%
EBIT	**510**	467	9%	**955**	892	7%
Net income [1]	**261**	248	5%	**481**	459	5%
Employees (June 30/December 31)				**81,357**	77,442	5%

FIRST HALF OF 2011

- Acquisitions with a total annual sales volume of more than US$1 billion
- 2011 outlook fully confirmed

Fresenius Medical Care achieved sales growth of 7% to US$6,230 million (H1 2010: US$5,828 million). Organic sales growth was 3%, acquisitions contributed a further 2%.

Sales in dialysis services increased by 6% to US$4,647 million (H1 2010: US$4,395 million). Dialysis product sales grew by 10% to US$1,583 million (H1 2010: US$1,433 million).

In North America sales were US$4,005 million (H1 2010: US$3,986 million). Dialysis services sales increased by 1% to US$3,610 million. Average sales per treatment for U.S. clinics was US$348 in the second quarter of 2011 compared to US$356 for the corresponding quarter in 2010. This is a result of the targeted implementation of the new Medicare end-stage renal disease prospective payment system. Dialysis product sales decreased to US$395 million (H1 2010: US$408 million) as increased sales of dialysis products could not entirely offset lower pricing of renal drugs.

Sales outside North America ("International" segment) grew by 20% to US$2,218 million (H1 2010: US$1,842 million). Sales in dialysis services increased by 27% to US$1,037 million. Dialysis product sales increased by 15% to US$1,181 million.

EBIT increased by 7% to US$955 million (H1 2010: US$892 million). The EBIT margin of 15.3% remained at previous year's level.

In North America, the EBIT margin increased to 16.5% (H1 2010: 16.1%). This increase was mainly favorably influenced by the development of pharmaceutical costs and higher income from the joint venture with Vifor Pharma.

In the International segment, the EBIT margin was 16.9% (H1 2010: 17.6%), primarily driven by unfavorable currency effects.

Net income [1] increased by 5% to US$481 million (H1 2010: US$459 million).

Acquisitions of Liberty Dialysis Holdings, Inc., and of American Access Care Holdings, LLC

Fresenius Medical Care has executed a merger agreement with Liberty Dialysis Holdings, Inc., the holding company for Liberty Dialysis and Renal Advantage. The investment including assumed debt will be approximately US$1.7 billion. In addition, Fresenius Medical Care previously invested approximately US$300 million in Renal Advantage. The transaction is expected to close in early 2012. Liberty Dialysis Holdings, Inc., has annual sales of approximately US$1 billion and operates approximately 260 dialysis clinics. Fresenius Medical

[1] Net income attributable to Fresenius Medical Care AG & Co. KGaA

Care anticipates that facilities may need to be divested to secure regulatory clearance of the transaction.

Furthermore, Fresenius Medical Care has executed an agreement to acquire the U.S. based company American Access Care Holdings, LLC (AAC) for US$385 million. AAC operates 28 freestanding out-patient interventional radiology centers primarily dedicated to serving the vascular access needs of dialysis patients. The transaction is expected to close in the fourth quarter of 2011. On completion, the acquired operations would add approximately US$175 million in annual sales.

Both acquisitions will be financed from cash flow and debt and are expected to be accretive to earnings in the first year after closing of the transactions. Both transactions remain subject to clearance under the Hart–Scott–Rodino Antitrust Improvements Act.

SECOND QUARTER OF 2011

Fresenius Medical Care increased sales by 8% to US$3,194 million (Q2 2010: US$2,946 million). Organic sales growth was 3%. EBIT improved by 9% to US$510 million (Q2 2010: US$467 million). Net income[1] for the second quarter of 2011 was US$261 million, an increase of 5% (Q2 2010: US$248 million).

For further information, please see Fresenius Medical Care's Investor News at www.fmc-ag.com.

[1] Net income attributable to Fresenius Medical Care AG & Co. KGaA

FRESENIUS KABI

Fresenius Kabi offers infusion therapies, intravenously administered generic drugs and clinical nutrition for seriously and chronically ill patients in the hospital and outpatient environments. The company is also a leading supplier of medical devices and transfusion technology products.

€ in millions	Q2/2011	Q2/2010	Change	H1/2011	H1/2010	Change
Sales	**1,011**	945	7%	**1,971**	1,745	13%
EBITDA	**249**	239	4%	**483**	419	15%
EBIT	**214**	202	6%	**411**	347	18%
Net income [1]	**94**	90	4%	**181**	136	33%
Employees (June 30/December 31)				**23,670**	22,851	4%

FIRST HALF OF 2011

- Strong organic sales growth of 13%, EBIT margin increase to 20.9%
- 2011 outlook raised – Organic sales growth ~8% on challenging 2010 base – EBIT margin ~20%

Fresenius Kabi achieved excellent financial results. Growth in North America was driven by new product launches as well as continued supply constraints in the injectable drug market. Ongoing high demand from emerging markets contributed strongly to Fresenius Kabi's excellent organic sales growth.

Sales increased both organically and at actual rates by 13% to €1,971 million (H1 2010: €1,745 million). Acquisitions contributed 1%. Currency translation had a negative effect of 1%. U.S. dollar weakness was largely offset by the strength of the currencies in Switzerland, Brazil and Australia against the euro.

In Europe, sales grew by 9% to €909 million (H1 2010: €836 million), driven by organic sales growth of 7%. In North America, sales increased by 17% to €519 million (H1 2010: €445 million) with excellent organic sales growth of 22%. In Asia-Pacific, all-organic growth of 19% drove sales to €332 million (H1 2010: €279 million). Sales in Latin America and Africa increased by 14% to €211 million (H1 2010: €185 million) with organic sales growth contributing 12%.

EBIT grew by 18% to €411 million (H1 2010: €347 million). The EBIT margin improved to 20.9% (H1 2010: 19.9%), mainly attributable to the strong development in North America.

Net interest was -€143 million (H1 2010: -€141 million).

Net income [1] increased by 33% to €181 million (H1 2010: €136 million).

Fresenius Kabi's operating cash flow increased by 8% to €205 million (H1 2010: €189 million). The cash flow margin was 10.4% (H1 2010: 10.8%). Given increased capital expenditures, cash flow before acquisitions and dividends of €124 million remained unchanged from previous year's level.

SECOND QUARTER OF 2011

In the second quarter of 2011, Fresenius Kabi increased sales by 7% at actual rates and by 11% in constant currency to €1,011 million (Q2 2010: €945 million). Organic sales growth was also 11%. EBIT grew by 6% to €214 million (Q2 2010: €202 million). EBIT margin was 21,2% (Q2 2010: 21,4%). Fresenius Kabi's net income [1] improved to €94 million (Q2 2010: €90 million).

In the second quarter of 2011, Fresenius Kabi announced the expansion of its Grand Island, New York, manufacturing facility. A total of US$38 million will be invested over the next two years, adding six additional production lines for I.V. drugs in order to secure the future growth of the business.

Special items relating to the acquisition of APP Pharmaceuticals are included in the segment "Corporate/Other".

[1] Net income attributable to Fresenius Kabi AG

FRESENIUS HELIOS

Fresenius Helios is one of the largest private hospital operators in Germany. Helios owns 64 hospitals, including five maximum care hospitals in Berlin-Buch, Erfurt, Krefeld, Schwerin and Wuppertal. Helios treats more than 2 million patients per year, thereof approximately 650,000 inpatients, and operates approximately 19,000 beds.

€ in millions	Q2/2011	Q2/2010	Change	H1/2011	H1/2010	Change
Sales	**645**	615	5%	**1,293**	1,223	6%
EBITDA	**87**	78	12%	**166**	150	11%
EBIT	**65**	58	12%	**123**	110	12%
Net income [1]	**39**	34	15%	**72**	62	16%
Employees (June 30/December 31)				**33,931**	33,321	2%

FIRST HALF OF 2011

- Solid organic sales growth at 4%, 50 basis points EBIT margin increase to 9.5%
- 2011 earnings outlook raised – EBIT of ~€260 million expected

Sales increased by 6% to €1,293 million (H1 2010: €1,223 million), mainly driven by solid organic sales growth of 4%. Acquisitions contributed 2% to growth due to the consolidation of the St. Marienberg hospital in Helmstedt/Lower Saxony.

EBIT grew by 12% to €123 million (H1 2010: €110 million). The EBIT margin improved to 9.5% (H1 2010: 9.0%).

The established clinics increased sales by 4% to €1,276 million. EBIT improved by 13% to €124 million. The EBIT margin was 9.7%.

Net income [1] increased by 16% to €72 million (H1 2010: €62 million).

SECOND QUARTER OF 2011

In the second quarter of 2011, Fresenius Helios reported sales growth of 5% to €645 million (Q2 2010: €615 million). Organic sales growth was 4%, aquisitions contributed 1% to growth. EBIT increased by 12% to €65 million (Q2 2010: €58 million). EBIT margin improved to excellent 10.1% (Q2 2010: 9.4%). Net income [1] increased by 15% to €39 million (Q2 2010: €34 million).

The acquisition of the municipal hospital in Rottweil, Southwestern Germany, was successfully completed in the second quarter of 2011. The hospital was consolidated as from July 1, 2011.

[1] Net income attributable to HELIOS Kliniken GmbH

FRESENIUS VAMED

Fresenius Vamed offers engineering and services for hospitals and other health care facilities.

€ in millions	Q2/2011	Q2/2010	Change	H1/2011	H1/2010	Change
Sales	**173**	182	-5%	**313**	338	-7%
EBITDA	**8**	10	-20%	**15**	19	-21%
EBIT	**7**	8	-13%	**12**	15	-20%
Net income [1]	**5**	6	-17%	**9**	12	-25%
Employees (June 30/December 31)				**3,170**	3,110	2%

FIRST HALF OF 2011

- Sales and EBIT in line with expectations for the first half of 2011 – order backlog close to all-time high
- 2011 outlook revised due to expected project delays in H2 – Sales and EBIT growth of 0% to 5% expected

Fresenius Vamed's sales reached €313 million (H1 2010: €338 million). Sales in the project business were €202 million (H1 2010: €230 million). Prior year sales included a substantial medical supply contract with the Ukraine. Sales in the service business increased by 3% to €111 million (H1 2010: €108 million).

EBIT was €12 million (H1 2010: €15 million). The EBIT margin was 3.8% (H1 2010: 4.4%). Net income [1] was €9 million (H1 2010: €12 million).

Order backlog of €762 million as of June 30, 2011, remained close to its all-time high (Dec. 31, 2010: €801 million). Order intake of €164 million (H1 2010: €328 million) was impacted by the postponement of orders to the second half of 2011.

SECOND QUARTER OF 2011

Sales in the second quarter of 2011 were €173 million (Q2 2010: €182 million). EBIT was €7 million (Q2 2010: €8 million). EBIT margin was 4.0% (Q2 2010: 4.4%). Net income [1] was €5 million (Q2 2010: €6 million).

[1] Net income attributable to VAMED AG

EMPLOYEES

As of June 30, 2011, Fresenius Group increased the number of its employees by 4% to 142,933 (Dec. 31, 2010: 137,552).

EMPLOYEES BY BUSINESS SEGMENT

Number of employees	June 30, 2011	Dec 31, 2010	Change
Fresenius Medical Care	**81,357**	77,442	5%
Fresenius Kabi	**23,670**	22,851	4%
Fresenius Helios	**33,931**	33,321	2%
Fresenius Vamed	**3,170**	3,110	2%
Corporate/Other	**805**	828	-3%
Total	**142,933**	137,552	4%

RESEARCH AND DEVELOPMENT

We place great importance on research and development at Fresenius, where we develop products and therapies for severely and chronically ill patients. High quality is crucial for providing patients with optimal care, improving their quality of life, and thus increasing their life expectancy. As an integral part of our corporate strategy, research and development also serves to secure the Company's economic growth and success.

RESEARCH AND DEVELOPMENT EXPENSES BY BUSINESS SEGMENT

€ in millions	H1/2011	H1/2010	Change
Fresenius Medical Care	**38**	34	12%
Fresenius Kabi	**80**	65	23%
Fresenius Helios	**—**	—	--
Fresenius Vamed	**0**	0	
Corporate/Other	**10**	15	-33%
Total	**128**	114	12%

Fresenius focuses its R & D efforts on its core competencies in the following areas:

- Dialysis
- Infusion and nutrition therapies, generic IV drugs, and medical devices
- Antibody therapies

DIALYSIS

The R & D activities of Fresenius Medical Care are aimed at translating new in-sights into novel or improved developments and bring them to market as quickly as possible, and thus make an important contribution toward rendering the treatment of patients increasingly comfortable, safe, and individualized. On this basis, we continue to expand our global leadership in the dialysis market.

INFUSION THERAPIES, GENERIC IV DRUGS, AND MEDICAL DEVICES

Fresenius Kabi's R & D activities concentrate on products for the treatment and care of critically and chronically ill patients. We develop products that help to support medical advancements in acute and post-acute are and improve the patient's quality of life. At the same time, we want to make high-quality treatments available to patients worldwide.

Our R & D strategy is aligned with this focus:

- develop innovative products in areas where we hold a leading position, such as blood volume replacement and clinical nutrition
- develop new formulations for drugs no longer protected by patent
- develop own generic drug formulations for the date when drugs go off-patent
- continue to develop and refine our existing portfolio of pharmaceuticals and medical devices.

A key focus of our R & D work is to expand global distribution of our product portfolio. We are constantly working on dossiers for the registration of our products for all the world's major markets.

ANTIBODY THERAPIES

Fresenius Biotech develops and commercializes innovative therapies with immunotherapeutic products. Two products are currently being marketed: firstly, ATG-Fresenius S in transplantation medicine and, secondly, the trifunctional antibody Removab for the treatment of cancer patients with malignant ascites.

Fresenius Biotech sales increased by 11% to €14.6 million in the first half of 2011 (H1 2010: €13.1 million). ATG sales increased by 9% to €12.8 million and Removab sales by 29% to €1.8 million.

In the second quarter of 2011, Fresenius Biotech received approval from the Austrian Federal Office for Safety in Health Care for the use of ATG-Fresenius S in stem cell transplantations. Austria is the fifth country to approve the immunosuppressive agent in this indication, following Germany, Portugal, Argentina and Thailand.

In June 2011, the Italian Medicines Agency, AIFA, has added Fresenius Biotech's trifunctional antibody Removab to its list of reimbursable medications.

In July 2011, the European Medicines Agency's (EMA) Committee for Medicinal Products for Human Use (CHMP) recommended a variation of the existing approval of Removab. The infusion time of currently 6 hours can now be reduced to 3 hours, which facilitates the use of Removab in an out-patient setting. Moreover, the CHMP recommendation allows marketing of follow-up results for the pivotal study in patients with malignant ascites showing that the 1-year survival rate in Removab-treated patients was more than four times higher than in the control group (11.4% Removab group vs. 2.6% control group).

In the first half of 2011, Fresenius Biotech's EBIT was -€13 million (H1 2010: -€15 million).

OPPORTUNITIES AND RISK REPORT

Compared to the presentation in the 2010 annual report, there have been no material changes in Fresenius' overall opportunities and risk situation. In the ordinary course of Fresenius Group's operations, the Fresenius Group is subject to litigation, arbitration and investigations relating to various aspects of its business. The Fresenius Group regularly analyzes current information about such claims for probable losses and provides accruals for such matters, including estimated expenses for legal services, as appropriate.

In addition, we report on legal proceedings, currency and interest risks on pages 41 to 45 in the Notes of this report.

SUBSEQUENT EVENTS

On August 2, 2011, Fresenius Medical Care announced its plans to acquire 100% of Liberty Dialysis Holdings, Inc., and to acquire the U.S. based company American Access Care Holdings, LLC. Further information on the acquisitions can be found on pages 11 f. of the Group Management Report.

Other than that, there were no significant changes in the Group position or environment sector since the end of the first half of 2011.

OUTLOOK 2011

FRESENIUS GROUP

Fresenius now expects 2011 net income [1] to increase by 15% to 18% in constant currency. Previously, the Company expected net income [1] growth of 12% to 16% in constant currency. Fresenius confirms its sales guidance. Sales are expected to increase by 7% to 8% in constant currency.

In 2011, the net debt/EBITDA ratio is expected to stay in the range of 2.5 to 3.0. Also for calendar year 2012, Fresenius Medical Care's announced and entirely debt-financed acquisitions are not expected to cause Group leverage to exceed that target range.

FRESENIUS MEDICAL CARE

Fresenius Medical Care fully confirms the outlook for 2011. The company projects sales of more than US$13 billion. Net income [2] is expected between US$1,070 million and US$1,090 million.

FRESENIUS KABI

Fresenius Kabi further raises its outlook for 2011. The company now forecasts organic sales growth of ~8%. Previously, Fresenius Kabi targeted organic sales growth of >5%. The EBIT margin is now expected to be ~20% with net income clearly surpassing 2010 earnings [3]. The previous guidance was 19% to 20%.

[1] Net income attributable to Fresenius SE & Co. KGaA; adjusted for the effects of mark-to-market accounting of the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) related to the acquisition of APP Pharmaceuticals. Both are non-cash items
[2] Net income attributable to Fresenius Medical Care AG & Co. KGaA
[3] Net income attributable to Fresenius Kabi AG

FRESENIUS HELIOS

Fresenius Helios raises its EBIT outlook to ~€260 million. Previously, the company expected to reach the upper half of a range from €250 million to €260 million. Fresenius Helios fully confirms its sales outlook and projects organic sales growth of 3% to 5%.

FRESENIUS VAMED

Fresenius Vamed revises its full-year guidance as a consequence of project delays in Middle East/North Africa due to the unrest in the region. The company now projects sales and EBIT growth of 0% to 5%. Previously, the company expected sales and EBIT growth between 5% and 10%. Fresenius Vamed expects a significant increase in order intake in the second half of 2011 and continued sales and earnings growth following the temporary project delays.

FRESENIUS BIOTECH

For 2011, Fresenius Biotech expects an EBIT of about -€30 million.

INVESTMENTS

The Group plans to invest approximately 5% of sales in property, plant and equipment.

EMPLOYEES

The number of employees in the Group will continue to rise in the future as a result of expected expansion. We expect that the percentage increase in the number of employees will be in the mid-single digits in 2011.

RESEARCH AND DEVELOPMENT

Our R&D activities will continue to play a key role in securing the Group's long-term growth through innovations and new therapies.

Given the continued cost-containment efforts in the health care sector, cost efficiency combined with a strong quality focus is acquiring ever greater importance in product development and the improvement of treatment concepts. We are concentrating our R&D activities on products and therapies for the treatment of patients with chronic kidney failure. Another focus is infusion and nutrition therapies and the development of generic IV drugs. In Biotechnology research, we will be focusing on the further clinical development of the antibody Removab.

GROUP FINANCIAL OUTLOOK 2011

	Previous guidance	New guidance
Sales, growth (in constant currency)	7% – 8%	confirmed
Net income[1], growth (in constant currency)	12% – 16%	15% – 18%

[1] Net income attributable to Fresenius SE & Co. KGaA, adjusted for the effects of the mark-to-market accounting of the Mandatory Exchangeable Bonds and the Contingent Value Rights relating to the acquisition of APP Pharmaceuticals. Both are non-cash items.

OUTLOOK 2011 BY BUSINESS SEGMENT

		Previous guidance	New guidance
Fresenius Medical Care	Sales	>US$13.0 bn	confirmed
	Net income[1]	US$1,070 m – US$1,090 m	confirmed
Fresenius Kabi	Sales, growth (organic)	>5%	~ 8%
	EBIT-margin	19% – 20%	~20%
Fresenius Helios	Sales, growth (organic)	3% – 5%	confirmed
	EBIT	€250 m – €260 m[2]	~€260 m
Fresenius Vamed	Sales, growth	5% – 10%	0% – 5%
	EBIT, growth	5% – 10%	0% – 5%
Fresenius Biotech	EBIT	~-€30 m	confirmed

[1] Net income attributable to Fresenius Medical Care AG & Co. KGaA
[2] Upper half of range

FRESENIUS SE & CO. KGAA
CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

€ in millions	**Q2/2011**	Q2/2010	**H1/2011**	H1/2010
Sales	**4,042**	4,043	**8,004**	7,686
Cost of sales	**-2,658**	-2,682	**-5,293**	-5,152
Gross profit	**1,384**	1,361	**2,711**	2,534
Selling, general and administrative expenses	**-687**	-684	**-1,376**	-1,299
Research and development expenses	**-65**	-57	**-128**	-114
Operating income (EBIT)	**632**	620	**1,207**	1,121
Net interest	**-141**	-138	**-276**	-281
Other financial result	**-89**	-45	**-151**	-96
Financial result	**-230**	-183	**-427**	-377
Income before income taxes	**402**	437	**780**	744
Income taxes	**-128**	-135	**-243**	-234
Net income	**274**	302	**537**	510
Less noncontrolling interest	**145**	150	**280**	270
Net income attributable to Fresenius SE & Co. KGaA	**129**	152	**257**	240
Earnings per ordinary share in €	**0.79**	0.94	**1.58**	1.48
Fully diluted earnings per ordinary share in €	**0.78**	0.92	**1.56**	1.46
Earnings per preference share in €	**n/a**	0.95	**n/a**	1.49
Fully diluted earnings per preference share in €	**n/a**	0.93	**n/a**	1.47

The following notes are an integral part of the unaudited condensed interim financial statements.

FRESENIUS SE & CO. KGAA
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

€ in millions	Q2/2011	Q2/2010	H1/2011	H1/2010
Net income	**274**	302	**537**	510
Other comprehensive income (loss)				
Foreign currency translation	**-102**	459	**-455**	800
Cash flow hedges	**0**	-78	**34**	-113
Actuarial gains/losses on defined benefit pension plans	**3**	-5	**9**	-7
Income taxes related to components of other comprehensive income (loss)	**-4**	15	**-10**	19
Other comprehensive income (loss)	**-103**	391	**-422**	699
Total comprehensive income	**171**	693	**115**	1,209
Comprehensive income (loss) attributable to noncontrolling interest subject to put provisions	**3**	24	**-2**	39
Comprehensive income attributable to noncontrolling interest not subject to put provisions	**81**	349	**37**	606
Comprehensive income attributable to Fresenius SE & Co. KGaA	**87**	320	**80**	564

The following notes are an integral part of the unaudited condensed interim financial statements.

FRESENIUS SE & CO. KGAA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

€ in millions	June 30, 2011	Dec. 31, 2010
Cash and cash equivalents	608	769
Trade accounts receivable, less allowance for doubtful accounts	3,086	2,935
Accounts receivable from and loans to related parties	11	15
Inventories	1,548	1,411
Other current assets	1,090	925
Deferred taxes	409	380
I. Total current assets	6,752	6,435
Property, plant and equipment	3,880	3,954
Goodwill	11,399	11,464
Other intangible assets	908	984
Other non-current assets	843	628
Deferred taxes	127	112
II. Total non-current assets	17,157	17,142
Total assets	23,909	23,577
Trade accounts payable	694	691
Short-term accounts payable to related parties	2	2
Short-term accrued expenses and other short-term liabilities	3,009	2,731
Short-term debt	646	606
Short-term loans from related parties	2	2
Current portion of long-term debt and capital lease obligations	865	420
Mandatory Exchangeable Bonds	554	554
Trust preferred securities of Fresenius Medical Care Capital Trusts	0	468
Short-term accruals for income taxes	135	163
Deferred taxes	94	74
A. Total short-term liabilities	6,001	5,711
Long-term debt and capital lease obligations, less current portion	4,444	4,919
Senior Notes	3,055	2,369
Long-term accrued expenses and other long-term liabilities	409	458
Pension liabilities	391	383
Long-term accruals for income taxes	174	196
Deferred taxes	519	488
B. Total long-term liabilities	8,992	8,813
I. Total liabilities	14,993	14,524
II. Noncontrolling interest subject to put provisions	212	209
A. Noncontrolling interest not subject to put provisions	3,783	3,879
Subscribed capital	163	162
Capital reserve	2,100	2,085
Other reserves	2,800	2,683
Accumulated other comprehensive income (loss)	-142	35
B. Total Fresenius SE & Co. KGaA shareholders' equity	4,921	4,965
III. Total shareholders' equity	8,704	8,844
Total liabilities and shareholders' equity	23,909	23,577

The following notes are an integral part of the unaudited condensed interim financial statements.

FRESENIUS SE & CO. KGAA
CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

€ in millions	H1/2011	H1/2010
Operating activities		
Net income	**537**	510
Adjustments to reconcile net income to cash and cash equivalents provided by operating activities		
Depreciation and amortization	**319**	307
Change in deferred taxes	**7**	-31
Gain on sale of fixed assets	**-3**	-2
Changes in assets and liabilities, net of amounts from businesses acquired or disposed of		
Trade accounts receivable, net	**-233**	-139
Inventories	**-180**	-141
Other current and non-current assets	**-81**	-34
Accounts receivable from/payable to related parties	**6**	7
Trade accounts payable, accrued expenses and other short-term and long-term liabilities	**316**	324
Accruals for income taxes	**-38**	4
Net cash provided by operating activities	**650**	805
Investing activities		
Purchase of property, plant and equipment	**-301**	-330
Proceeds from sales of property, plant and equipment	**9**	10
Acquisitions and investments, net of cash acquired and net purchases of intangible assets	**-851**	-237
Proceeds from divestitures	**5**	6
Net cash used in investing activities	**-1,138**	-551
Financing activities		
Proceeds from short-term loans	**76**	835
Repayments of short-term loans	**-82**	-788
Proceeds from short-term loans from related parties	**–**	–
Repayments of short-term loans from related parties	**–**	–
Proceeds from long-term debt and capital lease obligations	**467**	388
Repayments of long-term debt and capital lease obligations	**-217**	-591
Proceeds from the issuance of Senior Notes	**753**	242
Changes of accounts receivable securitization program	**93**	65
Proceeds from the exercise of stock options	**32**	35
Redemption of trust preferred securities of Fresenius Medical Care Capital Trusts	**-466**	0
Dividends paid	**-303**	-296
Change in noncontrolling interest	**–**	-2
Exchange rate effect due to corporate financing	**-1**	-1
Net cash provided by/used in financing activities	**352**	-113
Effect of exchange rate changes on cash and cash equivalents	**-25**	47
Net decrease/increase in cash and cash equivalents	**-161**	188
Cash and cash equivalents at the beginning of the reporting period	**769**	420
Cash and cash equivalents at the end of the reporting period	**608**	608

The following notes are an integral part of the unaudited condensed interim financial statements.

FRESENIUS SE & CO. KGAA
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Ordinary shares		Preference shares		Subscribed Capital	
	Number of shares in thousand	Amount € in thousands	Number of shares in thousand	Amount € in thousands	Amount € in thousands	Amount € in millions
As of December 31, 2009	80,658	80,658	80,658	80,658	161,316	161
Proceeds from the exercise of stock options	216	216	216	216	432	1
Compensation expense related to stock options						
Dividends paid						
Purchase of noncontrolling interest not subject to put provisions						
Change in fair value of noncontrolling interest subject to put provisions						
Comprehensive income (loss)						
Net income						
Other comprehensive income (loss)						
Cash flow hedges						
Foreign currency translation						
Adjustments relating to pension obligations						
Comprehensive income						
As of June 30, 2010	80,874	80,874	80,874	80,874	161,748	162
As of December 31, 2010	81,225	81,225	81,225	81,225	162,450	162
Conversion of the preference shares into ordinary shares	81,225	81,225	-81,225	-81,225	0	0
Proceeds from the exercise of stock options	339	339			339	1
Compensation expense related to stock options						
Dividends paid						
Sale of noncontrolling interest not subject to put provisions						
Change in fair value of noncontrolling interest subject to put provisions						
Comprehensive income (loss)						
Net income						
Other comprehensive income (loss)						
Cash flow hedges						
Foreign currency translation						
Adjustments relating to pension obligations						
Comprehensive income (loss)						
As of June 30, 2011	**162,789**	**162,789**	**0**	**0**	**162,789**	**163**

FRESENIUS SE & CO. KGAA
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Reserves					
	Capital reserve € in millions	Other reserves € in millions	Accumulated other comprehensive income (loss) € in millions	Total Fresenius SE & Co. KGaA shareholders' equity € in millions	Non-controlling interest not subject to put provisions € in millions	Total shareholders' equity € in millions
As of December 31, 2009	2,035	2,183	-145	4,234	3,257	7,491
Proceeds from the exercise of stock options	13			14	21	35
Compensation expense related to stock options	9			9	7	16
Dividends paid		-122		-122	-152	-274
Purchase of noncontrolling interest not subject to put provisions				0	9	9
Change in fair value of noncontrolling interest subject to put provisions	-4			-4	-8	-12
Comprehensive income (loss)						
Net income		240		240	259	499
Other comprehensive income (loss)						
Cash flow hedges			-79	-79	0	-79
Foreign currency translation			407	407	347	754
Adjustments relating to pension obligations			-4	-4	0	-4
Comprehensive income		240	324	564	606	1,170
As of June 30, 2010	2,053	2,301	179	4,695	3,740	8,435
As of December 31, 2010	2,085	2,683	35	4,965	3,879	8,844
Conversion of the preference shares into ordinary shares				0	0	0
Proceeds from the exercise of stock options	9			10	22	32
Compensation expense related to stock options	10			10	7	17
Dividends paid		-140		-140	-150	-290
Sale of noncontrolling interest not subject to put provisions				0	-5	-5
Change in fair value of noncontrolling interest subject to put provisions	-4			-4	-7	-11
Comprehensive income (loss)						
Net income		257		257	267	524
Other comprehensive income (loss)						
Cash flow hedges			19	19	0	19
Foreign currency translation			-202	-202	-230	-432
Adjustments relating to pension obligations			6	6	0	6
Comprehensive income (loss)		257	-177	80	37	117
As of June 30, 2011	**2,100**	**2,800**	**-142**	**4,921**	**3,783**	**8,704**

The following notes are an integral part of the unaudited condensed interim financial statements.

FRESENIUS SE & CO. KGAA
CONSOLIDATED SEGMENT REPORTING FIRST HALF (UNAUDITED)

	Fresenius Medical Care			Fresenius Kabi			Fresenius Helios			Fresenius Vamed			Corporate/Other[2]			Fresenius Group		
by business segment, € in millions	2011	2010	Change	2011	2010	Change	2011	2010	Change	2011	2010	Change	2011	2010	Change	2011	2010	Change
Sales	4,440	4,392	1%	1,971	1,745	13%	1,293	1,223	6%	313	338	-7%	-13	-12	-8%	8,004	7,686	4%
thereof contribution to consolidated sales	4,438	4,391	1%	1,948	1,723	13%	1,293	1,223	6%	313	338	-7%	12	11	9%	8,004	7,686	4%
thereof intercompany sales	2	1	100%	23	22	5%	0	0		–	–	--	-25	-23	-9%	0	0	
contribution to consolidated sales	55%	57%		25%	23%		16%	16%		4%	4%		0%	0%		100%	100%	
EBITDA	874	857	2%	483	419	15%	166	150	11%	15	19	-21%	-12	-17	29%	1,526	1,428	7%
Depreciation and amortization	194	185	5%	72	72	0%	43	40	8%	3	4	-25%	7	6	17%	319	307	4%
EBIT	680	672	1%	411	347	18%	123	110	12%	12	15	-20%	-19	-23	17%	1,207	1,121	8%
Net interest	-104	-102	-2%	-143	-141	-1%	-26	-27	4%	1	1	0%	-4	-12	67%	-276	-281	2%
Income taxes	-195	-193	-1%	-76	-60	-27%	-18	-17	-6%	-3	-4	25%	49	40	23%	-243	-234	-4%
Net income attributable to Fresenius SE & Co. KGaA	343	346	-1%	181	136	33%	72	62	16%	9	12	-25%	-348	-316	-10%	257	240	7%
Operating cash flow	347	485	-28%	205	189	8%	121	133	-9%	7	35	-80%	-30	-37	19%	650	805	-19%
Cash flow before acquisitions and dividends	183	321	-43%	124	124	0%	82	50	64%	5	31	-84%	-36	-41	12%	358	485	-26%
Total assets[1]	13,182	12,793	3%	6,754	6,860	-2%	3,275	3,270	0%	576	549	5%	122	105	16%	23,909	23,577	1%
Debt[1]	4,922	4,400	12%	4,146	4,298	-4%	1,056	1,096	-4%	29	16	81%	-1,141	-1,026	-11%	9,012	8,784	3%
Capital expenditure, gross	170	171	-1%	70	57	23%	40	83	-52%	2	4	-50%	4	5	-20%	286	320	-11%
Acquisitions, gross/investments[3]	790	228	--	6	23	-74%	5	–	--	2	–	--	54	0		857	251	--
Research and development expenses	38	34	12%	80	65	23%	–	–	--	0	0		10	15	-33%	128	114	12%
Employees (per capita on balance sheet date)[1]	81,357	77,442	5%	23,670	22,851	4%	33,931	33,321	2%	3,170	3,110	2%	805	828	-3%	142,933	137,552	4%
Key figures																		
EBITDA margin	19.7%	19.5%		24.5%	24.0%		12.8%	12.3%		4.8%	5.6%					19.1%	18.6%	
EBIT margin	15.3%	15.3%		20.9%	19.9%		9.5%	9.0%		3.8%	4.4%					15.1%	14.6%	
Depreciation and amortization in % of sales	4.4%	4.2%		3.7%	4.1%		3.3%	3.3%		1.0%	1.2%					4.0%	4.0%	
Operating cash flow in % of sales	7.8%	11.0%		10.4%	10.8%		9.4%	10.9%		2.2%	10.4%					8.1%	10.5%	
ROOA[1]	12.0%	12.5%		12.3%	11.9%		8.1%	7.8%		15.6%	22.2%					11.2%	11.6%	

[1] 2010: December 31
[2] Including special items from the acquisition of APP Pharmaceuticals, Inc.
[3] Includes a €100 million cash out for a short-term bank deposit by Fresenius Medical Care in the second quarter of 2010

The consolidated segment reporting is an integral part of the notes.
The following notes are an integral part of the unaudited condensed interim financial statements.

FRESENIUS SE & CO. KGAA
CONSOLIDATED SEGMENT REPORTING SECOND QUARTER (UNAUDITED)

by business segment, € in millions	Fresenius Medical Care 2011	2010	Change	Fresenius Kabi 2011	2010	Change	Fresenius Helios 2011	2010	Change	Fresenius Vamed 2011	2010	Change	Corporate/Other[1] 2011	2010	Change	Fresenius Group 2011	2010	Change
Sales	**2,220**	2,308	-4%	**1,011**	945	7%	**645**	615	5%	**173**	182	-5%	**-7**	-7	0%	**4,042**	4,043	0%
thereof contribution to consolidated sales	**2,219**	2,307	-4%	**999**	933	7%	**645**	615	5%	**173**	182	-5%	**6**	6	0%	**4,042**	4,043	0%
thereof intercompany sales	**1**	1	0%	**12**	12	0%	**0**	0		**–**	–	--	**-13**	-13	0%	**0**	0	
contribution to consolidated sales	**55%**	57%		**25%**	23%		**16%**	15%		**4%**	5%		**0%**	0%		**100%**	100%	
EBITDA	**449**	460	-2%	**249**	239	4%	**87**	78	12%	**8**	10	-20%	**-4**	-9	56%	**789**	778	1%
Depreciation and amortization	**94**	95	-1%	**35**	37	-5%	**22**	20	10%	**1**	2	-50%	**5**	4	25%	**157**	158	-1%
EBIT	**355**	365	-3%	**214**	202	6%	**65**	58	12%	**7**	8	-13%	**-9**	-13	31%	**632**	620	2%
Net interest	**-52**	-53	2%	**-75**	-67	-12%	**-13**	-14	7%	**1**	0		**-2**	-4	50%	**-141**	-138	-2%
Income taxes	**-104**	-101	-3%	**-39**	-39	0%	**-10**	-9	-11%	**-2**	-2	0%	**27**	16	69%	**-128**	-135	5%
Net income attributable to Fresenius SE & Co. KGaA	**182**	193	-6%	**94**	90	4%	**39**	34	15%	**5**	6	-17%	**-191**	-171	-12%	**129**	152	-15%
Operating cash flow	**219**	233	-6%	**138**	115	20%	**53**	97	-45%	**-19**	-54	65%	**-19**	-24	21%	**372**	367	1%
Cash flow before acquisitions and dividends	**138**	140	-1%	**102**	82	24%	**31**	36	-14%	**-20**	-57	65%	**-24**	-24	0%	**227**	177	28%
Capital expenditure, gross	**84**	94	-11%	**39**	36	8%	**23**	60	-62%	**1**	3	-67%	**3**	3	0%	**150**	196	-23%
Acquisitions, gross/investments[2]	**537**	160	--	**5**	10	-50%	**1**	–	--	**2**	0		**1**	0		**546**	170	--
Research and development expenses	**19**	17	12%	**42**	32	31%	**–**	–	--	**0**	–	--	**4**	8	-50%	**65**	57	14%
Key figures																		
EBITDA margin	**20.2%**	19.9%		**24.6%**	25.3%		**13.5%**	12.7%		**4.6%**	5.5%					**19.5%**	19.2%	
EBIT margin	**16.0%**	15.8%		**21.2%**	21.4%		**10.1%**	9.4%		**4.0%**	4.4%					**15.6%**	15.3%	
Depreciation and amortization in % of sales	**4.3%**	4.1%		**3.5%**	3.9%		**3.4%**	3.3%		**0.6%**	1.1%					**3.9%**	3.9%	
Operating cash flow in % of sales	**9.7%**	10.0%		**13.6%**	12.2%		**8.2%**	15.8%		**-11.0%**	-29.7%					**9.2%**	9.1%	

[1] Including special items from the acquisition of APP Pharmaceuticals, Inc.
[2] Includes a €100 million cash out for a short-term bank deposit by Fresenius Medical Care in the second quarter of 2010

The consolidated segment reporting is an integral part of the notes.
The following notes are an integral part of the unaudited condensed interim financial statements.

CONTENT NOTES

GENERAL NOTES

1. PRINCIPLES

I. GROUP STRUCTURE

Fresenius is a worldwide operating health care group with products and services for dialysis, the hospital and the medical care of patients at home. Further areas of activity are hospital operations as well as engineering and services for hospitals and other health care facilities. In addition to the activities of the parent company Fresenius SE & Co. KGaA, Bad Homburg v. d. Höhe, the operating activities were split into the following legally-independent business segments (subgroups) as of June 30, 2011:

- Fresenius Medical Care
- Fresenius Kabi
- Fresenius Helios
- Fresenius Vamed

The reporting currency in the Fresenius Group is the euro. In order to make the presentation clearer, amounts are mostly shown in million euros. Amounts under €1 million after rounding are marked with "–".

II. CHANGE OF FRESENIUS SE'S LEGAL FORM INTO A PARTNERSHIP LIMITED BY SHARES (KOMMANDITGESELLSCHAFT AUF AKTIEN) AND CONVERSION OF THE PREFERENCE SHARES INTO ORDINARY SHARES

On May 12, 2010, Fresenius SE's Annual General Meeting approved the change of Fresenius SE's legal form into a partnership limited by shares (Kommanditgesellschaft auf Aktien, KGaA) with the name Fresenius SE & Co. KGaA in combination with the conversion of all non-voting preference shares into voting ordinary shares. The change of legal form as well as the conversion of shares was also approved by the preference shareholders through a special resolution.

Upon registration with the commercial register of the local court in Bad Homburg v. d. Höhe, the change of legal form into Fresenius SE & Co. KGaA became effective on January 28, 2011. According to the resolution passed, the holders of preference shares received one ordinary share of Fresenius SE & Co. KGaA for each preference share held in Fresenius SE; the ordinary shareholders received one ordinary share of Fresenius SE & Co. KGaA for each ordinary share held in Fresenius SE. The notional proportion of each non-par value share in the subscribed capital as well as the subscribed capital itself remained unchanged. The change of Fresenius SE's legal form into a KGaA neither led to the liquidation of the Company nor to the formation of a new legal entity. The legal and commercial identity of the Company was preserved.

The legal form of the KGaA enables Fresenius to achieve the benefits of a single share class while maintaining the control position of the Else Kröner-Fresenius-Stiftung which held approximately 58% of the ordinary shares in Fresenius SE prior to the change. The European company Fresenius Management SE, a wholly-owned subsidiary of the Else Kröner-Fresenius-Stiftung, is the general partner (Komplementärin) of Fresenius SE & Co. KGaA. Concerning the personnel composition, the Management Board of Fresenius Management SE is identical to the previous Fresenius SE Management Board and has taken over the management of Fresenius SE & Co. KGaA. The Else Kröner-Fresenius-Stiftung's right to provide the general partner is tied to the holding of more than 10% of the subscribed capital in Fresenius SE & Co. KGaA.

The effects of the change of legal form are described in the respective notes.

The registration of the change of legal form with the commercial register was finally cleared following a court settlement of pending disputes initiated by minority shareholders.

III. BASIS OF PRESENTATION

The accompanying condensed consolidated financial statements have been prepared in accordance with the United States Generally Accepted Accounting Principles (U.S. GAAP).

Fresenius SE & Co. KGaA as a stock exchange listed company with a domicile in a member state of the European Union fulfills its obligation to prepare and publish the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) applying Section 315a of the German Commercial Code (HGB). Simultaneously, the Fresenius Group voluntarily prepares and publishes the consolidated financial statements in accordance with U.S. GAAP.

The accounting policies underlying these interim financial statements are mainly the same as those applied in the consolidated financial statements as of December 31, 2010.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

The condensed consolidated financial statements and management report for the first half and the second quarter ended June 30, 2011 have not been audited nor reviewed and should be read in conjunction with the notes included in the consolidated financial statements as of December 31, 2010, published in the 2010 Annual Report.

Except for the reported acquisitions (see note 2, Acquisitions and investments), there have been no other major changes in the entities consolidated.

The consolidated financial statements for the first half and the second quarter ended June 30, 2011 include all adjustments that, in the opinion of the Management Board, are of a normal and recurring nature, necessary to provide an appropriate view of the assets and liabilities, financial position and results of operations of the Fresenius Group.

The results of operations for the first half ended June 30, 2011 are not necessarily indicative of the results of operations for the fiscal year 2011.

Classifications

Certain items in the consolidated financial statements for the first half of 2010 and for the year 2010 have been reclassified to conform with the current year's presentation.

Use of estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

V. RECENT PRONOUNCEMENTS, APPLIED

The Fresenius Group has prepared its consolidated financial statements at June 30, 2011 in conformity with U.S. GAAP in force for interim periods on January 1, 2011.

In the first half of 2011, the Fresenius Group did not apply any new standards relevant for its business for the first time.

VI. RECENT PRONOUNCEMENTS, NOT YET APPLIED

The Financial Accounting Standards Board (FASB) issued the following relevant new standards for the Fresenius Group:

In July 2011, the FASB issued **Accounting Standards Update 2011–06** (ASU 2011–06), FASB Accounting Standards Codification (ASC) Topic 720, Other Expenses – Fees Paid to the Federal Government by Health Insurers. The amendments in ASU 2011–06 address how health insurers should recognize and classify their income statement fees mandated by the Health Care and Educational Affordability Reconciliation Act. The amendments require that the liability for the fee be estimated and recorded in full once the entity provides qualifying health insurance in the applicable calendar year in which the fee is payable with a corresponding deferred cost that is amortized to expense using a straight-line allocation method unless a another method better allocates the fee over the entire calendar year for which it is payable. In addition, the amendments state that this fee does not meet the definition of an acquisition cost. The disclosures required under ASU 2011–06 are effective for calendar years beginning after December 31, 2013, when the fee initially becomes effective. The Fresenius Group will apply the guidance under ASU 2011–06 beginning January 1, 2014.

In July 2011, the FASB issued **Accounting Standards Update 2011–07** (ASU 2011–07), FASB ASC Topic 954, Health Care Entities – Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts and the Allowance for Doubtful Accounts for Certain Health Care Entities, in order to provide financial statement users with greater transparency about a health care entity's net patient service revenue and the related allowance for doubtful accounts. The amendments require health care entities that recognize significant amounts of patient service revenue at the time the services are rendered even though they do not assess the patient's ability to pay to present the provision for bad debts related to patient service revenue as a deduction from patient service revenue (net of contractual allowances and discounts) on their statement of operations. The provision for bad debts must be reclassified from an operating expense to a deduction from patient service revenue. Additionally, these health care entities are required to provide enhanced disclosures about their policies for recognizing revenue and assessing bad debts. The amendments also require disclosures of patient service revenue (net of contractual allowances and discounts) as well as qualitative and quantitative information about changes in the allowance for doubtful accounts. For public entities, the disclosures required under ASU 2011–07 are effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2011, with early adoption permitted. The amendments to the presentation of the provision for bad debts related to patient service revenue in the statement of operations should be applied retrospectively to all prior periods presented. The Fresenius Group is currently evaluating the impact of ASU 2011–07 on its operations.

In June 2011, the FASB issued **Accounting Standards Update 2011–05** (ASU 2011–05), FASB ASC Topic 220, Comprehensive Income – Presentation of Comprehensive Income. The amendments in ASU 2011–05 require that all non-owner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but continuous statements. In the two statement approach, the first statement should present total net income and its components followed consecutively by a second statement presenting total other comprehensive income, the components of other comprehensive income and total of comprehensive income. The disclosures required under ASU 2011–05 are effective retrospectively for fiscal years and interim periods within those years, beginning after December 15, 2011, with earlier adoption permitted. As the Fresenius Group currently presents two separate but continuous statements of net income and comprehensive income, the Fresenius Group is already in compliance with the amended guidance issued in ASU 2011–05.

In May 2011, the FASB issued **Accounting Standards Update 2011–04** (ASU 2011–04), FASB ASC Topic 820, Fair Value Measurement – Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. The amendments in ASU 2011–04 result in common fair value measurement and disclosure requirements in U.S. GAAP and IFRSs. These amendments include clarifications of the application of highest and best use and valuation premise concepts, the measurement of the fair value of an instrument classified in a reporting entity's shareholders' equity, and disclosures about fair value measurements. ASU 2011–04 also changes the measurement or disclosure requirements related to measuring the fair value of financial instruments that are managed within a portfolio, the application of premiums and discounts in a fair value measurement, and additional disclosure about fair value measurements. The disclosures required under ASU 2011–04 are effective for interim and annual reporting periods beginning on or after December 15, 2011. Earlier adoption by public entities is not permitted. The Fresenius Group will apply the guidance under ASU 2011–04 beginning January 1, 2012.

The Fresenius Group does not generally adopt new accounting standards before compulsory adoption date.

2. ACQUISITIONS AND INVESTMENTS

The Fresenius Group made acquisitions and investments of €857 million and €251 million in the first half of 2011 and 2010, respectively. Of this amount, €851 million was paid in cash and €6 million was assumed obligations in the first half of 2011.

In the first half of 2011, Fresenius Medical Care spent €790 million on acquisitions, that consisted of the following:

During the first quarter of 2011, Fresenius Medical Care loaned US$294 million (€203 million) to Renal Advantage Partners LLC, the parent company of Renal Advantage, Inc., a provider of dialysis services, which included a US$60 million (€41 million) conversion right for a 49% minority equity interest in Renal Advantage Partners LLC. The conversion right was exercised and became effective May 1, 2011. The remaining loan and the participation received resulting from the exercise of the conversion right are classified within other non-current assets in the consolidated statement of financial position. Additionally, Fresenius Medical Care has entered into agreements to provide renal products and pharmaceutical supplies as well as other services to Renal Advantage Partners LLC and Liberty Dialysis, Inc. On August 2, 2011, Fresenius Medical Care announced its plans to acquire 100% of Liberty Dialysis Holdings, Inc., the owner of all of the business of Liberty Dialysis and owner of the remaining 51% stake in Renal Advantage, Inc. (see note 24, Subsequent events).

In January 2011, Fresenius Medical Care announced the signing of a purchase agreement to acquire International Dialysis Centers (IDC), Euromedic International's dialysis service business, for €529 million. The increase over the original purchase price of €485 million reflects adjustments for the seller's final cash and debt positions at closing and the effects of the delay in closing resulting from the regulatory approval process. IDC treats over 8,200 hemodialysis patients predominantly in Central and Eastern Europe and operates a total of 70 clinics in 9 countries. With the exception of Portugal, where the review is still ongoing, closing occurred on June 30, 2011 following final regulatory approvals by the relevant anti-trust authorities which includes a mandate for the divestiture of five of the acquired clinics. Fresenius Medical Care recorded the acquired assets and liabilities at book value as of June 30, 2011, as it was unable to perform a preliminary review to determine an initial purchase price allocation due to the late date of the closing. The difference of approximately €456 million between the purchase price and the seller's book values of its assets and liabilities has been recorded by Fresenius Medical Care as goodwill. Fresenius Medical Care expects to complete the purchase price allocation by the end of 2011. Further acquisition spending related mainly to the purchase of dialysis clinics.

Fresenius Kabi spent €6 million on acquisitions in the first half of 2011.

Fresenius Helios spent €5 million on acquisitions, mainly for an additional purchase price payment for the HELIOS St. Marienberg Klinik Helmstedt GmbH, Germany, in the first half of 2011. Furthermore, Fresenius Helios completed the acquisition of the Gesundheitszentren Landkreis Rottweil GmbH, Germany, in May 2011.

Fresenius Vamed spent €2 million on acquisitions in the first half on 2011.

In the first quarter of 2011, in the segment Corporate/ Other, the remaining shares of HELIOS Kliniken GmbH, Germany, were acquired for a purchase price of €54 million.

NOTES ON THE CONSOLIDATED STATEMENT OF INCOME

Net income attributable to Fresenius SE & Co. KGaA for the first half of 2011 in the amount of €257 million includes several special items relating to the acquisition of APP Pharmaceuticals, Inc. (APP) in 2008. These special items in a total amount of -€106 million (before tax: -€151 million) are described in note 4, Other financial result. Net income attributable to Fresenius SE & Co. KGaA before special items was €363 million (H1 2010: €302 million).

3. SALES

Sales by activity were as follows:

€ in millions	H1/2011	H1/2010
Sales of services	**4,739**	4,664
Sales of products and related goods	**3,062**	2,790
Sales from long-term production contracts	**203**	232
Other sales	**–**	–
Sales	**8,004**	7,686

4. OTHER FINANCIAL RESULT

The item other financial result includes the following special expenses and income with regard to the acquisition of APP and its financing:

The Contingent Value Rights (CVR) awarded to the APP shareholders were traded on the NASDAQ Stock Exchange in the United States. Following a request to the U.S. Securities and Exchange Commission, in the first quarter of 2011, the CVR were deregistered and delisted from the NASDAQ due to the expiration of the underlying agreement and became valueless. As a result, an income of €5 million was recognized in the first half of 2011 (H1 2010: income of €21 million resulting from the valuation of the liability).

Due to their contractual definition, the issued Mandatory Exchangeable Bonds (MEB) include derivative financial instruments that have to be measured at fair value. This measurement resulted in an expense (before tax) of €156 million in the first half of 2011 (H1 2010: expense before tax of €117 million).

5. TAXES

For the tax year 1997, Fresenius Medical Care recognized an impairment of one of its subsidiaries which the German tax authorities disallowed in 2003 at the conclusion of their audit for the years 1996 and 1997. Fresenius Medical Care has filed a complaint with the appropriate German court to challenge the tax authorities' decision. In January 2011, Fresenius Medical Care reached an agreement with the tax authorities, estimated to be slightly more favorable than the tax benefit recognized previously. The additional benefit is expected to be recognized in the second half of 2011.

Furthermore, during the first half of 2011, there were no material changes relating to tax audits, accruals for income taxes, unrecognized tax benefits as well as recognized and accrued payments for interest and penalties. Explanations regarding the tax audits and further information can be found in the consolidated financial statements in the 2010 Annual Report.

6. EARNINGS PER SHARE

The following table shows the earnings per share including and excluding the dilutive effect from stock options issued and the MEB:

	H1/2011	H1/2010
Numerators, € in millions		
Net income attributable to Fresenius SE Co. KGaA	**257**	240
less preference on preference shares	**n/a**	1
less effect from dilution due to Fresenius Medical Care shares and MEB	**1**	1
Income available to all classes of shares	**256**	238
Denominators in number of shares		
Weighted-average number of ordinary shares outstanding	**162,548,436**	80,721,481
Weighted-average number of preference shares outstanding	**0**	80,721,481
Weighted-average number of shares outstanding of all classes	**162,548,436**	161,442,962
Potentially dilutive ordinary shares	**1,587,687**	569,006
Potentially dilutive preference shares	**0**	569,006
Weighted-average number of ordinary shares outstanding assuming dilution	**164,136,123**	81,290,487
Weighted-average number of preference shares outstanding assuming dilution	**0**	81,290,487
Weighted-average number of shares outstanding of all classes assuming dilution	**164,136,123**	162,580,974
Basic earnings per ordinary share in €	**1.58**	1.48
Preference per preference share in € [1]	**n/a**	0.01
Basic earnings per preference share in €	**n/a**	1.49
Fully diluted earnings per ordinary share in €	**1.56**	1.46
Preference per preference share in € [1]	**n/a**	0.01
Fully diluted earnings per preference share in €	**n/a**	1.47

[1] Until December 31, 2010

Due to the conversion of the preference into ordinary shares in combination with the change of legal form, the dilutive effects are only calculated on ordinary shares as of the fiscal year 2011.

NOTES ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

7. CASH AND CASH EQUIVALENTS

As of June 30, 2011 and December 31, 2010, cash and cash equivalents were as follows:

€ in millions	June 30, 2011	Dec. 31, 2010
Cash	594	650
Time deposits and securities (with a maturity of up to 90 days)	14	119
Total cash and cash equivalents	**608**	769

As of June 30, 2011 and December 31, 2010, earmarked funds of €130 million and €65 million, respectively, were included in cash and cash equivalents.

8. TRADE ACCOUNTS RECEIVABLE

As of June 30, 2011 and December 31, 2010, trade accounts receivable were as follows:

€ in millions	June 30, 2011	Dec. 31, 2010
Trade accounts receivable	3,418	3,252
less allowance for doubtful accounts	332	317
Trade accounts receivable, net	**3,086**	2,935

9. INVENTORIES

As of June 30, 2011 and December 31, 2010, inventories consisted of the following:

€ in millions	June 30, 2011	Dec. 31, 2010
Raw materials and purchased components	353	350
Work in process	281	255
Finished goods	979	874
less reserves	65	68
Inventories, net	**1,548**	1,411

10. OTHER CURRENT AND NON-CURRENT ASSETS

The investments and long-term loans comprised investments in an amount of €241 million as of June 30, 2011 (December 31, 2010: €190 million), that were accounted for under the equity method. In the first half of 2011, income of €12 million (H1 2010: €2 million) resulting from this valuation was included in general and administrative expenses in the consolidated statement of income. Furthermore, other non-current assets include €162 million which Fresenius Medical Care loaned to Renal Advantage Partners LLC.

11. GOODWILL AND OTHER INTANGIBLE ASSETS

As of June 30, 2011 and December 31, 2010, intangible assets, split into amortizable and non-amortizable intangible assets, consisted of the following:

AMORTIZABLE INTANGIBLE ASSETS

	June 30, 2011			Dec. 31, 2010		
€ in millions	Acquisition cost	Accumulated amortization	Carrying amount	Acquisition cost	Accumulated amortization	Carrying amount
Patents, product and distribution rights	582	152	430	617	139	478
Technology	79	21	58	83	19	64
Non-compete agreements	172	122	50	184	125	59
Other	485	283	202	484	278	206
Total	**1,318**	**578**	**740**	1,368	561	807

NON-AMORTIZABLE INTANGIBLE ASSETS

€ in millions	June 30, 2011 Acquisition cost	June 30, 2011 Accumulated amortization	June 30, 2011 Carrying amount	Dec. 31, 2010 Acquisition cost	Dec. 31, 2010 Accumulated amortization	Dec. 31, 2010 Carrying amount
Tradenames	**161**	**0**	**161**	173	0	173
Management contracts	**7**	**0**	**7**	4	0	4
Goodwill	**11,399**	**0**	**11,399**	11,464	0	11,464
Total	**11,567**	**0**	**11,567**	11,641	0	11,641

In the second quarter of 2010, administrative services agreements of Fresenius Medical Care in an amount of US$215 million (€162 million) were reclassified from the category management contracts to goodwill due to a change in New York state regulations that allowed Fresenius Medical Care, beginning in April 2010, to directly own the managed facilities in that state.

Estimated regular amortization expenses of intangible assets for the next five years are shown in the following table:

€ in millions	Q3–4/2011	2012	2013	2014	2015	Q1–2/2016
Estimated amortization expenses	49	92	87	80	73	34

The carrying amount of goodwill has developed as follows:

€ in millions	Fresenius Medical Care	Fresenius Kabi	Fresenius Helios	Fresenius Vamed	Corporate/ Other	**Fresenius Group**
Carrying amount as of January 1, 2010	**5,214**	**3,466**	**1,626**	**44**	**6**	**10,356**
Additions	324	30	1	4	0	359
Reclassifications	162	0	0	0	0	162
Foreign currency translation	392	195	0	0	0	587
Carrying amount as of December 31, 2010	**6,092**	**3,691**	**1,627**	**48**	**6**	**11,464**
Additions	490	2	74	0	0	566
Foreign currency translation	-423	-208	0	0	0	-631
Carrying amount as of June 30, 2011	**6,159**	**3,485**	**1,701**	**48**	**6**	**11,399**

As of June 30, 2011 and December 31, 2010, the carrying amounts of the other non-amortizable intangible assets were €152 million and €161 million, respectively, for Fresenius Medical Care as well as €16 million, respectively, for Fresenius Kabi.

12. DEBT AND CAPITAL LEASE OBLIGATIONS

SHORT-TERM DEBT

The Fresenius Group had short-term debt of €646 million and €606 million at June 30, 2011 and December 31, 2010, respectively. As of June 30, 2011, this consisted of €203 million borrowed by certain subsidiaries of the Fresenius Group under lines of credit with commercial banks and US$640 million (€443 million) outstanding short-term borrowings under the accounts receivable facility of Fresenius Medical Care.

LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS

As of June 30, 2011 and December 31, 2010, long-term debt and capital lease obligations consisted of the following:

€ in millions	**June 30, 2011**	Dec. 31, 2010
Fresenius Medical Care 2006 Senior Credit Agreement	**2,404**	2,211
2008 Senior Credit Agreement	**1,313**	1,484
Euro Notes	**600**	800
European Investment Bank Agreements	**518**	531
Capital lease obligations	**50**	54
Other	**424**	259
Subtotal	**5,309**	5,339
less current portion	**865**	420
Long-term debt and capital lease obligations, less current portion	**4,444**	4,919

Fresenius Medical Care 2006 Senior Credit Agreement

Fresenius Medical Care AG & Co. KGaA (FMC-AG & Co. KGaA) and several of its subsidiaries entered into a US$4.6 billion syndicated credit facility (Fresenius Medical Care 2006 Senior Credit Agreement) with several banks and institutional investors on March 31, 2006 which replaced a prior credit agreement.

Since entering into the 2006 Senior Credit Agreement, amendments and voluntary prepayments have been made which have resulted in a change of the total amount available under this facility.

The following tables show the available and outstanding amounts under the Fresenius Medical Care 2006 Senior Credit Agreement at June 30, 2011 and December 31, 2010:

	June 30, 2011			
	Maximum amount available		**Balance outstanding**	
	US$ in millions	€ in millions	**US$ in millions**	**€ in millions**
Revolving Credit	1,200	830	**669**	**463**
Term Loan A	1,275	882	**1,275**	**882**
Term Loan B	1,530	1,059	**1,530**	**1,059**
Total	4,005	2,771	**3,474**	**2,404**

	Dec. 31, 2010			
	Maximum amount available		**Balance outstanding**	
	US$ in millions	€ in millions	**US$ in millions**	**€ in millions**
Revolving Credit	1,200	898	**81**	**61**
Term Loan A	1,335	999	**1,335**	**999**
Term Loan B	1,538	1,151	**1,538**	**1,151**
Total	4,073	3,048	**2,954**	**2,211**

In addition, at June 30, 2011 and December 31, 2010, US$181 million and US$122 million, respectively, were utilized as letters of credit which were not included as part of the above mentioned balances outstanding at those dates.

As of June 30, 2011, FMC-AG & Co. KGaA and its subsidiaries were in compliance with all covenants under the Fresenius Medical Care 2006 Senior Credit Agreement.

2008 Senior Credit Agreement

On August 20, 2008, in connection with the acquisition of APP Pharmaceuticals, Inc., the Fresenius Group entered into a syndicated credit agreement (2008 Senior Credit Agreement) in an original amount of US$2.45 billion.

Since entering into the 2008 Senior Credit Agreement, amendments and voluntary prepayments have been made which have resulted in a change of the total amount available under this facility.

The following tables show the available and outstanding amounts under the 2008 Senior Credit Agreement at June 30, 2011 and December 31, 2010:

	June 30, 2011			
	Maximum amount available		**Balance outstanding**	
		€ in millions		**€ in millions**
Revolving Credit Facilities	US$550 million	381	**US$0 million**	**0**
Term Loan A	US$687 million	476	**US$687 million**	**476**
Term Loan D (in US$)	US$977 million	676	**US$977 million**	**676**
Term Loan D (in €)	€161 million	161	**€161 million**	**161**
Total		1,694		**1,313**

	Dec. 31, 2010			
	Maximum amount available		**Balance outstanding**	
		€ in millions		**€ in millions**
Revolving Credit Facilities	US$550 million	411	**US$0 million**	**0**
Term Loan A	US$782 million	586	**US$782 million**	**586**
Term Loan C (in US$)	US$984 million	736	**US$984 million**	**736**
Term Loan C (in €)	€162 million	162	**€162 million**	**162**
Total		1,895		**1,484**

In March 2011, the 2008 Senior Credit Agreement was amended to refinance Term Loan C. As a result, the tranches of Term Loan C were replaced in full by Term Loan D tranches with lower interest rates.

As of June 30, 2011, the Fresenius Group was in compliance with all covenants under the 2008 Senior Credit Agreement.

Euro Notes

As of June 30, 2011 and December 31, 2010, Euro Notes (Schuldscheindarlehen) of the Fresenius Group consisted of the following:

			Book value/nominal value € in millions	
	Maturity	Interest rate	**June 30, 2011**	Dec. 31, 2010
Fresenius Finance B.V. 2008/2012	April 2, 2012	5.59%	**62**	62
Fresenius Finance B.V. 2008/2012	April 2, 2012	variable	**138**	138
Fresenius Finance B.V. 2007/2012	July 2, 2012	5.51%	**26**	26
Fresenius Finance B.V. 2007/2012	July 2, 2012	variable	**74**	74
Fresenius Finance B.V. 2008/2014	April 2, 2014	5.98%	**112**	112
Fresenius Finance B.V. 2008/2014	April 2, 2014	variable	**88**	88
Fresenius Finance B.V. 2007/2014	July 2, 2014	5.75%	**38**	38
Fresenius Finance B.V. 2007/2014	July 2, 2014	variable	**62**	62
FMC-AG & Co. KGaA 2009/2012	Oct. 27, 2012	7.41%	**36**	36
FMC-AG & Co. KGaA 2009/2012	Oct. 27, 2012	variable	**119**	119
FMC-AG & Co. KGaA 2009/2014	Oct. 27, 2014	8.38%	**15**	15
FMC-AG & Co. KGaA 2009/2014	Oct. 27, 2014	variable	**30**	30
Euro Notes			**800**	800

The Euro Notes issued by Fresenius Finance B.V. in the amount of €200 million, which are due on April 2, 2012, are shown as current portion of long-term debt and capital lease obligations in the consolidated statement of financial position.

European Investment Bank Agreements

The following table shows the amounts outstanding under the European Investment Bank (EIB) facilities as of June 30, 2011 and December 31, 2010:

		Maximum amount available € in millions		Book value € in millions	
	Maturity	**June 30, 2011**	Dec. 31, 2010	**June 30, 2011**	Dec. 31, 2010
Fresenius SE & Co. KGaA	2013	**196**	196	**196**	196
FMC-AG & Co. KGaA	2013/2014	**271** [1]	271 [1]	**254** [1]	263 [1]
HELIOS Kliniken GmbH	2019	**68**	72	**68**	72
Loans from EIB		**535**	539	**518**	531

[1] Difference due to foreign currency translation

The majority of the loans are denominated in euros. The U.S. dollar denominated borrowings of FMC-AG & Co. KGaA amount to US$165 million (€114 million).

CREDIT LINES

In addition to the financial liabilities described before, the Fresenius Group maintains additional credit facilities which have not been utilized, or have only been utilized in part as of the reporting date. As of June 30, 2011, the additional financial cushion resulting from unutilized credit facilities was approximately €1.4 billion.

13. SENIOR NOTES

As of June 30, 2011 and December 31, 2010, Senior Notes of the Fresenius Group consisted of the following:

				Book value € in millions	
	Notional amount	Maturity	Interest rate	**June 30, 2011**	Dec. 31, 2010
Fresenius Finance B.V. 2006/2013	€500 million	Jan. 31, 2013	5.00%	**500**	500
Fresenius Finance B.V. 2006/2016	€650 million	Jan. 31, 2016	5.50%	**636**	635
Fresenius US Finance II, Inc. 2009/2015	€275 million	July 15, 2015	8 ¾%	**263**	261
Fresenius US Finance II, Inc. 2009/2015	US$500 million	July 15, 2015	9.00%	**331**	356
Fresenius Medical Care US Finance, Inc. 2007/2017	US$500 million	July 15, 2017	6 ⅞%	**342**	370
FMC Finance VI S.A. 2010/2016	€250 million	July 15, 2016	5.50%	**247**	247
FMC Finance VII S.A. 2011/2021	€300 million	Feb. 15, 2021	5.25%	**291**	0
Fresenius Medical Care US Finance, Inc. 2011/2021	US$650 million	Feb. 15, 2021	5.75%	**445**	0
Senior Notes				**3,055**	2,369

On June 20, 2011, Fresenius Medical Care US Finance, Inc. acquired substantially all of the assets of FMC Finance III S.A. and assumed the obligations of FMC Finance III S.A. under its US$500 million 6 ⅞% Senior Notes due 2017 and the related indenture. The guarantees of FMC-AG & Co. KGaA, Fresenius Medical Care Holdings, Inc. and Fresenius Medical Care Deutschland GmbH for these Senior Notes have not been amended and remain in full force and effect.

On February 3, 2011, Fresenius Medical Care US Finance, Inc. and FMC Finance VII S.A. issued unsecured Senior Notes of US$650 million and €300 million, respectively. The Senior Notes are due in 2021. Net proceeds were used to repay indebtedness, for acquisitions and for general corporate purposes.

The Senior Notes of Fresenius Medical Care US Finance, Inc. and FMC Finance VII S.A. (wholly-owned subsidiaries of FMC-AG & Co. KGaA) are guaranteed on a senior basis jointly and severally by FMC-AG & Co. KGaA, Fresenius Medical Care Holdings, Inc. and Fresenius Medical Care Deutschland GmbH.

As of June 30, 2011, the Fresenius Group was in compliance with all of its covenants.

14. TRUST PREFERRED SECURITIES

On June 15, 2011, Fresenius Medical Care redeemed the trust preferred securities that became due on that date and that were issued in 2001 by Fresenius Medical Care Capital Trust IV and V in the amount of US$225 million and €300 million, respectively, primarily with funds obtained under existing credit facilities.

15. PENSIONS AND SIMILAR OBLIGATIONS

DEFINED BENEFIT PENSION PLANS

At June 30, 2011, the pension liability of the Fresenius Group was €403 million. The current portion of the pension liability in an amount of €12 million is recognized in the consolidated statement of financial position within short-term accrued expenses and other short-term liabilities. The non-current portion of €391 million is recorded as pension liability.

Contributions to Fresenius Group's pension fund were €2 million in the first half of 2011. The Fresenius Group expects approximately €5 million contributions to the pension fund during 2011.

Defined benefit pension plans' net periodic benefit costs of €21 million were comprised of the following components:

€ in millions	**H1/2011**	H1/2010
Service cost	**9**	7
Interest cost	**17**	16
Expected return on plan assets	**-8**	-8
Amortization of unrealized actuarial losses, net	**3**	2
Amortization of prior service costs	**–**	–
Amortization of transition obligations	**–**	–
Settlement loss	**–**	–
Net periodic benefit cost	**21**	17

16. NONCONTROLLING INTEREST

NONCONTROLLING INTEREST SUBJECT TO PUT PROVISIONS

As of June 30, 2011 and December 31, 2010, the Fresenius Group's potential obligations under noncontrolling interest subject to put options were €212 million and €209 million, respectively, of which, at June 30, 2011, €65 million were exercisable.

NONCONTROLLING INTEREST NOT SUBJECT TO PUT PROVISIONS

As of June 30, 2011 and December 31, 2010, noncontrolling interest not subject to put provisions in the Group was as follows:

€ in millions	June 30, 2011	Dec. 31, 2010
Noncontrolling interest not subject to put provisions in Fresenius Medical Care AG & Co. KGaA	3,484	3,574
Noncontrolling interest not subject to put provisions in HELIOS Kliniken GmbH	0	4
Noncontrolling interest not subject to put provisions in VAMED AG	23	23
Noncontrolling interest not subject to put provisions in the business segments		
Fresenius Medical Care	104	110
Fresenius Kabi	44	46
Fresenius Helios	126	119
Fresenius Vamed	2	3
Total noncontrolling interest not subject to put provisions	3,783	3,879

In the first half of 2011, noncontrolling interest not subject to put provisions decreased by €96 million to €3,783 million. The change resulted from the noncontrolling interest not subject to put provisions in profit of €267 million, less dividend payments of €150 million as well as a reduction of noncontrolling interest not subject to put provisions in stock options, currency effects and first-time consolidations in a total amount of €213 million.

17. FRESENIUS SE & CO. KGAA SHAREHOLDERS' EQUITY

SUBSCRIBED CAPITAL

As a result of Fresenius SE's change of legal form to Fresenius SE & Co. KGaA and its registration with the commercial register on January 28, 2011, all bearer preference shares were converted into bearer ordinary shares.

During the first half of 2011, 338,799 stock options were exercised. Consequently, at June 30, 2011, the subscribed capital of Fresenius SE & Co. KGaA consisted of 162,788,889 bearer ordinary shares. The shares are issued as non-par value shares. The proportionate amount of the subscribed capital is €1.00 per share.

CONDITIONAL CAPITAL

Corresponding to the stock option plans, the Conditional Capital of Fresenius SE & Co. KGaA is divided into Conditional Capital I, Conditional Capital II and Conditional Capital III. These are used to satisfy the subscription rights in connection with previously issued stock options or convertible bonds, as the case may be, for bearer ordinary shares under the stock option plans of 1998, 2003 and 2008 (see note 22, Stock options).

After the registration of the change of legal form with the commercial register on January 28, 2011, the Conditional Capitals in the articles of association of Fresenius SE & Co. KGaA correspond in their scope to the Conditional Capitals of the former Fresenius SE, adjusted for stock options that have been exercised in the interim.

Due to the conversion of all preference shares into ordinary shares, the Conditional Capital was amended to the effect that only subscription rights for bearer ordinary shares are granted.

The following table shows the development of the Conditional Capital:

in €	Ordinary shares	Preference shares	Total
Conditional Capital I Fresenius AG Stock Option Plan 1998	495,255	495,255	990,510
Conditional Capital II Fresenius AG Stock Option Plan 2003	1,743,159	1,743,159	3,486,318
Conditional Capital III Fresenius SE Stock Option Plan 2008	3,100,000	3,100,000	6,200,000
Total Conditional Capital as of January 1, 2011	**5,338,414**	**5,338,414**	**10,676,828**
Conversion of the preference shares into ordinary shares in combination with the change of legal form	5,337,526	-5,337,526	0
Fresenius AG Stock Option Plan 1998 – options exercised	-76,020	0	-76,020
Fresenius AG Stock Option Plan 2003 – options exercised	-261,891	-888	-262,779
Total Conditional Capital as of June 30, 2011	**10,338,029**	**0**	**10,338,029**

AUTHORIZED CAPITAL

By resolution of the Annual General Meeting on May 13, 2011, the previous Authorized Capitals I to V were revoked and a new Authorized Capital I was created.

In accordance with the new provision in the articles of association of Fresenius SE & Co. KGaA, the general partner, Fresenius Management SE, is authorized, with the approval of the Supervisory Board, until May 12, 2016, to increase Fresenius SE & Co. KGaA's subscribed capital by a total amount of up to €40,320,000 through a single issue or multiple issues of new bearer ordinary shares against cash contributions and/or contributions in kind (Authorized Capital I). A subscription right must be granted to the shareholders in principle. In defined cases, the general partner is authorized, with the consent of the Supervisory Board, to decide on the exclusion of the shareholders' subscription right (e. g. to eliminate fractional amounts). For cash contributions, the authorization can only be exercised if the issue price is not significantly below the stock exchange price of the already listed shares at the time the issue price is fixed with final effect by the general partner. Furthermore, the proportionate amount of the shares issued with exclusion of subscription rights may not exceed 10% of the subscribed capital neither at the time of the resolution on the authorization nor at the time of the utilization of the authorization. In the case of a contribution in kind, the subscription right can be excluded only in order to acquire a company, parts of a company or a participation in a company. The authorizations granted above concerning the exclusion of subscription rights can be used by the general partner only to such extent that the proportional amount of the total number of shares issued with exclusion of the subscription rights does not exceed 20% of the subscribed capital, neither at the time of the resolution on the authorization nor at the time of the utilization of the authorization.

The changes to the Authorized Capital became effective upon registration of the amendments to the articles of association with the commercial register on July 11, 2011.

DIVIDENDS

Under the German Stock Corporation Act (AktG), the amount of dividends available for distribution to shareholders is based upon the unconsolidated retained earnings of Fresenius SE & Co. KGaA as reported in its statement of financial position determined in accordance with the German Commercial Code (HGB).

In May 2011, a dividend of €0.86 per bearer ordinary share was approved by Fresenius SE & Co. KGaA's shareholders at the Annual General Meeting and paid. The total dividend payment was €140 million.

OTHER NOTES

18. LEGAL PROCEEDINGS

The Fresenius Group is routinely involved in numerous claims, lawsuits, regulatory and tax audits, investigations and other legal matters arising, for the most part, in the ordinary course of its business of providing healthcare services and products. The outcome of litigation and other legal matters is always difficult to accurately predict and outcomes that are not consistent with Fresenius Group's view of the merits can occur. The Fresenius Group believes that it has valid defenses to the legal matters pending against it and is defending itself vigorously. Nevertheless, it is possible that the resolution of one or more of the legal matters currently pending or threatened could have a material adverse effect on its business, results of operations and financial condition.

Further information regarding legal disputes, court proceedings and investigations can be found in detail in the consolidated financial statements in the 2010 Annual Report. In the following, only the changes during the first half ended June 30, 2011 compared to the information provided in the consolidated financial statements are described. These changes should be read in conjunction with the overall information in the consolidated financial statements in the 2010 Annual Report; defined terms or abbreviations having the same meaning as in the 2010 Annual Report.

W.R. GRACE & CO. LAWSUIT

In January and February 2011, the U.S. Bankruptcy Court entered orders confirming the joint plan of reorganization. These confirmation orders are pending before the U.S. District Court.

BAXTER PATENT DISPUTE "LIBERTY CYCLER"

The District Court denied Baxter's request to overturn the jury verdict and Baxter has appealed the verdict and resulting judgment to the United States Court of Appeals for the Federal Circuit.

RENAL CARE GROUP – COMPLAINT "METHOD II"

On June 17, 2011, the District Court entered summary judgment against Renal Care Group, Inc. (RCG) for US$83 million on one of the False Claims Act counts of the complaint. On June 23, 2011, Fresenius Medical Care appealed to the United States Court of Appeals for the Sixth Circuit. Fresenius Medical Care believes that RCG's operation of its Method II supply company was in compliance with applicable law, that no relief is due to the United States, that the decisions made by the District Court on March 22, 2010 and June 17, 2011 will be reversed, and that its position in the litigation will ultimately be sustained.

FRESENIUS MEDICAL CARE HOLDINGS – QUI TAM COMPLAINT (MASSACHUSETTS)

On February 15, 2011, a qui tam relator's complaint under the False Claims Act against Fresenius Medical Care Holdings, Inc. (FMCH) was unsealed by order of the United States District Court for the District of Massachusetts and served by the relator. The United States has not intervened in the case United States ex rel. Chris Drennen v. Fresenius Medical Care Holdings, Inc., 2009 Civ. 10179 (D. Mass.). The relator's complaint, which was first filed under seal in February 2009, alleges that FMCH seeks and receives reimbursement from government payers for serum ferritin and hepatitis B laboratory tests that are medically unnecessary or not properly ordered by a physician. On March 6, 2011, the United States Attorney for the District of Massachusetts issued a Civil Investigative Demand seeking the production of documents related to the same laboratory tests that are the subject of the relator's complaint. FMCH will cooperate fully in responding to the additional Civil Investigative Demand, and will vigorously contest the relator's complaint.

SUBPOENA "NEW YORK"

On June 29, 2011, FMCH received a subpoena from the United States Attorney for the Eastern District of New York. The subpoena is part of a criminal and civil investigation into relationships between retail pharmacies and outpatient dialysis facilities in the State of New York and into the reimbursement under government payer programs in New York for medications provided to patients with end-stage renal disease. Among the issues encompassed by the investigation is whether retail pharmacies may have received compensation from the New

York Medicaid program for pharmaceutical products subsumed in the Medicaid payment to the dialysis facilities. FMCH intends to cooperate in the investigation.

The Fresenius Group regularly analyzes current information about such claims for probable losses and provides accruals for such matters, including estimated expenses for legal services, as appropriate.

19. FINANCIAL INSTRUMENTS

VALUATION OF FINANCIAL INSTRUMENTS

Estimation of fair values of financial instruments

The significant methods and assumptions used to estimate the fair values of financial instruments are as follows:

Cash and cash equivalents are stated at nominal value, which equals the fair value.

The nominal value of short-term financial instruments such as accounts receivables and payables and short-term debt represents its carrying amount, which is a reasonable estimate of the fair value due to the relatively short period to maturity of these instruments.

The fair values of the major long-term financial instruments are calculated on the basis of market information. Financial instruments for which market quotes are available are measured with the market quotes at the reporting date. The fair values of the other long-term financial liabilities are calculated at the present value of respective future cash flows. To determine these present values, the prevailing interest rates and credit spreads for the Fresenius Group as of the date of the statement of financial position are used. The fair value of Fresenius Medical Care's loan to Renal Advantage Partners LLC is based on significant unobservable inputs of comparable instruments. The fair values of the noncontrolling interest subject to put provisions are determined using significant unobservable inputs.

Currently, there is no indication that a decrease in the value of Fresenius Group's financing receivables is probable. Therefore, the allowances on credit losses of financing receivables are immaterial.

The carrying amounts of derivatives embedded in the Mandatory Exchangeable Bonds (MEB) and the Contingent Value Rights (CVR) correspond with their fair values. The embedded derivatives have to be measured at fair value, which is estimated based on a Black-Scholes model. The CVR were traded on the stock exchange in the United States and were therefore valued with the current stock exchange price until December 31, 2010. In the first quarter of 2011, the CVR were deregistered and delisted from the NASDAQ due to the expiration of the underlying agreement and became valueless.

Derivatives, mainly consisting of interest rate swaps and foreign exchange forward contracts, are valued as follows: The fair value of interest rate swaps is calculated by discounting the future cash flows on the basis of the market interest rates applicable for the remaining term of the contract as of the date of the statement of financial position. To determine the fair value of foreign exchange forward contracts, the contracted forward rate is compared to the current forward rate for the remaining term of the contract as of the date of the statement of financial position. The result is then discounted on the basis of the market interest rates prevailing at the date of the statement of financial position for the respective currency.

Fresenius Group's own credit risk is incorporated in the fair value estimation of derivatives that are liabilities. Counterparty credit-risk adjustments are factored into the valuation of derivatives that are assets.

Fair value of financial instruments

The following table presents the carrying amounts and fair values of Fresenius Group's financial instruments as of June 30, 2011 and December 31, 2010, respectively:

	June 30, 2011		Dec. 31, 2010	
€ in millions	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Cash and cash equivalents	**608**	**608**	769	769
Assets recognized at carrying amount	**3,259**	**3,263**	2,950	2,950
Liabilities recognized at carrying amount	**10,262**	**10,460**	10,031	10,259
Liabilities recognized at fair value	**279**	**279**	133	133
Noncontrolling interest subject to put provisions recognized at fair value	**212**	**212**	209	209
Derivatives for hedging purposes	**-17**	**-17**	-225	-225

Derivative and non-derivative financial instruments recognized at fair value are classified according to the three-tier fair value hierarchy. For the fair value measurement of derivatives for hedging purposes, significant other observable inputs are used. Therefore, they are classified as Level 2 in accordance with the defined fair value hierarchy levels. The derivatives embedded in the MEB are also classified as Level 2. Until December 31, 2010, the valuation of the CVR was based on the current stock exchange price, they were therefore classified as Level 1. The liabilities recognized at fair value consisted of embedded derivatives and the CVR and were consequently classified in their entirety as the lower hierarchy Level 2. As of June 30, 2011, the liabilities recognized at fair value are comprised only of derivatives embedded in the MEB due to the expiration of the CVR. The valuation of the noncontrolling interests subject to put provisions is determined using significant unobservable inputs, they are therefore classified as Level 3.

FAIR VALUES OF DERIVATIVE FINANCIAL INSTRUMENTS

	June 30, 2011		Dec. 31, 2010	
€ in millions	Assets	Liabilities	Assets	Liabilities
Interest rate contracts (current)	0	27	–	43
Interest rate contracts (non-current)	0	68	1	115
Foreign exchange contracts (current)	80	8	8	49
Foreign exchange contracts (non-current)	1	1	5	2
Derivatives designated as hedging instruments [1]	**81**	**104**	14	209
Interest rate contracts (current)	0	1	0	2
Foreign exchange contracts (current) [1]	25	18	10	34
Foreign exchange contracts (non-current) [1]	6	7	1	7
Derivatives embedded in the MEB (current)	0	263	0	111
Derivatives not designated as hedging instruments	**31**	**289**	11	154

[1] Derivatives designated as hedging instruments and foreign exchange contracts not designated as hedging instruments are classified as derivatives for hedging purposes.

Derivative financial instruments are marked to market each reporting period, resulting in carrying amounts equal to fair values at the reporting date.

Derivatives not designated as hedging instruments, which are derivatives that do not qualify for hedge accounting, are also solely concluded to hedge economic business transactions and not for speculative purposes.

Derivatives for hedging purposes as well as derivatives embedded in the MEB were recognized at gross value within other assets in an amount of €112 million and other liabilities in an amount of €392 million.

The current portion of interest rate contracts and foreign exchange contracts indicated as assets in the previous table is recognized within other current assets in the consolidated statement of financial position, while the current portion of those indicated as liabilities is included in short-term accrued expenses and other short-term liabilities. The non-current portions indicated as assets or liabilities are recognized in other non-current assets or in long-term accrued expenses and other long-term liabilities, respectively. The derivatives embedded in the MEB are recognized within other short-term liabilities.

EFFECT OF DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS ON THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	H1/2011		
€ in millions	Gain or loss recognized in other comprehensive income (loss) (effective portion)	Gain or loss reclassified from accumulated other comprehensive income (loss) (effective portion)	Gain or loss recognized in the consolidated statement of income
Interest rate contracts	28	-3	-4
Foreign exchange contracts	3	–	–
Derivatives in cash flow hedging relationships[1]	**31**	**-3**	**-4**
Foreign exchange contracts			22
Derivatives in fair value hedging relationships			**22**
Derivatives designated as hedging instruments	**31**	**-3**	**18**

[1] The amount of gain or loss recognized in the consolidated statement of income solely relates to the ineffective portion.

	H1/2010		
€ in millions	Gain or loss recognized in other comprehensive income (loss) (effective portion)	Gain or loss reclassified from accumulated other comprehensive income (loss) (effective portion)	Gain or loss recognized in the consolidated statement of income
Interest rate contracts	-73	-3	-1
Foreign exchange contracts	-48	-5	–
Derivatives in cash flow hedging relationships[1]	**-121**	**-8**	**-1**
Foreign exchange contracts			-48
Derivatives in fair value hedging relationships			**-48**
Derivatives designated as hedging instruments	**-121**	**-8**	**-49**

[1] The amount of gain or loss recognized in the consolidated statement of income solely relates to the ineffective portion.

EFFECT OF DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS ON THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Gain or loss recognized in the consolidated statement of income	
€ in millions	**H1/2011**	H1/2010
Interest rate contracts	**1**	0
Foreign exchange contracts	**51**	-102
Derivatives embedded in the MEB	**-152**	-113
Derivatives not designated as hedging instruments	**-100**	-215

Losses from derivatives in fair value hedging relationships and from foreign exchange contracts not designated as hedging instruments recognized in the consolidated statement of income are faced by gains from the underlying transactions in the corresponding amount.

The Fresenius Group expects to recognize a net amount of €3 million of the existing gains for foreign exchange contracts deferred in accumulated other comprehensive income (loss) in the consolidated statement of income within the next 12 months. For interest rate contracts, the Fresenius Group expects to recognize €63 million of losses in the course of normal business during the next 12 months in interest expense.

Gains and losses from foreign exchange contracts and the corresponding underlying transactions are accounted for as cost of sales, selling, general and administrative expenses and net interest. Gains and losses resulting from interest rate contracts are recognized as net interest in the consolidated statement of income. The position other financial result in the consolidated statement of income includes gains and losses from the valuation of the derivatives embedded in the MEB (see note 4, Other financial result).

MARKET RISK

General

The Fresenius Group is exposed to effects related to foreign exchange fluctuations in connection with its international business activities that are denominated in various currencies. In order to finance its business operations, the Fresenius Group issues senior notes, trust preferred securities and commercial papers and enters into mainly long-term credit agreements and euro notes (Schuldscheindarlehen) with banks. Due to these financing activities, the Fresenius Group is exposed to interest risk caused by changes in variable interest rates and the risk of changes in the fair value of statement of financial position items bearing fixed interest rates.

In order to manage the risk of interest rate and foreign exchange rate fluctuations, the Fresenius Group enters into certain hedging transactions with highly rated financial institutions as authorized by the Management Board. Derivative financial instruments are not concluded for trading purposes.

The Fresenius Group defines benchmarks for individual exposures in order to quantify interest and foreign exchange risks. The benchmarks are derived from achievable and sustainable market rates. Depending on the individual benchmarks, hedging strategies are determined and implemented.

Derivative financial instruments

Foreign exchange risk management

Solely for the purpose of hedging existing and foreseeable foreign exchange transaction exposures, the Fresenius Group enters into foreign exchange forward contracts and, on a small scale, foreign exchange options. To ensure that no foreign exchange risks result from loans in foreign currencies, the Fresenius Group enters into foreign exchange swap contracts.

As of June 30, 2011, the notional amounts of foreign exchange contracts totaled €3,546 million. These foreign exchange contracts have been entered into to hedge risks from operational business and in connection with loans in foreign currency. The predominant part of the foreign exchange forward contracts to hedge risks from operational business was recognized as cash flow hedge, while foreign exchange contracts in connection with loans in foreign currencies are partly recognized as fair value hedges. The fair values of cash flow hedges and fair value hedges were €58 million and €14 million, respectively.

As of June 30, 2011, the Fresenius Group was party to foreign exchange contracts with a maximum maturity of 53 months.

Interest rate risk management

The Fresenius Group enters into interest rate swaps and, on a small scale, into interest rate options in order to hedge against interest rate exposures arising from long-term borrowings at variable rates by swapping them into fixed rates.

The Fresenius Group enters into interest rate swaps that are mainly designated as cash flow hedges with a notional volume of US$3,025 million (€2,093 million) and €406 million as well as a fair value of -US$120 million and -€13 million, respectively, which expire between 2011 and 2016.

20. SUPPLEMENTARY INFORMATION ON CAPITAL MANAGEMENT

The Fresenius Group has a solid financial profile. As of June 30, 2011, the equity ratio was 36.4% and the debt ratio (debt/total assets) was 37.7%. As of June 30, 2011, the net debt/EBITDA ratio was 2.7.

The aims of the capital management and further information can be found in the consolidated financial statements in the 2010 Annual Report.

Fresenius is covered by the rating agencies Moody's, Standard & Poor's and Fitch.

The following table shows the company rating of Fresenius SE & Co. KGaA:

	Standard & Poor's	Moody's	Fitch
Company rating	BB	Ba1	BB+
Outlook	positive	stable	stable

On August 2, 2011, Fitch has upgraded the company rating to BB+ from BB, the outlook is stable.

21. NOTES ON THE CONSOLIDATED SEGMENT REPORTING

GENERAL

The consolidated segment reporting shown on pages 25 to 26 of this interim report is an integral part of the notes.

The Fresenius Group has identified the business segments Fresenius Medical Care, Fresenius Kabi, Fresenius Helios and Fresenius Vamed which corresponds to the internal organizational and reporting structures (Management Approach) at June 30, 2011.

The business segments were identified in accordance with FASB ASC Topic 280, Segment Reporting, which defines the segment reporting requirements in the annual financial statements and interim reports with regard to the operating business, product and service businesses and regions. The business segments of the Fresenius Group are as follows:

Fresenius Medical Care is the world's leading provider of dialysis products and dialysis care for the life-saving treatment of patients with chronic kidney failure. Fresenius Medical Care treats 225,909 patients in its 2,838 own dialysis clinics.

Fresenius Kabi is a globally active company, providing infusion therapies, intravenously administered generic drugs, clinical nutrition and the related medical devices. The products are used for the therapy and care of critically and chronically ill patients in and outside the hospital. In Europe, Fresenius Kabi is the market leader in infusion therapies and clinical nutrition, in the U.S., the company is a leading provider of intravenously administered generic drugs.

Fresenius Helios is one of the largest private hospital operators in Germany.

Fresenius Vamed provides engineering and services for hospitals and other health care facilities internationally.

The segment Corporate/Other mainly comprises the holding functions of Fresenius SE & Co. KGaA as well as Fresenius Netcare GmbH, which provides services in the field of information technology as well as Fresenius Biotech, which does not fulfill the characteristics of a reportable segment. In addition, the segment Corporate/Other includes intersegment consolidation adjustments as well as special items in connection with the fair value measurement of the Mandatory Exchangeable Bonds and the Contingent Value Rights.

NOTES ON THE BUSINESS SEGMENTS

Explanations regarding the notes on the business segments can be found in the consolidated financial statements in the 2010 Annual Report.

RECONCILIATION OF KEY FIGURES TO CONSOLIDATED EARNINGS

€ in millions	H1/2011	H1/2010
Total EBIT of reporting segments	1,226	1,144
General corporate expenses Corporate/Other (EBIT)	-19	-23
Group EBIT	1,207	1,121
Net interest	-276	-281
Other financial result	-151	-96
Income before income taxes	780	744

RECONCILIATION OF NET DEBT WITH THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ in millions	June 30, 2011	Dec. 31, 2010
Short-term debt	646	606
Short-term loans from related parties	2	2
Current portion of long-term debt and capital lease obligations	865	420
Trust preferred securities of Fresenius Medical Care Capital Trusts (current)	0	468
Long-term debt and capital lease obligations, less current portion	4,444	4,919
Senior Notes	3,055	2,369
Debt	9,012	8,784
less cash and cash equivalents	608	769
Net debt	8,404	8,015

According to the definitions in the underlying agreements, the MEB are and the CVR were not categorized as debt.

22. STOCK OPTIONS

FRESENIUS SE & CO. KGAA STOCK OPTION PLANS

On June 30, 2011, Fresenius SE & Co. KGaA had three stock option plans in place: the Fresenius AG stock option based plan of 1998 (1998 Plan), the Fresenius AG Stock Option Plan 2003 (2003 Plan) which is based on convertible bonds and the stock option based Fresenius SE Stock Option Plan 2008 (2008 Plan). Currently, stock options can only be granted under the 2008 Plan.

Adaptations of the stock option plans due to the change of legal form

Upon registration of Fresenius SE's change of legal form to Fresenius SE & Co. KGaA with the commercial register on January 28, 2011, adaptations of the three stock option plans were required. Due to the conversion of all preference shares into ordinary shares in combination with the change of legal form, all previously issued subscription rights under the respective stock option plan are to be satisfied, in case of exercise, with ordinary shares. Furthermore, the beneficiaries under the 2008 Plan are exclusively granted subscription rights for ordinary shares. With regard to the eligible beneficiaries, the members of Fresenius Management SE's Management Board replace the previous members of the Fresenius SE Management Board for future stock option grants. With regard to the 2008 Plan, the Supervisory Board of Fresenius Management SE determines the grants for the Management Board members of that company. All other plan participants will be determined by the Management Board of Fresenius Management SE. In addition, due to the discontinuation of the preference shares, the success target of the 2003 Plan was adjusted to the effect, that it is deemed to be achieved if and when the sum of the following price increases amounts to at least 25%:

- increase of the joint average stock exchange price of ordinary and preference shares from the day of the issuance until the day when the change of legal form took effect
- increase of the stock exchange price of ordinary shares since the change of legal form took effect

Whereas the number of stock options remained unchanged, in the future, the exercise price of the stock options corresponds to the stock exchange price of the ordinary share without considering the stock exchange price of the preference share.

Transactions during the first half of 2011

During the first half of 2011, Fresenius SE & Co. KGaA received cash of €10 million from the exercise of 338,799 stock options.

Under the 1998 Plan, 56,004 stock options were outstanding and exercisable at June 30, 2011. No options were held by the members of the Fresenius Management SE Management Board. 1,665,819 convertible bonds were outstanding under the 2003 Plan, of which 1,387,441 were exercisable. The members of the Fresenius Management SE Management Board held 331,380 convertible bonds. Out of 3,084,086 outstanding stock options issued under the 2008 Plan, 559,860 were held by the members of the Fresenius Management SE Management Board.

At June 30, 2011, 1,443,445 options for ordinary shares were outstanding and exercisable. As of June 30, 2011, total unrecognized compensation costs related to non-vested options granted under the 2003 Plan and the 2008 Plan were €12 million. These costs are expected to be recognized over a weighted-average period of 1.7 years.

FRESENIUS MEDICAL CARE AG & CO. KGAA STOCK OPTION PLANS

Stock Option Plan 2011

On May 12, 2011, the Fresenius Medical Care AG & Co. KGaA Stock Option Plan 2011 (2011 Plan) was established by resolution of Fresenius Medical Care AG & Co. KGaA's (FMC-AG & Co. KGaA) Annual General Meeting with a conditional capital increase up to €12 million subject to the issue of up to 12 million non-par value bearer ordinary shares with a nominal value of €1.00 each. Under the 2011 Plan, up to 12 million options can be issued, each of which can be exercised to obtain one ordinary share, with up to 2 million options designated for members of the Management Board of Fresenius Medical Care Management AG (FMC Management AG), the general partner, up to 2.5 million options designated for members of management boards of direct or indirect subsidiaries of FMC-AG & Co. KGaA and up to 7.5 million options designated for managerial staff members of FMC-AG & Co. KGaA and such subsidiaries. FMC-AG & Co. KGaA may issue new shares to fulfill the stock option obligations, or FMC-AG & Co. KGaA may issue shares that it has acquired or which FMC-AG & Co. KGaA itself has in its own possession. With respect to participants who are members of the Management Board of FMC Management AG, its Supervisory Board has sole authority to grant stock options and exercise other decision making powers under the 2011 Plan (including decisions regarding certain adjustments and forfeitures). FMC Management AG has such authority with respect to all other participants in the 2011 Plan.

Options under the 2011 Plan can be granted on the last Monday in July and/or the first Monday in December during the life of the plan. The exercise price of options granted under the 2011 Plan shall be the average stock exchange price on the Frankfurt Stock Exchange of FMC-AG & Co. KGaA's ordinary shares during the 30 calendar days immediately prior to each grant date. Options granted under the 2011 Plan have an eight-year term and can be exercised only after a four-year vesting period. The vesting of options granted is subject to achievement of performance targets measured over a four-year period beginning with the first day of the year of the grant. For each such year, the performance target is achieved if FMC-AG & Co. KGaA's adjusted basic income per ordinary share (Adjusted EPS), as calculated in accordance with the 2011 Plan, increases by at least 8% year over year during the vesting period or, if this is not the case, the compounded annual growth rate of the Adjusted EPS reflects an increase of at least 8% per year of the Adjusted EPS during the four-year vesting period beginning with the Adjusted EPS for the year of grant as compared to the Adjusted EPS for the year preceding such grant. At the end of the vesting period, one-fourth of the options granted are forfeited for each year in which the performance target is not met or exceeded. Vesting of the portion or portions of a grant for a year or years in which the performance target is met does not occur until completion of the four-year vesting period.

Options granted under the 2011 Plan to U.S. participants are non-qualified stock options under the United States Internal Revenue Code of 1986, as amended. Options under the 2011 Plan are not transferable by a participant or a participant's heirs, and may not be pledged, assigned, or disposed of otherwise.

Phantom Stock Plan 2011

The Fresenius Medical Care AG & Co. KGaA Phantom Stock Plan 2011 (2011 Phantom Stock Plan) was established in the second quarter of 2011. Awards of phantom stock under the 2011 Phantom Stock Plan can be granted on the last Monday in July and/or the first Monday in December. Phantom stock awards under the 2011 Phantom Stock Plan entitles the holders to receive payment in Euro from FMC-AG & Co. KGaA upon exercise of the phantom stock. The payment per Phantom Stock share in lieu of the issuance of such stock shall be based upon the stock exchange price on the Frankfurt Stock Exchange of one of FMC-AG & Co. KGaA's ordinary shares on the exercise date. Phantom stock will be granted over a five year period of time and all phantom stock will have a five-year term but can be exercised only after a four-year vesting period, or as otherwise expressly stated in the plan, beginning with the first day of the year of the grant. The vesting of the phantom stock granted is subject to achievement of performance targets measured over a four-year period. For each such year, the performance target is achieved if FMC-AG & Co. KGaA's adjusted EPS, as calculated in accordance with the 2011 Phantom Stock Plan (Adjusted EPS), increases by at least 8% year over year during the vesting period or, if this is not the case, the compounded annual growth rate of the Adjusted EPS reflects an increase of at least 8% per year of the Adjusted EPS during the four-year vesting period beginning with the Adjusted EPS for the year of grant as compared to the Adjusted EPS for the year preceding such grant. At the end of the vesting period, one-fourth of the phantom stock granted are forfeited for each year in which the performance target is not met or exceeded. Vesting of the portion or portions of a grant for a year or years in which the performance target is met does not occur until completion of the four-year vesting period.

23. RELATED PARTY TRANSACTIONS

Prof. Dr. med. D. Michael Albrecht, a member of the Supervisory Board of Fresenius SE & Co. KGaA, is medical director and spokesman of the management board of the Universitätsklinikum Carl Gustav Carus Dresden and a member of the supervisory boards of the Universitätsklinika Aachen, Rostock and Magdeburg. The Fresenius Group maintains business relations with these clinics in the ordinary course and under customary conditions.

Prof. Dr. h. c. Roland Berger, a member of the Supervisory Board of Fresenius SE & Co. KGaA, is a partner and was the chairman of the supervisory board of Roland Berger Strategy Consultants until August 1, 2010. In the first half of 2011, the Fresenius Group paid €0.1 million for consulting services rendered to this company.

Klaus-Peter Müller, a member of the Supervisory Board of Fresenius SE & Co. KGaA, is the chairman of the supervisory board of Commerzbank AG. The Fresenius Group maintains business relations with Commerzbank under customary conditions. In the first half of 2011, the Fresenius Group paid €0.5 million for services in connection with the issuance of Senior Notes by FMC Finance VII S.A.

Dr. Gerhard Rupprecht, a member of the Supervisory Board of Fresenius SE & Co. KGaA, was a member of the management board of Allianz SE until December 31, 2010 and the chairman of the management board of Allianz Deutschland AG until June 30, 2010. Dr. Franceso De Meo, a member of the Management Board of the general partner of Fresenius SE & Co. KGaA, is a member of the supervisory board of Allianz Private Krankenversicherungs-AG. In the first half of 2011, the Fresenius Group paid €2 million for insurance premiums to Allianz.

Dr. Dieter Schenk, deputy chairman of the Supervisory Board of Fresenius SE until January 28, 2011, member of the Supervisory Board of Fresenius Management SE since March 11, 2010 and deputy chairman of the Supervisory Board of Fresenius Management SE since May 12, 2010, is a partner in the law firm Noerr LLP that provides legal services to the Fresenius Group. In the first half of 2011, the Fresenius Group paid this law firm €0.3 million for services rendered.

24. SUBSEQUENT EVENTS

On August 2, 2011, Fresenius Medical Care announced its plans to acquire 100% of Liberty Dialysis Holdings, Inc., the owner of all of the business of Liberty Dialysis and owner of a 51% stake in Renal Advantage, Inc. Fresenius Medical Care currently owns a 49% stake in Renal Advantage. The total investment for Fresenius Medical Care including the assumption of incremental debt will be approximately US$1.7 billion. The transaction remains subject to clearance under the Hart-Scott-Rodino Antitrust Improvements Act and is expected to close in early 2012. On completion, the acquired operations would add approximately 260 out-patient dialysis clinics to Fresenius Medical Care's network in the U.S. and approximately US$1 billion in annual revenue before the anticipated divestiture of some centers as a condition of the transaction. The transaction will be financed from cash flow from operations and debt and is expected to be accretive to earnings in the first year after closing of the transaction.

On August 2, 2011, Fresenius Medical Care announced its plans to acquire the U.S. based company American Access Care Holdings, LLC (AAC) for US$385 million. AAC operates 28 freestanding out-patient interventional radiology centers throughout 12 states in the U.S. primarily dedicated to the vascular access needs of dialysis patients. The transaction remains subject to clearance under the Hart-Scott-Rodino Antitrust Improvements Act and is expected to close in the fourth quarter of 2011. On completion, the acquired operations will add approximately US$175 million in annual revenue and are expected to be accretive to earnings in the first year after closing of the transaction. The transaction will be financed from cash flow from operations and available borrowing capacity.

There have been no significant changes in the Fresenius Group's operating environment following the end of the first half of 2011. No other events of material importance on the assets and liabilities, financial position, and results of operations of the Group have occurred following the end of the first half of 2011.

25. CORPORATE GOVERNANCE

For each consolidated stock exchange listed entity, the declaration pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz) has been issued and made available to shareholders on the website of Fresenius SE & Co. KGaA www.fresenius.com under Who we are / Corporate Governance / Declaration of Conformity and of Fresenius Medical Care AG & Co. KGaA www.fmc-ag.com under Investor Relations / Corporate Governance / Declaration of Compliance, respectively.

26. RESPONSIBILITY STATEMENT

"To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year."

Bad Homburg v. d. H., August 19, 2011

Fresenius SE Co. KGaA,
represented by:
Fresenius Management SE, its General Partner

The Management Board

Dr. U. M. Schneider | R. Baule | Dr. F. De Meo

Dr. J. Götz | Dr. B. Lipps | S. Sturm | Dr. E. Wastler

FINANCIAL CALENDAR

Report on 1st – 3rd quarters 2011 Conference call Live webcast	November 2, 2011
Report on fiscal year 2011 Analyst Meeting, Bad Homburg v. d. H. Press conference, Bad Homburg v. d. H. Live webcast	February 21, 2012
Report on 1st quarter 2012 Conference Call Live webcast	May 3, 2012
Annual General Meeting, Frankfurt am Main, Germany	May 11, 2012
Report on 1st half 2012 Conference call Live webcast	August 1, 2012
Report on 1st – 3rd quarters 2012 Conference call Live webcast	October 31, 2012

Subject to change

FRESENIUS SHARE INFORMATION

	Ordinary share
Securities identification no.	578 560
Ticker symbol	FRE
ISIN	DE0005785604
Bloomberg symbol	FRE GR
Reuters symbol	FREG.de
Main trading location	Frankfurt/Xetra

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Chairman of the Supervisory Board: Dr. Gerd Krick

General Partner: Fresenius Management SE
Registered Office and Commercial Register: Bad Homburg v. d. H.; HRB 11673
Management Board: Dr. Ulf M. Schneider (President and CEO), Rainer Baule, Dr. Francesco De Meo, Dr. Jürgen Götz, Dr. Ben Lipps, Stephan Sturm, Dr. Ernst Wastler
Chairman of the Supervisory Board: Dr. Gerd Krick