



P R E S S – R E L E A S E

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Matthias Link
Corporate Communications
Tel.: +49-6172-6082872
Fax: +49-6172-6082294
e-mail: pr@fmc-ag.com
www.fmc-ag.com

Fresenius Medical Care Reports Very Strong Fourth Quarter and Full Year Results; Another Record Year expected for 2012

4th Quarter 2011 Summary:

Net revenue	\$3,323 million	+5%
Operating income (EBIT)	\$587 million	+9%
Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA	\$310 million	+14%
Earnings per share	\$1.02	+14%

Full Year 2011 Summary:

Net revenue	\$12,795 million	+6%
Operating income (EBIT)	\$2,075 million	+8%
Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA	\$1,071 million	+9%
Earnings per share	\$3.54	+9%
Dividend Proposal Ordinary share	€0.69	+6%
Preference share	€0.71	+6%

Bad Homburg, Germany – Fresenius Medical Care AG & Co. KGaA (the “company” or “Fresenius Medical Care”; Frankfurt Stock Exchange: FME / New York Stock Exchange: FMS), the world’s largest provider of dialysis products and services, today announced its results for the fourth quarter and full year of 2011.

4th-Quarter 2011:

Revenue

Net revenue for the fourth quarter of 2011 increased by 5% to \$3,323 million (+6% at constant currency) compared to the fourth quarter of 2010. Organic revenue growth worldwide was 3%. Dialysis services revenue grew by 3% to \$2,435 million (+4% at constant currency) and dialysis product revenue increased by 9% to \$888 million (+10% at constant currency).

North America revenue for the fourth quarter of 2011 increased by 1% to \$2,096 million including the impact of the new Medicare end-stage renal disease prospective payment system in the United States. Dialysis services revenue increased by 1% to \$1,882 million with a same market growth of 3%. Average revenue per treatment for U.S. clinics decreased to \$351 in the fourth quarter of 2011 compared to \$355 for the corresponding quarter in 2010 reflecting the implementation of the new prospective payment system. Dialysis product revenue increased by 2% to \$214 million, mainly as a result of increased sales of hemodialysis products partially offset by lower pricing of renal pharmaceuticals.

International revenue increased by 12% to \$1,223 million (+14% at constant currency). Organic revenue growth was 8%. Dialysis services revenue increased by 13% to \$553 million (+16% at constant currency). Dialysis product revenue increased by 11% to \$669 million and increased by 12% at constant currency, mainly driven by higher sales of peritoneal dialysis products, dialysis machines, dialyzers, products for acute care treatments and renal pharmaceuticals.

Earnings

Operating income (EBIT) for the fourth quarter of 2011 increased by 9% to \$587 million compared to \$539 million in the fourth quarter of 2010. This resulted in an operating margin of 17.7% for the fourth quarter of 2011 compared to 17.0% for the corresponding quarter in 2010.

In North America, the operating margin increased from 17.9% in the fourth quarter of 2010 to 19.1% in the fourth quarter of 2011. This increase was favorably influenced by the development of pharmaceutical costs. Average costs per treatment for U.S. clinics decreased to \$279 in the fourth quarter of 2011 compared to \$287 for the corresponding quarter in 2010.

In the International segment, the operating margin increased from 18.0% to 18.7% mainly due to favorable exchange rate effects and business growth in Asia-Pacific.

Net interest expense for the fourth quarter of 2011 was \$82 million compared to \$74 million in the fourth quarter of 2010. This development was mainly attributable to the higher level of financial debt as a result of the issuance of various tranches of senior notes over the course of 2011.

Income tax expense was \$165 million for the fourth quarter of 2011 compared to \$169 million in the fourth quarter of 2010. The effective **tax rate** decreased to 32.7% from 36.3%.

Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA for the fourth quarter of 2011 was \$310 million, an increase of 14% compared to the corresponding quarter of 2010.

Earnings per share (EPS) for the fourth quarter of 2011 rose by 14% to \$1.02 per ordinary share compared to \$0.90 for the fourth quarter of 2010. The weighted average number of shares outstanding for the fourth quarter of 2011 was approximately

303.9 million shares compared to 302.1 million shares for the fourth quarter of 2010. The increase in shares outstanding resulted from stock option exercises in the past 12 months.

Cash Flow

In the fourth quarter of 2011, the company generated \$497 million in **cash from operations**, an increase of 46% compared to the corresponding figure last year and representing approximately 15% of revenue. The cash flow generation was supported by increased earnings, a favorable development of days sales outstanding (DSO) compared to the fourth quarter of 2010 and lower income tax payments.

A total of \$191 million in cash was spent for **capital expenditures**, net of disposals. **Free cash flow before acquisitions** was \$306 million compared to \$173 million in the fourth quarter of 2010. A total of \$604 million in cash was spent for **acquisitions**, net of divestitures. **Free cash flow after acquisitions and divestitures** was minus \$298 million compared to minus \$75 million in the fourth quarter of 2010.

Full Year 2011:

Revenue and Earnings

Net revenue for the full year 2011 increased by 6% to \$12,795 million (+5% at constant currency) compared to the full year 2010 and in line with our guidance. Organic revenue growth was 2% in the full year 2011.

Operating income (EBIT) for the full year 2011 increased by 8% to \$2,075 million compared to \$1,924 million in 2010, resulting in an operating margin of 16.2% compared to 16.0% for the full year 2010.

Net interest expense for the full year 2011 was \$297 million compared to \$280 million in the same period of 2010.

Income tax expense for the full year 2011 was \$601 million compared to \$578 million in the same period in 2010, reflecting effective **tax rates** of 33.8% and 35.2%, respectively.

For the full year 2011, **net income** attributable to shareholders of Fresenius Medical Care AG & Co. KGaA was \$1,071 million, up by 9% from the full year 2010 and in line with our guidance.

In the full year 2011, **earnings per ordinary share** rose by 9% to \$3.54. The weighted average number of shares outstanding during the full year 2011 was approximately 303.0 million.

Cash Flow

Cash from operations during 2011 was \$1,446 million compared to \$1,368 million for the same period in 2010, representing approximately 11% of revenue and above our targeted 10% level.

A total of \$570 million in cash was spent for **capital expenditures**, net of disposals. **Free cash flow before acquisitions** for the full year 2011 was \$876 million compared to \$861 million in the same period in 2010. A total of \$1,775 million in cash was spent for **acquisitions**, net of divestitures. **Free cash flow after acquisitions and divestitures** was minus \$899 million compared to \$243 million in the last year.

Please refer to the attachments for a complete overview on the fourth quarter and the full year of 2011.

Patients – Clinics – Treatments

As of December 31, 2011, Fresenius Medical Care treated 233,156 **patients** worldwide, which represents a 9% increase compared to the previous year's figure. North America provided dialysis treatments for 142,319 patients, an increase of 3%. Including 21 clinics managed by Fresenius Medical Care North America, the number of patients in North

America was 143,679. The International segment provided dialysis treatments to 90,837 patients, an increase of 18% over the prior year's figure.

As of December 31, 2011, the company operated a total of 2,898 **clinics** worldwide, which represents a 6% increase compared to the previous year's figure. The number of clinics is comprised of 1,838 clinics in North America (1,859 including managed clinics), and 1,060 clinics in the International segment, representing an increase of 2% and 13%, respectively.

During the full year 2011, Fresenius Medical Care delivered approximately 34.39 million dialysis **treatments** worldwide. This represents an increase of 9% compared to last year's figure. North America accounted for 21.61 million treatments, an increase of 4%. The International segment delivered 12.78 million treatments, an increase of 18%.

Employees

As of December 31, 2011, Fresenius Medical Care had 79,159 employees (full-time equivalents) worldwide compared to 73,452 employees at the end of 2010. This increase of more than 5,700 employees is due to overall growth in the company's business and acquisitions.

Dividend

The company intends to continue its earnings-driven dividend policy. At the Annual General Meeting to be held on May 10, 2012, shareholders will be asked to approve a dividend of €0.69 per ordinary share, an increase of 6% from 2010 (€0.65). For the 15th consecutive year, shareholders can expect to receive an increased annual dividend.

Debt/EBITDA Ratio

The ratio of debt to Earnings before interest, taxes, depreciation and amortization (EBITDA) increased from 2.38 at the end of 2010 to 2.69 at the end of 2011. The debt/EBITDA ratio at the end of the third quarter 2011 was 2.55.

Rating

Standard & Poor's Ratings Services rates the company's corporate credit as 'BB' with a 'positive' outlook. Moody's rates the company's corporate credit as 'Ba1' with a 'stable' outlook, and Fitch rates the company's corporate credit as 'BB+' with a 'stable' outlook. For further information on Fresenius Medical Care's credit ratings, maturity profiles and credit instruments, please visit our website at www.fmc-ag.com / Investor Relations / Credit Relations.

Vifor Fresenius Medical Care Renal Pharma Ltd. Formation Completed

After the recent clearance by the European Union antitrust commissions, the formation of Vifor Fresenius Medical Care Renal Pharma Ltd. was completed globally on November 1, 2011.

Acquisition of American Access Care Completed

The American Access Care (AAC) acquisition was closed effective October 1, 2011. AAC operates 28 freestanding out-patient centers primarily dedicated to serving vascular access needs of dialysis patients. The acquired operations will add approximately \$175 million in annual revenue and are expected to be accretive to earnings in the first year after closing of the transaction.

Acquisition of Liberty Dialysis Holdings, Inc.

The acquisition of Liberty Dialysis Holdings, Inc. is on schedule and is still expected to close in the first quarter of 2012.

Issuance of Senior Notes

In January 2012, Fresenius Medical Care successfully completed the largest placement of senior notes in the history of the company. Proceeds from the offering of three tranches of U.S. dollar and euro-denominated senior unsecured notes amounting to approximately \$1.81 billion are intended to be used for acquisitions, including the acquisition of Liberty Dialysis Holdings, Inc., to refinance indebtedness and for general corporate purposes. The coupon for the dollar-denominated senior notes in the principal amount of \$800 million due 2019 is 5.625% and the coupon for the dollar-denominated senior notes in the principal amount of \$700 million due 2022 is 5.875%. The coupon for the euro-denominated senior notes in the principal amount of €250 million due 2019 is 5.25%. All tranches were issued at par.

Issuance of floating rate senior notes

In October 2011, Fresenius Medical Care issued euro-denominated floating rate senior notes in the principal amount of €100 million, due 2016. The coupon is equal to the three-month Euribor rate plus 350 basis points.

Outlook for 2012

For the year 2012, the company expects **revenue** to grow to around \$14 billion. This takes into account a change in US-GAAP¹⁾ in the presentation of U.S. dialysis service revenue which will be shown net of the provision for bad debt. Based on the comparable revenue for 2011 of \$12,571 million the revenue outlook represents an increase of 11% and between 13% and 15% based on constant currencies.

Net income is expected to grow to around \$1.3 billion and **net income** attributable to shareholders of Fresenius Medical Care AG & Co. KGaA is expected to grow to around \$1.14 billion with operating margins forecast to increase to approximately 16.9%.

For 2012, the company expects to spend around \$700 million on **capital expenditures** and around \$1.8 billion on **acquisitions**. The **debt/EBITDA ratio** is expected to be below 3.0 by the end of 2012.

"We are very pleased to have achieved another year of record results in 2011. In the past 15 years, since the foundation of the company, Fresenius Medical Care has been able to quadruple its sales and to increase its earnings tenfold. With our strong performance in 2011 we are proposing to deliver our fifteenth consecutive dividend increase to our shareholders", said Ben Lipps, chief executive officer of Fresenius Medical Care. "We successfully handled the implementation of the new reimbursement system in the U.S. and have made good progress on our growth initiatives. We are confident that we will continue our strong performance targeting another record year in 2012."

¹⁾ First time adoption of Accounting Standards Codification 954-605 in 2012 (Patient service revenue less provision for bad debt).

Video Webcast

Fresenius Medical Care will hold a press conference at its headquarters in Bad Homburg, Germany, to discuss the results of the fourth quarter and the full year of 2011 on Wednesday, Feb. 21, 2012, at 10 am CET. The Company cordially invites journalists to view the live video webcast at the Company's website www.fmc-ag.com in the section "News and Press / Video service". A replay will be available shortly after the meeting.

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Fresenius Medical Care is the world's largest integrated provider of products and services for individuals undergoing dialysis because of chronic kidney failure, a condition that affects more than 2.1 million individuals worldwide. Through its network of 2,898 dialysis clinics in North America, Europe, Latin America, Asia-Pacific and Africa, Fresenius Medical Care provides dialysis treatment to 233,156 patients around the globe. Fresenius Medical Care is also the world's leading provider of dialysis products such as hemodialysis machines, dialyzers and related disposable products.

For more information about Fresenius Medical Care visit the Company's website at www.fmc-ag.com.

Legal Disclaimer:

This release contains forward-looking statements that are subject to various risks and uncertainties. Actual results could differ materially from those described in these forward-looking statements due to certain factors, including changes in business, economic and competitive conditions, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. These and other risks and uncertainties are detailed in Fresenius Medical Care AG & Co. KGaA's reports filed with the U.S. Securities and Exchange Commission. Fresenius Medical Care AG & Co. KGaA does not undertake any responsibility to update the forward-looking statements in this release.

Fresenius Medical Care
Statement of Earnings

in US-\$ thousands, except per share data
(audited)

	Twelve months ended December 31,		Change
	2011	2010	
Net revenue			
Dialysis care	9.507.173	9,070,546	4,8%
Dialysis products	3.287.887	2,982,944	10,2%
Total net revenue	12.795.060	12,053,490	6,2%
Cost of revenue	8.274.359	7,908,769	4,6%
Gross profit	4.520.701	4.144.721	9,1%
Selling, general and administrative	2.365.934	2.133.333	10,9%
Research and development	110.834	96.532	14,8%
Income from equity method investees	(30,959)	(8,949)	245,9%
Operating income (EBIT)	2.074.892	1,923,805	7,9%
Interest expense, net	296.533	280.064	5,9%
Income before taxes	1.778.359	1,643,741	8,2%
Income tax expense	601.097	578.345	3,9%
Net income	1.177.262	1,065,396	10,5%
Less: Net income attributable to noncontrolling interest	106.108	86.879	22,1%
Net income attributable to shareholders of FMC AG & Co. KGaA	1.071.154	978.517	9,5%
Operating income (EBIT)	2.074.892	1,923,805	7,9%
Depreciation and amortization	557.283	503.224	10,7%
EBITDA	2.632.175	2,427,029	8,5%
Earnings per ordinary share	\$3.54	\$3.25	8,7%
Earnings per ordinary ADS	\$3.54	\$3.25	8,7%
Weighted average number of shares			
Ordinary shares	299.012.744	296,808,978	
Preference shares	3.961.617	3,912,348	
Employees			
Full-time equivalents	79.159	73.452	

Fresenius Medical Care
Statement of Earnings

in US-\$ thousands, except per share data
(audited)

	Three months ended December 31,		Change
	2011	2010	
Net revenue			
Dialysis care	2.435.202	2.354.266	3,4%
Dialysis products	887.327	812.791	9,2%
Total net revenue	3.322.529	3.167.057	4,9%
Cost of revenue	2.112.693	2.052.714	2,9%
Gross profit	1.209.836	1.114.343	8,6%
Selling, general and administrative	601.573	549.721	9,4%
Research and development	30.290	29.276	3,5%
Income from equity method investees	(8.557)	(3.465)	147,0%
Operating income (EBIT)	586.530	538.811	8,9%
Interest expense, net	82.291	74.048	11,1%
Income before taxes	504.239	464.763	8,5%
Income tax expense	165.040	168.838	-2,2%
Net income	339.199	295.925	14,6%
Less: Net income attributable to noncontrolling interest	28.762	24.581	17,0%
Net income attributable to shareholders of FMC AG & Co. KGaA	310.437	271.344	14,4%
Operating income (EBIT)	586.530	538.811	8,9%
Depreciation and amortization	143.588	133.900	7,2%
EBITDA	730.118	672.711	8,5%
Earnings per ordinary share	\$1.02	\$0.90	13,7%
Earnings per ordinary ADS	\$1.02	\$0.90	13,7%
Weighted average number of shares			
Ordinary shares	299.897.235	298.109.602	
Preference shares	3.965.479	3.945.649	