

Press Release

Matthias Link
Corporate Communications

Fresenius Medical Care
Else-Kröner-Straße 1
61352 Bad Homburg
Germany
T +49 6172 609-2872
F +49 6172 609-2294
matthias.link@fresenius.com
www.fmc-ag.com

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Fresenius Medical Care Reports Strong Fourth Quarter And Full Year 2012 Results In Line With Guidance

Full Year 2012 Summary:

Reported

Net Revenue	\$13,800 million	+10%
Operating income (EBIT)	\$2,219 million	+7%
Net income ¹	\$1,187 million	+11%
Earnings per ordinary share	\$3.89	+10%

Adjusted²

Operating income (EBIT)	\$2,329 million	+12%
Net income ¹	\$1,118 million	+4%
Earnings per ordinary share	\$3.66	+4%

Dividend proposal

Ordinary Share	€0.75	+9%
Preference Share	€0.77	+8%

¹Attributable to shareholders of Fresenius Medical Care AG & Co. KGaA

²Fresenius Medical Care's net income guidance for 2012 was based on adjusted numbers. For further details see page 11.

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 2012.

Fourth Quarter of 2012

Revenue

Net revenue for the fourth quarter of 2012 increased by 13% to \$3,706 million (+14% at constant currency) compared to the fourth quarter of 2011. Organic revenue growth worldwide was 8%. Dialysis services revenue grew by 18% to \$2,804 million (+19% at constant currency) and dialysis product revenue increased by 2% to \$902 million and increased by 4% at constant currency.

North America revenue for the fourth quarter of 2012 increased by 19% to \$2,429 million. Dialysis services revenue grew by 22% to \$2,222 million with a same store growth of 4%. Average revenue per treatment for U.S. services increased to \$368 in the fourth quarter of 2012 compared to \$351 for the corresponding quarter in 2011. Dialysis product revenue decreased by 3% to \$207 million.

International revenue increased by 4% to \$1,270 million and increased by 6% at constant currency. Organic revenue growth was 6%. Dialysis services revenue increased by 5% to \$582 million and increased by 8% at constant currency. Dialysis product revenue increased by 3% to \$688 million and increased by 5% at constant currency.

Earnings

Operating income (EBIT) for the fourth quarter of 2012 decreased by 5% to \$559 million compared to \$587 million in the fourth quarter of 2011. The operating income includes charges in the amount of \$110 million related to the amendment of the agreement for our iron product Venofer in North America and a donation to the American Society of Nephrology. Excluding those charges the operating income for the fourth quarter increased by 14% to \$ 669 million, translating into an operating margin of 18.1%

for the fourth quarter of 2012 as compared to 18.0% for the corresponding quarter in 2011.

Excluding the above mentioned charges, the operating margin for North America increased from 19.6% to 21.2%. Average costs per treatment for U.S. services increased to \$286 in the fourth quarter of 2012 as compared to \$279 in the fourth quarter of 2011. In the International segment, the operating margin decreased from 18.7% to 16.7%.

Net interest expense for the fourth quarter of 2012 was \$115 million, compared to \$82 million in the fourth quarter of 2011. This development was mainly attributable to the higher level of indebtedness as a result of the issuance of various tranches of senior notes over the course of 2011 and 2012 to finance dialysis clinic acquisitions.

Income tax expense was \$143 million for the fourth quarter of 2012 compared to \$165 million in the fourth quarter of 2011, reflecting effective **tax rates** of 32.1% and 32.7%, respectively.

Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA for the fourth quarter of 2012 was \$257 million, a decrease of 17% compared to the corresponding quarter of 2011. Excluding after tax charges in the amount of \$71 million related to the amendment of the agreement for Venofer and a donation to the American Society of Nephrology, net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA for the fourth quarter was \$327 million, an increase of 5%.

Earnings per ordinary share (EPS) for the fourth quarter of 2012 was \$0.84 compared to \$1.02 for the fourth quarter of 2011. The weighted average number of shares outstanding for the fourth quarter of 2012 was approximately 306.4 million shares, compared to 303.9 million shares for the fourth quarter of 2011. The increase in shares outstanding resulted from stock option exercises in the past 12 months. Excluding the above mentioned charges earnings per ordinary share for the fourth quarter 2012 was \$1.07.

Cash flow

In the fourth quarter of 2012, the company generated \$572 million in **cash from operations**, an increase of 15% compared to the corresponding figure last year and

representing 15.4% of revenue. The cash flow generation was mainly supported by the favorable development of working capital items.

A total of \$227 million was spent for **capital expenditures**, net of disposals. **Free cash flow before acquisitions** was \$345 million (representing 9.3% of revenue) compared to \$306 million in the fourth quarter of 2011. A total of \$59 million in cash was spent for **acquisitions and investments**, net of divestitures. **Free cash flow after acquisitions and divestitures** was \$286 million, compared to minus \$298 million in the fourth quarter of 2011.

Full Year 2012

Revenue and Earnings

Net revenue for the full year 2012 increased by 10% to \$13,800 million (+12% at constant currency) compared to the full year 2011. Organic revenue growth worldwide was 5%.

Operating income (EBIT) for the full year 2012 increased by 7% to \$2,219 million compared to \$2,075 million for the full year 2011. The operating income includes charges in the amount of \$110 million related to the amendment of the agreement for Venofer and a donation to the American Society of Nephrology. Excluding those charges the operating income for the full year 2012 increased by 12% to \$2,329 million, translating into an operating margin of 16.9% as compared to 16.5% for the full year 2011.

Net interest expense for the full year 2012 was \$426 million compared to \$297 million in the same period of 2011.

For the full year 2012, **net income** attributable to shareholders of Fresenius Medical Care AG & Co. KGaA increased by 11% to \$1,187 million. This includes a non-taxable investment gain of \$140 million related to the acquisition of Liberty Dialysis Holdings, Inc., including its 51% stake in Renal Advantage Partners, LLC (RAI). The gain is a result of measuring the 49% equity interest in RAI held by the company at its fair value at the time of the Liberty acquisition. It also includes after tax charges in the amount of \$71 million related to the amendment of the agreement for Venofer and a donation to the American Society of Nephrology. Excluding the investment gain and the before

mentioned charges net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA was \$1,118 million, an increase of 4% compared to 2011.

Income tax expense for the full year 2012 was \$605 million compared to \$601 million in the same period in 2011, reflecting effective **tax rates** of 31.3% and 33.8%, respectively.

In the full year 2012, **earnings per ordinary share** rose by 10% to \$3.89. The weighted average number of shares outstanding during the full year 2012 was approximately 305.1 million compared to 303.0 million shares for the full year 2011. Excluding the investment gain and the above mentioned charges earnings per ordinary share was \$3.66.

Cash Flow

For the full year 2012, the company generated \$2,039 million in **cash from operations**, an increase of 41% compared to the corresponding figure last year and representing 14.8% of revenue.

A total of \$666 million in cash was spent for **capital expenditures**, net of disposals. **Free cash flow before acquisitions** for the full year 2012 was \$1,373 million compared to \$876 million in the same period in 2011. A total of \$1,615 million in cash was spent for **acquisitions**, net of divestitures. **Free cash flow after acquisitions and divestitures** was minus \$242 million compared to minus \$899 million in the last year.

Please refer to the attachments for a complete overview on the fourth quarter and the full year 2012.

Patients – Clinics – Treatments

As of December 31, 2012, Fresenius Medical Care treated 257,916 **patients** worldwide, which represents an increase of 11% compared to the previous year's figure. North America provided dialysis treatments for 164,554 patients, an increase of 16%. Including 32 clinics managed by Fresenius Medical Care North America, the number of patients in North America was 166,920. The International segment provided dialysis treatment to 93,362 patients, an increase of 3% over the prior year's figure.

As of December 31, 2012, the company operated a total of 3,160 **clinics** worldwide, which represents an increase of 9% compared to the previous year's figure. The number of clinics is comprised of 2,082 clinics in North America (2,114 including managed clinics), and 1,078 clinics in the International segment, representing an increase of 13% and 2%, respectively.

During the full year 2012, Fresenius Medical Care delivered approximately 38.6 million dialysis **treatments** worldwide. This represents an increase of 12% compared to the previous year's figure. North America accounted for 24.4 million treatments, an increase of 13%. The International segment delivered 14.2 million treatments, an increase of 11%.

Employees

As of December 31, 2012, Fresenius Medical Care had 86,153 employees (full-time equivalents) worldwide, compared to 79,159 employees at the end of 2011. This increase of approximately 7,000 employees is due to overall growth in the company's business and acquisitions including Liberty Dialysis Holdings, Inc.

Dividend

The company intends to continue its earnings-driven policy. At the Annual General Meeting to be held on May 16, 2013, shareholders will be asked to approve a dividend of €0.75 per ordinary share, an increase of 9% from 2011 (€0.69). For the 16th 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 2.69 at the end of 2011 to 2.83 at the end of 2012. The debt/EBITDA ratio at the end of the third quarter 2012 was 2.81.

Rating

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

Outlook for 2013

For the year 2013 the company expects **revenue** to grow to more than \$14.6 billion. **Net income** attributable to shareholders of Fresenius Medical Care AG & Co. KGaA is expected to be between \$1.1 billion and \$1.2 billion. For 2013, the company expects to spend around \$700 million on **capital expenditures** and around \$300 million on **acquisitions**. The **debt/EBITDA ratio** is expected to be equal or below 3.0 by the end of 2013.

Targets for 2013:

in US\$ million	2012	Goal 2013	Growth rate
Revenue	13,800	> 14,600	> 6%
Operating income (EBIT)	2,219	2,300 – 2,500	4% - 13%
Net income (comparable basis)*	1,047	1,100 – 1,200	5% - 15%

*excluding investment gain

Rice Powell, chief executive officer of Fresenius Medical Care, commented: "Fresenius Medical Care looks back on another successful year. We once again achieved new records both in terms of revenue and earnings despite challenging global conditions. We were able to sustain our growth path but more importantly we made very good progress with our quality initiatives in both products and services. Quality and growth remain our top priorities in the future. With our strong management team and dedicated employees, Fresenius Medical Care remains very well positioned for great success in 2013 and beyond."

Press Conference

Fresenius Medical Care will hold a press conference at its headquarters in Bad Homburg, Germany to discuss the results of the fourth quarter and full year of 2012 on Tuesday, February 26, 2013, 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.

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 2.2 million individuals worldwide. Through its network of 3,160 dialysis clinics in North America, Europe, Latin America, Asia-Pacific and Africa, Fresenius Medical Care provides dialysis treatment to 257,916 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.

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
	2012	2011	
Revenue			
Dialysis care	10,772,124	9,507,173	13.3%
Less: patient service bad debt provision	280,365	224,545	24.9%
Net dialysis care	10,491,759	9,282,628	13.0%
Dialysis products	3,308,523	3,287,887	0.6%
Total net revenue	13,800,282	12,570,515	9.8%
Cost of revenue	9,199,029	8,418,474	9.3%
Gross profit	4,601,253	4,152,041	10.8%
Selling, general and administrative	2,224,715	2,001,825	11.1%
Gain on sale of dialysis clinics	(36,224)	(4,551)	696.0%
Research and development	111,631	110,834	0.7%
Income from equity method investees	(17,442)	(30,959)	-43.7%
Other operating expenses	100,000	-	
Operating income (EBIT)	2,218,573	2,074,892	6.9%
Investment gain	(139,600)	-	
Interest expense, net	426,060	296,533	43.7%
Income before taxes	1,932,113	1,778,359	8.6%
Income tax expense	605,136	601,097	0.7%
Net income	1,326,977	1,177,262	12.7%
Less: Net income attributable to noncontrolling interests	140,168	106,108	32.1%
Net income attributable to shareholders of FMC AG & Co. KGaA	1,186,809	1,071,154	10.8%
Operating income (EBIT)	2,218,573	2,074,892	6.9%
Depreciation and amortization	602,896	557,283	8.2%
EBITDA	2,821,469	2,632,175	7.2%
Earnings per ordinary share	3.89	3.54	10.0%
Earnings per ordinary ADS	3.89	3.54	10.0%
Weighted average number of shares			
Ordinary shares	301,139,652	299,012,744	
Preference shares	3,969,307	3,961,617	
Employees			
Full-time equivalents	86,153	79,159	

Fresenius Medical Care
Statement of Earnings

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

	Three months ended December 31,		Change
	2012	2011	
Revenue			
Dialysis care	2,877,750	2,435,202	18.2%
Less: patient service bad debt provision	73,700	57,554	28.1%
Net dialysis care	2,804,050	2,377,648	17.9%
Dialysis products	901,566	887,327	1.6%
Total net revenue	3,705,616	3,264,975	13.5%
Cost of revenue	2,413,057	2,150,101	12.2%
Gross profit	1,292,559	1,114,874	15.9%
Selling, general and administrative	610,090	511,162	19.4%
Gain on sale of dialysis clinics	(2,205)	(4,551)	-51.5%
Research and development	28,304	30,290	-6.6%
Income from equity method investees	(2,770)	(8,557)	-67.6%
Other operating expenses	100,000	-	
Operating income (EBIT)	559,140	586,530	-4.7%
Interest expense, net	115,020	82,291	39.8%
Income before taxes	444,120	504,239	-11.9%
Income tax expense	142,782	165,040	-13.5%
Net income	301,338	339,199	-11.2%
Less: Net income attributable to noncontrolling interests	44,226	28,762	53.8%
Net income attributable to shareholders of FMC AG & Co. KGaA	257,112	310,437	-17.2%
Operating income (EBIT)	559,140	586,530	-4.7%
Depreciation and amortization	156,433	143,588	8.9%
EBITDA	715,573	730,118	-2.0%
Earnings per ordinary share	0.84	1.02	-17.9%
Earnings per ordinary ADS	0.84	1.02	-17.9%
Weighted average number of shares			
Ordinary shares	302,388,558	299,897,235	
Preference shares	3,972,955	3,965,479	

Fresenius Medical Care

Key earnings figures

(in US\$ million, audited)

Reconciliation of non-US-GAAP financial measures to most comparable US-GAAP measure

	Three months ended Dec. 31,			Twelve months ended Dec. 31,		
	2012	2011	Change	2012	2011	Change
Operating income (EBIT)	559	587	-4.7%	2,219	2,075	6.9%
Special items ¹⁾	(110)	-		(110)	-	
Operating income (EBIT) excluding special items	669	587	14.1%	2,329	2,075	12.2%
In percent of revenue	18.1%	18.0%		16.9%	16.5%	
Net income attributable to shareholders of FMC AG & Co. KGaA	257	310	-17.2%	1,187	1,071	10.8%
Special items ²⁾	(70)	-		69	-	
Net income attributable to shareholders of FMC AG & Co. KGaA excluding special items	327	310	5.5%	1,118	1,071	4.3%

¹⁾Special items in 2012: charges of \$110 million booked in the fourth quarter of 2012 related to the amendment of the distribution, manufacturing and supply agreement for iron products in North America and a donation to the American Society of Nephrology.

²⁾Special items in 2012: number for Q4 2012 includes charges of \$71 million after tax related to the amendment of the distribution, manufacturing and supply agreement for iron products in North America and a donation to the American Society of Nephrology; number for FY 2012 also includes such charges of \$71 million after tax and an investment gain in the amount of approximately \$140 million related to the acquisition of Liberty Dialysis Holdings, Inc.