

Investor News

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Fresenius confirms and narrows Group guidance for FY/18 and publishes preliminary results for Q3/18

Fresenius confirms and narrows its Group guidance¹ for FY/18. Group sales are expected to increase at the low end of the original 5% to 8%² guidance range (in constant currency). Fresenius expects net income^{3,4} growth at the low end of the original 6% to 9% guidance range (in constant currency). Excluding expenditures for the further development of the biosimilars business, net income^{3,5} growth is projected at the low end of the original ~10% to 13% guidance range (in constant currency). Narrowing the Group guidance ranges is due to updated expectations at Fresenius Medical Care, Fresenius Kabi and Fresenius Helios.

Fresenius Medical Care adjusts its outlook for FY/18 as the business development in Q3/18 was below the company's expectations. Fresenius Medical Care now expects sales growth of 2% to 3%⁶ in constant currency (previously: 5% to 7%⁶). Whilst Fresenius Kabi confirms its guidance of 4% to 7% organic sales growth, it now expects to reach the top end of this range. Fresenius Kabi sees a strong development across all product lines and regions with North America standing out. Fresenius Helios confirms and narrows its FY/18 organic sales growth outlook, and now projects growth at the low end of the original 3% to 6% range. The business development in Germany in Q3/18 was below the company's expectations mainly due to a decline in admissions and additional catalogue effects. In line with market development in Germany, Fresenius Helios sees a trend towards outpatient treatments leading to fewer admissions in its hospitals.

On a comparable basis⁸, Fresenius Medical Care now expects FY/18 net income⁷ to increase by 11% to 12%⁸ in constant currency (previously: 13% to 15%⁸). On an adjusted basis⁹, Fresenius Medical Care now expects FY/18 net income⁷ to increase by 2% to 3%⁹ in constant currency (previously: 7% to 9%⁹). Fresenius Kabi increases its FY/18 EBIT outlook and now expects 1% to 3%¹⁰ growth in constant currency (previously: -2% to +1%¹⁰). The increase is

driven by a strong development across all product lines and regions with North America standing out. FY/18 EBIT excluding expenditures for the further development of the biosimilars business is now expected to grow by ~9% to 11%¹¹ in constant currency (previously: ~6% to 9%¹¹). Fresenius Helios adjusts its FY/18 EBIT outlook and now expects 0% to 2% growth (previously: 5% to 8%), driven by lower sales growth in Germany. Moreover, preparatory structural activities for anticipated regulatory requirements (e.g. clustering), as well as a lack of privatization opportunities in the German market continue to weigh on earnings growth.

Fresenius Vamed confirms its outlook for FY/18 and expects organic sales growth in the range of 5% to 10% and FY/18 EBIT growth of 32% to 37%. The integration of the inpatient post-acute care business acquired from Helios Germany is fully on track.

Q3/2018 preliminary financial results

In Q3/18, Fresenius Group sales increased by ~3%¹² (~4%¹² in constant currency) to ~€8.2 billion (Q3/2017: €8.297 billion). Group net income³ before special items¹³ increased by ~8% (~8% in constant currency) to ~€445 million (Q3/2017: €413 million). Fresenius Medical Care has increased the provision for the FCPA (Foreign Corrupt Practices Act) related charge by €75 million (not tax deductible). As in 2017, this charge is treated as a special item. Group net income³ before special items¹³ and before expenses for the further development of the biosimilars business increased by ~13% (~13% in constant currency) to ~€474 million (Q3/2017: €423 million).

Fresenius will publish its detailed Q3/18 and Q1-Q3/18 financial results on October 30, 2018.

1 Excluding effects related to the Akorn and NxStage transactions, gains from divestitures of Care
Coordination activities and FCPA provision

2 2017 base adjusted for IFRS 15 adoption (deduction of €486 million at Fresenius Medical Care) and
divestitures of Care Coordination activities (deduction of €558 million at Fresenius Medical Care)

3 Net income attributable to shareholders of Fresenius SE & Co. KGaA

4 2017 base: €1,804 million; 2018 before special items (i.e. expenses related to the Akorn and NxStage
transactions, gains from divestitures of Care Coordination activities and FCPA provision; including
contributions to the campaigns in the U.S. opposing state ballot initiatives at Fresenius Medical Care and
including expenditures for further development of the biosimilars business at Fresenius Kabi (€43 million
after tax in FY/17 and ~€120 million after tax in FY/18))

5 2017 base: €1,847 million; 2018 before special items (i.e. expenses related to the Akorn and NxStage
transactions, gains from divestitures of Care Coordination activities and FCPA provision; including
contributions to the campaigns in the U.S. opposing state ballot initiatives at Fresenius Medical Care
excluding the expenditures for further development of the biosimilars business at Fresenius Kabi (€43
million after tax in FY/17 and ~€120 million after tax in FY/18))

6 2017 base: €16,739 million (adjusted for IFRS 15 adoption (-€486 million) and divestitures of Care
Coordination activities (-€558 million))

7 Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA

8 2017 base: €1,242 million, excluding H2/17 net income of divestitures of Care Coordination activities (-€38
million); 2018 including benefits of the U.S. tax reform but excluding gains from divestitures of Care
Coordination activities, contributions to the campaigns in the U.S. opposing state ballot initiatives at
Fresenius Medical Care and FCPA provision

9 2017 base: €1,162 million, excluding divestitures of Care Coordination activities (-€38 million), the effect of
the U.S. tax reform, natural disaster costs, FCPA provision and effects of the agreement with the U.S.
Departments of Veterans Affairs and Justice (VA agreement)

10 2017 base: €1,177 million; 2017 & 2018 before special items, including expenditures for the further
development of the biosimilars business (€60 million in FY/17 and ~€160 million in FY/18)

11 2017 base: €1,237 million; 2017 & 2018 before special items, excluding expenditures for the further
development of the biosimilars business (€60 million in FY/17 and ~€160 million in FY/18)

12 Growth rates adjusted for IFRS 15 adoption and divestitures of Care Coordination activities (Q3/17 base:
€7,927 million)

13 Before expenses related to the Akorn transaction, gains from divestitures of Care Coordination activities and
FCPA provision, but including contributions to the campaigns in the U.S. opposing state ballot initiatives at
Fresenius Medical Care

Conference Call

As part of the publication of the results for the third quarter, a conference call will be held on October 30, 2018 at 2 p.m. CET (9 a.m. EDT). All investors are cordially invited to follow the conference call in a live broadcast over the Internet at www.fresenius.com/investors. Following the call, a replay will be available on our website.

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For additional information on the performance indicators used please refer to our website <https://www.fresenius.com/alternative-performance-measures>.

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Fresenius is a global health care group, providing products and services for dialysis, hospital and outpatient medical care. In 2017, Group sales were €33.9 billion. On June 30, 2018, the Fresenius Group had 273,632 employees worldwide.

For more information visit the Company's website at www.fresenius.com.
Follow us on Twitter: www.twitter.com/fresenius_ir
Follow us on LinkedIn: www.linkedin.com/company/fresenius-investor-relations

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

Fresenius SE & Co. KGaA
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Chairman of the Supervisory Board: Dr. Gerd Krick

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Commercial Register: Amtsgericht Bad Homburg, HRB 11673
Management Board: Stephan Sturm (Chairman), Dr. Francesco De Meo, Rachel Empey, Dr. Jürgen Götz, Mats Henriksson, Rice Powell, Dr. Ernst Wastler
Chairman of the Supervisory Board: Dr. Gerd Krick

Fresenius Group: 2018 Financial Outlook by Business Segment

€ millions (except otherwise stated)		FY/2017 base	FY/2018e ¹	FY/2018e ¹ new
Fresenius Medical Care	Sales growth (cc)	16,739 ²	5% - 7% ²	2% - 3%
	Net Income on a comparable basis (cc) ^{3,4}	1,242 ⁴	13% - 15% ⁴	11% - 12% ⁴
	Net Income adjusted (cc) ^{3,5}	1,162 ⁵	7% - 9% ⁵	2% - 3% ⁵
Fresenius Kabi	Sales growth (org)	6,358	4% - 7%	<input checked="" type="checkbox"/> (top-end)
	EBIT growth (cc)	1,177	-2% to 1% ⁶	1% - 3% ⁶
	EBIT growth (cc) excl. biosimilars	1,237	~6% - 9% ⁷	~9% - 11% ⁷
Fresenius Helios	Sales growth (org)	8,668 ⁸	3% - 6% ⁹	<input checked="" type="checkbox"/> (low-end)
	EBIT growth	1,052 ⁸	5% - 8%	0% - 2%
Fresenius Vamed	Sales growth (org)	1,228	5% - 10%	<input checked="" type="checkbox"/>
	EBIT growth	76	32% - 37%	<input checked="" type="checkbox"/>

¹ Excluding effects related to the Akorn and NxStage transactions, gains from divestitures of Care Coordination activities and FCPA provision

² Adjusted for IFRS 15 adoption (-€486 million) and divestitures of Care Coordination activities (-€558 million)

³ Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA

⁴ Excluding divestitures of Care Coordination activities (-€38 million); 2018 including the effect of the U.S. tax reform, but excluding gains from divestitures of Care Coordination activities, contributions to the campaigns in the U.S. opposing state ballot initiatives at Fresenius Medical Care and FCPA provision

⁵ 2017 base: €1,162 million, excluding divestitures of Care Coordination activities (-€38 million), the effect of the U.S. tax reform, natural disaster costs, FCPA provision and VA agreement

⁶ 2017 base: €1,177 million; 2017 & 2018 before special items, including expenditures for the further development of the biosimilars business (€60 million in FY/17 and -€160 million in FY/18)

⁷ 2017 base: €1,237 million; 2017 & 2018 before special items, excluding expenditures for the further development of the biosimilars business (€60 million in FY/17 and -€160 million in FY/18)

⁸ Helios Spain consolidated for 11 months

⁹ Organic growth reflects 11 months contribution of Helios Spain in 2018

Fresenius Group: 2018 Financial Guidance

€ millions (except otherwise stated)		FY/2017 base	FY/2018e ¹	FY/2018e ¹ new
Fresenius	Sales growth (cc)	32,842 ²	5% - 8%	☑ (low-end)
	Net income growth ³ (cc)	1,804 ⁴	6% - 9% ⁵	☑ (low-end)
	Net income ³ growth (cc) excl. biosimilars	1,847 ⁶	~10% - 13% ⁷	☑ (low-end)

¹ Excluding effects related to the Akorn and NxStage transactions, gains from divestitures of Care Coordination activities and FCPA provision

² 2017 base adjusted for IFRS 15 adoption (deduction of €486 million at Fresenius Medical Care) and divestitures of Care Coordination activities (deduction of €558 million at Fresenius Medical Care)

³ Net income attributable to shareholders of Fresenius SE & Co. KGaA

⁴ Before special items, i.e. expenses related to the Akorn and NxStage transactions, gains from divestitures of Care Coordination activities, book gain from the U.S. tax reform and FCPA provision

⁵ Before special items (i.e. expenses related to the Akorn and NxStage transactions, gains from divestitures of Care Coordination activities and FCPA provision, but including contributions to the campaigns in the U.S. opposing state ballot initiatives at Fresenius Medical Care including expenditures for further development of the biosimilars business at Fresenius Kabi (€43 million after tax in FY/17 and ~€120 million after tax in FY/18))

⁶ Adjusted net income: Before special items (i.e. expenses related to the Akorn and NxStage transactions and gains from divestiture of Care Coordination activities, book gain from the U.S. tax reform and FCPA provision), before expenditures for the further development of the biosimilars business at Fresenius Kabi

⁷ Before special items (i.e. expenses related to the Akorn and NxStage transactions, gains from divestitures of Care Coordination activities and FCPA provision, but including contributions to the campaigns in the U.S. opposing state ballot initiatives at Fresenius Medical Care excluding expenditures for the further development of the biosimilars business at Fresenius Kabi (€43 million after tax in FY/17 and ~€120 million after tax in FY/18))