

Roadshow – Frankfurt



Frankfurt, 21 February 2020

Safe Harbor Statement

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

Fresenius Group







- **Delivered on all targets - 16th consecutive record year**
- **27th consecutive dividend increase proposed**
- **Fresenius Kabi expected to show healthy top-line growth whilst softness in North America weighs on EBIT in FY/20**
- **Fresenius Helios anticipated to show ongoing stabilization in Germany and continued strong growth in Spain in FY/20**
- **Fresenius Medical Care expected to show strong growth in FY/20**
- **Too early to quantify the financial impact of Covid-19**
- **Fresenius Group back on growth trajectory in FY/20**
- **Medium-term growth targets confirmed**

Fresenius Kabi: Volume headwinds partially offset by new product launches in North America




- Ongoing volume headwinds anticipated
 - Intensified competition
 - Shortage tailwind essentially over
 - Opioid market not expected to recover
- Pricing expected to be in-line with historical trends, however trending more towards mid-single digit price declines in base product portfolio
- 15+ product launches expected in 2020 targeting an originator market of ~US\$1.3 bn
- Excellent pipeline: >50 files pending with the FDA



Fresenius Kabi: Rigorous pursuit to further broaden and diversify portfolio in North America

	Current Portfolio			2023 Portfolio		
						
IV drugs	●●●	●●	●○	●●●	●●	●○
Pre-filled syringes	●●	●	●	●●●	●	●
IV solutions	●	●	○	●●●	●	●
Parenteral nutrition	●	○	●●	●●	○	●●
Infusion pumps	○	○	○	●	●	●
Biosimilars	○	○	○	●	●●	●●
Compounding	○	○	○	●●	○	●
Specialty Rx	○	○	○	●	●●	●●

●●● Strong ●● medium ●/○ light ○ none

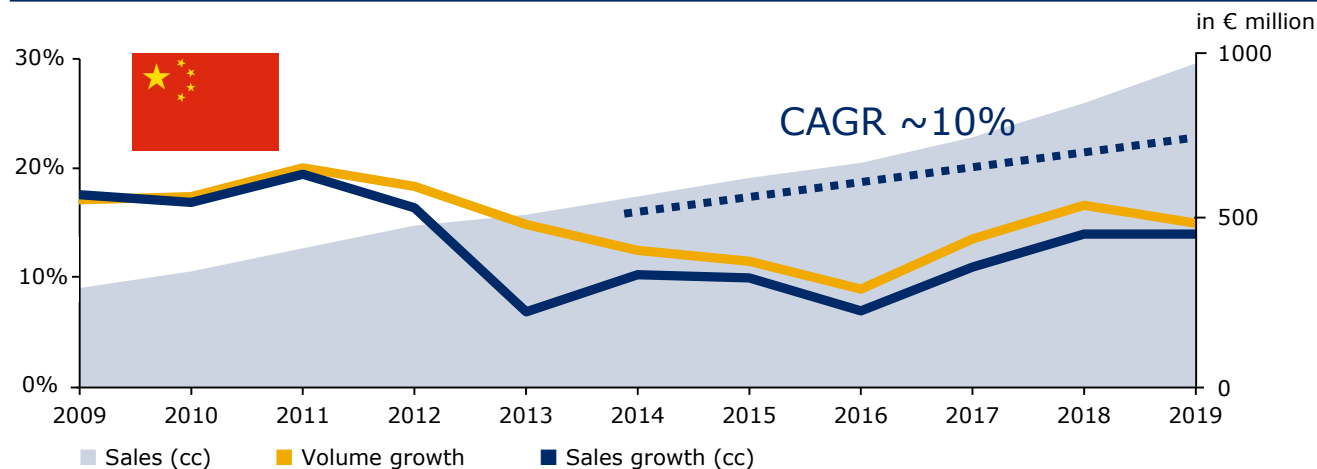
 GPOs/Hospitals  Clinics/Physician Offices  Retail Pharmacy/Home Care

Fresenius Kabi: Continued positive momentum in Emerging Markets

- Strong organic sales growth expected
- Continued positive momentum in Latin America anticipated
- Regulatory changes in China expected to weigh on EBIT development -
- Too early to quantify the financial impact of Covid-19

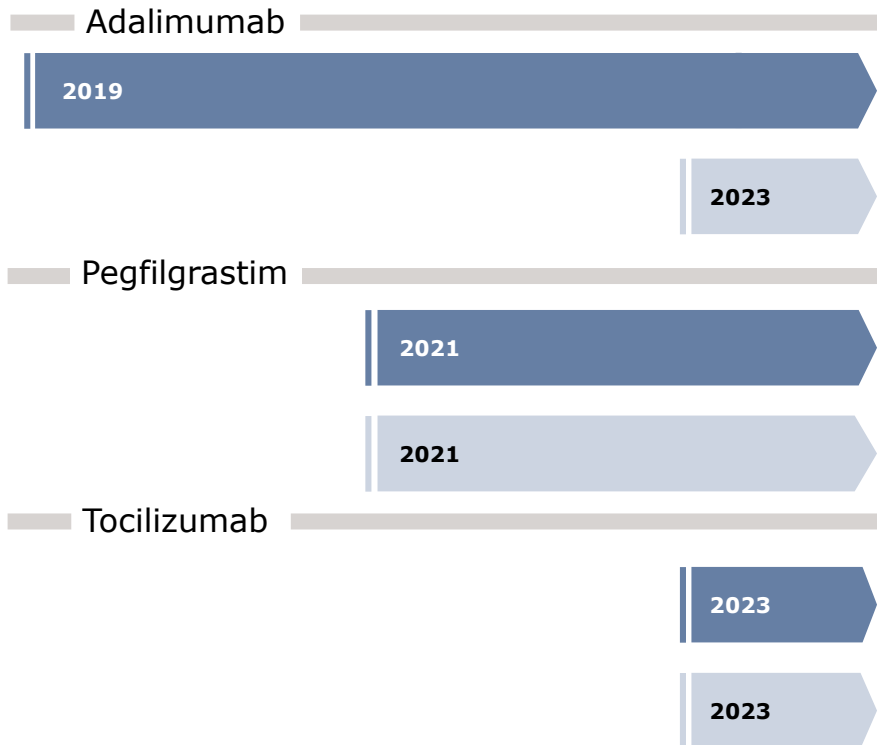


Significant sales and volume growth in China over last decade



Fresenius Kabi: Biosimilar Update

Launch schedule



■ Europe ■ U.S.

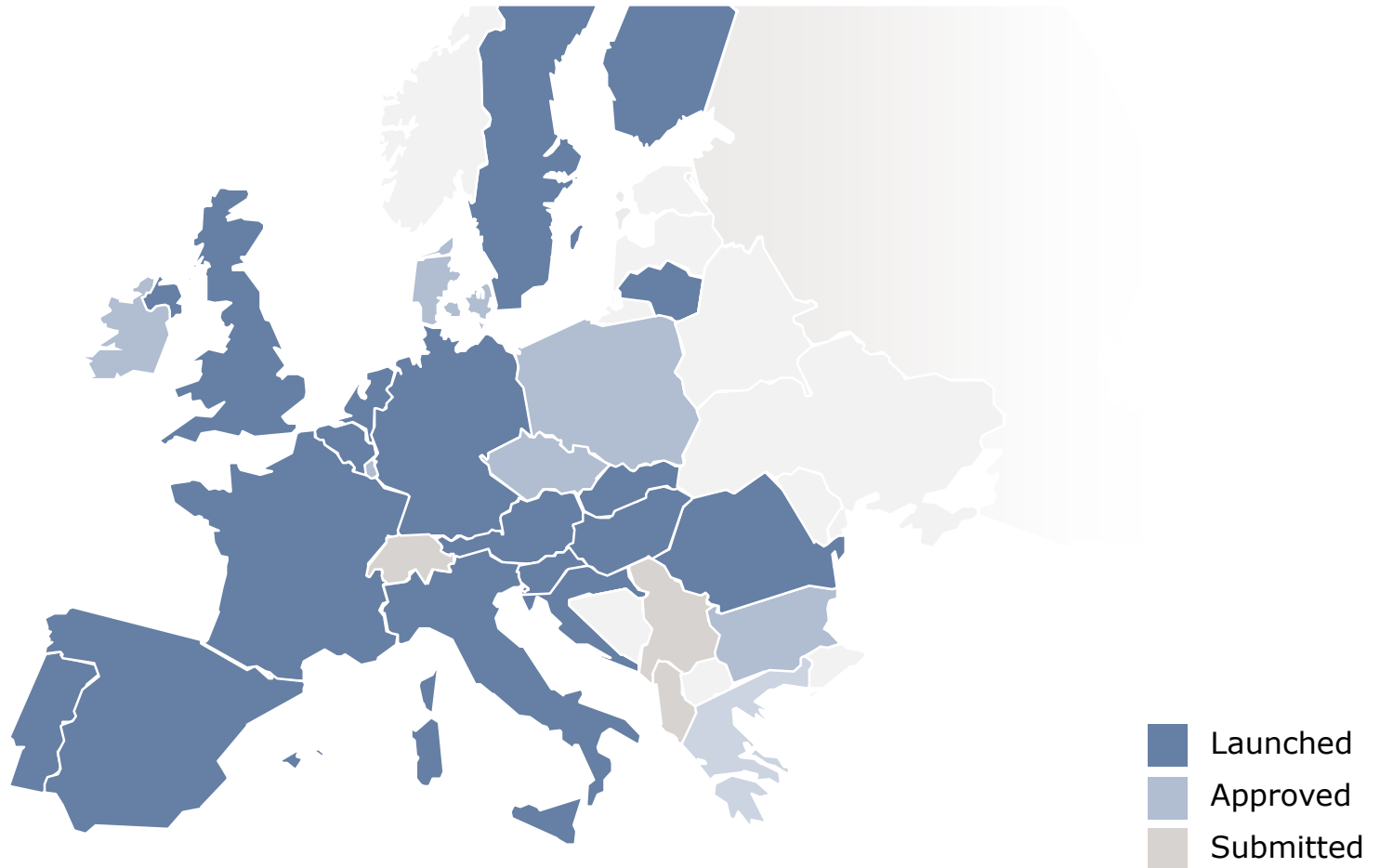
Progress of portfolio

- Three more molecules in portfolio
- Expect to start with clinical studies for those molecules in 2021

Business plan

- Total investment ceiling €1.4 bn until EBITDA break-even in 2023
- High triple-digit € million sales in 2024

Fresenius Kabi: Launch of Idacio in Europe progresses according to plan



Fresenius Kabi: Divisionalization of Transfusion Medicine and Cell Therapies Business fuels growth

- Business remains important part of Fresenius Kabi
- Dynamic growth in FY/19 and good growth prospects
- Inauguration of new production building in Haina, Dominican Republic to fuel growth of disposable products
- New joint venture to advance new cell and gene therapies



Fresenius Helios: Germany to show ongoing stabilization in FY/20



Mitigation of regulatory headwinds

- Chief doctor vacancies at record low
- Appropriate level of nursing staff
- Optimization of processes and workflows
- Cost optimization measures

Very positive reimbursement environment

- 2020 DRG inflator set at 3.66%

Investments in future growth fields

- Clustering strategy progresses
- Prevention
- Occupational medicine
- Telemedicine platform



Ramp-up of outpatient business

- Outpatient surgery centers
- Specialization of medical centers

Fresenius Helios: Spain to plow ahead in FY/20



Excellent growth in Spain

- Opening of first proton therapy center in Spain (first patient treated in December '19)
- Opening of Quironsalud Madrid university hospital expansion in Pozuelo
- Private hospitals expected to show dynamic organic growth driven by admissions
- Continued positive momentum for ORPs



Expansion in Latin America proceeds

- Five successful acquisitions in Colombia contribute nicely in FY/20:
 - Clinica Las Vegas, Clinica del Prado and CediMed in Medellin⁽¹⁾
 - Centro Medico Imbanaco in Cali⁽²⁾
 - Clinica de la Mujer in Bogota⁽³⁾
- Total expected sales contribution of approx. €180m equiv. in FY/20
- Attractive risk-adjusted ROIs expected

Notes: (1) All transactions closed in 2019 (2) Closing expected at the end of Q1/2020 (3) Closing expected in Q2/2020, subject to anti-trust clearance

Fresenius Group: Medium-term Growth Targets 2020 – 2023 (CAGRs)



Organic sales growth

4 – 7%

(plus ~1% small to mid-size acquisitions)


confirmed

Organic net income¹ growth

5 – 9%

(plus ~1% small to mid-size acquisitions)


confirmed

¹ Net income attributable to shareholders of Fresenius SE & Co. KGaA

Before special items

Financial Review FY/19



Fresenius Group: FY/19 Profit and Loss Statement

Sales

+6%

FY/19: €33,524 m

EBIT

-2%

FY/19: €4,599 m

Income Tax Rate

23.4%

FY/18: 22.1%

Net Interest

-€510 m

FY/18: -€549 m

Net Income

+0%

FY/19: €1,915 m

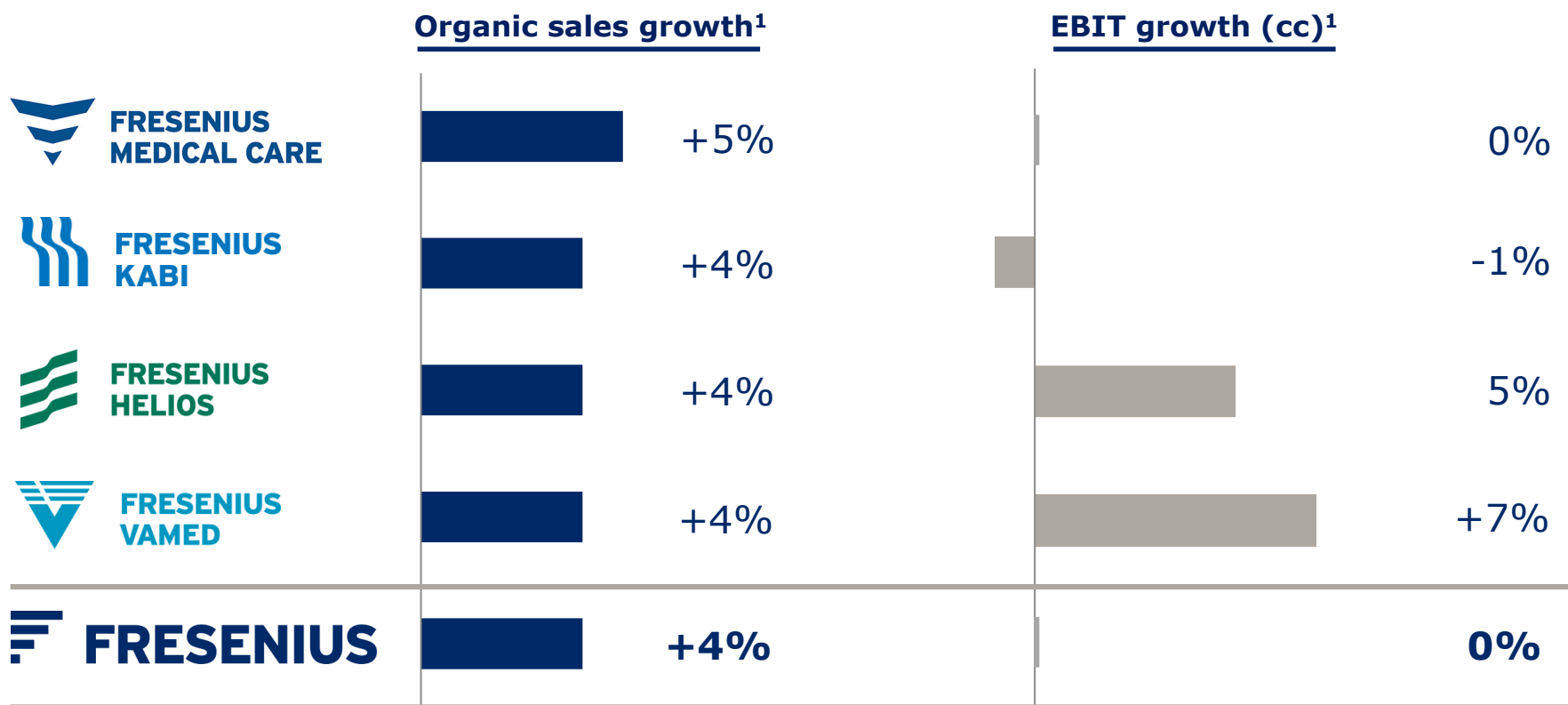
All growth rates in constant currency (cc)

Before special items, adjusted for IFRS 16 effect

On a comparable basis: FY/18 adjusted for divestitures of Care Coordination activities at FMC, before special items

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

Fresenius Group: Q4/19 Business Segment Growth



¹ On a comparable basis: Q4/18 adjusted for divestitures of Care Coordination activities at FMC; Q4/19 adjusted for IFRS 16 effect.

All figures before special items

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Kabi: Organic Sales Growth by Regions

€m	Q4/19	Δ YoY organic	FY/19	Δ YoY organic
North America	609	-1%	2,424	-2%
Europe	604	2%	2,313	2%
Emerging Markets	553	12%	2,182	14%
Total sales	1,766	4%	6,919	4%

Fresenius Kabi: Q4 & FY/19 EBIT Growth

€m	Q4/19	Δ YoY cc	FY/19	Δ YoY cc
North America Margin	204 33.5%	-8% -260 bps	907 37.4%	-3% -50 bps
Europe Margin	87 14.4%	-10% -200 bps	328 14.2%	-7% -160 bps
Emerging Markets Margin	124 22.4%	7% -90 bps	476 21.8%	19% 130 bps
Corporate and Corporate R&D	-132	11%	-511	2%
Total EBIT Margin	283 16.0%	-1% -90 bps	1,200 17.3%	3% -10 bps

On a comparable basis: before special items and adjusted for IFRS 16 effects

Margin growth at actual rates

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Kabi: Expected Organic Sales Growth 2020

North America

Broadly stable

- Ongoing volume headwinds anticipated
- Pricing expected to trend more towards mid-single digit price declines in base product portfolio

Europe

Mid-single-digit growth

- Growth driven by first biosimilar in the market (IDACIO)
- Continued strong growth of clinical nutrition business expected

Emerging Markets

High single-digit growth

- China: Healthy volume growth anticipated; regulatory headwinds weigh on business
- Latin America: Continued healthy growth expected

Fresenius Helios: Q4 & FY/19 Key Financials

€m	Q4/19	Δ YoY	FY/19	Δ YoY
Total sales	2,344	4%¹	9,234	5%¹
Thereof Helios Germany	1,475	3% ¹	5,940	3% ¹
Thereof Helios Spain	867	7% ¹	3,292	7% ¹
Total EBIT³	292	5%	1,015	-4%/-3%²
Margin	12.5%	10 bps	11.0%	-70 bps
Thereof Helios Germany	143	4%	576	-8%/-6% ²
Margin	9.7%	20 bps	9.7%	-80 bps
Thereof Helios Spain	134	6%	434	5%
Margin	15.5%	-50 bps	13.2%	-50 bps
Thereof Corporate	15	--	5	--

¹ Organic growth

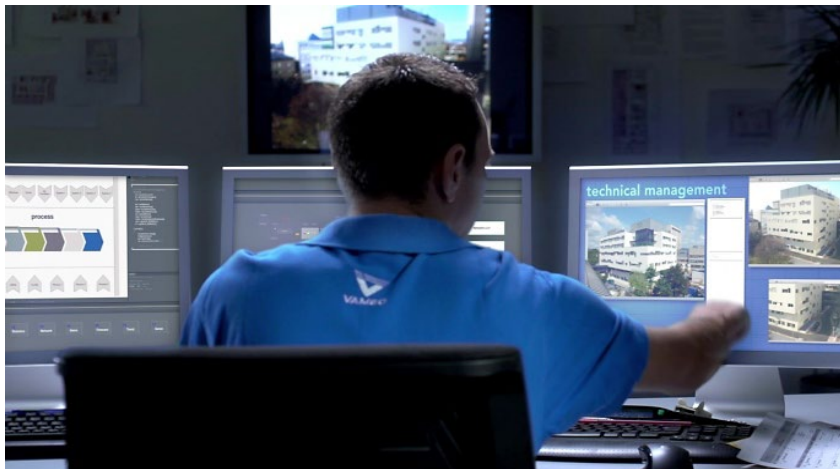
² Adjusted for the post-acute care business transferred to Fresenius Vamed as of July 1, 2018

³ Adjusted for IFRS 16 effect

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Vamed

- Both business segments contributed to the organic sales growth of 4% in Q4/19
- Stable service business is gaining weight (FY/19: 63% of sales; FY/09: 32%)
- Geographically well-diversified order backlog is excellent foundation for future growth



€m	Q4/19	Δ YoY	FY/19	Δ YoY
Total sales	737	6%	2,206	31%
Thereof organic sales		4%		16% ¹
Service business	374	11%	1,399	43% 25% ¹
Project business	363	1%	807	13%
Total EBIT²	66	8%	131	19% 6% ¹
Order intake ³	576	-13%	1,314	7%
Order backlog ³			2,865	18% ⁴







¹ Without German post-acute care business acquired from Fresenius Helios as of July 1, 2018

² Adjusted for IFRS 16 effect

³ Project business only

⁴ Versus December 31, 2018

Fresenius Group: FY/19 & Cash Flow

€m	Operating CF ¹		Capex (net)		Free Cash Flow ^{1,2}	
	FY/2019	Margin	FY/2019	Margin	FY/2019	Margin
 FRESENIUS MEDICAL CARE	1,947	11.1%	-1,113	-6.4%	834	4.7%
 FRESENIUS KABI	968	14.0%	-716	-10.4%	252	3.6%
 FRESENIUS HELIOS	683	7.4%	-477	-5.2%	206	2.2% ⁴
 FRESENIUS VAMED	-46	-2.1%	-52	-2.3%	-98	-4.4%
Corporate/Other	-38	n.a.	-75	n.a.	-113	n.a.
 FRESENIUS Excl. FMC ³	1,677	9.3%	-1,320	-7.3%	357	2.0%
 FRESENIUS	3,514	9.9%	-2,433	-6.9%	1,081	3.0%

¹ Adjusted for IFRS 16

² Before acquisitions and dividends

³ Incl. FMC dividend of €110 million




⁴ Understated: 2.7% excluding €45 million of capex commitments from acquisitions

Fresenius Group: 2020 Financial Outlook by Business Segment

€m (except otherwise stated)

FY/19 Base¹

FY/20e²


 FRESENIUS KABI	Sales growth (org)	6,919	3% - 6%
	EBIT growth (cc)	1,205	-4% to 0%
 FRESENIUS HELIOS	Sales growth (org)	9,234	3% - 6%
	EBIT growth (cc)	1,025	3% - 7%
 FRESENIUS VAMED	Sales growth (org)	2,206	4% - 7%
	EBIT growth (cc)	134	5% - 9%

¹ Before special items, including IFRS 16 effects

² Before special items

For a detailed overview of special items please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Group: 2020 Financial Guidance

€m (except otherwise stated)		FY/19 Base ¹	FY/20 ²
	Sales growth (cc)	35,409	4% - 7%
	Net income³ growth (cc)	1,879	1% - 5%

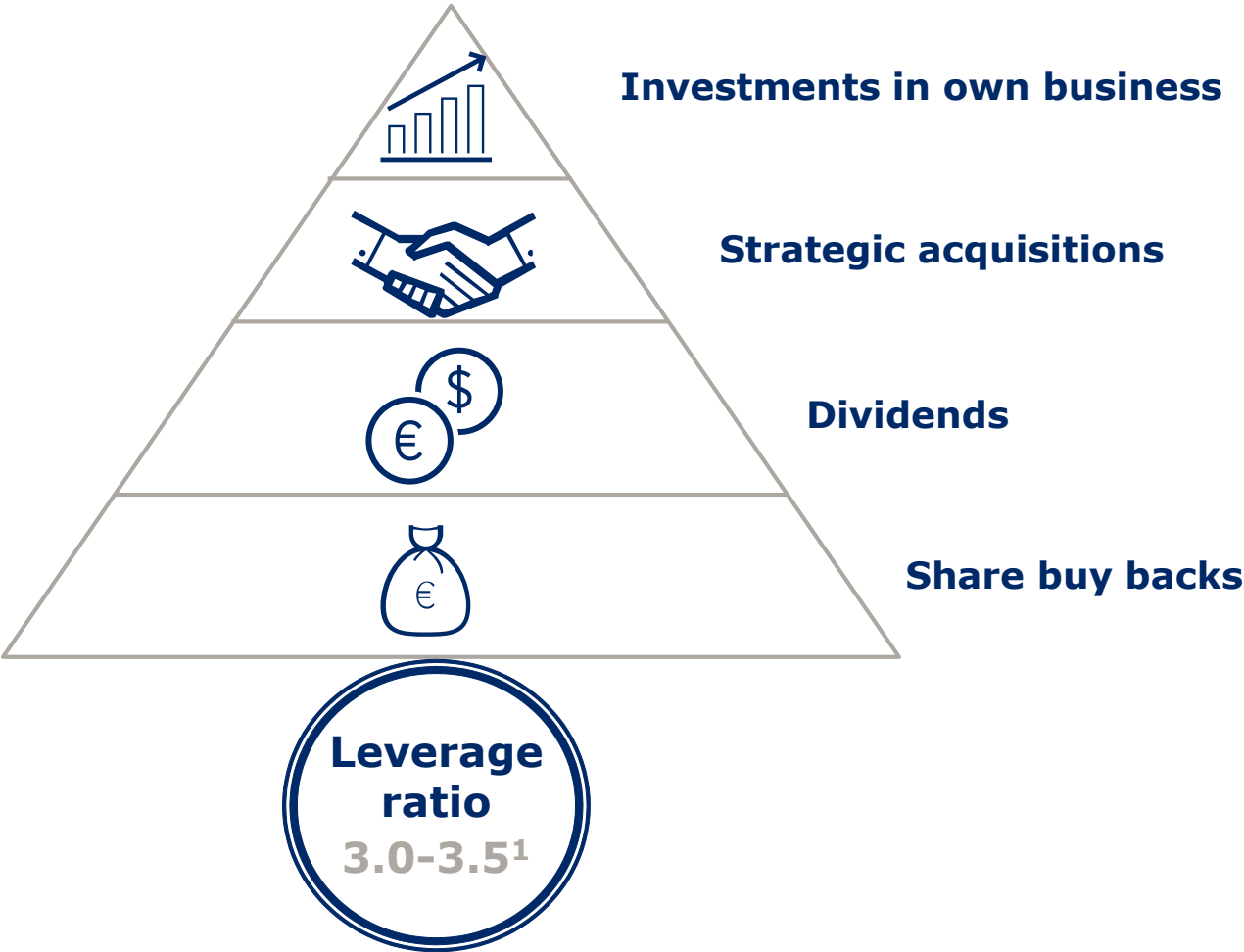
¹ Before special items, including IFRS 16 effects, including NxStage operations

² Before special items

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

For a detailed overview of special items please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Group: Capital Deployment Focuses on Sustainable Value Creation



¹ Including IFRS 16

Sustainability/ESG: Decisive Steps For 2020

Our Priorities

- “Better medicine for more people”
- Patients: Quality of products and services
- People: Being an attractive employer
- Compliance: Doing the right thing



Sustainability Governance

- CEO sponsors Group sustainability efforts
- New Group Sustainability Board in 2020
- Strategy and KPI alignment program started in 2019, will continue in 2020

Remuneration

- Remuneration proposal planned for AGM 2021
- Based on new German legal framework and German Corporate Governance Code
- Will include ESG performance indicators

Attachments

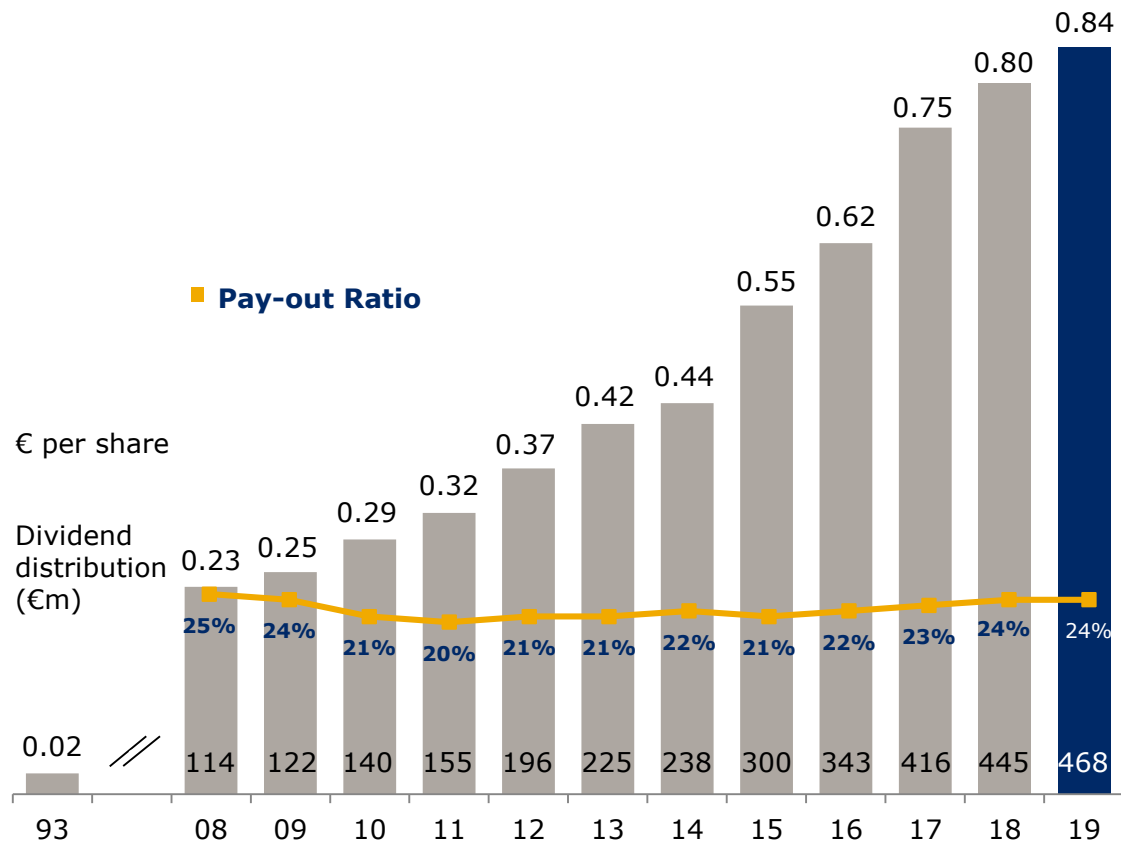


FY/19 base for Fresenius Group Guidance FY/20

€m	Fresenius Group	Fresenius Medical Care	Fresenius Kabi
Sales reported (reported = base for guidance)	35,409	17,477	6,919
Transaction costs Akorn			3
Revaluations of biosimilars contingent purchase price liabilities			-32
EBIT (before special items = base Fresenius Kabi guidance)			1,205
Net income reported	1,883	1,200	
Transaction costs Akorn	3		
Revaluations of biosimilars contingent purchase price liabilities	-19		
Gain related to divestitures of Care Coordination activities at FMC	-15	-49	
Transaction costs NxStage	6	18	
Expenses associated with cost optimization program at FMC	21	67	
Net income (before special items = base Fresenius Group & FMC guidance)	1,879	1,236	

Fresenius SE: Earnings-Linked Dividend Policy

2019 Pay-out Ratio: 24%



¹ Before special items

Dividend Policy

- Dividend growth aligned to EPS¹ growth
- Pay-out Ratio: 20% to 25%

Track record

- 27th consecutive dividend increase
- CAGR dividend increase +15%

Fresenius Group: Calculation of Noncontrolling Interest

€m	FY/19	FY/18
Earnings before tax and noncontrolling interest	4,089	3,998
Taxes	-955	-883
Noncontrolling interest, thereof	-1,219	-1,243
Fresenius Medical Care net income not attributable to Fresenius (FY/19: ~69%)	-897	-928
Noncontrolling interest holders in Fresenius Medical Care	-239	-244
Noncontrolling interest holders in Fresenius Kabi (-€49 m), Fresenius Helios (-€13 m), Fresenius Vamed (-€2 m) and due to Fresenius Vamed's 23% external ownership (-€19 m)	-83	-71
Net income attributable to Fresenius SE & Co. KGaA	1,915	1,872

On a comparable basis: Before special items; adjusted for IFRS16 effect; FY/18 adjusted for divestitures of Care Coordination activities at FMC







For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Group: Cash Flow

€m	Q4/19	LTM Margin	Δ YoY
Operating Cash Flow	1,075	9.9%	-10%
Capex (net)	-844	-6.9%	-17%
Free Cash Flow (before acquisitions and dividends)	231	3.0%	-51%
Acquisitions (net)	-281		
Dividends	-72		
Free Cash Flow (after acquisitions and dividends)	-122	-6.5%	-160%

Adjusted for IFRS 16

Fresenius Group: Cash Flow

€m	Operating CF ¹		Capex (net)		Free Cash Flow ^{1,2}	
	Q4/2019	LTM Margin	Q4/2019	LTM Margin	Q4/2019	LTM Margin
 FRESENIUS MEDICAL CARE	597	11.1%	-336	-6.4%	261	4.7%
 FRESENIUS KABI	273	14.0%	-232	-10.4%	41	3.6%
 FRESENIUS HELIOS	212	7.4%	-223	-5.2%	-11	2.2% ⁴
 FRESENIUS VAMED	-8	-2.1%	-31	-2.3%	-39	-4.4%
Corporate/Other	1	n.a.	-22	n.a.	-21	n.a.
 FRESENIUS Excl. FMC	478	9.3%³	-508	-7.3%	-30	2.0%³
 FRESENIUS	1,075	9.9%	-844	-6.9%	231	3.0%

¹ Adjusted for IFRS 16

² Before acquisitions and dividends

³ Margin incl. FMC dividend

⁴ Understated: 2.7% excluding €45 million of capex commitments from acquisitions

Fresenius Group: Q4/19 Key Financials

€m	Q4/19 ¹	IFRS 16 effect	special items	Q4/19 reported	Δ YoY cc ^{1,2}
Sales	9,351	-40	-	9,311	5%
EBIT	1,277	10	-18	1,269	0%
Net interest	-131	-51	-2	-184	0%
Income taxes	-275	12	12	-251	-6%
Net income³	517	-11	9	515	2%
Balance sheet total	61,237	5,769	-	67,006	
Operating Cashflow	1,075	211	-	1,286	

¹ Before special items, adjusted for IFRS 16 effect

² On a comparable basis: 2018 adjusted for divestitures of Care Coordination activities at FMC

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

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Group: FY/19 Key Financials

€m	FY/19 ¹	IFRS 16 effect	special items	FY/19 reported	Δ YoY cc ^{1,2}
Sales	35,524	-115	-	35,409	6%
EBIT	4,599	89	-57	4,631	-2%
Net interest	-510	-204	-5	-719	9%
Income taxes	-955	30	42	-883	-5%
Net income³	1,915	-36	4	1,883	0%
Balance sheet total	61,237	5,769	-	67,006	
Operating Cashflow	3,514	749	-	4,263	

¹ Before special items, adjusted for IFRS 16 effect

² On a comparable basis: 2018 adjusted for divestitures of Care Coordination activities at FMC

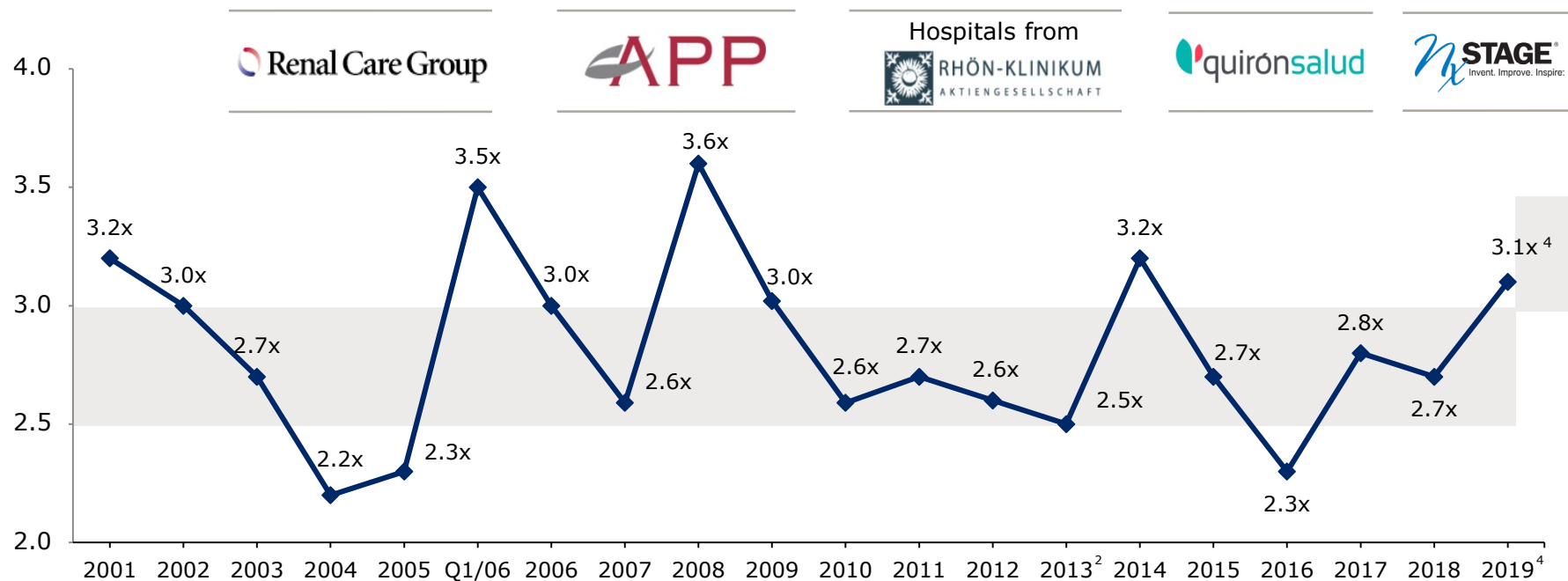
³ Net income attributable to shareholders of Fresenius SE & Co. KGaA

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

Fresenius Group: Proven Track Record of Deleveraging

Net Debt/EBITDA¹

Target 2020³ towards the top-end of self-imposed target corridor of 3.0 – 3.5x



¹ At actual FX rates from 2001 to 2010 and at average FX rates from 2011 onwards, for both Net Debt and EBITDA; before special items; pro forma closed acquisitions/divestitures

² Pro forma excluding advances made for the acquisition of hospitals from Rhön-Klinikum AG

³ Both net debt and EBITDA including IFRS 16 effect and calculated at expected annual average exchange rates; excluding further potential acquisitions

⁴ Including acquisition of NxStage; excluding IFRS 16

Fresenius Kabi: Organic Sales Growth by Product Segment

€m	Q4/19	Δ YoY organic	FY/19	Δ YoY organic
IV Drugs	737	-1%	2,939	-1%
Infusion Therapy	213	2%	834	3%
Clinical Nutrition	482	8%	1,898	9%
Medical Devices/ Transfusion Technology	334	10%	1,248	11%
Total sales	1,766	4%	6,919	4%

Fresenius Helios: Key Measures

	FY/19	FY/18	Δ
No. of hospitals Germany	86	86	0%
- Acute care hospitals	83	83	0%
No. of hospitals Spain (Hospitals)	51	47	9%
No. of beds Germany	28,907	29,329	-1%
- Acute care hospitals	28,380	28,802	-1%
No. of beds Spain (Hospitals)	7,288	7,019	4%
Admissions Germany (acute care)	1,206,654	1,218,199	
Admissions Spain (including outpatients)	15,396,051	13,318,066	

Financial Calendar / Contact

Financial Calendar

06 May 2020	Results Q1/20
20 May 2020	Annual General Meeting
26 May 2020	Dividend payment
30 July 2020	Results Q2/20
29 October 2020	Results Q3/20

Please note that these dates could be subject to change.

Contact

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