

Health Care Worldwide

Deutsche Bank – European Leveraged Finance Conference
June 11, 2014 – London



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.

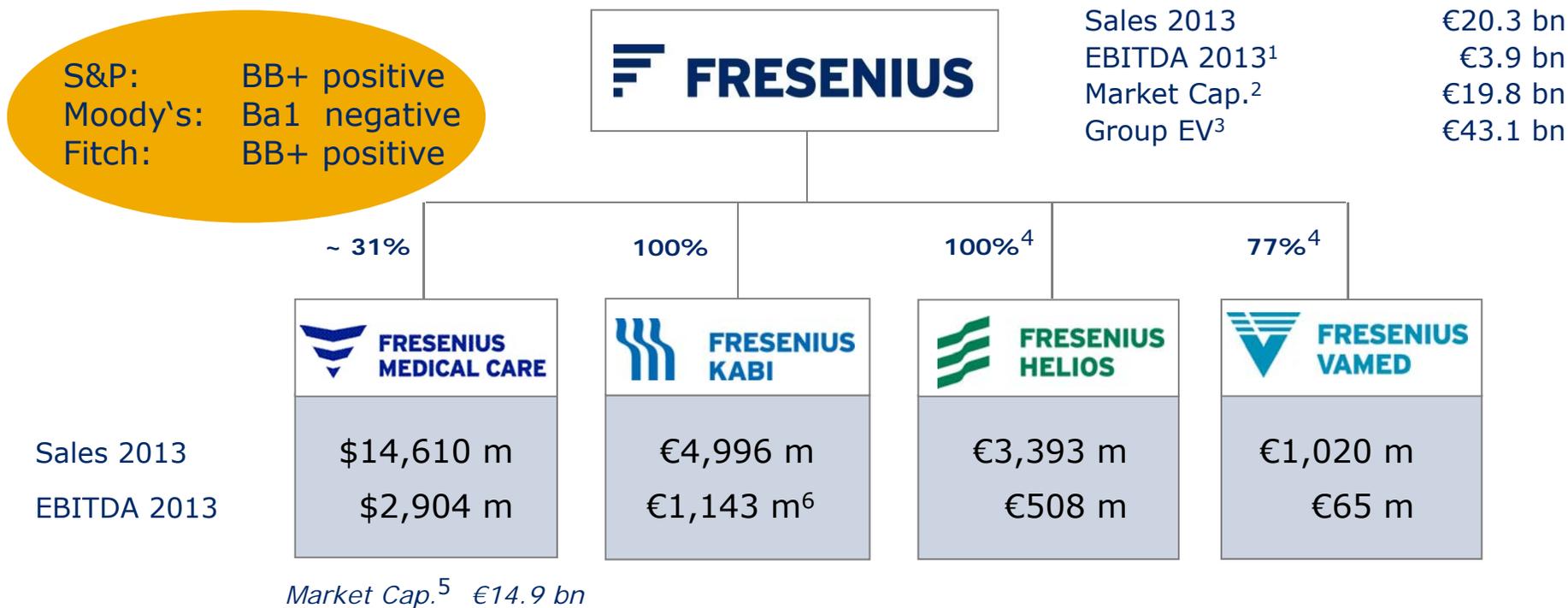
Agenda

- Company Overview
- Business Segments
 - Fresenius Medical Care
 - Fresenius Kabi
 - Fresenius Helios
 - Fresenius Vamed
- Financial Overview
- Financing Facilities and Debt Structure
- Summary and Outlook

Company Overview



Fresenius Group: Strong and Balanced Health Care Portfolio



1 – Before Fenwal integration costs of €54 million

2 – Based on market cap of FSE as of June 3, 2014

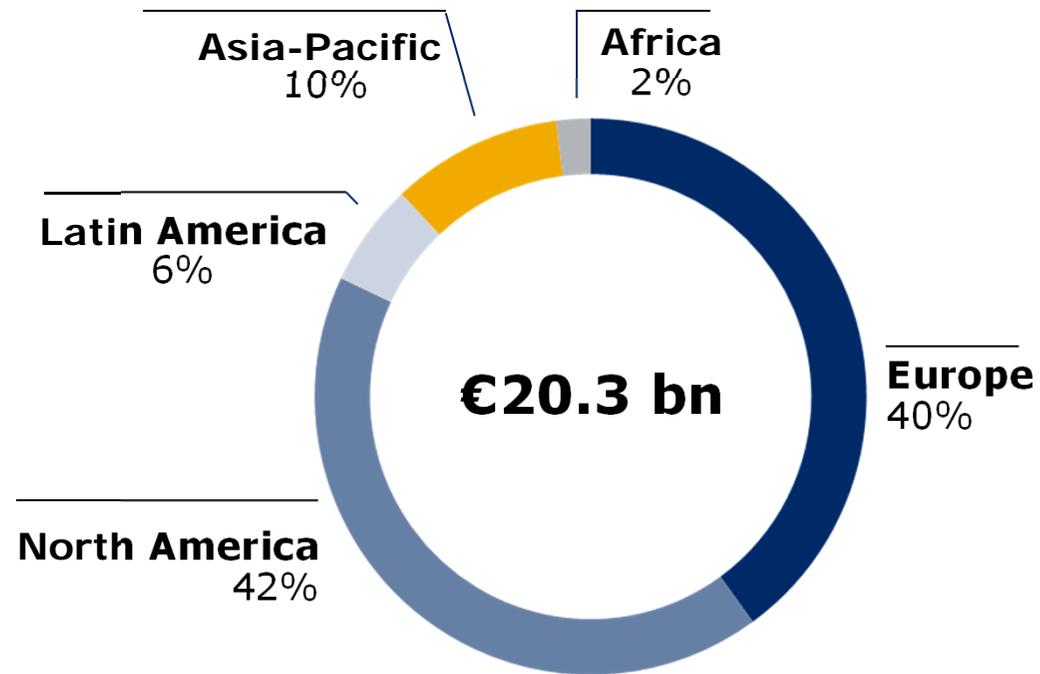
3 – Based on consolidated market capitalization of FSE and FME as of June 3, 2014 and consolidated net debt as of March 31, 2014

4 – Held by Fresenius ProServe GmbH, a wholly owned subsidiary of FSE

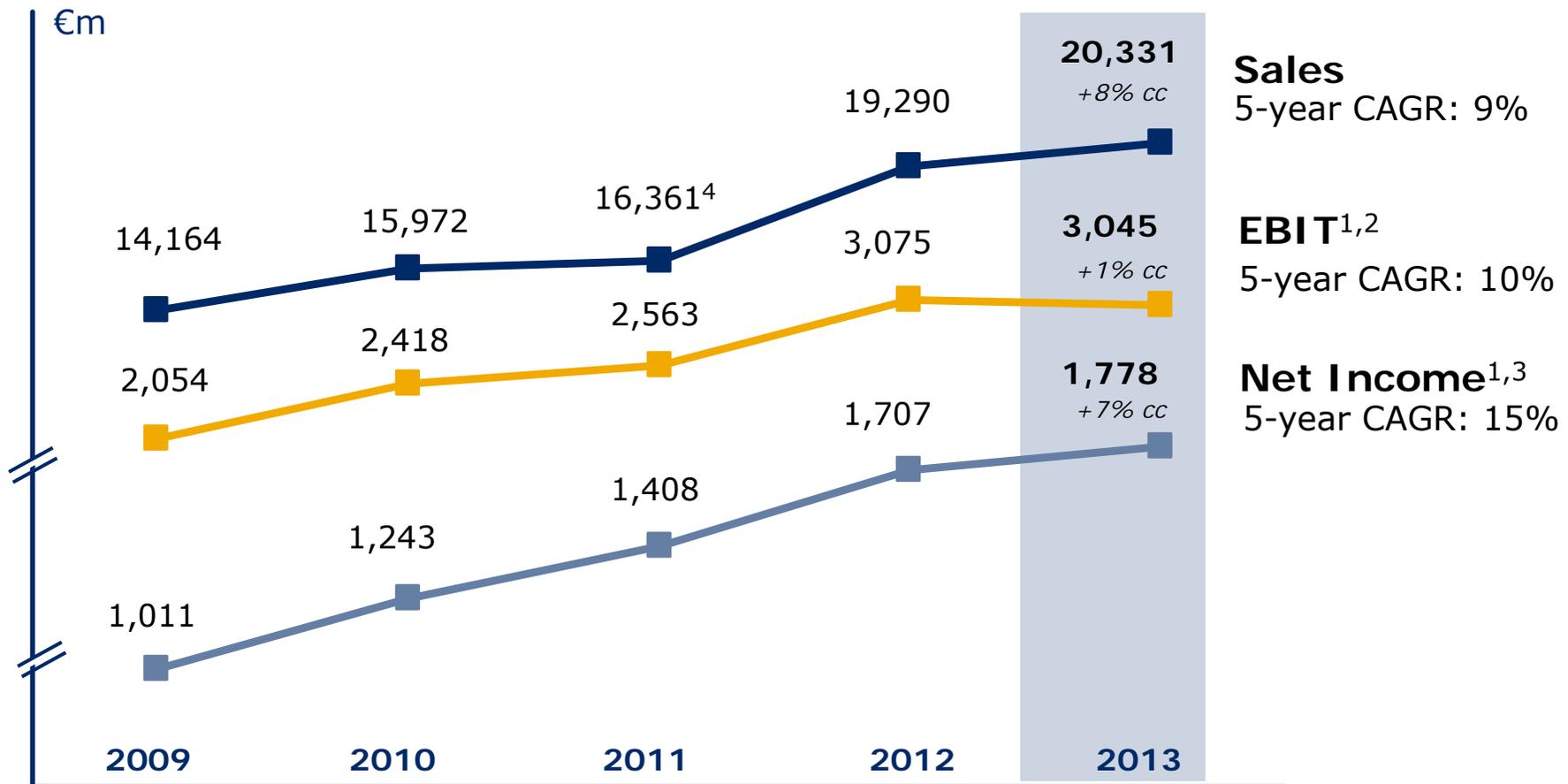
5 – Based on market cap of FMC as of June 3, 2014

6 – Before Fenwal integration costs

Fresenius Group: Sales Distribution by Region – 2013



Fresenius Group: Financial Results



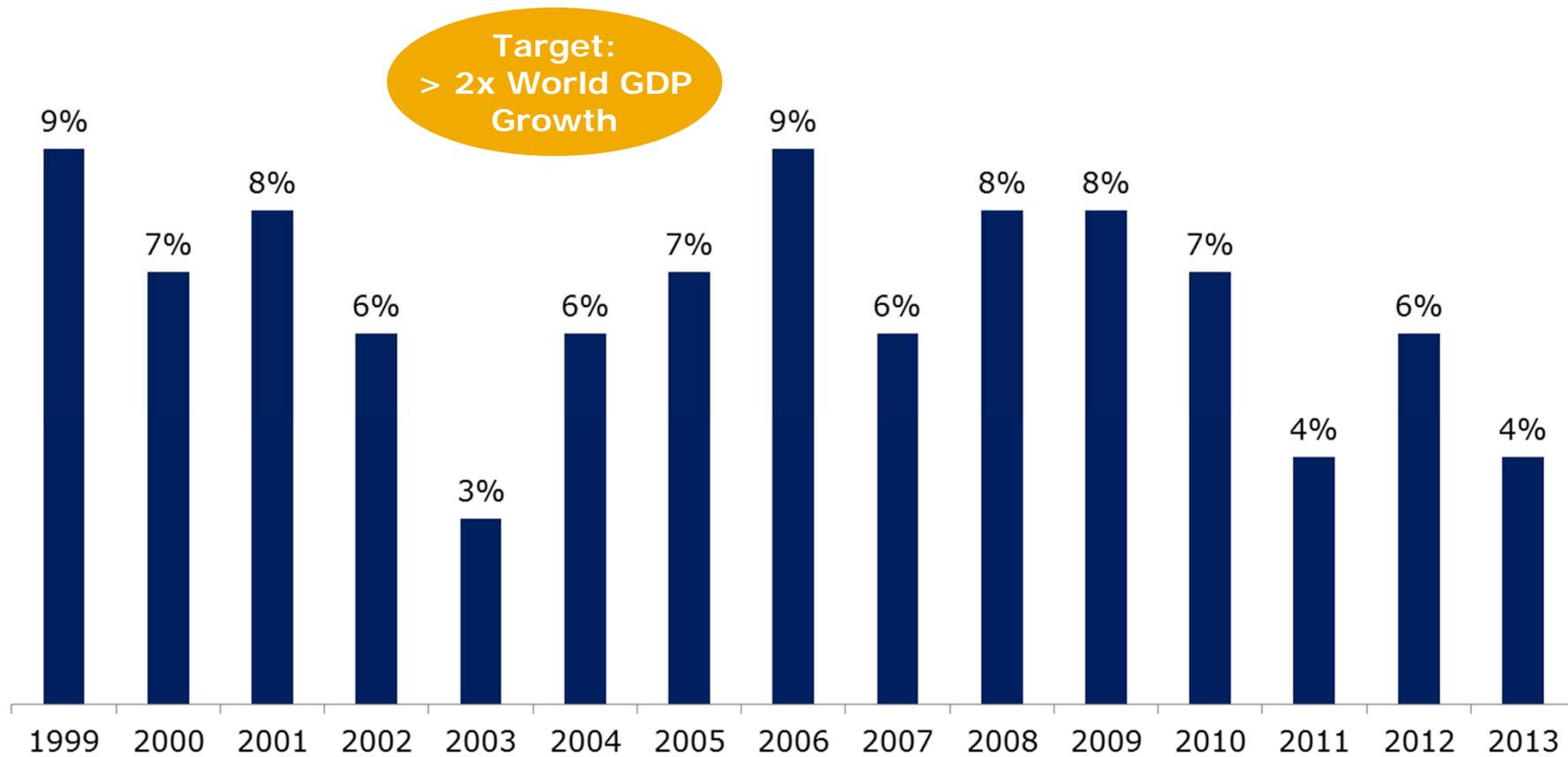
1 - Before special items

2 - 2013 excluding Fenwal integration costs of €54 million

3 - Incl. attributable to non-controlling interest; 2013 excluding Fenwal integration costs of €40 million

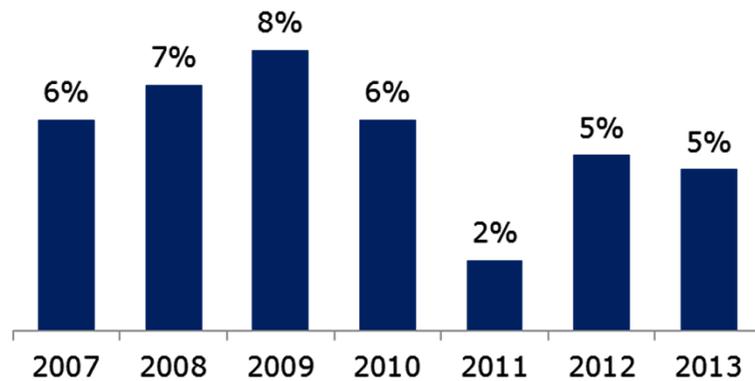
4 - 2011 sales were adjusted by -€161m according to a U.S. GAAP accounting change. This solely relates to Fresenius Medical Care North America

Fresenius Group: Organic Growth 1999 – 2013

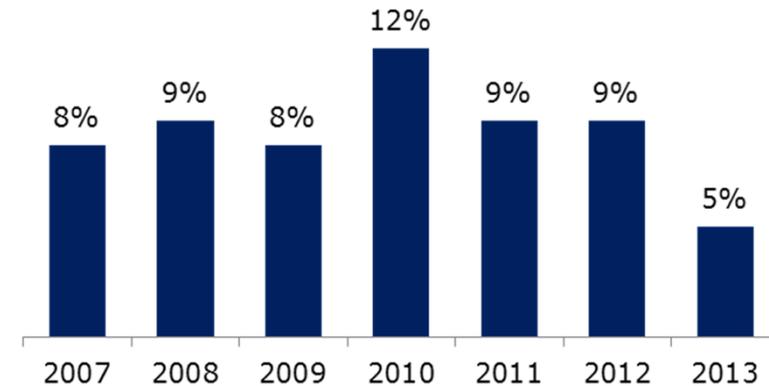


Fresenius Group: Sustainable Organic Sales Growth in all Business Segments

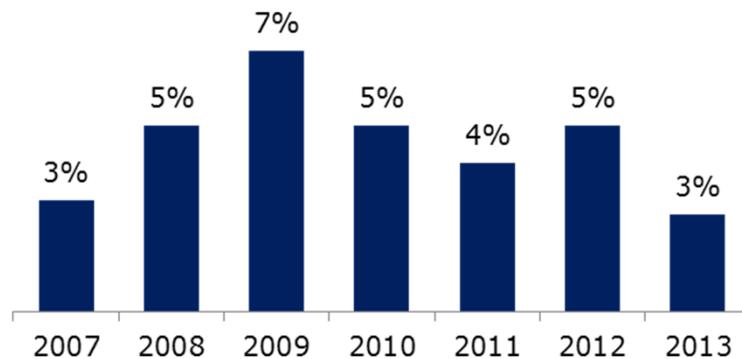
Fresenius Medical Care



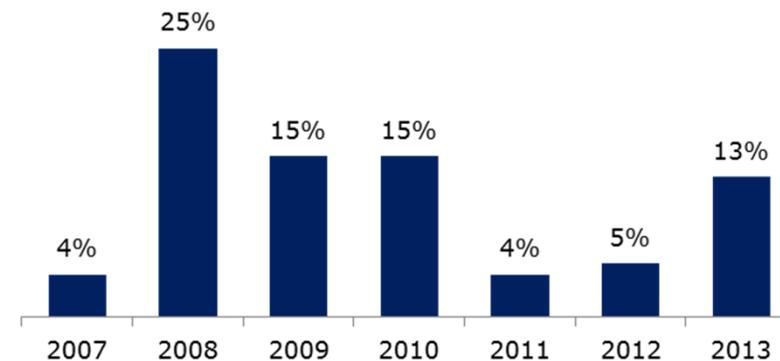
Fresenius Kabi



Fresenius Helios



Fresenius Vamed



Fresenius Group: Financial Results

	Sales	EBIT ¹	Net income ²
Q1/14	€5,212 m	€643 m	€372 m
Growth at constant currency rates	11%	-6%	-1%
Growth at actual currency rates	7%	-8%	-2%

1 - 2014 before Fenwal integration costs (€1 million) and the book gain from the divestment of two HELIOS hospitals (€22 million); 2013 before Fenwal integration costs (€7 million)

2 - Net income including attributable to non-controlling interest, before Fenwal integration costs (€1 million) and the book gain from the divestment of two HELIOS hospitals (€21 million); 2013 before Fenwal integration costs (€5 million)

Fresenius Group: Financial Results by Business Segment

Q1/14	Fresenius Medical Care	Fresenius Kabi	Fresenius Helios	Fresenius Vamed
Sales Growth	\$3,564 m 3%	€1,213 m -4%	€1,227 m 46%	€191 m 4%
EBIT Growth	\$445 m -10%	€201 m ¹ -15%	€114 m ² 31%	€6m 20%

1 – before Fenwal integration costs

2 – before €22 million of book gain from the divestment of two HELIOS hospitals

Q1 Business Update

Operations & Markets



Europe

- 2% organic sales decline, mainly due to reduced HES sales and changes in Russian distribution model
- Confirm 2% – 5% 2014e organic sales growth

Asia-Pacific

- 3% organic sales growth (10% excluding China) reflecting yoy price cut impact and discontinuation of HES200 solution in China, delayed tenders in Australia and Vietnam
- Confirm >10% 2014e organic sales growth

HES blood volume replacement update

- ~€20 million sales decline Q1 yoy; €4 million sequential reduction



Q1 Business Update

Operations & Markets



North America

- Flat organic sales growth on shortage-inflated Q1/13
- Expect -2% to +5% 2014 organic sales growth (previously: -5% to +5%)
- Drug shortage Sodium Chloride 0.9% – regulatory discretion¹ for importation from Europe extended until Dec. 31, 2014
- FDA warning letter for Puerto Rico plant lifted



Acquisition of Rhön-Klinikum hospitals

- EPS accretive in Q1, no integration cost occurred yet
- Expect HSK closing latest end of June 2014
- Provide 2014 guidance for all hospitals (incl. HSK) with Q2 results end of July



1 – FDA may reconsider the discretion before the end of the year, if the shortage has been alleviated.

Q1 Business Update

Operations & Markets



Strong start into the year

- €115 m order entry in Q1 – driven by hospital projects in emerging markets

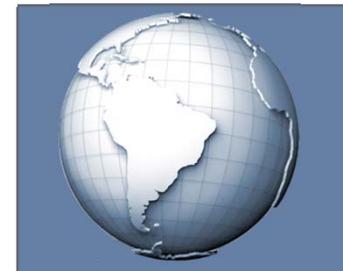


Strategic Initiatives



Emerging markets expansion

- Promising acquisition pipeline to expand presence in fast-growing markets
- Currently pursuing only small and midsize transactions



Business Segments



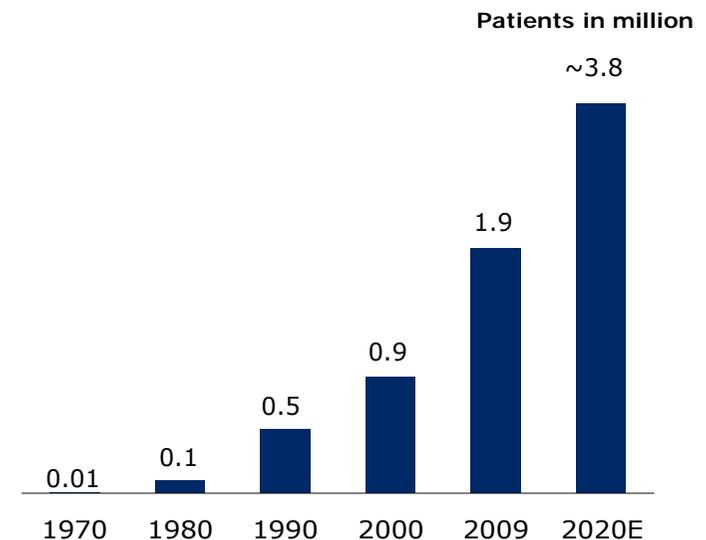
Fresenius Medical Care: Global Market Leader in Dialysis

- World leader in dialysis products and services treating 270,122 patients in 3,250 clinics worldwide¹
- Provide highest standard of patient care
 - Vertical integration
 - High quality products & services
 - Complete therapy offerings
- Leader in growing market
 - Dialysis market growing 4% cc and estimated to reach around \$100 bn by 2020
 - Patient growth driven by age, life style and mortality reduction

1 - As of December 31, 2013

Industry Dynamics

~6% global patient growth p.a.;
~3.8 million patients by 2020 expected



Fresenius Medical Care: Key Figures 2013

<i>\$ million</i>	2013	2012¹	Growth
Sales	14,610	13,800	+ 6%²
EBITDA	2,904	2,931	- 1%
<i>EBITDA margin</i>	<i>19.9%</i>	<i>21.2%</i>	
EBIT	2,256	2,329	- 3%
<i>EBIT margin</i>	<i>15.4%</i>	<i>16.9%</i>	
Net income	1,110	1,118	- 1%

1 - Before one-time items

2 - 5% organic growth, 1% acquisitions , -1% divestitures

Fresenius Medical Care: Key Figures Q1/2014

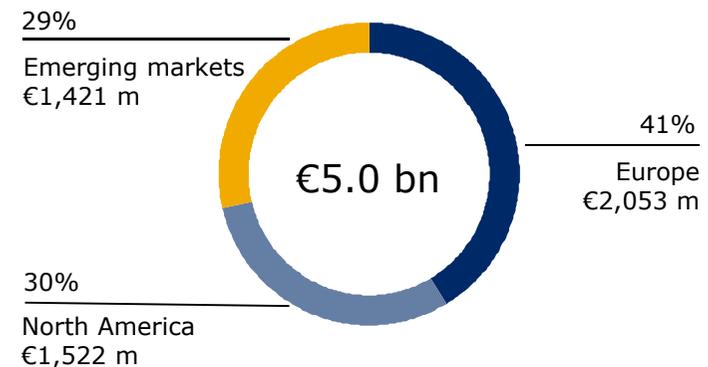
<i>\$ million</i>	Q1/2014	Q1/2013	Growth
Total Sales	3,564	3,464	+3%¹
EBITDA	612	650	-6%
<i>EBITDA margin</i>	<i>17.2%</i>	<i>18.8%</i>	
EBIT	445	493	-10%
<i>EBIT margin</i>	<i>12.5%</i>	<i>14.2%</i>	
Net income	205	225	-9%

1 – 3% organic growth, 1% acquisitions , -1% currency effect

Fresenius Kabi: A Worldwide Leading Hospital Supplier

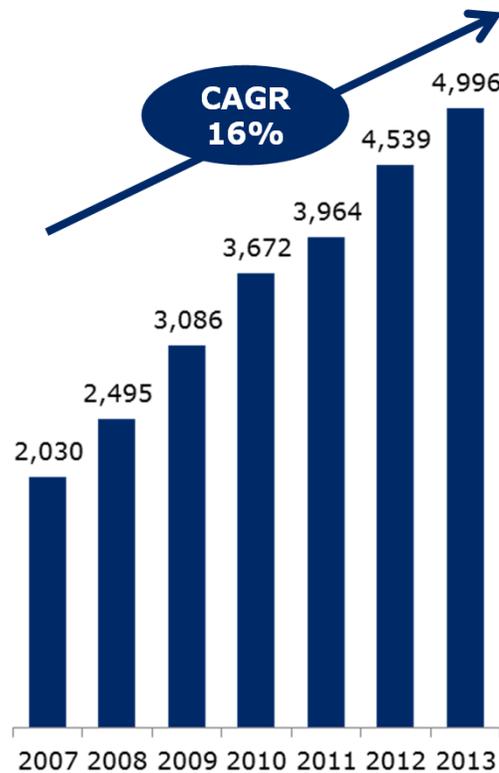
- Comprehensive product portfolio for critically and chronically ill patients
 - IV Drugs
 - Clinical Nutrition
 - Infusion Therapy
 - Medical Devices / Transfusion Technology
- Global addressable market: >€25 bn
- Leading market positions
- Focus on organic growth driven by geographic product rollout and robust product pipeline
- Aim to expand the business through selective acquisitions

2013 Sales by Region

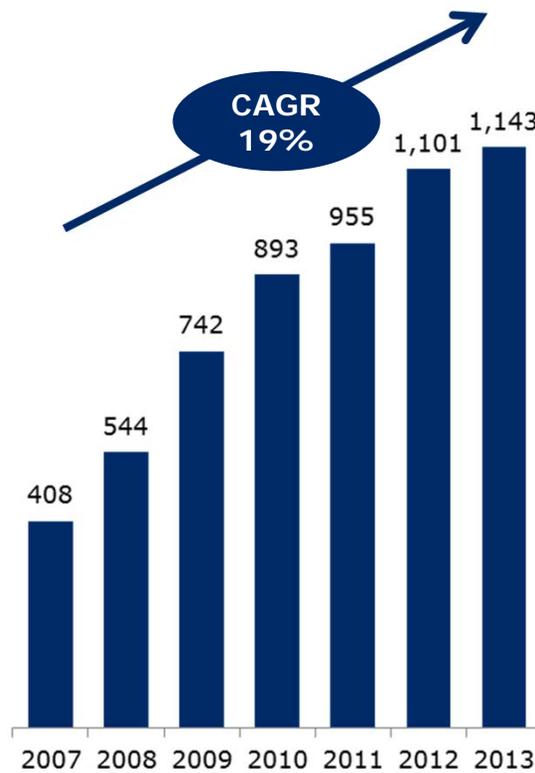


Fresenius Kabi: Profitability Improvement

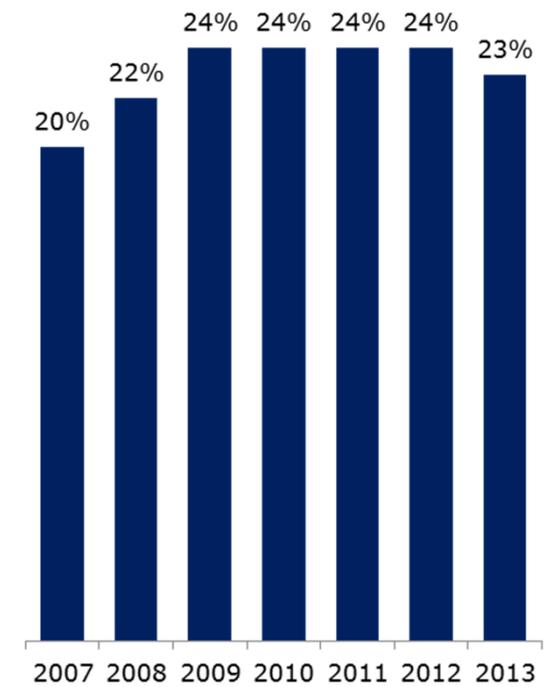
Sales in € m



EBITDA in € m



EBITDA Margin (in %)



1 – 2013 adjusted for Fenwal integration costs

Fresenius Kabi: Key Figures 2013

<i>€ million</i>	2013¹	2012	Growth
Sales	4,996	4,539	+ 10%²
- Infusion Therapy	980	1,010	- 3 %
- I.V. Drugs	1,733	1,701	+2 %
- Clinical Nutrition	1,332	1,314	+1 %
- Medical Devices/ Transfusion Technology	951	514	+85%
EBITDA¹	1,143	1,101	+ 4%
<i>EBITDA margin</i>	<i>22.9%</i>	<i>24.3%</i>	
EBIT¹	926	934	- 1%
<i>EBIT margin</i>	<i>18.5%³</i>	<i>20.6%</i>	
Net income	487	444	+ 10%

1 – Before one-time costs

2 – 5% organic growth, -4% currency effect, 10% acquisitions, -1% divestitures

3 – 19.8% excl. Fenwal

Fresenius Kabi: Key Figures Q1/2014

<i>€ million</i>	Q1/2014	Q1/2013	Growth
Sales	1,213	1,260	-4% ²
- Infusion Therapy	230	250	-8%
- I.V. Drugs	441	460	-4%
- Clinical Nutrition	318	326	-2%
- Medical Devices/ Transfusion Technology	224	224	+0%
EBITDA ¹	253	288	-12%
<i>EBITDA margin</i>	<i>20.9%</i>	<i>22.9%</i>	
EBIT ¹	201	237	-15%
<i>EBIT margin</i>	<i>16.6%</i>	<i>18.8%</i>	
Net income ¹	106	119	-11%

1 – before Fenwal integration costs

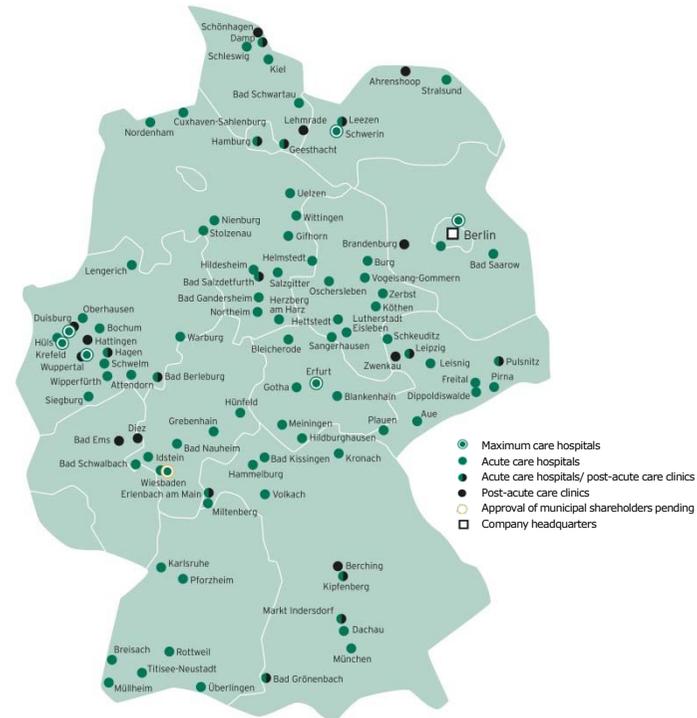
2 – 1% organic growth, -5% currency effect

Fresenius Helios: Leading Private Hospital Operator in Germany

- Acute and post-acute care in 109 proprietary hospitals¹
- High-quality medical care (e.g., mortality rate for heart failure and pneumonia >30% below German average)
- Strong track record in hospital operations and acquisitions: targeting 12 – 15% EBIT margin within 6 years per individual clinic location
- Landmark acquisition of 40 hospitals from Rhön-Klinikum provides excellent long-term growth opportunities

1- As of April 30, 2014

Majority of population has access to a HELIOS hospital within one hour's drive



2013 Sales: €3,393 m; EBIT: €390 m

Fresenius Helios: Key Figures 2013

<i>€ million</i>	2013	2012	Growth
Sales	3,393	3,200	+6%¹
EBITDA	508	432	+18%
<i>EBITDA margin</i>	<i>15.0%</i>	<i>13.5%</i>	
EBIT	390	322	+21%
<i>EBIT margin</i>	<i>11.5%</i>	<i>10.1%</i>	
Net income²	275	203	+35%

1 – 3% organic growth, 4% acquisitions, -1% divestitures

2 – Bad debt level of German hospitals extremely low, e.g. 0,2% bad debt of Fresenius Helios 2013 in % of sales

Fresenius Helios: Key Figures Q1/2014

<i>€ million</i>	Q1/2014	Q1/2013	Growth
Sales	1,227	841	+46%²
EBITDA¹	158	114	+39%
<i>EBITDA margin</i>	<i>12.9%</i>	<i>13.6%</i>	
EBIT¹	114	87	+31%
<i>EBIT margin</i>	<i>9.3%</i>	<i>10.3%</i>	
Net income	77	56	+38%

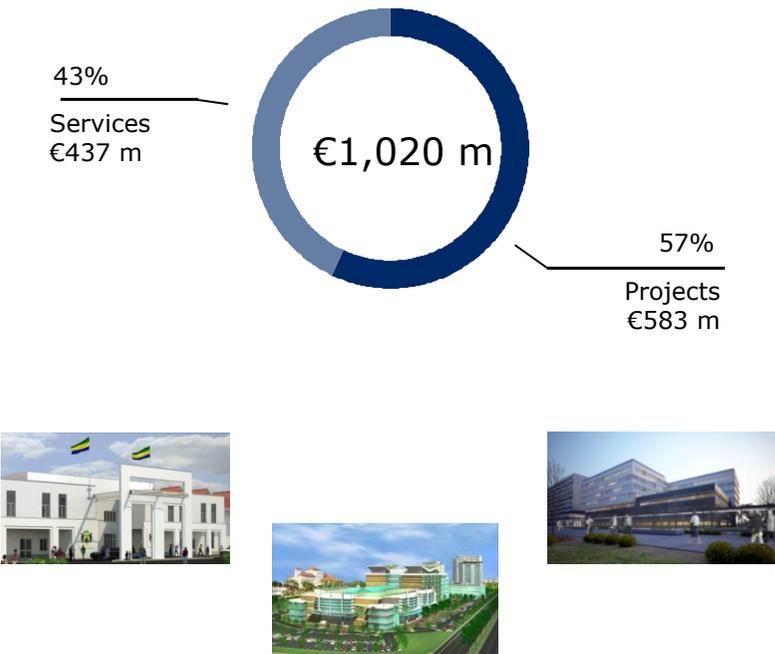
1 - Excluding €22 million of book gain from the divestments of two Helios hospitals

2 - 4% organic growth, 44% acquisitions, -2% divestitures

Fresenius Vamed: A Leading Global Specialist in Hospital Projects and Services

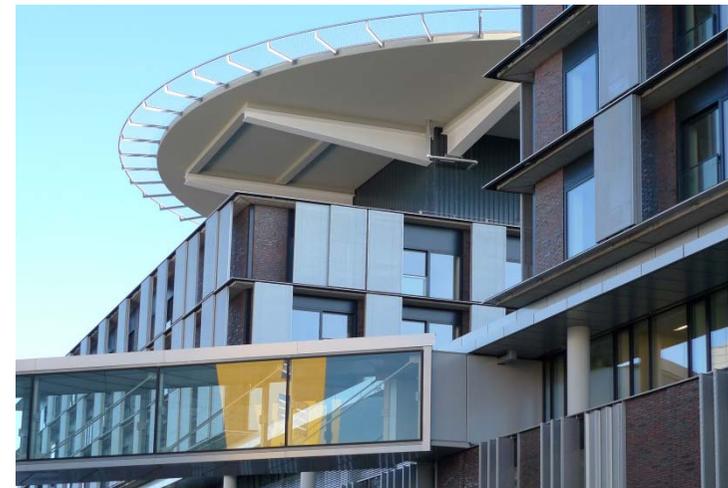
- Specialized in project development building hospital infrastructure and providing hospital services (technical services and operational management)
- Track record:
 - >650 health care projects in 72 countries successfully completed
 - Services provided to 140 hospitals and 50,000 beds globally
- Continuous demand for hospital infrastructure and operating efficiency; key markets Europe, Asia-Pacific, Africa

2013 Sales by Business

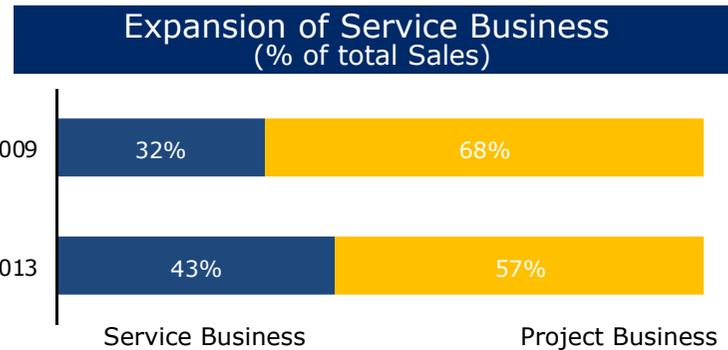


Fresenius Vamed: Achievements 2013

- Outstanding year with 21% sales growth, exceeding €1 billion sales target one year ahead of plan
- Project business: 5-year sales CAGR of 12%; 2013 order entry (€744 m) at all-time high – driving further growth
- Service business: expansion with long-term contracts, creating a more balanced portfolio



Technical Service Contract – University Medical Center Hamburg-Eppendorf



Fresenius Vamed: Key Figures 2013

<i>€ million</i>	2013	2012	Growth
Total Sales	1,020¹	846	21%¹
EBITDA	65	59	10%
<i>EBITDA margin</i>	<i>6.4%</i>	<i>7.0%</i>	
EBIT	55	51	8%
<i>EBIT margin</i>	<i>5.4%</i>	<i>6.0%</i>	
Net income	37	35	6%
Order intake ²	744	657	13%

1 – 13% organic growth, 8% acquisitions

2 – project business only

Fresenius Vamed: Key Figures Q1/2014

<i>€ million</i>	Q1/2014	Q1/2013	Growth
Total Sales	191	184	+ 4%¹
EBITDA	8	7	+ 14%
<i>EBITDA margin</i>	<i>4.2%</i>	<i>3.8%</i>	
EBIT	6	5	+ 20%
<i>EBIT margin</i>	<i>3.1%</i>	<i>2.7%</i>	
Net income	4	3	+ 33%
Order intake	115	93	+24%
Order backlog	1,170	1,139 ²	+3%

1 - -2% organic growth, 6% acquisitions

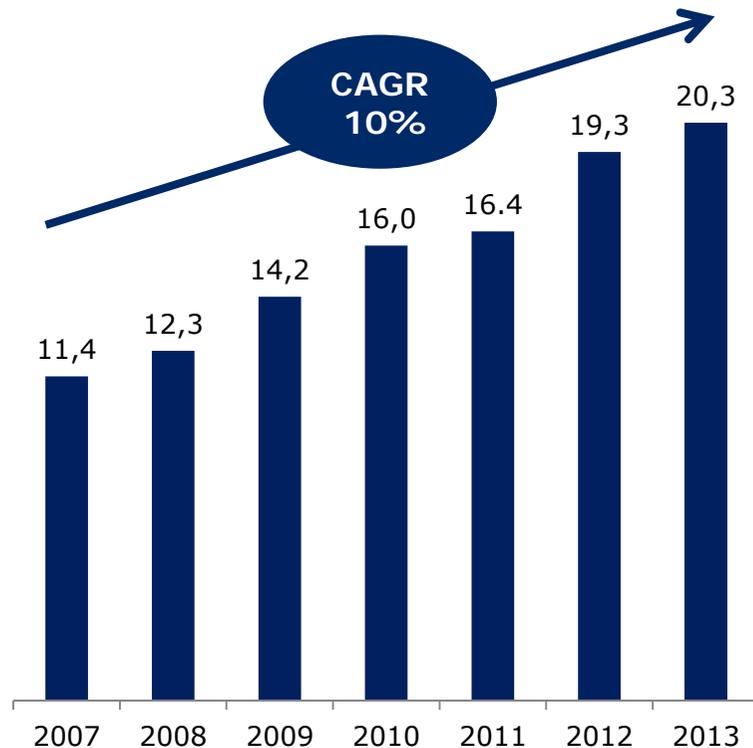
2 - as of December 31, 2013

Financial Overview

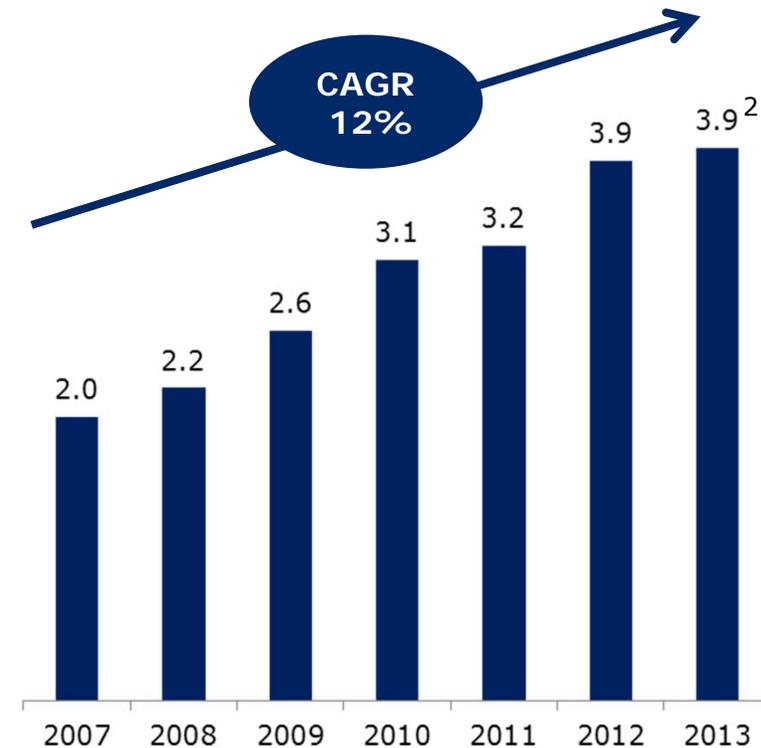


Fresenius Group: Demonstrated Strong Sales and EBITDA Growth

Sales in € bn



EBITDA in € bn¹



1 - Before special items

2 - Before Fenwal integration costs of €54 million

Fresenius Group: Key Figures 2013

€m	2013	2012	Change actual FX rates	Change constant FX rates
Sales	20,331	19,290	5%	8%¹
EBITDA	3,888²	3,851	1%	3%
EBIT	3,045²	3,075³	-1%	1%
Interest, net	- 584	- 666	12%	10%
EBT	2,461	2,409³	2%	5%
Taxes	- 683	- 702	3%	0%
Net income⁴	1,778⁵	1,707³	4%	7%
Employees	178,337⁶	169,324		

1 – 4% Organic sales growth, 5% acquisitions, -1% divestitures

2 – Before Fenwal integration costs of €54 million

3 – Excl. one-time costs related to the offer to the shareholders of
RHÖN-KLINIKUM AG as well as other one-time costs at FMC

4 – Incl. attributable to non-controlling interest

5 – Before Fenwal integration costs of €40 million

6 – as of December 31, 2013

Fresenius Group: Key Figures Q1/2014

<i>€ million</i>	Q1/2014	Q1/2013	Change actual rates	Change constant rates
Sales	5,212	4,890	+7%¹	+11%
EBITDA	867²	898²	- 3%	- 1%
EBIT	643²	696²	- 8%	- 6%
Interest, net	- 138	- 163 ²	+15%	+13%
EBT	505²	533²	- 5%	- 3%
Taxes	- 133	-155	+14%	+10%
Net income^{3,5}	372^{2,3}	378^{2,3}	-2%	-1%
Employees	201,924	171,764⁴		

1 – 2% organic growth, 9% acquisitions, -4 % currency effect

2 – 2014 before Fenwal integration costs (€1 million) and book gain from the divestment of two Helios hospitals (€22 million); 2013 before Fenwal integration costs (€7 million)

3 – 2014 before Fenwal integration costs (€1 million) and book gain from the divestment of two Helios hospitals (€21 million). 2013 before Fenwal integration costs (€5 million)

4 – as of March 31, 2013

5 – incl. attributable to non-controlling interest

Fresenius Group: Cash Flow 2013

€m	2013	Margin	2012	Margin	Growth YoY
Operating Cash Flow	2,320	11.4%	2,438	12.6%	-5%
Capex (net)	-1,047	-5.1%	-952	-4.9%	-10%
Free Cash Flow (before acquisitions and dividends)	1,273	6.3%	1,486	7.7%	-14%
Acquisitions (net)	-2,556		-2,299		-11%
Dividends	-491		-446		-10%
Free Cash Flow (after acquisitions and dividends)	-1,774	-8.7%	-1,259	-6.5%	-41%

Cash Flow Development 2013

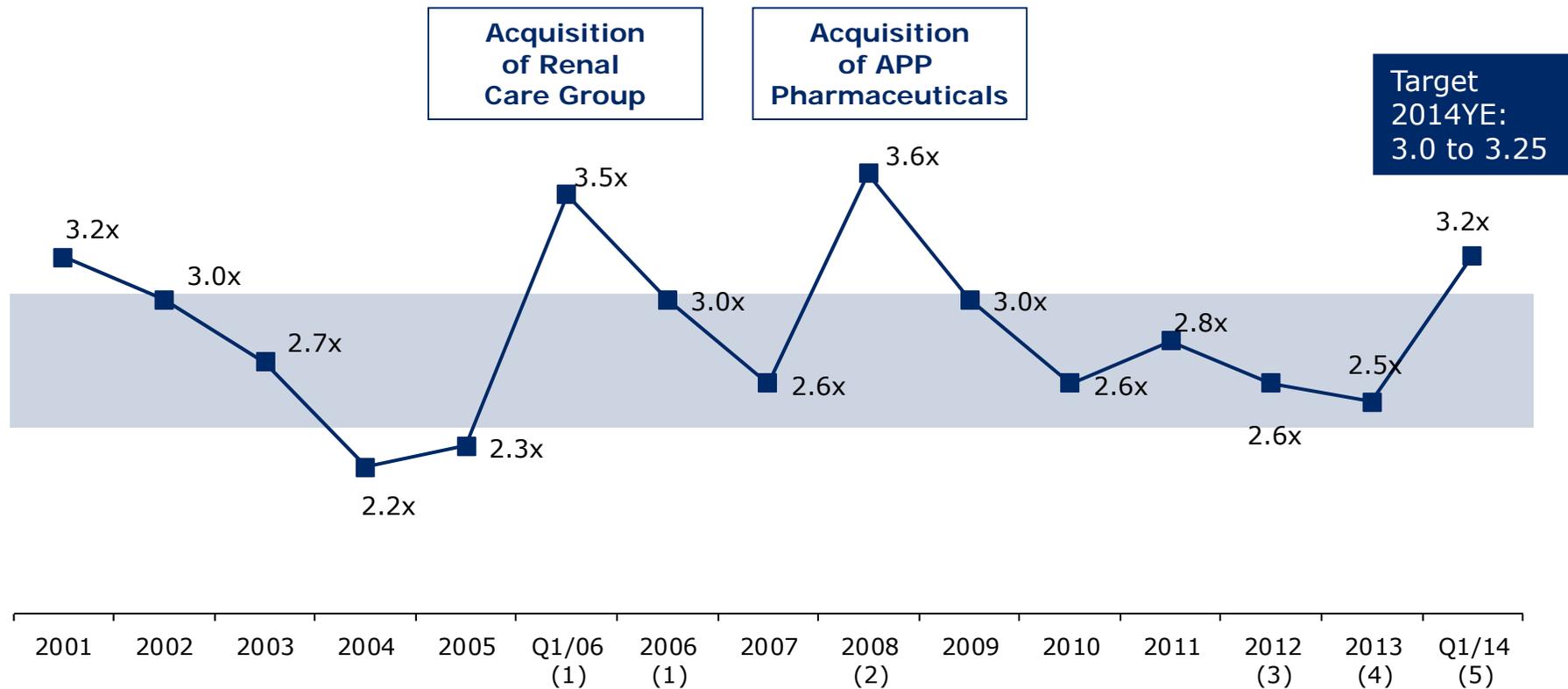
€m	Operating CF		Capex (net)		Free Cash Flow ¹	
	2013	Margin	2013	Margin	2013	Margin
	488	9.8%	-311	-6.3%	177	3.5%
	258	7.6%	-167	-4.9%	91	2.7% ³
	31	3.0%	-11	-1.0%	20	2.0%
Corporate/ Other	11	n/a	-10	n/a	1	n/a
 excl. FMC	788	9.2% ²	-499	-5.4%	289	3.8% ²
 Group	2,320	11.4%	-1,047	-5.1%	1,273	6.3%

1 – Before acquisitions and dividends

2 – Incl. FMC dividend

3 – Understated: 3.7% excluding €35 million of capex commitments from acquisitions

Fresenius Group: Proven Track Record of Deleveraging



1 - Pro forma incl. Renal Care Group

2 - Pro forma incl. APP Pharmaceuticals Inc., before APP-transaction related special items

3 - Pro forma incl. Damp Group, Liberty Dialysis Holdings, Inc. and Fenwal, adjusted for €6 million one-time costs related to the 2012 offer to Rhön-Klinikum AG shareholders as well as for €86 million other one-time costs at FME

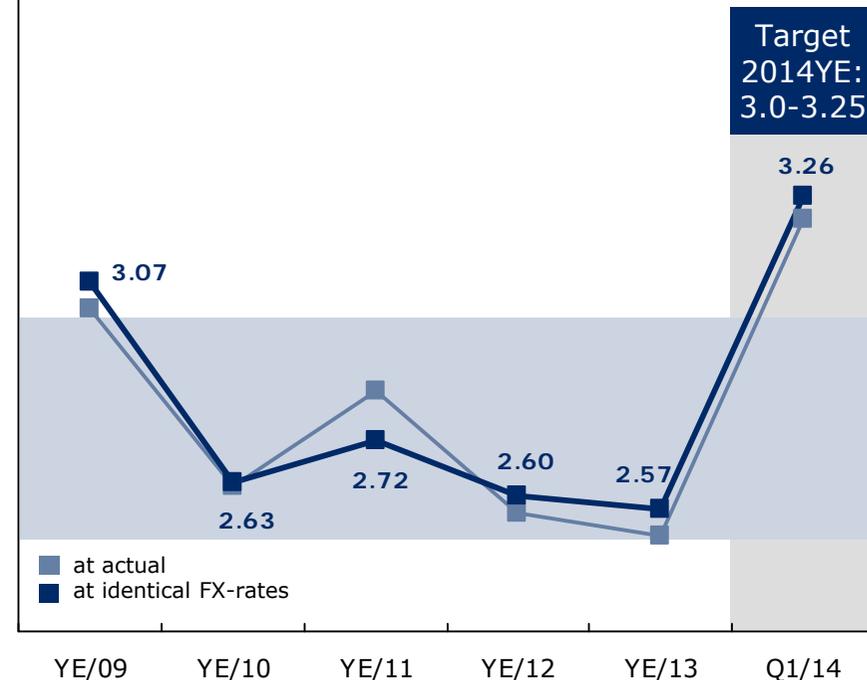
4 - Pro forma excluding advances made for the acquisition of hospitals and outpatient facilities of Rhön-Klinikum AG; before Fenwal integration costs

5 - Pro forma acquired hospitals from Rhön-Klinikum. Before integration costs for Fenwal (€1 million) and the book gain from the divestment of two HELIOS hospitals (€22 million)

Fresenius Group: Debt and Interest Ratios

	Mar 31, 2014	Dec 31, 2013
Debt (€m) thereof 45% US\$ denominated	13,769	12,804
Net debt (€m)	12,940	11,940
Net debt/EBITDA	3.21^{1,2}	2.51³
EBITDA/Interest	6.3	6.7

Net debt/EBITDA

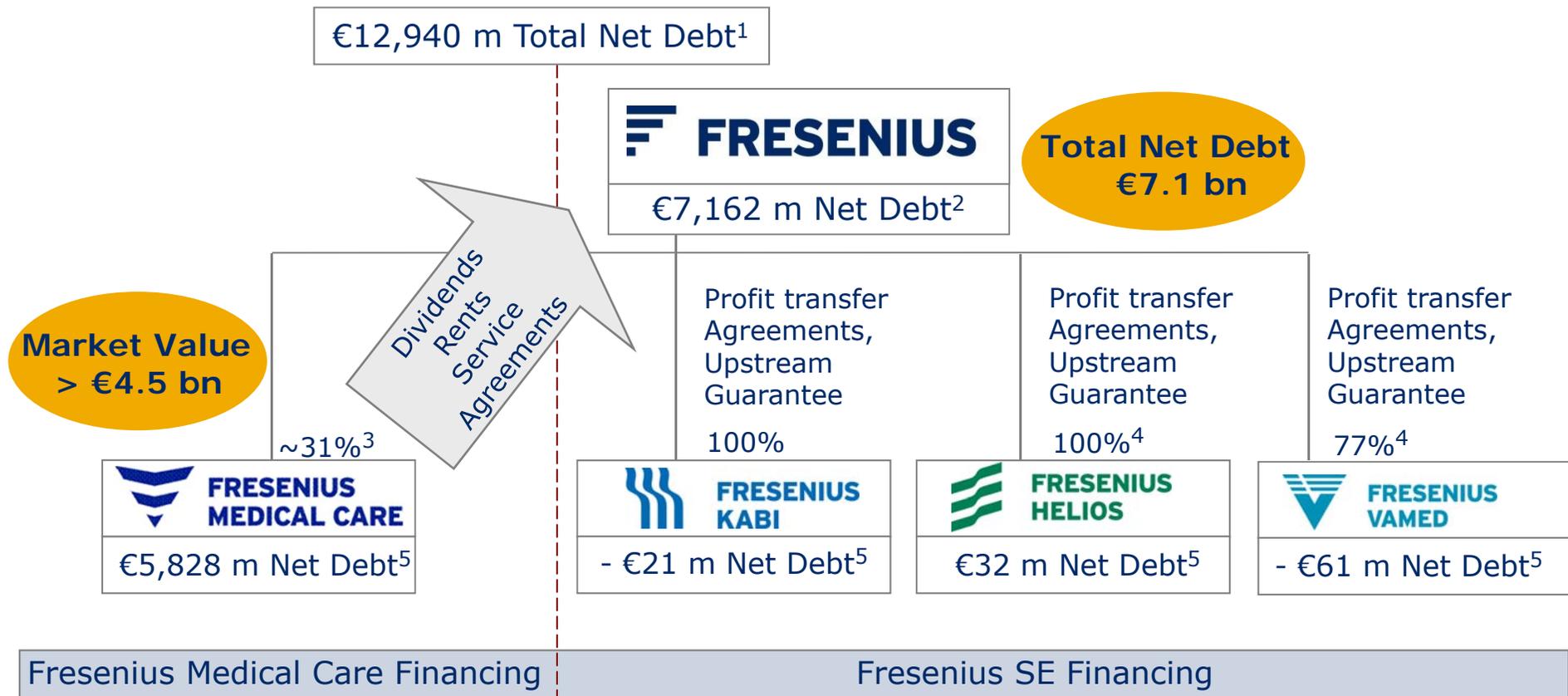


- 1 - 2014 before integration costs for Fenwal (€1 million) and the book gain from the divestment of two HELIOS hospitals (€22 million)
- 2 - Pro forma acquired hospitals from Rhön-Klinikum
- 3 - 2013 before integration costs for Fenwal (€54 million); debt excluding advances of €2.18 bn for the acquisition of hospitals from Rhön-Klinikum

Financing Facilities and Debt Structure



Fresenius Group: Current Debt and Cash Flow Structure as of March 31, 2014



1 – External debt as of March 31, 2014

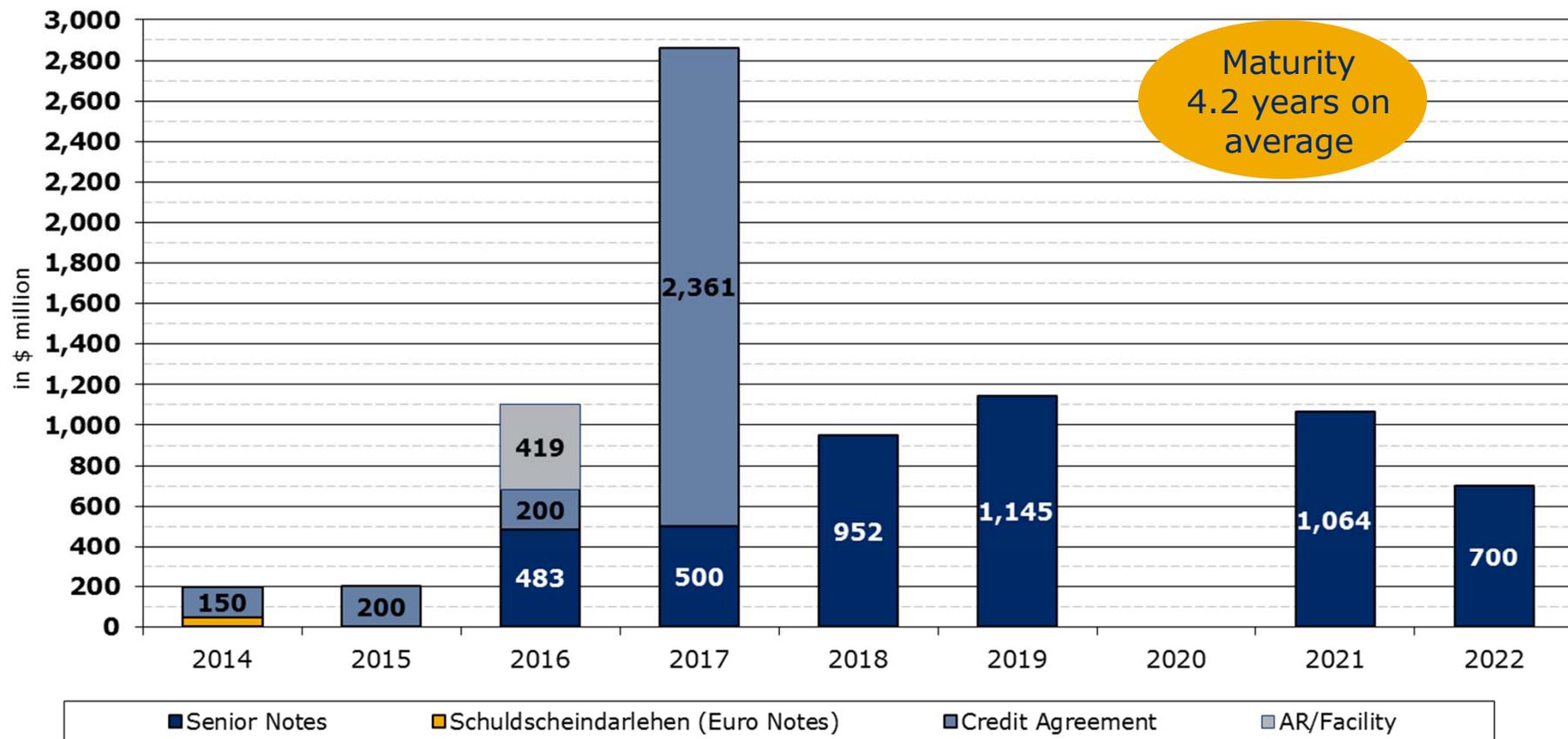
2 – Incl. Fresenius Finance B.V. and other financing subsidiaries

3 – Controlling stake

4 – As held by Fresenius ProServe GmbH, a wholly owned subsidiary of Fresenius SE & Co. KGaA, which provides the guarantees

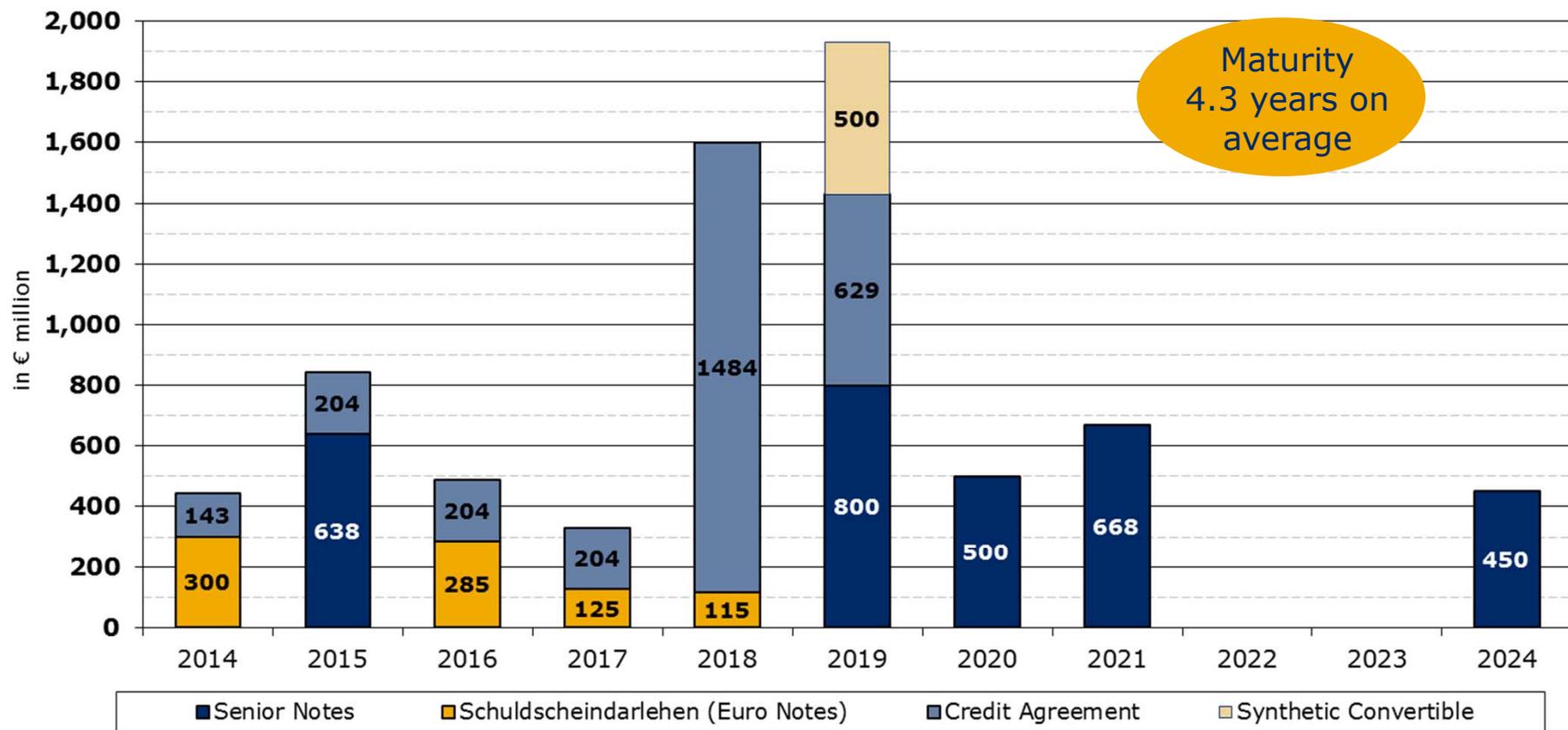
5 – Incl. subsidiaries

Fresenius Medical Care: Debt Maturity Profile¹ March 31, 2014



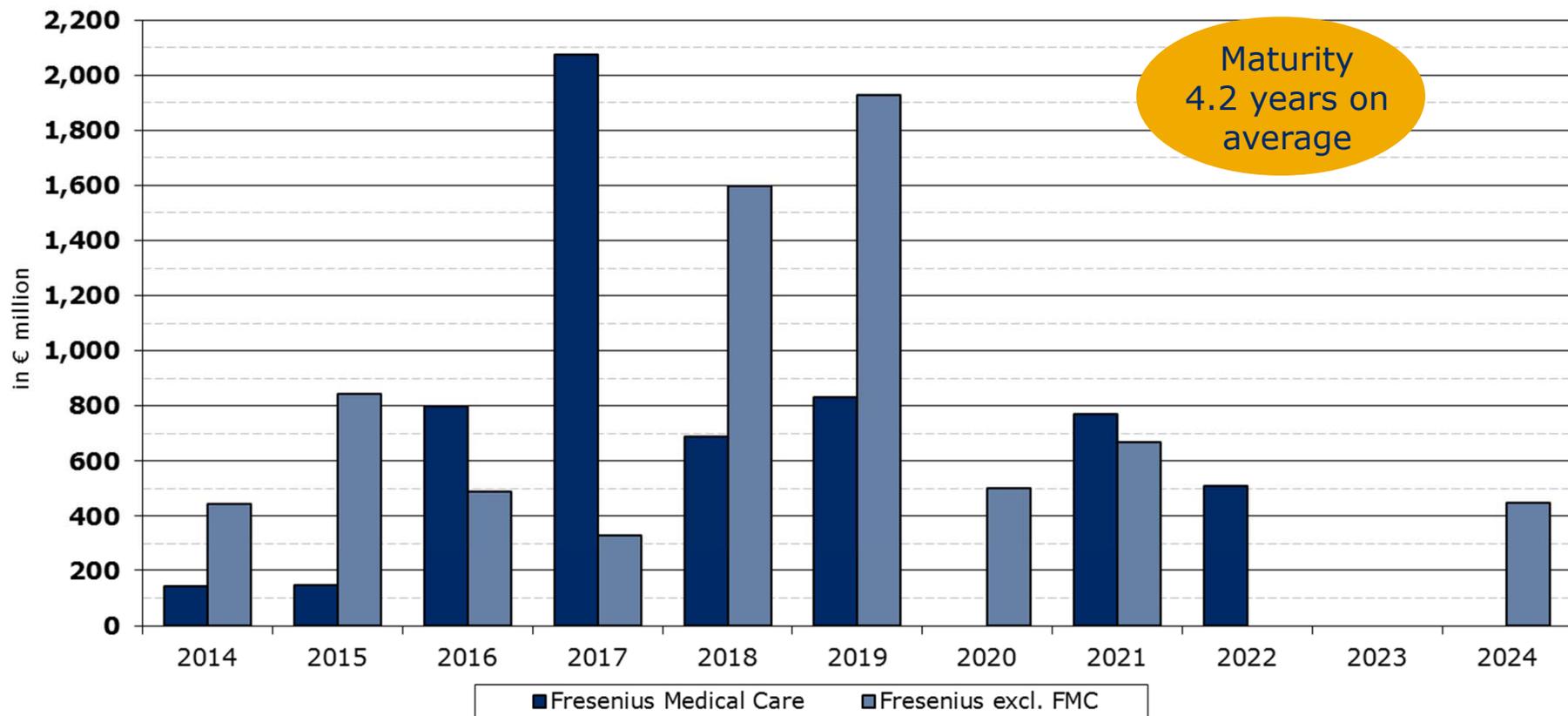
1 - based on utilization of major financing instruments

Fresenius Group excluding FMC: Debt Maturity Profile¹ March 31, 2014



1 - based on utilization of major financing instruments

Fresenius Group: Debt Maturity Profile¹ March 31, 2014



1 – based on utilization of major financing instruments

Summary and Outlook



Fresenius Medical Care: Financial Outlook

	Reported 2013	Guidance 2014
Sales	\$14,610	~ \$15,200
EBIT	\$2,256	~ \$2.2bn
Net Income	\$1,110	\$1.0-1.05 bn
Debt / EBITDA	2.8x	≤ 3.0x

- Outlook excludes potential net cost savings from the global efficiency program for 2014
- Potential acquisitions not included
- Investments in quality / compliance systems to continue to comply with standards

Fresenius Group: Financial Outlook by Business Segment Fully Confirmed / Narrowed

		Old	New
Fresenius Kabi	Sales growth organic	3% – 7%	4% – 6%
	EBIT margin	16% – 18%	16.5% – 18%
Fresenius Helios¹	Sales growth organic	3% – 5%	✓
	EBIT	€390 – €410 m	✓
Fresenius Vamed	Sales growth organic	5% – 10%	✓
	EBIT growth	5% – 10%	✓

1- Excl. acquired Rhön hospitals; before integration costs for acquired hospitals net of book gain from the divestment of two HELIOS hospitals

Fresenius Group: Financial Outlook

	Guidance 2014 ¹
Revenue growth at constant currency	12% – 15%
Net income growth ² at constant currency	2% – 5%
Net debt/ EBITDA	3.0 – 3.25x

1- Guidance includes acquired Rhön hospitals

2- Net income attributable to shareholders of Fresenius SE & Co. KGaA before integration costs for Fenwal (€30-40 million after tax) and for the hospitals acquired from Rhön-Klinikum AG, net of book gain from the divestment of two HELIOS hospitals (€21 million after tax)

Fresenius Group: Ideal Strategic Posture to Benefit from Major Healthcare Trends



Aging population and higher incidence of chronic diseases

World population aged 60+ will more than double by 2050 to >2 bn (OECD)



Increasing health care spending in emerging markets

Increasing health care coverage and per capita spending (e.g. India: \$59, China: \$278, vs. USA: \$8,608; WHO)



Continuing growth of generics

Approx. \$19 bn branded IV drug sales (base: 2013) go off-patent in the U.S. by 2023



Rise of private providers in health care services

*Further privatization of German hospital market
Global opportunity to provide dialysis services (e.g. China, India)*

Fresenius Group: Attractive Mid-Term Growth Prospects

New Stretch Target
~€30 billion sales
€1.4 to €1.5 billion net income
by 2017



Strong and Balanced Health Care Portfolio

Investment Highlights

Leading market positions

Diversified revenue base with four strong business segments

Global presence in growing, non-cyclical markets

Proven ability to integrate acquisitions

Clear track record of and commitment to de-leveraging

Strong financial performance and cash flow generation

Health Care Worldwide

