



Conference Call – Q1/14 Results

May 6, 2014



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: Financial Results

	Sales	EBIT ¹	Net income ¹
Q1/14	€5,212 m	€643 m	€228 m
Growth at constant currency rates	11%	-6%	3%
Growth at actual currency rates	7%	-8%	2%

¹ Before one-time items

Fresenius Group: Financial Results by Business Segment

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

Q1 Business Update

Operations & Markets



Europe

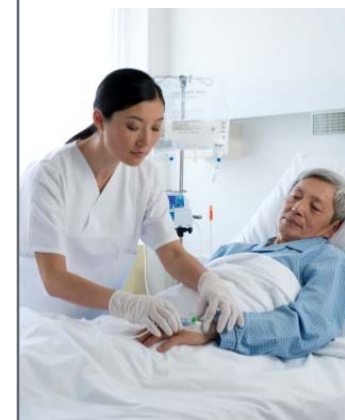
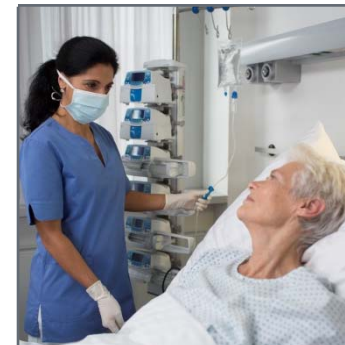
- 2% organic sales decline, mainly due to reduced HES sales and changes in Russian distribution model
- Confirm 2% – 5% 2014e organic sales growth

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



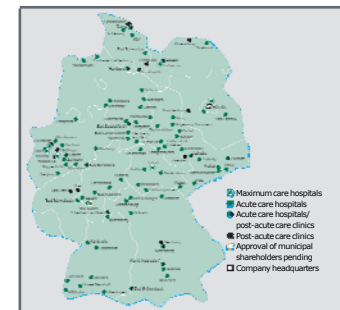
North America

- 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



Group Financials Q1/14 – Outlook 2014



Fresenius Group: Profit and Loss Statement

€m	Q1/14	Q1/13	Growth Q1/14 YoY	
			actual rates	constant rates
Sales	5,212	4,890	7%	11%
EBIT ¹	643	696	-8%	-6%
Net interest	-138	-163	15%	13%
Income taxes	-133	-155	14%	10%
Net income ²	228	224	2%	3%

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 attributable to shareholders of Fresenius SE & Co. KGaA, 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 Kabi: EBIT Margin Fully in Line with Guidance

€m	Q1/14	Q1/13	Growth
Europe Margin	69 13.8%	84 16.2%	-18%
North America Margin	147 38.5%	154 38.4%	-5%
Asia-Pacific/Latin America/Africa Margin	49 14.8%	65 19.0%	-25%
Corporate and Corporate R&D	-64	-66	3%
Total EBIT Margin	201 16.6%	237 18.8%	-15%






EBIT excluding Fenwal integration costs (€1 million)

Fresenius Helios: Sales and EBIT Growth Driven by First-Time Consolidation of Rhön Hospitals

€m	Q1/14	Q1/13	Growth
Total sales	1,227	841	46%
EBIT			
Established clinic portfolio	88	85	4%
Margin	10.3%	10.3%	
Acquisitions / Divestitures (consolidation / deconsolidation <1 yr)	26	2	
Total EBIT	114	87	31%
Margin	9.3%	10.3%	

EBIT excluding book gain from the divestment of two HELIOS hospitals (€22 million)

Cash Flow Development

€m	Operating CF		Capex (net)		Free Cash Flow ¹	
	Q1/14	LTM Margin	Q1/14	LTM Margin	Q1/14	LTM Margin
	42	8.0%	-65	-6.4%	-23	1.6%
	77	8.0%	-31	-4.7%	46	3.3% ³
	-54	-6.6%	-1	-1.1%	-55	-7.7%
Corporate/ Other	-7	-11.1%	-2	13.6%	-9	2.5%
 excl. FMC	58	7.3% ²	-99	-5.3%	-41	2.0% ²
 Group	140	9.8%	-243	-5.4%	-103	4.4%

¹ Before acquisitions and dividends

² Margin incl. FMC dividend

³ Understated: 4.1% excluding €31 million of capex commitments from acquisitions

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 Fully Confirmed

	Guidance 2014 ¹	
Revenue growth at constant currency	12% – 15%	✓
Net income growth ² at constant currency	2% – 5%	✓

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)

Attachments








Fresenius Group: Overview – Calculation of Noncontrolling Interest

€m	Q1/14	FY/13
Earnings before tax and noncontrolling interest	526	2,407
Taxes	-134	-669
Noncontrolling interest, thereof	-144	-727
Fresenius Medical Care net income not attributable to Fresenius (Q1/14: ~69%)	-103	-577
Noncontrolling interest holders in Fresenius Medical Care (Q1/14: US\$42 m according to Fresenius Medical Care's Financial Statements)	-31	-109
Noncontrolling interest holders in Fresenius Kabi (-€5 m), Fresenius Helios (-€3 m) and due to Fresenius Vamed's 23% external ownership (-€2 m)	-10	-41
Net income attributable to Fresenius SE & Co. KGaA	248	1,011

Fresenius Group: Cash Flow

€m	Q1/14	LTM Margin	Q1/13	LTM Margin	Growth YoY
Operating Cash Flow	140	9.8%	444	11.9%	-68%
Capex (net)	-243	-5.4%	-188	-5.0%	-29%
Free Cash Flow (before acquisitions and dividends)	-103	4.4%	256	6.9%	-140%
Acquisitions (net)	-875		23		--
Dividends	-28		-50		44%
Free Cash Flow (after acquisitions and dividends)	-1,006	-14.6%	229	0.3%	--

Cash Flow Development LTM

€m	Operating CF		Capex (net)		Free Cash Flow ¹	
	LTM Q1/14	LTM Margin	LTM Q1/14	LTM Margin	LTM Q1/14	LTM Margin
	398	8.0%	-320	-6.4%	78	1.6%
	302	8.0%	-179	-4.7%	123	3.3% ³
	-68	-6.6%	-11	-1.1%	-79	-7.7%
Corporate/ Other	9	-11.1%	-11	13.6%	-2	2.5%
 excl. FMC	712	7.3%²	-521	-5.3%	191	2.0%²
 Group	2,016	9.8%	-1,102	-5.4%	914	4.4%

¹ Before Acquisitions and Dividends

² Incl. FMC dividend

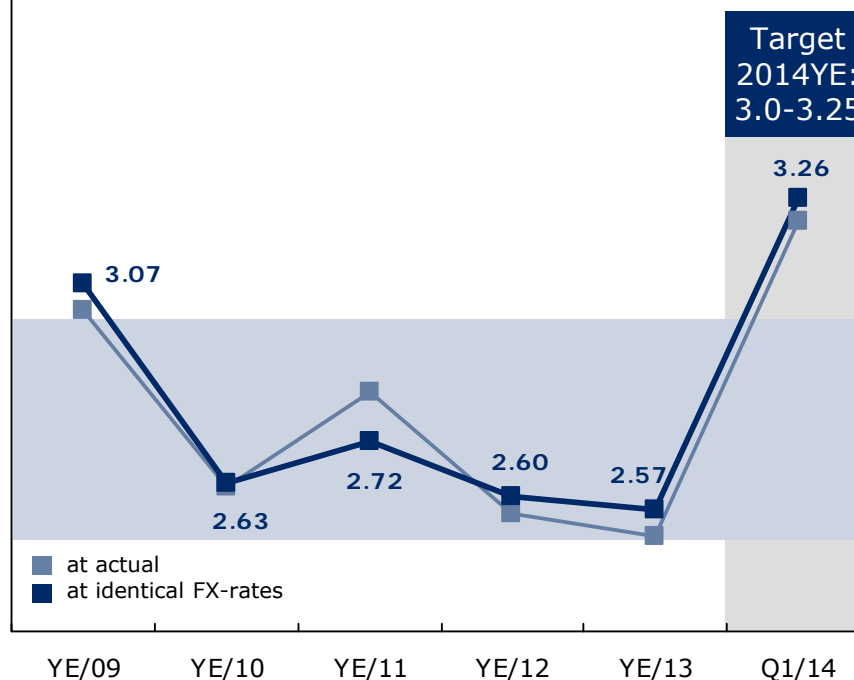
³ Understated: 4.1% excluding €31 million of capex commitments from acquisitions

Margin = in % of sales

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}	2.51 ³
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

Fresenius Kabi: Organic Sales Growth in Line with Expectations

€m	Q1/14	Q1/13	Organic Growth
Infusion Therapy	230	250	-1%
I.V. Drugs	441	460	0%
Clinical Nutrition	318	326	2%
Medical Devices/ Transfusion Technology	224	224	3%
Total sales	1,213	1,260	1%

Fresenius Kabi: Organic Sales Growth in Line with Expectations

€m	Q1/14	Q1/13	Organic Growth
Europe	500	517	-2%
North America	382	401	0%
Asia-Pacific	222	223	3%
Latin America/Africa	109	119	11%
Total sales	1,213	1,260	1%

Fresenius Helios: Organic Sales Growth in Line with Expectations

€m	Q1/14	Q1/13	Growth
Established clinic portfolio	857	826	4%
Acquisitions (consolidation <1 yr)	370		
Divestitures (deconsolidation <1 yr)		15	
Total sales	1,227	841	46%

Fresenius Helios: Performance Indicators

	Q1/14	Q1/13	Change
No. of hospitals¹	109	74	47%
- Acute care clinics	85	51	67%
- Post-acute care clinics	24	23	4%
No. of beds¹	33,009	23,502	40%
- Acute care clinics	27,900	18,885	48%
- Post-acute care clinics	5,109	4,617	11%
Admissions			
- Acute care (inpatient)	276,600	196,107	41%
Occupancy			
- Post-acute care	79%	79%	
Average length of stay (days)			
- Acute care	6.6	6.6	
- Post-acute care	27.1	27.6	

¹ December 31, 2013

Fresenius Helios: Sales Influence Hospital Acquisitions / Divestitures

Acquisitions

Hospitals from
Rhön-Klinikum

Annualized sales

~€1.9 bn

~70% consolidated as of
January 1, 2014

~20% consolidated as of
March 1, 2014

HSK closing still pending

Divestitures

Hospitals Borna, Zwenkau

~€90 m

Deconsolidated as of
February 1, 2014

Fresenius Vamed: Excellent Sales and EBIT Growth

€m	Q1/14	Q1/13	Growth
Project business	80	82	-2%
Service business	111	102	9%
Total sales	191	184	4%
Total EBIT	6	5	20%
Margin	3.1%	2.7%	
Order intake¹	115	93	24%
Order backlog¹	1,170	1,139²	3%

¹ Project business only

² December 31, 2013

Fresenius Group: Key Figures According to IFRS

€m	Q1/14 U.S. GAAP	Q1/14 IFRS
Sales	5,212	5,258
EBIT ¹	643	630
Net interest	-138	-138
Net income ²	248	243
Net income ³	228	223
Operating Cash flow	140	142
Balance sheet total	34,284	34,329

¹ 2014 before Fenwal integration costs and the book gain from the divestment of two HELIOS hospitals.

² Net income attributable to shareholders of Fresenius SE & Co. KGaA

³ Net income attributable to shareholders of Fresenius SE & Co. KGaA, 2014 before Fenwal integration costs and the book gain from the divestment of two HELIOS hospitals .

Share Information

Share key facts

Number of shares ¹	179,824,079
WKN / ISIN	578560 / DE0005785604
Ticker symbol	FRE
Bloomberg symbol	FRE GR
Reuters symbol	FREG.de

ADR key facts

Ratio	8 ADRs = 1 ordinary share
ADR CUSIP / ISIN	35804M105 / US35804M1053
Ticker symbol	FSNUY
Exchange	OTCQX International Premier
Structure	Sponsored Level I ADR
Depository bank	Deutsche Bank

¹ As of March 31, 2014

Financial Calendar 2014

16.05.2014	Annual General Meeting, Frankfurt/Main
31.07.2014	Report on 1 st half 2014
04.11.2014	Report on 1 st – 3 rd quarter 2014

Please note that these dates could be subject to modifications.

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