



Health Care Worldwide

BNP Paribas – High Yield & Leveraged Finance Conference
January 15, 2015 – 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



A Global Leader in Health Care Products and Services

-
- Sales €22 bn, net income¹ €1.8 bn
LTM Sept 2014
 - Strong and well-diversified portfolio
 - Global presence in approx. 100 countries
 - Long-term opportunities in growing markets
 - Leading market positions
-



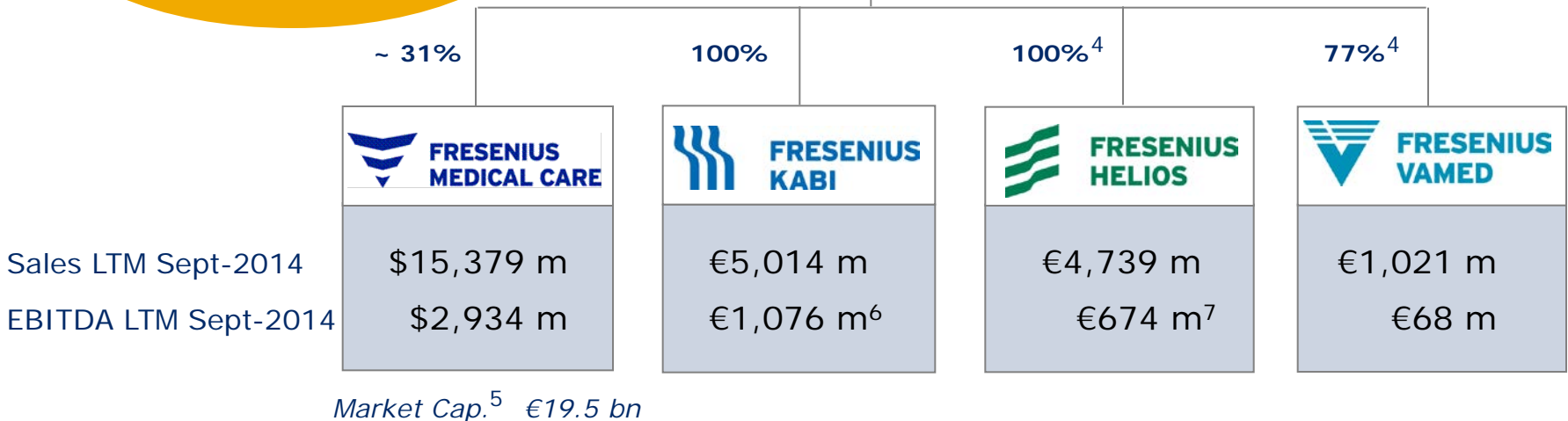
1 – Net income incl. attributable to non-controlling interest, before one-time items

Fresenius Group: Strong and Balanced Health Care Portfolio

S&P: BB+ positive
 Moody's: Ba1 stable
 Fitch: BB+ positive

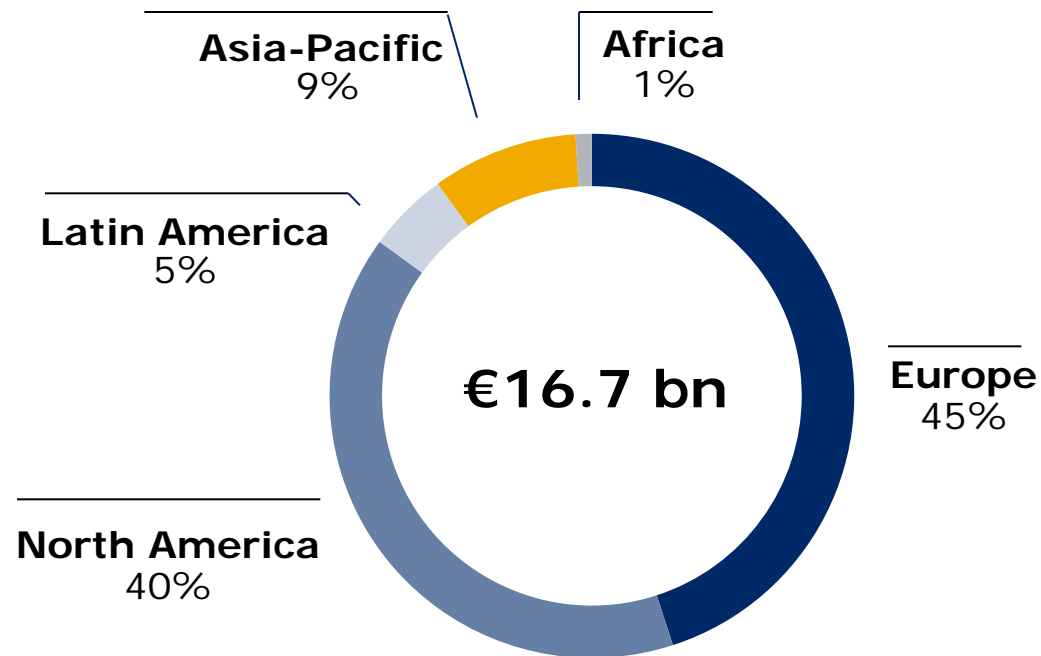


Sales LTM Sept-2014 €22.0 bn
 EBITDA LTM Sept-2014¹ €4.0 bn
 Market Cap.² €24.4 bn
 Group EV³ €51.8 bn

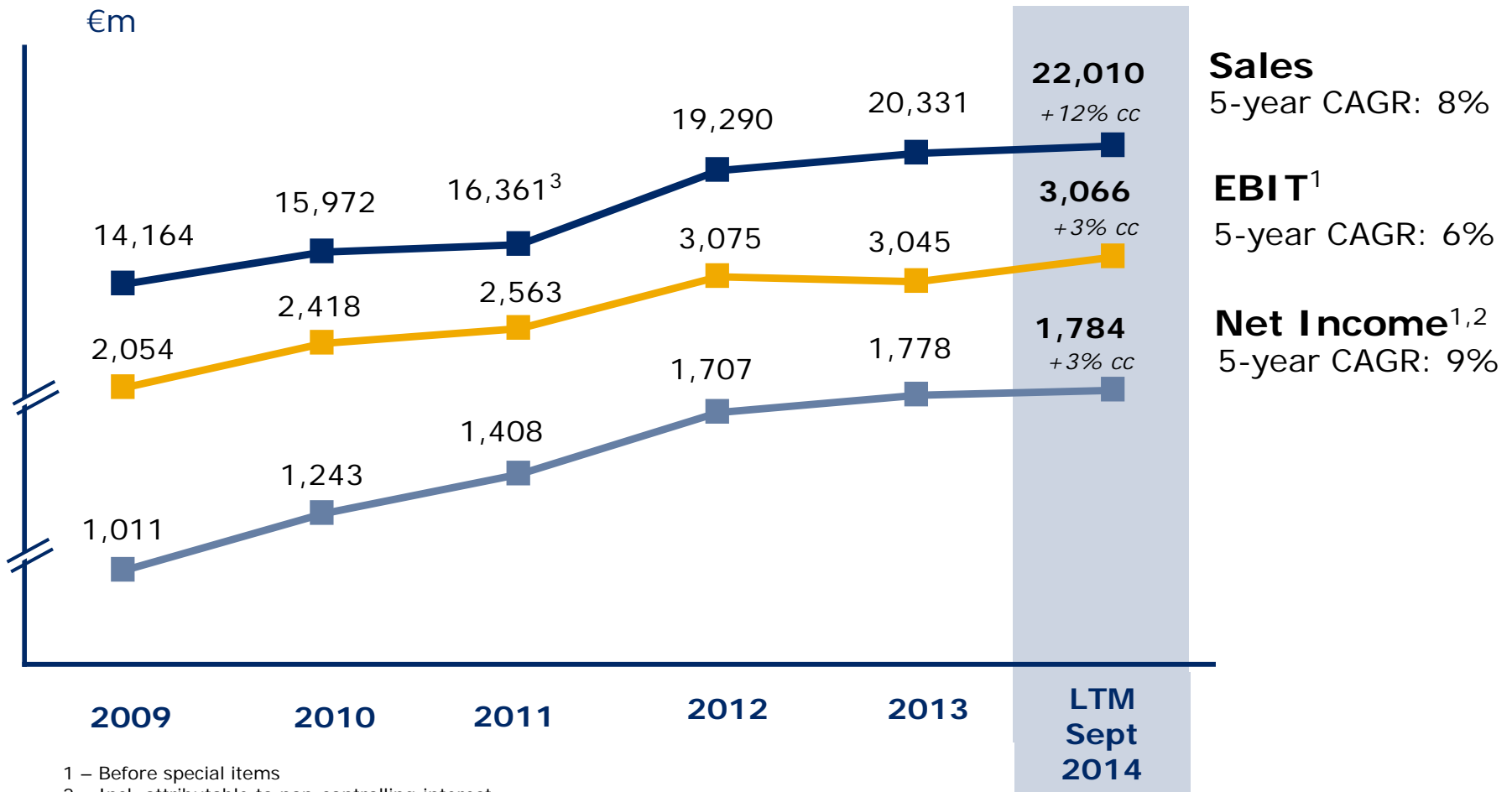


1 – Before integration costs (Fenwal; acquired Rhoen hospitals) and disposal gains (two Helios hospitals; Rhoen stake)
 2 – Based on market cap of FSE as of January 12, 2015
 3 – Based on consolidated market capitalization of FSE and FME as of as of January 12, 2015 and consolidated net debt as of September 30, 2014
 4 – Held by Fresenius ProServe GmbH, a wholly owned subsidiary of FSE
 5 – Based on market cap of FME as of January 12, 2015
 6 – Before Fenwal integration costs
 7 – Before integration costs (acquired Rhoen hospitals) and disposal gains (two Helios hospitals; Rhoen stake)

Fresenius Group: Sales Distribution by Region – Q1-Q3/2014



Fresenius Group: Financial Results



1 – Before special items

2 – Incl. attributable to non-controlling interest

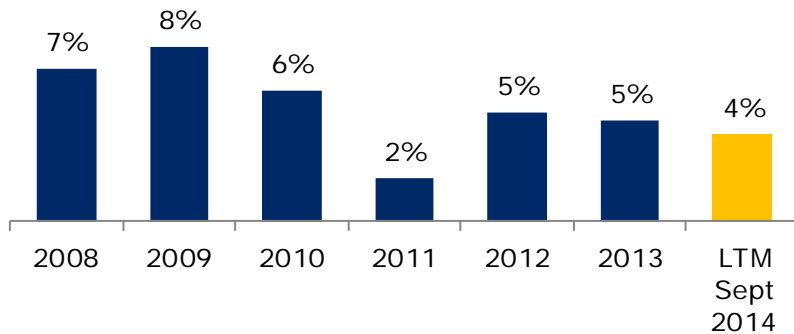
3 – 2011 sales were adjusted by -€161m according to a U.S. GAAP accounting change. This solely relates to Fresenius Medical Care North America

Fresenius Group: Organic Growth 1999 – 2014

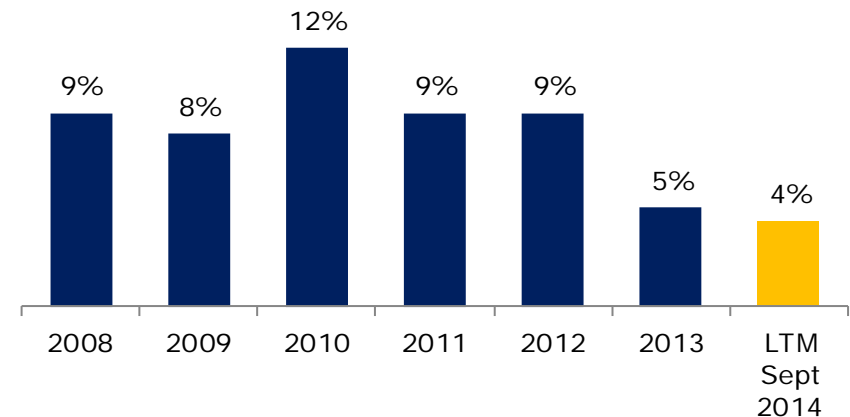


Fresenius Group: Sustainable Organic Sales Growth in all Business Segments

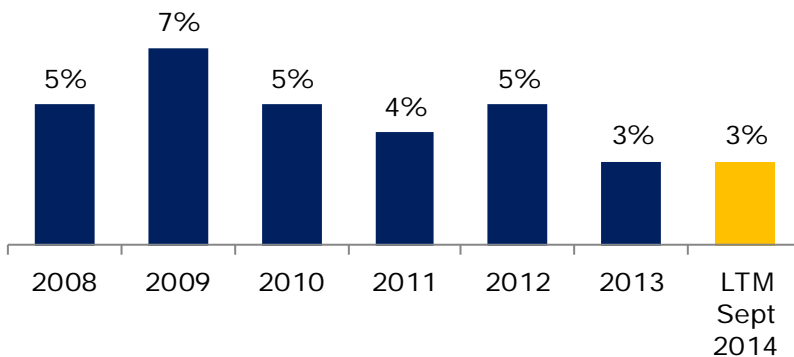
Fresenius Medical Care



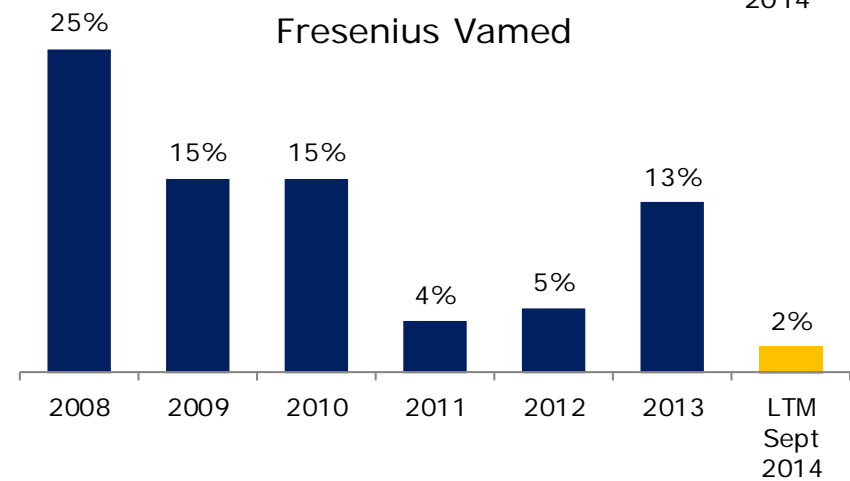
Fresenius Kabi



Fresenius Helios



Fresenius Vamed



Fresenius Group: Financial Results

	Sales	EBIT ¹	Net income ^{2,3}
Q1-Q3/2014	€16,711 m	€2,223 m	€1,263 m
Growth at constant currency rates	14%	3%	2%
Growth at actual currency rates	11%	1%	0%

1 - 2014 before integration costs (Fenwal: €6 million; acquired Rhoen hospitals: €12 million) and disposal gains (two Helios hospitals: €22 million; Rhoen stake: €35 million); 2013 before integration costs (Fenwal: €34 million)

2 - incl. attributable to non-controlling interest

3 - 2014 before integration costs (Fenwal: €4 million; acquired Rhoen hospitals: €9 million) and disposal gains (two Helios hospitals: €21 million; Rhoen stake: €34 million); 2013 before integration costs (Fenwal: €26 million); including a tax impact of \$18 million at FME in 2014





Fresenius Group: Financial Results by Business Segment

Q1-Q3/2014	Fresenius Medical Care	Fresenius Kabi	Fresenius Helios	Fresenius Vamed
Sales Growth	\$11,511 m 7%	€3,760 m 0%	€3,883 m 53%	€655 m 0%
EBIT Growth	\$1,591 m 0%	€634 m ¹ -9%	€397 m ² 41%	€27m 8%

1 – 2014 before integration costs of (Fenwal: €6 million); 2013 before integration costs (Fenwal: €34million)

2 – 2014 before integration costs (acquired Rhoen hospitals: €12 million) and disposal gains (two Helios hospitals: €22 million; Rhoen stake: €35 million)

Fresenius Group: Financial Results by Business Segment

		Q3/14	Growth Q3 YoY	Q1-3/14	Growth Q1-3 YoY
	Sales	\$4,113 m	12%	\$11,511 m	7%
	EBIT	\$590 m	6%	\$1,591 m	0%
	Sales	€1,294 m	6%	€3,760 m	0%
	EBIT ¹	€223 m	-1%	€634 m	-9%
	Sales	€1,362 m	62%	€3,883 m	53%
	EBIT ²	€147 m	43%	€397 m	41%
	Sales	€257 m	10%	€655 m	0%
	EBIT	€12 m	20%	€27 m	8%

1 – 2014 before integration costs of (Fenwal: Q3: €3m, Q1-Q3: €6m); 2013 before integration costs (Fenwal: Q3: €7m, Q1-Q3: €34m)

2 – 2014 before integration costs (acquired Rhoen hospitals: Q3: €4m, Q1-Q3: €12m) and disposal gains (two Helios hospitals: Q3: €0m, Q1-Q3: €22m; Rhoen stake: Q3: €0m, Q1-Q3: €35m)

Business Segments



Fresenius Medical Care: Global Market Leader in Dialysis

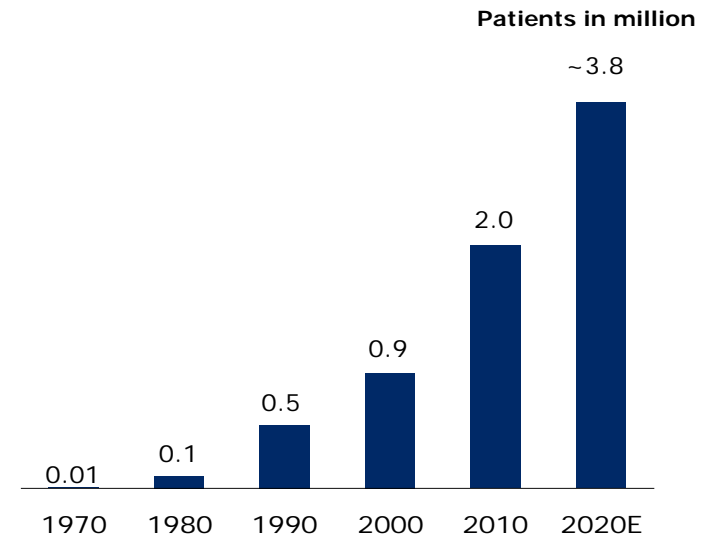
- World leader in dialysis products and services treating 283,135 patients in 3,349 clinics worldwide¹

- 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

Industry Dynamics

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



1 – As of Sept 30, 2014

Fresenius Medical Care: Key Figures Q1-Q3/2014

<i>\$ million</i>	Q1-Q3/2014	Q1-Q3/2013	Growth
Total Sales	11,511	10,743	+7%¹
EBITDA	2,105	2,074	+1%
<i>EBITDA margin</i>	<i>18.3%</i>	<i>19.3%</i>	
EBIT	1,591	1,595	0%
<i>EBIT margin</i>	<i>13.8%</i>	<i>14.8%</i>	
Net income	710²	761	-7%³

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

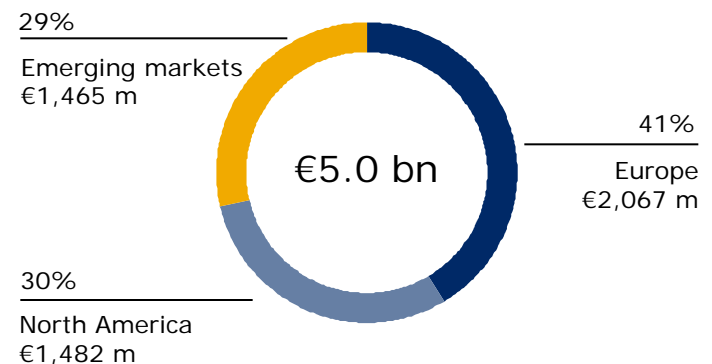
2 – \$728 before a one-time special tax effect of \$18m

3 – -4% before a one-time special tax effect of \$18m

Fresenius Kabi: A Worldwide Leading Hospital Supplier

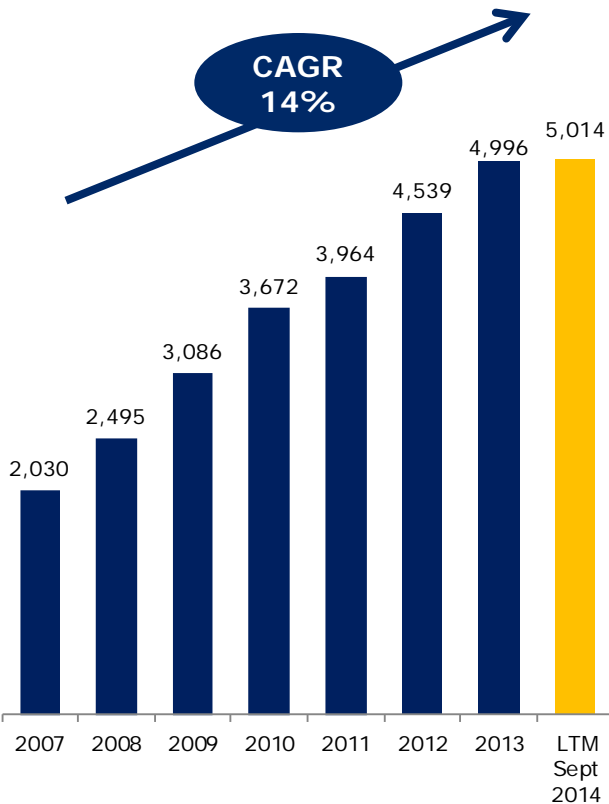
- Comprehensive product portfolio for critically and chronically ill patients
 - IV Drugs
 - Clinical Nutrition
 - Infusion Therapy
 - Medical Devices / Transfusion Technology
- Global addressable market: >€25 bn
- Leading market positions
- Focus on organic growth driven by geographic product rollout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

LTM Sept 2014 Sales by Region

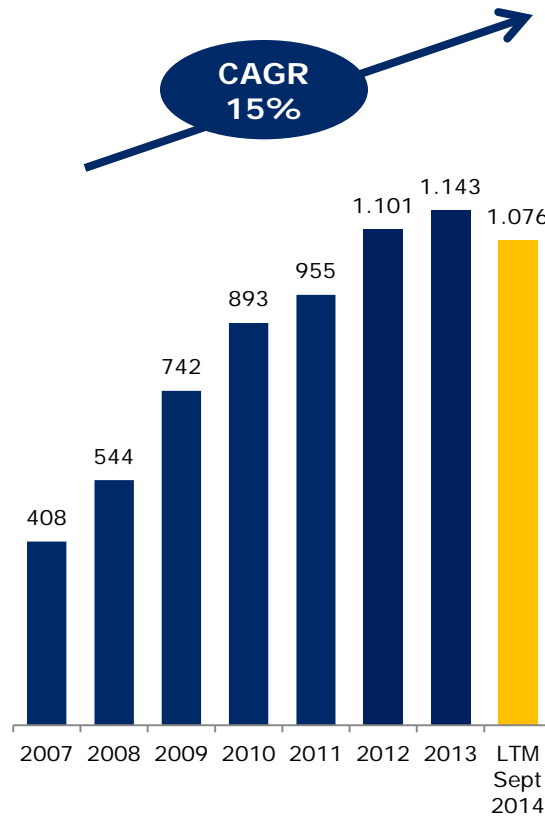


Fresenius Kabi: Strong Growth Track Record & High Profitability

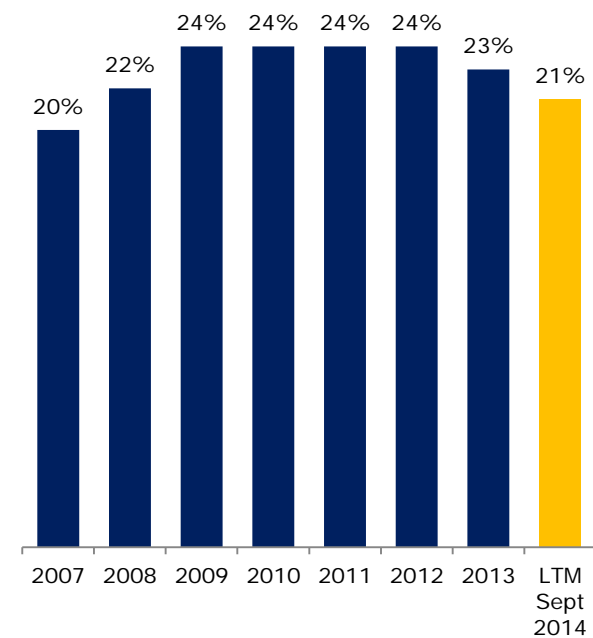
Sales in € m



EBITDA¹ in € m



EBITDA Margin (in %)



1 – Before special items

Fresenius Kabi: Key Figures Q1-Q3/2014

<i>€ million</i>	Q1-Q3/2014	Q1-Q3/2013	Growth
Sales	3,760	3,742	0% ²
- Infusion Therapy	724	741	-2%
- I.V. Drugs	1,312	1,308	0%
- Clinical Nutrition	1,020	995	3%
- Medical Devices/ Transfusion Technology	704	698	1%
EBITDA ¹	785	852	-8%
<i>EBITDA margin</i>	<i>20.9%</i>	<i>22.8%</i>	
EBIT ¹	634	695	-9%
<i>EBIT margin</i>	<i>16.9%</i>	<i>18.6%</i>	
Net income ¹	337	367	-8%

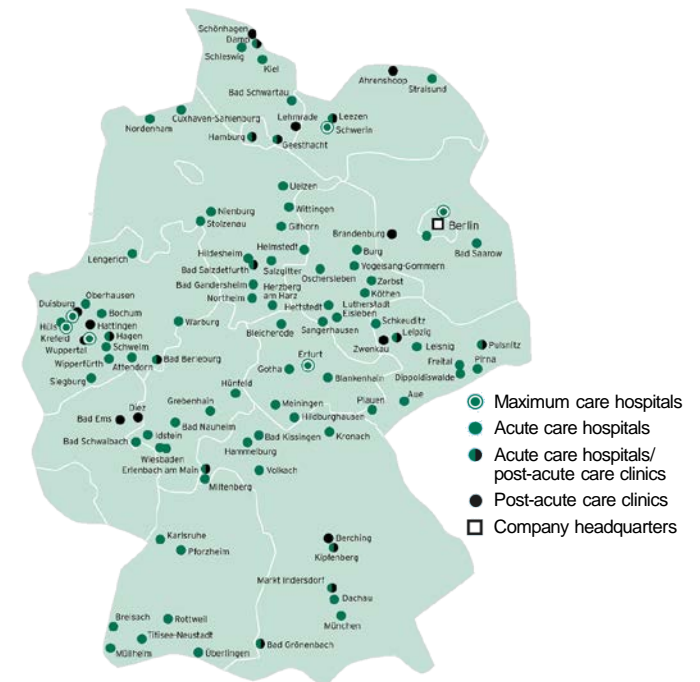
1 – before Fenwal integration costs

2 – 3% organic growth, -4% currency effect, 1% acquisitions

Fresenius Helios: Leading Private Hospital Operator in Germany

- Acute and post-acute care in 110 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 41 hospitals from Rhön-Klinikum provides excellent long-term growth opportunities

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

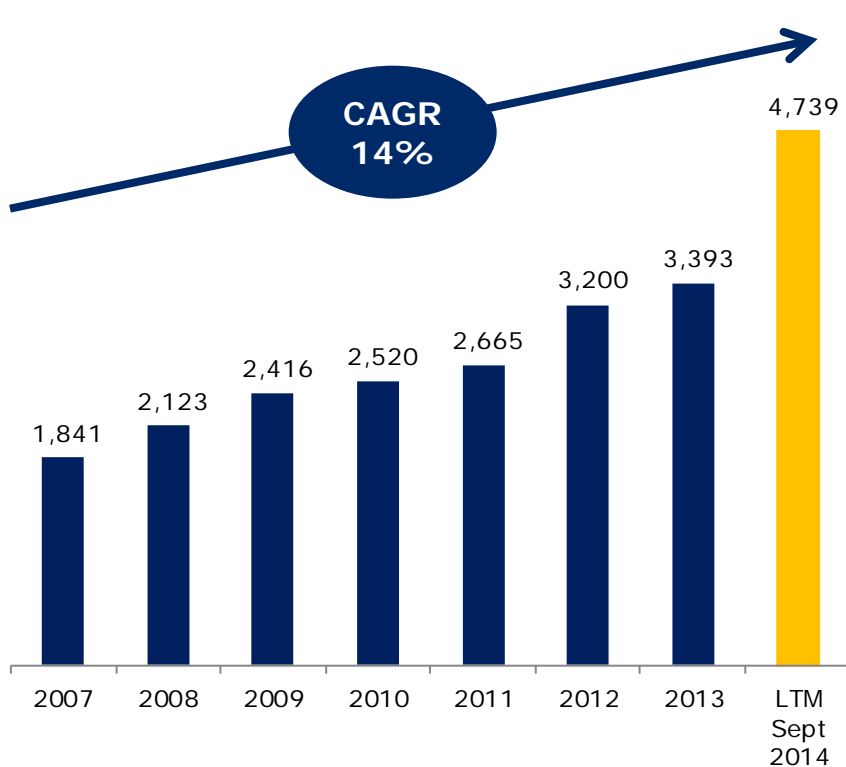


2013 Sales: €3,393 m; EBIT: €390 m

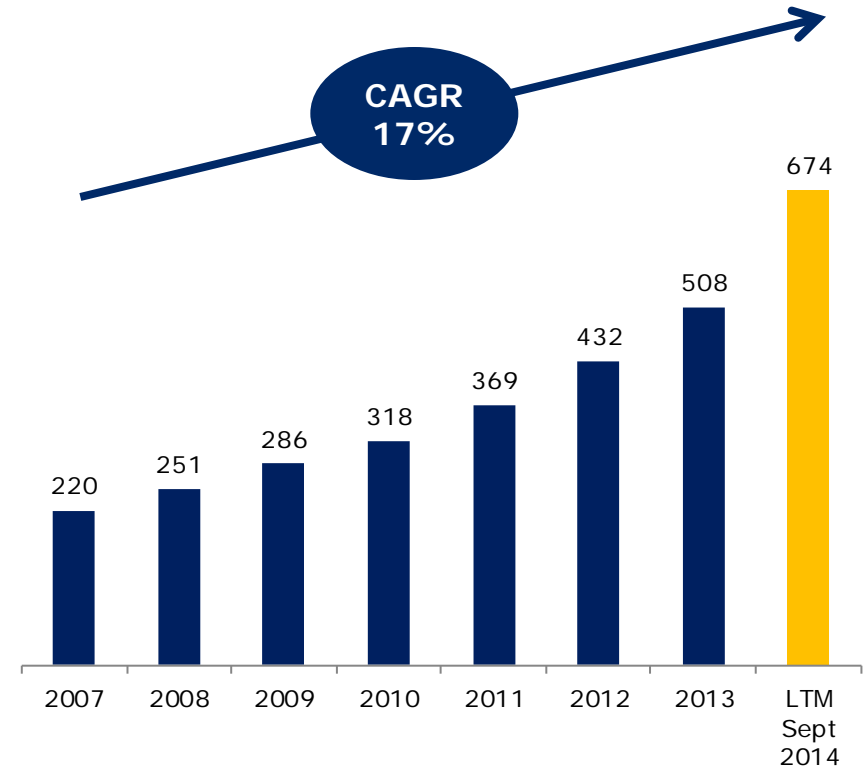
¹ – as of Sept 30, 2014

Fresenius Helios: Strong Growth Track Record & Increased Profitability

Sales in € m



EBITDA in € m



Fresenius Helios: Key Figures Q1-Q3/2014

<i>€ million</i>	Q1-Q3/2014	Q1-Q3/2013	Growth
Sales	3,883	2,537	+53%³
EBITDA¹	534	368	+45%
<i>EBITDA margin</i>	<i>13.8%</i>	<i>14.5%</i>	
EBIT¹	397	282	+41%
<i>EBIT margin</i>	<i>10.2%</i>	<i>11.1%</i>	
Net income²	286	194	+47%

1 – 2014 before integration costs (€12 million) and disposal gains (two Helios hospitals: €22 million; Rhoen stake: €35 million)

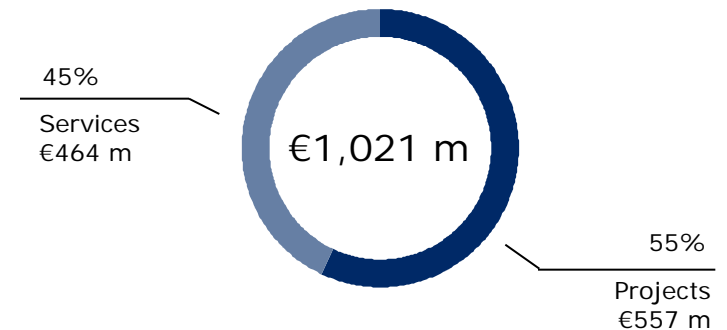
2 – 2014 before integration costs (€9 million) and disposal gains (two Helios hospitals: €21 million; Rhoen stake: €34 million)

3 – 4% organic growth, 51% 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

LTM Sept 2014 Sales by Business

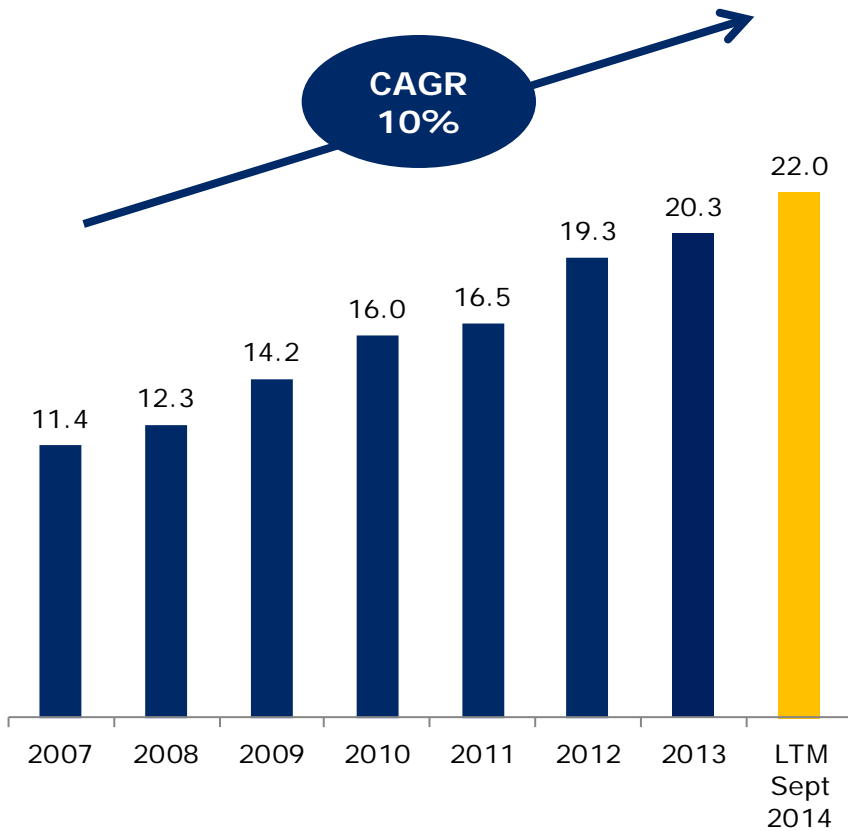


Financial Overview

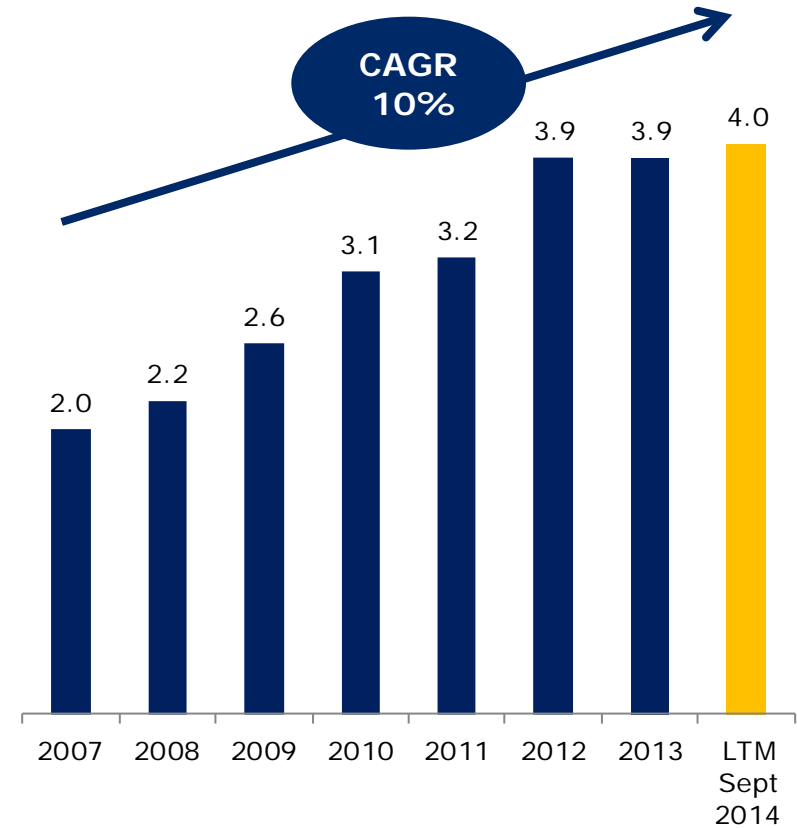


Fresenius Group: Demonstrated Strong Sales and EBITDA Growth

Sales in € bn



EBITDA in € bn¹



1 – Before special items

Fresenius Group: Key Figures Q1-Q3/2014

<i>€ million</i>	Q1-Q3/2014	Q1-Q3/2013	Change actual rates	Change constant rates
Sales	16,711	15,032	+11%	+14% ¹
EBITDA ²	2,905	2,824	+3%	+5%
EBIT ²	2,223	2,202	+1%	+3%
Interest, net	-431	-449	+4%	+1%
EBT ²	1,792	1,753	+2%	+5%
Taxes	-529	-496	-7%	-10%
Net income ^{3,4}	1,263	1,257	0%	+2%
Employees	214,401	175,249 ⁵		

1 – 4% organic growth, 11% acquisitions, -1% divestitures






2 – 2014 before integration costs (Fenwal: €6 million; acquired Rhoen hospitals: €12 million) and disposal gains (two Helios hospitals: €22 million; Rhoen stake: €35 million); 2013 before integration costs (Fenwal: €34 million)

3 – 2014 before integration costs (Fenwal: €4 million; acquired Rhoen hospitals: €9 million) and disposal gains (two Helios hospitals: €21 million; Rhoen stake: €34 million); including a tax impact of \$18 million at Fresenius Medical Care in 2014; 2013 before integration costs (Fenwal: €26 million)

4 – incl. attributable to non-controlling interest

5 – as of Sept 30, 2013

Cash Flow Development LTM

€m	Operating CF		Capex (net)		Free Cash Flow ¹	
	LTM Sept 2014	LTM Margin	LTM Sept 2014	LTM Margin	LTM Sept 2014	LTM Margin
 FRESENIUS KABI	617	12.3%	-345	-6.9%	272	5.4%
 FRESENIUS HELIOS	476	10.0%	-229	-4.8%	247	5.2% ³
 FRESENIUS VAMED	0	0%	-9	-0.9%	-9	-0.9%
Corporate/ Other	-18	n.a.	-9	n.a.	-27	n.a.
 FRESENIUS excl. FMC	1,075	10.7%²	-592	-5.5%	483	5.2%²
 FRESENIUS Group	2,449	11.1%	-1,236	-5.6%	1,213	5.5%

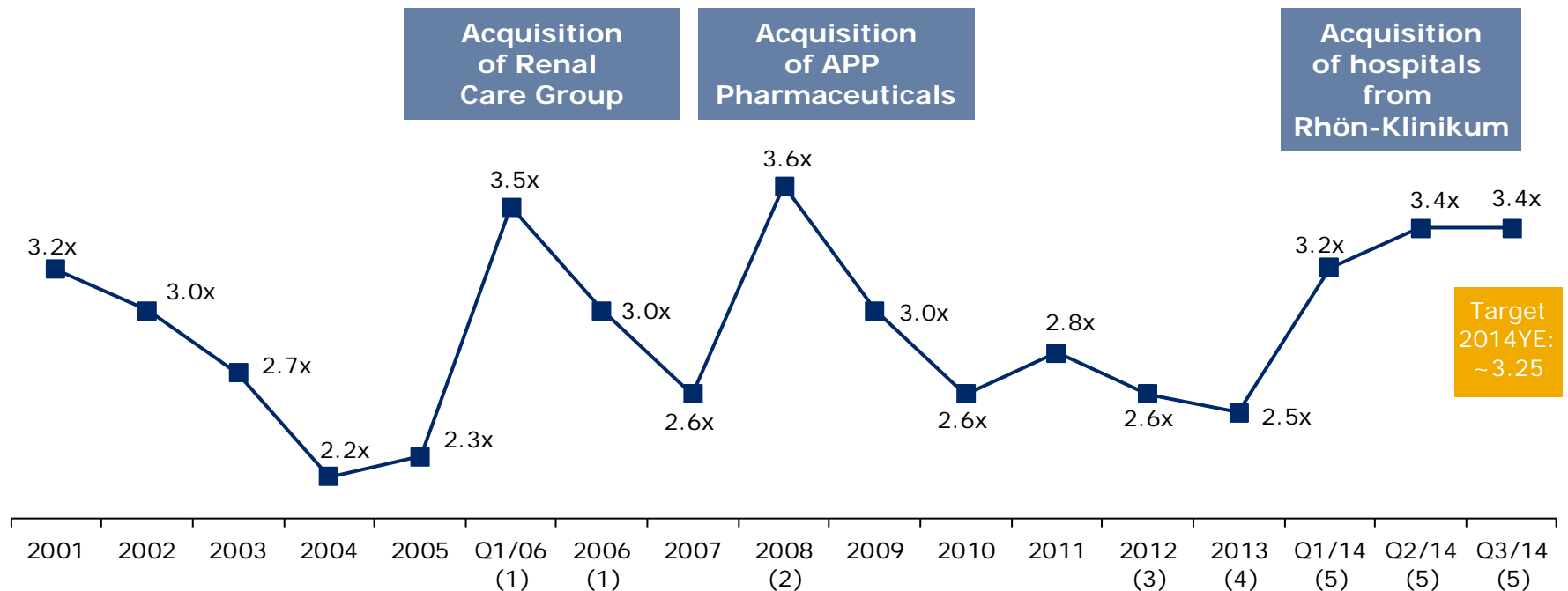
1 - Before acquisitions and dividends

2 - Margin incl. FMC dividend

3 - Understated: 6.6% excluding €66 million of capex commitments from acquisitions

Margin = in % of sales

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

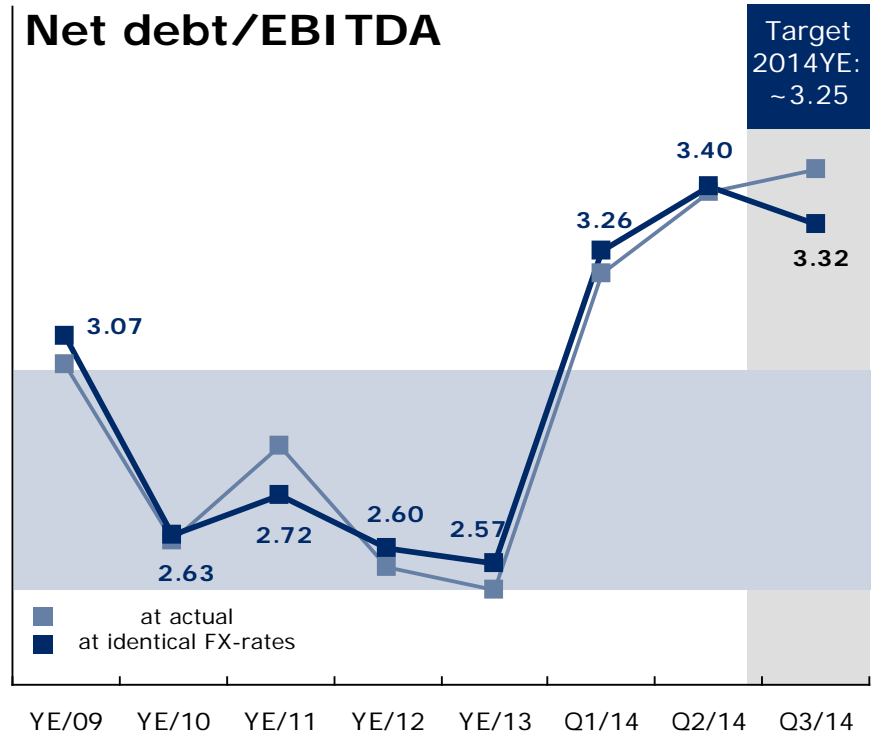
3 – Pro forma incl. Damp Group, Liberty Dialysis Holdings, Inc. and Fenwal, adjusted for €6 million one-time costs related to the 2012 takeover offer to Rhön-Klinikum AG shareholders as well as for €86 million other one-time costs at FME

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 including acquired hospitals from Rhön-Klinikum, Sound Inpatient Physicians, Inc. and excluding two HELIOS hospitals; before integration costs (Fenwal; acquired Rhön hospitals) and disposal gains (two HELIOS hospitals; Rhön stake)

Fresenius Group: Debt and Interest Ratios

	Sep 30, 2014	Dec 31, 2013
Debt (€m)	14,878	12,804
thereof 46% US\$ denominated		
Net debt (€m)	13,843	11,940
Net debt/EBITDA	3.44 ^{1,2}	2.51 ³
EBITDA/Interest ⁴	6.7	6.7

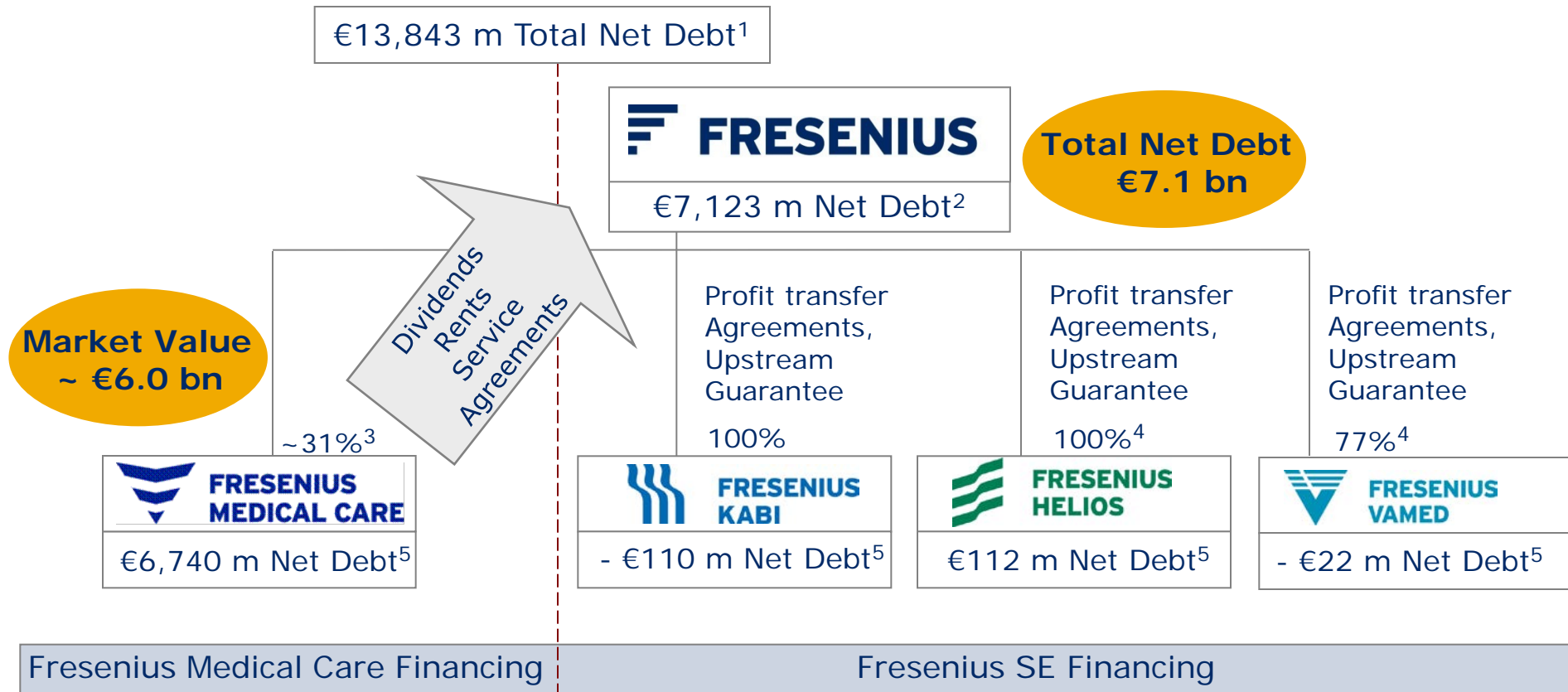


- 1 - Before integration costs (Fenwal; acquired Rhön hospitals) and disposal gains (two HELIOS hospitals; Rhön stake)
- 2 - Pro forma including Rhön hospitals, Sound Inpatient Physicians, Inc. and excluding two HELIOS hospitals
- 3 - 2013 before integration costs (Fenwal: €54 million); pro forma excluding advances made for the acquisition of hospitals from Rhön-Klinikum AG (€2.18 bn)
- 4 - Before integration costs (Fenwal: €6 million; acquired Rhön hospitals: €12 million) and disposal gains (two HELIOS hospitals: €22 million; Rhön stake: €35 million); 2013 before integration costs (Fenwal: €54 million)

Financing Facilities and Debt Structure



Fresenius Group: Current Debt and Cash Flow Structure as of Sept 30, 2014



1 – External debt as of September 30, 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 Group: Capitalization as of September 30, 2014

	in € million	in \$ million	% of total cap	LTM EBITDA Q3 2014 x
FSE 2013 Credit Agreement: Term Loan A (€, US-\$)	1,883	2,369	3.7%	
FSE 2013 Credit Agreement: Term Loan B (€, US-\$)	691	869	1.3%	
8.750% and 9.000% Senior Notes due 2015 (€, US-\$)	632	795	1.2%	
4.250% Senior Notes due 2019	500	629	1.0%	
2.375% Senior Notes due 2019	299	376	0.6%	
2.875% Senior Notes due 2020	500	629	1.0%	
3.000% Senior Notes due 2021	445	560	0.9%	
4.250% Senior Notes due 2021	238	299	0.5%	
4.000% Senior Notes due 2024	453	570	0.9%	
Convertible Bonds	458	576	0.9%	
Commercial Paper	210	264	0.4%	
Euro Notes	1,025	1,290	2.0%	
Other debt, gross	579	729	1.1%	
Total Debt (FSE excl. FMC), gross	7,913	9,957	15.4%	
Cash (excl. FMC)	568	715	1.1%	
Total debt (FSE excl. FMC), net	7,345	9,242	14.3%	
Total FMC debt, net ¹	6,498	8,177	12.7%	
Total consolidated debt, net	13,843	17,419	27.0%	3.4x ^{3,4}
Market capitalization ²	37,974	44,051	73.0%	9.43x
Total capitalization	51,817	61,470	100.0%	12.9x
FSE Group EBITDA³				3,969

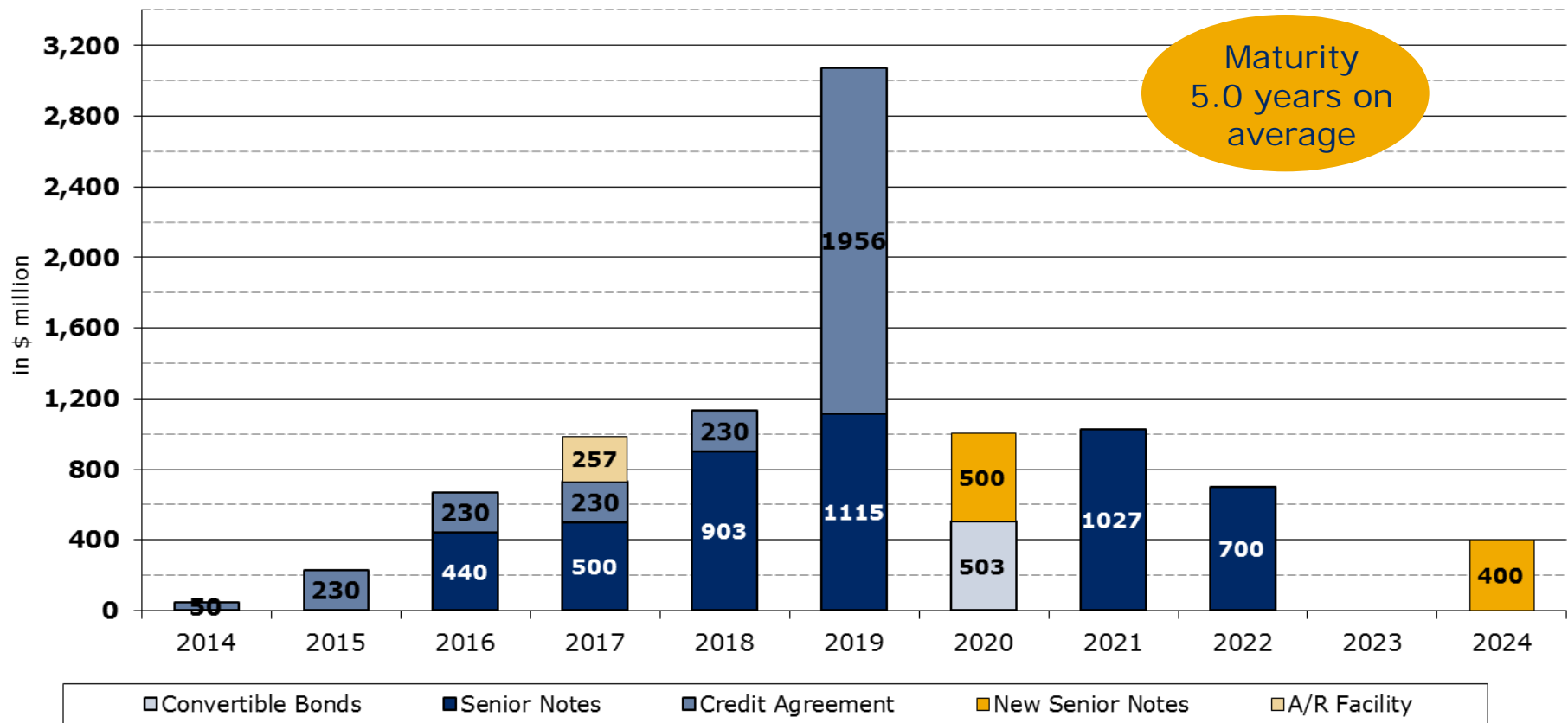
1 - Net of Cash and intercompany adjustments

2 - Based on market capitalization for FSE and FME as of January 12 2015, 1.1768 €/ \$ exchange rate as of January 12, 2015

3 - Before integration costs (Fenwal: €3 million; acquired Rhoen hospitals: €8 million) and disposal gains (two HELIOS hospitals: €22 million; Rhoen stake: €35million)

4 - Pro forma including Rhoen hospitals and excluding two Helios hospitals

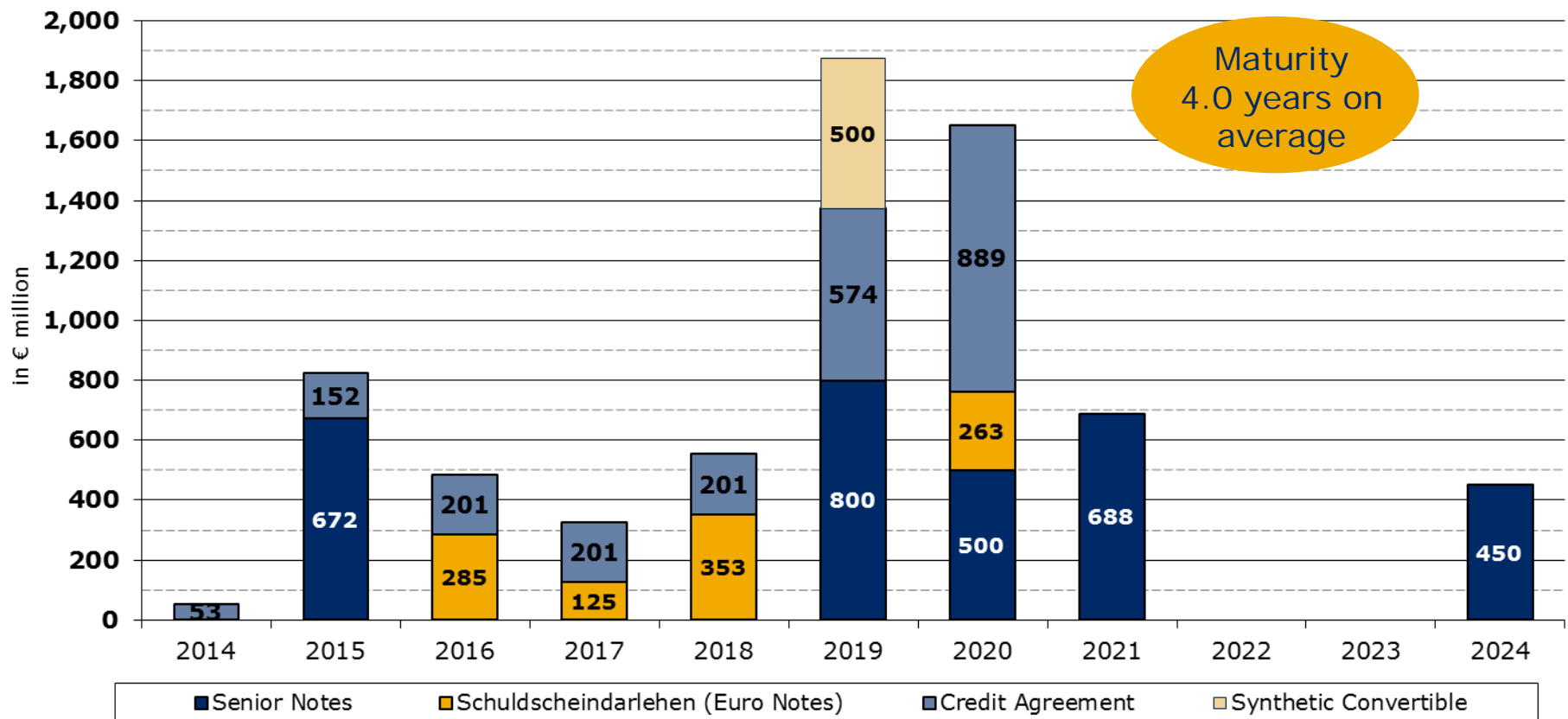
Fresenius Medical Care: Debt Maturity Profile¹ September 30, 2014 – Pro Forma²



1 – based on utilization of major long-term financing instruments

2 – pro forma FMC Financings: \$900 million new Senior Notes, thereof \$600 million replacing Term Loan A2, pro Forma new Credit Agreement and extension of A/R facility

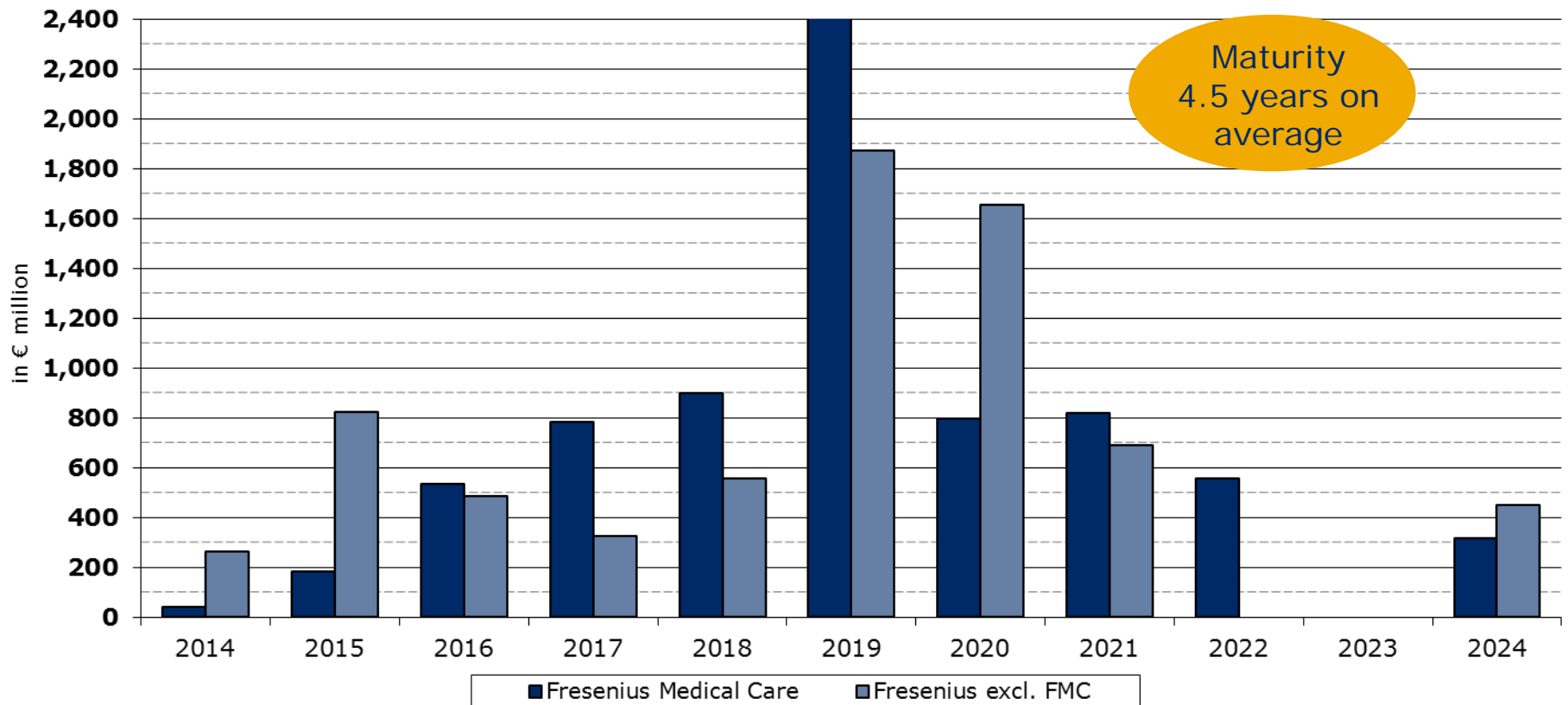
Fresenius Group excluding FMC: Debt Maturity Profile¹ September 30, 2014 - Pro Forma²



1 – based on utilization of major long-term financing instruments

2 – pro forma Amend & Extend FSE Credit Agreement

Fresenius Group: Debt Maturity Profile¹ September 30, 2014 – Pro Forma²



1 – based on utilization of major long-term financing instruments

2 – pro forma FMC Financings: \$900 million new Senior Notes, thereof \$600 million replacing Term Loan A2, pro Forma Amend & Extend FMC & FSE Credit Agreement and extension of A/R facility

Summary and Outlook



Fresenius Medical Care: Financial Outlook

	Reported 2013	Guidance 2014
Sales	\$14,610	~ \$15,200
Net Income	\$1,110	\$1.0-1.05 bn

- Outlook excludes potential net costs savings of up to \$60 million before taxes for 2014
- Outlook excludes revenue contribution from acquisitions of ~ \$500 million
- Investments in quality/compliance systems and legal cost to continue to comply with standards

Fresenius Group: 2014 Financial Outlook by Business Segment

		Old	New
Fresenius Kabi	Sales growth organic	4% – 6%	✓
	EBIT margin	16.5% – 18%	~17%
Fresenius Helios¹	Sales growth organic	3% – 5%	✓
	Sales contribution acquired hospitals	~€1.8 bn	✓
	Sales growth acquired hospitals organic	3% – 5%	✓
	EBIT Helios+Rhön hospitals	€540 – 560 m	✓
Fresenius Vamed	Sales growth organic	5% – 10%	~0%
	EBIT growth	5% – 10%	✓

1 - Before integration costs for acquired hospitals and disposal gains (two HELIOS hospitals; Rhön stake)

Fresenius Group: 2014 Financial Outlook

	Old	Confirmed
Revenue growth at constant currency	14% – 16%	✓
Net income growth ¹ at constant currency	2% – 5%	✓
Net debt/ EBITDA	3.0 – 3.25x	~ 3.25x

1 - Net income attributable to shareholders of Fresenius SE & Co. KGaA before integration costs (Fenwal; acquired Rhön hospitals) and disposal gains (two HELIOS hospitals; Rhön stake)

Note: Guidance includes acquired Rhön hospitals and acquisitions at Fresenius Medical Care

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

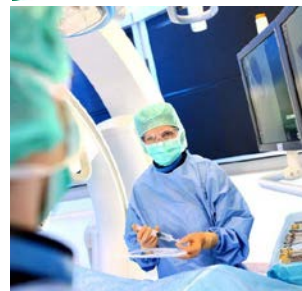


Rise of private providers in health care services

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

Fresenius Group: Attractive Mid-Term Growth Prospects

Mid-Term Target
> €30 billion sales
€1.4 to €1.5 billion net income¹
by 2017



Strong and Balanced Health Care Portfolio

1 – excl. attributable to non-controlling interest

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

