



# A Leading Global Health Care Group

Deutsche Bank – Leveraged Finance Conference  
June 8, 2016 – 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

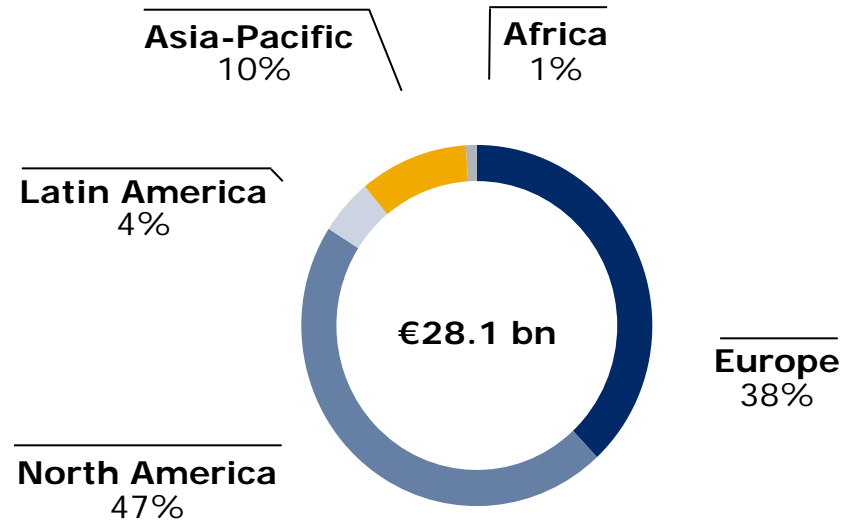
- Company Overview
- Business Segments
  - Fresenius Kabi
  - Fresenius Helios
  - Fresenius Vamed
- Financial Overview
- Financing Facilities and Debt Structure
- Summary and Outlook

# Company Overview



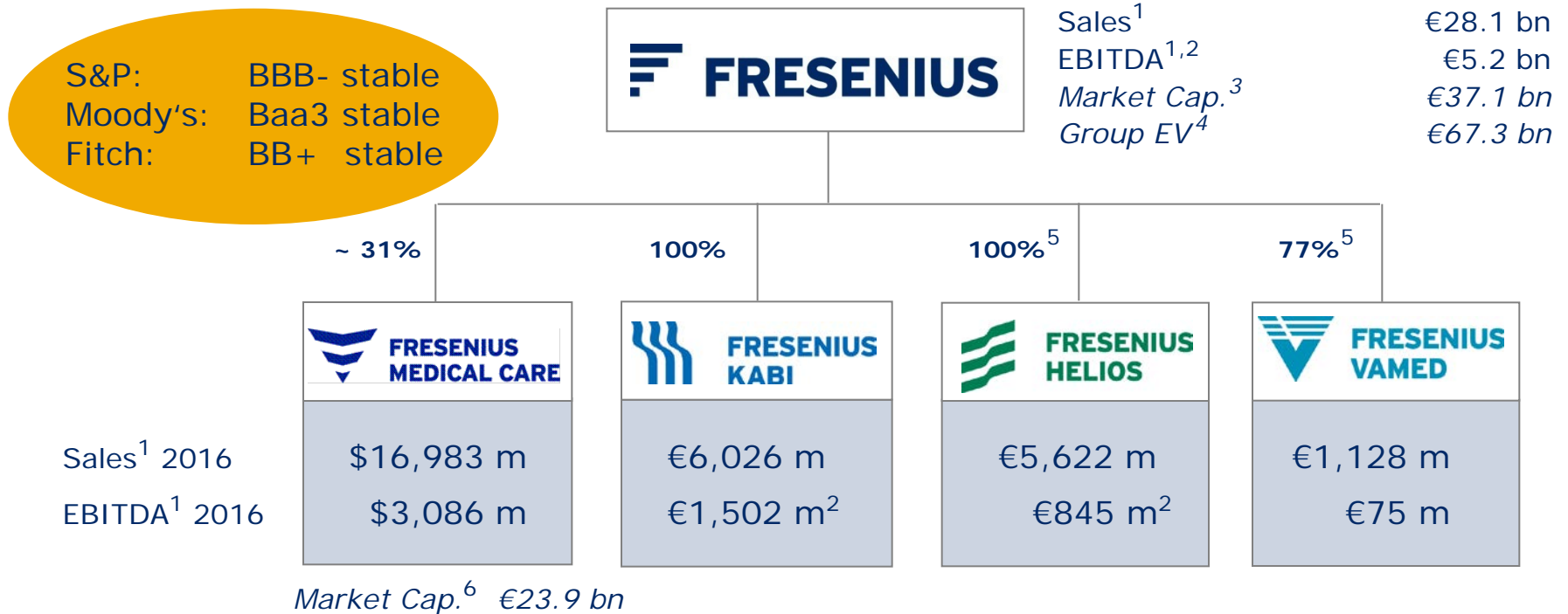
# Fresenius Group: A Global Leader in Health Care Products and Services

- Sales €28.1 bn, net income<sup>1</sup> €2.5 bn in LTM March 31, 2016
- Strong and well-diversified portfolio
- Leading market positions
- Global presence
- Long-term opportunities in growing, non-cyclical markets



1 – Net income incl. attributable to non-controlling interest, 2015 before special items

# Fresenius Group: Strong and Balanced Health Care Portfolio



1 – LTM March 31, 2016

2 – 2015 before special items

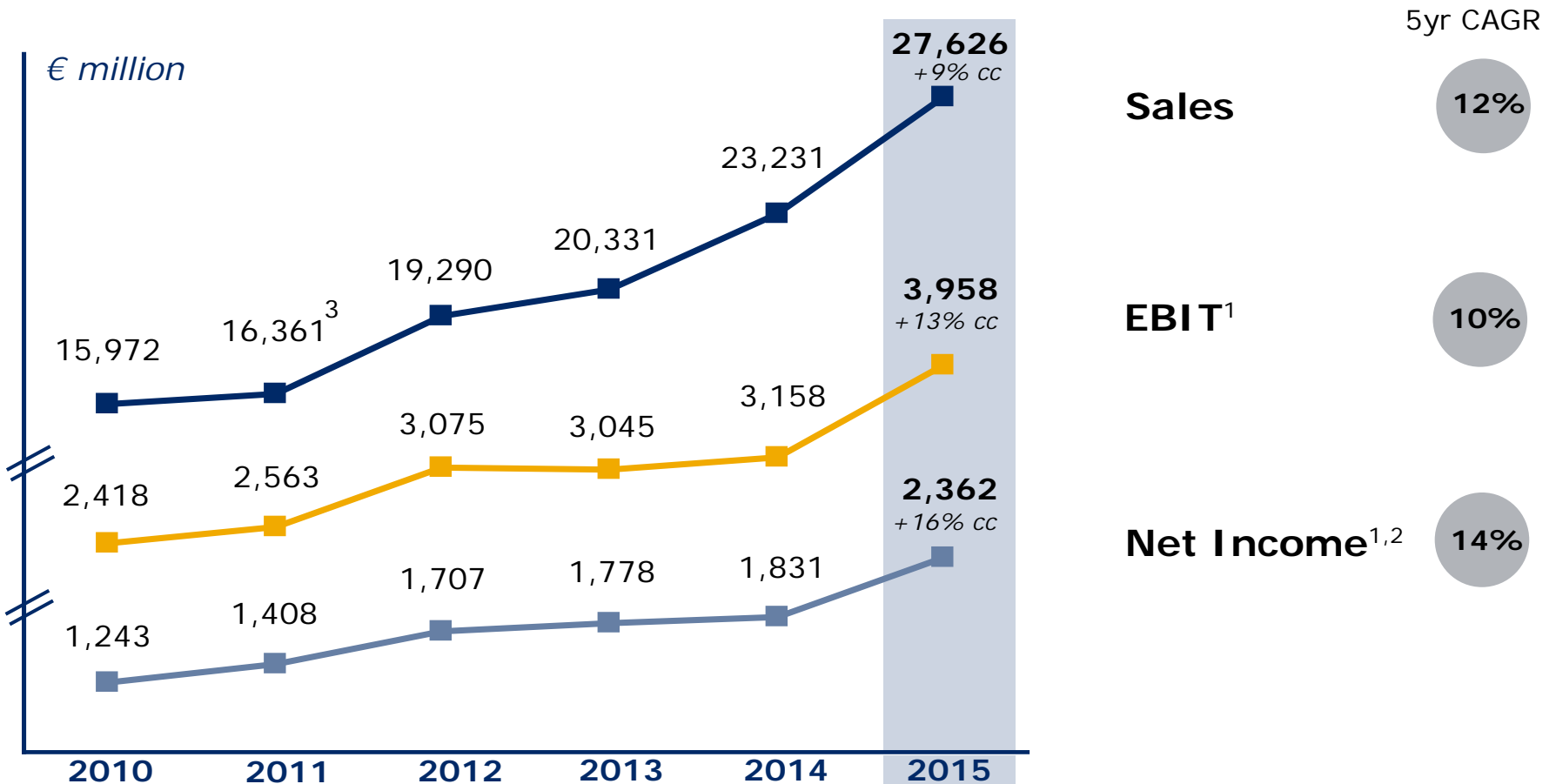
3 – Based on market capitalization of FSE as of May 31, 2016

4 – Based on consolidated market capitalization of FSE and FME as of May 31, 2016 and consolidated net debt as of March 31, 2016

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

6 – Based on market capitalization of FME as of May 31, 2016

# Fresenius Group: Financial Results

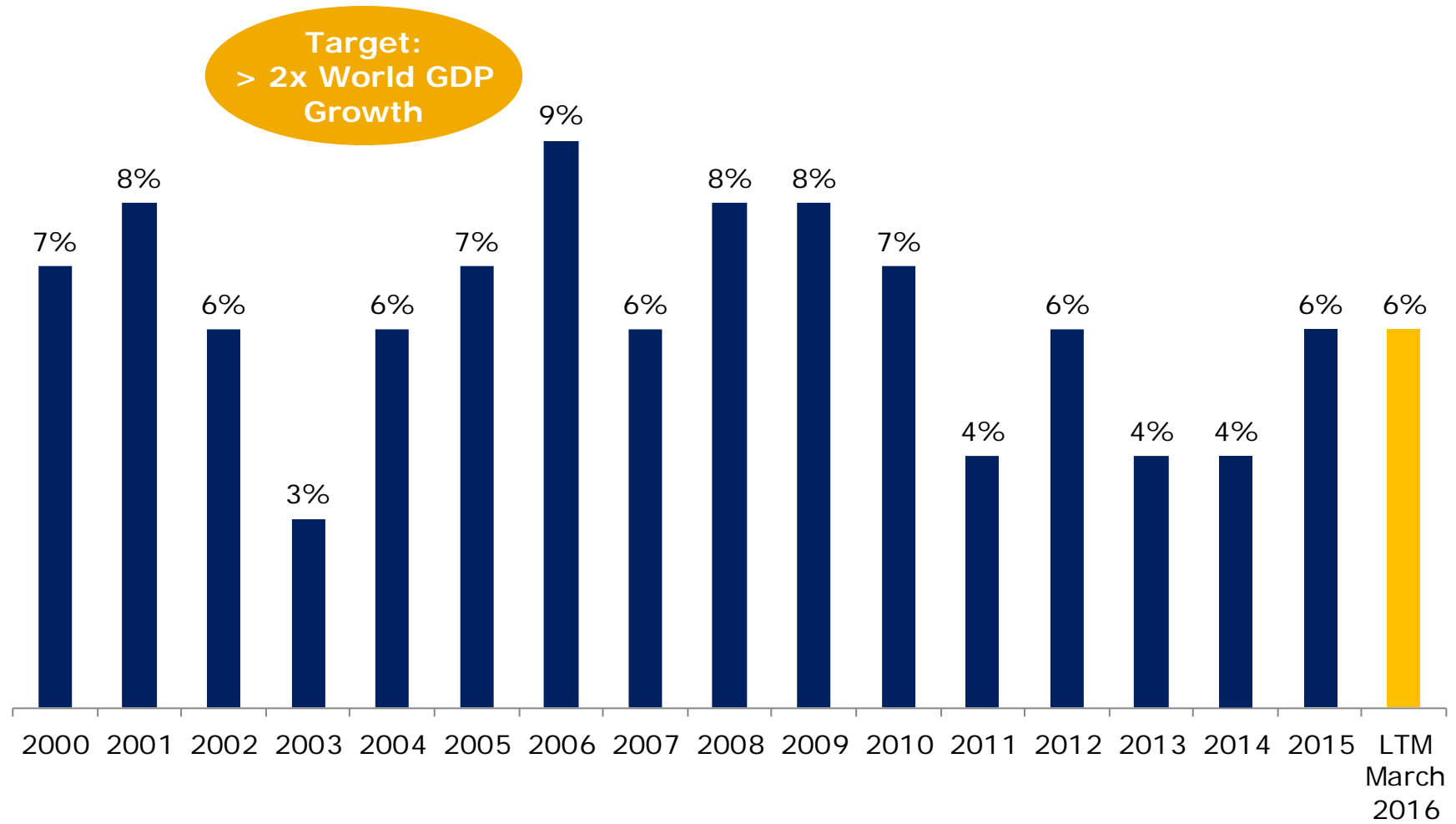


1 – Before special items but including **GranuFlo®/NaturaLyte®** settlement costs (-€54 million before tax, -€10 million after tax)

2 – Incl. attributable to non-controlling interest

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

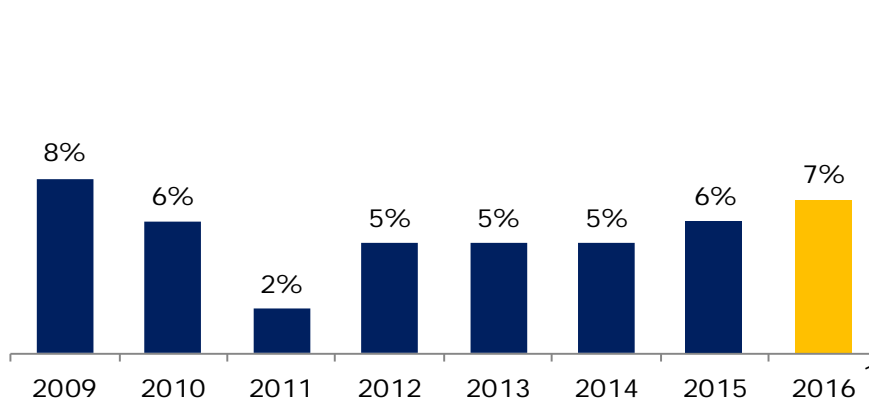
# Fresenius Group: Sustainable Organic Sales Growth



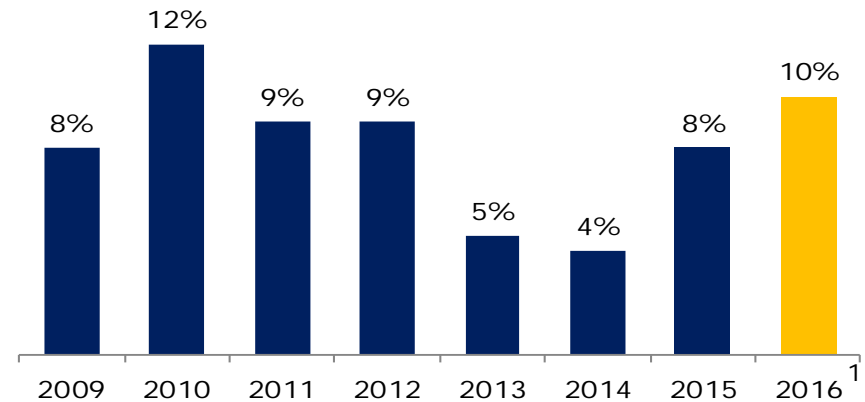


# Fresenius Group: Sustainable Organic Sales Growth in all Business Segments

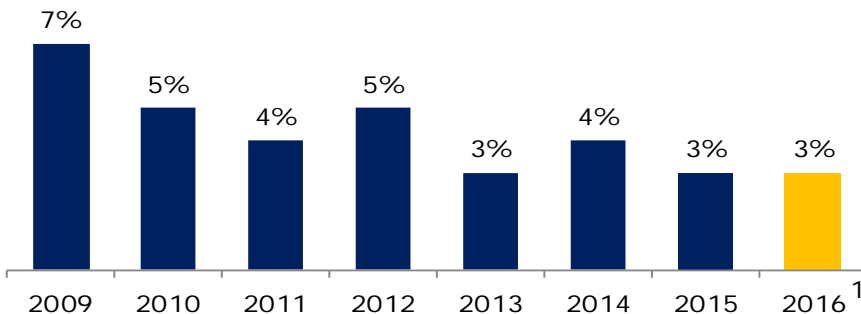
Fresenius Medical Care



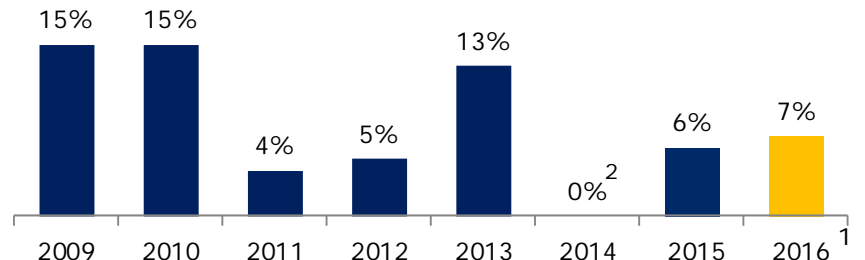
Fresenius Kabi



Fresenius Helios



Fresenius Vamed



1 – LTM March 31, 2016

2 – Due to project delays in Russia and Ukraine

# Fresenius Group: Financial Results

		2015	2014
<b>Sales</b>		€27,626 m	€23,231 m
	Growth cc	9%	
	Growth actual rates	19%	
<b>EBIT<sup>1</sup></b>		€3,958 m	€3,158 m
	Growth cc	13%	
	Growth actual rates	25%	
<b>Net income<sup>1,2</sup></b>		€2,362 m	€1,831 m
	Growth cc	16%	
	Growth actual rates	29%	

1 – Before special items but including **GranuFlo®/NaturalLyte®** settlement costs (-€54 million before tax, -€10 million after tax)

2 – Incl. attributable to non-controlling interest

# Fresenius Group: Financial Results

		Q1/2016	Q1/2015
<b>Sales</b>		€6,914 m	€6,483 m
	Growth cc	7%	13%
	Growth actual rates	7%	24%
<hr/>			
<b>EBIT<sup>1</sup></b>		€959 m	€851 m
	Growth cc	11%	18%
	Growth actual rates	13%	32%
<hr/>			
<b>Net income<sup>1</sup></b>		€362 m	€292 m
	Growth cc	23%	16%
	Growth actual rates	24%	28%

1 – 2015 before special items

## Fresenius Group: Financial Results by Business Segment

2015	Fresenius Medical Care	Fresenius Kabi	Fresenius Helios	Fresenius Vamed
Sales Growth	\$16,738 m 6%	€5,950 m 16%	€5,578 m 6%	€1,118 m 7%
EBIT Growth	\$2,388 m <sup>1</sup> 5%	€1,189 m <sup>2</sup> 36%	€640 m <sup>2</sup> 16%	€64 m 8%

1 – Excluding FMC special items: divestiture of dialysis business in Venezuela (-\$26 m), sale of the European marketing rights to Vifor (\$25 m) and settlement costs for an agreement in principle for the **GranuFlo**® case in 2015 (-\$60 m)

2 – Before special items

## Fresenius Group: Financial Results by Business Segment

**Q1/2016**

	<b>Fresenius Medical Care</b>	<b>Fresenius Kabi</b>	<b>Fresenius Helios</b>	<b>Fresenius Vamed</b>
Sales Growth	\$4,205 m 6%	€1,470 m 5%	€1,435 m 3%	€218 m 5%
EBIT Growth	\$540 m 7%	€309 m 20% <sup>1</sup>	€159 m 8% <sup>1</sup>	€7 m 0%

1 – 2015 before special items

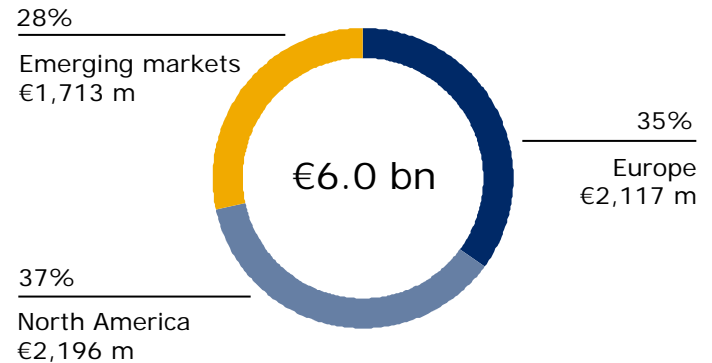
# Business Segments



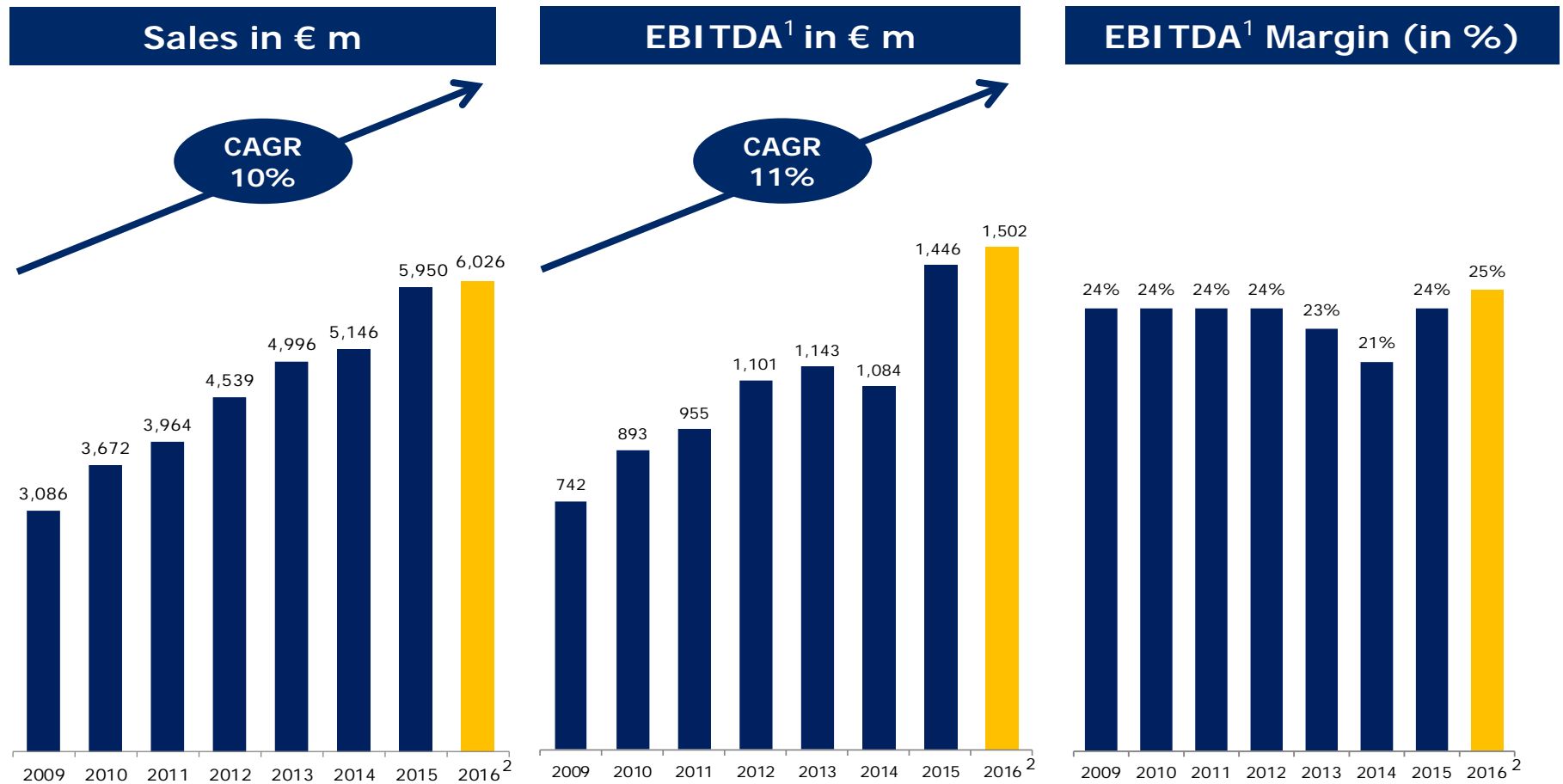
# Fresenius Kabi: A Worldwide Leading Hospital Supplier

- Comprehensive product portfolio for critically and chronically ill patients
  - Generic I.V. Drugs
  - Clinical Nutrition
  - Infusion Therapy
  - Medical Devices / Transfusion Technology
- Global addressable market: >€33 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 March 31, 2016 Sales by Region



# Fresenius Kabi: Strong Growth Track Record & High Profitability



1 – Before special items

2 – LTM March 31, 2016



# Fresenius Kabi: Key Figures 2015

<i>€ million</i>	<b>2015</b>	<b>2014</b>	<b>Growth</b>
<b>Sales</b>	<b>5,950</b>	<b>5,146</b>	<b>+16%</b> <sup>1</sup>
- I.V. Drugs	2,429	1,813	+34%
- Clinical Nutrition	1,560	1,384	+13%
- Infusion Therapy	914	977	-6%
- Medical Devices/ Transfusion Technology	1,047	972	+8%
<b>EBITDA</b> <sup>2</sup>	<b>1,446</b>	<b>1,084</b>	<b>+33%</b>
<i>EBITDA margin</i>	24.3%	21.1%	
<b>EBIT</b> <sup>2</sup>	<b>1,189</b>	<b>873</b>	<b>+36%</b>
<i>EBIT margin</i>	20.0%	17.0%	
<b>Net Income</b> <sup>3</sup>	<b>669</b>	<b>468</b>	<b>+43%</b>

1 – 8% organic growth, 1% acquisitions, -2% divestitures, 9% currency effects

2 – Before special items (€105 million expenses for efficiency program)

3 – Net income attributable to shareholders of Fresenius Kabi AG, before special items (€89 million expenses for efficiency program)

# Fresenius Kabi: Key Figures Q1/2016

<i>€ million</i>	<b>Q1/2016</b>	<b>Q1/2015</b>	<b>Growth</b>
<b>Sales</b>	<b>1,470</b>	<b>1,394</b>	<b>+5%<sup>1</sup></b>
- I.V. Drugs	645	545	+18%
- Clinical Nutrition	378	372	+2%
- Infusion Therapy	202	231	-13%
- Medical Devices/ Transfusion Technology	245	246	0%
<b>EBITDA<sup>2</sup></b>	<b>371</b>	<b>315</b>	<b>+18%</b>
<i>EBITDA margin</i>	25.2%	22.6%	
<b>EBIT<sup>2</sup></b>	<b>309</b>	<b>257</b>	<b>+20%</b>
<i>EBIT margin</i>	21.0%	18.5%	
<b>Net Income<sup>3</sup></b>	<b>179</b>	<b>140</b>	<b>+28%</b>

1 – 10% organic growth, -2% divestitures, -3% currency effects

2 – 2015 before special items

3 – Net income attributable to shareholders of Fresenius Kabi AG, 2015 before special items

# Fresenius Helios: Leading Hospital Operator in Germany

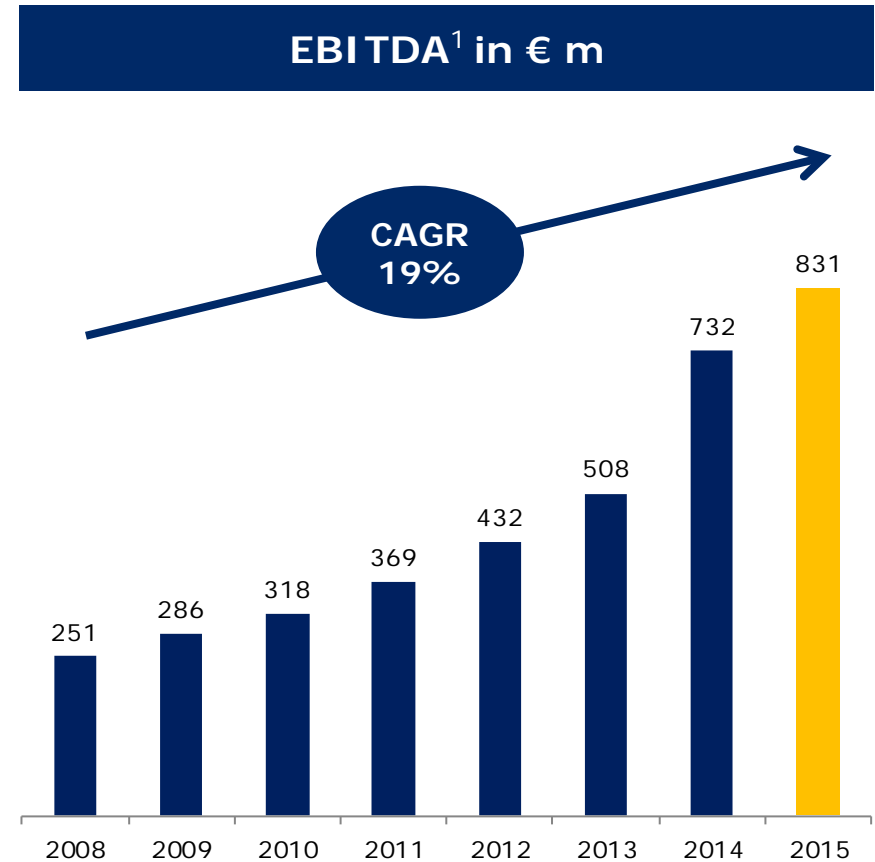
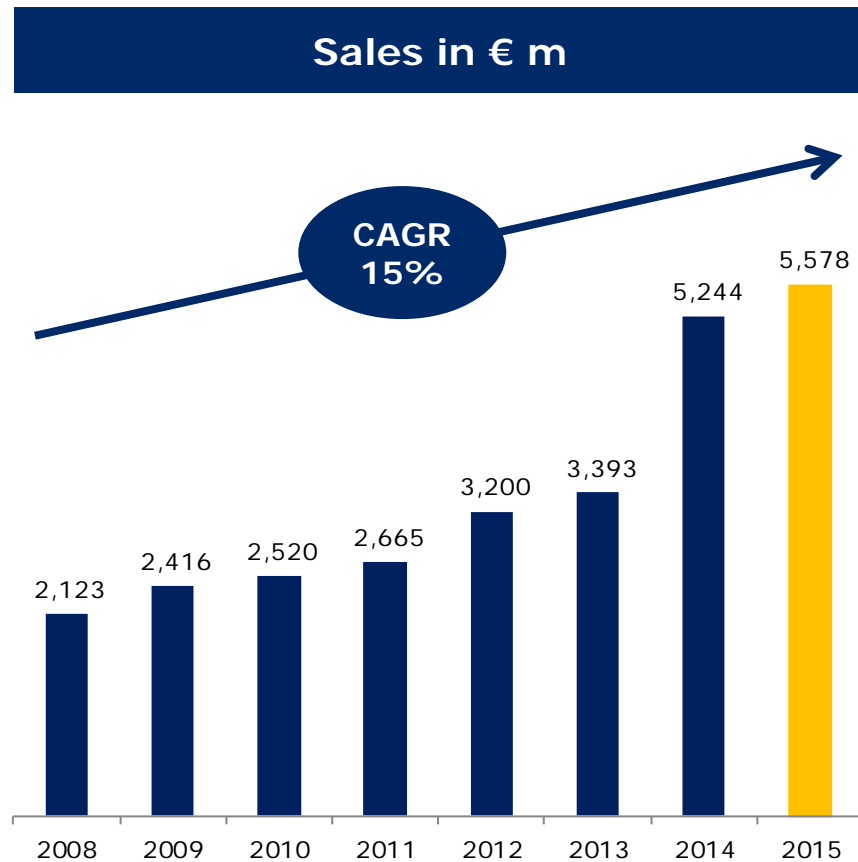
- German Acute Care Hospital Market:  
~€91 bn<sup>1</sup>, thereof 18% privatized
- ~ 6% share in German Acute Care Hospital Market
- High-quality medical care
- Solid organic growth based on growing number of admissions and reimbursement rate increases
- Strong track record in hospital operations and acquisitions: targeting 12 – 15% EBIT margin within 6 years per individual clinic location
- Negligible bad debt ratio due to comprehensive insurance coverage of German population

1 – German Federal Statistical Office 2015; total costs, gross of the German hospitals less academic research and teaching  
2 – As of March 31, 2016

## Largest Network with 111 Hospitals<sup>2</sup>



# Fresenius Helios: Strong Growth Track Record & Increased Profitability



1 – Before special items

## Fresenius Helios: Key Figures 2015

<i>€ million</i>	<b>2015</b>	<b>2014</b>	<b>Growth</b>
<b>Total Sales</b>	<b>5,578</b>	<b>5,244</b>	<b>+6%</b> <sup>1</sup>
<b>EBITDA</b> <sup>2</sup>	<b>831</b>	<b>732</b>	<b>+14%</b>
<i>EBITDA margin</i>	<i>14.9%</i>	<i>14.0%</i>	
<b>EBIT</b> <sup>2</sup>	<b>640</b>	<b>553</b>	<b>+16%</b>
<i>EBIT margin</i>	<i>11.5%</i>	<i>10.5%</i>	
<b>Net Income</b> <sup>3</sup>	<b>483</b>	<b>400</b>	<b>+21%</b>

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

2 – Before special items (-€12 million integration costs of Rhoen hospitals, €34 million disposal gains from two Helios hospitals)

3 – Net income attributable to shareholders of HELIOS Kliniken GmbH, before special items (-€10 million integration costs of Rhoen hospitals, €34 million disposal gains from two Helios hospitals)

## Fresenius Helios: Key Figures Q1/2016

<i>€ million</i>	<b>Q1/2016</b>	<b>Q1/2015</b>	<b>Growth</b>
<b>Total Sales</b>	<b>1,435</b>	<b>1,391</b>	<b>+3%</b> <sup>1</sup>
<b>EBITDA</b> <sup>2</sup>	<b>206</b>	<b>192</b>	<b>+7%</b>
<i>EBITDA margin</i>	<i>14.4%</i>	<i>13.8%</i>	
<b>EBIT</b> <sup>2</sup>	<b>159</b>	<b>147</b>	<b>+8%</b>
<i>EBIT margin</i>	<i>11.1%</i>	<i>10.6%</i>	
<b>Net Income</b> <sup>3</sup>	<b>124</b>	<b>107</b>	<b>+16%</b>

1 – 3% organic growth, acquisitions and divestitures had no material effect

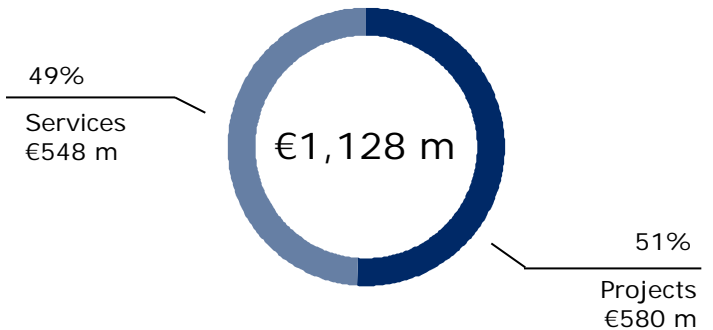
2 – 2015 before special items

3 – Net income attributable to shareholders of HELIOS Kliniken GmbH, 2015 before special items

# 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:
  - >760 health care projects in 78 countries successfully completed
  - Services provided to > 550 hospitals and 135,000 beds globally
- Continuous demand for hospital infrastructure and operating efficiency; key markets Europe, Asia-Pacific, Africa

## LTM March 31, 2016 Sales by Business

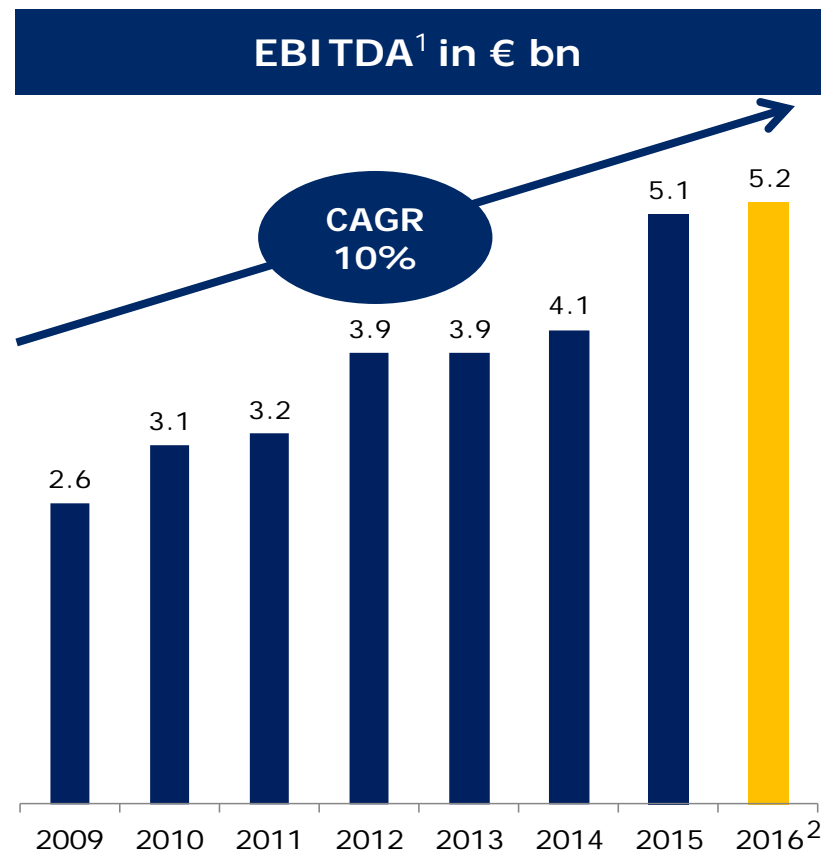
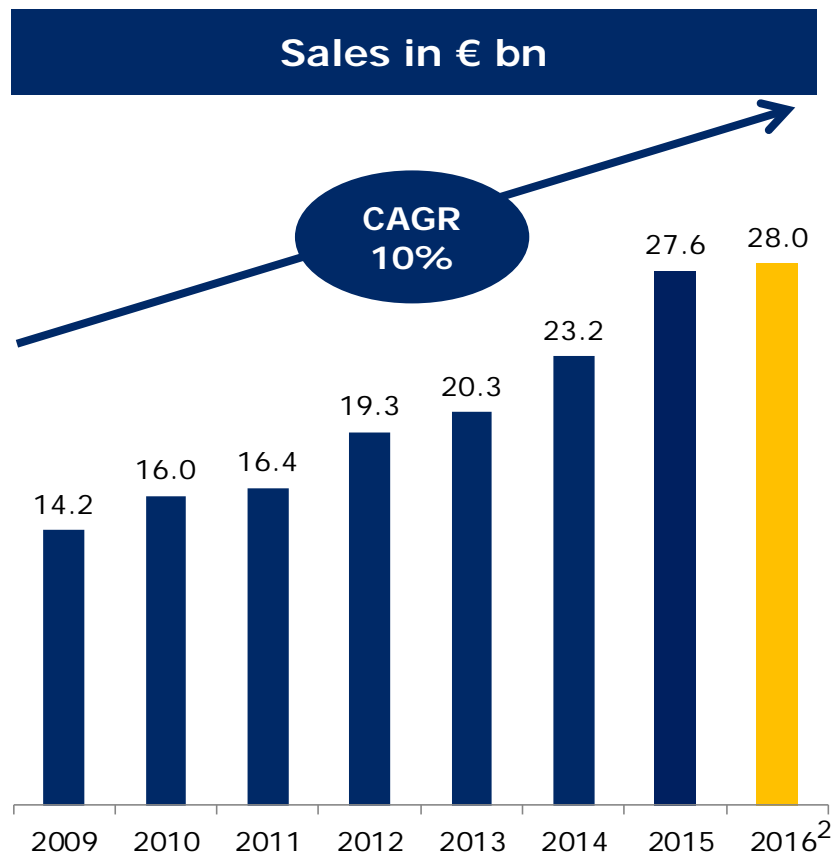


# Financial Overview





# Fresenius Group: Demonstrated Strong Sales and EBITDA Growth



1 – Before special items

2 – LTM March 31, 2016

## Fresenius Group: Key Figures 2015

<i>€ million</i>	<b>2015</b>	<b>2014</b>	<b>Change actual rates</b>	<b>Change constant rates</b>
<b>Sales</b>	<b>27,626</b>	<b>23,231</b>	<b>+19<sup>1</sup>%</b>	<b>+9%</b>
<b>EBITDA<sup>2,4</sup></b>	<b>5,073</b>	<b>4,095</b>	<b>+24%</b>	<b>+12%</b>
<b>EBIT<sup>2,4</sup></b>	<b>3,958</b>	<b>3,158</b>	<b>+25%</b>	<b>+13%</b>
Interest, net	-613	-602	-2%	+8%
<b>EBT</b>	<b>3,345</b>	<b>2,556</b>	<b>+31%</b>	<b>+17%</b>
Taxes <sup>2,4</sup>	-983	-725	-36%	-21%
<b>Net Income<sup>3,4</sup></b>	<b>2,362</b>	<b>1,831</b>	<b>+29%</b>	<b>+16%</b>
<b>Employees<sup>5</sup></b>	<b>222,305</b>	<b>216,275</b>		

1 – 6% organic growth, 4% acquisitions, -1% divestitures, 10% currency effects

2 – Before special items (-€105 million expenses for Kabi efficiency program, -€12 million integration costs of Rhoen hospitals, €34 million disposal gains from two Helios hospitals)

3 – Net income incl. attributable to non-controlling interest, before special items (-€89 million expenses for Kabi efficiency program, -€10 million integration costs of Rhoen hospitals, €34 million disposal gains from two Helios hospitals)

4 – Including **GranuFlo®/NaturaLyte®** settlement costs (-€54 million before tax, -€10 million after tax) 5 – as of December 31, 2015

# Fresenius Group: Key Figures Q1/2016

<i>€ million</i>	<b>Q1/2016</b>	<b>Q1/2015</b>	<b>Change actual rates</b>	<b>Change constant rates</b>
<b>Sales</b>	<b>6,914</b>	<b>6,483</b>	<b>+7%</b>	<b>+7%</b> <sup>1</sup>
<b>EBITDA</b> <sup>2</sup>	<b>1,237</b>	<b>1,115</b>	<b>+11%</b>	<b>+10%</b>
<b>EBIT</b> <sup>2</sup>	<b>959</b>	<b>851</b>	<b>+13%</b>	<b>+11%</b>
Interest, net	-152	-165	+8%	+8%
<b>EBT</b>	<b>807</b>	<b>686</b>	<b>+18%</b>	<b>+16%</b>
Taxes <sup>2</sup>	-229	-207	-11%	-10%
<b>Net Income</b> <sup>3</sup>	<b>578</b>	<b>479</b>	<b>+21%</b>	<b>+19%</b>
<b>Employees</b> <sup>4</sup>	<b>223,704</b>	<b>217,836</b>		







1 – 7% organic growth, 1% acquisitions, -1% divestitures

2 – 2015 before special items

3 – Net income incl. attributable to non-controlling interest, 2015 before special items

4 – as of March 31, 2016

# Fresenius Group: Cash Flow Development LTM March 31, 2016

€ million	Operating CF		CAPEX (net)		Free Cash Flow <sup>1</sup>	
	954	15.8%	-326	-5.4%	628	10.4%
	570	10.1%	-278	-4.9%	292	5.2% <sup>3</sup>
	72	6.4%	-12	-1.1%	60	5.3%
Corporate/ Other	1	n.a.	-13	n.a.	-12	n.a.
	<b>1,671</b>	<b>13.1%</b>	<b>-629</b>	<b>-4.9%</b>	<b>1,042</b>	<b>8.2%</b>
	1,533	10.0%	-892	-5.8%	-641	4.2%
	<b>3,130</b>	<b>11.2%</b>	<b>-1,521</b>	<b>-5.5%</b>	<b>1,609</b>	<b>5.7%</b>

1 – Before acquisitions and dividends

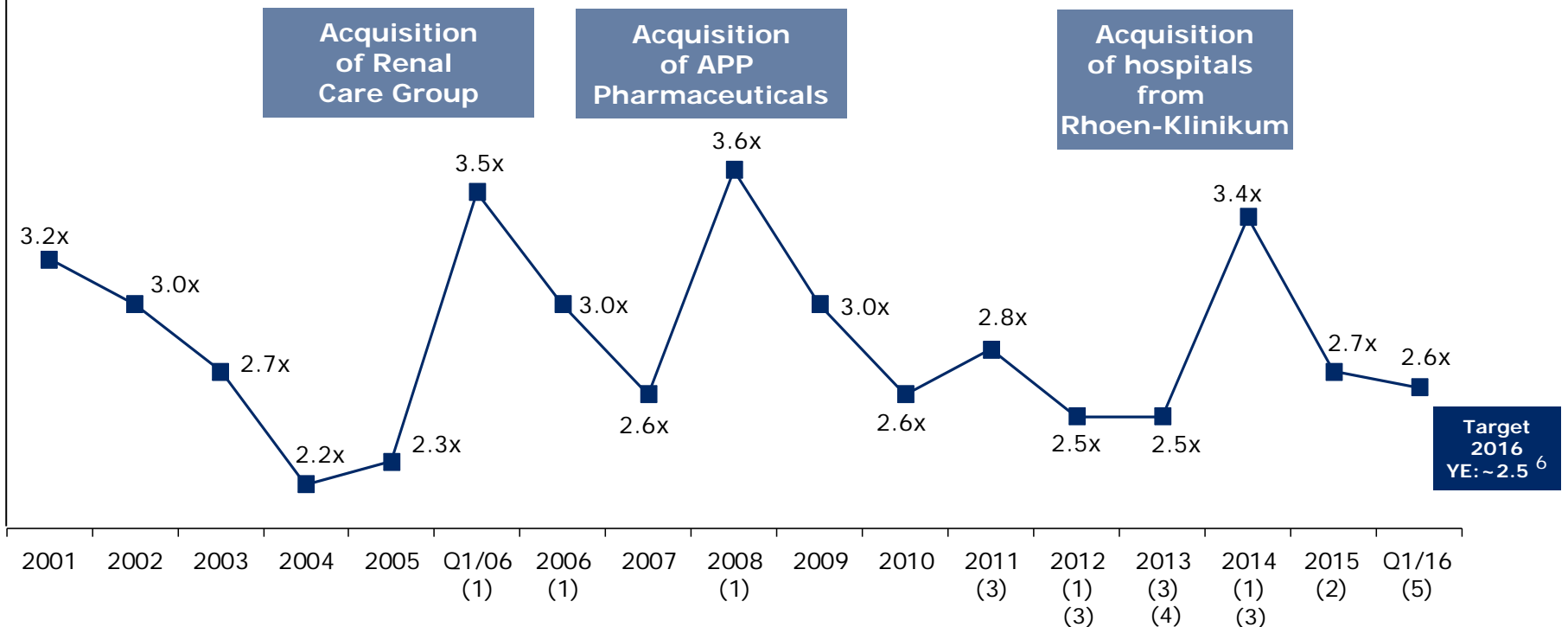
2 – Margin incl. FMC dividend

LTM Margin = in % of sales

3 – Understated: 6.0% excluding €46 million of capex commitments from acquisitions

# Fresenius Group: Proven Track Record of Deleveraging

## Net debt/EBITDA



1 – Pro forma acquisitions, before special items

2 – Before special items

3 – Adjusted due to debt issuance cost restatement (U.S. GAAP standard ASU 2015 – 03)

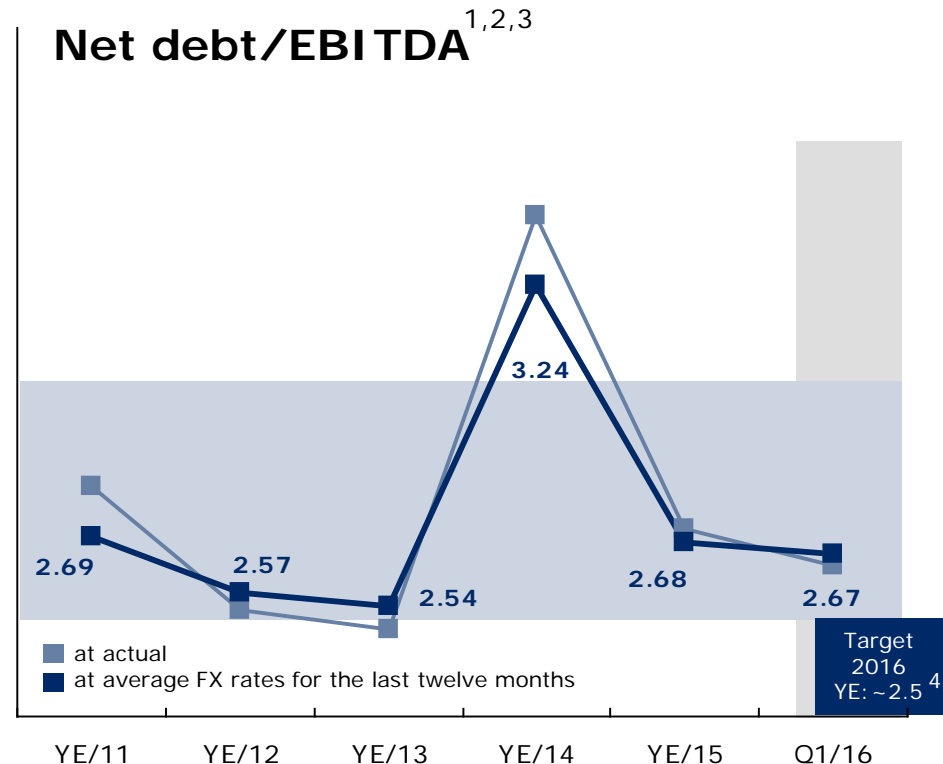
4 – Pro forma excluding advances made for the acquisition of hospitals from Rhoen-Klinikum AG, before special items

5 – 2015 before special items

6 – At annual average FX rates for both EBITDA and net debt, without large unannounced acquisitions

# Fresenius Group: Debt and Interest Ratios

	March 31, 2016	Dec 31, 2015
Debt (€m)	14,549	14,769
thereof 49% \$ denominated		
Net debt (€m)	13,667	13,725
Net debt/EBITDA <sup>1,2</sup>	2.67	2.68
EBITDA/Interest <sup>2</sup>	8.1	8.3



1 – At annual average FX rates for both EBITDA and net debt

2 – Before special items

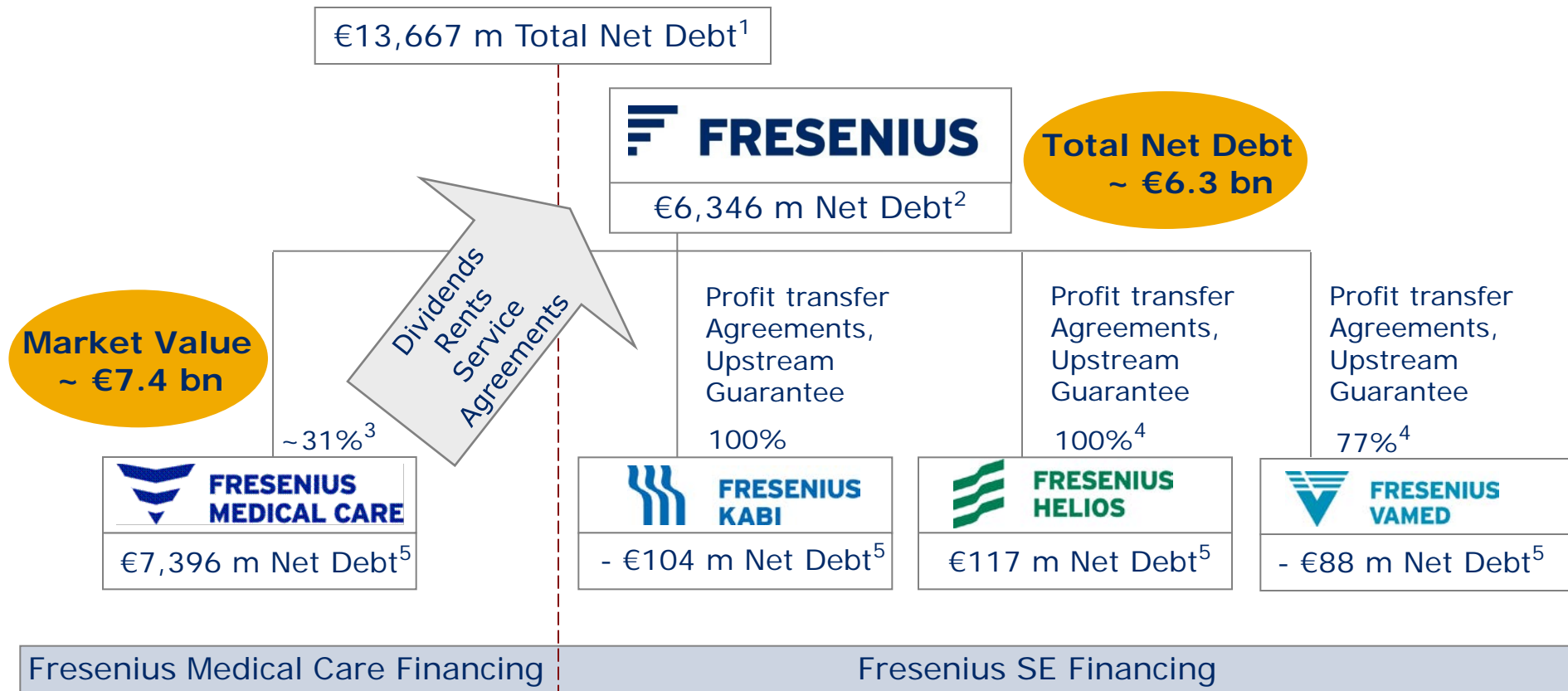
3 – 2011 – 2014 adjusted due to debt issuance cost restatement (U.S. GAAP standard ASU 2015-03)

4 – At annual average FX rates for both EBITDA and net debt, without large unannounced acquisitions

# Financing Facilities and Debt Structure



# Fresenius Group: Current Debt and Cash Flow Structure – March 31, 2016



1 – External debt as of March 31, 2016

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 – March 31, 2016

	in € million	in \$ million <sup>4</sup>	% of total cap	EBITDA LTM x
FSE 2013 Credit Agreement: Term Loan A (€, US-\$)	1,692	1,926	2.5%	
FSE 2013 Credit Agreement: Term Loan B (US-\$)	0	0	0.0%	
Senior Notes (€, US-\$)	2,725	3,102	4.0%	
Convertible Bonds	471	536	0.7%	
Schuldschein Loans	1,268	1,444	1.9%	
Commercial Papers	115	131	0.2%	
Other debt less total debt issuance costs, gross	427	486	0.6%	
<b>Total Debt (FSE excl. FMC), gross</b>	<b>6,698</b>	<b>7,625</b>	<b>9.9%</b>	
Cash (excl. FMC)	427	486	0.6%	
<b>Total debt (FSE excl. FMC), net</b>	<b>6,271</b>	<b>7,139</b>	<b>9.3%</b>	
Total FMC debt, net <sup>1</sup>	7,396	8,420	11.0%	
<b>Total consolidated debt, net</b>	<b>13,667</b>	<b>15,560</b>	<b>20.3%</b>	<b>2.6x</b> <sup>3</sup>
Market capitalization <sup>2</sup>	53,600	59,786	79.7%	10.3x
<b>Total capitalization</b>	<b>67,267</b>	<b>75,346</b>	<b>100.0%</b>	<b>12.9x</b>
<b>FSE Group EBITDA</b> <sup>3</sup>				<b>5,195</b>

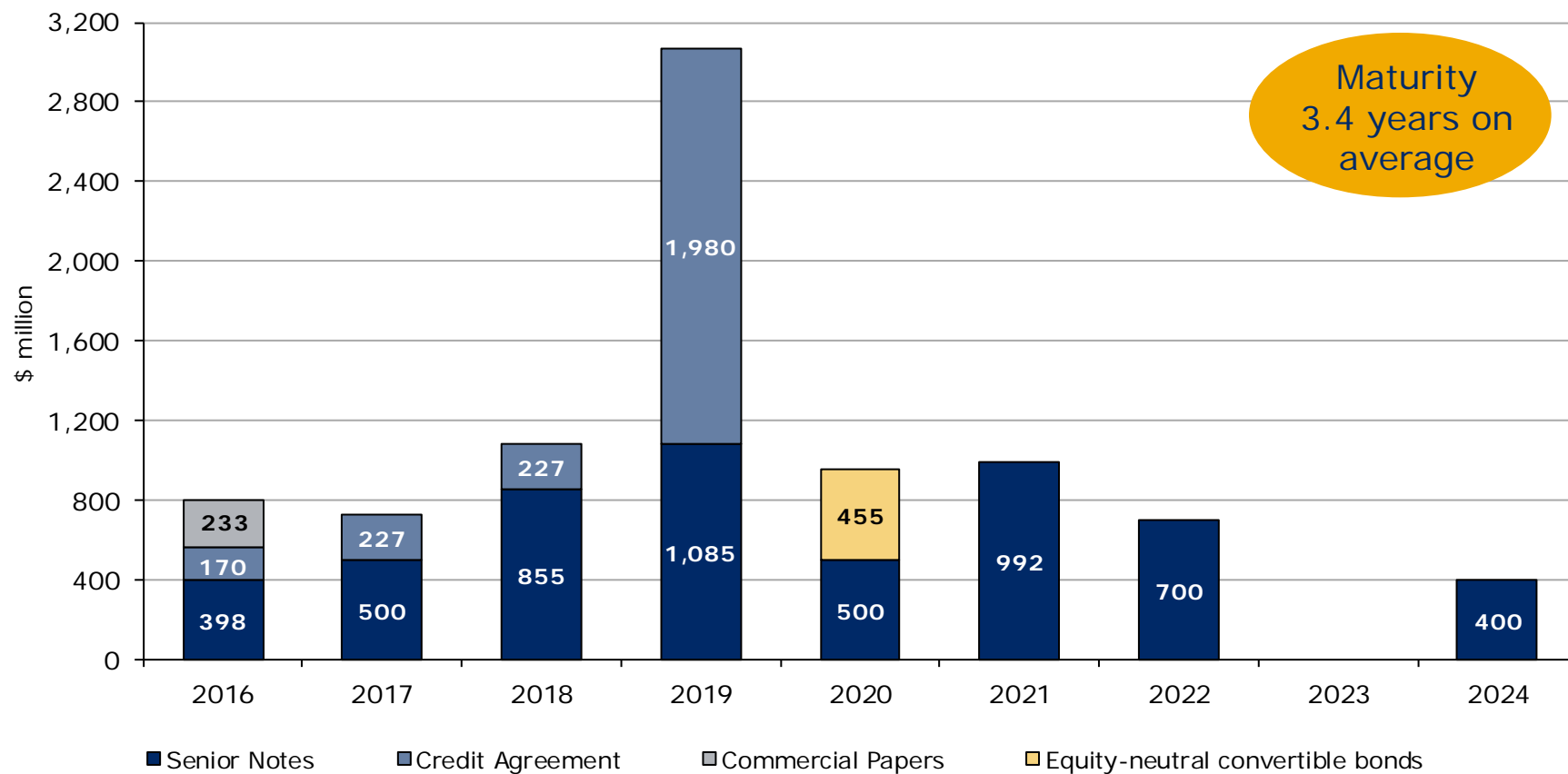
1 - Net of Cash and intercompany adjustments

2 - Based on market capitalization for FSE and FMC as of May 31, 2016

3 - 2015 before special items

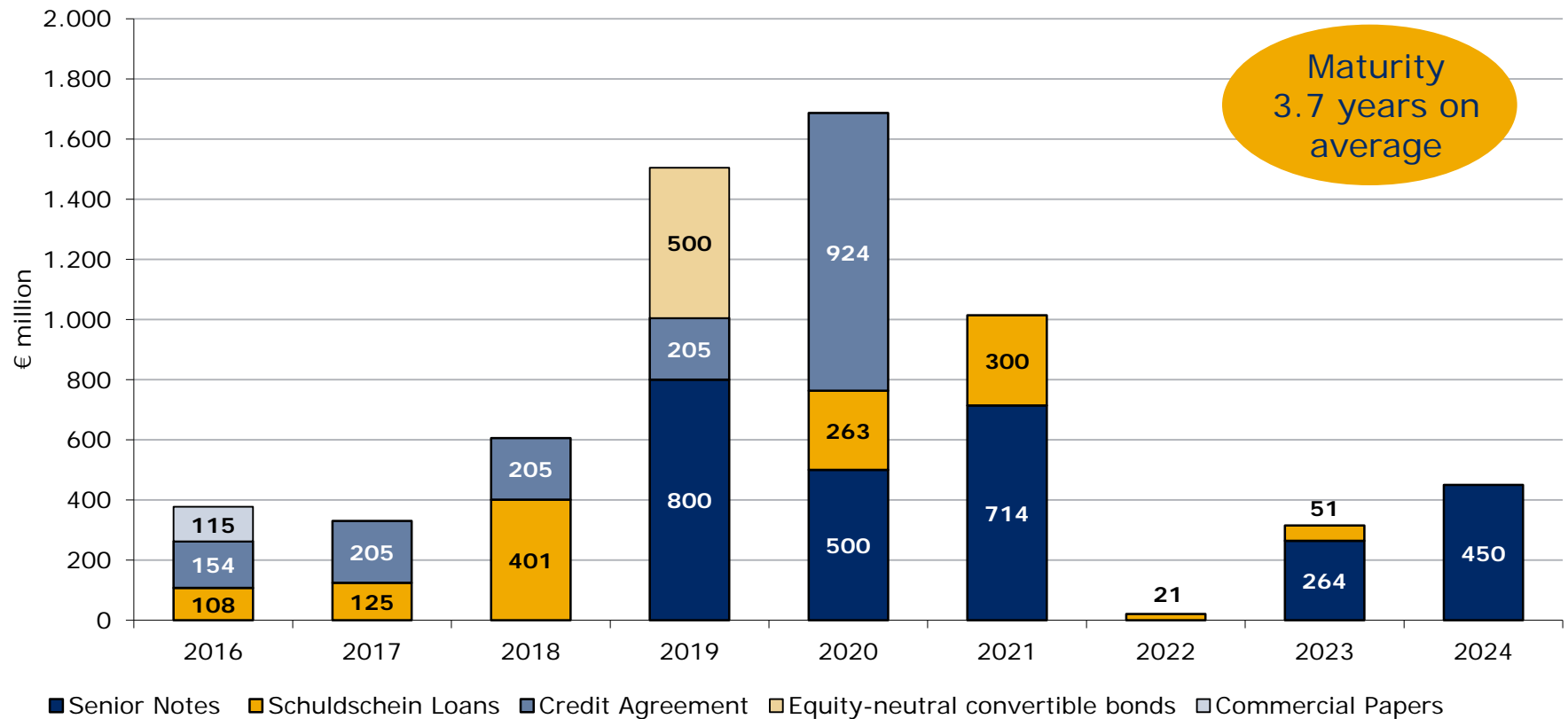
4 - Exchange rate as of March 31, 2016, except for market capitalization which uses exchange rate as of May 31, 2016

# Fresenius Medical Care: Debt Maturity Profile<sup>1</sup> – March 31, 2016



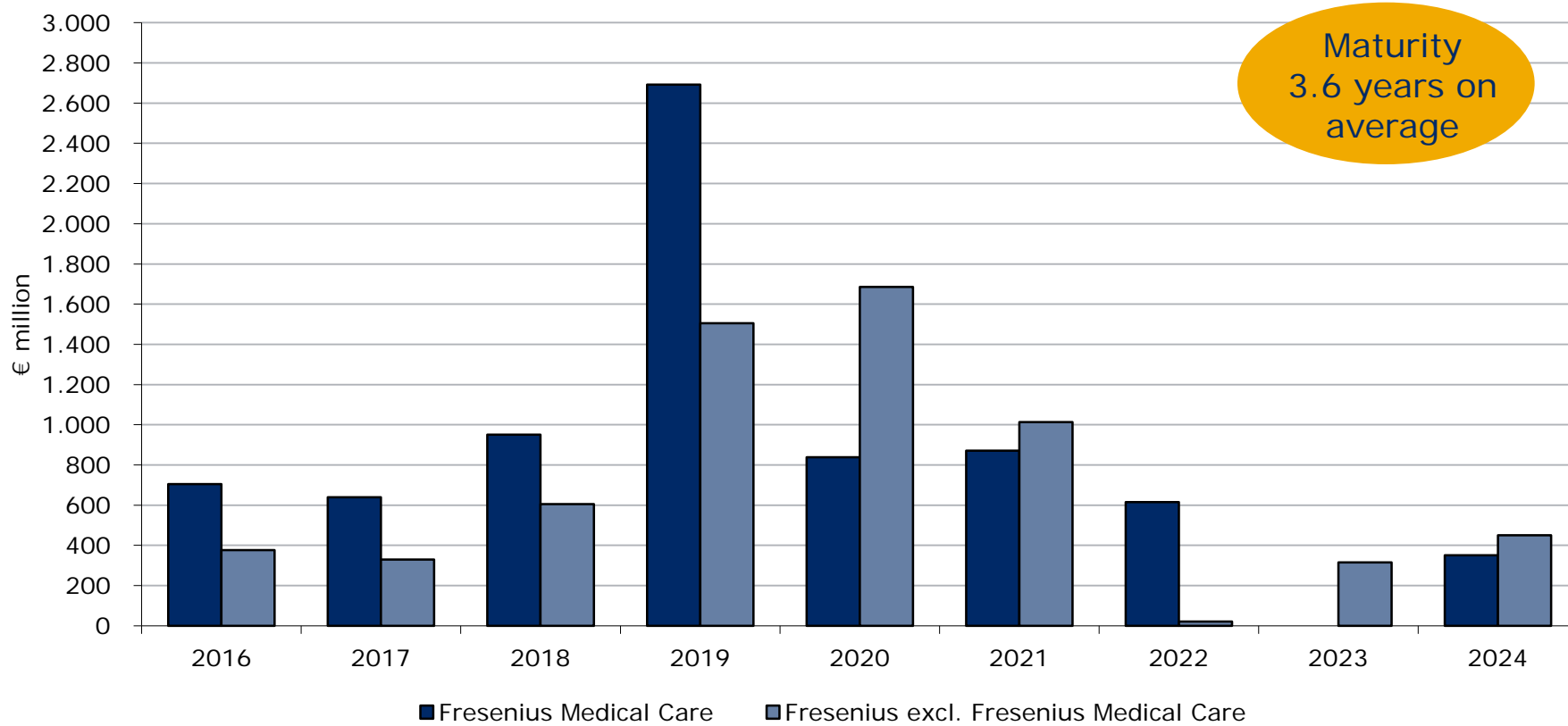
1 – Based on utilization of major financing instruments

# Fresenius Group excl. FMC: Debt Maturity Profile<sup>1</sup> – March 31, 2016



1 – Based on utilization of major financing instruments

# Fresenius Group: Debt Maturity Profile<sup>1</sup> – March 31, 2016



1 – Based on utilization of major financing instruments

# Summary and Outlook



## Fresenius Group: 2016 Financial Outlook by Business Segment

<b>Fresenius Kabi</b>	Sales growth <sup>organic</sup> EBIT <sup>constant currency</sup>	low single-digit roughly flat
<b>Fresenius Helios</b>	Sales growth <sup>organic</sup> EBIT	3% – 5% €670 – 700 m
<b>Fresenius Vamed</b>	Sales growth <sup>organic</sup> EBIT growth	5% – 10% 5% – 10%

## Fresenius Group: 2016 Financial Guidance

Sales growth at constant currency	6% – 8%
Net income growth <sup>1</sup> at constant currency	8% – 12%
Net Debt/EBITDA <sup>2</sup>	~2.5

1 – Net income attributable to shareholders of Fresenius SE & Co. KGaA, 2015 before special items but including **GranuFlo®/NaturaLyte®** settlement costs (-€54 million before tax, -€10 million after tax)

2 – At average annual FX rates for both EBITDA and net debt, before special items, without large unannounced acquisitions

# 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: \$215, China: \$646, vs. USA: \$9,146; 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)*

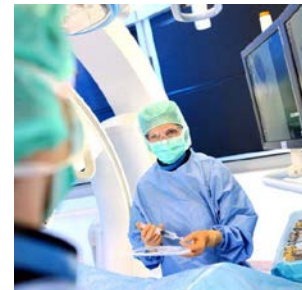


# Fresenius Group: Attractive Mid-Term Growth Targets

FY 2019<sup>1</sup>

Sales: €36-40 billion

Net income<sup>2</sup>: €2.0 to €2.25 billion



## Strong and Balanced Health Care Portfolio

1 – At comp. FX rates, including small and mid-size acquisitions, Net income CAGR at mid-point of guidance: 10.5%.

2 – Excl. attributable non-controlling interest

## Fresenius Group: Investment Highlights

Diversified revenue base with four strong business segments

Global presence in growing, non-cyclical markets

Leading market positions

Proven ability to integrate acquisitions

Clear track record of and commitment to de-leveraging

Strong financial performance and cash flow generation



# A Leading Global Healthcare Group

