

**Q4 2018
CONFERENCE CALL
FEBRUARY 20, 2019**

Rice Powell – CEO
Mike Brosnan – CFO

**CARE
AND
LIVE**



Safe harbor statement: This presentation includes certain forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, and Section 21E of the U.S. Securities Act of 1934, as amended. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy or might not even be anticipated. The Company has based these forward-looking statements on current estimates and assumptions which we believe are reasonable and which are made to the best of our knowledge. Actual results could differ materially from those included in the forward-looking statements due to various risk factors and uncertainties, including changes in business, economic or competitive conditions, changes in reimbursement, regulatory compliance issues, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, cyber security issues and the availability of financing. Given these uncertainties, readers should not put undue reliance on any forward-looking statements. These and other risks and uncertainties are discussed in detail in Fresenius Medical Care AG & Co. KGaA's (FMC AG & Co. KGaA) Annual Report on Form 20-F under the heading "Forward-Looking Statements" and under the headings in that report referred to therein, and in FMC AG & Co. KGaA's other reports filed with the Securities and Exchange Commission (SEC) and the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse).

Forward-looking statements represent estimates and assumptions only as of the date that they were made. The information contained in this presentation is subject to change without notice and the company does not undertake any duty to update the forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable law and regulations.

If not mentioned differently the term net income after minorities refers to the net income attributable to the shareholders of Fresenius Medical Care AG Co. KGaA. The term EMEA refers to the region Europe, Middle East and Africa. Amounts are in Euro if not mentioned otherwise.

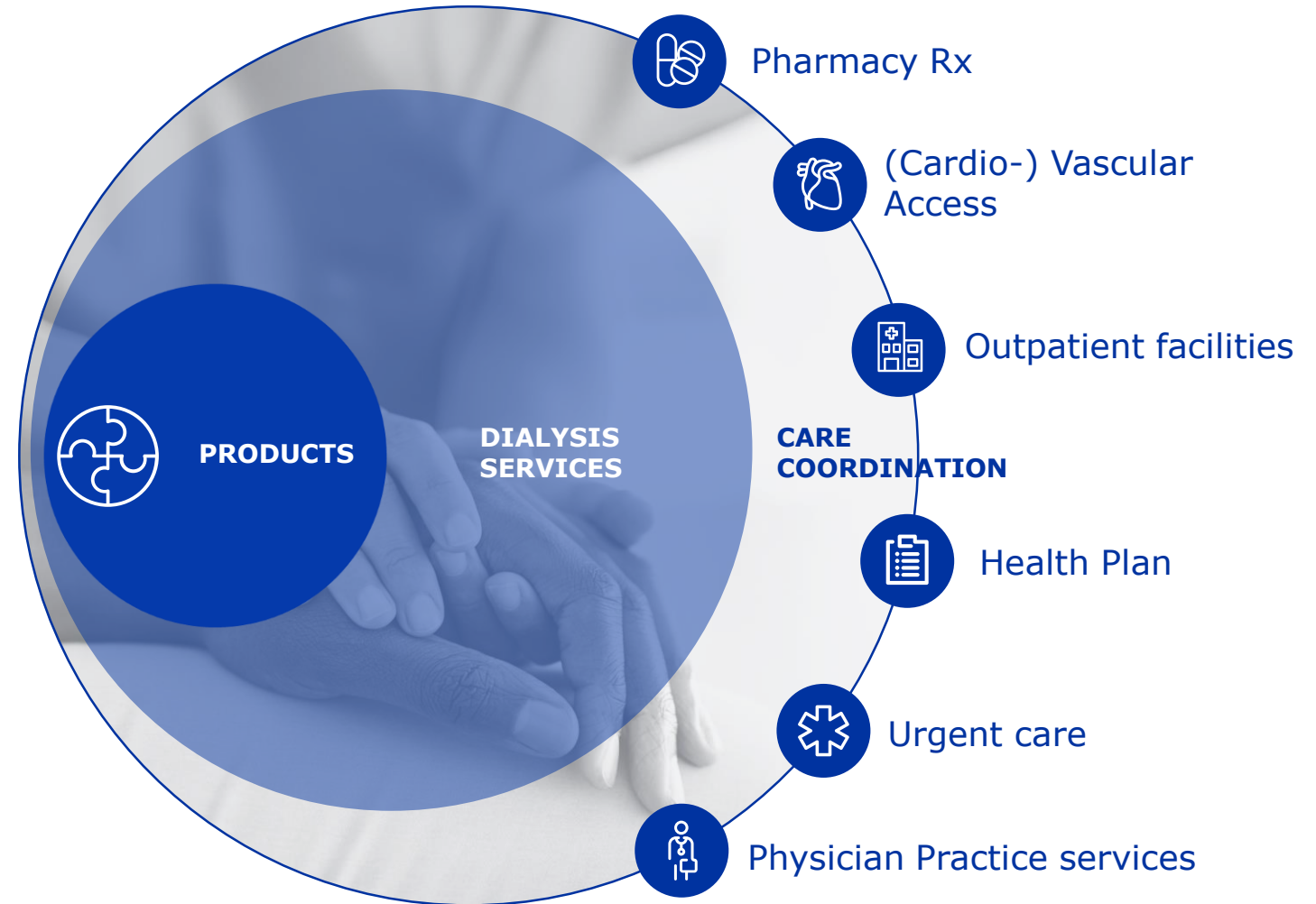


■ GLOBAL MARKET LEADER IN DIALYSIS

- Innovate for enhancing patient care
- Market leading high quality products
- Solution selling

- Standardized medical procedures
- Enable best treatment outcomes
- Capture growth in developing markets

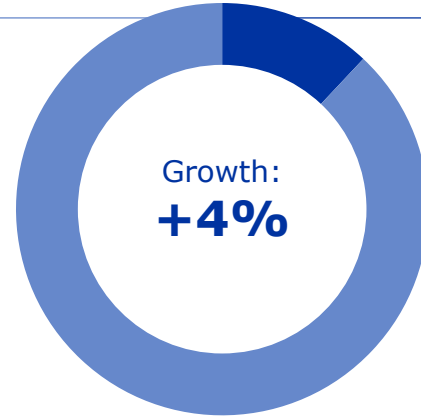
- Coordinating patients efficiently
- Data analytics & predictive modelling
- Develop & enhance value based care



■ DELIVERING ON OUR HOME STRATEGY

SPLIT OF
TOTAL
TREATMENTS
U.S. 2018

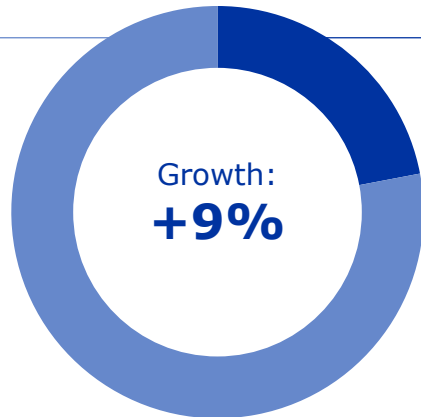
In-center
88%



Home
2018
12%

SPLIT OF
HOME
TREATMENTS
U.S. 2018

PD
78%
Growth:
+8%



HD
22%
Growth:
+14%

- Target 2022:
15%+ of treatments performed
in a home setting
- Investing into expansion of
home treatments
 - patient education
 - home training clinics
 - distribution infrastructure
 - home machines
- Increasing awareness for early
recognition of CKD to ensure
smooth transition to dialysis

■ CAPTURE GROWTH IN DEVELOPING ECONOMIES

DEVELOPING ECONOMIES – EXAMPLE CHINA

HEALTHCARE
EXPENDITURE
IN % GDP

6%

\$12.3tr
2017



POPULATION
DIABETICS
IN % TOTAL
POPULATION

11%

1.4bn



- Early mover in developing economies with products first
- Leverage experience from the products business into the service business – e.g. advancing in the Chinese market with own dialysis clinics and renal hospitals
- Investing in manufacturing capacities in the growing and upcoming markets
- Expand Care Coordination outside North America
- Transfer know-how into new markets

Source: World Bank



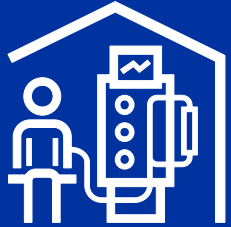
AGENDA

1 BUSINESS UPDATE

2 FINANCIALS & OUTLOOK

3 Q&A

■ YTD 2018: GROWTH CONTINUED



+5% Clinics
3,928



+4% Patients
333,331



+4% Treatments
50,027,579



Quality remains
on a consistently
high level

■ Q4 2018: QUALITY OUTCOMES REMAIN ON HIGH LEVEL¹

	NORTH AMERICA		EMEA		LATIN AMERICA		ASIA-PACIFIC	
% of patients	Q4 2018	Q4 2017	Q4 2018	Q4 2017	Q4 2018	Q4 2017	Q4 2018	Q4 2017
Kt/V ≥ 1.2	97	97	95	95	91	93	96	96
Hemoglobin = 10–12 g/dl	72	73	83	83	53	52	58	58
Calcium = 8.4–10.2 mg/dl	86	85	81	80	75	77	74	75
Albumin ≥ 3.5 g/dl	81	79	90	88	90	90	89	88
Phosphate ≤ 5.5 mg/dl	62	63	81	81	75	76	67	70
Patients without catheter (after 90 days)	83	83	79	80	80	81	86	88
in days								
Days in hospital per patient year	10.2	10.7	7.5	7.7	4.2	4.1	3.3	3.8

¹ Definitions cf. Annual Report, Section "Non-Financial Group Report"

■ FY 2018: UPDATE



Very **solid Q4** performance

Revised full year **guidance achieved**

GEP II ahead of schedule

Dividend increase of 10% proposed

NxStage closing expected in the next couple of days

■ 2018: REVISED FULL YEAR GUIDANCE ACHIEVED¹

	2018 € million	2017 € million	Growth in %	Growth in %cc	Guidance 2018 in %cc
Revenue	16,547	17,784	(7)	(2)	
Revenue on a comparable basis	16,547	16,739	(1)	4	2-3
Operating income (EBIT)	3,038	2,362	29	33	
EBIT on a comparable basis	2,346	2,278	3	6	
Net income	1,982	1,280	55	60	
Net income on a comparable basis	1,377	1,242	11	14	11-12
Net income adjusted	1,185	1,162	2	4	2-3

¹ For a detailed reconciliation please refer to chart 32

■ Q4 2018: DELIVERED STRONG RESULTS¹

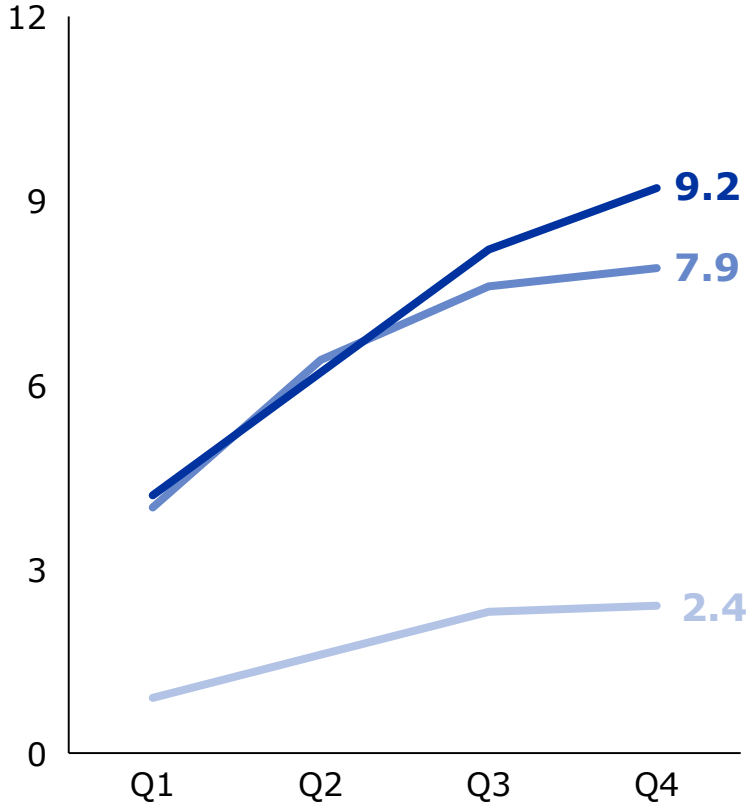
	Q4 2018 € million	Q4 2017 € million	Growth in %	Growth in %cc
Revenue	4,300	4,429	(3)	(3)
Revenue on a comparable basis	4,300	4,024	7	7
Operating income (EBIT)	613	519	18	12
EBIT on a comparable basis	648	456	42	39
Net income	425	394	8	1
Net income on a comparable basis	408	361	13	9
Net income adjusted	353	325	8	4

- Revenue impacted by divestiture of Sound and IFRS 15 implementation
- Net income impacted by divestiture, U.S. ballot and FCPA
- Strong net income growth on a comparable basis

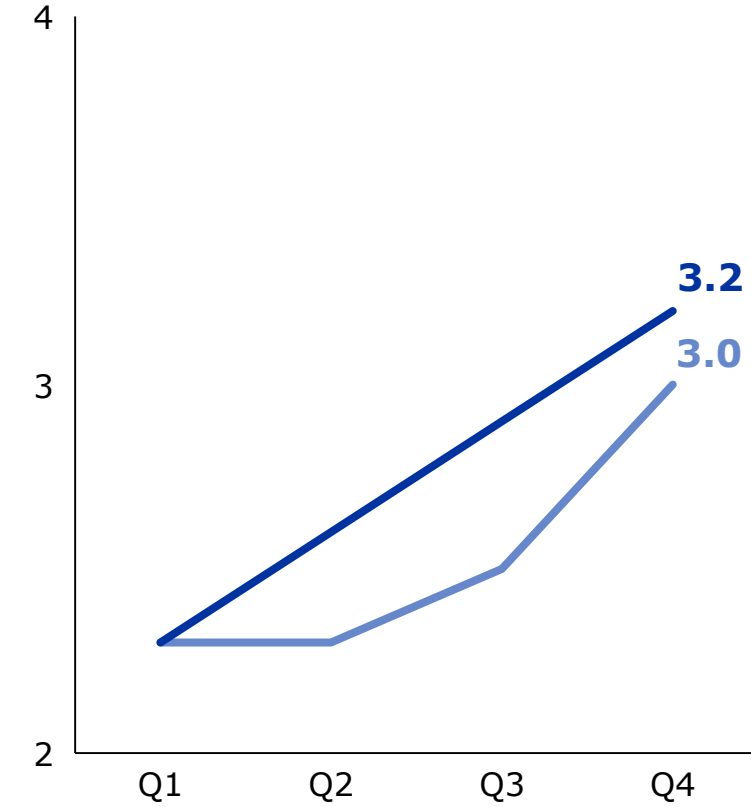
¹ For a detailed reconciliation please refer to chart 32

■ Q4 2018: GROWTH TREND – ORGANIC AND VOLUME (%)

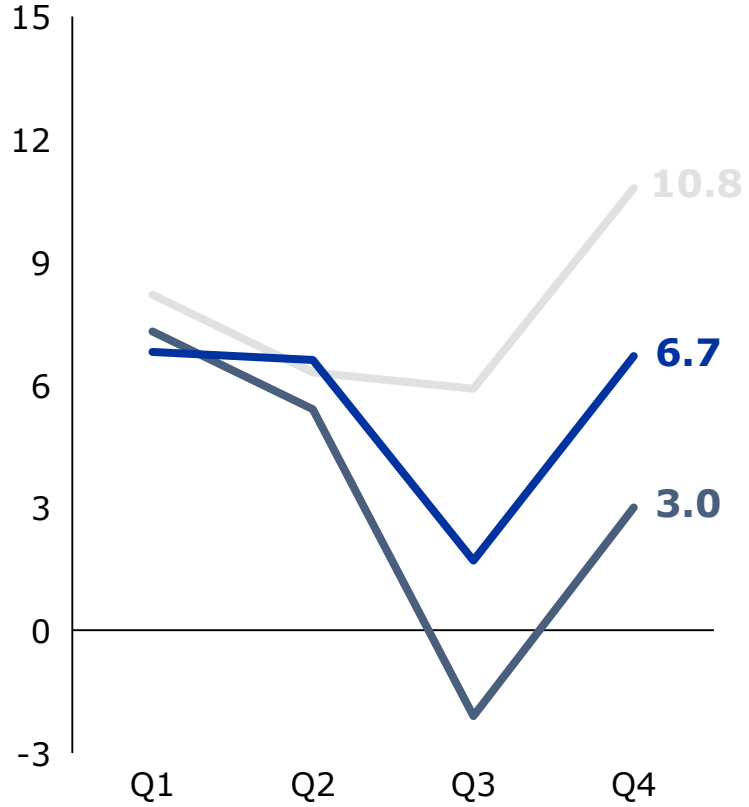
DIALYSIS SERVICES ORGANIC GROWTH



SAME MARKET TREATMENT GROWTH



DIALYSIS PRODUCTS ORGANIC GROWTH



— Group

— North America

— North America ex Calcimimetics

— EMEA

— Asia-Pacific

■ Q4 2018: ORGANIC GROWTH IN ALL REGIONS

NORTH AMERICA

€ million

Revenue	2,981	(9)%cc
Organic growth		+4%

EMEA

€ million

Revenue	679	+5%cc
Organic growth		+4%

ASIA-PACIFIC

€ million

Revenue	454	+9%cc
Organic growth		+9%

LATIN AMERICA

€ million

Revenue	182	+33%cc
Organic growth		+30%

Latin America

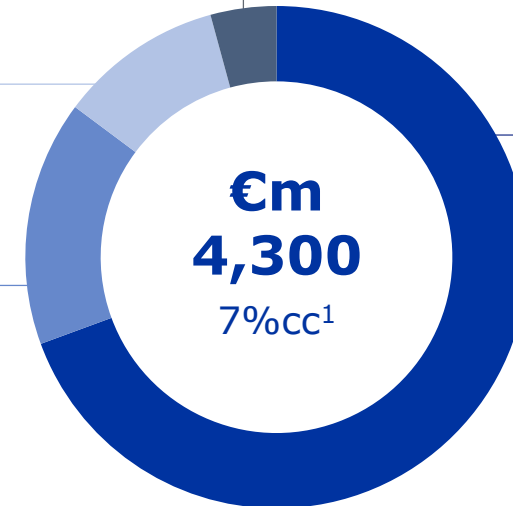
4%

Asia-Pacific

11%

EMEA

16%

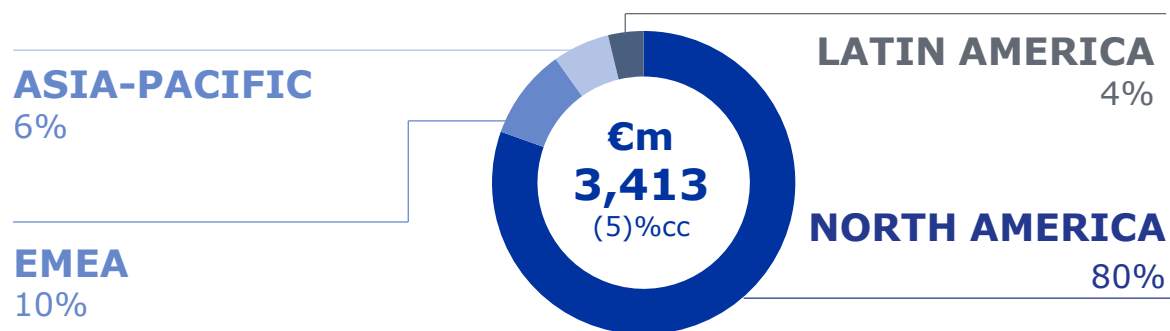


North America
69%

- Organic growth trend continued in all markets
- North America affected by the divestitures of Care Coordination activities and IFRS 15
- Growth in Asia-Pacific and Latin America remain on a high level

■ Q4 2018 SERVICES: ORGANIC GROWTH CONTINUED

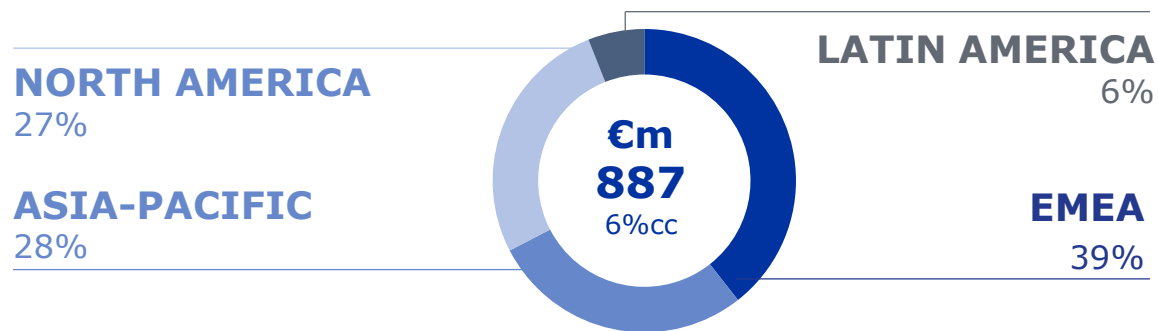
	Q4 2018 € million	Q4 2017 € million	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %cc
Total	3,413	3,581	(5)	(5)	6	3
North America	2,746	2,950	(7)	(10)	4	3
of which Care Coordination	291	715	(59)	(62)	(22)	n.a.
EMEA	331	312	6	9	6	3
Asia-Pacific	207	191	8	7	6	8
of which Care Coordination	60	57	5	6	(6)	n.a.
Latin America	129	128	0	44	40	0



- **North America** growth impacted by Care Coordination divestiture and IFRS 15
- **EMEA** growth driven by same market treatment growth, acquisitions and organic growth
- **Asia-Pacific** growth driven by same market treatment growth and acquisitions, affected by lower organic revenue per treatment

■ Q4 2018 PRODUCTS: ORGANIC GROWTH IN ALL REGIONS

	Q4 2018 € million	Q4 2017 € million	Growth in %	Growth in %cc	Organic growth in %
Total Health Care Products	887	848	5	6	6
Dialysis Products	869	828	5	6	7
North America	235	214	10	7	7
EMEA	330	328	1	2	3
Asia-Pacific	247	227	9	11	11
Latin America	53	57	(5)	8	9
Non-Dialysis Products	18	20	(5)	(5)	(5)

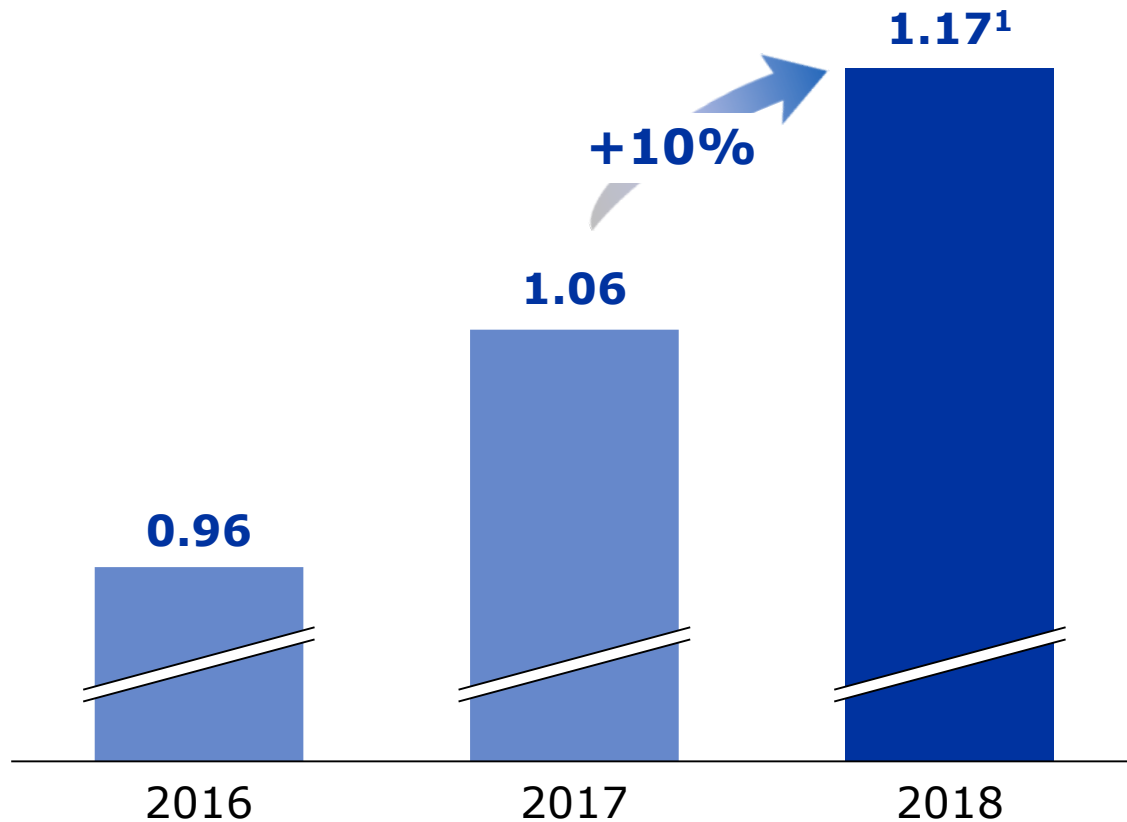


PRODUCT REVENUE DRIVEN BY

- **EMEA**
renal drugs, bloodlines, products for acute care, PD products, machines and dialyzers
- **Asia-Pacific**
chronic HD and acute products
- **North America**
chronic HD products and renal drugs

■ DIVIDEND INCREASE AND SHARE BUYBACK PROPOSED

DIVIDEND PER SHARE IN EUR



¹ Proposed dividend for approval at the AGM on May 16, 2019

DIVIDEND PROPOSAL 2018

- 22nd consecutive dividend increase proposed
- Dividend proposal reflects investments in future growth

SHARE BUYBACK

- Volume: up to EUR 1bn
- Time horizon: 2019-2020

■ 2019 WILL BE AN INVESTMENT YEAR

FOCUS ON

- Resolving identified operational issues
- Invest around €100 million in 2019 cost optimization program
 - Further steps to improve cost base
 - Accretive to net income already in 2020
 - Additional efforts to GEP II
- GEP II with increasing contribution
- Share buyback: create additional shareholder return
- Capturing growth in developing economies
- Investing in growth of U.S. home treatments
- NxStage closing expected in the next couple of days



OPPORTUNITIES

- Higher contributions from GEP II
- Faster recovery of commercial volumes
- Higher contribution from expansion in developing economies



RISKS

- Lower than expected contribution from de novo clinics and acquisitions
- Legislative activities
- Unforeseen regulatory changes



AGENDA

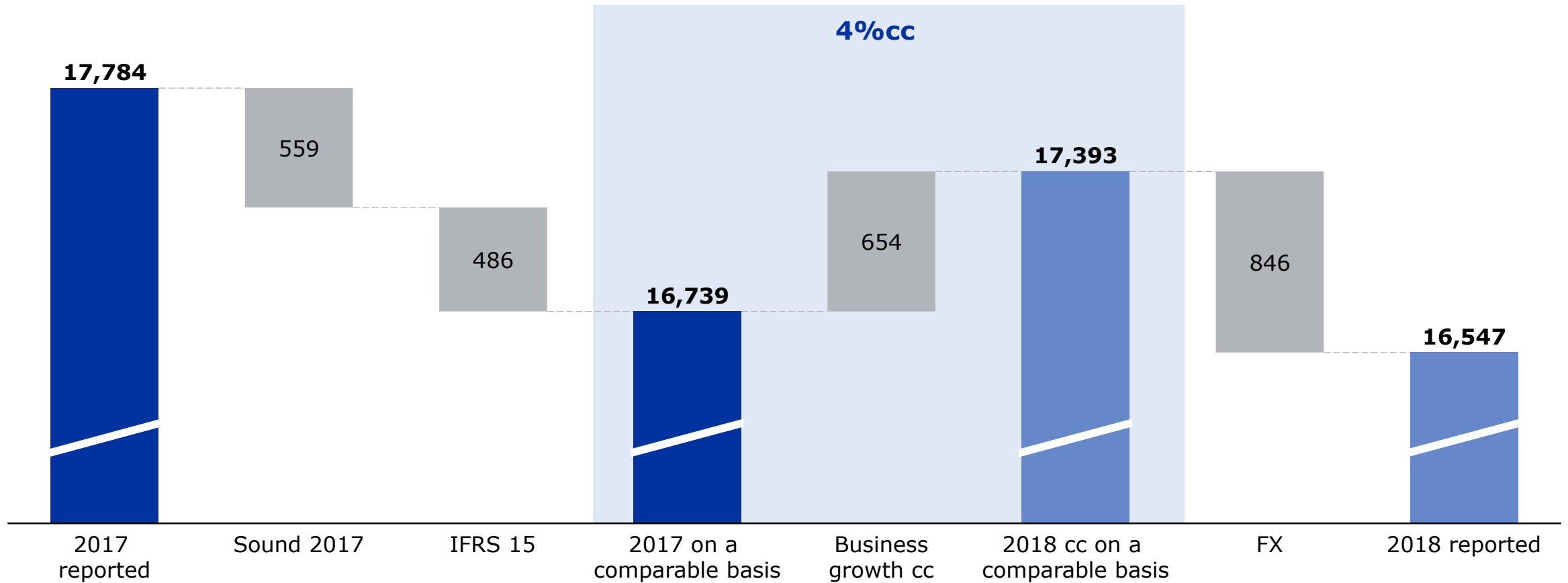
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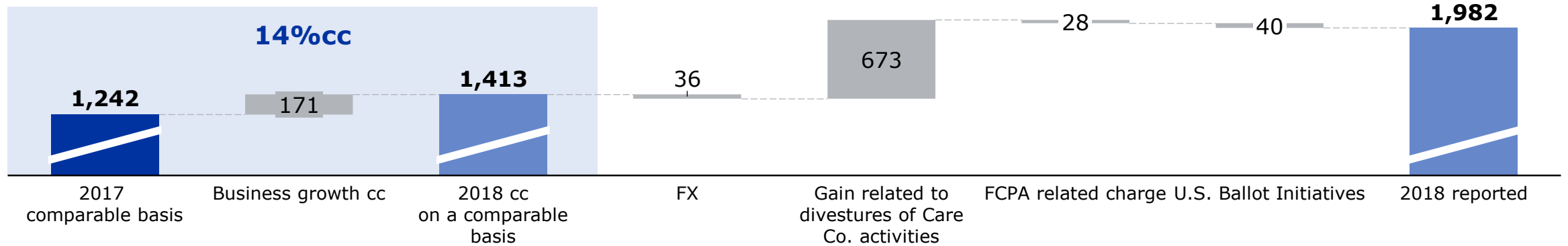
■ 2018: REVENUE GROWTH

REVENUE ON A **COMPARABLE BASIS**, € MILLION – TARGET: 2-3%CC GROWTH

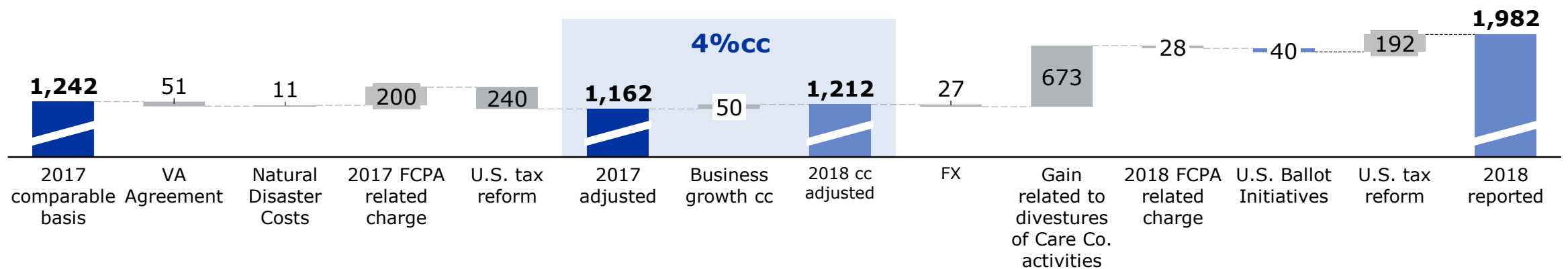


■ 2018: NET INCOME GROWTH

NET INCOME ON A **COMPARABLE BASIS**, € MILLION – TARGET: 11–12%CC GROWTH

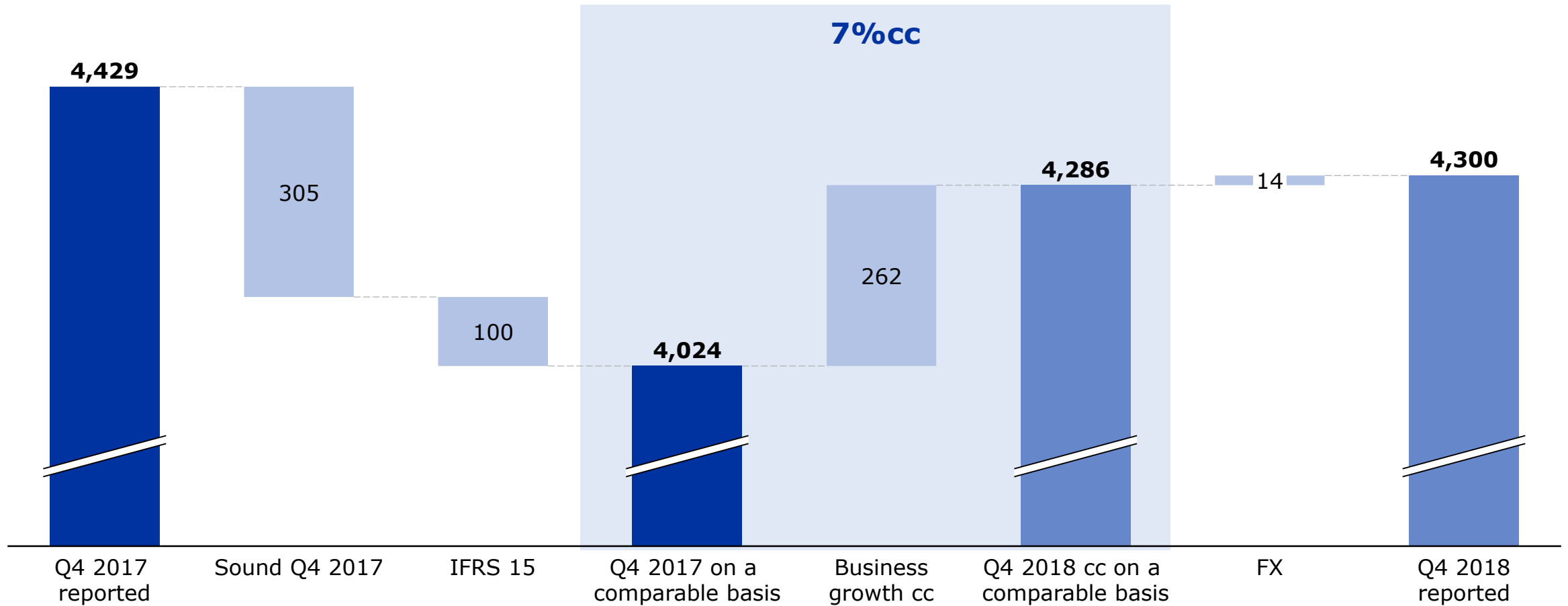


NET INCOME **ADJUSTED**, € MILLION – TARGET: 2–3%CC GROWTH



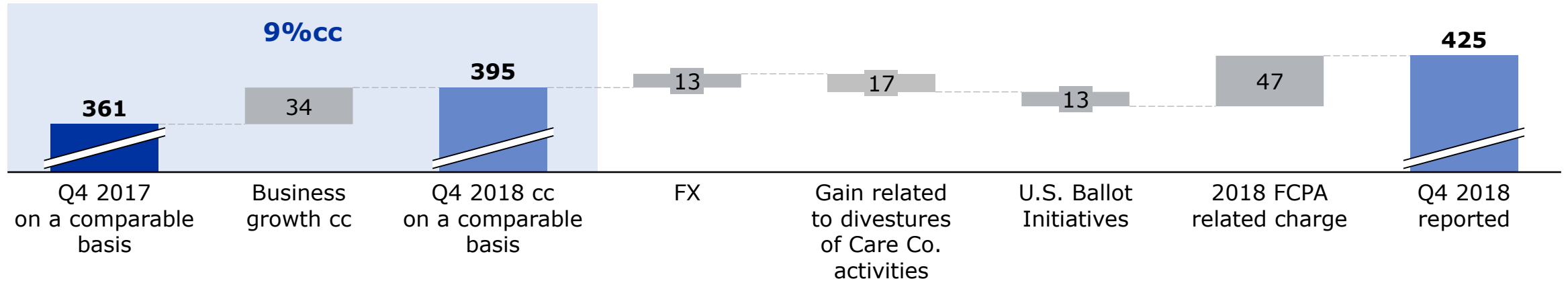
■ Q4 2018: REVENUE GROWTH

REVENUE ON A **COMPARABLE BASIS**, € MILLION

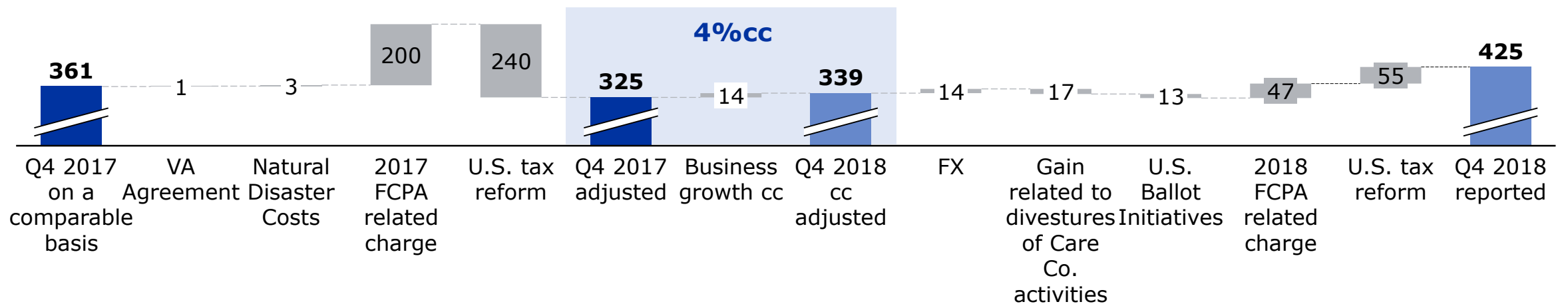


■ Q4 2018: NET INCOME GROWTH

NET INCOME ON A **COMPARABLE BASIS**, € MILLION

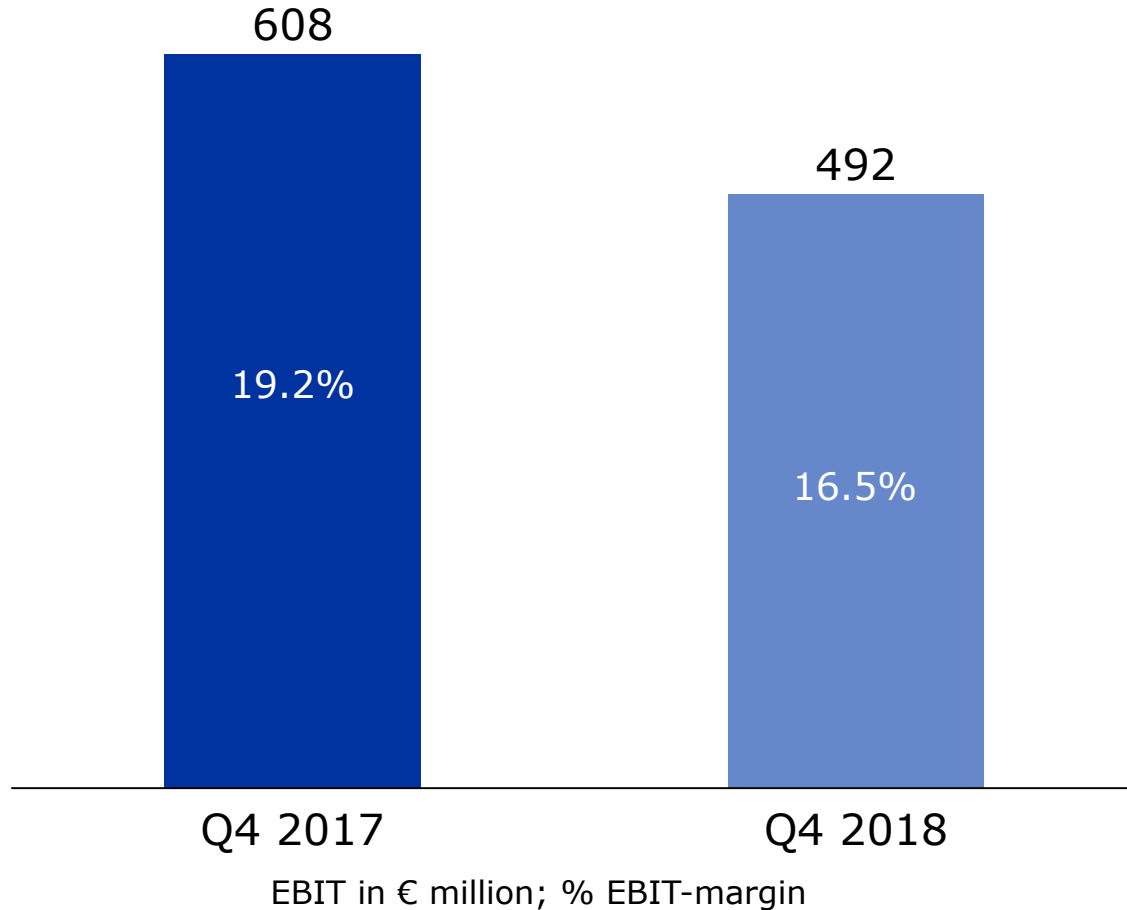


NET INCOME **ADJUSTED**, € MILLION



■ Q4 2018: REGIONAL MARGIN PROFILE

NORTH AMERICA (72% OF EBIT¹)



¹ Excl. Corporate

DIALYSIS BUSINESS MARGIN OF 18.5%

- **Positive:** Gain from decreased compensation expense, decreased personnel expense and the implementation of IFRS 15
- **Negative:** Discontinuation of non-IFRS-policy, shift of calcimimetics to the dialysis business and the impact from the U.S. ballot initiative
- U.S. revenue per treatment \$358 | FY 2018: \$354
U.S. cost per treatment \$288 | FY 2018: \$289

CARE COORDINATION MARGIN DOWN

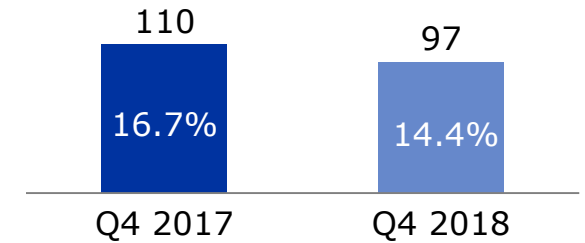
- **Positive:** Shift of calcimimetics to the dialysis business, favorable impact from pharmacy and lower bad debt expense
- **Negative:** Divestiture of Care Coordination activities in 2018, prior year gain from sale of Shiel Laboratories and lower earnings recognition related to ESCO's

■ Q4 2018: REGIONAL MARGIN PROFILE

EMEA (14% of EBIT¹)

Operating income margin development reflects

- Impairment of intangible assets, the release of accruals as a result of favorable court settlements related to VAT in 2017, higher personnel costs and unfavorable foreign currency transaction effects

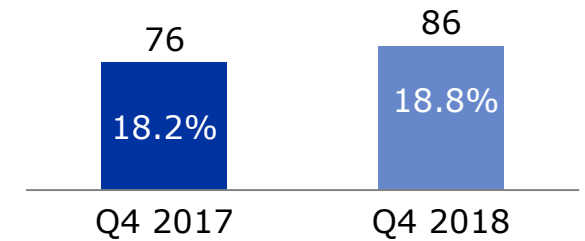


ASIA-PACIFIC (13% of EBIT¹)

Operating income margin development impacted by

- **Positive:** Favorable impact from business growth and a gain from decreased compensation expense
- **Negative:** Unfavorable transaction effects

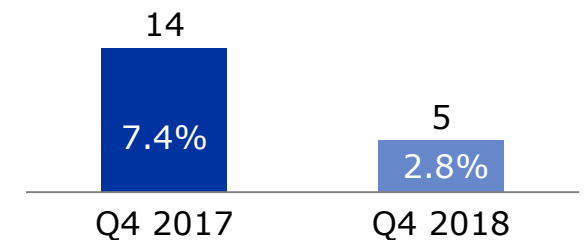
Care Coordination margin of 21.8%



LATIN AMERICA (1% of EBIT¹)

Operating income margin development reflects

- **Positive:** Foreign currency translation
- **Negative:** Hyperinflation impact in Argentina



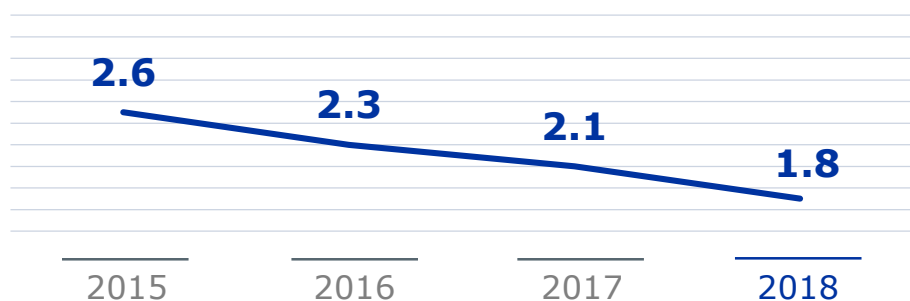
EBIT in € million; % EBIT-margin

Diagrams: different scales applied; 1 Excl. Corporate

■ 2018: CASH FLOW, NET LEVERAGE RATIO & CURRENT RATINGS

	Q4 2018 € million	Q4 2017 € million	2018 € million	2017 € million
Operating cash flow	698	528	2,062	2,192
in % of revenue	16.2	11.9	12.5	12.3
Capital expenditures, net	301	227	1,003	841
Free cash flow	397	301	1,059	1,351
Free cash flow, after net acquisitions and investments, incl. net investments in securities	296	548	1,817	1,200

NET LEVERAGE RATIO (NET DEBT/EBITDA)¹



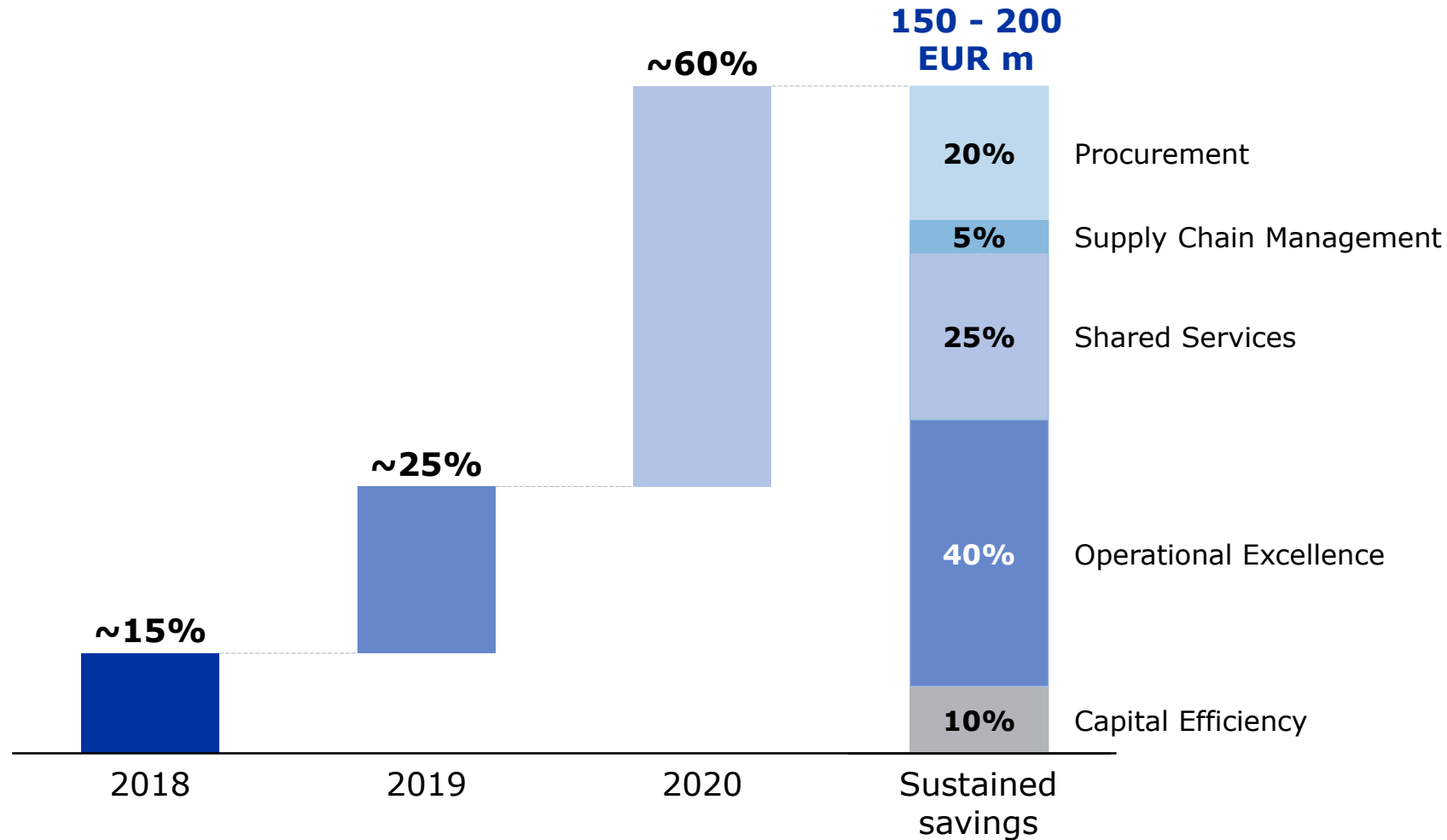
Current ratings ²	S&P	Moody's	Fitch
Rating	BBB-	Baa3	BBB-
Outlook	positive	stable	stable

¹ EBITDA: including acquisitions & divestitures with a purchase price above €50m and in 2018 excluding (gain) loss related to divestitures of Care Coordination activities |

² Latest update: S&P: Jan. 8, 2019; Moody's: May 15, 2018; Fitch: March 8, 2018

■ GLOBAL EFFICIENCY PROGRAM II

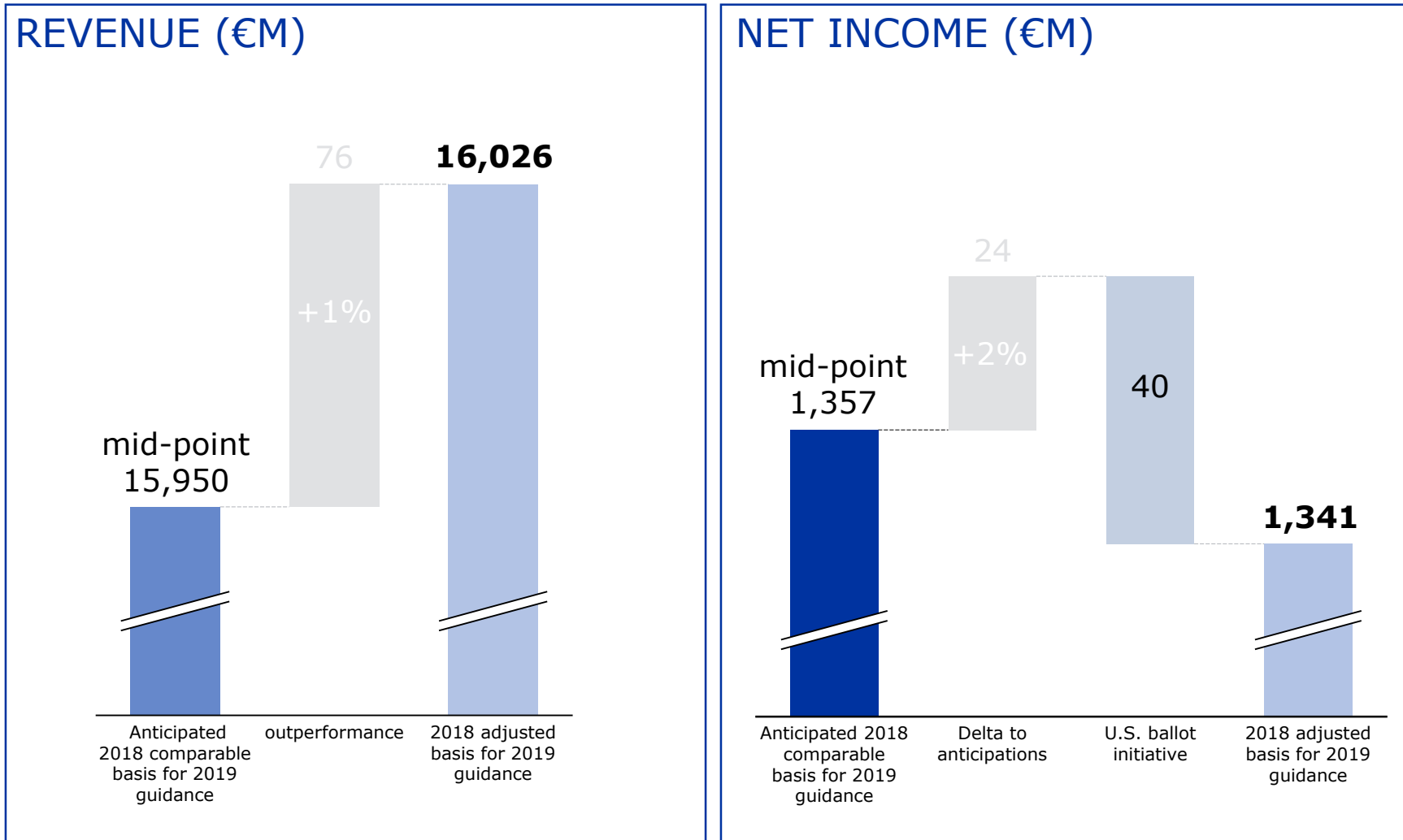
SUSTAINED SAVINGS 2018 - 2020



2018 AHEAD OF SCHEDULE

- Projects already positively contributed in the first year of the program
- 15% sustained savings generated in 2018 instead of originally targeted 10%

■ BASIS FOR ADJUSTED GROWTH 2019 HIGHER THAN ASSUMED



- 2018 revenue 1% ahead of line anticipated range
- 2018 net income exceeded anticipated range by 2%

1 For a detailed reconciliation please refer to chart 32

■ OUTLOOK¹

(cc)	TARGETS 2019	2018 BASE (in € million)
Revenue growth adjusted	3 to 7%	16,026
Net income growth adjusted	(2) to 2%	1,341

(cc)	TARGETS 2020
Revenue growth adjusted	Mid to high single digit growth rate
Net income growth adjusted	Mid to high single digit growth rate

1 Targets for 2019 and 2020 are in constant currency. These targets as well as the 2018 base are and will be adjusted in order to make the business performance in the respective periods comparable for items such as: FCPA related charges, the IFRS 16 implementation, the contributions from Sound in H1 2018, the gain (loss) related to divestitures of Care Coordination activities and expenses for the cost optimization program. All effects from the pending NxStage acquisition are excluded from the targets for 2019 and 2020.



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■ Q4 2018: PROFIT AND LOSS¹

	Q4 2018 € million	Q4 2017 € million	Growth in %	Growth in %cc
Revenue	4,300	4,429	(3)	(3)
Revenue on a comparable basis	4,300	4,024	7	7
Revenue adjusted	4,300	4,025	7	6
EBIT	613	519	18	12
<i>EBIT margin in %</i>	<i>14.3</i>	<i>11.7</i>	<i>2.6pp</i>	<i>1.8pp</i>
EBIT on a comparable basis	648	456	42	39
EBIT adjusted	648	663	(2)	(4)
<i>EBIT adjusted margin in %</i>	<i>15.1</i>	<i>16.5</i>	<i>(1.4)pp</i>	<i>(1.7)pp</i>
Net interest expense	58	80	(28)	(30)
Income before taxes	555	439	26	19
Income tax expense	63	(30)	n.a.	n.a.
<i>Tax rate in %</i>	<i>11.4</i>	<i>(6.6)</i>	<i>n.a.</i>	<i>n.a.</i>
Non-controlling interest	67	75	(10)	(12)
Net income	425	394	8	1
Net income on a comparable basis	408	361	13	9
Net income adjusted	353	325	8	4

1 For a detailed reconciliation please refer to chart 32

■ 2018: PROFIT AND LOSS¹

	2018 € million	2017 € million	Growth in %	Growth in %cc
Revenue	16,547	17,784	(7)	(2)
Revenue on a comparable basis	16,547	16,739	(1)	4
Revenue adjusted	16,547	16,645	(1)	4
EBIT	3,038	2,362	29	33
<i>EBIT margin in %</i>	<i>18.4</i>	<i>13.3</i>	<i>5.1pp</i>	<i>4.8pp</i>
EBIT on a comparable basis	2,346	2,278	3	6
EBIT adjusted	2,346	2,409	(3)	1
<i>EBIT adjusted margin in %</i>	<i>14.2</i>	<i>14.5</i>	<i>(0.3)pp</i>	<i>(0.6)pp</i>
Net interest expense	301	365	(17)	(14)
Income before taxes	2,737	1,997	37	42
Income tax expense	511	443	15	21
<i>Tax rate in %</i>	<i>18.7</i>	<i>22.2</i>	<i>(3.5)pp</i>	<i>(3.3)pp</i>
Non-controlling interest	244	274	(11)	(7)
Net income	1,982	1,280	55	60
Net income on a comparable basis	1,377	1,242	11	14
Net income adjusted	1,185	1,162	2	4

1 For a detailed reconciliation please refer to chart 32

2018: RECONCILIATION ADJUSTMENTS

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE IFRS FINANCIAL MEASURES

	Q4 2018 € million	Q4 2017 € million	2018 € million	2017 € million
Revenue	4,300	4,429	16,547	17,784
IFRS 15 Implementation		(100)		(486)
Sound H2 2017 ¹		(305)		(559)
Revenue on a comparable basis	4,300	4,024	16,547	16,739
VA Agreement ²		1		(94)
Revenue adjusted	4,300	4,025	16,547	16,645
Net income⁵	425	394	1,982	1,280
(Gain) loss related to divestitures of Care Coordination activities	17		(673)	
Sound H2 2017 ¹		(33)		(38)
2018 FCPA Related Charge	(47)		28	
U.S. Ballot Initiatives ³	13		40	
Net income⁵ on a comparable basis	408	361	1,377	1,242
VA Agreement ²		1		(51)
Natural Disaster Costs ⁴		3		11
2017 FCPA Related Charge		200		200
U.S. Tax Reform (excl. Sound H2 2017) ⁶	(55)	(240)	(192)	(240)
Net income⁵ adjusted	353	325	1,185	1,162

1 Sound H2 2017: contribution of Sound Physicians | 2 VA Agreement: Agreement with the United States Departments of Veterans Affairs and Justice | 3 U.S. Ballot Initiatives: contributions to the opposition to the ballot initiatives in the U.S. | 4 Natural Disaster Costs: three hurricanes and an earthquake | 5 Attributable to shareholders of FMC AG & Co. KGaA | 6 U.S. Tax Reform: impacts from U.S. tax reform

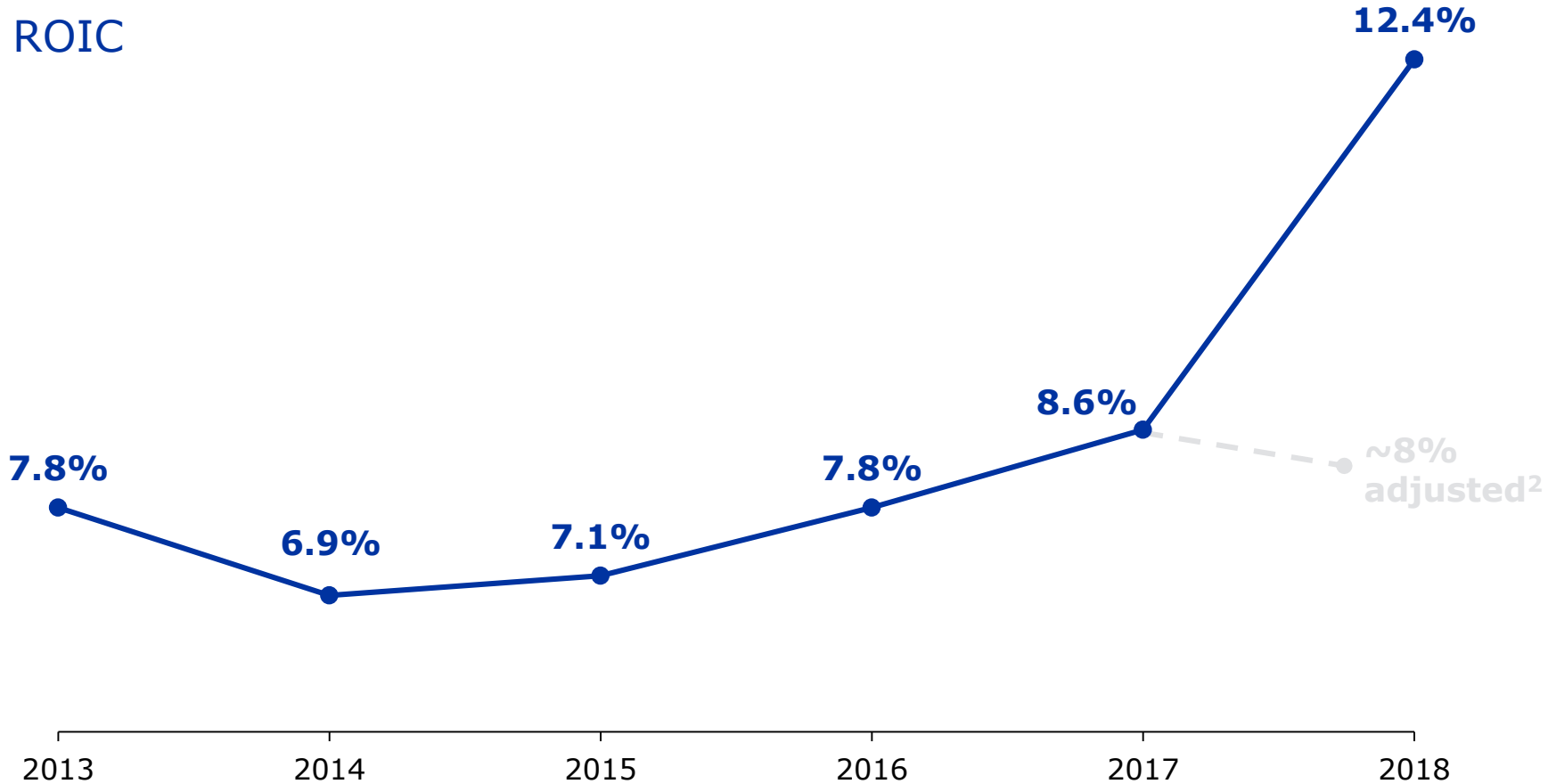
■ ACQUISITIONS & INVESTMENTS AND CAPITAL EXPENDITURES

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE IFRS FINANCIAL MEASURES

€ million	Q4 2018	2017	2018	2017
Acquisitions and investments				
Acquisitions, investments and net purchases of intangible assets	(117)	(138)	(925)	(566)
- Proceeds from divestitures	16	385	1,683	415
= Acquisitions and investments, net of divestitures	(101)	247	758	(151)
Thereof investments in securities, net of divestitures	(8)	246	(330)	246

	Q4 2018	2017	2018	2017
Capital expenditures, net				
Purchase of property, plant and equipment	(325)	(312)	(1,057)	(944)
- Proceeds from sale of property, plant & equipment	24	85	54	103
= Capital expenditure, net	(301)	(227)	(1,003)	(841)

■ RETURN ON INVESTED CAPITAL¹ (ROIC)



- Long-term value creation based on accretive acquisitions and organic growth
- ROIC adjusted² (esp. for divestitures of Care Coordination activities): around 8.0%

¹ Based on net operating profit after tax & average invested capital | adjusted for largest acquisitions and divestitures

² Adjusted for the divestiture of Care Coordination activities, FCPA related charge, U.S. Ballot Initiatives, U.S. tax reform / including these effects, ROIC for FY 2018 was 12.4%

ESTIMATED EFFECTS ACCORDING TO IFRS 16

ESTIMATED EFFECTS EXCLUDING NXSTAGE

Balance Sheet	Impact 2019e € million
Assets	
Right-of-use assets	~3,900
Machinery and equipment	~120
Liabilities	
Lease Liabilities	~4,200
Other financial debt	~120

Profit and loss statement	Impact 2019e € million
Revenue	~(100)
Profit from sale-leaseback transactions	~(40)
Rental expenses	~(810)
EBITDA	~770
Depreciation expense	~(680)
EBIT	~90
Net interest expenses	~160
Taxes	~(20)
Net Income	~(50)

Cash flow statement	Impact 2019e € million
Cash provided by operating activities	~600
Cash used in investing activities	~(80)
Cash used in financing activities	~(520)
Total	0

- Net leverage ratio will increase by about 0.6.

■ EXCHANGE RATES, U.S. DIALYSIS DAYS PER QUARTER, DEFINITIONS

EXCHANGE RATES

Euro vs.		2018	9m 2018	2017
€:\$	Period end	1.145	1.158	1.199
	Average	1.181	1.194	1.130
€:CNY	Period end	7.875	7.966	7.804
	Average	7.808	7.779	7.629
€:RUB	Period end	79.715	76.142	69.392
	Average	74.026	73.395	65.938
€:ARS	Period end	43.039	47.423	22.639
	Average	32.984	29.845	18.754
€:BRL	Period end	4.444	4.654	3.973
	Average	4.308	4.297	3.605

U.S. DIALYSIS DAYS PER QUARTER

	Q1	Q2	Q3	Q4	Full year
2019	76	78	79	80	313
2018	77	78	78	80	313
2017	77	78	79	79	313
2016	78	78	79	79	314
2015	76	78	79	79	312

DEFINITIONS

cc	Constant currency
HD	Hemodialysis
PD	Peritoneal dialysis
Net income	Net income attributable to shareholders of FME
Sound H2 2017	Contribution of Sound Physicians on the profit and loss statement in the second half year 2017
U.S. Tax Reform	U.S. Tax Reform: Impacts from U.S. tax reform
VA Agreement	Agreement with the United States Departments of Veterans Affairs and Justice

■ FINANCIAL CALENDAR 2019¹

REPORTING DATES & AGM

May 2	Report on 1st quarter 2019
May 16	Annual General Meeting, Frankfurt

CONFERENCES

March 6	Credit Suisse Healthcare Conference, London
March 12-13	Barclays Global Healthcare Conference, Miami

¹ Please note that dates and/or participation might be subject to change

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