

CREATING A FUTURE WORTH LIVING.  
FOR PATIENTS. WORLDWIDE.  
EVERY DAY.

# Morgan Stanley European MedTech & Services Conference

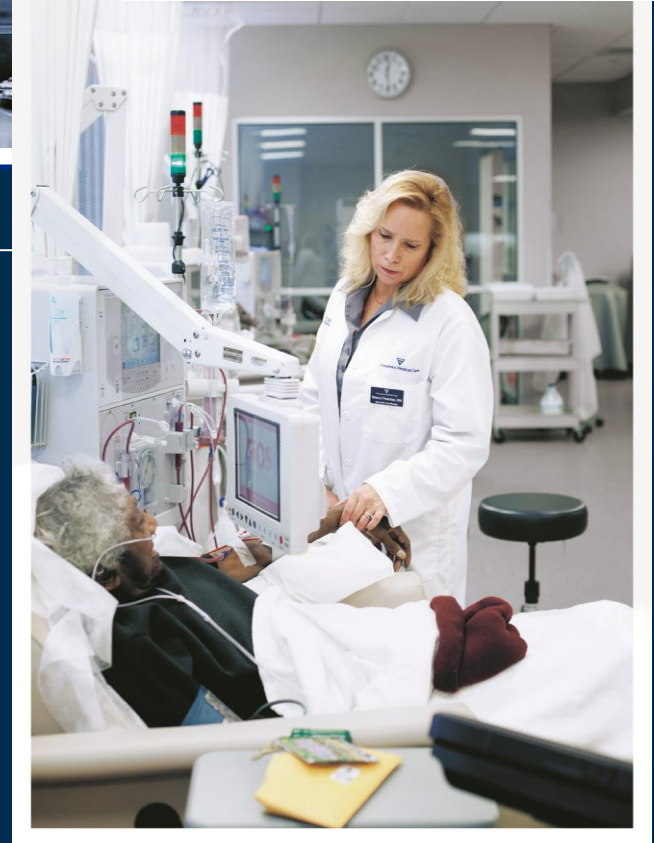
---

London  
March 1, 2016



**FRESENIUS  
MEDICAL CARE**

# 1

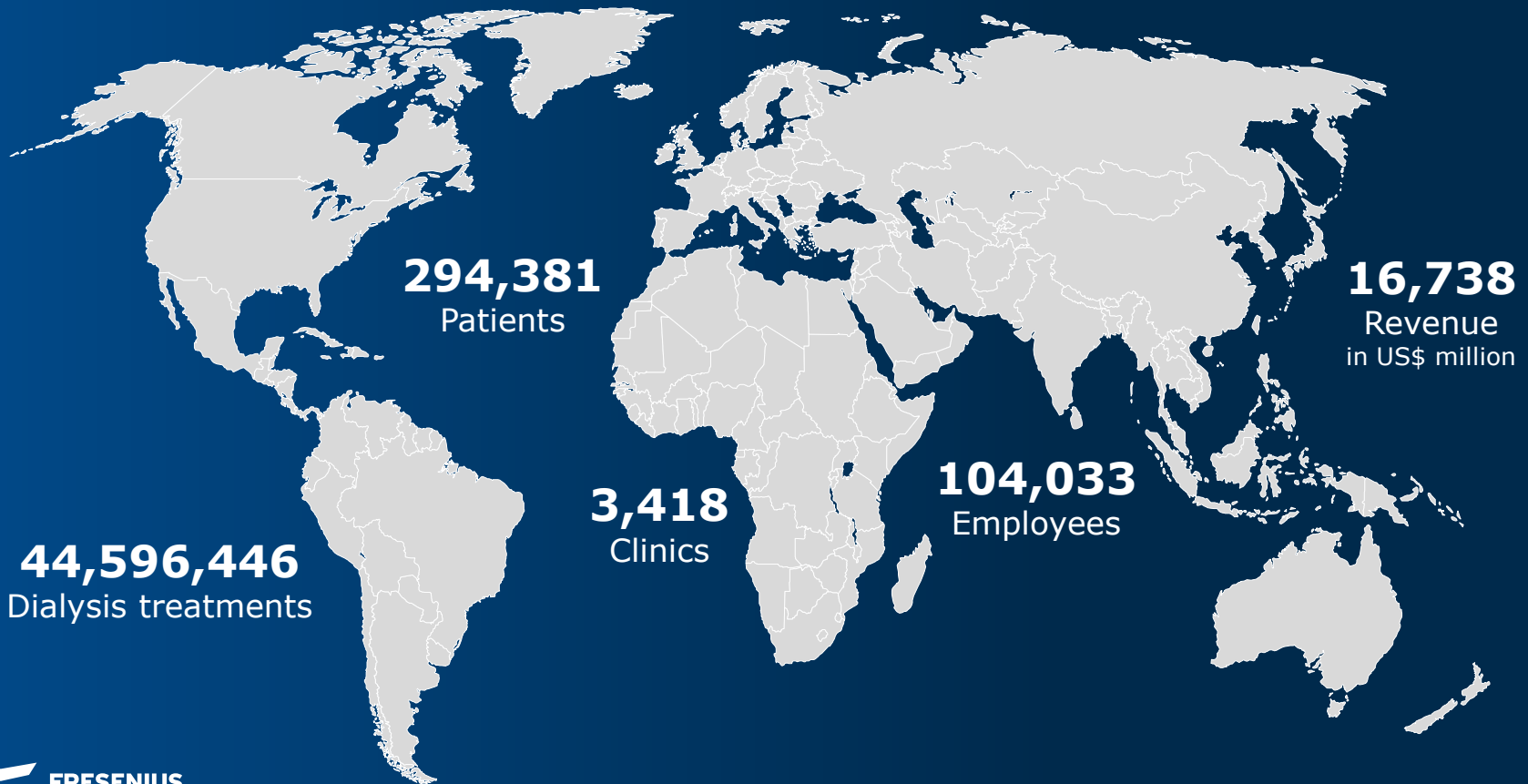


## Business update

Q4 and fiscal year 2015

# Our motivation in numbers – FY 2015

Every second we provide a dialysis treatment somewhere on the globe in one of our dialysis clinics.

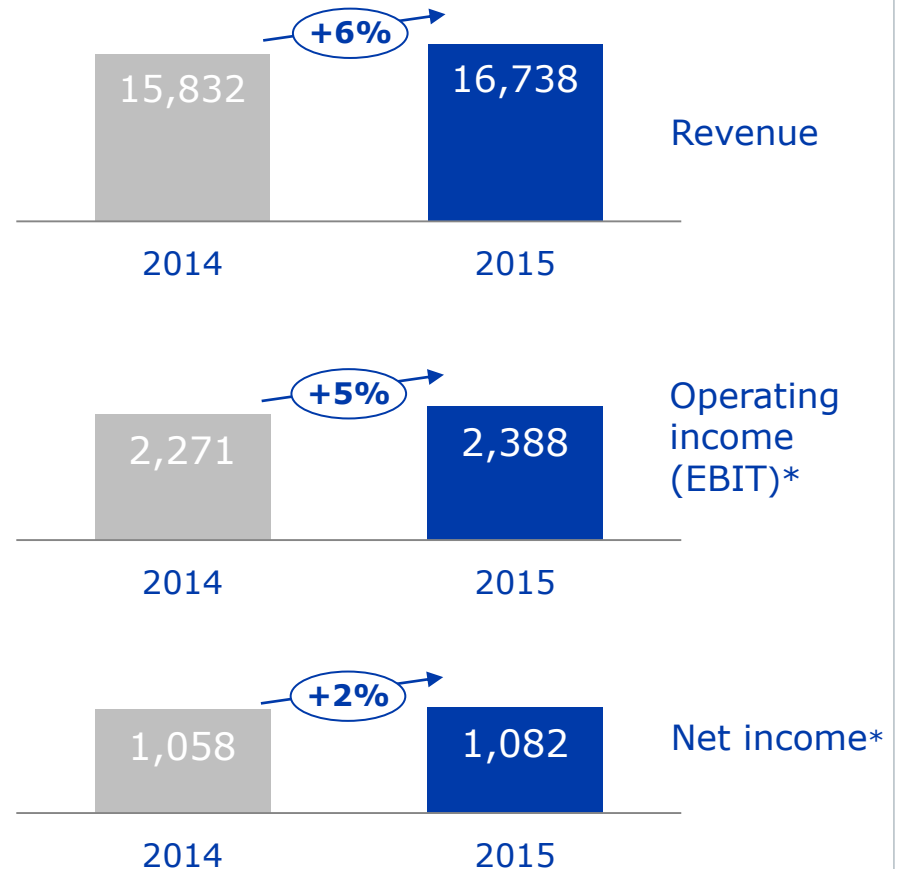


# 2015 – Back to earnings growth

## FY 2015 Highlights

- ▶ Excellent business development in North America
- ▶ High organic revenue growth in Care Coordination
- ▶ International business driven by strong revenue growth in Asia-Pacific (constant currency)
- ▶ Improved cost structure due to global efficiency program and lower costs for health care supplies
- ▶ Agreement in principle for GranuFlo<sup>®</sup> case

## FY Performance (US\$ million)



\* excl. special items (for detailed information see page 21)

Diagrams: different scales applied

# Revenue breakdown for fiscal year 2015

## North America

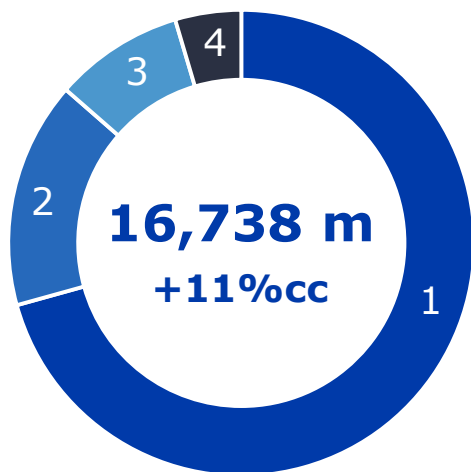
US\$ million

Revenue	11,813	+13%
Organic growth		+6%

## International

US\$ million

Revenue	4,897	+9%cc
Organic growth		+7%



1	North America	71%
2	EMEA	16%
3	Asia-Pacific	9%
4	Latin America	4%

## EMEA

Revenue	2,629	+3%cc
Organic growth		+3%

## Asia-Pacific

Revenue	1,502	+20%cc
Organic growth		+9%

## Latin America

Revenue	766	+13%cc
Organic growth		+16%

cc = constant currency

# Further increased global presence

- ▶ Delivering globally nearly **45 million treatments** (+4%):

North America ~ 27.7m  
International ~ 16.9m

- ▶ Providing care to over **294,000 patients** globally (+3%):

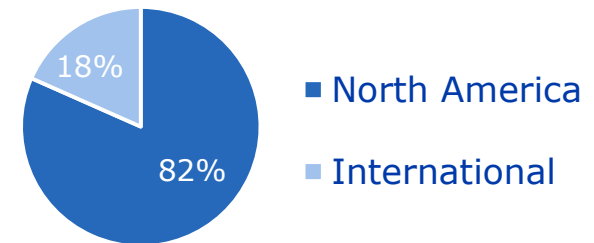
North America ~ 183,000  
International ~ 111,000

	<b>Clinics</b> as of Dec. 31, 2015	De novo FY 2015	Acquired FY 2015
<b>Total</b>	<b>3,418</b>	<b>83</b>	<b>31</b>
Growth year on year	+2%		
North America	2,210	51	14
Growth year on year	+2%		
International	1,208	32	17
Growth year on year	+1%		

# Health Care revenue - Taking care of patients

	FY 2014 US\$ million	<b>FY 2015</b> US\$ million	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
North America	9,655	<b>10,932</b>	13	13	7	4
of which Care Coordination	1,039	<b>1,882</b>	81	81	25	-
International	2,595	<b>2,460</b>	(5)	12	8	5
<b>Total Health Care</b>	<b>12,250</b>	<b>13,392</b>	<b>9</b>	<b>13</b>	<b>7</b>	<b>4</b>

- ▶ Solid business development in core dialysis business
- ▶ Accelerated growth in North America supported by acquisitions
- ▶ Further benefit driven by strategic positioning with Care Coordination

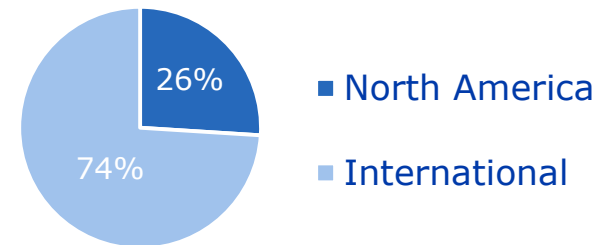


cc = constant currency

# Dialysis products – good underlying demand

	FY 2014 US\$ million	<b>FY 2015</b> US\$ million	Growth in %	Growth in %cc
North America	845	<b>881</b>	4	4
International	2,670	<b>2,437</b>	(9)	6
<b>Total Dialysis Products</b>	<b>3,582</b>	<b>3,346</b>	<b>(7)</b>	<b>4</b>
Corporate	67	<b>28</b>	(58)	(50)

- ▶ Normalized revenue dynamics in second half 2015
- ▶ Market leadership supported by new innovations



cc = constant currency

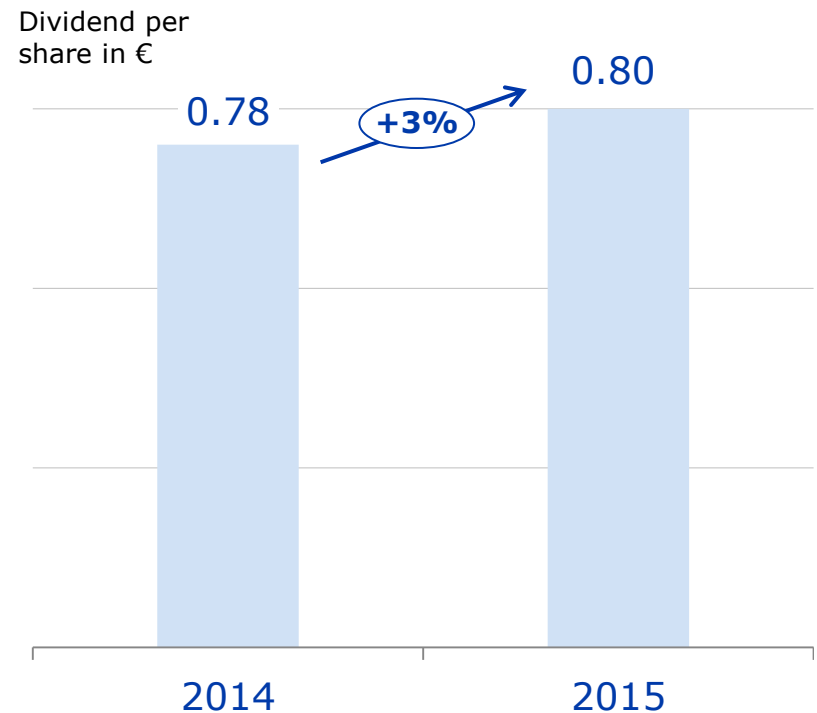


# 19<sup>th</sup> consecutive dividend increase

## Highlights

- ▶ Average annual dividend increase of 9% since 1997 (CAGR)
- ▶ Dividend payout-ratio of ~ 25% in US\$ (1€ = 1.09 USD)
- ▶ Dividend proposal above net income growth
- ▶ AGM: May 12, 2016 (Frankfurt)

## Proposal



CAGR = Compound Annual Growth Rate

# Fresenius Medical Care – re-energized growth

## ▶ North America

- Strong revenue and profit growth throughout the year
- Care Coordination: new business with strong growth perspectives and still in investment mode
- Conversion of patients to Mircera<sup>®</sup> in line with expectations
- Agreement in principle for GranuFlo<sup>®</sup> case

## ▶ International

- Very good organic growth of 8% in health care
- Strong product business in first half 2015, normalized in second half
- Currency headwinds and difficult macroeconomic environment

## ▶ Global Efficiency Program

- well on track

# 2

---

## Financials & outlook

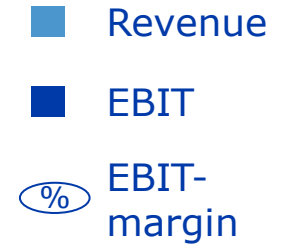
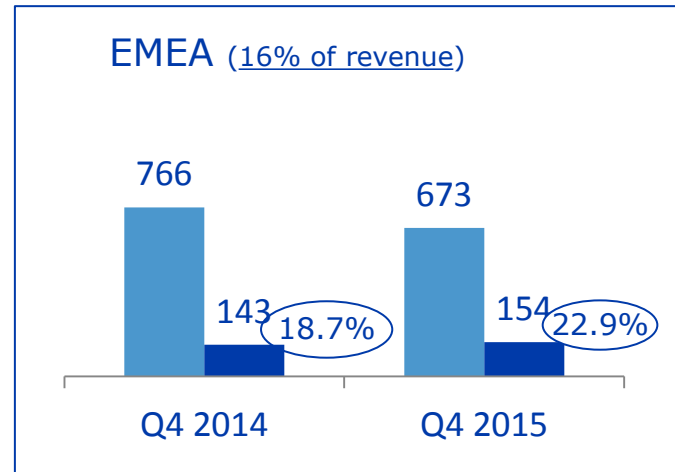
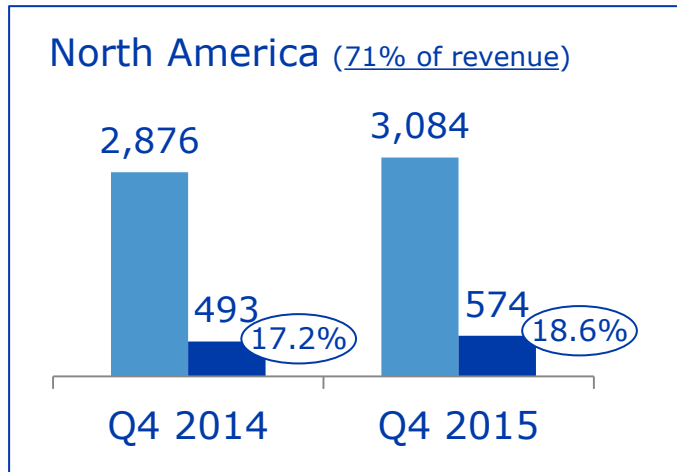
Q4 and fiscal year 2015

## Q4 / fiscal year 2015 – P&L

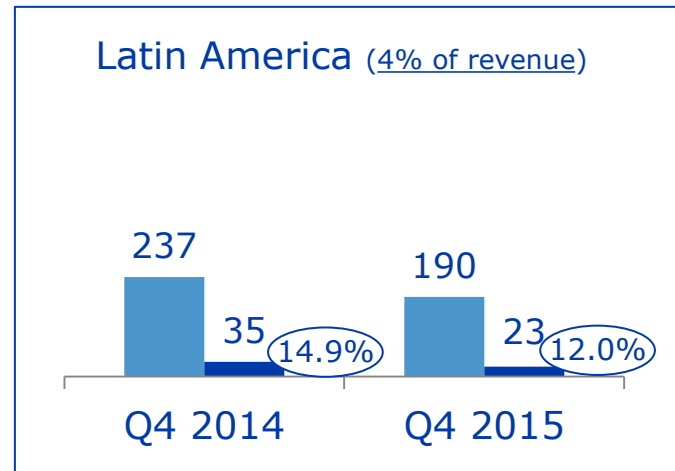
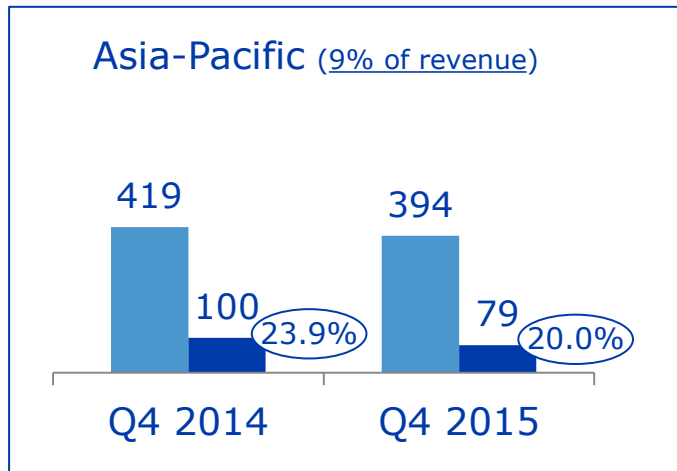
	Q4 2014 US\$ million	<b>Q4 2015</b> US\$ million	Growth in %	FY 2014 US\$ million	<b>FY 2015</b> US\$ million	Growth in %
Total net revenue	4,320	<b>4,348</b>	1	15,832	<b>16,738</b>	6
Operating income (EBIT, excl. special items*)	669	<b>704</b>	5	2,271	<b>2,388</b>	5
<i>EBIT-margin in %</i>	15.5	<b>16.2</b>	70bp	14.3	<b>14.3</b>	-
Operating income (EBIT)	663	<b>662</b>	-	2,255	<b>2,327</b>	3
<i>EBIT-margin in %</i>	15.4	<b>15.2</b>	(20bp)	14.2	<b>13.9</b>	(30bp)
Net interest expense	117	<b>88</b>	(25)	411	<b>391</b>	(5)
Income before taxes	546	<b>574</b>	5	1,844	<b>1,936</b>	5
Income tax expense	143	<b>180</b>	26	584	<b>623</b>	7
<i>Tax rate in %</i>	26.2	<b>31.4</b>	520bp	31.7	<b>32.1</b>	40bp
Non-controlling interest	68	<b>77</b>	14	215	<b>284</b>	32
Net income (excl. special items*)	341	<b>347</b>	2	1,058	<b>1,082</b>	2
Net income	335	<b>317</b>	(6)	1,045	<b>1,029</b>	(2)

\* For detailed information see page 21

# Q4 2015 segment performance \*



Diagramms: different scales applied



in US\$ million

\* excl. special items (for detailed information see page 21)

## Strong cash flow and free cash flow generation

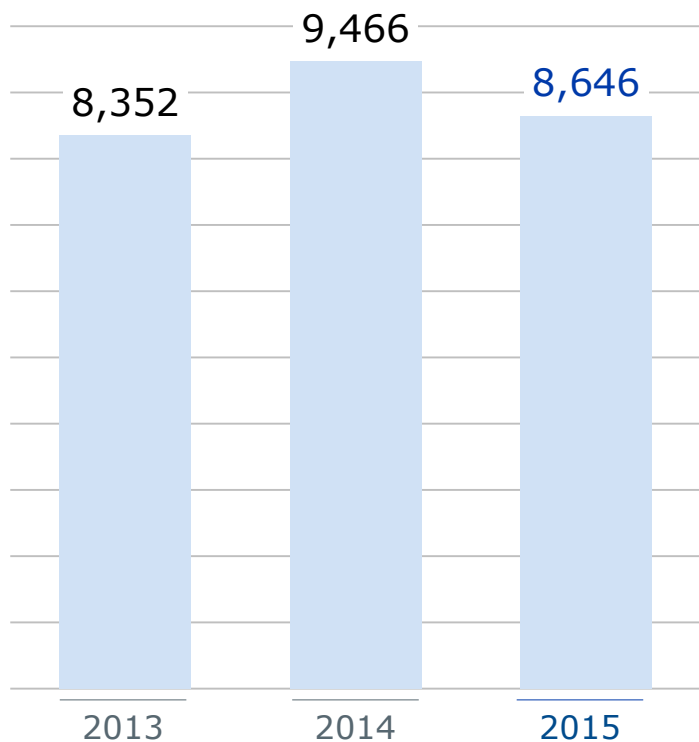
	Q4 2014 US\$ million	<b>Q4 2015</b> US\$ million	FY 2014 US\$ million	<b>FY 2015</b> US\$ million
<b>Operating cash flow</b>	588	548	1,861	<b>1,960</b>
in % of revenue	13.6	12.6	11.8	11.7
Capital expenditures, net	(282)	(299)	(920)	(935)
<b>Free cash flow</b>	306	249	941	<b>1,025</b>
Free cash flow, after acquisitions and investments	(419)	307	(829)	959

Days sales outstanding (DSO) stable at 71 days worldwide

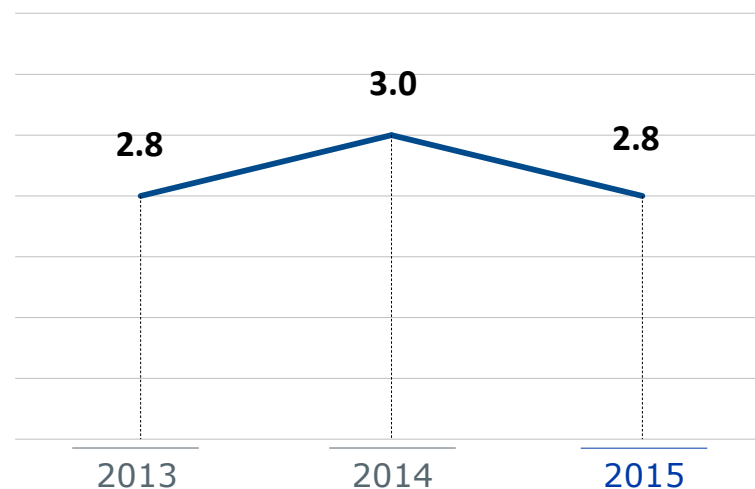
A reconciliation to the most directly comparable U.S. GAAP financial measures is provided in the attachments.

# Healthy credit profile

Total debt<sup>1</sup> in US\$ million



Total debt<sup>1</sup>/EBITDA-ratio



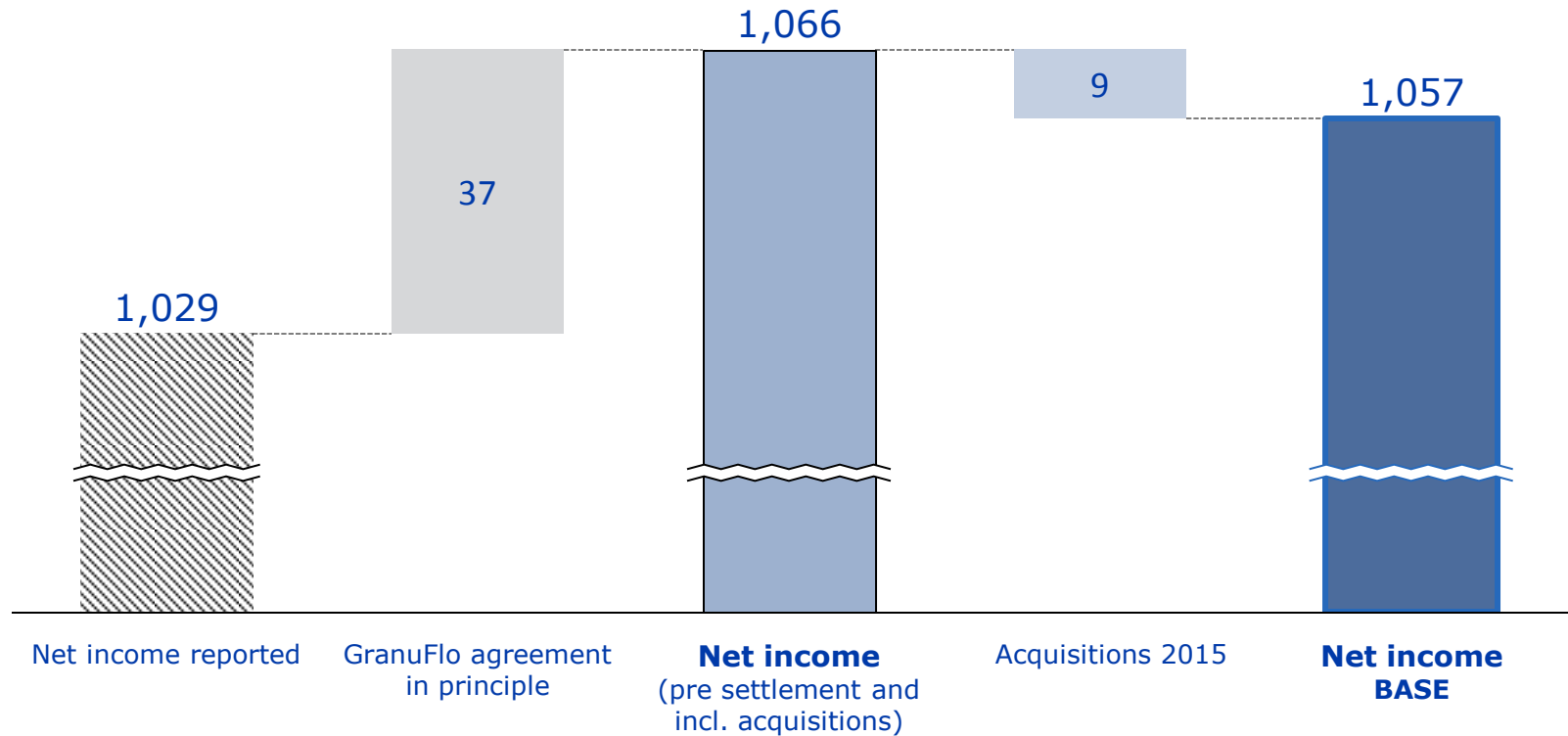
Current Ratings	S&P	Moody's	Fitch
Company	BBB-	Ba1	BB+
Outlook	stable	stable	stable

A reconciliation to the most directly comparable U.S. GAAP financial measures is provided in the attachments.

1) Reclassification of debt issuance costs from current / non-current assets to long-term liabilities (2013, 2014)

# The base for 2016 net income guidance - reconciliation

in US\$ million





# Off to a new record year 2016

	2016 E
Revenue growth	+ 7 to 10% cc
Net income growth	+15 to 20%

## Assumptions:

- ▶ 2016 net income growth outlook is based on current exchange rates
- ▶ Savings from the Global Efficiency Program are included
- ▶ Acquisitions 2015/2016 are not included
- ▶ Net income growth based on US\$ 1,057 million in 2015

cc = constant currency

# 3

---

## Back-up

Q4 and fiscal year 2015

# Attachment 1

## Reconciliation of non-US-GAAP financial measures to the most comparable US-GAAP measure

US\$ million

<b>Debt</b>	FY 2013 <sup>1)</sup>	FY 2014 <sup>1)</sup>	<b>FY 2015</b>
Short term borrowings	97	133	109
+ Short term borrowing from related parties	62	5	19
+ Current portion of long-term debt and capital lease obligations	511	314	664
+ Long-term debt and capital lease obligations less current portion	7,682	9,014	7,854
<b>TOTAL debt</b>	<b>8,352</b>	<b>9,466</b>	<b>8,646</b>

<b>EBITDA</b>	FY 2013	FY 2014 <sup>2)</sup>	<b>FY 2015</b>
Last twelve month operating income (EBIT)	2,256	2,347	2,327
+ Last twelve month depreciation and amortization	648	716	717
+ Non-cash charges	68	57	83
<b>EBITDA (annualized)</b>	<b>2,972</b>	<b>3,120</b>	<b>3,127</b>
<b>Total Debt <sup>1)</sup> / EBITDA</b>	<b>2.8</b>	<b>3.0</b>	<b>2.8</b>

1) Reclassification of debt issuance costs from current / non-current assets to long-term liabilities

2) EBITDA: including largest acquisitions

# Attachment 2

Reconciliation of non-US-GAAP financial measures to most comparable US-GAAP measure

US\$ million

<b>Cash Flow</b>	Q4 2014	<b>Q4 2015</b>	FY 2014	<b>FY 2015</b>
Acquisitions, investments and net purchases of intangible assets	(730)	(151)	(1,779)	(317)
+ Proceeds from divestitures	5	209	9	251
= Acquisitions and investments, net of divestitures	(725)	58	(1,770)	(66)

<b>Capital Expenditure, net</b>	Q4 2014	<b>Q4 2015</b>	FY 2014	<b>FY 2015</b>
Purchase of property, plant and equipment	(285)	(306)	(932)	(953)
- Proceeds from sale of property, plant & equipment	3	7	12	18
= Capital expenditure, net	(282)	(299)	(920)	(935)

# Attachment 3

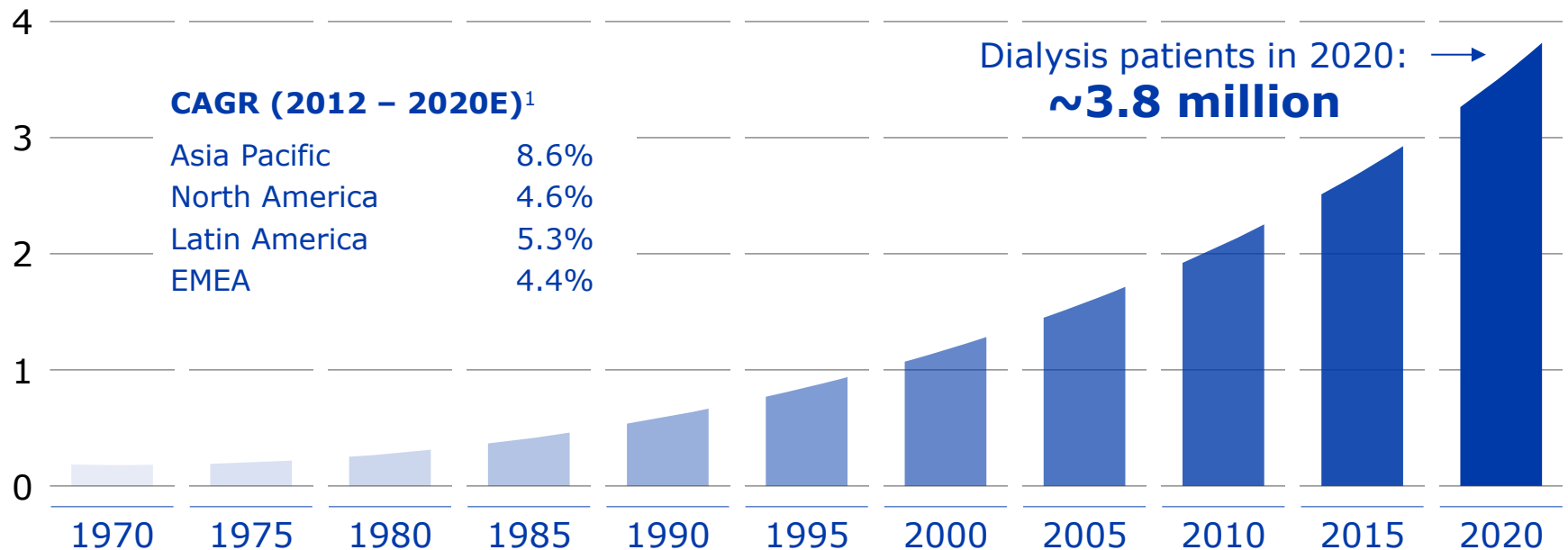
Reconciliation of non US-GAAP financial measures to the most directly comparable US-GAAP financial measures: impact of divestiture of dialysis business in Venezuela, the sale of the European marketing rights for certain renal pharmaceuticals to our Joint Venture Vifor Fresenius Medical Care Renal Pharma, agreement in principle for GranuFlo® and the impact of closing manufacturing plants in 2014.

US\$ million

	Q4 2014	Q4 2015	FY 2014	FY 2015
<b>Operating income (EBIT)</b>	663	<b>662</b>	2,255	<b>2,327</b>
<b>Special items</b>	6	<b>42</b>	16	<b>61</b>
<i>Divestiture of dialysis service business in Venezuela</i>	-	-	-	<b>26</b>
<i>Sale of European marketing rights to JV</i>	-	(18)	-	<b>(25)</b>
<i>Settlement costs for an agreement in principle GranuFlo</i>	-	60	-	<b>60</b>
<i>Closing of manufacturing plants 2014</i>	6	-	16	-
<b>Operating income (EBIT) excluding special items</b>	669	<b>704</b>	2,271	<b>2,388</b>
<b>Net income after minorities</b>	335	<b>317</b>	1,045	<b>1,029</b>
<b>Special items</b>	6	<b>30</b>	13	<b>53</b>
<i>Divestiture of dialysis service business in Venezuela</i>	-	-	-	<b>27</b>
<i>Sale of European marketing rights to JV</i>	-	(7)	-	<b>(11)</b>
<i>Settlement costs for an agreement in principle GranuFlo</i>	-	37	-	<b>37</b>
<i>Closing of manufacturing plants 2014</i>	6	-	13	-
<b>Net income after minorities, excluding special items</b>	341	<b>347</b>	1,058	<b>1,082</b>

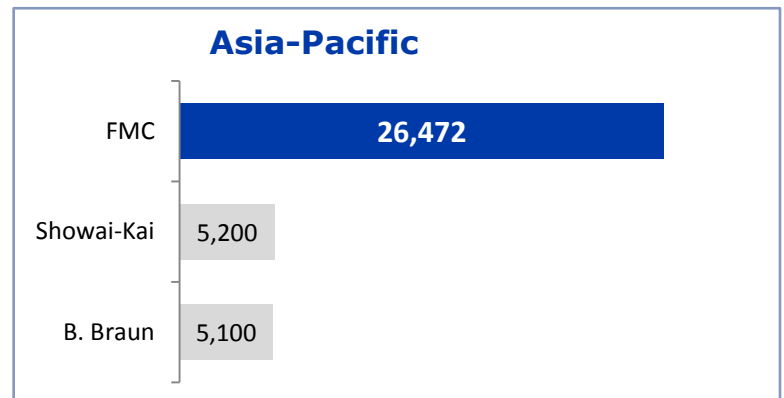
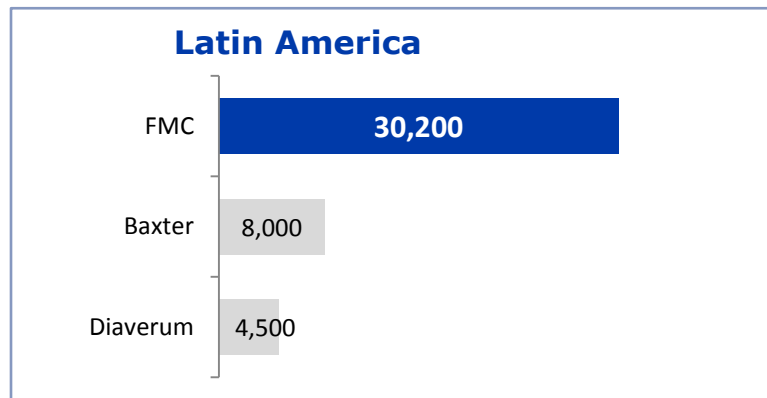
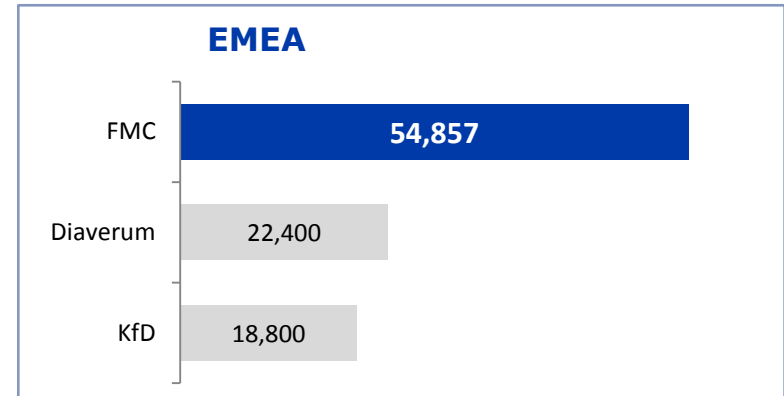
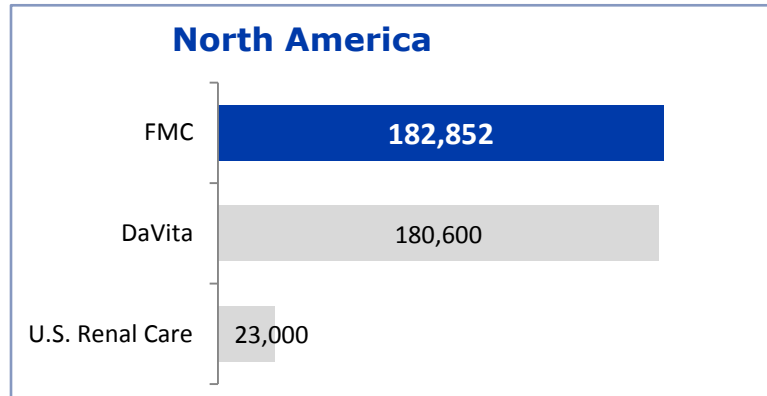
# Expected development of global dialysis patient population

- ▶ Expected patient growth of around 6% p.a.
- ▶ Driven by age, lifestyle and higher life expectancy



<sup>1</sup> Internal estimates

# Dialysis services worldwide – Number of patients treated<sup>1</sup>



**USD  
~73bn  
Market**

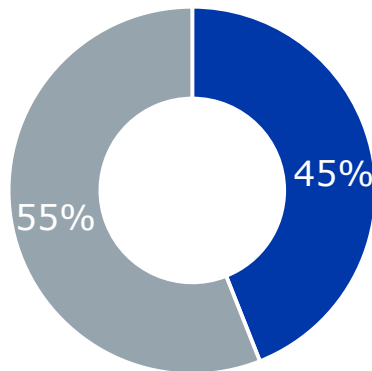
**We lead in every major market,  
treating > 290,000 patients worldwide**

<sup>1</sup> as of December 31, 2015, based on company statements and own estimates.

# Market position by major product groups 2015

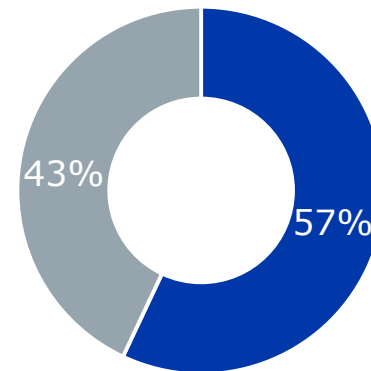
	<b>Position 1</b>
Dialyzers	FMC
Dialysis machines	FMC
Hemodialysis concentrates	FMC
Bloodlines	FMC
Peritoneal dialysis products	Baxter

## Dialyzers



■ FME  
■ Competitors

## Dialysis machines



Sold around 120 million dialyzers in 2015



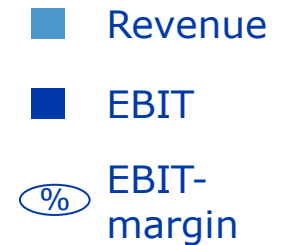
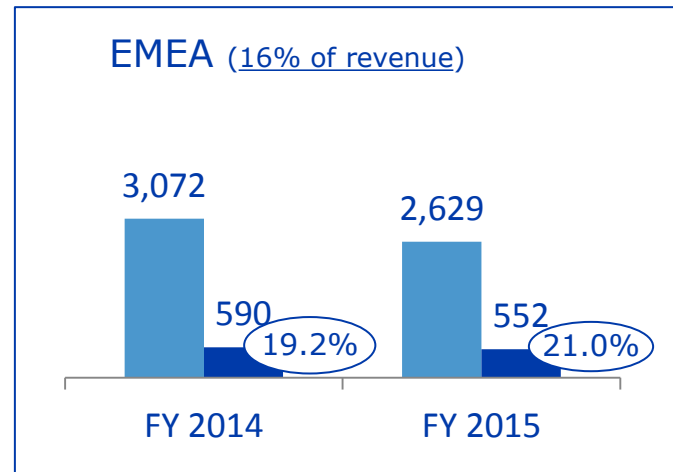
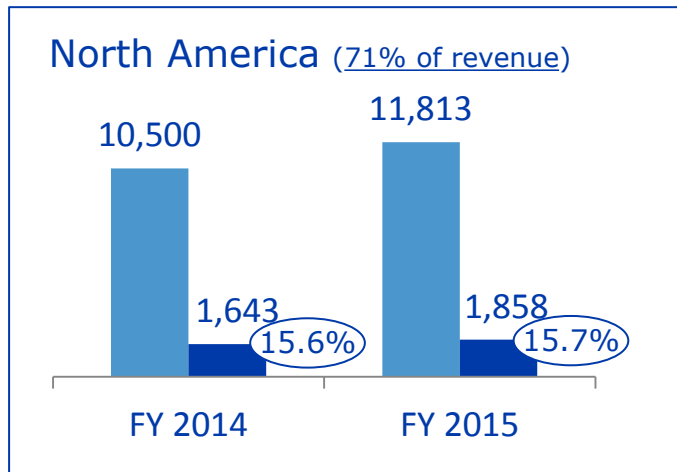
## Q4 - Health Care & product revenue

Healthcare	Q4 2014 US\$ million	Q4 2015 US\$ million	Growth in %	Growth in %cc	Organic growth in %	Same market growth in %
North America	2,640	<b>2,845</b>	8	8	6	4
of which Care Coordination	395	<b>501</b>	27	27	23	-
International	682	<b>617</b>	(10)	5	9	4
<b>Total Health Care</b>	<b>3,322</b>	<b>3,462</b>	<b>4</b>	<b>7</b>	<b>6</b>	<b>4</b>

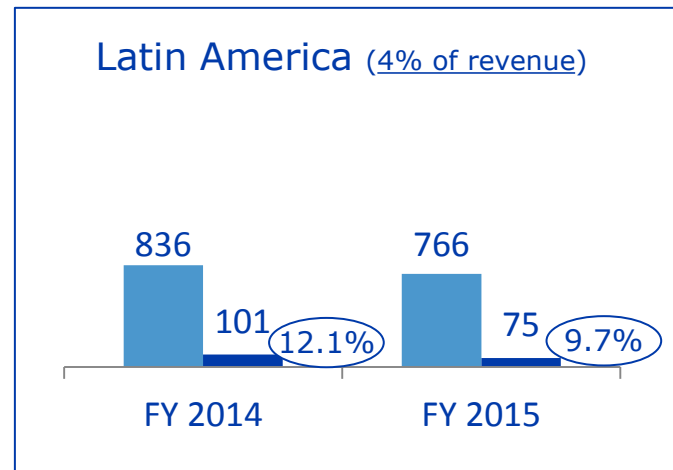
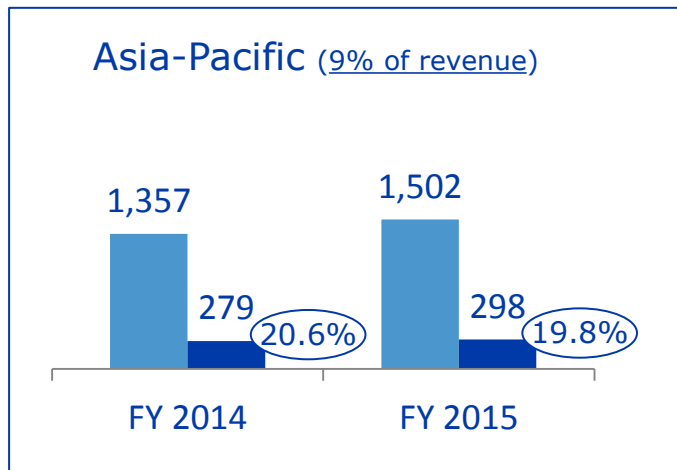
Dialysis Products	Q4 2014 US\$ million	Q4 2015 US\$ million	Growth in %	Growth in %cc
North America	236	<b>239</b>	1	1
International	740	<b>640</b>	(13)	(1)
<b>Total Dialysis Products</b>	<b>998</b>	<b>886</b>	<b>(11)</b>	<b>(2)</b>
Corporate	22	<b>7</b>	(73)	(69)

cc = constant currency

# FY 2015 segment performance\*



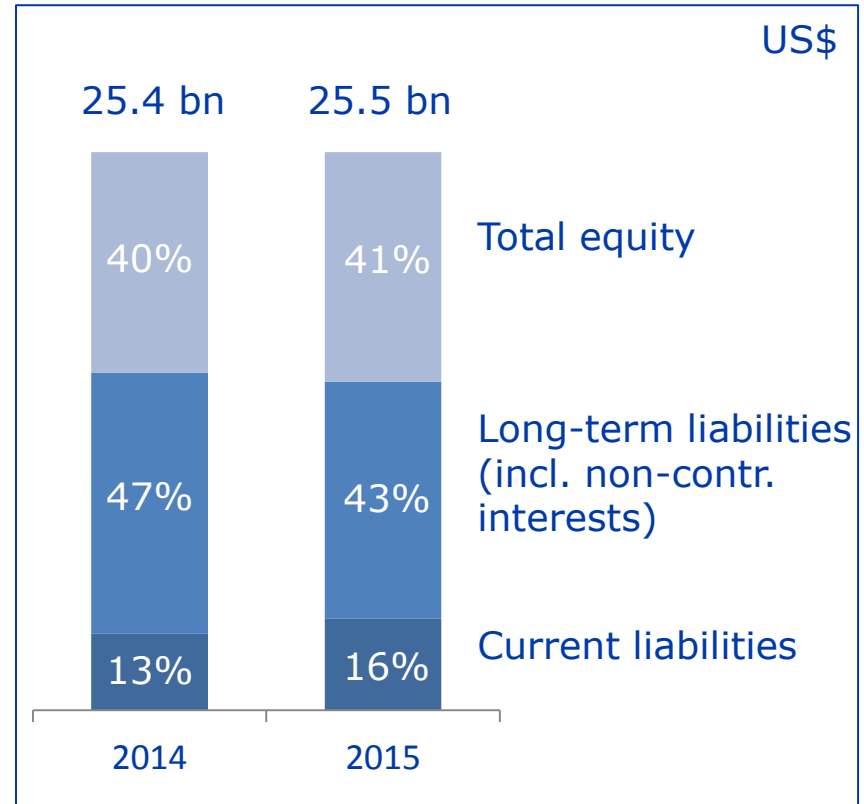
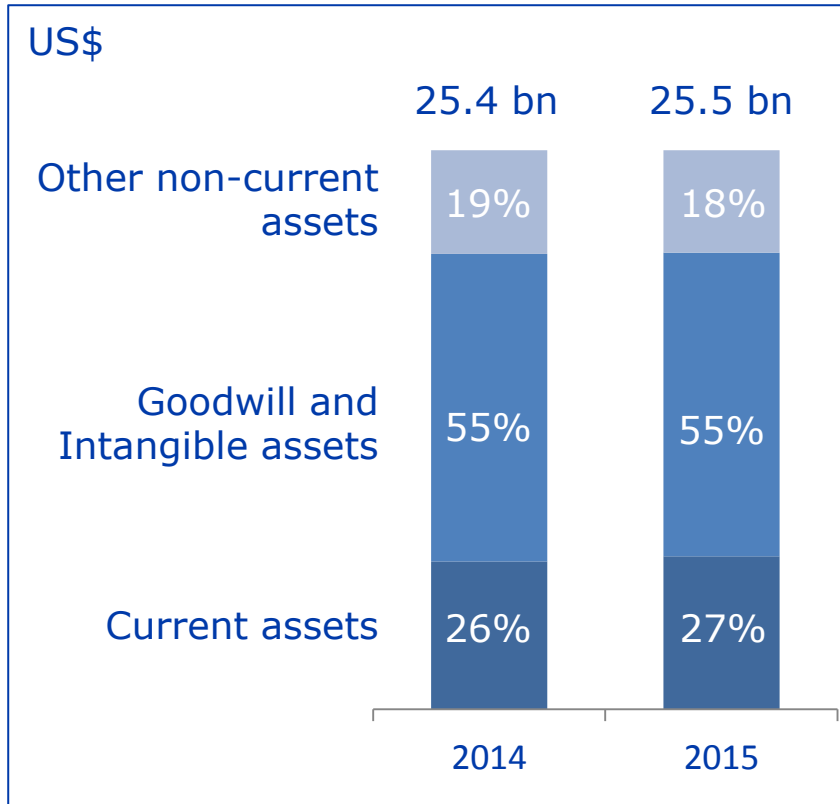
Diagrams: different scales applied



in US\$ million

\* excl. special items (for detailed information see page 21)

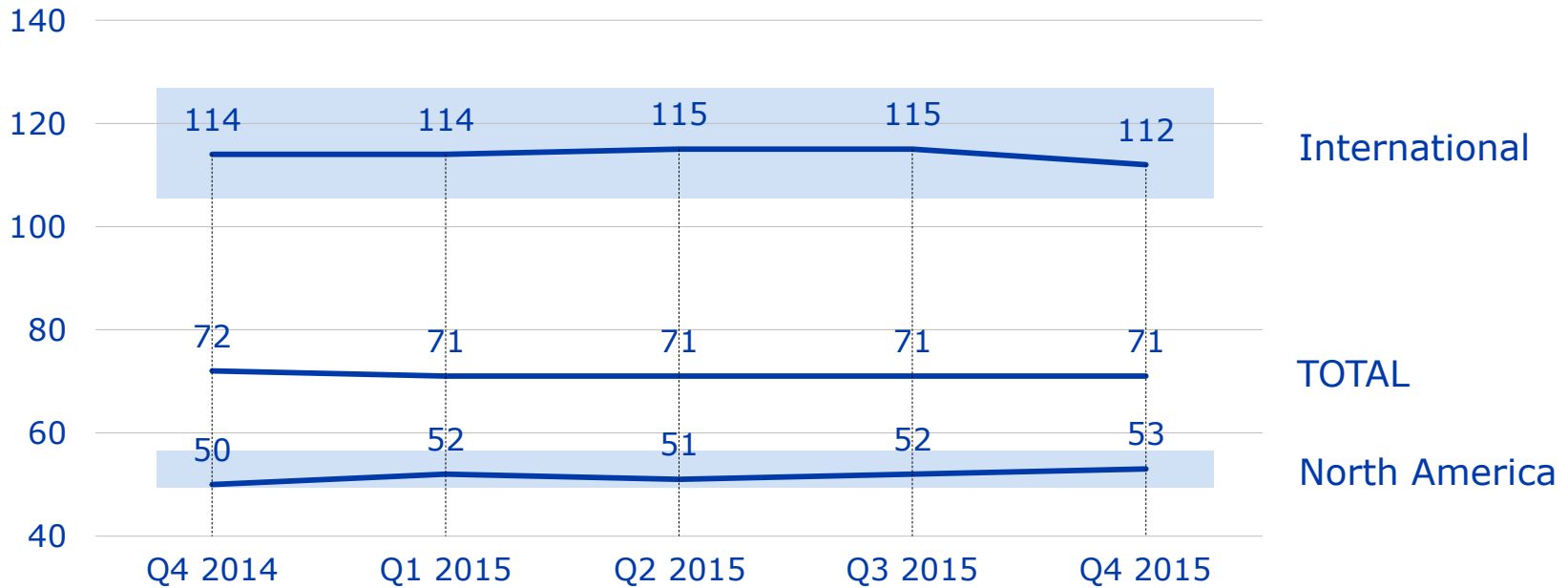
# Balance sheet remains solid



- Proportion of assets similar to 2014
- Higher equity ratio (+100bp yoy)

# Day sales outstanding (DSO)

In days



► Stable payment conditions - International and North America

DSO range since 2011

# Quality outcomes

% of patients	North America		EMEA		Latin America <sup>1</sup>		Asia-Pacific <sup>1</sup>	
	Q3 2015	<b>Q4 2015</b>	Q3 2015	<b>Q4 2015</b>	Q3 2015	<b>Q4 2015</b>	Q3 2015	<b>Q4 2015</b>
Kt/V ≥ 1.2	98	<b>98</b>	96	<b>96</b>	92	<b>92</b>	97	<b>97</b>
No catheter (>90 days)	83	<b>84</b>	82	<b>82</b>	83	<b>83</b>	91	<b>91</b>
Hemoglobin = 10 – 12 g/dl	72	<b>72</b>	77	<b>77</b>	51	<b>52</b>	60	<b>60</b>
Hemoglobin = 10 – 13 g/dl (International)	77	<b>78</b>	77	<b>77</b>	69	<b>69</b>	68	<b>68</b>
Albumin ≥ 3.5 g/dl	78	<b>81</b>	92	<b>92</b>	90	<b>90</b>	88	<b>89</b>
Phosphate ≤ 5.5 mg/dl	65	<b>64</b>	77	<b>79</b>	76	<b>75</b>	71	<b>72</b>
Calcium 8.4 – 10.2 mg/dl	84	<b>84</b>	77	<b>77</b>	76	<b>75</b>	75	<b>75</b>
Hospitalization days, per patient	10.1 <sup>2</sup>	<b>10.0<sup>2</sup></b>	9.6	<b>9.5</b>	3.5	<b>3.5</b>	4.1	<b>4.2</b>

<sup>1</sup> Outcome data in these regions might be more volatile over time as clinic data will be added

<sup>2</sup> Revised U.S. hospitalization data source in Q4 2015 includes open hospitalization records, therefore restated numbers for Q3 2015.

## Patients, treatments, clinics

	<b>Clinics</b> as of Dec. 31, 2015	<b>Patients</b> as of Dec. 31, 2015	<b>Treatments</b> FY 2015, in million
North America	2,210	182,852	27.7
Growth in %	2	4	4
International	1,208	111,529	16.9
Growth in %	1	1	5
EMEA	659	54,857	8.2
Asia-Pacific	320	26,472	3.8
Latin America	229	30,200	4.9
<b>Total</b>	<b>3,418</b>	<b>294,381</b>	<b>44.6</b>
Growth in %	2	3	4

## Exchange rates

		Q4 2014	FY 2014	Q4 2015	FY 2015
<b>\$:€</b>	Period end	1.2141	1.2141	1.0887	1.0887
	Average	1.2498	1.3285	1.0953	1.1095
<b>\$:CNY</b>	Period end	6.2069	6.2069	6.4855	6.4855
	Average	6.1469	6.1616	6.3914	6.2851
<b>\$:RUB</b>	Period end	59.581	59.581	74.1009	74.1009
	Average	47.780	38.353	66.1070	61.3538
<b>\$:ARS</b>	Period end	8.4595	8.4595	12.9825	12.9825
	Average	8.5100	8.1076	10.1201	9.2570
<b>\$:BRL</b>	Period end	2.6527	2.6527	3.9604	3.9604
	Average	2.5410	2.3493	3.8473	3.3352

## Dialysis days per quarter

	Q1	Q2	Q3	Q4	Full year
2014	76	78	79	80	<b>313</b>
2015	76	78	79	80	<b>313</b>
2016	78	78	79	78	<b>313</b>
2017	77	78	79	78	<b>312</b>



**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. The Company has based these forward-looking statements on its views with respect to future events and financial performance. 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 competitive conditions, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings 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) reports filed with the Securities and Exchange Commission (SEC) and the German Exchange Commission (Deutsche Börse).

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 independent of being the reported or the adjusted number. The term EMEA refers to the region Europe, Middle East and Africa. Amounts are in US-\$ if not mentioned otherwise.

**Constant currency:** Changes in revenue include the impact of changes in foreign currency exchange rates. We use the non-GAAP financial measure “at constant exchange rates” in our filings to show changes in our revenue without giving effect to period-to-period currency fluctuations. Under U.S. GAAP, revenues received in local (non-U.S. dollar) currency are translated into U.S. dollars at the average exchange rate for the period presented. When we use the term “constant currency,” it means that we have translated local currency revenues for the current reporting period into U.S. dollars using the same average foreign currency exchange rates for the conversion of revenues into U.S. dollars that we used to translate local currency revenues for the comparable reporting period of the prior year. We then calculate the change, as a percentage, of the current period revenues using the prior period exchange rates versus the prior period revenues. This resulting percentage is a non-GAAP measure referring to a change as a percentage “at constant exchange rates.”

We believe that revenue growth is a key indication of how a company is progressing from period to period and that the non-GAAP financial measure constant currency is useful to investors, lenders, and other creditors because such information enables them to gauge the impact of currency fluctuations on its revenue from period to period. However, we also believe that data on constant currency period-over-period changes have limitations, particularly as the currency effects that are eliminated could constitute a significant element of our revenue and could significantly impact our performance. We therefore limit our use of constant currency period-over-period changes to a measure for the impact of currency fluctuations on the translation of local currency revenue into U.S. dollars. We do not evaluate our results and performance without considering both constant currency period-over-period changes in non-U.S. GAAP revenue on the one hand and changes in revenue prepared in accordance with U.S. GAAP on the other. We caution the readers of this report to follow a similar approach by considering data on constant currency period-over-period changes only in addition to, and not as a substitute for or superior to, changes in revenue prepared in accordance with U.S. GAAP. We present the fluctuation derived from U.S. GAAP revenue next to the fluctuation derived from non-GAAP revenue. Because the reconciliation is inherent in the disclosure, we believe that a separate reconciliation would not provide any additional benefit.

# Contacts

## Fresenius Medical Care

- ▶ **Oliver Maier**  
Head of Investor Relations and Corporate Communications  
Tel: +49-(0) 6172-609-2601  
Email: [oliver.maier@fmc-ag.com](mailto:oliver.maier@fmc-ag.com)
- ▶ **Robert Adolph**  
Director Investor Relations  
Tel.: +49-(0) 6172-609-2477  
Email: [robert.adolph@fmc-ag.com](mailto:robert.adolph@fmc-ag.com)
- ▶ **Juliane Beckmann**  
Senior Manager Investor Relations  
Tel.: +49-(0) 6172-609-5216  
Email: [juliane.beckmann@fmc-ag.com](mailto:juliane.beckmann@fmc-ag.com)
- ▶ **Terry Morris**  
VP Investor Relations North America  
Tel: +1- 800-948-2538  
Email: [terry.morris@fmc-na.com](mailto:terry.morris@fmc-na.com)

Investor Relations  
Else-Kröner-Str. 1  
61352 Bad Homburg v.d.H.  
Germany

Ticker: FME or FMS (NYSE)  
WKN: 578 580  
ISIN: DE00057858002



## Financial calendar \*

May 3, 2016	Report on 1 <sup>st</sup> quarter 2016
May 12, 2016	Annual General Meeting, Frankfurt
Mar 1, 2016	J.P. Morgan Global High Yield & Lev. Finance Conference
Mar 1, 2016	Morgan Stanley European MedTech & Service Conference
Mar 2, 2016	Credit Suisse Global Healthcare Conference
Mar 15, 2016	Exane BNP Paribas Healthcare Conference
Mar 16, 2016	Barclays Global Healthcare Conference

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

CREATING A FUTURE WORTH LIVING.  
FOR PATIENTS. WORLDWIDE.  
EVERY DAY.

# Morgan Stanley European MedTech & Services Conference

---

London  
March 1, 2016



**FRESENIUS  
MEDICAL CARE**