

General Partner's Written Report to the Annual General Meeting of Fresenius SE & Co. KGaA regarding item 8 of the agenda pursuant to sec. 186 para. 4 sent. 2 in conjunction with sec. 203 para. 2 sent. 2 German Stock Corporation Act:

In the following, the General Partner submits a report on the reasons for which it is authorized to exclude shareholder subscription rights in certain cases in the event that the Authorized Capital I is utilized (sec. 186 para. 4 sent. 2 in conjunction with sec. 203 para. 2 sent. 2 German Stock Corporation Act). This report is accessible on the Company's Internet site www.fresenius.com under Investor Relations – Annual General Meeting from the date of convocation of the Annual General Meeting. It will also be available in the meeting room for inspection for the duration of the Annual General Meeting.

If the General Partner exercises its right to increase the capital, the General Partner will, in principle, offer to sell the new shares from the Authorized Capital I to the shareholders. However, under the proposed authorization, the General Partner is entitled to exclude the shareholders' subscription rights in the following cases. These cases are specified in the proposed resolution and are commented in detail below:

Exclusion of subscription rights to eliminate fractional amounts

The General Partner, with the consent of the Supervisory Board, is entitled to exclude shareholders' subscription rights to eliminate fractional amounts in order to achieve a non-fractional issue amount and a rounded subscription ratio. The exclusion of the subscription right for fractional amounts is necessary in order to ensure that the subscription ratio is simple and practical to implement for increased amounts below the share capital. The shares excluded from shareholders' subscription right as unassigned fractions (*freie Spitzen*) will either be sold on the stock exchange or otherwise utilized in an optimal manner for the Company. As any exclusion of the subscription rights is only limited to fractional amounts, any potential dilution effect is negligible.

Exclusion of the subscription rights in the event of a capital increase against contributions in cash

An exclusion of subscription rights in the event of a capital increase against contributions in cash with the consent of the Supervisory Board is also permitted if the issue amount of the new shares does not fall significantly below the market price and the proportional amount of the shares issued under the exclusion of subscription rights does not exceed 10% of the share capital. The basis for calculating the 10% limit is the total share capital resulting from the capital increase from company funds to be resolved under agenda item 7. If, at the time the authorization is exercised, the total share capital is lower, this value shall be decisive. Any sales of own shares and any issue of shares from any other authorized capital must be taken into consideration with regard to this limit if they take place during the waiting period of this authorization under exclusion of subscription rights pursuant to sec. 186 para. 3 sent. 4 German Stock Corporation Act. Rights which authorize or bind to the subscription of shares of the Company must also be taken into consideration, provided that the rights are issued during the term of this authorization under exclusion of subscription rights in accordance with a direct or analogous application of sec. 186 para. 3 sent. 4 German Stock Corporation Act.

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These requirements correspond to the legislator's valuation in sec. 186 para. 3 sent. 4 German Stock Corporation Act, which shall largely exclude a dilution of the value of the interests held by the current shareholders. A placement of the shares under the exclusion of subscription rights affords the opportunity to generate a higher inflow of funds than in the case of an issue in which subscription rights are granted. It enables market-sensitive pricing and the highest possible income from sale as the placement can be executed immediately after specifying the issue price. In the event of an offer of sale to all shareholders, the subscription price can be published until no later than three days prior to the expiration of the subscription period pursuant to sec. 186 para. 2 sent. 2 German Stock Corporation Act. But, even where this room for maneuver is utilized, there would be a risk of a change in price over several days, which, in turn, would result in discounts when setting the selling price. The length of the subscription period would also not allow the Company to react to favorable market conditions in the short term. The opportunity to execute a capital increase under exclusion of subscription rights will allow the General Partner of Fresenius SE & Co. KGaA to take the necessary measures to strengthen the equity base for future business development under optimal conditions. The decisive market price is the market price at the time the General Partner effectively sets the sale price. As market volatility may potentially result in short-term price fluctuations, a decision to determine whether an average price over a few days or a price at a certain reference date is to be specified shall not be made in advance. This shall be determined in each individual case.

Exclusion of subscription rights in the event of a capital increase against contributions in kind

In the event of a capital increase against contributions in kind, the General Partner, with the consent of the Supervisory Board, is entitled to exclude subscription rights if the Authorized Capital I is used to acquire a company, parts of a company or an interest in a company.

Without the exclusion of subscription rights, the Authorized Capital I could not be used to finance acquisitions for the purpose specified above. The authorization to grant the Company's ordinary shares against contributions in kind is expected to give the Company the necessary scope to exploit beneficial opportunities to acquire companies, parts of companies or interests in companies both quickly and flexibly. In particular, in order to remain competitive at an international level, the Company must always be in a position to act quickly and flexibly on international markets in the interests of its shareholders. The Authorized Capital I in connection with the opportunity to exclude subscription rights in the event of a capital increase against contributions in kind addresses this issue. It provides the opportunity to offer consideration of the company's shares rather than cash in the event that an acquisition opportunity emerges. This protects the liquidity of the Company. In this way, debt levels also remain manageable. The financial interests of the shareholders are protected by the obligation placed on the General Partner to issue the new shares at an issue price corresponding to sec. 255 para. 2 German Stock Corporation Act, which is proportional to the value of the contribution in kind upon utilization of the authorization. The market price will matter when calculating the value of the shares granted as consideration. However, a schematic link to a market price is not planned, in particular, in order to prevent the results of negotiations being put at risk by fluctuations in the market price.

Limitation of the overall scope of capital increases free from subscription rights

The General Partner may only exercise the aforementioned powers to exclude subscription rights to the extent that the proportional amount of all shares issued subject to an exclusion of subscription rights does not exceed 20% of the share capital. The calculation of the 20%

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limit shall be based on the sum of the share capital which results from the capital increase in company funds to be resolved under agenda item 7, or on the sum of the share capital at the time when such powers are exercised, whichever is lower. This restricts the overall scope of shares that may be issued from Authorized Capital I free from subscription rights. If, during the period of validity of the Authorized Capital I until its utilization, other authorizations concerning the issue or the sale of the shares of the Company or the issue of rights, which authorize or bind to the subscription of shares of the Company are used and the right of subscription is thereby excluded, this has to be taken into consideration with regard to the aforementioned 20% limit. In this way, shareholders will be given additional protection against the possible dilution of their existing holdings.

There are currently no plans to utilize the Authorized Capital I. In all cases, the General Partner will carefully examine whether the exercise of the authorization to issue new shares and to exclude subscription rights is in the interests of the Company and its shareholders. It will report to the Annual General Meeting each time these powers are exercised as well as the specific reasons for the exclusion of subscription rights.

Bad Homburg v.d.H., April 2014

Fresenius SE & Co. KGaA

**The General Partner
Fresenius Management SE
The Management Board**