

## Inaugural Jefferies Healthcare Summit



Zurich, 08 March 2019

## Safe Harbor Statement

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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.

# A Global Leader In HealthCare Products And Services

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**~€33.5 bn in Sales**  
(as of Dec. 31, 2018)

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**Strong portfolio  
of products** (30% of sales)  
**and services** (70% of sales)

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**Total Shareholder Return:  
10-year CAGR: ~15%**

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**Global presence in  
100+ countries**

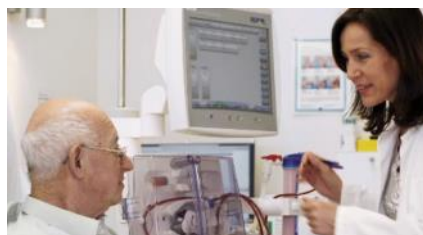
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**275,000+ employees  
worldwide**  
(as of December 31, 2018)

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# Strong and Balanced Health Care Portfolio



Ownership: ~31%

## Dialysis Products Health Care Services

- Dialysis services
- Hemodialysis products
- Peritoneal dialysis products
- Care coordination

**Sales 2018: €16.5 bn**



Ownership: 100%

## Hospital Supplies

- IV drugs
- Biosimilars
- Clinical nutrition
- Infusion therapy
- Medical devices/  
Transfusion technology

**Sales 2018: €6.5 bn**



Ownership: 100%

## Hospital Operation

- Acute care
- Outpatient services

**Sales 2018: €9.0 bn<sup>1</sup>**



Ownership: 77%

## Projects and Services for Hospitals

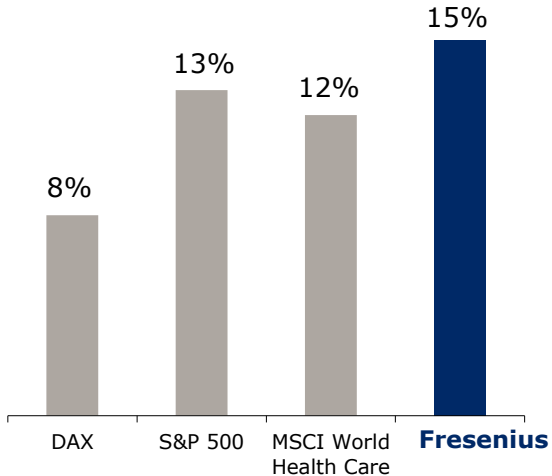
- Post-acute care
- Project development & Planning
- Turnkey construction
- Maintenance & Technical and total operational management

**Sales 2018: €1.7 bn<sup>1</sup>**

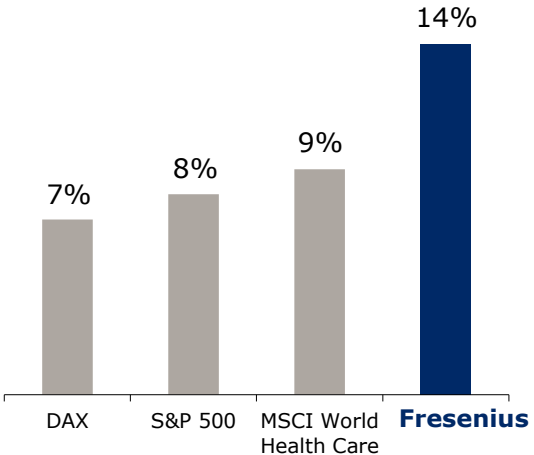
<sup>1</sup> Reflects the transfer of German post-acute care business from Fresenius Helios to Fresenius Vamed as of July 1, 2018

# Total Shareholder Return – CAGR, Rounded

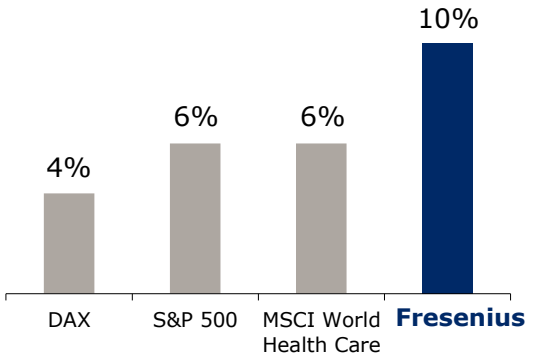
## 10 years



## 15 years



## 20 years



Source: Bloomberg; dividends reinvested, as of Dec 31, 2018

# Fresenius Medical Care: Global Dialysis Market Leader

- The world's leading provider of dialysis products and services treating more than 330,000 patients<sup>1</sup> in ~3,900 clinics<sup>1</sup>
- Provide highest standard of product quality and patient care

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 Dialysis products

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 Dialysis services

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 Complete therapy offerings

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- Expansion in Care Coordination and global dialysis service opportunities; enter new geographies

## Market Dynamics

### Global Dialysis Market 2018:

- ~€71 bn
- ~6% patient growth p.a.

### Growth Drivers:

- Aging population, increasing incidence of diabetes and high blood pressure, treatment quality improvements



<sup>1</sup> As of December 31, 2018

# Fresenius Kabi: A Leading Global Hospital Supplier

- Comprehensive product portfolio for critically and chronically ill patients
- Strong Emerging Markets presence
- Leading market positions in four product segments



Generic IV Drugs



Clinical Nutrition



Infusion Therapy



Medical Devices /  
Transfusion Technology



Biosimilars

- Focus on organic growth through geographic product rollouts and new product launches
- Development of biosimilars with a focus on oncology and autoimmune diseases

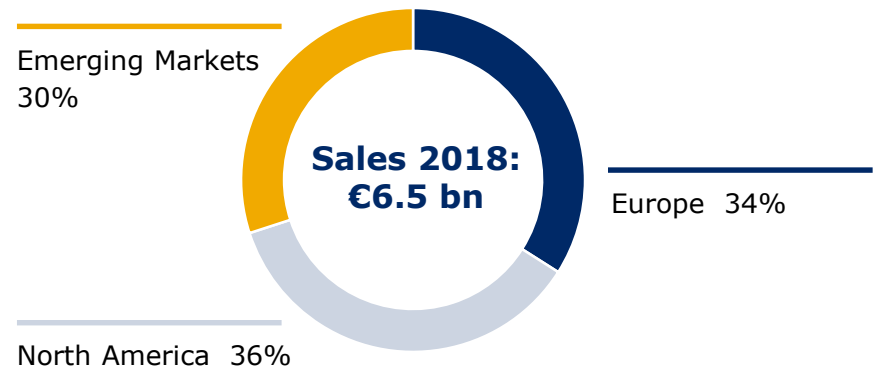
## Market Dynamics

### **Global Addressable Market 2018:**

- ~€81 bn

### **Growth Drivers:**

- Patent expirations, rising demand for health care services, higher health care spending in Emerging Markets



# Fresenius Helios: Europe's Largest Private Hospital Operator

## Helios Germany

- ~5%<sup>1</sup> share in German acute care hospital market
- Organic growth based on growing number of admissions and reimbursement rate increases
- Ranks as quality leader in the German hospital sector: defined quality targets, publication of medical treatment results, peer review processes
- Key medical indicators, e.g. mortality rate for heart failure, pneumonia below German average

### Market Dynamics

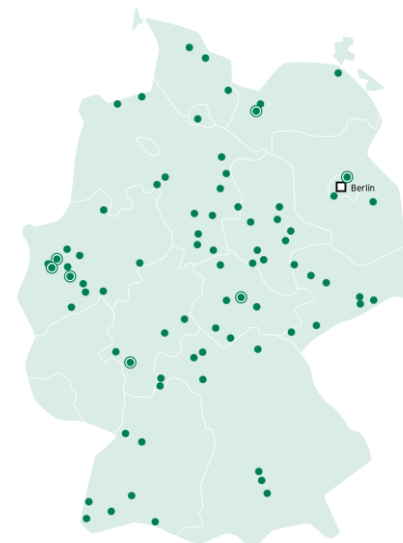
#### **German Acute Care Hospital Market:**

- ~€102 bn<sup>2</sup>

#### **Growth Drivers:**

- Aging population leading to increasing hospital admissions

### Largest network & nationwide presence



86 hospitals  
~29,000 beds  
~1.2 million inpatient admissions p.a.  
~4.1 million outpatient admissions p.a.

As of December 31, 2018

 Acute Care

 Outpatient

<sup>1</sup> Based on sales

<sup>2</sup> German Federal Statistical Office 2018; total costs, gross of the German hospitals less academic research and teaching



# Fresenius Helios: Europe's Largest Private Hospital Operator

## Helios Spain

- ~€3.0 bn sales in 2018
- ~12%<sup>1</sup> share in Spanish private hospital market
- Market leader in size and quality with excellent growth prospects
- Broad revenue base with privately insured patients, PPPs, self-pay and Occupational Risk Prevention (ORP)
- Strong management team with proven track record
- Cross-selling opportunities



Acute Care



Outpatient



Occupational Risk Prevention

<sup>1</sup> Based on sales

<sup>2</sup> Market data based on company research. Market definition does neither include Public Private Partnerships (PPP) nor Occupational Risk Prevention centers (ORP)

### Market Dynamics

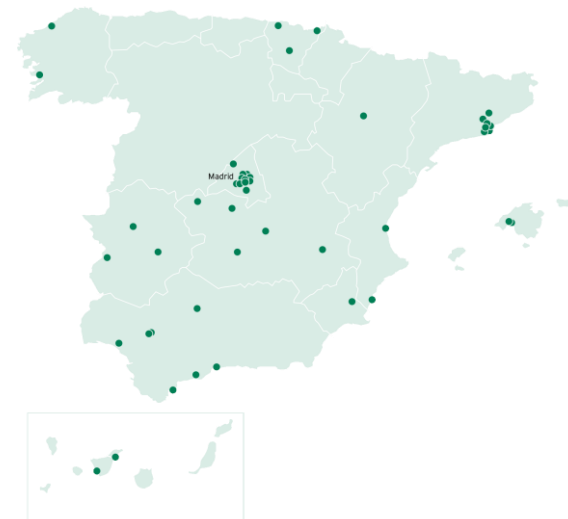
#### **Spanish Private Hospital Market:**

- ~€14 bn<sup>2</sup>

#### **Growth Drivers:**

- Aging population, increasing number of privately insured patients, greenfield projects, market consolidation

### Quirónsalud hospitals in every major metropolitan region of Spain



47 hospitals  
~7,000 beds  
~12.9 m outpatient admissions p.a.  
~0.4 m inpatient admissions p.a.

As of December 31, 2018

# Fresenius Vamed: Leading Global Hospital Projects and Services Specialist

- Manages hospital construction/expansion projects and provides services for health care facilities worldwide
- Offers project development, planning, turnkey construction, maintenance as well as technical management, and total operational management
- Strong track record: More than 900 projects in over 90 countries completed
- Leading European post-acute care provider operating in five European countries



Projects



Services



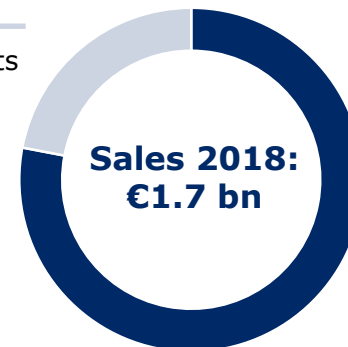
Post-acute care

## Market Dynamics

### Growth Drivers:

- Emerging Market demand for building and developing hospital infrastructure
- Outsourcing of non-medical services from public to private operators

Emerging Markets  
22%



Europe 78%

# Fresenius Group

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- **Delivered on FY/18 Group targets**
- **26<sup>th</sup> consecutive dividend increase proposed**
- **Significant investments into medium-term growth in FY/18 and FY/19**
- **Fresenius Kabi expected to show continued growth in FY/19**
- **Helios Germany impacted by regulatory changes and initiatives to secure medium-term growth; Helios Spain with continued dynamic growth**
- **Healthy growth targets for 2020 - 2023**

# Fresenius Kabi: Significant investments

## IV Generics

- ~US\$350 million investment in Melrose Park, USA
  - Installation of state-of-the-art sterile pharmaceutical production, packaging technologies and related laboratories
- ~ US\$120 million investment in Grand Island, USA,
  - New production lines and other infrastructure improvements to foster automation and increase capacity

## Infusion Solutions

- ~US\$350 million investment in Wilson, USA
  - Construction of manufacturing facility on existing site

## Biosimilars

- Expected launch of Adalimumab in EU
- Further development of product pipeline



## Clinical Nutrition

- ~€150 million investment in Enteral Nutrition plant in Wuxi, China
  - New building and production lines for enteral nutrition products
- ~€100 million investment in Emmer-Compascuum, Netherlands,
  - New production lines for enteral nutrition products

# Fresenius Kabi: US Generic IV Drug Market in FY/19

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## 2019 pricing environment expected to be in line with recent years

- Key molecules to see more competition, however broadly unchanged pricing environment in large base business
- Healthy volume growth projected to more than offset price decline
- Continued low single-digit price decline for core portfolio anticipated in 2019

## Excellent competitive position - strong customer relationships and pipeline

- FDA accelerated approvals of generics – especially for drugs with limited number of approvals
- Excellent customer relationships and strong pipeline mitigate risk
- Similar level of launches expected as in FY/18



# Helios Germany: Improved visibility

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## Active management of regulatory challenges by adjusting structures

- Clustering (to fulfill minimum number of indications)
- Setting up regional centers
- Increased regional cooperation between clinics

## Being attractive for nurses

- Central, regional and local recruiting measures
- Impact of minimum staffing levels on FY/19 financials benign
- "Pflegetarifvertrag" – collective bargaining for nurses

## Profit from trend towards outpatient services

- Attractive network of ~125 MVZs (polyclinics)
- Leverage and scaling of outpatient services

## New business models

- Develop internationally scalable business models
- New business areas for Germany (e.g. video consulting, occupational health)
- Digitization for comprehensive cross-sector care

## DRG change from 2020 onwards

- We expect that the impact on FY/20 financials is manageable



# Helios Spain: Continued dynamic growth

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## Growth projects

- **Acquisition Clínica Medellín, Colombia**
  - Closing expected in Q1/19
  - ~€50 million investment
- **Acquisition in Huelva**
  - Entrance into a new region
  - Hospital Costa de la Luz, €15 million sales, 50 beds, 7 operating rooms
- **Greenfield project in Torrejón**
  - 60 beds, 4 operating rooms, total investment of ~€30 million
  - Expected opening in 2021
- **Expansion Madrid hospital**
  - +50 additional beds and 2 additional ambulatory operating rooms
  - Opening end of 2019 expected

## Innovative projects

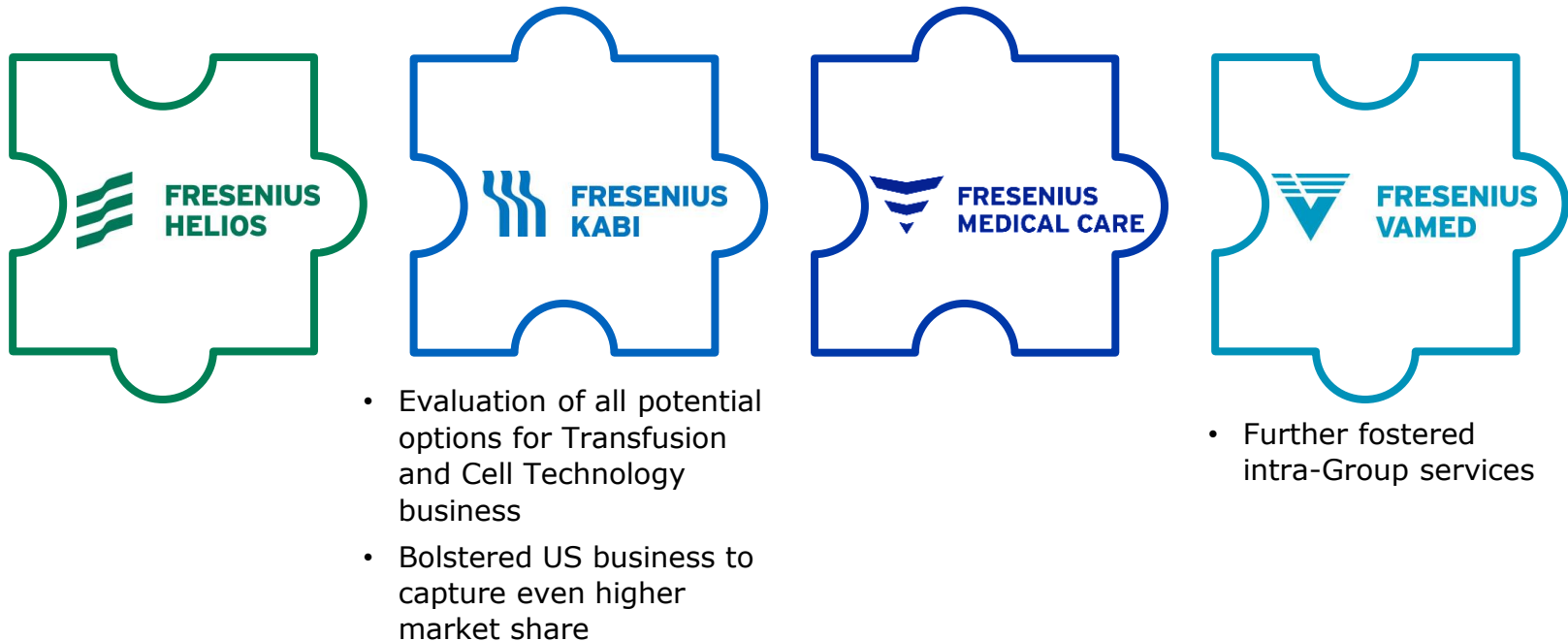
- **Proton Therapy Center**
  - First proton therapy center in Spain with a total investment of €40 million
  - Construction project is on track, equipment is already installed and under commissioning process
  - Expected opening by the end of 2019



# Fresenius Group: Portfolio alignment and cost savings to improve profitability and fuel growth trajectory

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- Reshaping German hospital network to lead regulatory changes
- Focus on process optimization and improved patient service
- Cost optimization program on top of GEP II initiated
- Strategic review of apheresis business



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## Allocating capital to higher-margin segments and business lines

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# Fresenius Group: Capital deployment centers on sustainable long-term value creation

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## Re-investments in own business

Fuel organic growth with low-risk high-return investments



## Strategic acquisitions

Short-term focus on small bolt-on acquisitions; long-term rigorous pursuit of inorganic growth trajectory



## Dividends

26 years of consecutive dividend increases; CAGR of ~16%



## Share buy backs

Currently more attractive growth opportunities in operating investments

# Fresenius Group: Healthy Growth Targets 2020 - 2023



 **Growing Markets with High Entry Barriers**

 **Attractive markets**

 **Marketing of existing value chain**

 **Attractive Product Pipeline**

 **Market consolidation**

 **Strengthening and extension of value chain**

 **Entry into attractive biosimilars business**

 **Synergies**

 **Development of post-acute care business**

 **Strong Emerging Markets Presence**

 **Greenfield investments in Spain**

 **Expansion of geographic presence**

 **Further Internationalization**

# Financial Review FY/18



## Fresenius Group: Q4/18 & FY/18 Profit and Loss Statement

€m	Q4/18	Δ YoY cc	FY/18	Δ YoY cc
Sales	<b>8,835</b>	7% <sup>1</sup>	<b>33,530</b>	6% <sup>1</sup>
EBIT	<b>1,250</b>	0%	<b>4,561</b>	-1%/1% <sup>2</sup>
EBIT (excl. biosimilars)	<b>1,303</b>	0%	<b>4,727</b>	1%/3% <sup>2</sup>
Net interest	<b>-129</b>	12%	<b>-570</b>	7%
Income taxes	<b>-253</b>	17%	<b>-880</b>	21%
<b>Net income</b>	<b>504</b>	5%	<b>1,871</b>	7%
<b>Net income (excl. biosimilars)</b>	<b>542</b>	6%	<b>1,991</b>	11%

<sup>1</sup> Growth rate adjusted for IFRS 15 adoption and divestitures of Care Coordination activities

<sup>2</sup> Excluding VA agreement

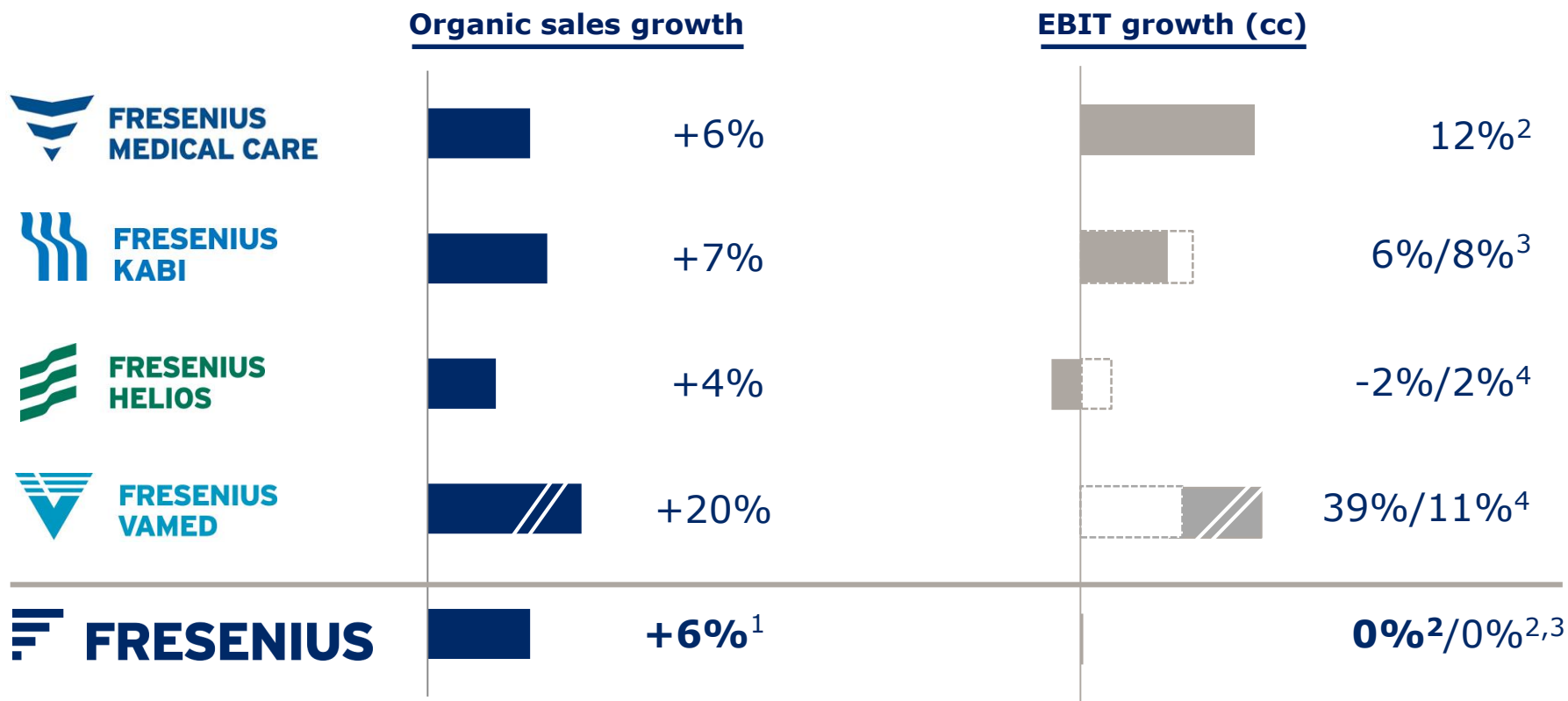
All growth rates in constant currency (cc)

Net income attributable to shareholders of Fresenius SE & Co. KGaA

All figures before special items

For a detailed overview of special items and adjustments please see the reconciliation tables on slides 59-66.

# Fresenius Group: Q4/18 Business Segment Growth



<sup>1</sup> Growth rates adjusted for IFRS 15 adoption and divestitures of Care Coordination activities

<sup>2</sup> EBIT reported

<sup>3</sup> Excl. biosimilars

<sup>4</sup> Adjusted for transfer of German post-acute care business from Helios to Vamed

All figures before special items

For a detailed overview of special items and adjustments please see the reconciliation tables on slides 59-66.

## Fresenius Kabi: Organic Sales Growth by Regions

€m	Q4/18	Δ YoY organic	FY/18	Δ YoY organic
North America	599	5%	2,359	8%
Europe	590	3%	2,248	3%
Asia-Pacific/Latin America/Africa	498	15%	1,937	12%
Asia-Pacific	336	13%	1,300	12%
Latin America/Africa	162	18%	637	13%
<b>Total sales</b>	<b>1,687</b>	<b>7%</b>	<b>6,544</b>	<b>7%</b>

## Fresenius Kabi: Q4 & FY/18 EBIT Growth

€m	Q4/18	Δ YoY cc	FY/18	Δ YoY cc
North America Margin	216 36.1%	9% 110 bps	894 37.9%	10% 70 bps
Europe Margin	97 16.4%	-9% -210 bps	355 15.8%	3% -10 bps
Asia-Pacific/Latin America/Africa Margin	116 23.3%	22% 140 bps	398 20.5%	14% 40 bps
Corporate and Corporate R&D	-144	-10%	-508	-30%
<b>Total EBIT<sup>1</sup></b> Margin <sup>1</sup>	<b>285</b> 16.9%	<b>6%</b> -20 bps	<b>1,139</b> 17.4%	<b>2%</b> -110 bps
<b>Total EBIT excl. Biosimilars<sup>1</sup></b> Margin <sup>1</sup>	<b>338</b> 20.0%	<b>8%</b> 10 bps	<b>1,305</b> 19.9%	<b>10%</b> 40 bps

Margin growth at actual rates

<sup>1</sup> Before special items

For a detailed overview of special items and adjustments please see the reconciliation tables on slides 59-66.

# Fresenius Kabi: Expected Organic Sales Growth 2019

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## North America

### Low to mid-single-digit growth

- Growth in 2019 mainly driven by new drug launches and further ramp-up of pre-filled syringe business
- More competition for key molecules; broadly unchanged pricing environment in base business
- Continued significant launch activity in 2019



## Europe

### Low to mid-single-digit growth

- Enteral nutrition with dynamic growth momentum
- Launch of biosimilar Adalimumab expected



# Fresenius Kabi: Expected Organic Sales Growth 2019

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## Emerging Markets

### Likely double-digit growth

#### China:

- Attractive growth prospects
- Growth particularly driven by Clinical Nutrition and IV drugs

#### Asia-Pacific ex China:

- Very positive sentiment
- Strong growth momentum expected



#### Latin America/Africa:

- Continued strong growth expected

# Fresenius Helios

## Helios Germany

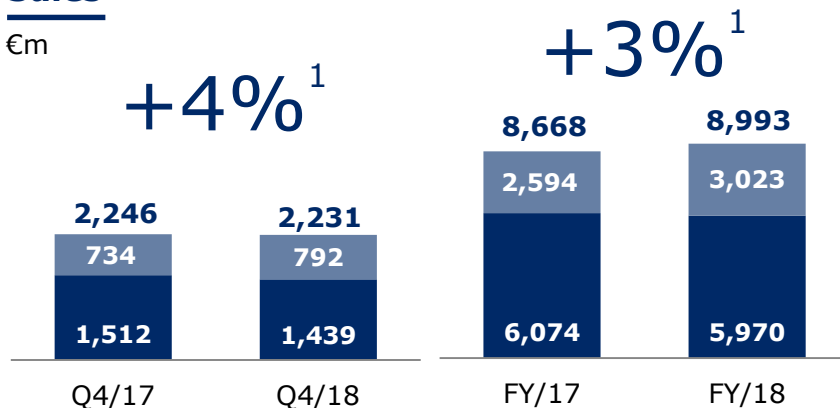
- Organic sales growth of 3% in Q4/18 – DRG price increases and better results from the negotiations with our payors offset decline in admissions
- DRG catalogue effects, preparatory structural activities and vacancies for doctors and specialized nurses continue to weigh on earnings development

## Helios Spain

- Strong sales growth of 8% in Q4/18
- Additional month of consolidation contributed significantly to 17% sales growth in FY/18
- Excellent organic sales growth
  - 7% in Q4/18
  - 6% in FY/18

### Sales

€m



<sup>1</sup> Organic sales growth

■ Helios Germany

■ Helios Spain



## Fresenius Helios: Q4 & FY/18 Key Financials

€m	Q4/18	Δ YoY	FY/18	Δ YoY
<b>Total sales</b>	<b>2,231</b>	<b>-1%/4%<sup>2</sup></b>	<b>8,993</b>	<b>4%/6%<sup>2</sup></b>
Thereof Helios Germany	1,439	-5%/3% <sup>2</sup>	5,970	-2%/2% <sup>2</sup>
Thereof Helios Spain <sup>1</sup>	792	8%	3,023	17%
<b>Total EBIT</b>	<b>277</b>	<b>-2%/2%<sup>2</sup></b>	<b>1,052</b>	<b>0%/3%<sup>2</sup></b>
Margin	12.4%	-20 bps	11.7%	-40 bps
Thereof Helios Germany	137	-22%/-15% <sup>2</sup>	625	-14%/-10% <sup>2</sup>
Margin	9.5%	-210 bps	10.5%	-140 bps
Thereof Helios Spain <sup>1</sup>	127	19%	413	26%
Margin	16.0%	+140 bps	13.7%	+110 bps
Thereof Corporate	13	--	14	--

<sup>1</sup> Consolidated since February 1, 2017

<sup>2</sup> Adjusted for German post-acute care business transferred to Vamed

# Fresenius Vamed

- Both business segments contributed to the excellent organic sales growth of 16% in FY/18
- Sales share of more stable and high margin service business clearly outstrips project business
- €1,227 m order intake at all-time high; strong foundation for future growth









€m	Q4/18	Δ YoY	FY/18	Δ YoY
<b>Total sales</b>	<b>697</b>	<b>45%</b> 22% <sup>1</sup>	<b>1,688</b>	<b>37%</b> 19% <sup>1</sup>
Thereof organic sales		20%		16%
Project business	360	18%	712	17%
Service business	337	93% 28% <sup>1</sup>	976	57% 20% <sup>1</sup>
<b>Total EBIT</b>	<b>61</b>	<b>39%</b> 11% <sup>1</sup>	<b>110</b>	<b>45%</b> 9% <sup>1</sup>
Order intake <sup>2</sup>	660	65%	1,227	12%
Order backlog <sup>2</sup>			2,420	13%

<sup>1</sup> Without German post-acute care business acquired from Helios

<sup>2</sup> Project business only

# Fresenius Group: Cash Flow

€m	Operating CF		Capex (net)		Free Cash Flow <sup>1</sup>	
	Q4/18	LTM Margin	Q4/18	LTM Margin	Q4/18	LTM Margin
 FRESENIUS KABI	220	15.9%	-201	-8.5%	19	7.4%
 FRESENIUS HELIOS	167	6.2%	-176	-4.9%	-9	1.3% <sup>2</sup>
 FRESENIUS VAMED	108	6.3%	-15	-1.7%	93	4.6%
<b>Corporate/Other</b>	0	n.a.	-28	n.a.	-28	n.a.
 <b>FRESENIUS</b> Excl. FMC	<b>495</b>	<b>10.4%<sup>3</sup></b>	<b>-420</b>	<b>-6.3%</b>	<b>75</b>	<b>4.1%<sup>3</sup></b>
 <b>FRESENIUS</b> Q4/18	<b>1,193</b>	<b>11.2%</b>	<b>-721</b>	<b>-6.2%</b>	<b>472</b>	<b>5.0%</b>
 <b>FRESENIUS</b> FY/18	<b>3,742</b>	<b>11.2%</b>	<b>-2,077</b>	<b>-6.2%</b>	<b>1,665</b>	<b>5.0%</b>




<sup>1</sup> Before acquisitions and dividends

<sup>2</sup> Understated: 1.7% excluding €30 million of capex commitments from acquisitions

<sup>3</sup> Margin incl. FMC dividend

# Fresenius Group: 2019 Financial Outlook by Business Segment

€m (except otherwise stated)


		FY/18 Base	FY/19e <sup>1</sup>
	<b>Sales growth</b> (org)	6,544	3% - 6%
	<b>EBIT growth</b> (cc)	1,139 <sup>2</sup>	3% - 6%
	<b>Sales growth</b> (org)	8,993	2% - 5%
	<b>EBIT growth</b>	1,052	-5% to -2%
	<b>Sales growth</b> (org)	1,688	~10%
	<b>EBIT growth</b>	110	15% - 20%

<sup>1</sup> Excluding transaction-related expenses, revaluations of biosimilars contingent liabilities, adjusted for IFRS 16 effects

<sup>2</sup> Before special items

For a detailed overview of adjustments and special items please see the reconciliation tables on slides 59-66 and for the bases for FY/19 guidance please see slides 34-36.

# Fresenius Group: 2019 Financial Guidance

€m (except otherwise stated)		FY/18 Base <sup>1</sup>	FY/19 <sup>2</sup>
	<b>Sales growth (cc)</b>	33,009	3% - 6%
	<b>Net income<sup>3</sup> growth (cc)</b>	1,872	~0%

<sup>1</sup> Before special items and after adjustments

<sup>2</sup> Excluding transaction-related expenses, expenses associated with the cost optimization program at FMC, revaluations of biosimilars contingent liabilities, effects of NxStage transaction, adjusted for IFRS 16 effects

<sup>3</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

For a detailed overview of adjustments and special items please see the reconciliation tables on slides 59-66 and for the bases for FY/19 guidance please see slides 34-36.

# Fresenius Group: Healthy Growth Targets 2020 – 2023 (CAGRs)

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**Organic sales growth**

**4 – 7%** (plus ~1% small to mid-size acquisitions)

**Organic net income<sup>1</sup> growth**

**5 – 9%** (plus ~1% small to mid-size acquisitions)

<sup>1</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

Before special items



# Attachments



## FY/18 base for Fresenius Group Guidance FY/19

€m

<b>Sales reported</b>	<b>33,530</b>
Divestitures of Care Coordination activities at FMC (H1/18)	-521
<b>Sales basis for growth rates</b>	<b>33,009</b>
<b>Net Income reported</b>	<b>2,027</b>
Transaction Costs, Akorn, Biosimilars	25
Bridge Financing Costs Akorn	12
Revaluations of Biosimilars contingent liabilities	5
Impact of FCPA related charge	9
Gain related to divestitures of Care Coordination activities	-207
<b>Net income (before special items)</b>	<b>1,871</b>
Divestitures of Care Coordination activities at FMC (H1/18)	1
<b>Net income basis for growth rates (before special items and after adjustments)</b>	<b>1,872</b>

## FY/18 base for Fresenius Medical Care Outlook FY/19

€m

<b>Sales reported</b>	<b>16,547</b>
Divestitures of Care Coordination activities at FMC (H1/18)	-521
<b>Sales basis for growth rates</b>	<b>16,026</b>
<b>Net Income reported</b>	<b>1,982</b>
Impact of FCPA related charge	28
Gain related to divestitures of Care Coordination activities	-673
<b>Net income (before special items)</b>	<b>1,337</b>
Divestitures of Care Coordination activities at FMC (H1/18)	4
<b>Net income basis for growth rates (before special items and after adjustments)</b>	<b>1,341</b>

## FY/18 base for Fresenius Kabi Outlook FY/19

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€m

<b>Sales basis for growth rates</b>	<b>6,544</b>
Transaction Costs Akorn, Biosimilars	34
Revaluations of Biosimilars contingent liabilities	7
<b>EBIT (before special items = base for Kabi guidance)</b>	<b>1,139</b>

The special items are reported in the Group Corporate/Other segment.

## IFRS 16: Profit and Loss - Implications

€m	Expected IFRS 16 effect on 2019	
<b>Sales</b>	➔	- ~€0.1 bn (discontinuation of sale-leaseback transactions at FMC NA)
<b>EBITDA</b>	➔	+ ~€1.0 bn (fewer rent expenses)
Depreciation and amortization	➔	- ~€0.9 bn (additional depreciation)
<b>EBIT</b>	➔	+ ~€0.1 bn
Interest	➔	- ~€0.2 bn (additional interest)
Net Income	➔	- ~€30 m

**Rent-expenses** will be replaced by **depreciation** and **interest-expenses** :

- Increase of EBITDA and EBIT
- Neutral or slightly negative impact on EAT (depending on life-phase of contracts because of higher interests in the first years of contract)

## IFRS 16: Balance Sheet

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€m

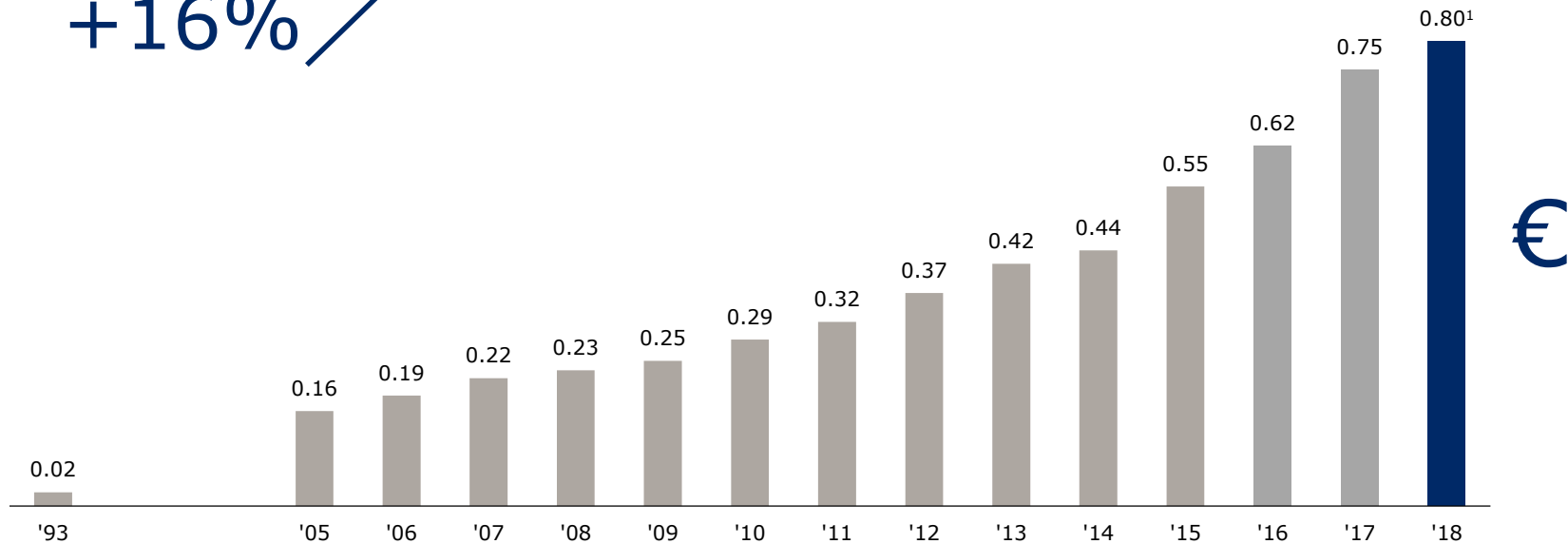
Expected IFRS 16 effect on 2019

<b>Right-of-use-asset</b>	➔	<b>~€5.2 bn</b>
Lease liability	➔	<b>~€5.5 bn</b>
<b>Equity</b>	➡	<b>~-€0.3 bn</b>
Leverage	➔	<b>+ ~30-40 bps</b>

**Leases** have to be recognized as a **right-of-use-asset** and **corresponding liability**

# Fresenius Group: 26th Consecutive Dividend Increase

CAGR  
+16%



Dividend growth aligned to EPS growth  
Pay-out ratio: 24%

<sup>1</sup> Proposal

# Fresenius Group: Profit and Loss Statement

€m	Q4/2018	Growth Q4 YoY		FY/2018	Growth FY YoY	
		actual rates	constant rates		actual rates	constant rates
Sales	<b>8,835</b>	7% <sup>1</sup>	7% <sup>1</sup>	<b>33,530</b>	2% <sup>1</sup>	6% <sup>1</sup>
EBIT	<b>1,250</b>	0%	0%	<b>4,561</b>	-4%	-1%
Net interest	<b>-129</b>	12%	12%	<b>-570</b>	10%	7%
Income taxes	<b>-253</b>	18%	17%	<b>-880</b>	23%	21%
Net income <sup>2</sup>	<b>504</b>	6%	5%	<b>1,871</b>	4%	7%

<sup>1</sup> Growth rate adjusted for IFRS 15 adoption and divestitures of Care Coordination activities

<sup>2</sup> Net income attributable to shareholders of Fresenius SE & Co. KGaA

All figures before special items, 2017 base adjusted for divestitures of Care Coordination activities

For a detailed overview of special items and adjustments please see the reconciliation tables on slides 59-66.



## Fresenius Group: Calculation of Noncontrolling Interest

€m	FY/18	FY/17
Earnings before tax and noncontrolling interest	3,991	4,178
Taxes	-880	-1,168
Noncontrolling interest, thereof	-1,240	-1,194
Fresenius Medical Care net income not attributable to Fresenius (FY/18: ~69%)	-925	-864
Noncontrolling interest holders in Fresenius Medical Care	-244	-274
Noncontrolling interest holders in Fresenius Kabi (-€43 m), Fresenius Helios (-€10 m), Fresenius Vamed (-€1 m) and due to Fresenius Vamed's 23% external ownership (-€17 m)	-71	-56
<b>Net income attributable to Fresenius SE &amp; Co. KGaA</b>	<b>1,871</b>	<b>1,816</b>






Before special items

For a detailed overview of special items please see the reconciliation tables on slides 59-66.

## Fresenius Group: Cash Flow

€m	Q4/18	LTM Margin	Δ YoY
<b>Operating Cash Flow</b>	<b>1,193</b>	<b>11.2%</b>	<b>7%</b>
Capex (net)	-721	-6.2%	-22%
<b>Free Cash Flow</b> (before acquisitions and dividends)	<b>472</b>	<b>5.0%</b>	<b>-10%</b>
Acquisitions (net)	-198		
Dividends	-72		
<b>Free Cash Flow</b> (after acquisitions and dividends)	<b>202</b>	<b>4.1%</b>	<b>-70%</b>

# Fresenius Group: FY/18 & LTM Cash Flow

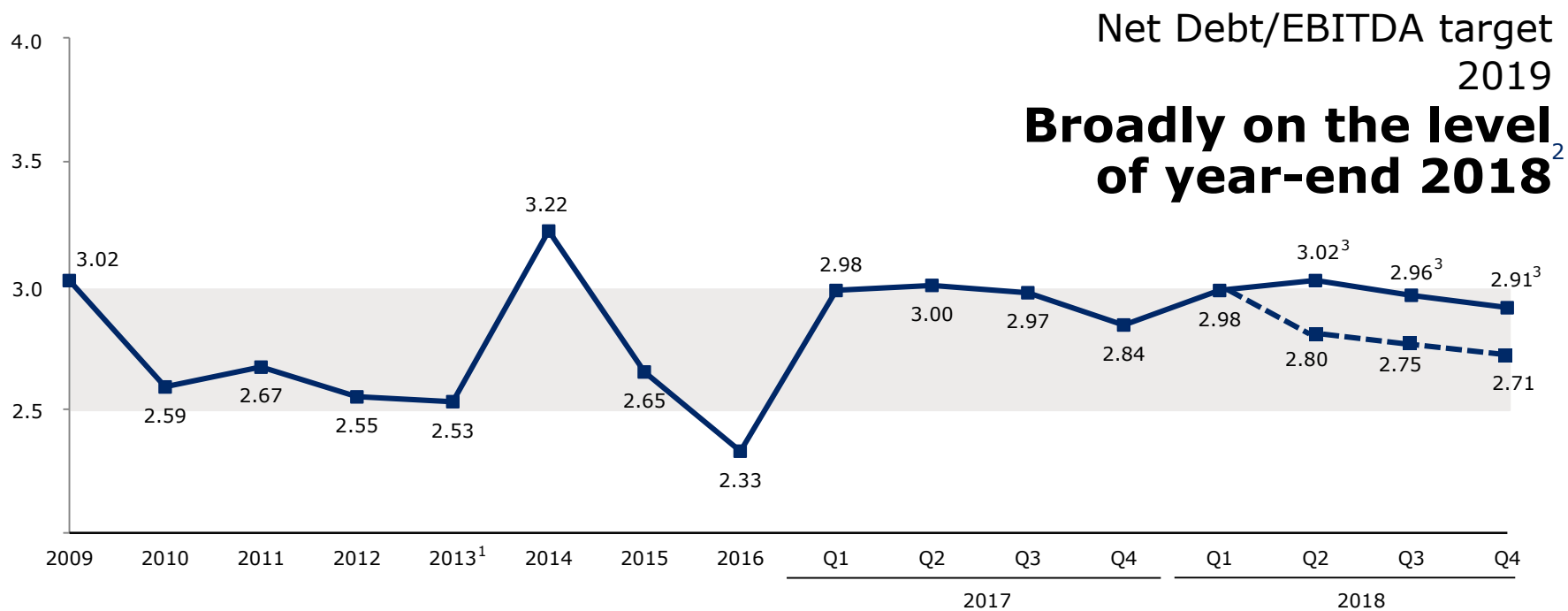
€m	Operating CF		Capex (net)		Free Cash Flow <sup>1</sup>	
	FY/2018	LTM Margin	FY/2018	LTM Margin	FY/2018	LTM Margin
 <b>FRESENIUS KABI</b>	1,040	15.9%	-553	-8.5%	487	7.4%
 <b>FRESENIUS HELIOS</b>	554	6.2%	-434	-4.9%	120	1.3% <sup>3</sup>
 <b>FRESENIUS VAMED</b>	106	6.3%	-29	-1.7%	77	4.6%
Corporate/Other	-20	n.a.	-58	n.a.	-78	n.a.
 <b>FRESENIUS</b> Excl. FMC	1,680	10.4% <sup>2</sup>	-1,074	-6.3%	606	4.1% <sup>2</sup>
 <b>FRESENIUS</b>	3,742	11.2%	-2,077	-6.2%	1,665	5.0%

<sup>1</sup> Before acquisitions and dividends

<sup>2</sup> Margin incl. FMC dividend

<sup>3</sup> Understated: 1.7% excluding €30 million of capex commitments from acquisitions

# Fresenius Group: Leverage Ratio



Before special items; pro forma closed acquisitions/divestitures  
At LTM average FX rates for both EBITDA and net debt

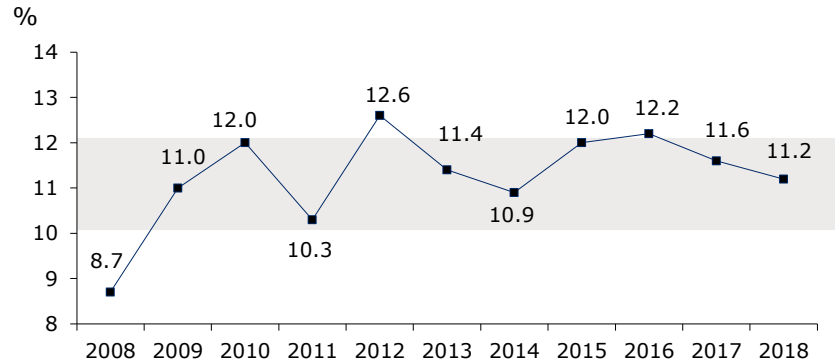
<sup>1</sup> Pro forma excluding advances made for the acquisition of hospitals from Rhön-Klinikum AG

<sup>2</sup> Calculated at expected annual average exchange rates, for both net debt and EBITDA; excluding pending acquisition of NxStage; without potential unannounced acquisitions; adjusted for IFRS 16 effects

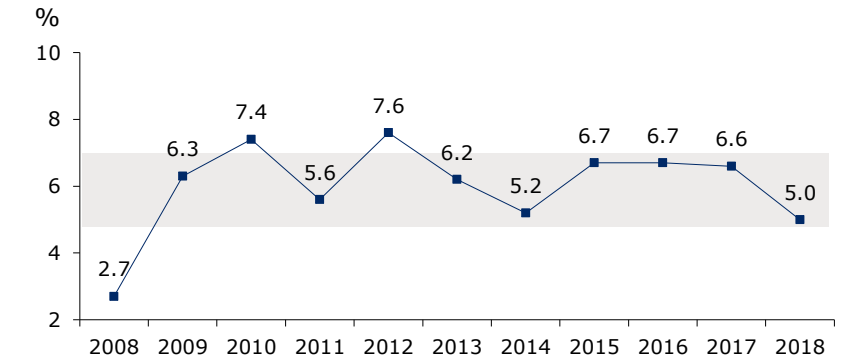
<sup>3</sup> Excluding proceeds from divestitures of Care Coordination activities

# Fresenius Group Consistent Cash Generation

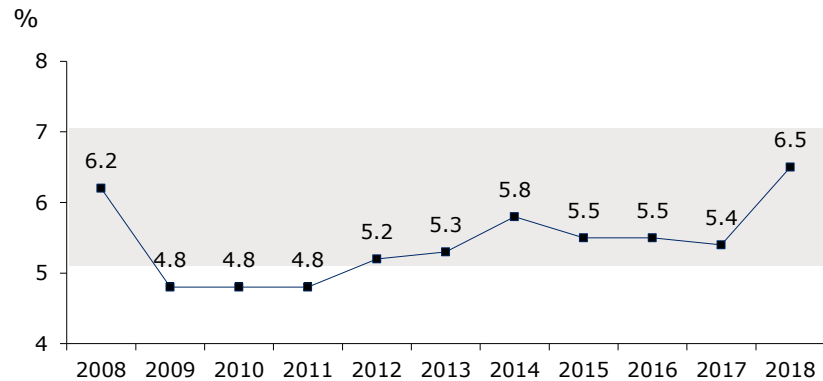
## CFFO margin



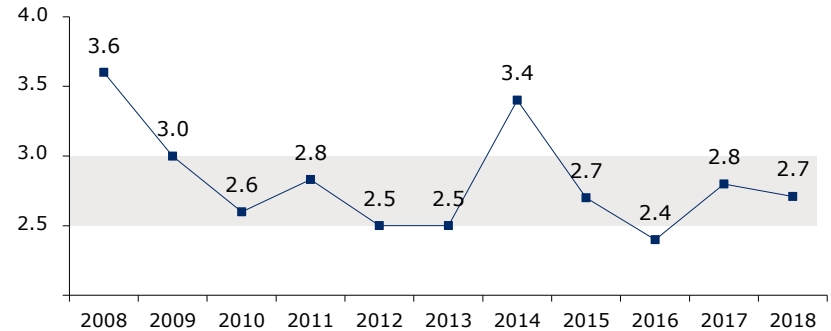
## FCF margin (before acquisitions & dividends)



## Capex gross, in % of sales

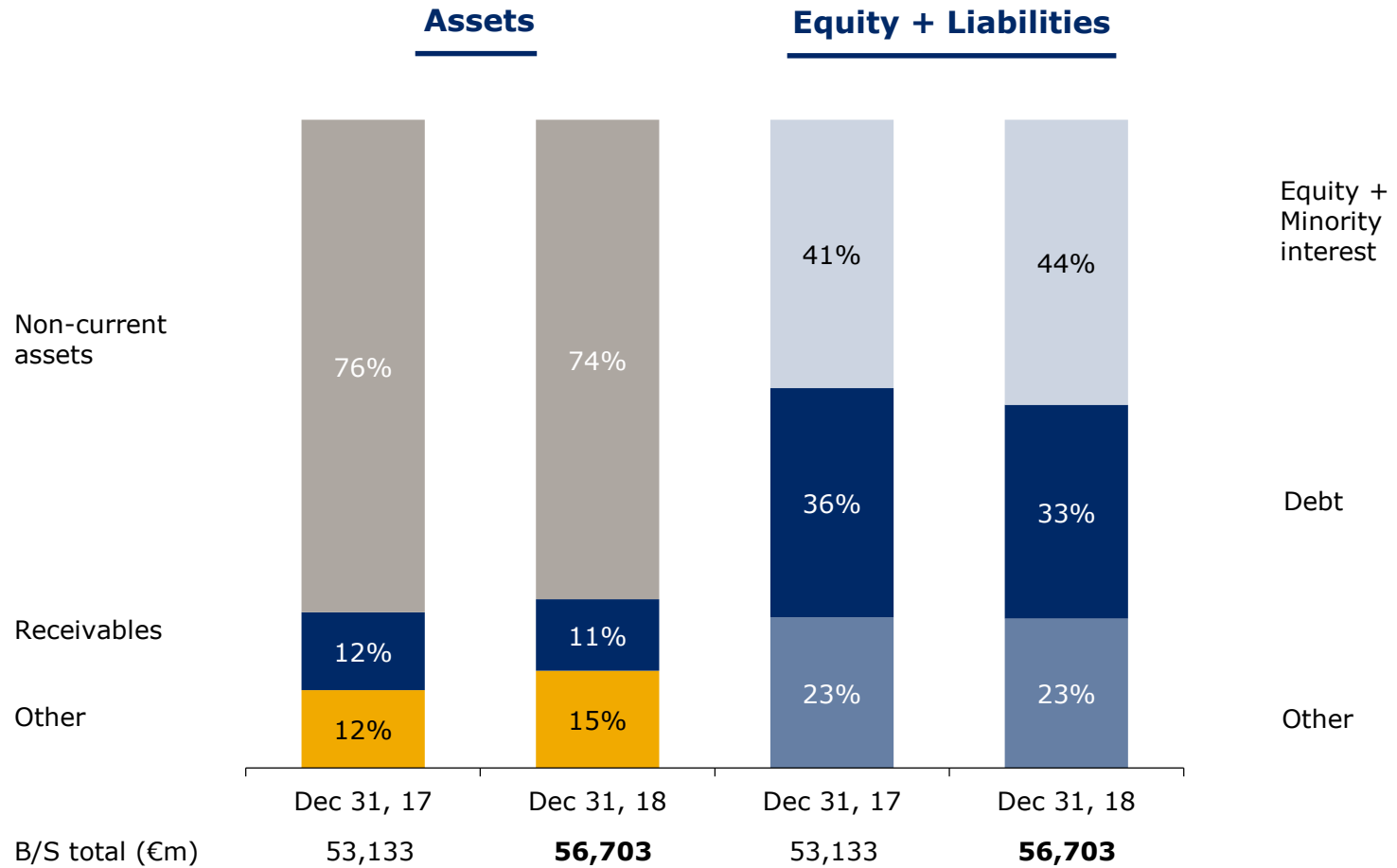


## Net Debt / EBITDA<sup>1</sup>



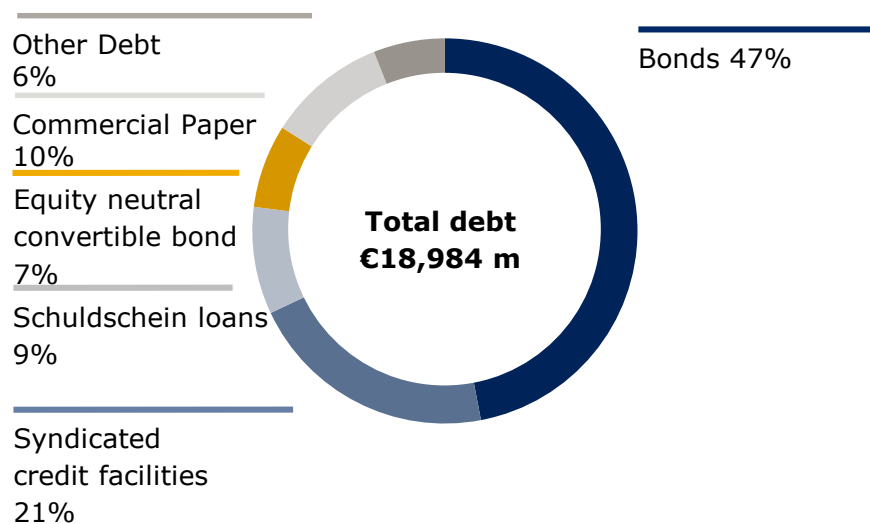
<sup>1</sup> Net debt at year-end exchange rate; EBITDA at LTM average exchange rates; before special items; pro forma closed acquisitions/divestitures

# Fresenius Group: Solid Balance Sheet Structure



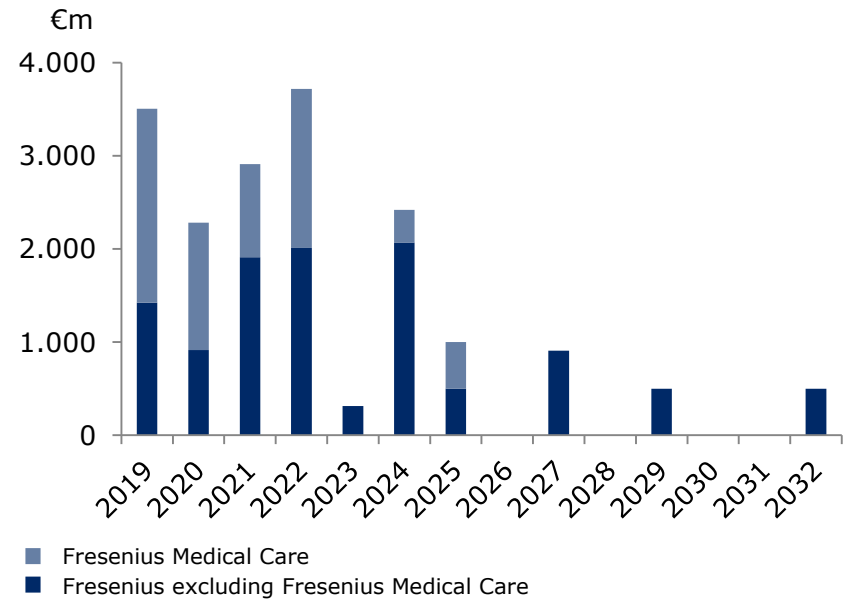
# Fresenius Group: Well Balanced Financing Mix and Maturity Profile

## Financing mix



**Average interest rate/cost of debt**  
**2.6% p.a.**

## Maturity profile<sup>1,2</sup>



**Average maturity**  
**3.3 years**

<sup>1</sup> Based on utilization of major financing instruments

<sup>2</sup> Pro Forma incl. New issued FSE €500 million and €500 million Bonds maturing in 2025 and 2029, excl. €300 million and €500 million bonds, maturing February and April 2019 and € 200 million Commercial Papers

## Fresenius Kabi: Organic Sales Growth by Product Segment

€m	Q4/18	Δ YoY organic	FY/18	Δ YoY organic
IV Drugs	710	5%	2,735	5%
Infusion Therapy	226	1%	929	7%
Clinical Nutrition	458	15%	1,796	13%
Medical Devices/ Transfusion Technology	293	5%	1,084	4%
<b>Total sales</b>	<b>1,687</b>	<b>7%</b>	<b>6,544</b>	<b>7%</b>



## Fresenius Kabi: Profit and Loss Statement

€m	FY/18	FY/17
Sales	<b>6,544</b>	6,358
EBITDA margin %	<b>1,434</b> <b>21.9</b>	1,483 23.3
EBIT margin %	<b>1,139</b> <b>17.4</b>	1,177 18.5
Net interest	<b>-108</b>	-119
EBT and noncontrolling interest	<b>1,031</b>	1,058
Income taxes Tax rate %	<b>-246</b> <b>23.9</b>	-317 30.0
Noncontrolling interest	<b>-43</b>	-39
Net income <sup>1</sup>	<b>742</b>	702

Before special items

<sup>1</sup> Attributable to shareholders of Fresenius SE & Co. KGaA

## Fresenius Kabi: Cash Flow Statement

€m	FY/18	FY/17
Net income (incl. noncontrolling interest)	<b>756</b>	739
Depreciation / amortization	<b>295</b>	306
Change in working capital	<b>-11</b>	-35
Cash flow from operations Margin %	<b>1,040</b> <b>15.9</b>	1,010 15.9
CAPEX, net	<b>-553</b>	-420
Free Cash flow (before acquisitions and dividends)	<b>487</b>	590
Acquisitions, net	<b>-43</b>	-152
Free cash flow (before dividends)	<b>444</b>	438

## Fresenius Kabi: Balance Sheet

€m	FY/18	FY/17
Accounts receivable	883	841
Inventories	1,521	1,361
Fixed assets	8,593	8,092
Other assets	1,641	1,498
<b>Total assets</b>	<b>12,638</b>	<b>11,792</b>
Debt	3,867	4,806
Other liabilities	3,279	2,997
Equity (incl. noncontrolling interest)	5,492	3,989
<b>Total liabilities and shareholders' equity</b>	<b>12,638</b>	<b>11,792</b>

## Fresenius Helios: Key Measures

	FY/18	FY/17	Δ
No. of hospitals Germany	86	111	-23%
- Acute care hospitals	83	88	-6%
No. of hospitals Spain (Hospitals)	47	45	4%
No. of beds Germany	29,329	34,610	-15%
- Acute care hospitals	28,802	29,438	-2%
No. of beds Spain (Hospitals)	7,019	6,652	6%
Admissions Germany (acute care)	1,218,199	1,237,068	
Admissions Spain (including outpatients)	13,318,066	11,592,758	

# Fresenius Helios: Profit & Loss Statement

€m	FY/18	FY/17
Sales	8,993	8,668
EBITDA	1,429	1,426
Margin %	15.9	16.5
Depreciation / amortization	-377	-374
EBIT	1,052	1,052
Margin %	11.7	12.1
Net interest	-167	-155
EBT and noncontrolling interest	885	897
Income taxes	-189	-164
Tax rate %	21.4	18.3
Noncontrolling interest	-10	-5
Net income <sup>1</sup>	686	728

Reflects transfer of German post-acute care business to Vamed as of July 1, 2018

<sup>1</sup> Attributable to shareholders of Fresenius SE & Co. KGaA

## Fresenius Helios: Cash Flow

€m	FY/18	FY/17
Net income (incl. noncontrolling interest)	696	733
Depreciation / amortization	377	374
Change in working capital	-519	-374
Cash flow from operations	554	733
Margin %	6.2	8.5
CAPEX, net	-434	-411
Cash flow before acquisitions and dividends	120	322
Acquisitions, net	379	-5,945
Free cash flow (before dividends)	499	-5,623

Reflects transfer of German post-acute care business to Vamed as of July 1, 2018

## Fresenius Helios: Balance Sheet

€m	FY/18	FY/17
Accounts receivable	2,110	1,840
Property, plant and equipment (net)	3,922	4,113
Goodwill	7,857	7,902
Other assets	2,615	2,728
<b>Total assets</b>	<b>16,504</b>	<b>16,583</b>
Debt	6,219	6,665
Other liabilities	2,526	2,529
Equity (incl. noncontrolling interest)	7,759	7,389
<b>Total liabilities and shareholders' equity</b>	<b>16,504</b>	<b>16,583</b>

Reflects transfer of German post-acute care business to Vamed as of July 1, 2018

## Fresenius Vamed: Profit & Loss Statement

€m	FY/18	FY/17
Sales	<b>1,688</b>	1,228
EBITDA	<b>133</b>	87
Margin %	<b>7.9</b>	7.1
EBIT	<b>110</b>	76
Margin %	<b>6.5</b>	6.2
Net interest	<b>-9</b>	-2
EBT and noncontrolling interest	<b>101</b>	74
Income taxes	<b>-28</b>	-23
Tax rate %	<b>27.3</b>	31.1
Noncontrolling interest	<b>-1</b>	-1
Net income <sup>1</sup>	<b>72</b>	50
ROE (before taxes) %	<b>16.4</b>	19.0

Reflects acquisition of German post-acute care business from Helios as of July 1, 2018

<sup>1</sup> Attributable to shareholders of Vamed AG



## Fresenius Vamed: Cash Flow

€m	FY/18	FY/17
Net income (incl. noncontrolling interest)	<b>73</b>	51
Depreciation / amortization	<b>23</b>	11
Change in working capital	<b>10</b>	-20
<b>Cash flow from operations</b>	<b>106</b>	42
Margin %	<b>6.3</b>	3.4
CAPEX, net	<b>-29</b>	-7
<b>Free Cash flow (before acquisitions and dividends)</b>	<b>77</b>	35
Margin %	4.6	2.9
Acquisitions, net	<b>-442</b>	-19
Free cash flow (before dividends)	<b>-365</b>	16

Reflects acquisition of German post-acute care business from Helios as of July 1, 2018

## Fresenius Vamed: Balance Sheet

€m	FY/18	FY/17
Accounts receivable	392	238
Property, plant and equipment	411	80
Intangible assets	308	127
Other assets	1,049	837
<b>Total assets</b>	<b>2,160</b>	<b>1,282</b>
Debt	535	245
Other liabilities	959	648
Equity (incl. noncontrolling interest)	666	389
<b>Total liabilities and shareholders' equity</b>	<b>2,160</b>	<b>1,282</b>

Reflects acquisition of German post-acute care business from Helios as of July 1, 2018

# Fresenius Group: Reconciliation

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>Sales reported</b>	<b>33,530</b>	<b>33,886</b>	<b>-1%</b>	<b>2%</b>
Adjustments from IFRS 15	-	-486		
Divestitures of Care Coordination activities (H2/2017) at Fresenius Medical Care (FMC)	-	-559		
<b>Sales basis for growth rates</b>	<b>33,530</b>	<b>32,841</b>	<b>2%</b>	<b>6%</b>
<b>EBIT reported (after special items)</b>	<b>5,251</b>	<b>4,589</b>	<b>14%</b>	<b>18%</b>
Transaction Costs Akorn, biosimilars	35	41		
Revaluations of biosimilars contingent liabilities	7			
Impact of FCPA related charge	77	200		
Gain related to divestitures of Care Coordination activities	-809	-		
<b>EBIT (before special items)</b>	<b>4,561</b>	<b>4,830</b>	<b>-6%</b>	<b>-3%</b>
Divestitures of Care Coordination activities at FMC (H2/2017)	-	-84		
<b>EBIT basis for growth rates (before special items and after adjustments)</b>	<b>4,561</b>	<b>4,746</b>	<b>-4%</b>	<b>-1%</b>
Expenditures for further development of biosimilars business	166	60		
<b>EBIT basis for growth rates (before special items and after adjustments; excluding biosimilars)</b>	<b>4,727</b>	<b>4,806</b>	<b>-2%</b>	<b>1%</b>
<b>Net interest reported (after special items)</b>	<b>-587</b>	<b>-667</b>	<b>12%</b>	<b>10%</b>
Bridge Financing Costs Akorn	17	15		
<b>Net interest (before special items)</b>	<b>-570</b>	<b>-652</b>	<b>13%</b>	<b>10%</b>
Divestitures of Care Coordination activities at FMC (H2/2017)	-	22		
<b>Net interest (before special items and after adjustments)</b>	<b>-570</b>	<b>-630</b>	<b>10%</b>	<b>7%</b>
Expenditures for further development of biosimilars business	7	2		
<b>Net interest (before special items and after adjustments; excluding biosimilars)</b>	<b>-563</b>	<b>-628</b>	<b>10%</b>	<b>8%</b>

# Fresenius Group: Reconciliation

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>Income taxes reported (after special items)</b>	<b>-950</b>	<b>-889</b>	<b>-7%</b>	<b>-11%</b>
Transaction Costs Akorn, biosimilars	-10	-9		
Bridge Financing Costs Akorn	-5	-4		
Revaluations of biosimilars contingent liabilities	-2	-		
Impact of FCPA related charge	-49	-		
Gain related to divestitures of Care Coordination activities	136	-		
Book gain from U.S. tax reform	-	-266		
<b>Income taxes (before special items)</b>	<b>-880</b>	<b>-1,168</b>	<b>25%</b>	<b>22%</b>
Divestitures of Care Coordination activities at FMC (H2/2017)	-	20		
<b>Income taxes (before special items and after adjustments)</b>	<b>-880</b>	<b>-1,148</b>	<b>23%</b>	<b>21%</b>
Expenditures for further development of biosimilars business	-53	-19		
<b>Income taxes (before special items and after adjustments; excluding biosimilars)</b>	<b>-933</b>	<b>-1,167</b>	<b>20%</b>	<b>17%</b>
<b>Noncontrolling interest (after special items)</b>	<b>-1,687</b>	<b>-1,219</b>	<b>-38%</b>	<b>-43%</b>
Impact of FCPA related charge	-19	-138		
Gain related to divestitures of Care Coordination activities	466	-		
Book gain from U.S. tax reform	-	163		
<b>Noncontrolling interest (before special items)</b>	<b>-1,240</b>	<b>-1,194</b>	<b>-4%</b>	<b>-7%</b>
Divestitures of Care Coordination activities at FMC (H2/2017)	-	30		
<b>Noncontrolling interest (before special items and after adjustments)</b>	<b>-1,240</b>	<b>-1,164</b>	<b>-7%</b>	<b>-10%</b>

# Fresenius Group: Reconciliation

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>Net income reported (after special items)</b>	<b>2,027</b>	<b>1,814</b>	<b>12%</b>	<b>15%</b>
Transaction Costs Akorn, biosimilars	25	32		
Bridge Financing Costs Akorn	12	11		
Revaluations of biosimilars contingent liabilities	5	-		
Impact of FCPA related charge	9	62		
Gain related to divestitures of Care Coordination activities	-207	-		
Book gain from U.S. tax reform	-	-103		
<b>Net income (before special items)</b>	<b>1,871</b>	<b>1,816</b>	<b>3%</b>	<b>6%</b>
Divestitures of Care Coordination activities at FMC (H2/2017)	-	-12		
<b>Net income basis for growth rates (before special items and after adjustments)</b>	<b>1,871</b>	<b>1,804</b>	<b>4%</b>	<b>7%</b>
Expenditures for further development of biosimilars business	120	43		
<b>Net income basis for growth rates (before special items and after adjustments; excluding biosimilars)</b>	<b>1,991</b>	<b>1,847</b>	<b>8%</b>	<b>11%</b>

# Fresenius Medical Care: Reconciliation

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>Sales reported</b>	<b>16,547</b>	<b>17,784</b>	<b>-7%</b>	<b>-2%</b>
Effect from IFRS 15 implementation	-	-486		
Divestitures of Care Coordination activities (H2/2017)	-	-559		
<b>Revenue on a comparable basis</b>	<b>16,547</b>	<b>16,739</b>	<b>-1%</b>	<b>4%</b>
VA Agreement <sup>1</sup>	-	-94		
<b>Sales adjusted</b>	<b>16,547</b>	<b>16,645</b>	<b>-1%</b>	<b>4%</b>
<b>EBIT reported</b>	<b>3,038</b>	<b>2,362</b>	<b>29%</b>	<b>33%</b>
Gain related to divestitures of Care Coordination activities	-809	-		
Divestitures of Care Coordination activities (H2/2017)	-	-84		
2018 FCPA <sup>2</sup> related charge	77	-		
U.S. Ballot Initiatives	40	-		
<b>EBIT on a comparable basis</b>	<b>2,346</b>	<b>2,278</b>	<b>3%</b>	<b>6%</b>
VA Agreement <sup>1</sup>	-	-87		
Natural Disaster Costs	-	18		
2017 FCPA <sup>2</sup> related charge	-	200		
<b>EBIT adjusted</b>	<b>2,346</b>	<b>2,409</b>	<b>-3%</b>	<b>1%</b>
<b>Net income reported</b>	<b>1,982</b>	<b>1,280</b>	<b>55%</b>	<b>60%</b>
Gain related to divestitures of Care Coordination activities	-673	-		
Divestitures of Care Coordination activities (H2/2017)	-	-38		
2018 FCPA <sup>2</sup> related charge	28	-		
U.S. Ballot Initiatives	40	-		
<b>Net income on a comparable basis</b>	<b>1,377</b>	<b>1,242</b>	<b>11%</b>	<b>14%</b>
VA Agreement <sup>1</sup>	-	-51		
Natural Disaster Costs	-	11		
2017 FCPA <sup>2</sup> related charge	-	200		
U.S. tax reform (excl. divestitures of Care Coordination activities (H2/2017))	-192	-240		
<b>Net income adjusted</b>	<b>1,185</b>	<b>1,162</b>	<b>2%</b>	<b>4%</b>

<sup>1</sup> Effects from the agreement with the United States Departments of Veterans Affairs and Justice

<sup>2</sup> FCPA-Foreign Corrupt Practices Act

## Fresenius Medical Care: Reconciliation to Fresenius Group

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>EBIT reported (after special items)</b>	<b>3,038</b>	<b>2,362</b>	<b>29%</b>	<b>33%</b>
Gain related to divestitures of Care Coordination activities	-809	-		
Impact of FCPA <sup>1</sup> related charge	77	200		
<b>EBIT (before special items)</b>	<b>2,306</b>	<b>2,562</b>	<b>-10%</b>	<b>-7%</b>
<b>Net income reported (after special items)</b>	<b>1,982</b>	<b>1,280</b>	<b>55%</b>	<b>60%</b>
Gain related to divestitures of Care Coordination activities	-673	-		
Impact of FCPA <sup>1</sup> related charge	28	200		
Impact from U.S. tax reform	-	-236		
<b>Net income (before special items)</b>	<b>1,337</b>	<b>1,244</b>	<b>7%</b>	<b>10%</b>

<sup>1</sup> FCPA-Foreign Corrupt Practices Act

# Fresenius Kabi: Reconciliation

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>Sales reported</b>	<b>6,544</b>	<b>6,358</b>	<b>3%</b>	<b>7%</b>
Transaction Costs Akorn, biosimilars	34	41		
Revaluations of biosimilars contingent liabilities	7	-		
<b>EBIT (before special items)</b>	<b>1,139</b>	<b>1,177</b>	<b>-3%</b>	<b>2%</b>
Expenditure for further development of biosimilars business	166	60		
<b>EBIT basis for growth rates (before special items; excluding biosimilars)</b>	<b>1,305</b>	<b>1,237</b>	<b>5%</b>	<b>10%</b>
Transaction Costs Akorn, biosimilars	24	32		
Revaluations of biosimilars contingent liabilities	5			
Book gain from U.S. tax reform	-	-30		
<b>Net income (before special items)</b>	<b>742</b>	<b>702</b>	<b>6%</b>	<b>12%</b>
Expenditures for further development of biosimilars business	120	43		
<b>Net income basis for growth rates (before special items; excluding biosimilars)</b>	<b>862</b>	<b>745</b>	<b>16%</b>	<b>21%</b>



## Fresenius Helios: Reconciliation

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>Sales reported</b>	<b>8,993</b>	<b>8,668</b>	<b>4%</b>	-
German post-acute care business transferred from Fresenius Helios to Fresenius Vamed	230	-		-
<b>Sales adjusted</b>	<b>9,223</b>	<b>8,668</b>	<b>6%</b>	-
<b>EBIT reported</b>	<b>1,052</b>	<b>1,052</b>	<b>0%</b>	-
German post-acute care business transferred from Fresenius Helios to Fresenius Vamed	27	-		-
<b>EBIT adjusted</b>	<b>1,079</b>	<b>1,052</b>	<b>3%</b>	-

## Fresenius Vamed: Reconciliation

€m	FY/18	FY/17	growth rate	growth rate (cc)
<b>Sales reported</b>	<b>1,688</b>	<b>1,228</b>	<b>37%</b>	-
German post-acute care business transferred from Fresenius Helios to Fresenius Vamed	-230	-		-
<b>Sales adjusted</b>	<b>1,458</b>	<b>1,228</b>	<b>19%</b>	-
<b>EBIT reported</b>	<b>110</b>	<b>76</b>	<b>45%</b>	-
German post-acute care business transferred from Fresenius Helios to Fresenius Vamed	-27	-		-
<b>EBIT adjusted</b>	<b>83</b>	<b>76</b>	<b>9%</b>	-

# Financial Calendar / Contact

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## Financial Calendar

02 May 2019	Results Q1/19
17 May 2019	Annual General Meeting
30 July 2019	Results Q2/19
29 October 2019	Results Q3/19

Please note that these dates could be subject to change.

## Contact

Investor Relations

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