



## **Conference Call | Q1/21 Results**

Bad Homburg, 06 May 2021

## 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.

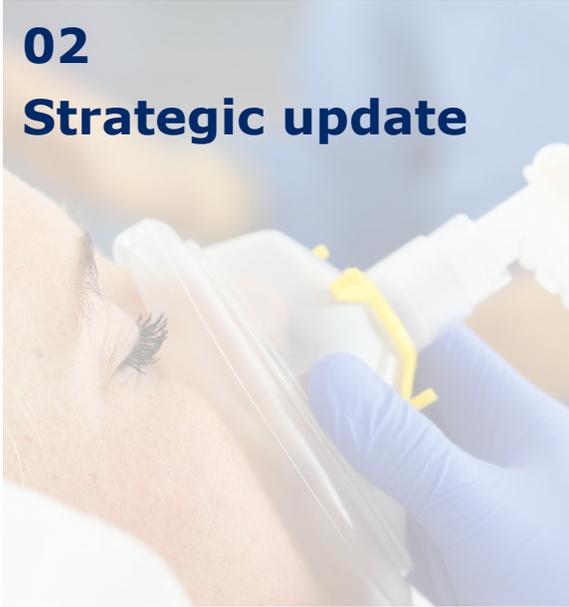
Fresenius does not undertake any responsibility to update the forward-looking statements contained in this presentation.

# Agenda

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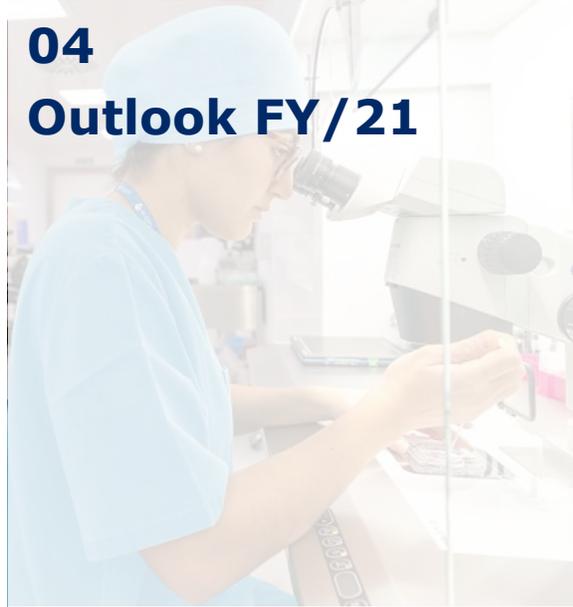
**01**  
Key messages



**02**  
Strategic update

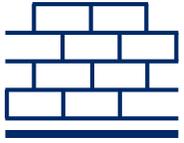


**03**  
Financial review  
Q1/21



**04**  
Outlook FY/21

## Key messages



Good start to the year;  
robust growth rates despite  
tough prior year comp



Ongoing decisive efforts to  
combat COVID-19



Cost & efficiency program:  
Savings of at least €100 m  
p.a. after tax and minorities  
in 2023



Guidance FY/21 confirmed



Delivers solid first quarter in  
light of COVID-19 pandemic



Ongoing headwinds in North  
America whilst Emerging  
Markets show healthy  
growth



Elective treatments in  
Germany still on low level;  
activity levels in Spain  
higher than pre-pandemic  
levels

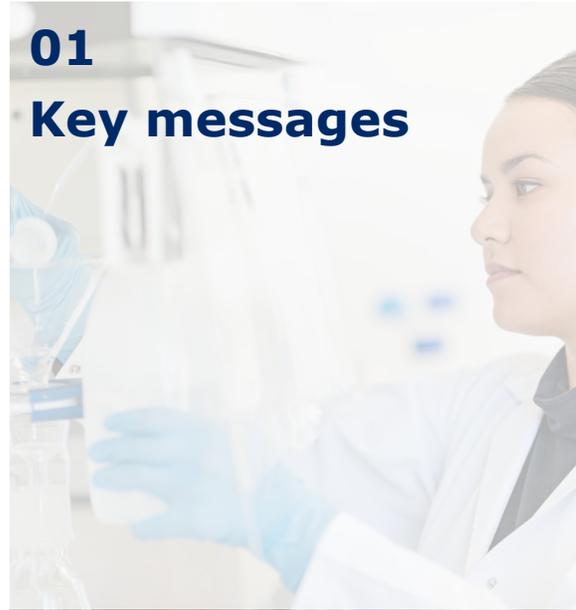


Q1/21 significantly  
impacted by COVID-19

# Agenda

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**01**  
**Key messages**



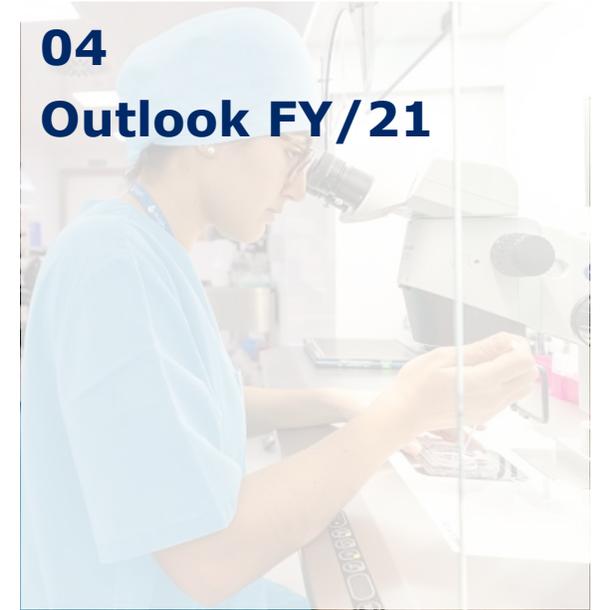
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**Strategic  
update**



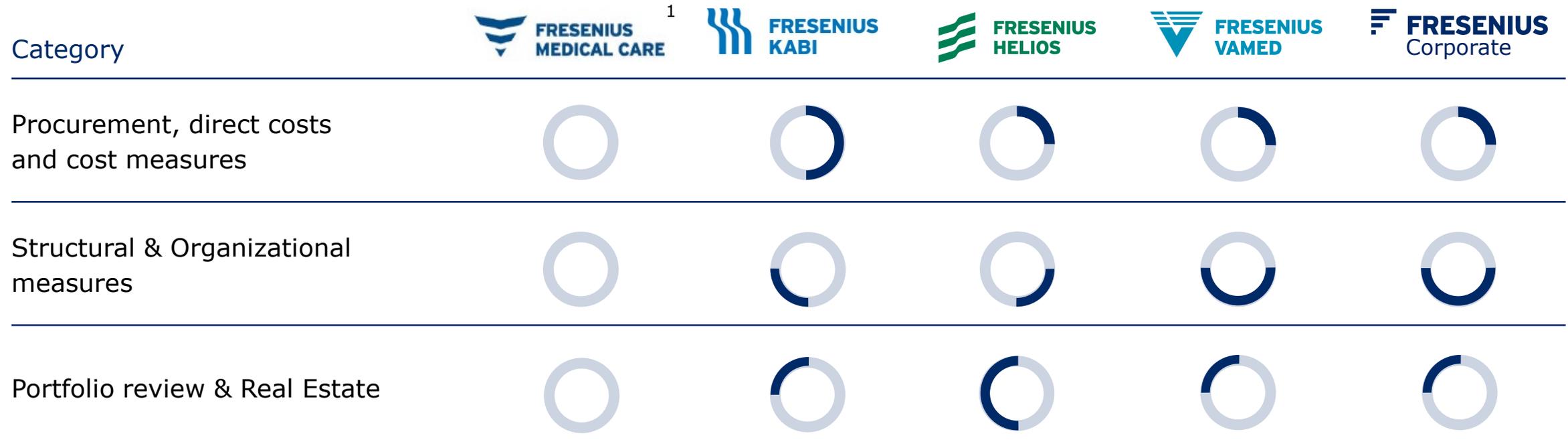
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# Fresenius Group: Update cost & efficiency program – Preliminary expectation for Business Segment focus categories



Savings of at least €100 m p.a. after tax and minorities planned in 2023 – potential to increase thereafter!

Contributions to cost savings / preliminary

 ¼: Medium    ½: Significant

<sup>1</sup> Fresenius Medical Care is currently undergoing a detailed review of its global operating model and will provide an update in the second half of 2021.

# Fresenius Kabi: Headwinds in the US continue whilst China is back to healthy growth; biosimilar business with continuous progress



## North America

Q1/21 still marked by **fewer elective treatments** and **competitive pressure**

At **Melrose Park** all manufacturing lines are fully operational

## Europe & Latin America

**Low elective activity** and **strong prior year quarter** weigh on organic sales development in Europe

**Latin America** with excellent business development fueled by extra demand of COVID related products

## Asia Pacific

China **leaves COVID-19 effects behind**; shows very healthy organic growth over weak prior year quarter

**APAC ex China** with strong business performance in Q1/21; sales restrictions eased in nearly all countries

## Biosimilars

**Adalimumab biosimilar launched** in various smaller markets

**Adalimumab marketing agreements further** expanded

**Contributions** from major tender wins from last year

Phase III study for our **tocilizumab** biosimilar candidate initiated; last patient dosed despite pandemic

## Fresenius Helios: Following lower elective activity levels in early 2021 gradual recovery in Germany is expected from Q2 onwards; Helios Spain already above pre-pandemic levels



### Helios Germany

**Elective treatment activity** still below 2019; gradual recovery expected from Q2 onwards

Fewer COVID-19 related **staff shortages** following vaccination

**Financial support** continues until May 31, 2021 for areas with high incidence; enhanced payment terms in force until Dec 31, 2021

**Selective adjustment** of doctor capacity



### Helios Spain

**Elective treatment activity** above 2019

**Limited number of COVID-19 patients** – further decreasing trend

Excellent **contributions from ORP business**; check-ups for post-COVID patients

Continued **strong demand for digital services**, e.g., telehealth



### Fertility Services

**Eugin** transaction successfully **closed**; **consolidation** from April 1 onwards

**Acquisition** of leading fertility center in the US, Ohio Reproductive Medicine

Attractive **consolidation opportunities** in the highly fragmented global market for fertility services

# **Fresenius Vamed:** Recovery of business is expected in H2/21; technical service business remains robust

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## **Ongoing COVID-19 headwinds weigh on Q1/21**

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Easing of travel restrictions expected for H2/21

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Lack of elective treatments – expected to recover in H2/21

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## **Technical services business remains robust**

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New High-End-Service contracts contributed to growth in Q1/21

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## **Project business – solid order book**

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Order intake in Q1/21 11% above prior year;  
order backlog at €3.1 bn

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Key order intakes in Q1/21:

- Turnkey Project, Regional Hospital Cabinda in Angola
  - Delivery of medical equipment in Kenya and Turkmenistan
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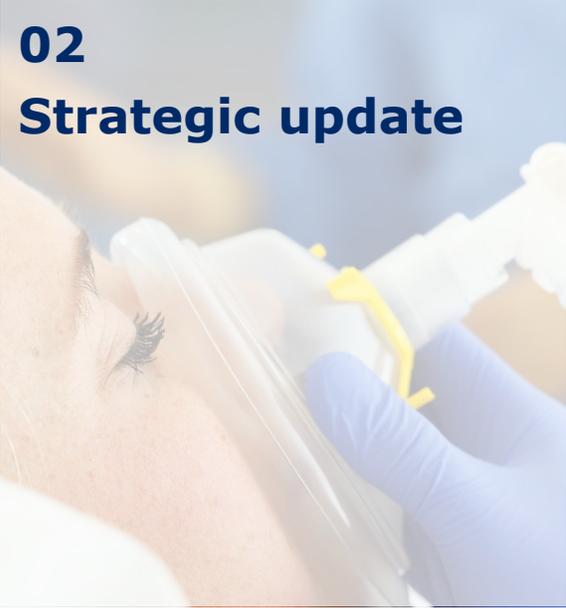
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**Key messages**



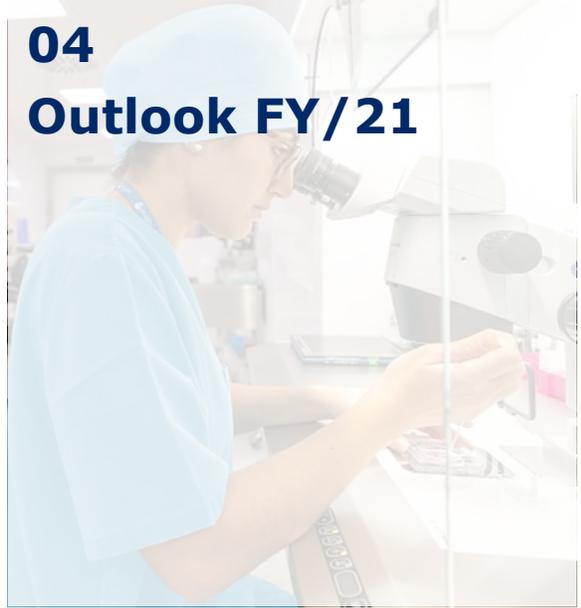
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**Financial review Q1/21**



**04**  
**Outlook FY/21**



## Q1/21 Profit and Loss Statement

Sales

**+3%**

Q1/21: €8,984 m

EBIT

**-6%**

Q1/21: €1,006 m

Income Tax Rate

**22.8%**

Q1/20: 22.6%

Net Interest

**-€137 m**

Q1/20: -€174 m

Net Income

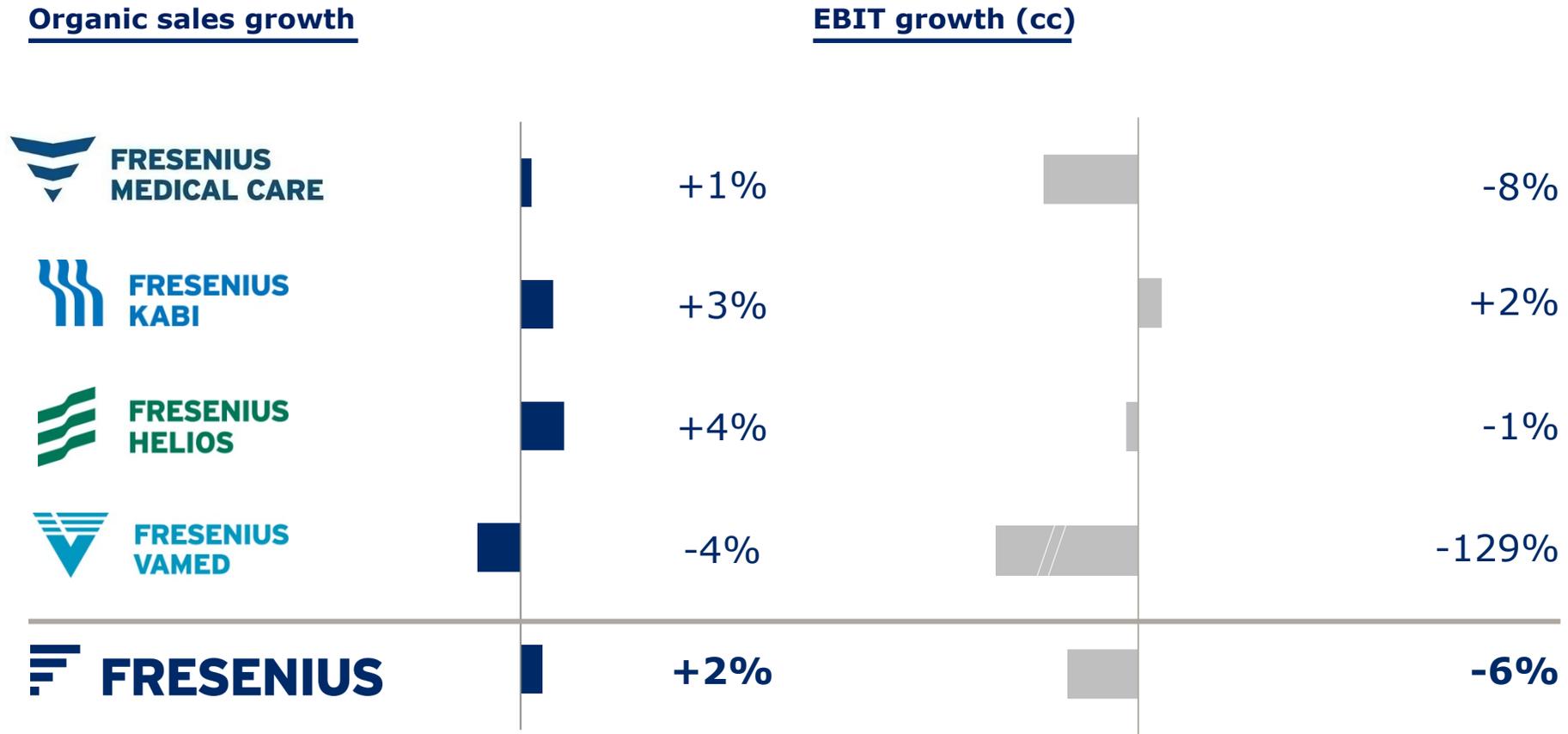
**-2%**

Q1/21: €435 m



All growth rates in constant currency (cc)  
Before special items  
Net income attributable to shareholders of Fresenius SE & Co. KGaA

# Q1/21 Business Segment Growth



All figures before special items  
 For a detailed overview of special items please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

## Q1/21 Cash Flow

€m	Operating CF		Capex (net)		Free Cash Flow <sup>1</sup>	
	Q1/2021	LTM Margin	Q1/2021	LTM Margin	Q1/2021	LTM Margin
 <b>FRESENIUS MEDICAL CARE</b>	208	21.9%	-179	-5.3%	29	16.6%
 <b>FRESENIUS KABI</b>	278	17.9%	-132	-9.3%	146	8.6%
 <b>FRESENIUS HELIOS</b>	215	12.2%	-77	-5.3%	138	6.9%
 <b>FRESENIUS VAMED</b>	-44	2.6%	-22	-3.7%	-66	-1.1%
Corporate/Other	-5	n.a.	-1	n.a.	-6	n.a.
 <b>FRESENIUS</b> Excl. FMC <sup>2</sup>	444	13.9%	-232	-6.9%	212	7.0%
 <b>FRESENIUS</b>	652	17.5%	-411	-6.1%	241	11.4%

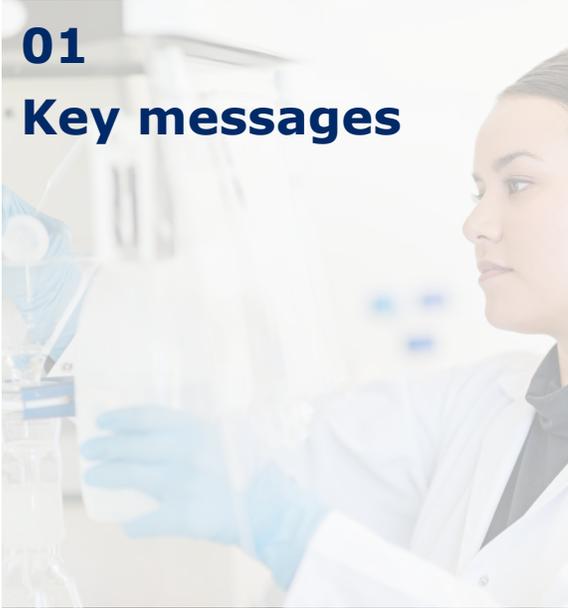
<sup>1</sup> Before acquisitions and dividends

<sup>2</sup> Including FMC dividends

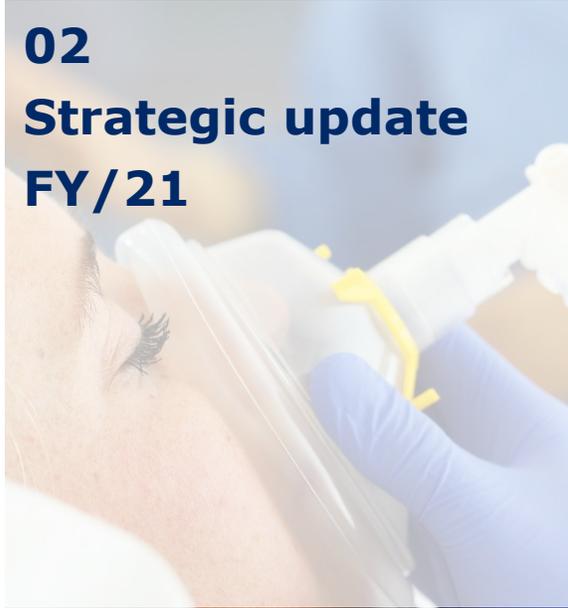
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**Key messages**



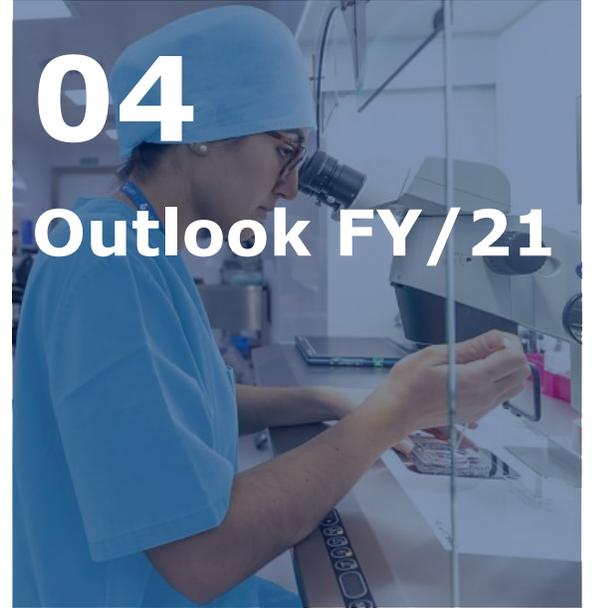
**02**  
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**FY/21**



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## FY/21 Financial Outlook by Business Segment

€m (except otherwise stated)		FY/20 Base	Q1/21	FY/21e	FY/21e
 <b>FRESENIUS KABI</b>	<b>Sales growth</b> (org)	6,976	3%	Low-to-mid single-digit %	confirmed
	<b>EBIT growth</b> (cc)	1,095	2%	Stable to low single-digit %	confirmed
 <b>FRESENIUS HELIOS</b>	<b>Sales growth</b> (org)	9,818	4%	Low-to-mid single-digit %	confirmed
	<b>EBIT growth</b> (cc)	1,025	-1%	Mid-to-high single-digit %	confirmed
 <b>FRESENIUS VAMED</b>	<b>Sales growth</b> (org)	2,068	-4%	Mid-to-high single-digit %	confirmed
	<b>EBIT</b> (cc)	29	-€4 m	High double-digit €m	confirmed

Before special items and including estimated COVID-19 effects

For a detailed overview of special items please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

## FY/21 Financial Guidance

€m (except otherwise stated)		FY/20 Base	Q1/21	FY/21e	FY/21e
 <b>FRESENIUS</b>	<b>Sales growth (cc)</b>	36,277	3%	Low-to-mid single-digit %	confirmed
	<b>Net income growth (cc)</b>	1,796	-2%	At least broadly stable	confirmed

Before special items and including estimated COVID-19 effects  
 Net income attributable to shareholders of Fresenius SE & Co. KGaA

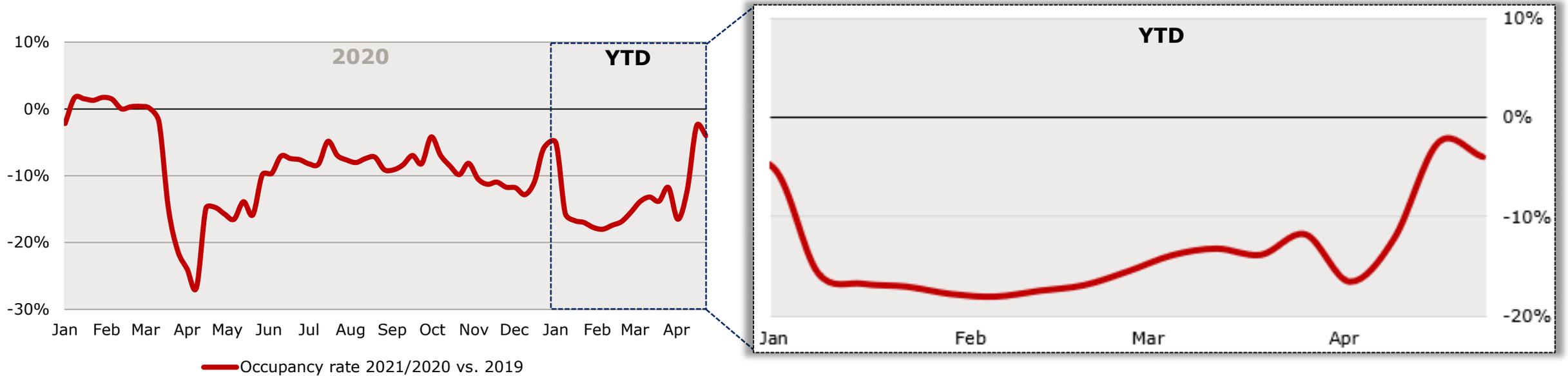
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# Attachments



# Fresenius Helios: COVID-19 Update

## Occupancy rate deviation 2021-2020 vs 2019 (benchmark)



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Bed utilization YTD continued below 2019 level

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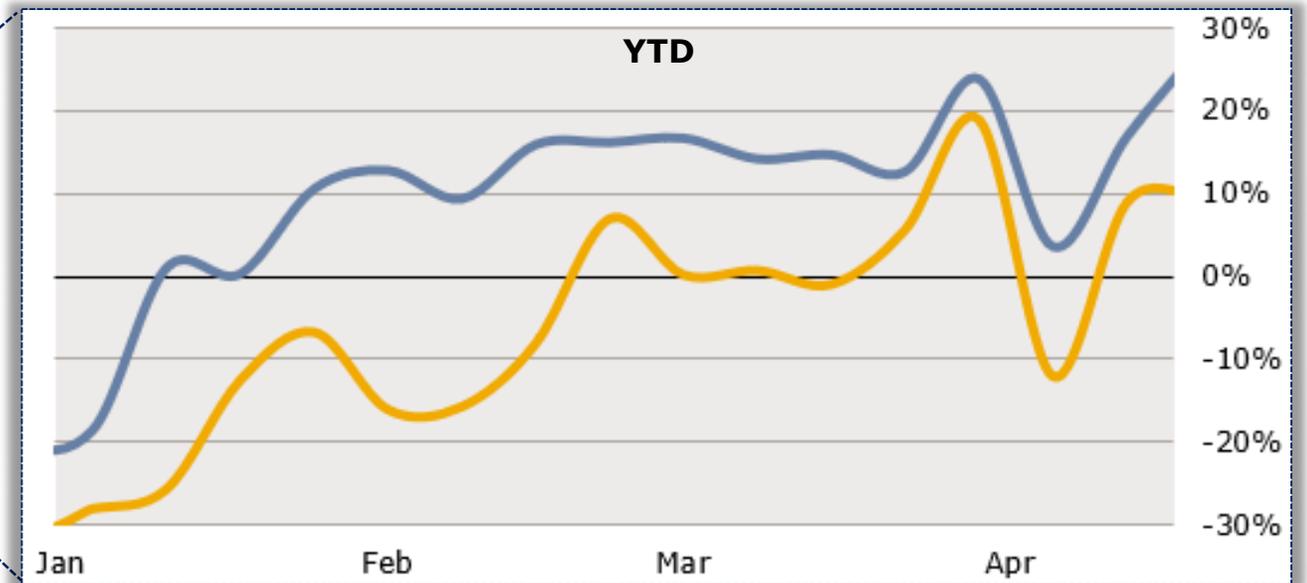
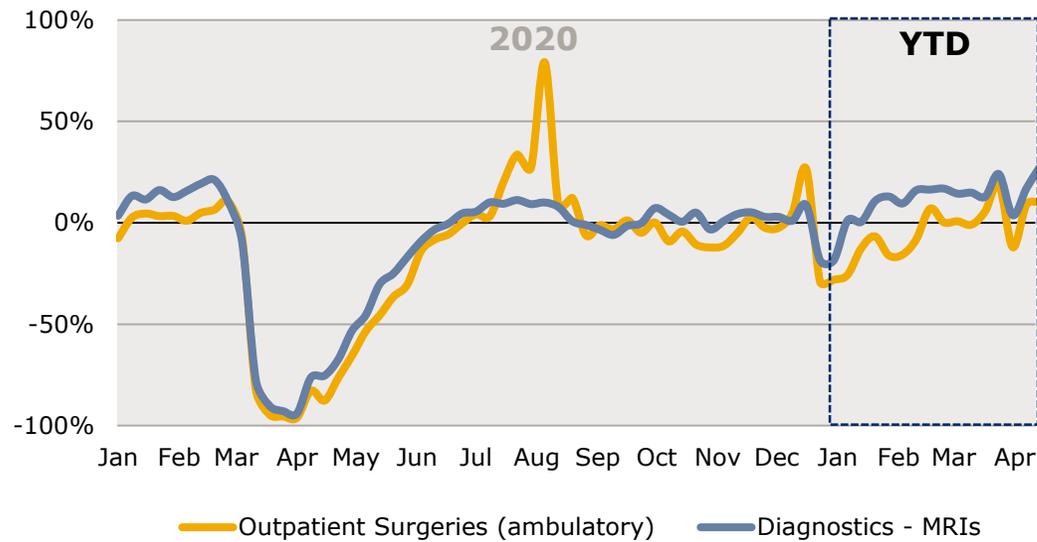
Gradual recovery expected with increasing vaccination level

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# Fresenius Helios: COVID-19 Update



## Admissions 2021-2020 vs. 2019 (benchmark)



Activity levels already slightly above pre-pandemic levels helped by some catch-up effects

Positive development expected as vaccination level increases

## Fresenius Kabi: Q1/21 Organic Sales Growth by Regions

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€m	Q1/21	Δ YoY organic
North America	558	-9%
Europe	626	-1%
Emerging Markets	577	27%
<b>Total sales</b>	<b>1,761</b>	<b>3%</b>

## Fresenius Kabi: Q1/21 Organic Sales Growth by Product Segment

€m	Q1/21	Δ YoY organic
IV Drugs	714	-4%
Infusion Therapy	196	-1%
Clinical Nutrition	508	15%
Medical Devices/ Transfusion Technology	343	8%
<b>Total sales</b>	<b>1,761</b>	<b>3%</b>

## Fresenius Kabi: Q1/21 EBIT Growth

€m	Q1/21	Δ YoY cc
North America	174	-26%
Margin	31.2%	-720 bps
Europe	119	15%
Margin	19.0%	+250 bps
Emerging Markets	126	90%
Margin	21.8%	+730 bps
Corporate and Corporate R&D	-143	-6%
<b>Total EBIT</b>	<b>276</b>	<b>2%</b>
Margin	15.7%	-50 bps

All figures before special items

Margin growth at actual rates

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

## Fresenius Helios: Q1/21 Key Financials

€m	Q1/21	Δ YoY cc
<b>Total sales</b>	<b>2,649</b>	<b>4%<sup>1</sup></b>
Thereof Helios Germany	1,673	0% <sup>1</sup>
Thereof Helios Spain	976	11% <sup>1</sup>
<b>Total EBIT</b>	<b>268</b>	<b>-1%</b>
Margin	10.1%	-100 bps
Thereof Helios Germany	150	-9%
Margin	9.0%	-130 bps
Thereof Helios Spain	126	14%
Margin	12.9%	-10 bps
Thereof Corporate	-8	--

<sup>1</sup> Organic growth

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

## Fresenius Helios: Key Metrics

	Q1/21	FY/20	Δ
No. of hospitals Germany	89	89	0%
- Acute care hospitals	86	86	0%
No. of hospitals Spain (Hospitals)	53	52	2%
No. of beds Germany	29,921	29,978	0%
- Acute care hospitals	29,387	29,451	0%
No. of beds Spain (Hospitals)	7,992	7,936	1%
Admissions Germany (acute care)	237,554	1,044,959	
Admissions Spain (including outpatients)	4,329,640	15,037,804	

## Fresenius Vamed: Q1/21 Key Financials

€m	Q1/21	Δ YoY cc
<b>Total sales</b>	<b>477</b>	<b>-4%</b>
Thereof organic sales		-4%
Service business	363	2%
Project business	114	-20%
<b>Total EBIT</b>	<b>-4</b>	<b>-129%</b>
Order intake <sup>1</sup>	138	11%
Order backlog <sup>1</sup>	3,082	1% <sup>2</sup>

<sup>1</sup> Project business only

<sup>2</sup> Versus December 31, 2020

## Fresenius Group: Calculation of Noncontrolling Interests

€m	Q1/21	Q1/20
Earnings before tax and noncontrolling interests	869	951
Taxes	-198	-215
Noncontrolling interests, thereof	-236	-271
Fresenius Medical Care net income not attributable to Fresenius (Q1/21: ~68%)	-168	-194
Noncontrolling interest holders in Fresenius Medical Care	-55	-68
Noncontrolling interest holders in Fresenius Kabi (-€10 m), Fresenius Helios (-€3 m), Fresenius Vamed (-€1 m) and due to Fresenius Vamed's 23% external ownership (+€1 m)	-13	-9
<b>Net income attributable to Fresenius SE &amp; Co. KGaA</b>	<b>435</b>	<b>465</b>

Before special items

For a detailed overview of special items and adjustments please see the reconciliation tables provided on our website <https://www.fresenius.com/results-center>.

## Fresenius Group: Cash Flow

€m	Q1/21	LTM Margin	Δ YoY
<b>Operating Cash Flow</b>	<b>652</b>	<b>17.5%</b>	<b>-26%</b>
Capex (net)	-411	-6.1%	28%
<b>Free Cash Flow</b> (before acquisitions and dividends)	<b>241</b>	<b>11.4%</b>	<b>-21%</b>
Acquisitions (net)	-63		
Dividends	-61		
<b>Free Cash Flow</b> (after acquisitions and dividends)	<b>117</b>	<b>7.3%</b>	<b>--</b>

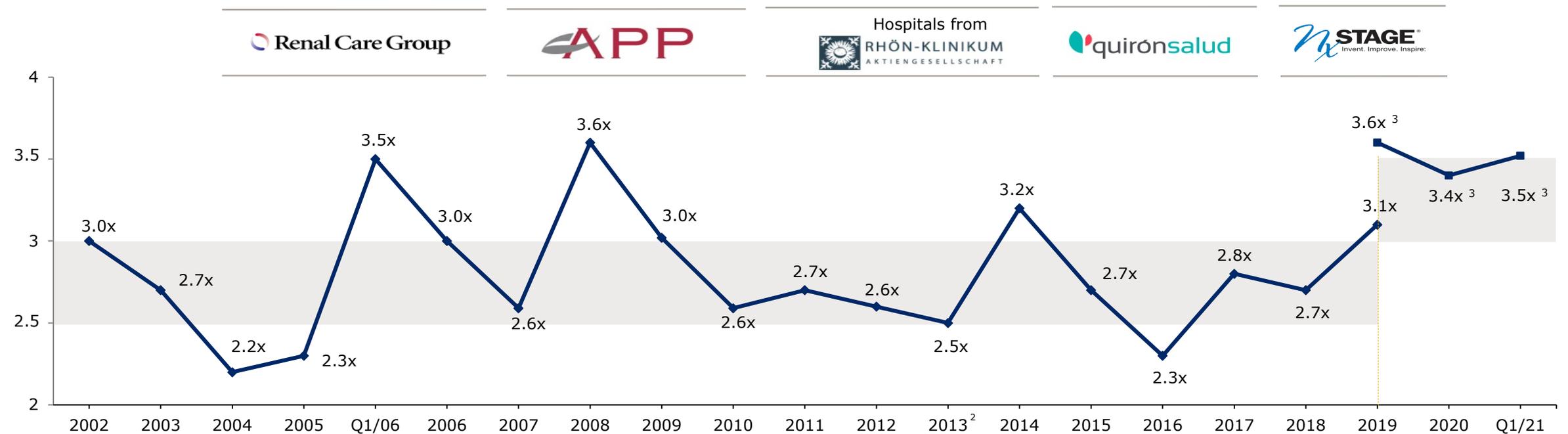
## Estimated COVID-19 Effects Q1/21

	Growth cc as reported incl. COVID-19		Estimated COVID-19 impact cc		Estimated growth cc excl. COVID-19	
	Q1/21	Q1/20	Q1/21	Q1/20	Q1/21	Q1/20
Sales	3%	7%	-1% to -2%	0% to -1%	4% to 5%	7% to 8%
Net income <sup>1</sup>	-2%	1%	-2% to -6%	-5% to -9%	0% to 4%	6% to 10%

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

# Fresenius Group: Proven Track Record of Deleveraging

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



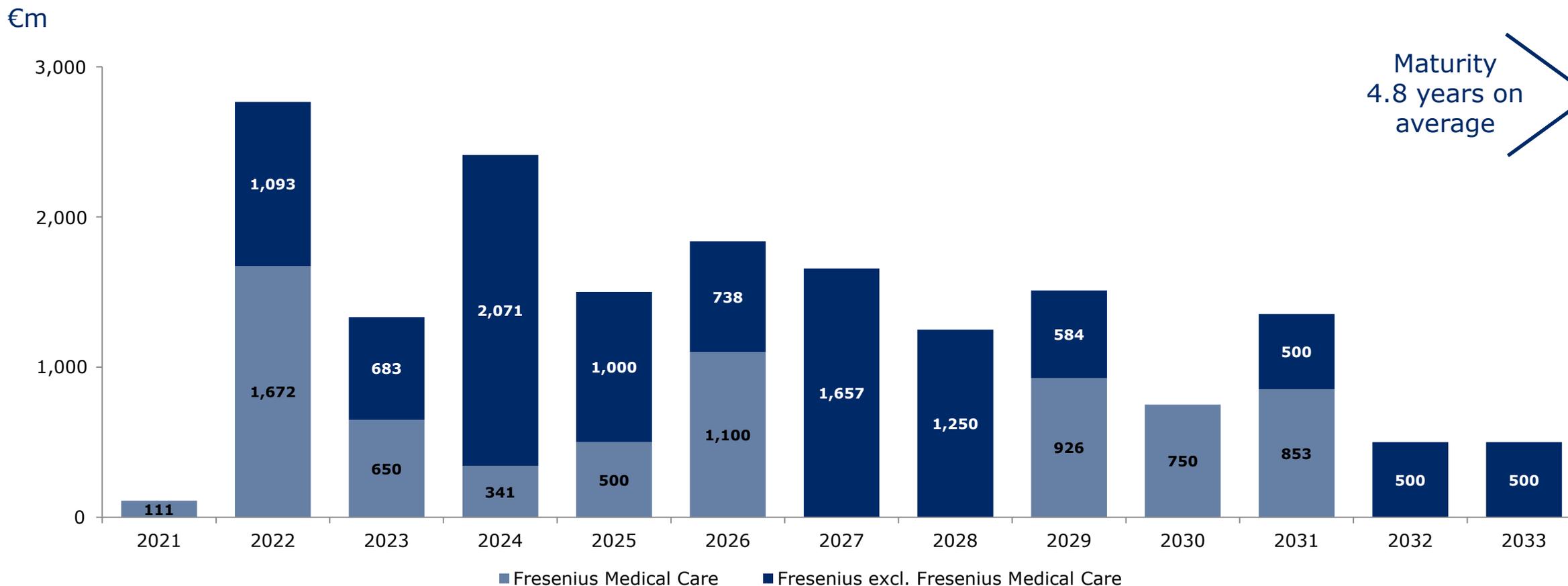
2002-2019 excluding IFRS 16

<sup>1</sup> At actual FX rates from 2002 to 2010 and at average FX rates from 2011 onwards, for both Net Debt and EBITDA; before special items; pro forma closed acquisitions/divestitures

<sup>2</sup> Pro forma excluding advances made for the acquisition of hospitals from Rhön-Klinikum AG

<sup>3</sup> Including IFRS 16

# Fresenius Group: Major long-term debt maturities<sup>1,2,3</sup>



<sup>1</sup> As of March 31, 2021, and based on utilization of major financing instruments, excl. Commercial Paper

<sup>2</sup> Pro forma issuance of FSE EUR 500m bonds 2021/2025, FSE EUR 500m bonds 2021/2028 & FSE EUR 500m bonds 2021/2031 on April 1, 2021

<sup>3</sup> Pro forma repayment of EUR 750m Term Loan & EUR 650m Term Loan under the FSE Credit Agreement on April 1, 2021

## Sales by Business Segment – FX, Acquisitions/Divestitures Effects Q1/21

€m	Q1/21	Q1/20	Growth at actual rates	Currency translation effects	Growth at constant rates	Organic growth	Acquisitions	Divestitures/Others
Fresenius Medical Care	4,210	4,488	-6%	-7%	1%	1%	1%	-1%
Fresenius Kabi	1,761	1,789	-2%	-6%	4%	3%	0%	1%
Fresenius Helios	2,649	2,466	7%	-1%	8%	4%	4%	0%
Fresenius Vamed	477	499	-4%	0%	-4%	-4%	0%	0%
<b>Total</b>	<b>8,984</b>	<b>9,135</b>	<b>-2%</b>	<b>-5%</b>	<b>3%</b>	<b>2%</b>	<b>2%</b>	<b>-1%</b>

# Financial Calendar / Contact

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## Financial Calendar

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21 May 2021	Annual General Meeting
30 July 2021	Results Q2/21
02 November 2021	Results Q3/21

Please note that these dates could be subject to change.



## Contact

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