



Conference Call | Q2/21 Results

Bad Homburg, 30 July 2021

Safe Harbor Statement

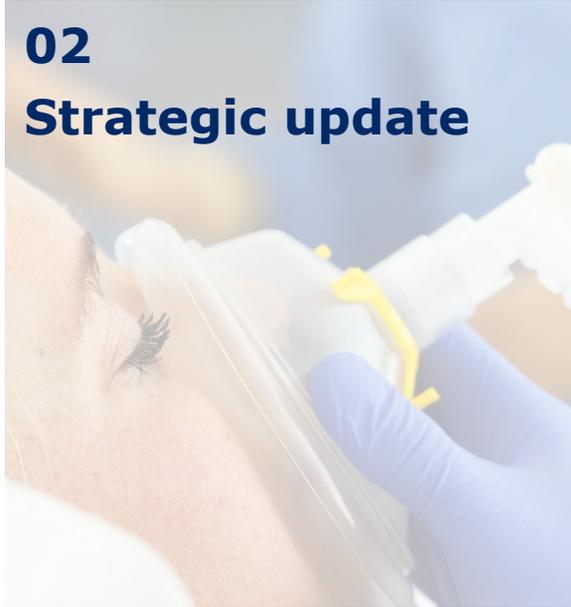
This presentation contains forward-looking statements that are subject to various risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to certain factors, e.g. changes in business, economic and competitive conditions, regulatory 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



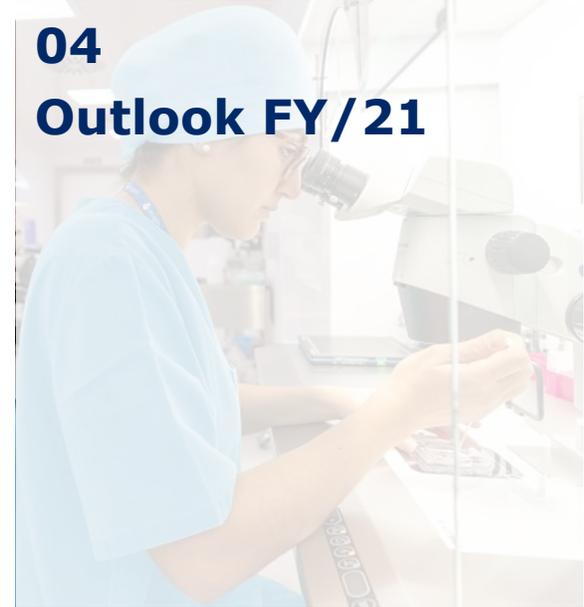
01
Key messages



02
Strategic update

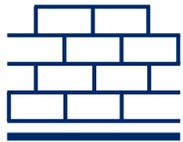


03
Financial review
Q2/21



04
Outlook FY/21

Key messages Q2/21



Very strong performance with dynamic sales and net income growth



Rebounding elective procedures in all relevant markets



Cost & efficiency program: First measures implemented; Net income savings >€100 million p.a. in 2023 expected



Guidance raised despite expected challenges in H2/21



Expected continued COVID impact; significantly reduced patient excess mortality rates



Recovery in Emerging Markets more than offsets ongoing headwinds in North America



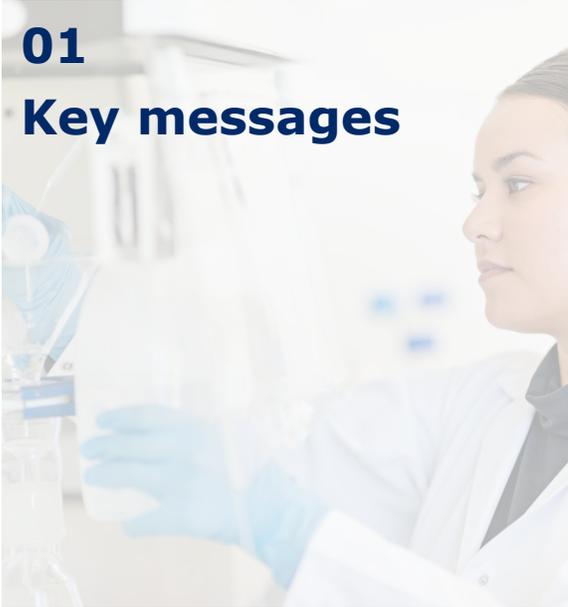
Recovering elective treatments in Germany; outstanding growth in Spain over weak prior-year comp



Back to sales and EBIT growth

Agenda

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Key messages



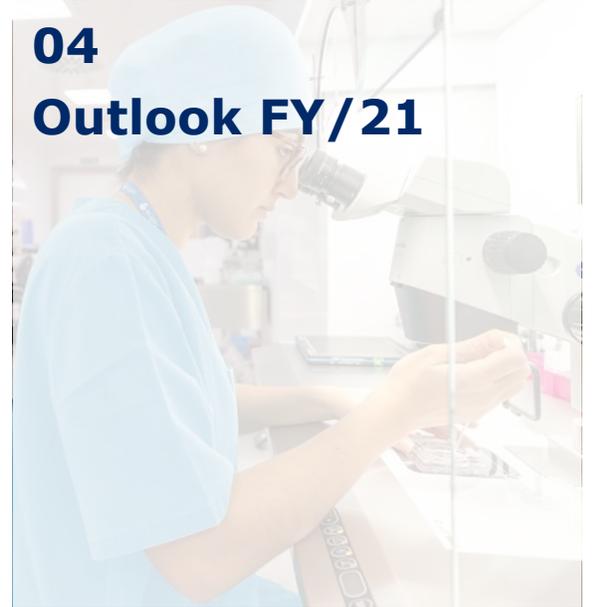
02
**Strategic
update**



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**Financial review
Q2/21**



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Fresenius Group: Update cost & efficiency program



- Wide-reaching operating model review; update in fall 2021



- Optimization of production network
- Reduction of product portfolio complexity
- Centralization of worldwide purchasing
- Review of organizational & cost structures



- Strategic review of hospital portfolio and ambulatory care network
- Reduction of G&A costs



- Structural & organizational measures
- Optimization of global subsidiary structure
- Review of assets and shareholdings portfolio
- Optimization of procurement and G&A costs



- New ways of working for corporate HQ
- Group-wide review of IT operating model

- **FMC contribution** to savings and expenses in timeframe 2021 to 2023 not overproportional
- **One-timers** on average >€100 million after tax and minorities from 2021 to 2023, currently largest portion in 2022 expected
- **Savings** >€100 million p.a. after tax and minorities from 2023 onwards expected
- **First low double-digit € m savings** after tax and minorities already expected in 2021

Fresenius Kabi: China's dynamic growth more than offsets softness in North America; biosimilar business on track



North America

Q2/21 still marked by **fewer elective treatments** and **competitive pressure**

Melrose Park:

- Return to regular batch release schedule in Q2/21
- Backorders significantly reduced
- FDA inspection expected any time

Investments at our major manufacturing sites **making excellent progress**

Europe & Latin America

Healthy growth in **Europe** on the back of **recovering elective activity**

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

Asia Pacific

China with **very strong organic growth** over weak prior year quarter; **negative pricing effects** due to national and provincial tenders expected in H2/21

APAC ex China with strong organic growth in Q2/21

Biosimilars

Adalimumab received market authorization in Ecuador and Taiwan; tender wins in Scotland and Wales

Pegfilgrastim: "On Body Injector" launch on track; **significant market potential expected**

Tocilizumab launch on track: Subcutaneous besides IV administration offers USP with attractive commercial potential

Fresenius Helios: Gradually increasing elective treatments in Germany; excellent growth at Helios Spain based on activity levels above pre-pandemic levels in most medical areas



Helios Germany

Continuous **upward trend** in elective treatment activity

Significantly fewer hospitalized COVID-19 patients

Support of **COVID-19 vaccination efforts**

Expansion of **telemedicine services**



Helios Spain

Excellent operating performance in Q2 based on a combination of pent-up demand and market growth

Significant summer dip in comparison to last year expected, fewer pent-up demand and touristic admissions anticipated

Acquisition of an ORP platform in Portugal

Latin American **operations on track**



Fertility Services

Consolidation of Eugin as of April 1

Financial **performance in line** with expectations despite some COVID-19 related headwinds

Opening of a **new fertility clinic** in Vicenza, Italy

Acquisition of **reproductive Care Center** in Utah, USA

Expecting **further bolt-on acquisitions** in the next quarters

Fresenius Vamed: Business back to growth in Q2/21; momentum in H2/21 highly dependent on further development of COVID pandemic



Easing of COVID-19 headwinds in Q2/21

Project business shows signs of recovery – despite COVID-19

Rehabilitation business supported by increased elective treatments

Technical services business remains robust

Recovery of sterilization services in Q2/21

Project business – strong order book

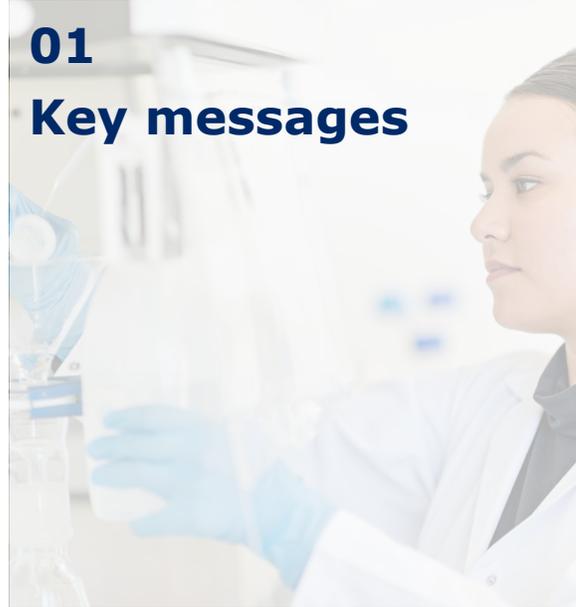
Excellent order intake in Q2/21;
order backlog at €3.6 bn

Key order intakes in Q2/21:

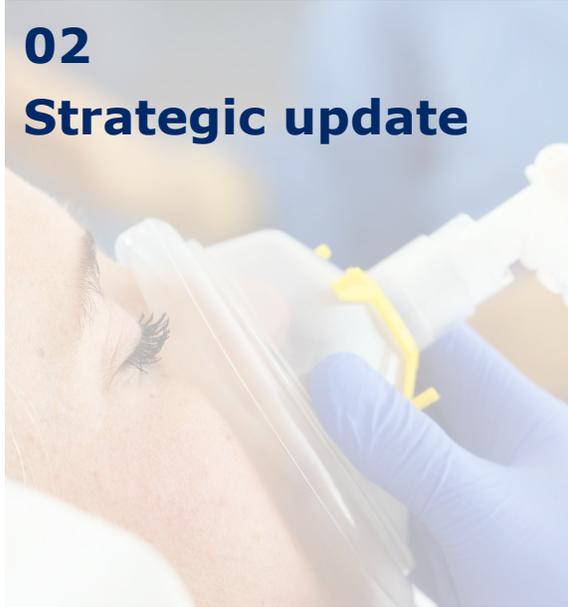
- Turnkey Project, Wiener Neustadt Hospital in Austria
 - Turnkey Project, Regional Hospitals in Angola
-

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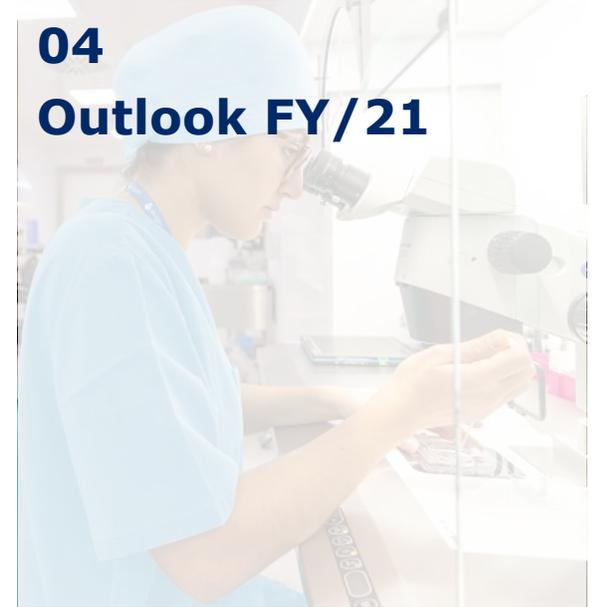
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Q2/21 Profit and Loss Statement

Sales

+8%

Q2/21: €9,246 m

EBIT

-4%

Q2/21: €1,030 m

Income Tax Rate

21.5%

Q2/20: 23.5%

Net Interest

-€121 m

Q2/20: -€167 m

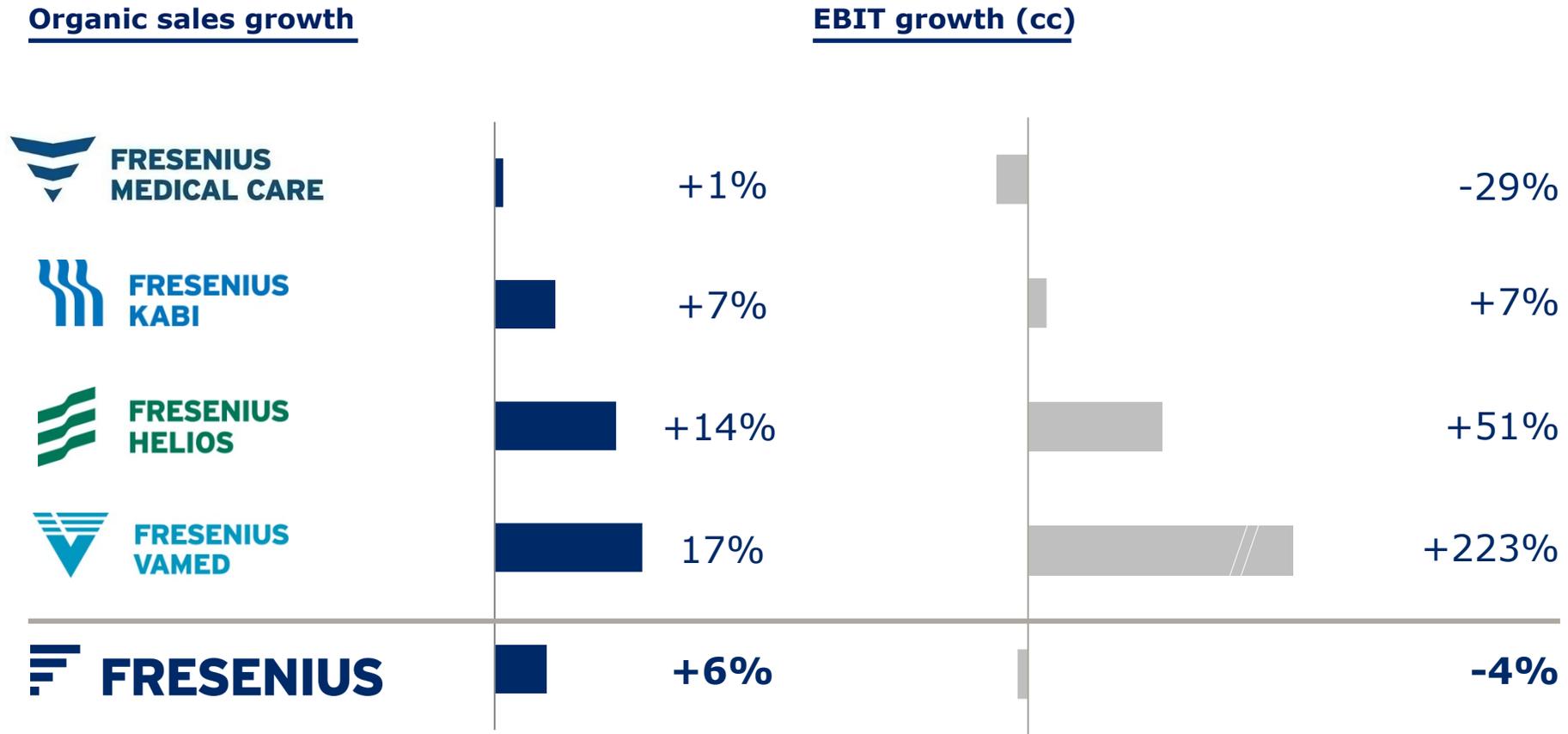
Net Income

+20%

Q2/21: €474 m

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

Q2/21 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>.

Q2/21 Cash Flow

€m	Operating CF		Capex (net)		Free Cash Flow ¹	
	Q2/2021	LTM Margin	Q2/2021	LTM Margin	Q2/2021	LTM Margin
 FRESENIUS MEDICAL CARE	921	14.2%	-201	-5.3%	720	8.9%
 FRESENIUS KABI	197	14.3%	-114	-8.5%	83	5.8%
 FRESENIUS HELIOS	223	11.0%	-153	-5.9%	70	5.1%
 FRESENIUS VAMED	58	3.9%	-25	-3.6%	33	0.3%
Corporate/Other	52	n.a.	-6	n.a.	46	n.a.
 FRESENIUS Excl. FMC ²	656	12.9%	-298	-6.8%	358	6.1%
 FRESENIUS	1,451	12.9%	-499	-6.1%	952	6.8%

¹ Before acquisitions and dividends

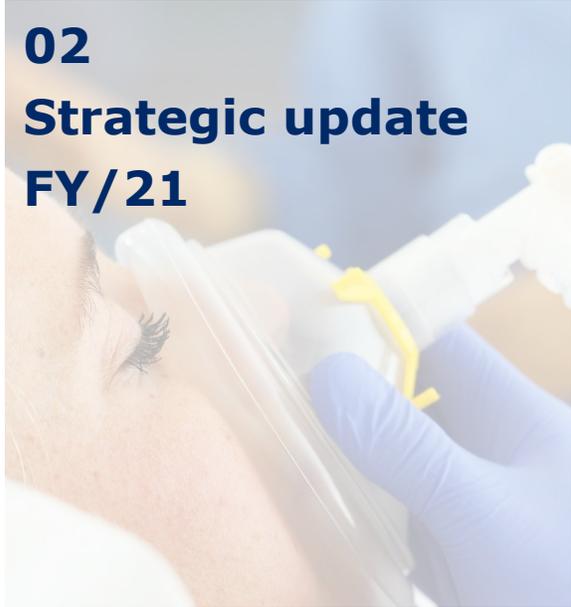
² Including FMC dividends

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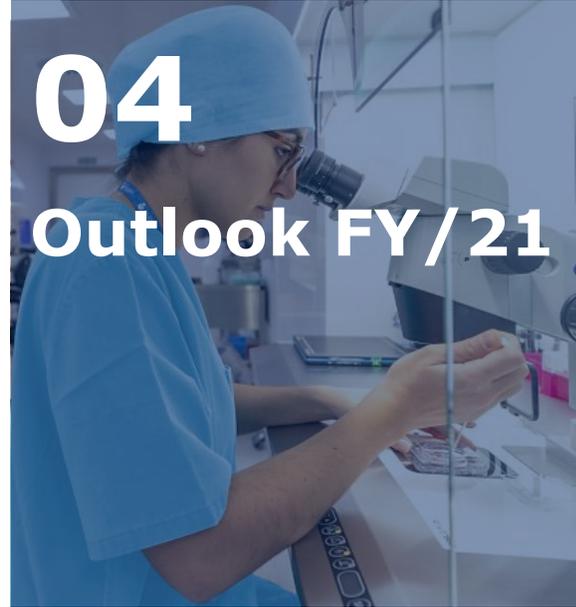
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FY/21 Financial Outlook by Business Segment

€m (except otherwise stated)		FY/20 Base	H1/21 Actual	FY/21e	FY/21e New
 FRESENIUS KABI	Sales growth (org)	6,976	5%	Low-to-mid single-digit %	Confirmed
	EBIT growth (cc)	1,095	4%	Stable to low single-digit %	Low single-digit %
 FRESENIUS HELIOS	Sales growth (org)	9,818	9%	Low-to-mid single-digit %	Mid single-digit %
	EBIT growth (cc)	1,025	20%	Mid-to-high single-digit %	High single-digit %
 FRESENIUS VAMED	Sales growth (org)	2,068	6%	Mid-to-high single-digit %	Confirmed
	EBIT	29	€12 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	H1/21 Actual	FY/21e	FY/21e New
FRESENIUS	Sales growth (cc)	36,277	6%	Low-to-mid single-digit %	Confirmed
	Net income growth (cc)	1,796	8%	At least broadly stable	Low-single- digit %

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

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

Attachments



Fresenius Kabi: Q2 & H1/21 Organic Sales Growth by Regions

€m	Q2/21	Δ YoY organic	H1/21	Δ YoY organic
North America	522	-6%	1,080	-8%
Europe	634	10%	1,260	4%
Emerging Markets	599	19%	1,176	23%
Total sales	1,755	7%	3,516	5%

Fresenius Kabi: Q2 & H1/21 Organic Sales Growth by Product Segment

€m	Q2/21	Δ YoY organic	H1/21	Δ YoY organic
IV Drugs	672	-5%	1,386	-4%
Infusion Therapy	215	17%	411	8%
Clinical Nutrition	530	18%	1,038	16%
Medical Devices/ Transfusion Technology	338	15%	681	11%
Total sales	1,755	7%	3,516	5%

Fresenius Kabi: Q2 & H1/21 EBIT Growth

€m	Q2/21	Δ YoY cc	H1/21	Δ YoY cc
North America Margin	162 31.0%	-25% -830 bps	336 31.1%	-26% -770 bps
Europe Margin	98 15.5%	23% +140 bps	217 17.2%	18% +180 bps
Emerging Markets Margin	156 26.0%	50% +510 bps	282 24.0%	66% +620 bps
Corporate and Corporate R&D	-118	6%	-261	0%
Total EBIT Margin	298 17.0%	7% -40 bps	574 16.3%	4% -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: Q2 & H1/21 Key Financials

€m	Q2/21	Δ YoY cc	H1/21	Δ YoY cc
Total sales	2,738	14%¹	5,387	9%¹
Thereof Helios Germany	1,675	3% ¹	3,348	1% ¹
Thereof Helios Spain	1,020	38% ¹	1,996	24% ¹
Total EBIT	298	51%	566	20%
Margin	10.9%	+230 bps	10.5%	+60 bps
Thereof Helios Germany	152	3%	302	-3%
Margin	9.1%	-30 bps	9.0%	-80 bps
Thereof Helios Spain	147	174%	273	66%
Margin	14.4%	+710 bps	13.7%	+340 bps
Thereof Corporate	-1	--	-9	--

¹ 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

	H1/21	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	29,957	29,978	0%
- Acute care hospitals	29,419	29,451	0%
No. of beds Spain (Hospitals)	7,992	7,936	1%
Admissions Germany (acute care)	498,609	1,044,959	
Admissions Spain (including outpatients)	9,080,006	15,037,804	

Fresenius Vamed: Q2 & H1/21 Key Financials

€m	Q2/21	Δ YoY cc	H1/21	Δ YoY cc
Total sales	556	17%	1,033	6%
Thereof organic sales		17%		6%
Project business	164	12%	278	-3%
Service business	392	19%	755	10%
Total EBIT	16	--	12	--
Order intake ¹	713	--	851	--
Order backlog ¹			3,635	19% ²

¹ Project business only

² Versus December 31, 2020

Fresenius Group: Calculation of Noncontrolling Interests

€m	H1/21	H1/20
Earnings before tax and noncontrolling interests	1,781	1,907
Taxes	-394	-440
Noncontrolling interests, thereof	-477	-592
Fresenius Medical Care net income not attributable to Fresenius (H1/21: ~68%)	-320	-431
Noncontrolling interest holders in Fresenius Medical Care	-116	-144
Noncontrolling interest holders in Fresenius Kabi (-€29 m), Fresenius Helios (-€9 m), Fresenius Vamed (-€2 m) and due to Fresenius Vamed's 23% external ownership (-€1 m)	-41	-17
Net income attributable to Fresenius SE & Co. KGaA	910	875

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	Q2/21	LTM Margin	Δ YoY
Operating Cash Flow	1,451	12.9%	-53%
Capex (net)	-499	-6.1%	-5%
Free Cash Flow (before acquisitions and dividends)	952	6.8%	-63%
Acquisitions (net)	-456		
Dividends	-855		
Free Cash Flow (after acquisitions and dividends)	-359	-0.3%	-115%

Estimated COVID-19 Effects H1/21

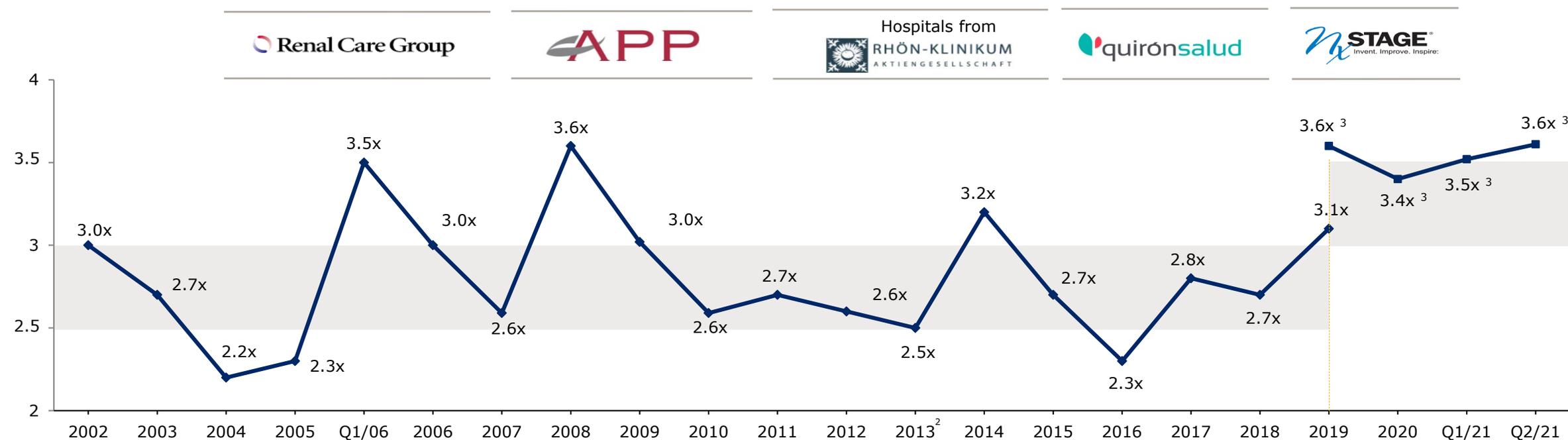
	Growth cc as reported incl. COVID-19		Estimated COVID-19 impact cc		Estimated growth cc excl. COVID-19	
	Q2/21	Q2/20	Q2/21	Q2/20	Q2/21	Q2/20
Sales	8%	2%	2% to 1%	-4% to -5%	6% to 7%	6% to 7%
Net income ¹	20%	-13%	10% to 6%	-13% to -17%	10% to 14%	0% to 4%

	Growth cc as reported incl. COVID-19		Estimated COVID-19 impact cc		Estimated growth cc excl. COVID-19	
	H1/21	H1/20	H1/21	H1/20	H1/21	H1/20
Sales	6%	5%	1% to 0%	-2% to -3%	5% to 6%	7% to 8%
Net income ¹	8%	-6%	4% to 0%	-9% to -13%	4% to 8%	3% to 7%

¹ Net income attributable to shareholders of Fresenius SE & Co. KGaA

Fresenius Group: Proven Track Record of Deleveraging

Net Debt/EBITDA¹



2002-2019 excluding IFRS 16

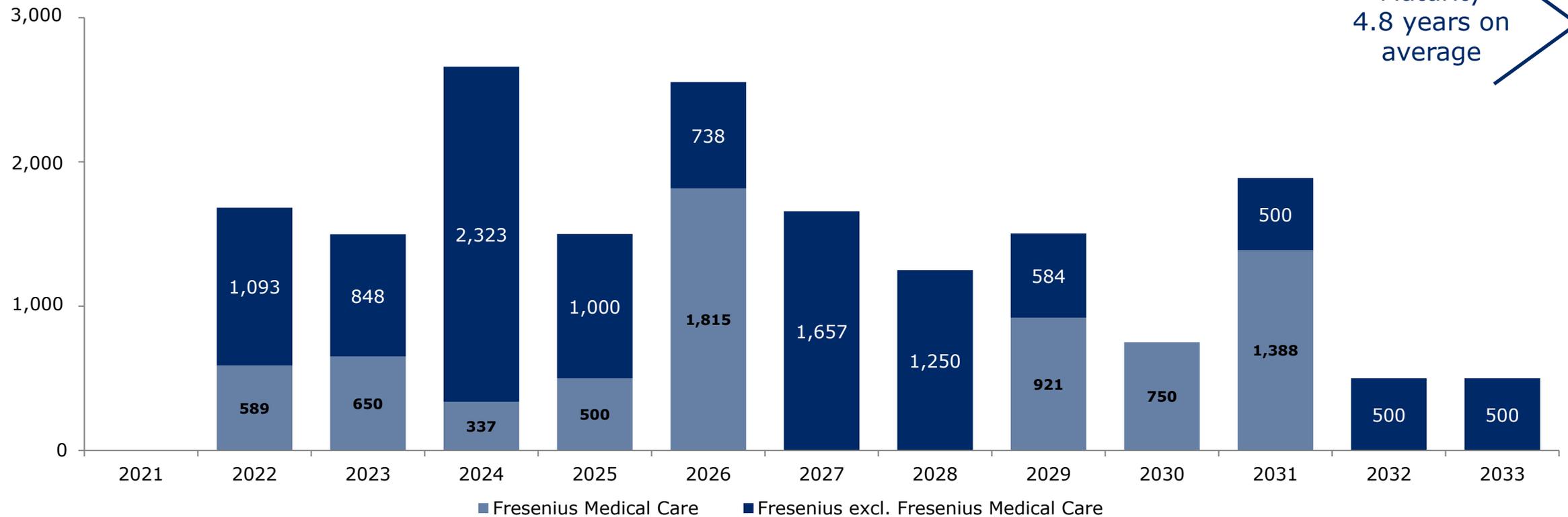
¹ At actual FX rates from 2002 to 2010 and at average FX rates from 2011 onwards, for both Net Debt and EBITDA; before special items; pro forma closed acquisitions/divestitures

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

³ Including IFRS 16

Fresenius Group: Major long-term debt maturities¹

€m



Maturity
4.8 years on
average

¹ As of June 30, 2021, and based on utilization of major financing instruments, excl. Commercial Paper

Sales by Business Segment – FX, Acquisitions/Divestitures Effects Q2/21

€m	Q2/21	Q2/20	Growth at actual rates	Currency translation effects	Growth at constant rates	Organic growth	Acquisitions	Divestitures/Others
Fresenius Medical Care	4,320	4,557	-5%	-7%	2%	1%	1%	0%
Fresenius Kabi	1,755	1,678	5%	-3%	8%	7%	0%	1%
Fresenius Helios	2,738	2,315	18%	-1%	19%	14%	5%	0%
Fresenius Vamed	556	475	17%	0%	17%	17%	0%	0%
Total	9,246	8,920	4%	-4%	8%	6%	2%	0%

Sales by Business Segment – FX, Acquisitions/Divestitures Effects H1/21

€m	H1/21	H1/20	Growth at actual rates	Currency translation effects	Growth at constant rates	Organic growth	Acquisitions	Divestitures/Others
Fresenius Medical Care	8,530	9,045	-6%	-8%	2%	1%	1%	0%
Fresenius Kabi	3,516	3,467	1%	-5%	6%	5%	0%	1%
Fresenius Helios	5,387	4,781	13%	0%	13%	9%	4%	0%
Fresenius Vamed	1,033	974	6%	0%	6%	6%	0%	0%
Total	18,230	18,055	1%	-5%	6%	4%	2%	0%

Financial Calendar / Contact



Financial Calendar

02 November 2021

Results Q3/21

Please note that these dates could be subject to change.



Contact

Investor Relations & Sustainability

Fresenius SE & Co. KGaA

phone: +49 6172 608-2485

e-mail: ir-fre@fresenius.com

For further information and current news: www.fresenius.com



www.twitter.com/fresenius_ir



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