## **F** FRESENIUS



## **Credit Suisse 2021 London Global Healthcare Conference**

London, March 2, 2021

#### **Safe Harbor Statement**

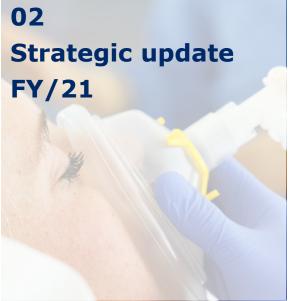
This presentation contains forward-looking statements that are subject to various risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to certain factors, e.g. changes in business, economic and competitive conditions, regulatory reforms, results of clinical trials, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing.

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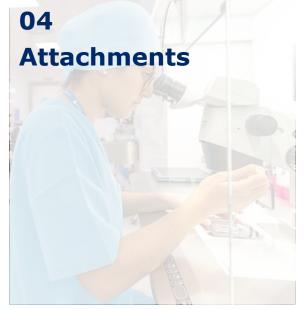


## **Agenda**









### A Global Leader in Health Care Products and Services



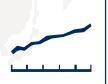
in **sales** (FY/2020)





Global presence in 100+ countries





Strong financial performance and **cash flow** generation



Employees worldwide (as of Dec 31, 2020)



310,000+

### **Investment Highlights**



Diversified healthcare Group with four strong business segments





#### **Resilient business model**

based on megatrends healthcare and demographics

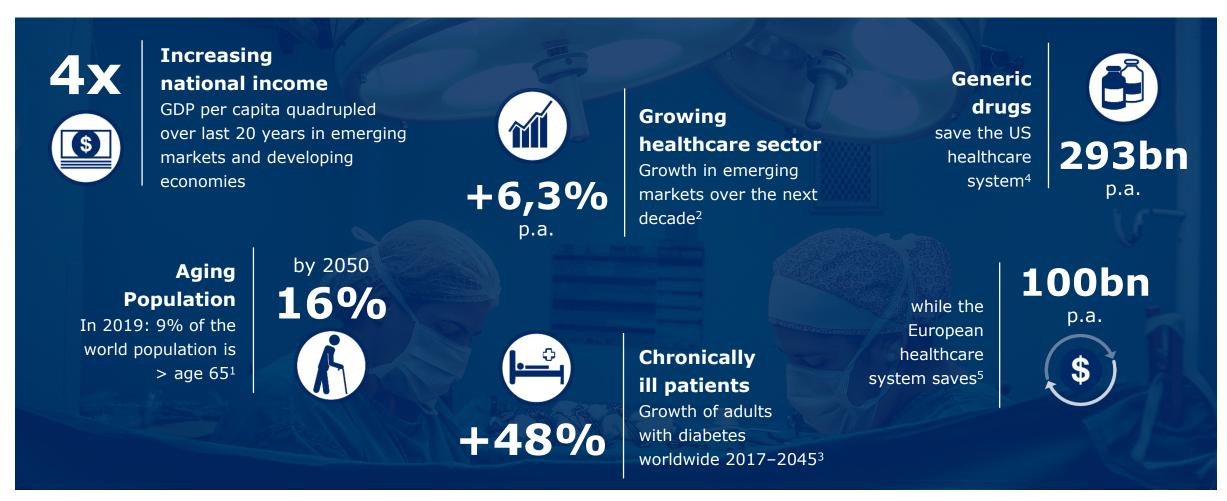




Strong financial performance and cash flow generation



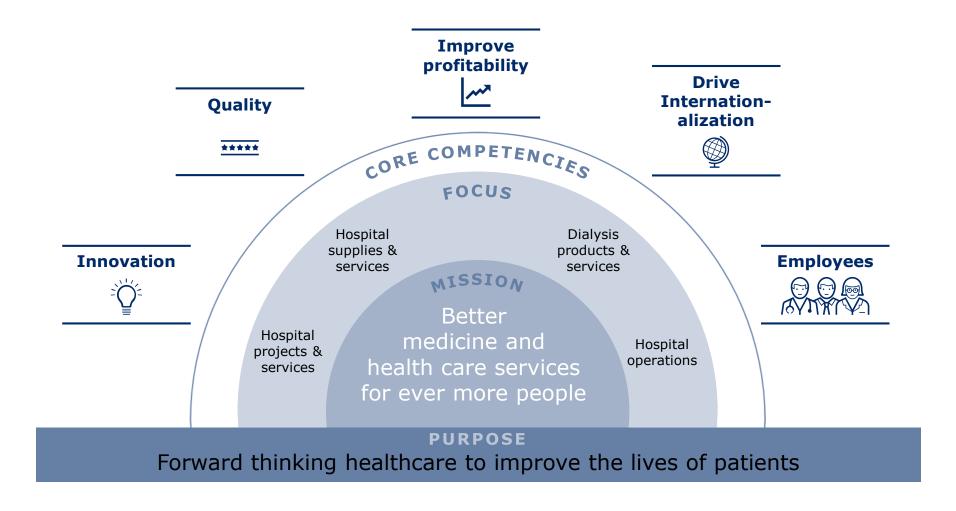
## **Global Trends offer Growth Opportunities for Fresenius**



Sources: <sup>1</sup> UN, 2019 Revision of World Population Prospects (2019) <sup>2</sup> UBS, Longer Term Investments: EM healthcare (2018) <sup>3</sup> IDF Diabetes Atlas (2017) <sup>4</sup> AAM report (2019) <sup>5</sup> UBS, Longer Term Investments: Generics (2018)



## **The Fresenius Strategy**



## **Strategic Roadmap**

- Operational excellence
- Growth drivers
- Capital allocation
- Strategic evaluation

## Optimize

- Initiate Cost efficiency program
- Further roll-out biosimilars
- Balance sheet focus
- Disciplined capital allocation
- Ongoing strategic evaluation

## Grow

- First meaningful cost savings
- Continuous progress biosimilars
- Deleverage / Capex reduction
- Value creating capital allocation
- Ongoing strategic evaluation

## Accelerate

- Significant cost savings
- Launch Idacio in US
- Growth areas: Biosimilars, Fertility,
  Digital services, Home-hemodialysis
- Balance sheet flexibility
- Value creating capital allocation
- Ongoing strategic evaluation

Earnings growth

#### Medium-term 2020-2023

Sales:4% - 7% CAGR<sup>1</sup> EAT: 5% - 9% CAGR<sup>1</sup>

2021

2022

2023

¹ Plus ~1% small to mid-sized acquisitions



#### **Growth Areas**











Worldwide growing dialysis market



**Growing Markets with High Entry Barriers** 



**Attractive markets** 



Marketing of existing value chain



Standardizing medical procedures



**Attractive Product Pipeline** 



Market consolidation



Strengthening and extension of value chain



Home dialysis strategy



**Entry into attractive biosimilars business** 



**Synergies** 



**Development of post-acute** care business



Innovating products



**Strong Emerging Markets Presence** 



**Greenfield investments** in Spain



**Expansion of** geographic presence



Further Internationalization

# **Environment, Social and Governance Setting the right priorities in a COVID-19 world**







#### **ESG** priorities confirmed

"Better medicine for more people"

Ensuring access to medicine

Protecting our employees

Alignment with SDGs published on website

#### **Sustainability progress in 2020**

Rating improvements across the board, **Highlights:** CDP Climate from "C" to "B", MSCI from "BB" to "BBB"

Restructured, GRI-aligned sustainability report to be released in March 2021

Strategy and KPI alignment program to be continued in 2021, driven by **Group Sustainability Board** 

#### **Corporate governance update**

New **Management Board remuneration** system to be presented at AGM, includes ESG component

Supervisory Board elections on AGM agenda

# **Environment, Social and Governance Refreshed Materiality analysis in 2020 - core priorities confirmed, new topics added**

## Well-being of the patient

- → Access to health care and medicine
- → Patient & Product safety



## Digital Transformation & Innovation

- → Digitilization & Innovation
- → Cybersecurity



#### **Employees**

- → Working conditions, recruitment& employee participation
- → Employee development
- → Occupational health & safety



#### **Diversity**

→ Diversity and equal opportunities



#### **Compliance & Integrity**

- → Compliance
- → Data protection
- → Human Rights
- → Supply Chain



#### **Environment**

- → Water management
- → Waste and recycling management
- → Climate protection



# **ESG Rating Overview Continuous Improvement through Reporting and Engagement**











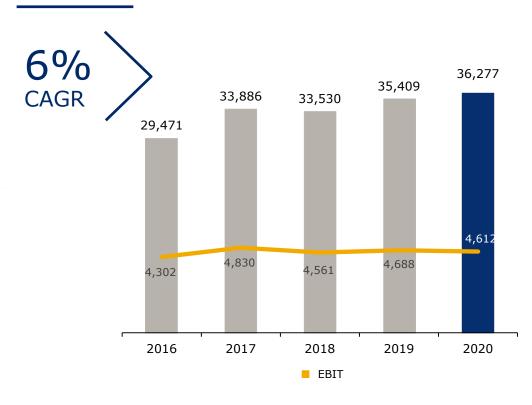
Current Score	CDP Climate: B CDP Water: C	Prime C	ВВВ	50/100 DJSI Europe	19.6 Low Risk
Sector Average	CDP Climate: C	C-	BBB - A	28 / 100	28.5 Medium Risk
Previous Score	CDP Climate: C CDP Water: C	Prime C	ВВ	39/100	New methodology applied in 2020

## Fresenius Group: Global Sales Base in Growing, Non-Cyclical Markets

#### **2020 Sales by Region**



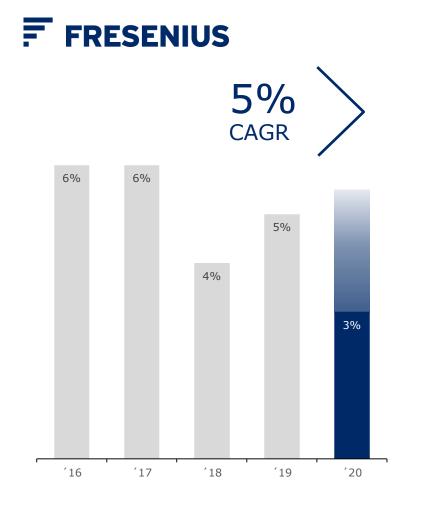
#### Sales in € bn

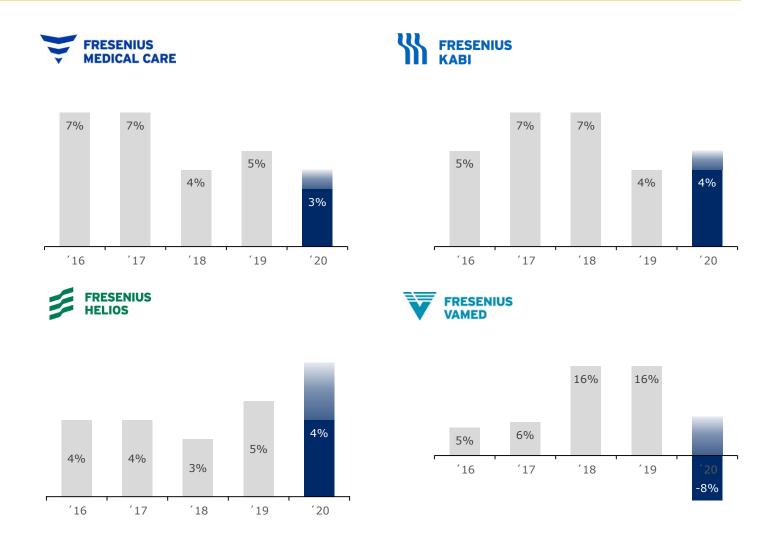


Before special items 2016-2018 excluding IFRS 16



## Strong track record of organic sales growth





Shaded areas show estimated COVID-19 effects



## **Strong and Balanced Health Care Portfolio**





Ownership: ~32%

## **Dialysis Products Health Care Services**

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

Sales 2020: €17.9 bn





Ownership: 100%

#### **Hospital Supplies**

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

Sales 2020: €7.0 bn





Ownership: 100%

#### **Hospital Operation**

- Acute care
- Outpatient services

Sales 2020: €9.8 bn





Ownership: 77%

## **Projects and Services for Hospitals**

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

Sales 2020: €2.1 bn



## Fresenius Medical Care: Global Dialysis Market Leader

- The world's leading provider of dialysis products and services treating ~347,000 patients<sup>1</sup> in ~4,000 clinics<sup>1</sup>
- Provide highest standard of product quality and patient care





Dialysis services



Complete therapy offerings

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

#### **Sales by Region**



#### **Market Dynamics**

#### Increase in worldwide demand

~ 3% Patient growth in 2020

+ 37% Growth of home hemodialysis treatments in 2020 in the U.S.

Global market for dialysis products and services

~ € 82 bn

Big Data is driving new treatment models

#### ~ 54 million

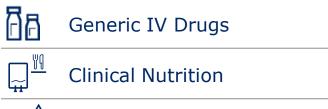
dialysis treatments in 2020 providing sound data basis to further standardize medical setups at Fresenius Medical Care

<sup>1</sup> As of December 31, 2020



## Fresenius Kabi: A Leading Global Hospital Supplier

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









### Sales by Region



- 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**

Growing healthcare spending in Emerging Markets

+6.3% p.a. growth over the next decade

#### **Aging population**

**16%** of the world population will be > age 65 by 2050 (9% in 2019)

Rising cost consciousness in healthcare spending – significant savings from generics

~US\$293bn p.a. savings in the US

~ €100bn p.a. savings in the EU



### Fresenius Helios: Europe's Largest Private Hospital Operator

- Market leader in size and quality with excellent growth prospects
- ~5%¹ share in German acute care hospital ~12%¹ share in Spanish private hospital market
- Quality is key: defined quality targets, publication of medical treatment results, peer review processes
- Broad revenue base with public and privately insured patients, PPPs, self-pay and Occupational Risk Prevention









 Development of new business models to foster digitalization and profit from trend towards outpatient treatments

### **Market Dynamics**

Hospital market in Germany ~ € 109 bn

Length of stay below the average of 7.2 days

in Germany provides benefits for hospital operators

(Helios Germany: 5.7 days)

Private hospital market in Spain ~ € 16 bn

Average increase of private health insurance policies in Spain of

~2.5% p.a.

<sup>1</sup> Based on sales



## 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

#### Sales by Region







Services



Post-acute care

- Leading European post-acute care provider operating in five European countries
- Sales by product segment shifted in recent years towards the service business:

Service business: 69%¹

• Project business: 31%<sup>1</sup>

### **Market Dynamics**

**Telemedicine market in Europe** is estimated to grow

**14.1% p.a.** till 2025.

Global preventive health care is estimated to grow

**9.5%** p.a. till 2025.

**Outsourcing of non-medical** services provided by public institutions to private providers grew in Germany by

**50%** from 2013 to 2018.

**Emerging markets' share of** global health expenditure will grow to

**33%** by 2022.

<sup>&</sup>lt;sup>1</sup> As of December 31, 2020



## Fresenius Group: Medium-term Growth Targets 2020 – 2023 (CAGRs)

#### **Organic sales growth**

4 - 7%

(plus ~1% small to mid-size acquisitions)



## Organic net income¹ growth

5 - 9%

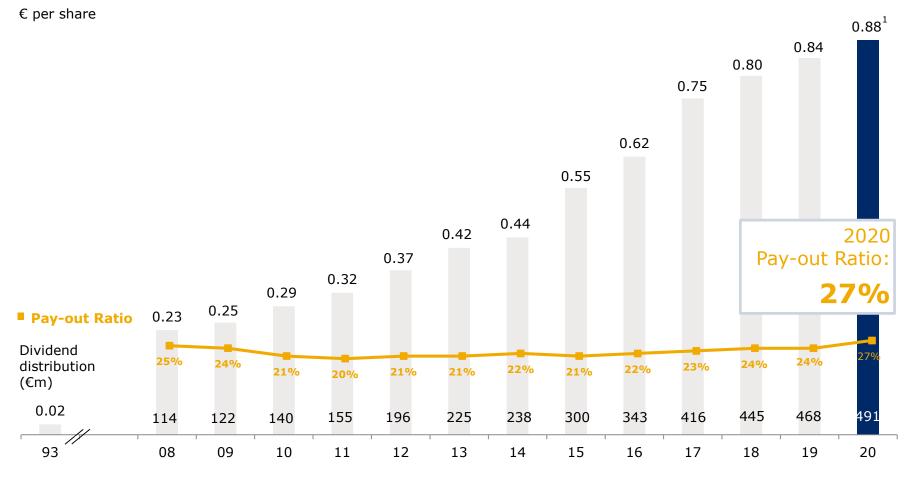
(plus ~1% small to mid-size acquisitions)





 $<sup>^{\</sup>rm 1}$  Net income attributable to shareholders of Fresenius SE  $\&\, \text{Co.\,KGaA}$  Before special items

## Fresenius SE: Earnings-Linked Dividend Policy



#### Track record

28<sup>th</sup> consecutive dividend increase

CAGR dividend increase

+15%

#### **Dividend Policy**

Dividend growth aligned to EPS<sup>2</sup> growth

Pay-out Ratio:

20% to 25%



<sup>&</sup>lt;sup>1</sup> Proposal

<sup>&</sup>lt;sup>2</sup> Before special items

#### Fresenius Share & Shareholder Structure

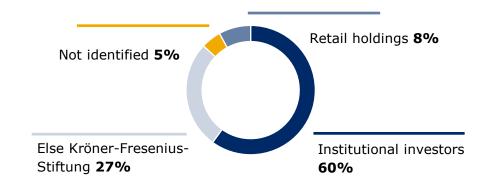
#### **Share price development LTM**



Click to view our interactive share price tool



#### **Shareholder structure by investors**



As of December 31, 2020

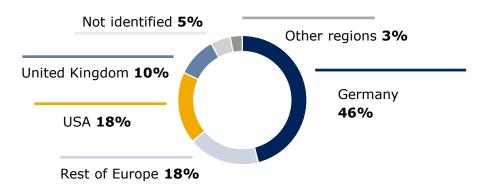
#### **Analyst recommendations**



Click to view downloadable set of the consensus data

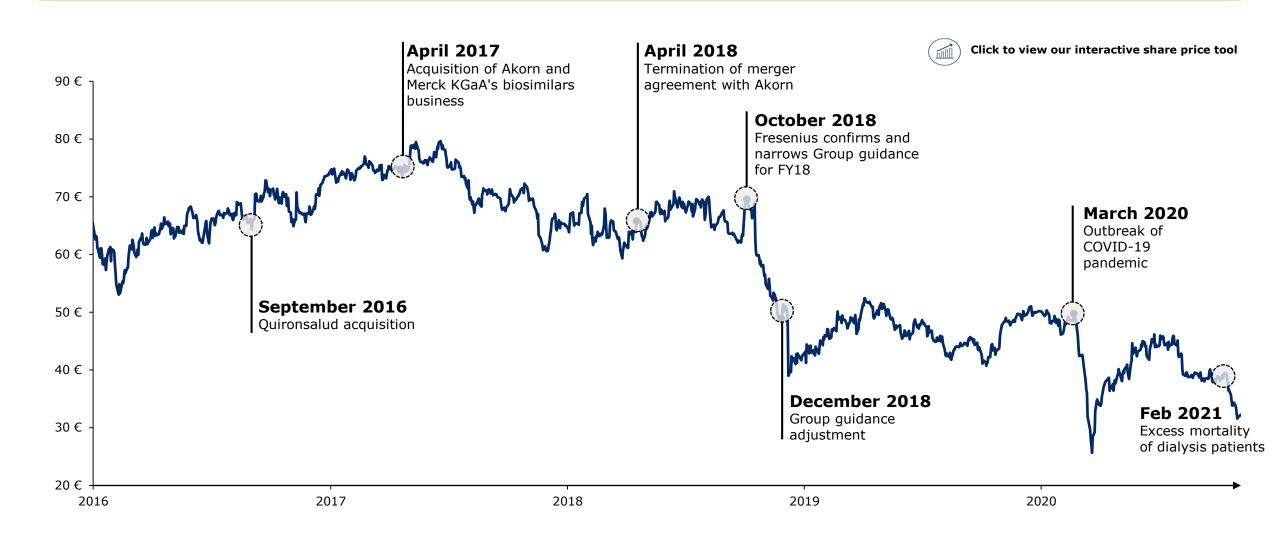


#### **Shareholder structure by region**





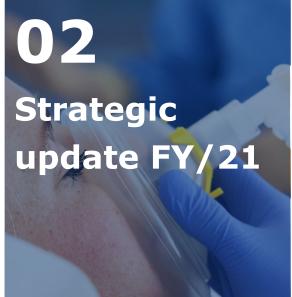
## **FRE Historical share price performance**





## **Agenda**

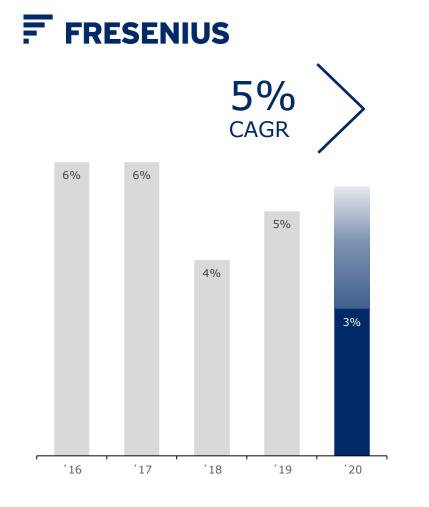


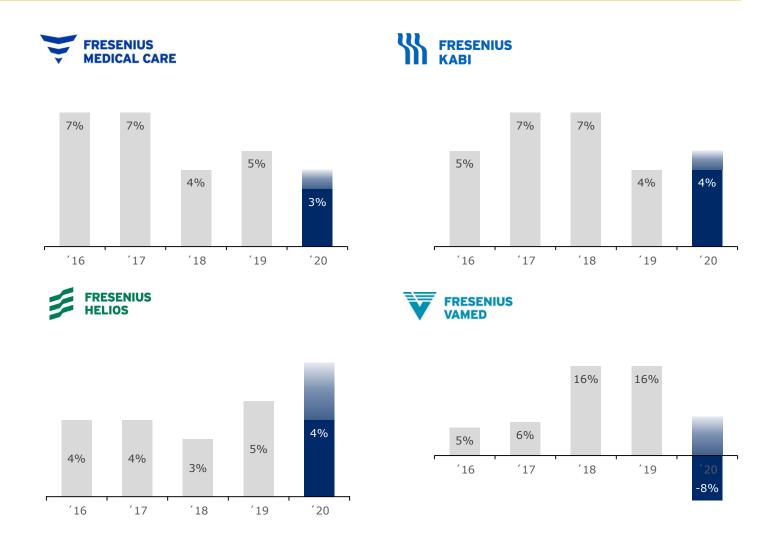






## Strong track record of organic sales growth





Shaded areas show estimated COVID-19 effects



## **Strategic Roadmap**

Operational excellence

Growth drivers

Capital allocation

Strategic evaluation

## **Optimize**

- Initiate Cost efficiency program
- Further roll-out biosimilars
- Balance sheet focus
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2021 2022

2023

<sup>&</sup>lt;sup>1</sup> Plus ~1% small to mid-sized acquisitions



## **Cost-efficiency program to be initiated**





- Review of organizational structure and operating model
- Streamlining activities in organizational structures and facilities/real estate and other synergy fields





- Efficiency improvements globally and identification of other savings in indirect spend
- Review of cost structures particularly in markets with significant price pressure





- Review of non-medical support processes and structures
- · Strategic alignment of clinic portfolio in Germany





- Optimization of global subsidiary structure
- Review of assets and shareholdings portfolio





- Implementation of **new ways of working** for corporate headquarters
- Groupwide review of IT operating model

Savings of at least €100 m p.a. after tax and minorities planned in 2023





## Biosimilars gaining traction and will significantly accelerate growth

#### Launch schedule **Sales projection** Autoimmune Oncology Adalimumab \_\_\_ **4** Q1 **High triple** digit € m Q2 **Q**3 Introduced in 22 countries since launch 2019 Pegfilgrastim \_\_\_ On Body Pre-filled Dossier acceptance for syringe Device review in May 2020 for On Body Device offers FDA and EMA significant US market potential Tocilizumab Subcutaneous and IV; thereof subcutaneous with significant more market potential **Further** Biosimilars 2023e 2021e 2022e 2024e 2025e 2019 2020 2021e 2022e 2023e 2024e 2019 2020



# **Environment, Social and Governance Setting the right priorities in a COVID-19 world**







#### **ESG** priorities confirmed

"Better medicine for more people"

Ensuring access to medicine

Protecting our employees

Alignment with SDGs published on website

#### **Sustainability progress in 2020**

Rating improvements across the board, **Highlights:** CDP Climate from "C" to "B", MSCI from "BB" to "BBB"

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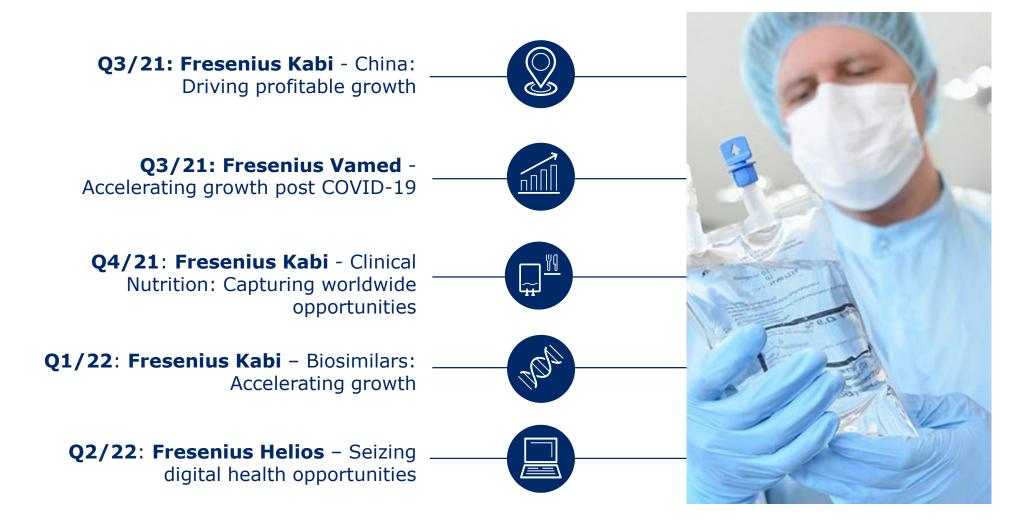
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#### **Corporate governance update**

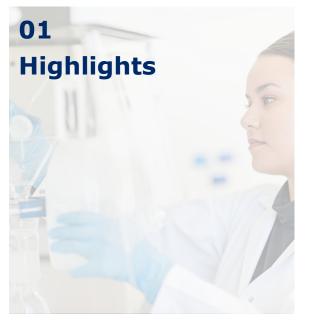
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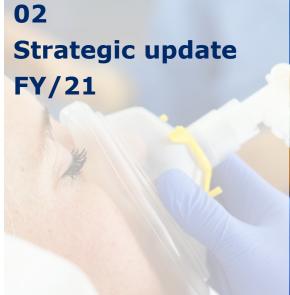
Supervisory Board elections on AGM agenda

## **Meet the Management – Conference Call Series**

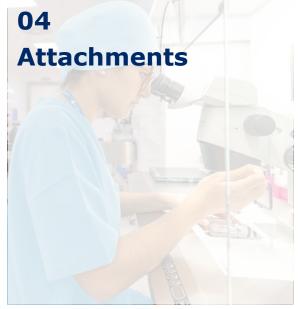


## **Agenda**









## Fresenius Group: Q4/20 profit and loss statement

Sales

+5%

Q4/20: €9,304 m

**Income Tax Rate** 

24.1%

Q4/19: 23.8%

**EBIT** 

+2%

Q4/20: €1,251 m

**Net Interest** 

-€159 m

Q4/19: -€182 m



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



## **Key Messages**

2020



Successful despite unprecedented challenges: FY/20 Guidance achieved



28th consecutive dividend increase proposed

2021



Accelerated COVID-19 related excess mortality of dialysis patients



Ongoing recovery in Europe and Emerging Markets to drive solid top-line growth



Expected recovery of elective treatments drives organic growth



FY/21 expected to be marked by COVID-19 with projected recovery in H2/21

## **Mid-term**



Group-wide cost-efficiency program to be initiated



Growth to accelerate: Medium-term growth targets confirmed

## **COVID-19 Assumptions for Guidance FY/21**

Current burdens and constraints caused by COVID-19 expected only to begin to recede in H2/21

The guidance does not reflect impacts from potential containment measures without appropriate compensation for the health care sector

Continuously advancing vaccination program in the company's relevant markets

For H2/21, we expect a significant improvement primarily in elective treatments due to continuously increasing level of vaccination coverage



## FY/21 Financial Outlook by Business Segment

€m (exc	cept otherwise stated)		FY/20 Base	FY/20	FY/21e
<b>SS</b>	FRESENIUS KABI	Sales growth (org)	6,976	4%	Low-to-mid single-digit %
	EBIT growth (cc)	1,095	-6%	Stable to low single-digit %	
FRESENIUS HELIOS	Sales growth (org)	9,818	4%	Low-to-mid single-digit %	
	EBIT growth (cc)	1,025	0%	Mid-to-high single-digit %	
FRESENIUS VAMED		Sales growth (org)	2,068	-8%	Mid-to-high single-digit %
	EBIT growth (cc)	29	-79%	High double- digit €m	

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 <a href="https://www.fresenius.com/results-center">https://www.fresenius.com/results-center</a>.



## **FY/21 Financial Guidance**

€m (except otherwise stated)		FY/20 Base	FY/20	FY/21
<b>F</b> FRESENIUS	Sales growth (cc)	36,277	5%	Low-to-mid single-digit %
	Net income growth (cc)	1,796	-3%	At least broadly stable

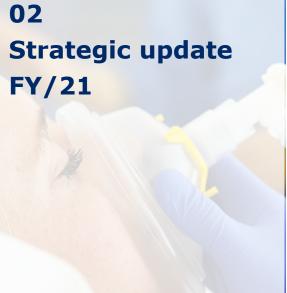
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### **Agenda**









# Fresenius Group: Easing COVID-19 impact whilst regaining business momentum

	Main drivers for FY/21	Expected COVID effects			
FRESENIUS MEDICAL CARE	Higher mortality rate amongst dialysis patients		Signific	cant	
FRESENIUS KABI	Elective treatments in <b>China</b> already from Q1/21 onwards almost at pre-COVID levels; Recovery in <b>NAM</b> expected in H2/21; Headwinds in H1/21 partially compensated by higher demand for COVID-related products	Moderate	Moderate	Slight impact	Slight impact
FRESENIUS HELIOS	Whilst H1/21 is expected to be marked by a lack of <b>elective treatments</b> , significant improvement are expected in H2/21 due to continuous vaccination of population.	Significant	Significant	Slight impact	Slight impact
FRESENIUS VAMED	Improved demand for post-acute care services due to recovery of elective treatments in H2/21  Project business expected to be impacted by travel restrictions in H1/21, gradual recovery in H2/21	Significant	Significant	Moderate	Slight impact
FRESENIUS	H1/21 is expected to be significantly negative impacted by COVID-19; for H2/21 an improvement primarily in elective treatments is expected	Significant	Significant	Moderate	Slight impact
		Q1	Q2	Q3	Q4

These assumptions are subject to considerable uncertainty.



**Fresenius Kabi:** Headwinds in the US expected to continue, whilst Europe is projected for a gradual recovery and China is anticipated to be back to healthy growth



#### **North America**

H1/21 expected to still see **fewer elective treatments** and **competitive pressure** 

#### **Melrose Park:**

- All manufacturing sites are fully operational
- No product launches from this plant in FY/21 expected

15+ product launches planned in FY/21



### **Europe**

Ongoing **recovery of elective treatments** expected alongside increasing vaccination coverage of population

Ongoing roll-out and **ramp-up of biosimilars business** contributes to organic sales growth



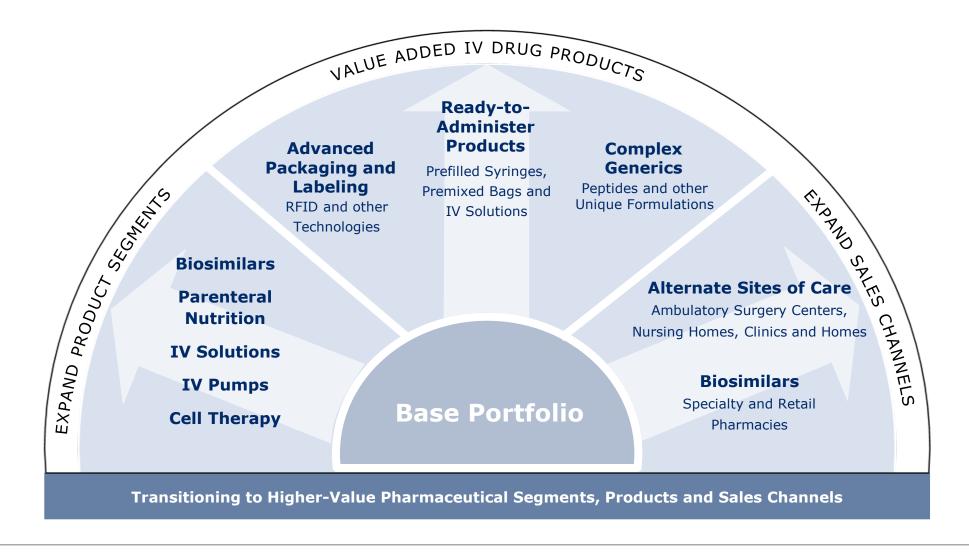
### **Emerging Markets**

China expected to **leave COVID-19 effects behind;** more pricing pressure due to tender system combined with dynamic volume growth expected to lead to healthy organic growth in FY/21

Launch of **new formulations** and applications in the field of parenteral and enteral nutrition in China

Further roll-out of **IV drug portfolio** in China

**Fresenius Kabi:** Building the platform for decisive US growth through strategic initiatives to diversify and differentiate portfolio, and expand in new therapies and channels



# Fresenius Kabi: Q4 & FY/20 Organic Sales Growth by Regions

Total sales	1,815	7%	6,976	4%
Emerging Markets	586	15%	2,142	6%
Europe	680	9%	2,458	6%
North America	549	-3%	2,376	0%
€m	Q4/20	Δ YoY organic	FY/20	Δ YoY organic



# Fresenius Kabi: Q4 & FY/20 Organic Sales Growth by Product Segment

Total sales	1,815	7%	6,976	4%
Medical Devices/ Transfusion Technology	348	10%	1,300	7%
Clinical Nutrition	528	15%	1,945	7%
Infusion Therapy	242	3%	810	-3%
IV Drugs	697	1%	2,921	3%
€m	Q4/20	Δ YoY organic	FY/20	Δ YoY organic

# Fresenius Kabi: Q4 & FY/20 EBIT Growth

€m	Q4/20	Δ YoY cc	FY/20	Δ YoY cc
North America	125	-33%	785	-12%
Margin	22.8%	-1,100 bps	33.0%	-450 bps
Europe	85	-1%	355	+9%
Margin	12.5%	-210 bps	14.4%	+20 bps
Emerging Markets	153	+29%	471	+5%
Margin	26.1%	+330 bps	22.0%	+10 bps
Corporate and Corporate R&D	-127	2%	-516	-4%
<b>Total EBIT</b>	<b>236</b>	<b>-10%</b>	<b>1,095</b>	<b>-6%</b>
Margin	13.0%	-310 bps	15.7%	-170 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 <a href="https://www.fresenius.com/results-center">https://www.fresenius.com/results-center</a>.



# **Fresenius Helios:** Interlinked business model with leading market position offers a strong foundation to leverage network efficiencies and accelerate growth opportunities



# From prevention to intervention

Serving patients for all healthrelated demands

Reach patients at all levels of care: Prevention, Occupational medicine, MVZ, Hospitals

Demand for ORP services in Spain accelerated due to COVID-19

### **Fields of innovation**

Increase digital connect with patients:

- Patient portals
- Video consultations
- Curalie with digital features for chronically ill

### **Regulatory environment**

Stable reimbursement (2021 DRG inflator set at 2.53%)

Cost pressure from the regulator to be partially mitigated

Efficiency gains from increasing digitalization of clinical processes

### **Opportunities for growth**

Greenfield & expansion projects

Focus on new set-up of MVZs

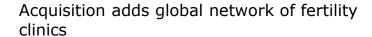
Expand fertility services offering

Selective acquisitions



# **Fresenius Helios:** Acquisition of Eugin Group makes Fresenius Helios a leading international provider of fertility services with significant growth opportunities





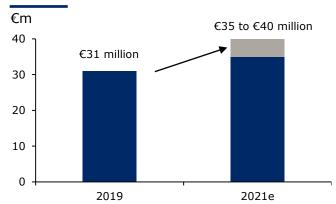
Acquisition complements existing Fresenius Helios footprints in Germany, Spain and LatAm

Global fertility market offers significant growth opportunities and consolidation potential

Accretive to Group net income from FY/21 onwards



#### **EBITDA**



Valuation¹ of **€430m** corresponds to **~11.4x** at the mid-point of the **2021 EBITDA range.** 



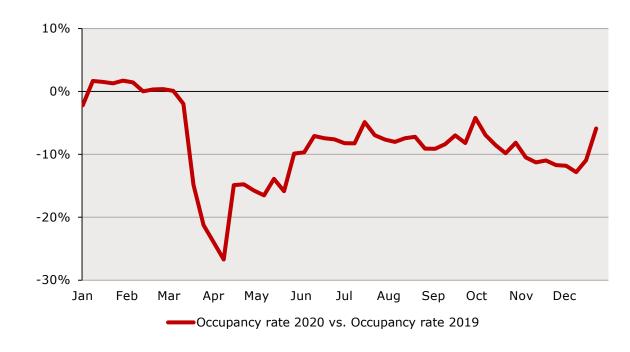
#### Strong presence in Europe, LatAm, and U.S.

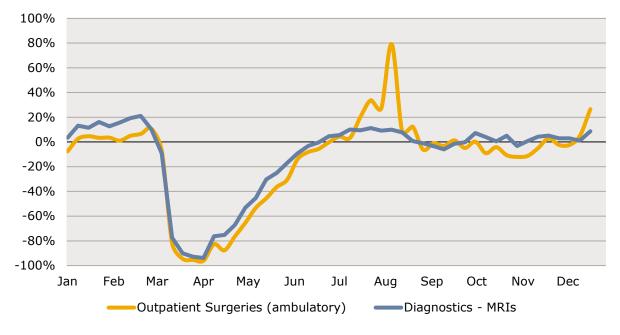


Largest markets: U.S., Spain, Brazil, Italy and Sweden

<sup>&</sup>lt;sup>1</sup> Including approx. €80 million of minority interests and assumed debt

### Fresenius Helios: COVID-19 Update





# Fresenius Helios: Q4 & FY/20 Key Financials

€m	Q4/20	Δ YoY cc	FY/20	Δ YoY cc
Total sales	2,637	<b>9%</b> ¹	9,818	<b>4%</b> <sup>1</sup>
Thereof Helios Germany	1,637	8%1	6,340	6%1
Thereof Helios Spain	999	$11\%^{1}$	3,475	2%1
<b>Total EBIT</b> Margin	<b>328</b> 12.4%	<b>13%</b> -10 bps	<b>1,025</b> 10.4%	<b>0%</b> -70 bps
Thereof Helios Germany  Margin	157 9.6%	10% -10 bps	602 9.5%	4% -20 bps
Thereof Helios Spain Margin	159 15.9%	19% 20 bps	420 12.1%	-5% -140 bps
Thereof Corporate	12		3	

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



Organic growth

# Fresenius Helios: Key Metrics

	FY/20	FY/19	Δ
No. of hospitals Germany - Acute care hospitals	89 86	86 83	3% 4%
No. of hospitals Spain (Hospitals)	52	50	4%
No. of beds Germany - Acute care hospitals	29,978 29,451	28,907 28,380	4% 4%
No. of beds Spain (Hospitals)	7,936	7,288	9%
Admissions Germany (acute care)	1,044,959	1,206,654	
Admissions Spain (including outpatients)	15,037,804	15,396,051	



### Fresenius Vamed: Gradual recovery of business ahead; good order intakes despite COVID-19



#### COVID-19 headwinds to ease in the course of 2021

Easing of travel restrictions expected for H2/21

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

Reduced capacity at post-acute care to last over H1/21

Technical services business to remain robust

### Recovery of project business in Q4/20 – solid order book

Order intake in Q4/20 13% above prior year; overall order intake in FY/20 decreased by 23% versus prior year

Major turnkey contract in Q4/20:

Severodonetsk General Hospital in Ukraine



# Fresenius Vamed: Q4 & FY/20 Key Financials

€m	Q4/20	Δ YoY cc	FY/20	Δ YoY cc
<b>Total sales</b> Thereof organic sales	577	<b>-22%</b> -22%	2,068	<b>-6%</b> -8%
Service business	372	-1%	1,435	3%
Project business	205	-44%	633	-22%
Total EBIT	39	-42%	29	-79%
Order intake <sup>1</sup>	648	13%	1,010	-23%
Order backlog <sup>1</sup>			3,055	7%²



Project business onlyVersus December 31, 2019

# Fresenius Group: Q4/20 Key Financials

€m	Q4/20 <sup>1</sup>	special items	Q4/20 reported	Δ YoY cc <sup>1</sup>
Sales	9,304	-	9,304	5%
EBIT	1,251	-227	1,024	2%
Net interest	-159	3	-156	9%
Income taxes	-263	8	-255	-8%
Net income <sup>2</sup>	494	-84	410	2%

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



<sup>&</sup>lt;sup>1</sup> Before special items

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

# **Fresenius Group: Calculation of Noncontrolling Interests**

Net income attributable to Fresenius SE & Co. KGaA	1,796	1,879
Noncontrolling interest holders in Fresenius Kabi (-€44 m), Fresenius Helios (-€8 m), Fresenius Vamed (-€3 m)	-55	-82
Noncontrolling interest holders in Fresenius Medical Care	-271	-239
Fresenius Medical Care net income not attributable to Fresenius (Q4/20: $\sim$ 68%)	-922	-849
Noncontrolling interests, thereof	-1,248	-1,170
Taxes	-914	-925
Earnings before tax and noncontrolling interests	3,958	3,974
€m	FY/20	FY/19

Before special items

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



# Fresenius Group: Cash Flow

€m	Q4/20	LTM Margin	Δ ΥοΥ
Operating Cash Flow	1,390	18.1%	8%
Capex (net)	-800	-6.6%	5%
Free Cash Flow	590	11.5%	33%
(before acquisitions and dividends)			
Acquisitions (net)	-202		
Dividends	-59		
Free Cash Flow (after acquisitions and dividends)	329	6.8%	

# Fresenius Group: Estimated COVID-19 Effects Q4/20 & FY/20

	as rep	orted OVID-19		Estimated COVID-19 impact cc		
	Q4/20 <sup>1</sup>	FY/20 <sup>1</sup>	Q4/20 <sup>1</sup>	FY/20 <sup>1</sup>		
Sales	+5%	+5%	-2% to -3%	-2% to -3%		
Net income <sup>2</sup>	+2%	-3%	-1% to -5%	-5% to -9%		

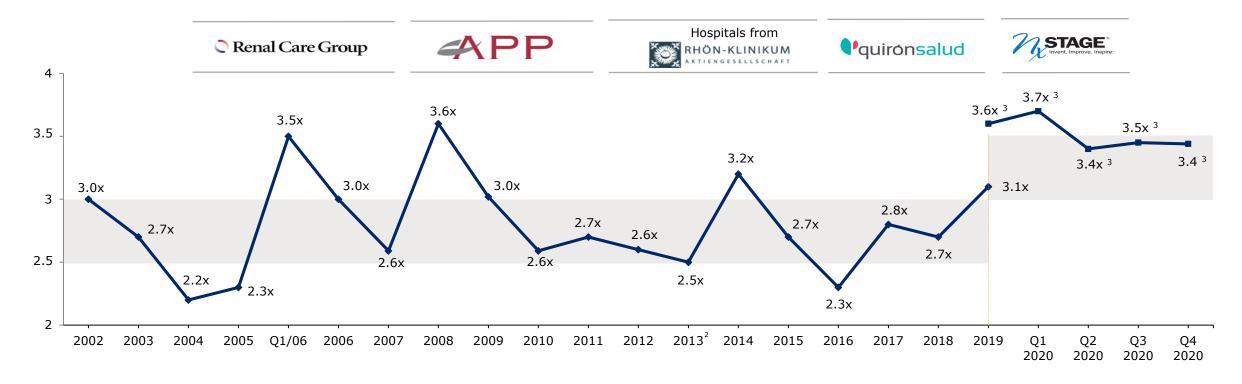


Before special items

<sup>&</sup>lt;sup>2</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

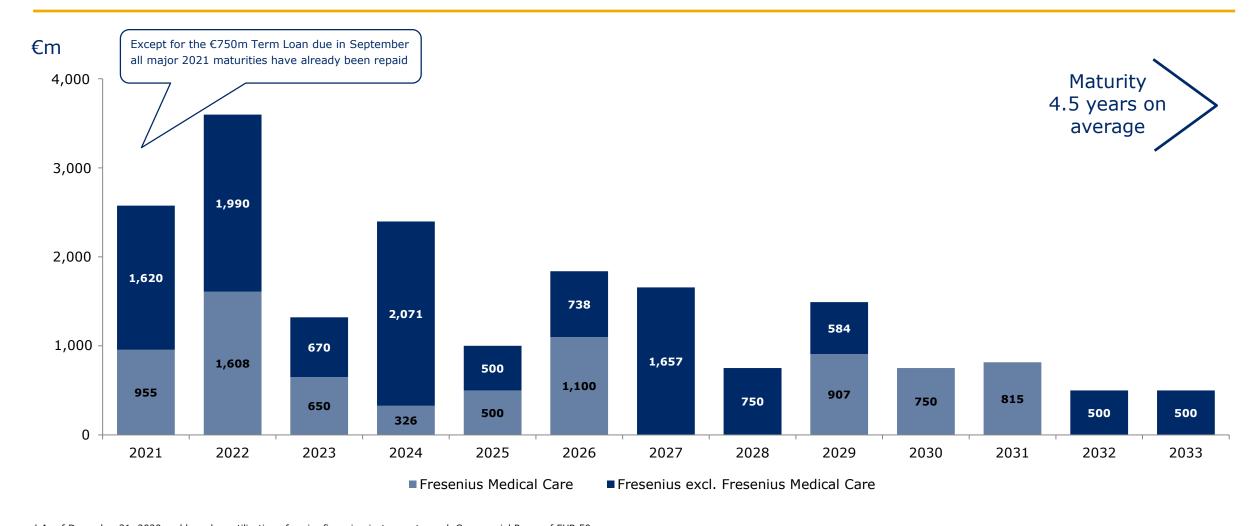


<sup>1</sup> At actual FX rates from 2002 to 2010 and at average FX rates from 2011 onwards, for both Net Debt and EBITDA; before special items; pro forma closed acquisitions/divestitures

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

<sup>&</sup>lt;sup>3</sup> Including IFRS 16

# **Fresenius Group:** Major Long-Term Debt Maturities<sup>1</sup> Well-balanced Maturity Profile



<sup>&</sup>lt;sup>1</sup> As of December 31, 2020 and based on utilization of major financing instruments, excl. Commercial Paper of EUR 50m



# Fresenius Group: Sales by Business Segment – FX, Acquisitions/Divestitures Effects Q4/20

€m	Q4/20	Q4/19	Growth at actual rates	Currency translation effects	Growth at constant rates	Organic growth	Acquisi- tions	Divesti- tures/ Others
Fresenius Medical Care	4,400	4,580	-4%	-8%	4%	1%	3%	0%
Fresenius Kabi	1,815	1,766	3%	-5%	8%	7%	0%	1%
Fresenius Helios	2,637	2,344	13%	0%	13%	9%	4%	0%
Fresenius Vamed	577	737	-22%	0%	-22%	-22%	0%	0%
Total	9,304	9,311	0%	-5%	5%	2%	3%	0%

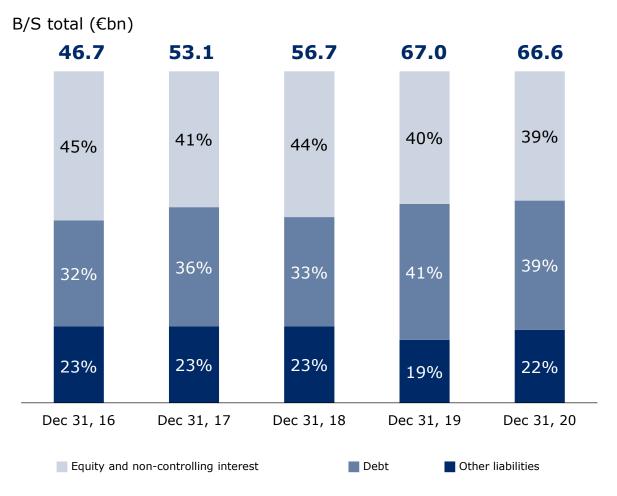


# Fresenius Group: Sales by Business Segment – FX, Acquisitions/Divestitures Effects FY/20

€m	FY/20	FY/19	Growth at actual rates	Currency translation effects	Growth at constant rates	Organic growth	Acquisi- tions	Divesti- tures/ Others
Fresenius Medical Care	17,859	17,477	2%	-3%	5%	3%	3%	-1%
Fresenius Kabi	6,976	6,919	1%	-3%	4%	4%	0%	0%
Fresenius Helios	9,818	9,234	6%	-1%	7%	4%	3%	0%
Fresenius Vamed	2,068	2,206	-6%	0%	-6%	-8%	2%	0%
Total	36,277	35,409	2%	-3%	5%	3%	2%	0%



### Fresenius Group: Solid Balance Sheet Structure



- Healthy Equity and Liability Split
- Strong equity ratio of >40% on average
- Equity ratio kept in narrow range despite rapid growth of Fresenius Group

2019 including IFRS 16



# Fresenius Group: Financial Performance Indicators

Growth	Profitability	Liqudity	Capital efficiency	Capital management	
Sales growth (in constant currency)	Operating income (EBIT) +/ - Financial result	Operating cash flow ÷ Sales	EBIT Income taxes	Net debt ÷ EBITDA	
Sales growth (organic)	- Income taxes  - Minority interests  = Net income  EBIT growth (in constant currency)  Net income growth (in constant currency)	= Cash flow margin	= NOPAT ÷ Invested capital  = ROIC¹  EBIT ÷ Operating assets  = ROOA¹	= Leverage ratio	



<sup>&</sup>lt;sup>1</sup> Does not reflect a core performance indicator

### Fresenius Group¹: Performance Indicators 5-year overview

Targets 2020 <sup>2</sup>	2020	2010	2010		
	2020	2019	2018	2017	2016
+3% to +6%	5%	6%	6%	16%	6%
-4% to +1%	-3%	0%	7%	21%	13%
12% to 14%	18.1%	12.0%/9.9%4	11.2%	11.6%	12.2%
Around the top-end of $3.0x - 3.5x^6$	3.44x	3.61x/ 3.14x <sup>4</sup>	2.71x	2.84x	2.33x
At 2019 level	6.5%	6.7% /7.4%4	8.3%	8.0%	8.5%
At 2019 level	7.3%	7.6% /8.2%4	9.0%	9.4%	10.0%
	top-end of 3.0x - 3.5x <sup>6</sup> At 2019 level	top-end of $3.0x - 3.5x^6$ $3.44x$ At 2019 level $6.5\%$	top-end of $3.0x - 3.5x^6$ $3.44x$ $3.61x/3.14x^4$ At 2019 level $6.5\%$ $6.7\%/7.4\%^4$	top-end of 3.0x - 3.5x <sup>6</sup> 3.44x 3.61x/3.14x <sup>4</sup> 2.71x  At 2019 level 6.5% 6.7%/7.4% <sup>4</sup> 8.3%	top-end of 3.0x - 3.5x <sup>6</sup> 3.44x 3.61x/3.14x <sup>4</sup> 2.71x 2.84x  At 2019 level 6.5% 6.7%/7.4% <sup>4</sup> 8.3% 8.0%



<sup>&</sup>lt;sup>1</sup> Growth rates are based on the assumptions of the respective annual forecasts and are adjusted for special items and, if applicable, other effects affecting the underlying growth (adjustments to new accounting standards, acquisitions / divestments, acquisition costs, or cost-saving programs).

<sup>&</sup>lt;sup>2</sup> Including estimated COVID-19 effects (updated October 2020)

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

<sup>&</sup>lt;sup>4</sup> Excluding IFRS 16 effect

<sup>&</sup>lt;sup>5</sup> Both net debt and EBITDA calculated at LTM average exchange rates; before special items, pro forma closed acquisitions/divestitures

<sup>&</sup>lt;sup>6</sup> Around the top-end of the self-imposed target range of 3.0x to 3.5x; excluding further potential acquisitions

<sup>&</sup>lt;sup>7</sup> Before special items, pro forma acquisitions

### **Business segments¹:** Performance Indicators 5-year overview

	Targets 2020 <sup>2</sup>	2020	2019	2018	2017	2016
Fresenius Medical Care						
Sales growth (in constant currency)	Mid-to-high single-digit %-range	5%	5%	4%	9%	7%
Net income growth <sup>3,4</sup> (in constant currency)	Mid-to-high single-digit %-range	12%	-2%	4%	7%	16%
Fresenius Kabi						
Sales growth (organic)	+ 2% to +5%	4%	4%	7%	7%	5%
EBIT growth (in constant currency)	- 6% to -3%	-6%	3%	2%	8%	5%
Fresenius Helios						
Sales growth (organic)	+ 1% to +4%	4%	5%	3%	4%	4%
EBIT growth (in constant currency)	Broadly stable	0%	-4%	0%	54%	7%
Fresenius Vamed						
Sales growth (organic)	~ - 10%	-8%	16%	16%	6%	5%
EBIT growth (in constant currency)	Positive absolute EBIT	€ 29 million	19%	45%	10%	8%

<sup>1</sup> Growth rates are based on the assumptions of the respective annual forecasts and are adjusted for special items and, if applicable, other effects affecting the underlying growth (adjustments to new accounting standards, acquisitions / divestments, acquisition costs, or cost-saving programs).

<sup>2</sup> Including estimated COVID-19 effects (updated October 2020)



<sup>&</sup>lt;sup>3</sup> Net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA

<sup>4</sup> Special items are effects (when consolidated at the Fresenius Group: special items), that are unusual in nature and were not foreseeable or not foreseeable in size or impact at the time of giving guidance.

### **Financial Calendar / Contact**



#### **Financial Calendar**

06 May 2021 Results Q1/21

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**

Investor Relations & Sustainability

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