

# Fresenius Medical Care AG & Co. KGaA

## **COMPLETE OVERVIEW OF THE THIRD QUARTER AND FIRST NINE MONTHS 2021**

November 2, 2021

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### **Investor Relations**

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### *Disclaimer*

This release contains forward-looking statements that are subject to various risks and uncertainties. Actual results could differ materially from those described in these forward-looking statements due to certain factors, including changes in business, economic and competitive conditions, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. These and other risks and uncertainties are detailed in Fresenius Medical Care AG & Co. KGaA's reports filed with the U.S. Securities and Exchange Commission. Fresenius Medical Care AG & Co. KGaA does not undertake any responsibility to update the forward-looking statements in this release.

## Statement of earnings

in € million, except share data, unaudited

Three months ended September 30,

Nine months ended September 30,

	2021	2020	Change	Change at cc	2021	2020	Change	Change at cc
Health Care Services	3,530	3,499	0.9%	1.7%	10,255	10,708	-4.2%	1.6%
Health Care Products	911	915	-0.3%	-0.7%	2,717	2,751	-1.3%	1.7%
<b>Total revenue</b>	<b>4,441</b>	<b>4,414</b>	<b>0.6%</b>	<b>1.2%</b>	<b>12,972</b>	<b>13,459</b>	<b>-3.6%</b>	<b>1.6%</b>
Costs of revenue	3,174	3,055	3.9%	4.6%	9,214	9,295	-0.9%	4.6%
Gross profit	1,267	1,359	-6.8%	-6.1%	3,758	4,164	-9.7%	-5.3%
Selling, general and administrative	731	706	3.5%	3.8%	2,273	2,228	2.0%	6.8%
Research and development	52	45	16.6%	16.9%	153	141	8.3%	11.2%
Income from equity method investees	(21)	(24)	-13.0%	-13.6%	(71)	(48)	46.9%	47.4%
<b>Operating income</b>	<b>505</b>	<b>632</b>	<b>-20.1%</b>	<b>-19.4%</b>	<b>1,403</b>	<b>1,843</b>	<b>-23.9%</b>	<b>-19.8%</b>
Operating income margin	11.4%	14.3%			10.8%	13.7%		
Interest income	(16)	(8)	107.0%	111.7%	(45)	(27)	63.1%	71.0%
Interest expense	84	96	-11.8%	-11.5%	259	311	-17.0%	-12.8%
Interest expense, net	68	88	-22.0%	-22.1%	214	284	-24.7%	-20.9%
<b>Income before taxes</b>	<b>437</b>	<b>544</b>	<b>-19.8%</b>	<b>-19.0%</b>	<b>1,189</b>	<b>1,559</b>	<b>-23.7%</b>	<b>-19.6%</b>
Income tax expense	105	124	-15.6%	-14.6%	274	362	-24.3%	-20.2%
<b>Net income</b>	<b>332</b>	<b>420</b>	<b>-21.1%</b>	<b>-20.3%</b>	<b>915</b>	<b>1,197</b>	<b>-23.5%</b>	<b>-19.4%</b>
Net income attributable to noncontrolling interests	59	66	-12.2%	-11.9%	174	210	-16.7%	-11.5%
<b>Net income attributable to shareholders of FMC-AG &amp; Co. KGaA</b>	<b>273</b>	<b>354</b>	<b>-22.8%</b>	<b>-21.9%</b>	<b>741</b>	<b>987</b>	<b>-25.0%</b>	<b>-21.1%</b>
<b>Operating income</b>	<b>505</b>	<b>632</b>	<b>-20.1%</b>	<b>-19.4%</b>	<b>1,403</b>	<b>1,843</b>	<b>-23.9%</b>	<b>-19.8%</b>
Depreciation, amortization and impairment loss	402	393	2.5%	2.9%	1,187	1,204	-1.4%	3.5%
<b>EBITDA</b>	<b>907</b>	<b>1,025</b>	<b>-11.4%</b>	<b>-10.9%</b>	<b>2,590</b>	<b>3,047</b>	<b>-15.0%</b>	<b>-10.6%</b>
EBITDA margin	20.4%	23.2%			20.0%	22.6%		
Weighted average number of shares	292,986,093	292,817,296			292,926,425	294,458,296		
<b>Basic earnings per share</b>	<b>€0.93</b>	<b>€1.21</b>	<b>-22.8%</b>	<b>-21.9%</b>	<b>€2.53</b>	<b>€3.35</b>	<b>-24.6%</b>	<b>-20.7%</b>
<b>Basic earnings per ADS</b>	<b>€0.47</b>	<b>€0.60</b>	<b>-22.8%</b>	<b>-21.9%</b>	<b>€1.26</b>	<b>€1.68</b>	<b>-24.6%</b>	<b>-20.7%</b>

## Segment information

unaudited

Three months ended September 30,

Nine months ended September 30,

	2021	2020	Change	Change at cc	2021	2020	Change	Change at cc
<b>Total</b>								
Revenue in € million	4,441	4,414	0.6%	1.2%	12,972	13,459	-3.6%	1.6%
Operating income in € million	505	632	-20.1%	-19.4%	1,403	1,843	-23.9%	-19.8%
Operating income margin	11.4%	14.3%			10.8%	13.7%		
Days sales outstanding (DSO)					59	51		
Employees (full-time equivalents)					123,528	126,463		
<b>North America</b>								
Revenue in € million	3,080	3,069	0.3%	0.9%	8,931	9,495	-5.9%	0.0%
Operating income in € million	446	514	-13.3%	-12.5%	1,242	1,587	-21.7%	-16.8%
Operating income margin	14.5%	16.8%			13.9%	16.7%		
Days sales outstanding (DSO)					38	26		
<b>EMEA</b>								
Revenue in € million	671	682	-1.6%	-1.7%	2,033	2,048	-0.7%	0.6%
Operating income in € million	79	99	-20.8%	-20.7%	232	278	-16.6%	-16.3%
Operating income margin	11.7%	14.6%			11.4%	13.6%		
Days sales outstanding (DSO)					89	91		
<b>Asia-Pacific</b>								
Revenue in € million	501	484	3.6%	2.8%	1,458	1,377	5.9%	7.8%
Operating income in € million	86	97	-11.0%	-10.2%	256	237	7.9%	10.4%
Operating income margin	17.2%	20.0%			17.5%	17.2%		
Days sales outstanding (DSO)					104	114		
<b>Latin America</b>								
Revenue in € million	178	170	4.6%	13.2%	508	508	0.0%	15.6%
Operating income in € million	4	11	-61.1%	-61.9%	14	29	-53.1%	-54.1%
Operating income margin	2.4%	6.6%			2.7%	5.7%		
Days sales outstanding (DSO)					143	138		
<b>Corporate</b>								
Revenue in € million	11	9	35.1%	33.6%	42	31	32.4%	38.1%
Operating income in € million	(110)	(89)	22.9%	23.2%	(341)	(288)	18.0%	21.4%

**Balance sheet**

in € million, except for net leverage ratio, unaudited

September 30

December 31

	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Current assets	7,999	7,275
Goodwill and intangible assets	15,320	14,340
Right of use assets	4,238	4,130
Other non-current assets	6,274	5,944
<b>Total assets</b>	<b>33,831</b>	<b>31,689</b>
<b>Liabilities and equity</b>		
Current liabilities	7,492	6,160
Non-current liabilities	12,893	13,198
Total equity	13,446	12,331
<b>Total liabilities and equity</b>	<b>33,831</b>	<b>31,689</b>
<b>Equity/assets ratio</b>	<b>40 %</b>	<b>39 %</b>
<b>Debt and lease liabilities</b>		
Short-term debt from unrelated parties	1,324	63
Short-term debt from related parties	39	17
Current portion of long-term debt	652	1,008
Current portion of lease liabilities from unrelated parties	621	588
Current portion of lease liabilities from related parties	21	21
Long-term debt, less current portion	6,571	6,800
Lease liabilities from unrelated parties, less current portion	3,895	3,764
Lease liabilities from related parties, less current portion	104	119
<b>Total debt and lease liabilities</b>	<b>13,227</b>	<b>12,380</b>
Minus: Cash and cash equivalents	(1,562)	(1,082)
<b>Total net debt and lease liabilities</b>	<b>11,665</b>	<b>11,298</b>
<b>Reconciliation of annualized adjusted EBITDA and net leverage ratio to the most directly comparable IFRS financial measures</b>		
Net income	1,154	1,435
Income tax expense	413	501
Interest income	(59)	(42)
Interest expense	357	410
Depreciation and amortization	1,557	1,587
Adjustments <sup>1</sup>	292	249
<b>Annualized adjusted EBITDA</b>	<b>3,714</b>	<b>4,140</b>
<b>Net leverage ratio</b>	<b>3.1</b>	<b>2.7</b>

<sup>1</sup> Acquisitions and divestitures made for the last twelve months with a purchase price above a €50 M threshold as defined in the Syndicated Credit Facility (2021: €18 M), non-cash charges, primarily related to pension expense (2021: €49 M; 2020: €50 M), impairment loss (2021: €211 M; 2020: €199 M) and costs related to the FME25 program (2021: €14 M).

## Cash flow statement

in € million, unaudited

Three months ended September 30,

Nine months ended September 30,

	2021	2020	2021	2020
<b>Operating activities</b>				
Net income	332	420	915	1,197
Depreciation / amortization / impairment loss	402	393	1,187	1,204
Change in working capital and other non-cash items	(42)	(67)	(282)	1,248
<b>Net cash provided by (used in) operating activities</b>	<b>692</b>	<b>746</b>	<b>1,820</b>	<b>3,649</b>
In percent of revenue	15.6%	16.9%	14.0%	27.1%
<b>Investing activities</b>				
Purchases of property, plant and equipment and capitalized development costs	(194)	(245)	(588)	(746)
Proceeds from sale of property, plant and equipment	13	6	27	10
Capital expenditures, net	(181)	(239)	(561)	(736)
<b>Free cash flow</b>	<b>511</b>	<b>507</b>	<b>1,259</b>	<b>2,913</b>
In percent of revenue	11.5%	11.5%	9.7%	21.6%
Acquisitions and investments, net of cash acquired, and purchases of intangible assets	(142)	(76)	(270)	(155)
Investments in debt securities	0	(2)	(63)	(30)
Proceeds from divestitures	0	14	3	13
Proceeds from sale of debt securities	22	15	118	27
<b>Free cash flow after investing activities</b>	<b>391</b>	<b>458</b>	<b>1,047</b>	<b>2,768</b>

## Revenue development

in € million, unaudited	2021	2020	Change	Change at cc	Organic growth	Same market treatment growth <sup>1</sup>
<b>Three months ended September 30,</b>						
<b>Total revenue</b>	<b>4,441</b>	<b>4,414</b>	<b>0.6%</b>	<b>1.2%</b>	<b>0.9%</b>	
Health Care Services	3,530	3,499	0.9%	1.7%	1.2%	-2.4%
Health Care Products	911	915	-0.3%	-0.7%	-0.4%	
<b>North America</b>	<b>3,080</b>	<b>3,069</b>	<b>0.3%</b>	<b>0.9%</b>	<b>0.5%</b>	
Health Care Services	2,810	2,801	0.3%	0.9%	0.4%	-1.7% <sup>2</sup>
Health Care Products	270	268	0.6%	1.1%	1.2%	
<b>EMEA</b>	<b>671</b>	<b>682</b>	<b>-1.6%</b>	<b>-1.7%</b>	<b>-1.6%</b>	
Health Care Services	346	346	0.0%	-0.3%	0.1%	-4.0%
Health Care Products	325	336	-3.4%	-3.2%	-3.2%	
<b>Asia-Pacific</b>	<b>501</b>	<b>484</b>	<b>3.6%</b>	<b>2.8%</b>	<b>2.3%</b>	
Health Care Services	239	227	5.3%	6.9%	5.8%	3.4%
Health Care Products	262	257	2.0%	-0.8%	-0.7%	
<b>Latin America</b>	<b>178</b>	<b>170</b>	<b>4.6%</b>	<b>13.2%</b>	<b>12.2%</b>	
Health Care Services	126	120	5.0%	16.2%	12.9%	-5.2%
Health Care Products	52	50	3.5%	6.0%	10.5%	
<b>Corporate</b>	<b>11</b>	<b>9</b>	<b>35.1%</b>	<b>33.6%</b>		
Health Care Services	9	5	53.1%	50.6%		
Health Care Products	2	4	5.7%	5.7%		
<b>Nine months ended September 30,</b>						
<b>Total revenue</b>	<b>12,972</b>	<b>13,459</b>	<b>-3.6%</b>	<b>1.6%</b>	<b>1.2%</b>	
Health Care Services	10,255	10,708	-4.2%	1.6%	1.0%	-1.9%
Health Care Products	2,717	2,751	-1.3%	1.7%	1.8%	
<b>North America</b>	<b>8,931</b>	<b>9,495</b>	<b>-5.9%</b>	<b>0.0%</b>	<b>-0.4%</b>	
Health Care Services	8,148	8,660	-5.9%	0.0%	-0.4%	-2.0% <sup>2</sup>
Health Care Products	783	835	-6.2%	-0.3%	-0.3%	
<b>EMEA</b>	<b>2,033</b>	<b>2,048</b>	<b>-0.7%</b>	<b>0.6%</b>	<b>0.5%</b>	
Health Care Services	1,020	1,028	-0.7%	0.7%	0.2%	-3.5%
Health Care Products	1,013	1,020	-0.7%	0.5%	0.7%	
<b>Asia-Pacific</b>	<b>1,458</b>	<b>1,377</b>	<b>5.9%</b>	<b>7.8%</b>	<b>7.7%</b>	
Health Care Services	694	641	8.3%	11.9%	11.5%	5.5%
Health Care Products	764	736	3.8%	4.3%	4.4%	
<b>Latin America</b>	<b>508</b>	<b>508</b>	<b>0.0%</b>	<b>15.6%</b>	<b>13.8%</b>	
Health Care Services	364	360	1.1%	18.6%	16.2%	-1.0%
Health Care Products	144	148	-2.5%	8.1%	8.4%	
<b>Corporate</b>	<b>42</b>	<b>31</b>	<b>32.4%</b>	<b>38.1%</b>		
Health Care Services	29	19	52.7%	62.0%		
Health Care Products	13	12	0.9%	1.0%		

<sup>1</sup> same market treatment growth = organic growth less price effects

<sup>2</sup> U.S. (excl. Mexico), same market treatment growth North America: -2.2% for the three months and -2.5% for the nine months ended September 30, 2021.



## Key metrics Dialysis Care Services

unaudited

Nine months ended September 30, 2021

	<b>Clinics</b>	Growth in %	<b>De novos</b>	<b>Patients</b>	Growth in %	<b>Treatments</b>	Growth in %
<b>Total</b>	<b>4,151</b>	2%	61	<b>344,872</b>	-1%	<b>39,510,028</b>	-1%
North America	2,683	2%	28	209,651	-1%	24,158,943	-2%
EMEA	816	1%	17	65,336	-3%	7,384,018	-4%
Asia-Pacific	406	2%	13	33,434	2%	3,559,846	3%
Latin America	246	-2%	3	36,451	-2%	4,407,221	1%

## Quality data<sup>1</sup>

in % of patients

	North America		EMEA		Latin America		Asia-Pacific	
	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020
Kt/V ≥ 1.2	<b>97</b>	97	<b>93</b>	93	<b>94</b>	91	<b>94</b>	94
Hemoglobin = 10-12 g/dl	<b>71</b>	71	<b>81</b>	82	<b>48</b>	46	<b>51</b>	52
Calcium = 8.4-10.2 mg/dl	<b>83</b>	80	<b>80</b>	77	<b>74</b>	74	<b>70</b>	71
Albumin ≥ 3.5 g/dl1)	<b>81</b>	79	<b>89</b>	90	<b>90</b>	89	<b>88</b>	90
Phosphate ≤ 5.5 mg/dl	<b>57</b>	58	<b>78</b>	79	<b>76</b>	75	<b>67</b>	64
Patients without catheter (after 90 days)	<b>78</b>	80	<b>77</b>	77	<b>78</b>	78	<b>80</b>	81
<b>in days</b>								
Days in hospital per patient year	<b>9.8</b>	9.6	<b>7.9</b>	7.2	<b>4.0</b>	4.0	<b>4.2</b>	3.1

<sup>1</sup> Definitions cf. Annual Report 2020, Section "Non-Financial Group Report"



**Reconciliation of non-IFRS financial measures to the most directly comparable IFRS financial measures**

in € million, except share data, unaudited	Results 2021		Results 2021 excl. special items	Results excl. special items		
				Results 2020	Change	Change at cc
<b>Three months ended September 30,</b>						
<b>Total revenue</b>	<b>4,441</b>	<b>FME25 program</b>	<b>4,441</b>	<b>4,414</b>	<b>0.6%</b>	<b>1.2%</b>
<b>EBITDA</b>	<b>907</b>	<b>5</b>	<b>912</b>	<b>1,025</b>	<b>-10.9%</b>	<b>-10.4%</b>
<b>Total operating income</b>	<b>505</b>	<b>5</b>	<b>510</b>	<b>632</b>	<b>-19.3%</b>	<b>-18.6%</b>
North America	446		446	514	-13.3%	-12.5%
EMEA	79		79	99	-20.8%	-20.7%
Asia-Pacific	86		86	97	-11.0%	-10.2%
Latin America	4		4	11	-61.1%	-61.9%
Corporate	(110)	5	(105)	(89)	17.1%	17.4%
Interest expense, net	68		68	88	-22.0%	-22.1%
Income tax expense	105	1	106	124	-14.4%	-13.5%
Net income attributable to noncontrolling interests	59		59	66	-12.2%	-11.9%
<b>Net income<sup>1</sup></b>	<b>273</b>	<b>4</b>	<b>277</b>	<b>354</b>	<b>-21.7%</b>	<b>-20.8%</b>
<b>Basic earnings per share</b>	<b>€0.93</b>	<b>€0.01</b>	<b>€0.94</b>	<b>€1.21</b>	<b>-21.7%</b>	<b>-20.8%</b>
<b>Nine months ended September 30,</b>						
<b>Total revenue</b>	<b>12,972</b>		<b>12,972</b>	<b>13,459</b>	<b>-3.6%</b>	<b>1.6%</b>
<b>EBITDA</b>	<b>2,590</b>	<b>14</b>	<b>2,604</b>	<b>3,047</b>	<b>-14.6%</b>	<b>-10.2%</b>
<b>Total operating income</b>	<b>1,403</b>	<b>14</b>	<b>1,417</b>	<b>1,843</b>	<b>-23.1%</b>	<b>-19.1%</b>
North America	1,242		1,242	1,587	-21.7%	-16.8%
EMEA	232		232	278	-16.6%	-16.3%
Asia-Pacific	256		256	237	7.9%	10.4%
Latin America	14		14	29	-53.1%	-54.1%
Corporate	(341)	14	(327)	(288)	13.2%	16.6%
Interest expense, net	214		214	284	-24.7%	-20.9%
Income tax expense	274	4	278	362	-23.2%	-19.2%
Net income attributable to noncontrolling interests	174		174	210	-16.7%	-11.5%
<b>Net income<sup>1</sup></b>	<b>741</b>	<b>10</b>	<b>751</b>	<b>987</b>	<b>-24.0%</b>	<b>-20.1%</b>
<b>Basic earnings per share</b>	<b>€2.53</b>	<b>€0.03</b>	<b>€2.56</b>	<b>€3.35</b>	<b>-23.6%</b>	<b>-19.7%</b>

<sup>1</sup> Attributable to shareholders of FMC-AG & Co. KGaA

**Outlook 2021**

	<b>Results 2020</b>	<b>Outlook 2021 (at Constant Currency, except for ROIC)</b>
Revenue <sup>1</sup>	€17,859 M	growth: low to mid single digit percentage rate
Revenue growth at Constant Currency <sup>1</sup>		growth: low to mid single digit percentage rate
Operating income <sup>1</sup>	€2,499 M	decline: mid teens to low twenties percentage rate
Net income <sup>1, 2</sup>	€1,359 M	decline: high teens to mid twenties percentage rate
Net income <sup>2</sup> growth at Constant Currency <sup>1</sup>		decline: high teens to mid twenties percentage rate
ROIC <sup>1,3</sup>	6.6%	≥ 5.0%

<sup>1</sup> Outlook 2021 is inclusive of anticipated COVID-19 effects and excl. special items. Special items include costs related to the FME25 program and effects that are unusual in nature and have not been foreseeable or not foreseeable in size or impact at the time of giving guidance. The growth rates are based on the results 2020 excl. the Impairment Charge of goodwill and trade names in the Latin America Segment of €195 M.

<sup>2</sup> Net income attributable to shareholders of FMC-AG & Co. KGaA.

<sup>3</sup> Results 2020: excl. Impairment Charge.