

Information
for the Annual General Meeting
of Fresenius Medical Care AG & Co. KGaA
on 27 August 2020
pertaining to Agenda Item 2
(Resolution on the allocation of distributable profit)

Bad Homburg v.d. Höhe, July 2020

Since the founding of the company in 1996, Fresenius Medical Care has increased its dividend on average by 9% every year. For fiscal year 2019, we propose to the Annual General Meeting a **dividend increase to €1.20 per share**. This would be the 23rd consecutive dividend increase (see attachment 1: dividend development).

If the dividend proposal is accepted by the Annual General Meeting, the total dividend payout for fiscal year 2019 with around 293 million shares entitled to a dividend will amount to around **€351 million**. This would represent a payout ratio of around 30% of reported earnings per share. Based on the reported net income 2019, the payout ratio would amount to around 29% (see attachment 2: reconciliation of revenue and net income).

In order to create additional shareholder value, Fresenius Medical Care launched a share buy-back program in 2019. Under this program, which ended in April 2020, the company repurchased shares in a total aggregate amount of **€929 million**, thereof around €600 million in 2019.

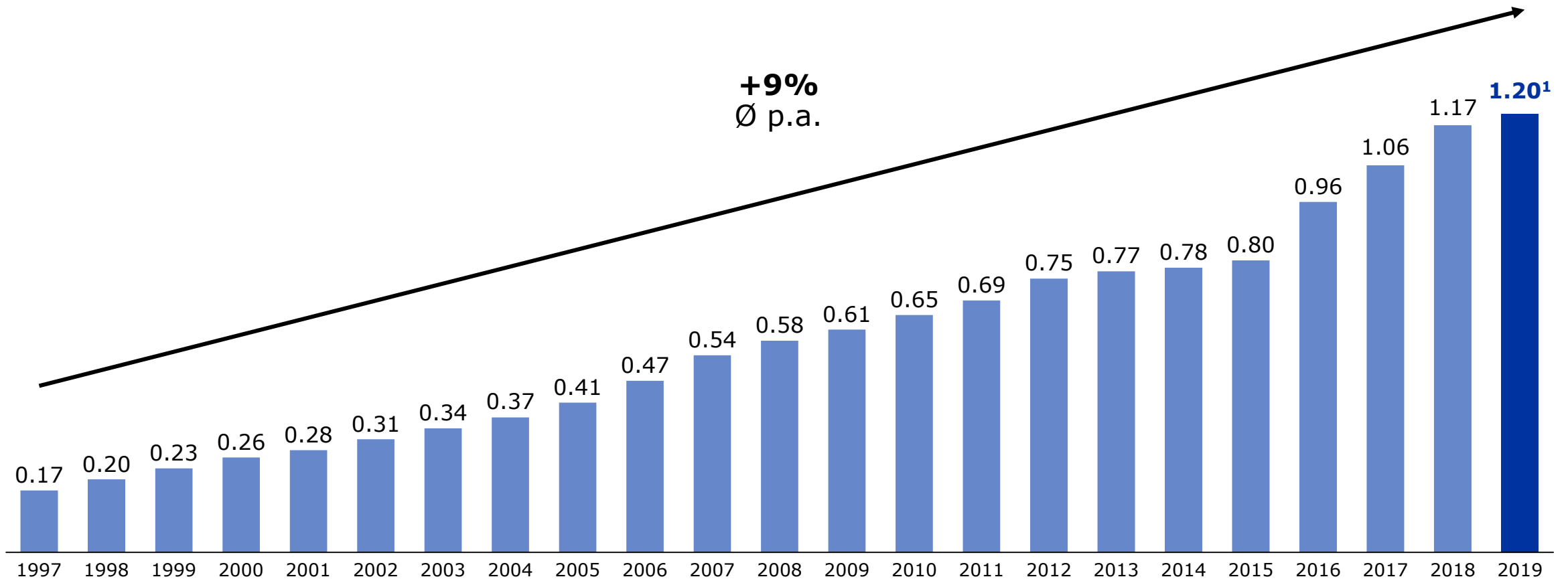
As announced, 2019 was a year of investments to support Fresenius Medical Care's further profitable and sustainable growth. We invested in the expansion of home dialysis in North America and further strengthened our footprint in developing economies such as China, where we expect above-average growth. In addition, the company invested more than €90 million to sustainably improve the cost base of the clinical infrastructure, particularly in the important US market.

Maintaining dividend continuity is important to Fresenius Medical Care. Also in the future, we want our shareholders to participate adequately in the company's success. Our dividend proposal targets to balance short-term and long-term shareholder returns. This requires ensuring our financial flexibility in order to pursue our ambitious growth targets, which is also in the interests of our shareholders.

■ 23RD CONSECUTIVE DIVIDEND INCREASE

DIVIDEND PER SHARE

in €



¹ Proposed dividend for approval at the AGM on August 27, 2020.

■ 2019: RECONCILIATION ADJUSTMENTS

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE IFRS FINANCIAL MEASURES

	2019 € million	2018 € million
Revenue	17,477	16,547
IFRS 16 implementation	115	
NxStage operations	(263)	
H1 Sound ¹		(521)
Revenue adjusted	17,329	16,026
Net income²	1,200	1,982
IFRS 16 implementation	70	
NxStage operations	63	
NxStage costs	18	
Cost optimization costs	67	
H1 Sound ¹		4
(Gain) loss related to divestitures of Care Coordination activities	(49)	(673)
FCPA		28
Net income² adjusted	1,369	1,341

¹ Relates to the contribution of Sound Physicians | ² Attributable to shareholders of Fresenius Medical Care AG & Co. KGaA