

# **Consolidated Financial Statements 2016**

**Convenience Translation**

*Fresenius Medical Care AG & Co. KGaA*

*Hof an der Saale, Deutschland*



**FRESENIUS  
MEDICAL CARE**

**Consolidated Financial Statements**  
**as of December 31, 2016**  
**according to the International Financial**  
**Reporting Standards (IFRS)**  
**and Group Management Report**  
**(according to § 315a HGB)**

**Fresenius Medical Care AG & Co. KGaA**  
Hof an der Saale

## Fresenius Medical Care AG & Co. KGaA, Hof an der Saale

### Consolidated Statements of Income

in € THOUS, except share data

	Note	2016	2015
<b>Net revenue:</b>			
Health Care		13,505,363	12,439,205
Dialysis Products		<u>3,064,352</u>	<u>3,015,653</u>
	26	<b>16,569,715</b>	<b>15,454,858</b>
<b>Costs of revenue:</b>			
Health Care		9,631,341	8,887,855
Dialysis Products		<u>1,322,428</u>	<u>1,389,837</u>
		<b>10,953,769</b>	<b>10,277,692</b>
<b>Gross profit</b>		<b>5,615,946</b>	<b>5,177,166</b>
<b>Operating (income) expenses:</b>			
Selling, general and administrative	4a	3,119,172	2,948,885
Research and development	4b	146,511	128,128
Income from equity method investees	26	<u>(58,639)</u>	<u>(28,348)</u>
<b>Operating income</b>		<b>2,408,902</b>	<b>2,128,501</b>
<b>Other (income) expense:</b>			
Interest income		(42,139)	(105,070)
Interest expense		<u>408,508</u>	<u>457,895</u>
<b>Income before income taxes</b>		<b>2,042,533</b>	<b>1,775,676</b>
Income tax expense	4f	<u>622,481</u>	<u>565,026</u>
<b>Net income</b>		<b>1,420,052</b>	<b>1,210,650</b>
<b>Net income attributable to noncontrolling interests</b>		<b>276,072</b>	<b>255,704</b>
<b>Net income attributable to shareholders of FMC-AG &amp;Co. KGaA</b>		<b>1,143,980</b>	<b>954,946</b>
<b>Basic earnings per share</b>	19	<u>3.74</u>	<u>3.14</u>
<b>Fully diluted earnings per share</b>	19	<u>3.73</u>	<u>3.13</u>

The following Notes are an integral part of the Consolidated Financial Statements.

## Fresenius Medical Care AG & Co. KGaA, Hof an der Saale

### Consolidated Statements of Comprehensive Income

in € THOUS

	<u>Note</u>	<u>2016</u>	<u>2015</u>
<b>Net income</b>		<b>1,420,052</b>	<b>1,210,650</b>
<b>Other comprehensive income (loss):</b>			
<b>Components that will not be reclassified to profit or loss:</b>			
Actuarial gains (losses) on defined benefit pension plans	16, 24	(31,423)	30,169
Income tax (expense) benefit related to components of other comprehensive income not reclassified	16, 24	7,085	(8,830)
		<u>(24,338)</u>	<u>21,339</u>
<b>Components that may be reclassified subsequently to profit or loss:</b>			
Gain (loss) related to foreign currency translation	24	368,429	674,727
Gain (loss) related to cash flow hedges	23, 24	25,111	54,196
Income tax (expense) benefit related to components of other comprehensive income that may be reclassified	23, 24	(7,039)	(15,387)
		<u>386,501</u>	<u>713,536</u>
<b>Other comprehensive income (loss), net of tax</b>		<b><u>362,163</u></b>	<b><u>734,875</u></b>
<b>Total comprehensive income</b>		<b><u>1,782,215</u></b>	<b><u>1,945,525</u></b>
<b>Comprehensive income attributable to noncontrolling interests</b>		<b><u>310,580</u></b>	<b><u>344,427</u></b>
<b>Comprehensive income attributable to shareholders of FMC-AG &amp; Co. KGaA</b>		<b><u><u>1,471,635</u></u></b>	<b><u><u>1,601,098</u></u></b>

The following Notes are an integral part of the Consolidated Financial Statements.

## Fresenius Medical Care AG & Co. KGaA, Hof an der Saale

### Consolidated Balance Sheets

in € THOUS, except share and per share data

	Note	2016	2015
<b>Assets</b>			
Cash and cash equivalents	6	708,882	504,730
Trade accounts receivable, less allowance for doubtful accounts of €482,461 in 2016 and €427,841 in 2015	7	3,343,819	3,018,398
Accounts receivable from related parties	5	209,465	200,501
Inventories	8	1,337,477	1,231,516
Other current assets	9	1,284,306	1,216,752
<b>Total current assets</b>		<b>6,883,949</b>	<b>6,171,897</b>
Property, plant and equipment, net	10	3,579,626	3,146,551
Intangible assets	11	803,120	762,703
Goodwill	11	12,955,574	11,961,731
Deferred taxes	4f	291,394	256,368
Investment in equity method investees	26	598,154	545,955
Other non-current assets		391,723	401,077
<b>Total non-current assets</b>		<b>18,619,591</b>	<b>17,074,385</b>
<b>Total assets</b>		<b>25,503,540</b>	<b>23,246,282</b>
<b>Liabilities</b>			
Accounts payable		575,556	576,677
Accounts payable to related parties	5	264,069	140,556
Current provisions and other current liabilities	12	3,036,708	2,626,260
Short-term debt	13	572,010	101,209
Short-term debt from related parties	13	3,000	17,500
Current portion of long-term debt and capital lease obligations	14	724,218	610,209
Income tax payable		123,336	66,886
<b>Total current liabilities</b>		<b>5,298,897</b>	<b>4,139,297</b>
Long-term debt and capital lease obligations, less current portion	14	6,832,886	7,213,637
Non-current provisions and other non-current liabilities	15	1,027,983	806,746
Pension liabilities	16	512,539	537,639
Income tax payable		118,182	149,261
Deferred taxes	4f	661,921	594,111
<b>Total non-current liabilities</b>		<b>9,153,511</b>	<b>9,301,394</b>
<b>Total liabilities</b>		<b>14,452,408</b>	<b>13,440,691</b>
<b>Shareholders' equity</b>			
Ordinary shares, no par value, €1.00 nominal value, 385,913,972 shares authorized, 307,221,791 issued and 306,221,840 outstanding as of December 31, 2016 and 392,462,972 shares authorized, 312,863,071 issued and 305,314,120 outstanding as of December 31, 2015 respectively	17	307,222	312,863
Treasury stock, at cost	17	(50,993)	(384,966)
Additional paid-in capital	17	3,960,115	4,224,395
Retained earnings	17	6,085,876	5,369,493
Accumulated other comprehensive income (loss)	24	(324,563)	(652,218)
<b>Total FMC-AG &amp; Co. KGaA shareholders' equity</b>		<b>9,977,657</b>	<b>8,869,567</b>
Noncontrolling interests	17	1,073,475	936,024
<b>Total equity</b>		<b>11,051,132</b>	<b>9,805,591</b>
<b>Total liabilities and equity</b>		<b>25,503,540</b>	<b>23,246,282</b>

The following Notes are an integral part of the Consolidated Financial Statements.

## Fresenius Medical Care AG & Co. KGaA, Hof an der Saale

### Consolidated Statements of Cash Flows

in € THOUS

	Note	2016	2015
<b>Operating activities</b>			
Net income		1,420,052	1,210,650
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	10, 11, 26	701,536	648,167
Change in deferred taxes, net		232	(36,665)
(Gain) loss on sale of fixed assets and investments		(2,094)	(2,089)
Compensation expense related to stock options	20	27,433	8,370
Investments in equity method investees, net		(52,948)	(16,022)
Changes in assets and liabilities, net of amounts from businesses acquired:			
Trade accounts receivable, net		(218,889)	(298,297)
Inventories		(60,230)	(271,301)
Other current and non-current assets		15,990	(31,872)
Accounts receivable from related parties		(71,773)	(271)
Accounts payable to related parties		120,745	24,523
Accounts payable, provisions and other current and non-current liabilities		365,312	808,202
Paid interest		(349,738)	(343,589)
Received interest		30,263	74,993
Change in accruals for income taxes		547,157	485,181
Income tax payable		(541,075)	(493,376)
<b>Net cash provided by (used in) operating activities</b>		<b><u>1,931,973</u></b>	<b><u>1,766,604</u></b>
<b>Investing activities</b>			
Purchases of property, plant and equipment	26	(930,520)	(858,894)
Proceeds from sale of property, plant and equipment		15,957	15,690
Acquisitions and investments, net of cash acquired, and purchases of intangible assets	3, 25, 26	(521,800)	(285,543)
Proceeds from divestitures		190,247	226,823
<b>Net cash provided by (used in) investing activities</b>		<b><u>(1,246,116)</u></b>	<b><u>(901,924)</u></b>
<b>Financing activities</b>			
Proceeds from short-term debt		805,191	259,149
Repayments of short-term debt		(342,505)	(282,895)
Proceeds from short-term debt from related parties		124,300	53,000
Repayments of short-term debt from related parties		(138,800)	(39,901)
Proceeds from long-term debt and capital lease obligations		2,071	5,439
Repayments of long-term debt and capital lease obligations		(662,823)	(292,793)
Increase (decrease) of accounts receivable securitization program		112,025	(262,055)
Proceeds from exercise of stock options		47,467	85,034
Dividends paid	17	(244,251)	(236,773)
Distributions to noncontrolling interests		(294,302)	(256,399)
Contributions from noncontrolling interests		71,910	60,744
<b>Net cash provided by (used in) financing activities</b>		<b><u>(519,717)</u></b>	<b><u>(907,450)</u></b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>38,012</b>	<b>25,422</b>
<b>Cash and cash equivalents:</b>			
Net increase (decrease) in cash and cash equivalents		204,152	(17,348)
Cash and cash equivalents at beginning of period		504,730	522,078
<b>Cash and cash equivalents at end of period</b>	<b>6</b>	<b><u>708,882</u></b>	<b><u>504,730</u></b>

The following Notes are an integral part of the Consolidated Financial Statements.

## Fresenius Medical Care AG & Co. KGaA, Hof an der Saale

### Consolidated Statements of Shareholders' Equity in € THOUS, except share data

	Ordinary Shares			Treasury Stock			Accumulated other comprehensive income (loss)					Total Equity	
	Note	Number of shares	No par value	Number of shares	Amount	Additional paid in capital	Retained earnings	Foreign currency translation	Cash Flow Hedges	Pensions	Total FMC-AG & Co. KGaA shareholders' equity		Noncontrolling interests
<b>Balance at December 31, 2014</b>		311,104,251	311,104	(7,548,951)	(384,966)	4,130,341	4,827,336	(973,516)	(85,028)	(239,826)	7,585,445	802,367	8,387,812
Proceeds from exercise of options and related tax effects	20	1,758,820	1,759			83,051					84,810		84,810
Compensation expense related to stock options	20					4,278					4,278		4,278
Dividends paid	17						(236,773)				(236,773)		(236,773)
Purchase/ sale of noncontrolling interests	17					6,725					6,725	13,595	20,320
Contributions from/ to noncontrolling interests							(176,016)				(176,016)	(224,365)	(224,365)
Noncontrolling interests subject to put provisions	23						954,946				954,946	255,704	(176,016)
Net Income													1,210,650
Other comprehensive income (loss) related to:													
Foreign currency translation	24						608,880		(9,052)	(13,824)	586,004	88,723	674,727
Cash flow hedges, net of related tax effects	24								38,809		38,809	-	38,809
Pensions	16									21,339	21,339	-	21,339
Comprehensive income											1,601,098	344,427	1,945,525
<b>Balance at December 31, 2015</b>		312,863,071	312,863	(7,548,951)	(384,966)	4,224,395	5,369,493	(364,636)	(65,271)	(232,311)	8,869,567	936,024	9,805,591
Proceeds from exercise of options and related tax effects	20	907,720	908			41,029					41,937		41,937
Compensation expense related to stock options	20					23,210					23,210		23,210
Withdrawal of treasury stock	17	(6,549,000)	(6,549)	6,549,000	333,973	(327,424)							
Dividends paid	17						(244,251)				(244,251)		(244,251)
Purchase/ sale of noncontrolling interests	17					(1,095)					(1,095)	63,974	62,879
Contributions from/ to noncontrolling interests							(183,346)				(183,346)	(237,103)	(237,103)
Noncontrolling interests subject to put provisions	23						1,143,980				1,143,980	276,072	(183,346)
Net Income													1,420,052
Other comprehensive income (loss) related to:													
Foreign currency translation	24						338,617		(908)	(3,788)	333,921	34,508	368,429
Cash flow hedges, net of related tax effects	24								18,072		18,072	-	18,072
Pensions	16									(24,338)	(24,338)	-	(24,338)
Comprehensive income											1,471,635	310,580	1,782,215
<b>Balance at December 31, 2016</b>		307,221,791	307,222	(999,951)	(50,993)	3,960,115	6,085,876	(26,019)	(38,107)	(260,437)	9,977,657	1,073,475	11,051,132

The following Notes are an integral part of the Consolidated Financial Statements.

**Fresenius Medical Care AG & Co. KGaA, Hof an der Saale**

Notes to Consolidated Financial Statements  
Fiscal Year 2016

**Consolidated Financial Statements  
of  
Fresenius Medical Care AG & Co. KGaA**

**Hof an der Saale  
Germany**

**(according to Section 315a HGB)**



Fresenius Medical Care AG & Co. KGaA, Hof an der Saale  
Notes to Consolidated Financial Statements  
In THOUS, except share and per share data

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## 1. The Company, Basis of Presentation and Significant Accounting Policies

### The Company

Fresenius Medical Care AG & Co. KGaA, a German partnership limited by shares (Kommanditgesellschaft auf Aktien) with registered office in Hof an der Saale, Germany, registered with the commercial register of the local court of Hof under HRB 4019, with business address at Else-Kröner-Str. 1, 61352 Bad Homburg v. d. Höhe, Germany ("FMC-AG & Co. KGaA" or the "Company"), is the world's largest kidney dialysis company, based on publicly reported sales and number of patients treated. The Company provides dialysis treatment and related dialysis care services to persons who suffer from end-stage renal disease ("ESRD"), as well as other health care services. The Company provides dialysis products for the treatment of ESRD, including products manufactured and distributed by the Company such as hemodialysis machines, peritoneal cyclers, dialyzers, peritoneal solutions, hemodialysis concentrates, solutions and granulates, bloodlines, renal pharmaceuticals and systems for water treatment. The Company supplies dialysis clinics it owns, operates or manages with a broad range of products and also sells dialysis products to other dialysis service providers. The Company describes its other health care services as "Care Coordination." Care Coordination currently includes the coordinated delivery of pharmacy services, vascular, cardiovascular and endovascular specialty services, non-dialysis laboratory testing services, physician services, hospitalist and intensivist services, health plan services, ambulatory surgery center services and urgent care services, which, together with dialysis care services represent the Company's health care services.

In these Notes, "FMC-AG & Co. KGaA," or the "Company" refers to the Company or the Company and its subsidiaries on a consolidated basis, as the context requires. "Fresenius SE" and "Fresenius SE & Co. KGaA" refer to Fresenius SE & Co. KGaA, a German partnership limited by shares resulting from the change of legal form of Fresenius SE (effective as of January 2011), a European Company (Societas Europaea) previously called Fresenius AG, a German stock corporation. "Management AG" and the "General Partner" refer to Fresenius Medical Care Management AG which is FMC-AG & Co. KGaA's general partner and is wholly owned by Fresenius SE. "Management Board" refers to the members of the management board of Management AG and, except as otherwise specified, "Supervisory Board" refers to the supervisory board of FMC-AG & Co. KGaA. The term "North America Segment" refers to the North America operating segment; the term "EMEA Segment" refers to the Europe, Middle East and Africa operating segment, the term "Asia-Pacific Segment" refers to the Asia-Pacific operating segment, and the term "Latin America Segment" refers to the Latin America operating segment. For further discussion of our operating segments, see Note 26.

### Basis of Presentation

The FMC-AG & Co. KGaA as a stock exchange listed company in a member state of the European Union (EU) fulfills its obligation to prepare and publish the consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), as adopted in the EU, applying Section 315a of the German Commercial Code (HGB).

The consolidated financial statements of FMC-AG & Co. KGaA at December 31, 2016 have been prepared and will be published in accordance with the Standards valid on the balance sheet date issued by the International Accounting Standards Board (IASB) and the mandatory Interpretations of the International Financial Reporting Interpretations Committee (IFRIC), which are binding to be applied in the EU.

Furthermore the Company prepares consolidated financial statements in accordance with the United States Generally Accepted Accounting Principles (U.S. GAAP) using the U.S. dollar ("\$") as reporting currency and includes the financial statements in the filing under Form 20-F with the Securities and Exchange Commission (SEC). In May 2016, the Annual General Meeting of the Company rescinded the obligation to prepare and report U.S. GAAP financial statements due to the so-called pooling agreement. Therefore, the company will be managed solely in accordance with IFRS starting with the 2017 fiscal year and the filing under Form 20-F will include the consolidated financial statements in accordance with IFRS using the Euro as reporting currency.

The Company is included in the IFRS consolidated financial statements of Fresenius SE & Co. KGaA, Bad Homburg v. d. Höhe pursuant to Section 315a HGB, published in the Federal Gazette and drawn up for the smallest circle of companies. The consolidated financial statements for the largest circle of

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companies are drawn up by Fresenius Management SE, Bad Homburg v. d. Höhe, and also published in the Federal Gazette.

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Such financial statements reflect all adjustments that, in the opinion of management, are necessary for a fair presentation of the results of the periods presented. All such adjustments are of a normal recurring nature. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in all future periods affected.

In order to improve clarity of presentation, various items are aggregated in the consolidated balance sheet and consolidated statements of income. These items are analysed separately in the notes where this provides useful information to the users of the consolidated financial statements.

Moreover, the notes include information required by HGB according to Section 315a (1) sentence 1 HGB. The consolidated financial statements include a group management report according to Section 315a HGB in conjunction with Section 315 HGB.

The consolidated balance sheet contains all information required to be disclosed by IAS 1 (Presentation of Financial Statements) and is in accordance with RIC 1 (Balance Sheet Classification according to current/ non-current Distinction in compliance with IAS 1) classified on the basis of the liquidity of assets and liabilities following the consolidated balance sheet. The consolidated statement of income is classified using the cost-of-sales accounting format.

To conform to the current year's presentation deferred taxes in the consolidated financial statements as of December 31, 2015 have been reduced in the amount of €154,181 due to further netting of deferred taxes.

At February 21, 2017, the Management Board authorized the consolidated financial statements for issue and passed it through to the Supervisory Board for review and authorization.

## **Significant Accounting Policies**

### **a) Principles of Consolidation and Composition of the Group**

The financial statements of consolidated entities have been prepared using uniform accounting methods in accordance with IFRS 10 (Consolidated Financial Statements). The acquisitions of companies are accounted for under the purchase method.

Besides FMC-AG & Co KGaA, the consolidated financial statements include all material subsidiaries according to IFRS 10 and IFRS 11, over which the Company has control. FMC-AG & Co KGaA controls an entity if it has power over the entity. That is, the Company has existing rights that give the Company the current ability to direct the relevant activities, which are the activities that significantly affect the Company's return. In addition, the Company is exposed to, or has rights to, variable returns from the involvement with the entity and the Company has the ability to use its power over the entity to affect the amount of the Company's return.

The equity method is applied in accordance with IAS 28 (Investments in Associates and Joint Ventures). Generally, equity method investees are entities in which FMC-AG & Co KGaA, directly or indirectly, holds 50% or less of the voting power and can exercise significant influence over their financial and operating policies.

Since 2010 the disclosure of business acquisitions is performed according to IFRS 3 (2008) (Business Combinations) by offsetting investments in subsidiaries against the underlying revaluated equity at the date of acquisition. The identifiable assets and liabilities of subsidiaries as well as the noncontrolling interests are recognized at their fair values. Any remaining debit balance is recognized as goodwill and is tested at least once a year for impairment. Any excess of the net fair value of identifiable assets and liabilities over cost still existing after reassessing the purchase price allocation is recognized immediately in profit or loss.

Fresenius Medical Care AG & Co. KGaA, Hof an der Saale  
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All significant intercompany revenues, expenses, income, receivables and payables are eliminated. Profits and losses on items of property, plant and equipment and inventory acquired from other group entities are also eliminated.

Deferred tax assets and liabilities are recognized on temporary differences resulting from consolidation procedures.

Noncontrolling interest is the portion of equity in a subsidiary not attributable, directly or indirectly, to a parent and is recognized at its fair value at date of first consolidation. Profits and losses attributable to the noncontrolling interests are separately disclosed in the consolidated statements of income.

As far as the Company can be obliged to purchase noncontrolling interests held by third parties due to written put options the potential purchase price liability is recorded in other current liabilities and other non-current liabilities at fair value at the balance sheet date. According to the present access method noncontrolling interests are simultaneously recorded in Equity as "noncontrolling interests". The initial recognition of the purchase price liability as well as valuation differences are recorded neutral to profit or loss by reclassification from equity (see Note 1 g).

The consolidated financial statements for the year 2016 include, as well as Fresenius Medical Care, 2,035 companies. In 2016 32 companies were accounted for by the equity method. Since beginning of 2016 184 companies were first-time consolidations and 30 companies were deconsolidated.

Disclosures relating to investments pursuant to Section 313 (2) HGB of Fresenius Medical Care AG & Co. KGaA are presented in Appendix 2: List of Participations in affiliated and associated companies which is an integral part of the notes to the consolidated financial statements.

For 2016, the following fully consolidated German subsidiaries of the Company will apply the exemption provided in Section 264 (3) or Section 264b of the HGB.

Fresenius Medical Care AG & Co. KGaA, Hof an der Saale  
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In THOUS, except share and per share data

Name of the Company	Registered Office of the Company
DiZ München Nephrocare GmbH	Munich, Germany
ET Software Developments GmbH	Sandhausen, Germany
Fresenius Medical Care Beteiligungsgesellschaft mbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care Deutschland GmbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care EMEA Management GmbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care Frankfurt am Main GmbH	Frankfurt am Main, Germany
Fresenius Medical Care GmbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care Investment GmbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care US Beteiligungsgesellschaft mbH	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care US Vermögensverwaltungs GmbH & Co. KG	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care US Zwei Vermögensverwaltungs GmbH & Co. KG	Bad Homburg v. d. Höhe, Germany
Fresenius Medical Care Ventures GmbH	Bad Homburg v. d. Höhe, Germany
Haas Medizintechnik GmbH	Beelitz, Germany
Medizinisches Versorgungszentrum Berchtesgaden GmbH	Berchtesgaden, Germany
MVZ Gelsenkirchen-Buer GmbH	Gelsenkirchen, Germany
Nephrocare München-Ost GmbH	Munich, Germany
Nephrocare Augsburg GmbH	Augsburg, Germany
Nephrocare Berlin-Weißensee GmbH	Berlin, Germany
Nephrocare Betzdorf GmbH	Betzdorf, Germany
Nephrocare Buchholz GmbH	Buchholz, Germany
Nephrocare Daun GmbH	Daun, Germany
Nephrocare Deutschland GmbH	Bad Homburg v. d. Höhe, Germany
Nephrocare Friedberg GmbH	Friedberg, Germany
Nephrocare Grevenbroich GmbH	Grevenbroich, Germany
Nephrocare Hagen GmbH	Hagen, Germany
Nephrocare Hamburg-Altona GmbH	Hamburg, Germany
Nephrocare Hamburg-Barmbek GmbH	Hamburg, Germany
Nephrocare Hamburg-Süderelbe GmbH	Hamburg, Germany
Nephrocare Ingolstadt GmbH	Ingolstadt, Germany
Nephrocare Kaufering GmbH	Kaufering, Germany
Nephrocare Lahr GmbH	Lahr, Germany
Nephrocare Ludwigshafen GmbH	Ludwigshafen am Rhein, Germany
Nephrocare Mannheim GmbH	Mannheim, Germany
Nephrocare Mönchengladbach GmbH	Mönchengladbach, Germany
Nephrocare Oberhausen GmbH	Oberhausen, Germany
Nephrocare Papenburg GmbH	Papenburg, Germany
Nephrocare Pirmasens GmbH	Pirmasens, Germany
Nephrocare Püttlingen GmbH	Püttlingen, Germany
Nephrocare Starnberg GmbH	Starnberg, Germany
Nephrocare Wetzlar GmbH	Wetzlar, Germany
Nephrologisch-Internistische Versorgung Ingolstadt GmbH	Ingolstadt, Germany
Nova Med GmbH Vertriebsgesellschaft für medizinischtechnische Geräte und Verbrauchsartikel	Bad Homburg v. d. Höhe, Germany
Zentrum für Nieren- und Hochdruckkrankheiten Bensheim GmbH	Bensheim, Germany

## b) Cash and Cash Equivalents

Cash and cash equivalents comprise cash funds and all short-term, liquid investments with original maturities of up to three months.

**c) Accounts Receivables**

Accounts receivables are posted at the nominal value less individual allowances for doubtful accounts. For information regarding allowance for doubtful accounts see Note 2 c).

**d) Inventories**

Inventories are stated at the lower of cost (determined by using the average or first-in, first-out method) or net realizable value (see Note 8). Costs included in inventories are based on invoiced costs and/or production costs as applicable. Included in production costs are material, direct labor and production overhead, including depreciation charges.

**e) Property, Plant and Equipment**

Property, plant, and equipment are stated at cost less accumulated depreciation (see Note 10). Maintenance and repair costs (day-to-day servicing) are expensed as incurred. The Company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing parts and major inspections if it is probable that the future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Property and equipment under capital leases are stated at the present value of future minimum lease payments at the inception of the lease, less accumulated depreciation. Depreciation on property, plant and equipment is calculated using the straight-line method over the estimated useful lives of the assets ranging from 4 to 50 years for buildings and improvements with a weighted average life of 13 years and 3 to 19 years for machinery and equipment with a weighted average life of 10 years. Equipment held under capital leases and leasehold improvements are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset. Internal use platform software that is integral to the computer equipment it supports is included in property, plant and equipment.

**f) Intangible Assets and Goodwill**

Intangible assets such as non-compete agreements, technology, distribution rights, patents, licenses to treat, licenses to manufacture, distribute and sell pharmaceutical drugs, exclusive contracts and exclusive licenses, trade names, management contracts, application software, acute care agreements, customer relationships and lease agreements are recognized and reported apart from goodwill (see Note 11). Patient relationships however are not reported as separate intangible assets due to the missing contractual basis but are part of goodwill.

Goodwill and identifiable intangibles with indefinite useful lives are not amortized but tested for impairment annually or when an event becomes known that could trigger an impairment. The Company identified trade names and certain qualified management contracts as intangible assets with indefinite useful lives because, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which those assets are expected to generate net cash inflows for the Company.

Intangible assets with finite useful lives are amortized over their respective useful lives to their residual values. The Company amortizes non-compete agreements over their useful life which on average is 6 years. Technology is amortized over its useful life of 15 years. Capitalized development costs are amortized on a straight-line basis over a useful life of 11 years. Licenses to manufacture, distribute and sell pharmaceutical drugs, exclusive contracts and exclusive licenses are amortized over their useful life which on average is 10 years. Customer relationships are amortized over their useful life of 10 years. All other intangible assets are amortized over their weighted average useful lives of 7 years. The weighted average useful life of all amortizable intangible assets is 8 years. Intangible assets with finite useful lives are evaluated for impairment when events have occurred that may give rise to an impairment (see Note 1 m).

To perform the annual impairment test of goodwill, the Company identified its groups of cash generating units (CGUs) and determined their carrying value by assigning the assets and liabilities, including the existing goodwill and intangible assets, to those CGUs. CGUs reflect the lowest level on which goodwill is monitored for internal management purposes.

One CGU was identified in the North America Segment, in the EMEA Segment, in the Asia-Pacific Segment and in the Latin America Segment. For the purpose of goodwill impairment testing, all corporate assets and liabilities are allocated to the CGUs. At least once a year, the Company

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compares the recoverable amount of each CGU to the CGU's carrying amount. The recoverable amount (fair value in use) of a CGU is determined using a discounted cash flow approach based upon the cash flow expected to be generated by the CGU. In case that the fair value in use of the CGU is less than its carrying amount, the difference is at first recorded as an impairment of the fair value of the goodwill.

To evaluate the recoverability of intangible assets with indefinite useful lives, the Company compares the fair values of intangible assets with their carrying values. An intangible asset's fair value is determined using a discounted cash flow approach or other methods, if appropriate.

For further information see Note 2 a).

#### **g) Financial Instruments**

The following categories according to IAS 39 (Financial Instruments: Recognition and Measurement) are relevant for the Company: loans and receivables, financial liabilities measured at amortized cost, available for sale financial assets as well as financial assets/liabilities measured at fair value through profit or loss. All other categories are immaterial or not existing. No financial instruments were reclassified during the reporting period.

The Company classifies its financial instruments into the following classes according to their character: cash and cash equivalents, assets recognized at carrying amount, liabilities recognized at carrying amount, assets recognized at fair value, liabilities recognized at fair value, noncontrolling interests subject to put provisions, derivatives designated as hedging instruments and derivatives not designated as hedging instruments.

Note 23 provides an overview about the relationship between classes and categories as well as the reconciliation to the balance sheet line items.

Purchases and sales of financial assets are accounted for on the trading day. The Company does not make use of the fair value option, which allows financial assets or financial liabilities to be classified as at fair value through profit or loss upon initial recognition.

Investments in equity instruments, debt instruments and fund shares are classified as available for sale financial assets and measured at fair value. The Company regularly reviews if objective substantial evidence occurs that would indicate an impairment of a financial asset or a portfolio of financial assets. After testing the recoverability of these assets, a possible impairment loss is recorded in the consolidated statement of financial position. Gains and losses of available for sale financial assets are recognized in accumulated other comprehensive income (loss) ("AOCI") in shareholders' equity until the financial asset is disposed of or if it is considered to be impaired. In these cases the accumulated net loss recorded in AOCI is transferred to the income statement.

The Company has potential obligations to purchase the noncontrolling interests held by third parties in certain of its consolidated subsidiaries. These obligations are in the form of put provisions and are exercisable at the third-party owners' discretion within specified periods as outlined in each specific put provision. If these put provisions were exercised, the Company would be required to purchase all or part of third-party owners' noncontrolling interests at the appraised fair value at the time of exercise. The methodology the Company uses to estimate the fair values of the noncontrolling interest subject to put provisions assumes the greater of net book value or a multiple of earnings, based on historical earnings, development stage of the underlying business and other factors. Additionally, there are put provisions that are valued by an external valuation firm. The external valuation estimates the fair values using a combination of discounted cash flows and a multiple of earnings and/or revenue. When applicable, the obligations are discounted at a pre-tax discount rate. The estimated fair values of the noncontrolling interests subject to these put provisions can also fluctuate, the discounted cash flows and the implicit multiple of earnings and/or revenue at which these noncontrolling interest obligations may ultimately be settled could vary significantly from the Company's current estimates depending upon market conditions.

At December 31, 2016 and 2015 the Company's potential obligations under these put options, which are recorded in other current liabilities and other non-current liabilities, were €1,007,733 and €791,075, respectively. At December 31, 2016 and 2015, put options with an aggregate purchase obligation of €287,953 and €215,201, respectively, were exercisable. In the last two fiscal years

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ending December 31, 2016, eight such put provisions have been exercised for a total consideration of €2,312.

Derivative financial instruments which primarily include foreign currency forward contracts and interest rate swaps are recognized as assets or liabilities at fair value in the balance sheet (see Note 23). From time to time, the Company may enter into other types of derivative instruments which are dealt with on a transaction by transaction basis. Changes in the fair value of derivative financial instruments classified as fair value hedges and in the corresponding underlying assets and liabilities are recognized periodically in earnings, while the effective portion of changes in fair value of derivative financial instruments classified as cash flow hedges is recognized in AOCI in shareholders' equity. The ineffective portion is recognized in current net earnings. The change in fair value of derivatives that do not qualify for hedge accounting is recorded in the income statement and usually offsets the changes in value recorded in the income statement for the underlying asset or liability.

Derivatives embedded in host contracts are accounted for as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not designated as available for sale financial asset or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement.

#### **h) Foreign Currency Translation**

For purposes of these consolidated financial statements, the euro is the reporting currency. The requirement to report in euro arises from Section 315a and Section 244 HGB. Substantially all assets and liabilities of foreign subsidiaries, that use a functional currency other than the euro, are translated at year-end exchange rates, while revenues and expenses are translated at average exchange rates. Adjustments for foreign currency translation fluctuations are excluded from net earnings and are reported in AOCI. In addition, the translation adjustments of certain intercompany borrowings, which are of a long-term nature, are reported in AOCI.

The exchange rates of the U.S. dollar affecting foreign currency translation developed as follows:

#### **Exchange Rates**

	December 31, 2016	December 31, 2015	2016	2015
	<u>spot exchange rate in €</u>	<u>spot exchange rate in €</u>	<u>average exchange rate in €</u>	<u>average exchange rate in €</u>
1 U.S. dollar	0.94868	0.91853	0.90342	0.90131

#### **i) Revenue Recognition**

Health Care revenues, other than the hospitalist revenues discussed below, are recognized on the date the patient receives treatment and includes amounts related to certain services, products and supplies utilized in providing such treatment. The patient is obligated to pay for health care services at amounts estimated to be receivable based upon the Company's standard rates or at rates determined under reimbursement arrangements. In the U.S., these arrangements are generally with third party payors, such as Medicare, Medicaid or commercial insurers. Outside the U.S., the reimbursement is usually made through national or local government programs with reimbursement rates established by statute or regulation.

Dialysis product revenues are recognized upon transfer of title to the customer, either at the time of shipment, upon receipt or upon any other terms that clearly define passage of title. Product revenues are normally based upon pre-determined rates that are established by contractual arrangement.

For both health care revenues and dialysis product revenues, patients, third party payors and customers are billed at our standard rates net of contractual allowances, discounts or rebates to reflect the estimated amounts to be receivable from these payors.

In the U.S., hospitalist revenues are reported at the estimated net realizable amount from third-party payors, client hospitals, and others at the time services are provided. Third-party payors include federal and state agencies (under the Medicare and Medicaid programs), managed care health plans,



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and commercial insurance companies. Inpatient acute care services rendered to Medicare and Medicaid program beneficiaries are paid according to a fee-for-service schedule. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient acute care services generated through payment arrangements with managed care health plans and commercial insurance companies are recorded on an accrual basis in the period in which services are provided at established rates.

A portion of product revenues outside the North America Segment is generated from arrangements which give the customer, typically a healthcare provider, the right to use dialysis machines. In the same contract the customer agrees to purchase the related treatment disposables at a price marked up from the standard price list. If the right to use the machine is conveyed through an operating lease, FMC-AG & Co. KGaA does not recognize revenue upon delivery of the dialysis machine but recognizes revenue on the sale of disposables with revenue for the use of dialysis machines recognized over the term of the lease contract. If the lease of the machines is a sales type lease, ownership of the dialysis machine is transferred to the user upon installation of the dialysis machine at the customer site. In this type of contract, revenue is recognized in accordance with the accounting principles for sales type leases.

Any tax assessed by a governmental authority that is incurred as a result of a revenue transaction (e.g. sales tax) is excluded from revenues and the related revenue is reported on a net basis.

#### **j) Interest**

The Company includes capitalized interest as part of the cost of the asset if they are directly attributable to the acquisition, construction or manufacture of qualifying assets. For the fiscal years 2016 and 2015, interest of €4,475 and €5,482, based on an average interest rate of 4.64% and 4.48%, respectively, was recognized as a component of the cost of assets.

#### **k) Research and Development Expenses**

Research is the original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge. Development is the technical and commercial implementation of research results and takes place before the start of commercial production or use. Research costs are expensed as incurred. Development costs that fully meet the criteria for the recognition of an intangible asset set out in IAS 38 (Intangible Assets) are capitalized as intangible asset.

#### **l) Income Taxes**

Current taxes are calculated based on the profit (loss) of the fiscal year and in accordance with local tax rules of the respective tax jurisdictions. Expected and executed additional tax payments and tax refunds for prior years are also taken into account.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the single entity's financial statement carrying amounts of existing assets and liabilities and their respective tax basis, tax credits and tax loss carryforwards which are probable to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. In addition, deferred tax assets and liabilities are not recognized if they arise from the initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. A deferred tax asset is recognized to the extent that the utilization of parts or all of it is probable because sufficient taxable profit will be available (see Note 4 f).

In addition, the determination of the recoverable amount of deferred tax assets considers the budget planning of the Company and implemented tax strategies.

It is the Company's policy that assets for uncertain tax positions are recognized to the extent it is probable the tax will be recovered. It is also the Company's policy to recognize interest and penalties related to its income tax positions as income tax expense.

**m) Impairment**

The Company reviews the carrying amount of its property, plant and equipment, its intangible assets with definite useful lives as well as other non-current assets for impairment whenever events or changes in circumstances indicate that the carrying amount is higher than the asset's net realizable value or its value in use in accordance with IAS 36 (Impairment of Assets). The net realizable value of an asset is defined as its fair value less costs to sell. The value in use is the present value of future cash flows expected to be derived from the relevant asset. If it is not possible to estimate the future cash flows from the individual assets, impairment is tested on the basis of the future cash flows of the corresponding CGUs.

Impairment losses, except impairment losses recognized on goodwill, are reversed up to the amount of the amortised acquisition cost, as soon as the reasons for impairment no longer exist.

Long-lived assets to be disposed of by sale are reported at the lower of carrying value or fair value less cost to sell and depreciation is ceased. Long-lived assets to be disposed of other than by sale are considered to be held and used until disposal.

**n) Debt Issuance Costs**

Debt issuance costs related to a recognized debt liability are presented on the balance sheet as a direct deduction from the carrying amount of that debt liability. These costs are amortized over the term of the related obligation (see Note 14).

**o) Self-insurance Programs**

See Note 2 d).

**p) Concentration of Risk**

The Company is engaged in the manufacture and sale of products for all forms of kidney dialysis, principally to healthcare providers throughout the world, and in providing kidney dialysis treatment. The Company also provides additional health care services under Care Coordination. The Company performs ongoing evaluations of its customers' financial condition and, generally, requires no collateral.

Revenues which were earned and subject to regulations under Medicare and Medicaid, governmental healthcare programs administered by the United States government, were approximately 33% in 2016 and 2015 of the Company's worldwide revenues.

See Note 2 c) for concentration risks of debtors or group of debtors as well as Note 8 for discussion of suppliers with long-term purchase commitments.

**q) Legal Contingencies**

From time to time, during the ordinary course of the Company's operations, the Company is party to litigation and arbitration and is subject to investigations relating to various aspects of its business (see Note 22). The Company regularly analyzes current information about such claims for probable losses and provides accruals for such matters, including the estimated legal expenses and consulting services in connection with these matters, as appropriate. The Company utilizes its internal legal department as well as external resources for these assessments. In making the decision regarding the need for loss accrual, the Company considers the degree of probability of an unfavorable outcome and its ability to make a reasonable estimate of the amount of loss.

The filing of a suit or formal assertion of a claim or assessment, or the disclosure of any such suit or assertion, does not necessarily indicate that accrual of a loss is appropriate.

**r) Other Provisions**

In accordance with IAS 12 (Income Taxes) and IAS 37 (Provisions, Contingent Liabilities and Contingent Assets), accruals for taxes and other obligations are recognized when there is a present obligation to a third party arising from past events, it is probable that the obligation will be settled in the future and the required amount can be reliably estimated.

Tax accruals include obligations for the current year and for prior periods.

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Non-current provisions with a remaining period of more than one year are discounted to the present value of the expenditures expected to settle the obligation.

**s) Earnings Per Share**

Basic earnings per share is calculated in accordance with IAS 33 (Earnings per Share). Basic earnings per share is calculated by dividing net income attributable to shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share include the effect of all potentially dilutive instruments on shares that would have been outstanding during the years presented had the dilutive instruments been issued.

Equity-settled awards granted under the Company's stock incentive plans (see Note 20), are potentially dilutive equity instruments.

**t) Treasury Stock**

The Company may, from time to time, acquire its own shares ("Treasury Stock") as approved by its shareholders. The acquisition, sale or retirement of its Treasury Stock is recorded separately in equity. For the calculation of basic earnings per share, treasury stock is not considered outstanding and is therefore deducted from the number of shares outstanding with the value of such Treasury Stock shown as a reduction of the Company's equity.

**u) Employee Benefit Plans**

Pension obligations for post-employment benefits are measured in accordance with IAS 19 (revised 2011) (Employee Benefits) using the projected unit credit method, taking into account future salary and trends for pension increase.

The Company uses December 31 as the measurement date when measuring the funded status of all plans.

For the Company's funded benefit plans the defined benefit obligation is offset against the fair value of plan assets (funded status). A pension liability is recognized in the consolidated balance sheet if the defined benefit obligation exceeds the fair value of plan assets. A pension asset is recognized (and reported under "Other non-current assets and notes receivables" in the consolidated balance sheet) if the fair value of plan assets exceeds the defined benefit obligation and if the Company has a right of reimbursement against the fund or a right to reduce future payments to the fund.

Net interest costs are calculated by multiplying the benefit obligation (fair value of plan assets) at beginning of the year with the discount rate utilized in determining the benefit obligation.

Remeasurements include actuarial gains and losses resulting from the evaluation of the defined benefit obligation as well as from the difference between actual and expected return on plan assets. In the event of a surplus for a defined benefit pension plan remeasurements can also contain the effect from Asset Ceiling, as far as this effect is not included in net interest costs.

Remeasurements are recognized in AOCI completely. It is not allowed to reclassify the remeasurements in subsequent periods. Components of net periodic benefit cost are recognized in profit and loss of the period.

**v) Share-based Plans**

The grant date fair value of stock options and convertible equity instruments that are settled by delivering equity-instruments granted to the Management Board and executive employees of the Group entities by FMC-AG & Co. KGaA is measured in accordance with IFRS 2 (Share-based Payments) using the binominal option pricing model and recognized as expense over the vesting period of the stock option plans. For certain exceptions a shorter vesting period may apply after which the stock options will not forfeit in any way. In such cases the vesting period is shortened accordingly.

The balance sheet date fair value of cash-settled phantom stocks granted to the Management Board and executive employees of the Company is calculated in accordance with IFRS 2 (Share-based Payments) using the binominal option pricing model. The corresponding liability based on the balance sheet date fair value is accrued over the vesting period of the phantom stock plans. For certain

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exceptions a shorter vesting period may apply after which the phantom stocks will not forfeit in any way. In such cases the vesting period is shortened accordingly.

The balance sheet date fair value of cash-settled performance shares granted to the Management Board and executive employees of the Company is calculated using the Monte Carlo pricing model in accordance with IFRS 2 (Share-based Payments). The corresponding liability based on the balance sheet date fair value is accrued over the vesting period of the performance share plan. For certain exceptions a shorter vesting period may apply after which the performance shares will not forfeit in any way. In such cases the vesting period is shortened accordingly.

Two of the Company's subsidiaries are authorized to issue Incentive Units (see Note 20). The balance sheet date fair value of the awards under the subsidiary stock incentive plans, whereby Incentive Units are issued by certain of the Company's subsidiaries, is calculated in accordance with IFRS 2 (Share-based Payments) using the Monte Carlo pricing model. The corresponding liability is accrued over the vesting period of the Incentive Units.

## **w) Recent Pronouncements**

### **Recently Implemented Accounting Pronouncements**

The Company has prepared its consolidated financial statements at December 31, 2016 in conformity with IFRS that have to be applied for fiscal years beginning on January 1, 2016, 2016, or IFRS that can be applied earlier on a voluntary basis. In 2016, the Company did not apply any new standard relevant for its business for the first time.

### **Recent Accounting Pronouncements not yet Adopted**

The IASB issued the following for the Company relevant new standards, which are mandatory for fiscal years commencing on or after January 1, 2017:

- IFRS 15, Revenue from Contracts with Customers
- IFRS 9, Financial Instruments
- IFRS 16, Leases
- Amendments to IAS 7, Statement of Cash Flows

In May 2014, the IASB issued IFRS 15, Revenue from Contracts with Customers. This new standard specifies how and when companies reporting under IFRS will recognize revenue as well as providing users of financial statements with more informative and relevant disclosures. IFRS 15 supersedes IAS 18, Revenue, IAS 11, Construction Contracts and a number of revenue-related interpretations. This standard applies to nearly all contracts with customers, the main exceptions are leases, financial instruments and insurance contracts. In September 2015, the IASB issued the amendment "Effective Date of IFRS 15", which defers the effective date of IFRS 15 by one year to fiscal years beginning on or after January 1, 2018. Earlier adoption is permitted. The Company decided that IFRS 15 will not be adopted early and is currently evaluating the impact of IFRS 15, in conjunction with all amendments to the standard, on its consolidated financial statements. Based on findings the Company obtained so far, it expects differences to the current accounting mainly in the calculation of the transaction price for health care services provided. IFRS 15 requires the consideration of implicit price concessions when determining the transaction price. This will lead to a corresponding decrease of revenues from health care services and thus the implicit price concessions will no longer be included in selling, general and administrative expenses as an allowance for doubtful accounts. The first analysis of this issue showed a decrease of revenue by approximately 2-3% without any effect on net income. A more detailed quantification of the impact of IFRS 15 is not yet possible. The Company also evaluates accounting policy options and transition methods of IFRS 15.

In July 2014, the IASB issued a new version of IFRS 9, Financial Instruments. This IFRS 9 version is considered the final and complete version, thus, mainly replacing IAS 39 as soon IFRS 9 is applied. It includes all prior guidance on the classification and measurement of financial assets and financial liabilities as well as hedge accounting and introduces requirements for impairment of financial instruments as well as modified requirements for the measurement categories of financial assets. The impairment provisions reflect a model that relies on expected losses (expected loss model). This model comprises a two stage approach: Upon recognition an entity shall recognize losses that are

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expected within the next 12 months. If credit risk deteriorates significantly, from that point in time impairment losses shall amount to lifetime expected losses. The provisions for classification and measurement are amended by introducing an additional third measurement category for certain debt instruments. Such instruments shall be measured at fair value with changes recognized in other comprehensive income (fair value through other comprehensive income (FVTOCI)). The standard is accompanied by additional disclosure requirements and is effective for fiscal years beginning on or after January 1, 2018. Earlier adoption is permitted. The Company decided that IFRS 9 will not be adopted early and is currently evaluating the impact on its consolidated financial statements. In accordance with IAS 39, the majority of the non-derivative financial assets are measured at amortized costs. The analysis on the business model and the contractual cash flow characteristics of each instrument is still ongoing. The requirements on the classification and measurement of non-derivative financial liabilities have not changed significantly. Thus, the Company expects a limited impact on its consolidated financial statements. Derivatives not designated as hedging instruments will continue to be classified and measured at fair value through profit and loss.

The Company intends to implement the simplified method to determine the provisions for risks from trade accounts receivable, receivables from lease contracts and capitalized contract costs according to IFRS 15. A quantification of the impact is not yet possible. Based on currently available information, derivative financial instruments presently designated as hedging instruments are also qualified for hedge accounting according to the requirements of IFRS 9. The Company also evaluates accounting policy choices and transition methods of IFRS 9.

In January 2016, the IASB issued IFRS 16, Leases, which supersedes the current standard on lease-accounting, IAS 17, as well as the interpretations IFRIC 4, SIC-15 and SIC-27. IFRS 16 significantly improves lessee accounting. For all leases, a lessee is required to recognize a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Depreciation of the right-of-use asset and interest on the lease liability must be recognized in the income statement for every lease contract. Therefore, straight-line rental expenses will no longer be shown. The lessor accounting requirements in IAS 17 are substantially carried forward. The standard is effective for fiscal years beginning on or after January 1, 2019. Earlier application is permitted for entities that have also adopted IFRS 15 Revenue from Contracts with Customers. The Company expects a balance sheet extension due to the on balance sheet recognition of right of use assets and liabilities for agreed lease payment obligations, currently classified as operating leases, resulting in particular from leased clinics and buildings. Based on a first impact analysis as of December 31, 2015, using certain assumptions and simplifications, the Company expects a financial debt increase of approximately €4,000,000. Referring to the consolidated statement of income the company expects an EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) as well as an operating income improvement due to the split of rent expenses in depreciation and interest expenses, by having unchanged cash outflows. The Leverage Ratio (debt/EBITDA ratio – debt is compared to EBITDA adjusted for acquisitions made during the year with a purchase price above a \$50,000 threshold as defined in the Amended 2012 Credit Agreement and non-cash charges) will increase by about 0.5. The impact on the Company will depend on the contract portfolio at the effective date, as well as the transition method. Based on a first impact analysis the Company decided to apply the modified retrospective method. Currently the Company evaluates accounting policy options of IFRS 16.

In January 2016, the IASB issued amendments to IAS 7, Statement of Cash Flows. The amendments are intended to improve the information related to the change in a company's debt by providing additional disclosures. The standard is effective for fiscal years beginning on or after January 1, 2017. Earlier application is permitted. The Company will adopt the amendments to IAS 7 as soon as possible.

The EU Commission's endorsement of IFRS 16 and the amendments to IAS 7 are still outstanding.

In the Company's view, all other pronouncements issued by the IASB do not have a material impact on the consolidated financial statement, as expected.

## 2. Discretionary Decisions and Sources of Estimation Uncertainties

The Company's reported results of operations, financial position and net assets are sensitive to discretionary decisions, assumptions and estimates that are the basis for its financial statements. The critical accounting policies, the judgements made in the creation and application of these policies and the sensitivities of reported results to changes in accounting policies, discretionary decisions and estimates are factors to be considered along with the Company's financial statements. In the opinion of the Management of the Company, the following accounting policies, discretionary decisions and sources of estimation uncertainties are critical for the consolidated financial statements in the present economic environment.

### a) Recoverability of Goodwill and Intangible Assets

The growth of the business through acquisitions has created a significant amount of intangible assets, including goodwill, trade names, management contracts, non-compete agreements and customer relationships. At December 31, 2016, the carrying amount of goodwill and non-amortizable intangible assets amounted to €13,157,584 (€12,160,518 at December 31, 2015) representing in total approximately 52% at December 31, 2016 and 52% at December 31, 2015 of the Company's total assets.

In accordance with IAS 36 (Impairment of Assets), the Company performs an impairment test of goodwill and non-amortizable intangible assets at least once a year for each reporting unit or more frequently if the Company becomes aware of events that occur or if circumstances change that would indicate the carrying value may not be recoverable (see also Note 1 f).

To comply with IFRS to determine possible impairments of these assets, the fair value of the CGUs is first compared to the CGUs' carrying amount.

The fair value in use of each CGU is determined using estimated future cash flows for the unit discounted by a weighted average cost of capital (WACC) specific to that CGU. Estimating the future cash flows involves significant assumptions, especially regarding future reimbursement rates and sales prices, number of treatments, sales volumes and costs. In determining discounted cash flows, the Company utilizes for every CGU its three-year budget, projections for years four to ten and a representative growth rate for all remaining years. Projections for up to ten years are possible due to the non-discretionary nature of the health care services the Company provides, the need for products utilized to provide such services and the availability of government reimbursement for a substantial portion of its services.

The CGU's average revenue growth for the ten year planning period is within a mid single-digit range for the North America Segment, EMEA Segment and the Latin America Segment, whereas for the Asia-Pacific Segment the average revenue growth is in the high single-digits.

A substantial portion of the Company's profit is generated in North America. The Company expects a stable operating income margin with a higher margin in dialysis business compensating a lower margin in Care Coordination.

The CGU's expected growth rates for the period beyond ten years are: North America 1.0%, EMEA 0%, Asia-Pacific 4.0% and Latin America 3.5%. The discount factor is determined by the WACC of the respective CGU. The Company's WACC consists of a basic rate adjusted by a weighted average country risk rate and, if appropriate, by a factor to reflect higher risks associated with the cash flows from recent material acquisitions within each CGU, until they are appropriately integrated. In 2016 the before tax WACC, for the respective CGU is 7.54% (2015: 9.04%) for North America, 8.64% (2015: 10.04%) for EMEA, 6.40% (2015: 7.89%) for Asia Pacific and 18.18% (2015: 22.56%) for Latin America. An overview of the carrying amounts of goodwill and intangibles with indefinite useful life for each CGU is shown in Note 11.

To evaluate the recoverability of intangible assets with indefinite useful lives, we compare the fair values of intangible assets with their carrying values and intangible asset's fair value is determined using a discounted cash flow approach or other methods, if appropriate.

A prolonged downturn in the health care industry with lower than expected increases in reimbursement rates and/or higher than expected costs for providing health care services and for procuring and selling products could adversely affect the Company's estimated future cash flows. Future adverse changes in a reporting unit's economic environment of a CGU could affect the country specific risk rate

and therefore the discount rate. Equally an increase of the general interest rate level could affect the base rate and therefore the discount rate. A decrease in the estimated future cash flows and/or a decline in the reporting units economic environment could result in impairment charges to goodwill and other intangible assets which could materially and adversely affect the Company's future financial position and operating results.

Sensitivity analysis showed that a rise in the respective WACC by one percentage point, that could be caused by an increase in the Company's beta factor or an increase in interest rates, would lead to an impairment loss in Latin America of €46,696.

In 2016 the recoverable amount for Latin America exceeds the carrying amount by €88,273.

The WACC must rise by 0.61% in order for the recoverable amount for Latin America to be equal to the carrying amount.

#### **b) Legal Contingencies**

The Company is party to litigation and subject to investigations relating to a number of matters as described in Note 1 q) und Note 22 of the Notes to the Company's consolidated financial statements. The outcome of these matters may have a material effect on the results of operations, financial position and net assets of the Company.

#### **c) Accounts Receivable and Allowance for Doubtful Accounts**

Trade accounts receivable are a substantial asset of the Company and the allowance for doubtful accounts is based upon a significant estimate made by management. Trade accounts receivable were €3,343,819 and €3,018,398 at December 31, 2016 and 2015, respectively, net of allowances for doubtful accounts of €482,461 at December 31, 2016 and €427,841 at December 31, 2015.

The Company sells dialysis products directly or through distributors in more than 120 countries and provide health care services in more than 45 countries. Most payors are government institutions or government-sponsored programs with significant variations between the countries and even between payors within one country in local payment and collection practices.

Receivables resulting from health care services are recognized and billed at amounts estimated to be collectable under government reimbursement programs and reimbursement arrangements with third party payors. U.S. Medicare and Medicaid government programs are billed at pre-determined net realizable rates per treatment that are established by statute or regulation. Revenues for non-governmental payors with which the Company has contracts or letters of agreement in place are recognized at the prevailing contract rates. The remaining non-governmental payors are billed at the Company's standard rates for services and, in the Company's North America segment, a contractual adjustment is recorded to recognize revenues based on historic reimbursement. The contractual adjustment and the allowance for doubtful accounts are reviewed quarterly for their adequacy. No material changes in estimates were recorded for the contractual allowance in the periods presented. The collectability of accounts receivable is reviewed locally on a regular basis, generally monthly.

In the Company's North America segment operations, the collection process is usually initiated 30 days after service is provided or upon the expiration of the time provided by contract. For Medicare and Medicaid, once the services are approved for payment, the collection process begins upon the expiration of a period of time based upon experience with Medicare and Medicaid. In all cases where co-payment is required the collection process usually begins within 30 days after service has been provided. In those cases where claims are approved for amounts less than anticipated or if claims are denied, the collection process usually begins upon notice of approval of the lesser amounts or upon denial of the claim. The collection process can be confined to internal efforts, including the accounting and sales staffs and, where appropriate, local management staff. If appropriate, external collection agencies may be engaged.

Public health institutions in a number of countries outside the U.S. require a significant amount of time until payment is made because a substantial number of payors are government entities whose payments are often determined by local laws and regulations and budget constraints. Depending on local facts and circumstances, the period of time to collect can be quite lengthy. In those instances where there are commercial payors, the same type of collection process is initiated as in the segment North America.

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Due to the number of subsidiaries and different countries that the Company operates in, the Company's policy of determining when a valuation allowance is required considers the appropriate individual local facts and circumstances that apply to an account. While payment and collection practices vary significantly between countries and even agencies within one country, government payors usually represent low to moderate credit risks. It is the Company's policy to determine when receivables should be classified as bad debt on a local basis taking into account local payment practices and local collection experience. A valuation allowance is calculated locally if specific circumstances indicate that amounts will not be collectible.

In the Company's EMEA Segment, Asia-Pacific Segment, Latin America Segment and North America product division, for receivables overdue by more than one year, an additional valuation allowance is recorded based on an individual country risk, since the Company believes that the length of time to collect does indicate an increased credit risk.

When all efforts to collect a receivable, including the use of outside sources where required and allowed, have been exhausted, and after appropriate management review, a receivable deemed to be uncollectible is considered a bad debt and written off.

Write offs are taken on a claim-by-claim basis. Due to the fact that a large portion of its reimbursement is provided by public health care organizations and private insurers, the Company expects that most of its accounts receivables will be collectible, albeit potentially more slowly outside the North America Segment. A significant change in the Company's collection experience, deterioration in the aging of receivables and collection difficulties could require that the Company increases its estimate of the allowance for doubtful accounts. Any such additional bad debt charges could materially and adversely affect the Company's future operating results.

If, in addition to the Company's existing allowances, 1% of the gross amount of the Company's trade accounts receivable as of December 31, 2016 were uncollectible through either a change in the Company's estimated contractual adjustment or revised estimate of the collectability, the Company's operating income for 2016 would have been reduced by approximately 1.6%.

The following table shows the portion of major debtors or debtor groups of trade accounts receivable as at December 31, 2016 and 2015. No single debtor other than U.S. Medicare and Medicaid accounted for more than 5% of total trade accounts receivable in any of these years. Amounts pending approval from third party payors represented less than 3% of the accounts receivable at December 31, 2016.

**Composition of Trade Accounts Receivable**

December 31,

	2016	2015
U.S. Government health care programs	28%	27%
U.S. commercial payors	16%	17%
U.S. hospitals	9%	9%
Self-pay of U.S. patients	2%	0%
Other North America Segment payors	1%	1%
Product customers and health care payors outside the North America Segment	44%	46%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**d) Self-insurance Programs**

Under the Company's insurance programs for professional, product and general liability, auto liability, worker's compensation and medical malpractice claims, the Company's largest subsidiary is partially self-insured for professional liability claims. For all other coverages, the Company assumes responsibility for incurred claims up to predetermined amounts above which third party insurance applies. Reported liabilities for the year represent estimated future payments of the anticipated expense for claims incurred (both reported and incurred but not reported) based on historical experience and existing claim activity. This experience includes both the rate of claims incidence (number) and claim severity (cost) and is combined with individual claim expectations to estimate the reported amounts.



#### **e) Noncontrolling Interests Subject to Put Provisions**

The noncontrolling interests subject to put provisions are recognized at their fair value. For further information related to the estimation of these fair values, see Note 23.

### **3. Acquisitions, Investments, Purchases of Intangible Assets and Divestitures**

The Company completed acquisitions, investments, and the purchase of intangible assets in the amount of €774,277 and €385,081 in 2016 and 2015, respectively. Of this amount, €521,800 were paid in cash and €252,477 were assumed obligations and non-cash consideration in 2016. In 2015 €285,543 were paid in cash and €99,538 were assumed obligations and non-cash consideration.

#### **Acquisitions**

The Company made acquisitions of €632,342 and €162,392 in 2016 and 2015, respectively in order to expand the scope of its services and to increase its market shares in the respective countries. Of this amount, €379,865 were paid in cash and €252,477 were assumed obligations and non-cash consideration in 2016. In 2015 €90,267 were paid in cash and €72,125 were assumed obligations and non-cash consideration.

The Company's acquisition spending was driven primarily by the purchase of dialysis clinics in the normal course of its operations in 2016 and 2015 as well as the purchase of a medical technology company focusing on the treatment of lung and cardiac failure in 2016 and the purchase of a distributor in the Asia-Pacific Segment in 2015.

#### **Impacts on Consolidated Financial Statements from Acquisitions**

The assets and liabilities of all acquisitions were recorded at their estimated fair values at the dates of the acquisitions and are included in the Company's financial statements and operating results from the effective date of acquisition. The previous year's acquisitions did not have a significant impact on the consolidated financial statements in 2016.

The excess of the total acquisition costs over the fair value of the net assets acquired was goodwill of €586,520 and €124,043 in 2016 and 2015, respectively.

The purchase price allocations for all collectively and individually non-material acquisitions for the year 2016 are not yet finalized. The Company is in the process of obtaining and evaluating the information necessary for the purchase price allocations, primarily related to property, plant and equipment, intangible assets, accounts receivable and other liabilities. Based on preliminary purchase price allocations, the Company recorded €586,520 of goodwill and €103,905 of intangible assets, which represent the share of both controlling and noncontrolling interests. Goodwill arose principally due to the fair value of the acquired established streams of future cash flows for these acquisitions versus building similar franchises.

Business combinations during 2016 decreased the Company's Net Income (Net Income attributable to the shareholders of FMC-AG & Co. KGaA) by €315, including the costs of the acquisitions, and Revenue increased by €177,666.

Total Assets increased €792,941 due to business combinations.

#### **Investments and Purchases of Intangible Assets**

Investments and purchases of intangible assets were €141,935 and €222,689 in 2016 and 2015, respectively. These amounts were primarily driven by an investment in available for sale financial assets and notes receivables related to an equity method investee in 2016 and an investment in available for sale financial assets and notes receivables related to an equity method investee as well as contributions to an equity method investee in 2015. Of this amount, €141,935 were paid in cash in 2016. In 2015 €195,276 were paid in cash and €27,413 were non-cash components.

#### **Divestitures**

Proceeds from divestitures were €193,893 and €252,764 in 2016 and 2015, respectively. These

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amounts were primarily driven by a divestment in available for sale financial assets and the repayment of notes receivables related to an equity method investee in 2016 as well as the repayment of an investment-type loan granted to a middle-market dialysis provider, the divestiture of the dialysis service business in Venezuela and the transfer of marketing rights to an equity method investee in 2015. Of this amount, €190,247 were received in cash and €3,646 were non-cash components in 2016. In 2015 €226,823 were received in cash and €25,941 were non-cash components.

#### 4. Notes to the Consolidated Statements of Income

##### a) Selling, General and Administrative Expenses

Selling expenses amount to €363,482 (2015: €351,073) and mainly include expenditure for sales personnel amounting to €143,923 (2015: €139,117). General and administrative expenses amounted to €2,755,690 (2015: €2,597,812) and are related to expenditure for administrative functions not attributable to research and development, production or selling. In addition general and administrative expenses include realized and unrealized foreign exchange gains and losses. In 2015, general and administrative expenses include a net amount of \$60,000 (€54,078) in relation to the NaturaLyte® and GranuFlo® agreement in principle. For further information, see Note 22.

##### b) Research and Development Expenses

Research and development expenses of €146,511 (2015: €128,128) include expenditure for research and non-capitalizable development costs as well as depreciation and amortization expenses referring to capitalized development costs of €724 (2015: €1,673).

##### c) Cost of Materials

The cost of materials comprises costs of raw materials, supplies and purchased components and of purchased services as follows:

##### Cost of Materials

in € THOUS

	<u>2016</u>	<u>2015</u>
Cost of raw materials, supplies and purchased components	3,696,528	3,601,588
Cost of purchased services	414,289	398,652
<b>Cost of materials</b>	<b><u>4,110,817</u></b>	<b><u>4,000,240</u></b>

##### d) Personnel Expenses

In the costs of revenue, selling, general and administrative costs and the costs of research and development are personnel expenses included, amounting to €6,290,504 and €5,698,014 in 2016 and 2015, respectively. The personnel expenses are made up as follows:

##### Personnel Expenses

in € THOUS

	<u>2016</u>	<u>2015</u>
Wages and salaries	4,940,931	4,499,774
Social security contributions and cost of retirement benefits and social assistance	1,349,573	1,198,240
thereof retirement benefits	134,572	120,997
<b>Personnel expenses</b>	<b><u>6,290,504</u></b>	<b><u>5,698,014</u></b>

On average the Company employed the following personnel on a full-time equivalents basis:

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**Employees by Function**

	<u>2016</u>	<u>2015</u>
Production and Services	94,201	90,251
Administration	9,318	9,023
Sales and Marketing	3,099	2,865
Research and Development	736	626
<b>Total employees</b>	<b><u>107,354</u></b>	<b><u>102,765</u></b>

**e) Net Interest**

The net interest in an amount of €366,369 includes interest expense of €408,508 and interest income of €42,139 in 2016. Net interest of €352,825 includes interest expenses of €457,895 and interest income of €105,070 in 2015. Interest expenses result mainly from the Company's financial liabilities which are not accounted for at fair value through profit and loss (see Note 13 and Note 14). A large part of interest income in 2016 results from the valuation of the derivatives embedded in the Convertible Bonds. In 2015 interest income results mainly from the valuation of the Share Options which the Company purchased in connection with the issuance of the Convertible Bonds as well as interest-bearing notes receivables (see Note 23).

**f) Income Taxes**

Income before income taxes is attributable to the following geographic locations:

**Income before Income Taxes**

in € THOUS

	<u>2016</u>	<u>2015</u>
Germany	191,377	124,416
United States	1,490,789	1,325,346
Other	360,367	325,914
	<b><u>2,042,533</u></b>	<b><u>1,775,676</u></b>

Income tax expense (benefit) for the years ended December 31, 2016 and 2015, consisted of the following:

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**Income Tax Expense (Benefit)**

in € THOUS

	<u>2016</u>	<u>2015</u>
<b>Current</b>		
Germany	50,625	65,102
United States	454,448	413,502
Other	128,320	124,910
	<u><b>633,393</b></u>	<u><b>603,514</b></u>
<b>Deferred</b>		
Germany	(23,703)	(47,857)
United States	27,570	(734)
Other	(14,779)	10,103
	<u><b>(10,912)</b></u>	<u><b>(38,488)</b></u>
<b>Total</b>	<u><b>622,481</b></u>	<u><b>565,026</b></u>

A reconciliation between the expected and actual income tax expense is shown below. The expected corporate income tax expense is computed by applying the German corporation tax rate (including the solidarity surcharge) and the trade tax rate on income before income taxes. The German combined statutory tax rates were 29.69% and 29.62% for the fiscal years ended December 31, 2016 and 2015, respectively.

**Reconciliation of Income Taxes**

in € THOUS

	<u>2016</u>	<u>2015</u>
Expected corporate income tax expense	606,327	525,955
Tax free income	(34,337)	(32,190)
Income from equity method investees	(15,642)	(12,863)
Tax rate differentials	133,523	116,335
Non-deductible expenses	32,985	32,817
Taxes for prior years	(21,069)	17,998
Noncontrolling partnership interests	(105,536)	(98,666)
Tax on divestitures	0	13,477
Other	26,230	2,163
<b>Income tax expense</b>	<u><b>622,481</b></u>	<u><b>565,026</b></u>
<b>Effective tax rate</b>	<u><b>30.5%</b></u>	<u><b>31.8%</b></u>

The tax effects of the temporary differences and net operating losses that give rise to deferred tax assets and liabilities at December 31, 2016 and 2015 are presented below:

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**Deferred Income Tax Assets and Liabilities**

in € THOUS

	<u>2016</u>	<u>2015</u>
<b>Deferred tax assets</b>		
Accounts receivable	11,899	8,141
Inventories	63,932	51,202
Intangible assets	7,366	8,780
Property, plant and equipment and other non current assets	61,369	51,970
Accrued expenses and other liabilities	337,766	344,135
Pension liabilities	109,234	140,477
Net operating loss carryforwards, tax credit carryforwards and interest carryforwards	130,954	89,084
Derivatives	5,487	1,210
Stock-based compensation	13,463	17,982
Other	23,525	3,957
<b>Total deferred tax assets</b>	<b><u>764,995</u></b>	<b><u>716,938</u></b>
<b>Deferred tax liabilities</b>		
Accounts receivable	25,121	40,107
Inventories	6,838	7,640
Intangible assets	670,134	631,103
Property, plant and equipment and other non current assets	147,357	112,976
Accrued expenses and other liabilities	49,809	33,736
Derivatives	9,822	5,041
Insurance recoveries	82,336	79,719
Other	144,105	144,359
<b>Total deferred tax liabilities</b>	<b><u>1,135,522</u></b>	<b><u>1,054,681</u></b>
<b>Net deferred tax liabilities</b>	<b><u>(370,527)</u></b>	<b><u>(337,743)</u></b>

In the balance sheet, the accumulated amounts of deferred tax assets and liabilities are shown as follows:

<b>Net Deferred Income Tax Assets and Liabilities</b>	<b>2016</b>	<b>2015</b>
in € THOUS		
Deferred tax assets	291,394	256,368
Deferred tax liabilities	661,921	594,111
<b>Net deferred tax liabilities</b>	<b><u>(370,527)</u></b>	<b><u>(337,743)</u></b>

The net operating losses included in the table below reflect U.S. federal tax, German corporate income tax, and other tax loss carryforwards in the various countries in which we operate, and expire as follows:

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**Net Operating Loss Carryforwards**

in € THOUS

2017	21,509
2018	21,712
2019	19,134
2020	31,136
2021	14,111
2022	14,505
2023	12,284
2024	12,916
2025	12,301
2026 and thereafter	19,717
Without expiration date	82,611
<b>Total</b>	<b>261,936</b>

Included in the balance of Net Operating Loss Carryforwards at December 31, 2016 are €108,826 not expected to be absorbed. Deferred tax assets regarding this portion are not recognized.

In assessing the realizability of deferred tax assets, management considers to which extent it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences and tax loss carryforwards become deductible. Management considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is probable the Company will realize the benefits of these deductible differences at December 31, 2016.

The Company provides for income taxes and foreign withholding taxes on the cumulative earnings of foreign subsidiaries and foreign subsidiaries in which the Company has ownership of less than 100% that will not be reinvested. At December 31, 2016, the Company provided for €11,619 (2015: €8,517) of deferred tax liabilities associated with earnings that are likely to be distributed in 2017 and the following years. Provision has not been made for additional taxes on €7,037,959 (2015: €6,855,748) undistributed earnings of foreign subsidiaries as these earnings are considered indefinitely reinvested. The earnings could become subject to additional tax if remitted or deemed remitted as dividends; however calculation of such additional tax is not practicable. These taxes would predominantly comprise foreign withholding tax on dividends of foreign subsidiaries, and German income tax; however, those dividends and capital gains would generally be 95% tax free for German tax purposes.

FMC-AG & Co. KGaA companies are subject to tax audits in Germany and the U.S. on a regular basis and on-going tax audits in other jurisdictions.

In Germany, the tax years 2006 through 2013 are currently under audit by the tax authorities. The Company recognized and recorded the current proposed adjustments of this audit period in the financial statements. Fiscal years 2014 until 2016 are open to audit.

In the U.S., fiscal years 2013 until 2016 are open to audit. FMCH is also subject to audit in various state jurisdictions. A number of these audits are in progress and various years are open to audit in various state jurisdictions. All expected results for both federal and state income tax audits have been recognized in the financial statements.

Subsidiaries of FMC-AG & Co. KGaA in a number of countries outside of Germany and the U.S. are also subject to tax audits. The Company estimates that the effects of such tax audits are not material to these consolidated financial statements.

## 5. Related Party Transactions

Fresenius SE is the Company's largest shareholder and owns 30.82% of the Company's outstanding shares, excluding treasury shares held by the Company, at December 31, 2016. The Company has entered into certain arrangements for services, leases and products with Fresenius SE or its subsidiaries and with certain of the Company's equity method investees as described in item a) below. The Company's terms related to the receivables or payables for these services, leases and products are generally consistent with the normal terms of the Company's ordinary course of business transactions with unrelated parties. Financing arrangements as described in item b) below have agreed upon terms which are determined at the time such financing transactions occur and reflect market rates at the time of the transaction. The relationship between the Company and its key management personnel who are considered to be related parties is described in item c) below. Our related party transactions are settled through Fresenius SE's cash management system where appropriate.

### a) Service Agreements, Lease Agreements and Products

The Company is party to service agreements with Fresenius SE and certain of its affiliates (collectively the "Fresenius SE Companies") to receive services, including, but not limited to: administrative services, management information services, employee benefit administration, insurance, information technology services, tax services and treasury management services. The Company also provides central purchasing services to the Fresenius SE Companies. These related party agreements generally have a duration of 1-5 years and are renegotiated on an as needed basis when the agreement comes due. The Company provides administrative services to one of its equity method investees. In 2015, the Company also performed marketing and distribution services for certain of its equity method investees.

The Company is a party to real estate operating lease agreements with the Fresenius SE Companies, which mainly include leases for the Company's corporate headquarters in Bad Homburg, Germany and production sites in Schweinfurt and St. Wendel, Germany. The leases were re-negotiated and revised upon expiration at the end of 2016. These new lease agreements began on January 1, 2017 and expire on December 31, 2026. Certain of the office lease contracts are commercially agreed but pending formal approval by the supervisory board of Fresenius SE. The Company expects formal approval of these contracts to be granted in the first quarter of 2017 with an effective date of January 1, 2017. Based upon an appraisal, the rents under the leases represent fair market value for such properties. As of December 31, 2016 and 2015, future minimum rental payments under non-cancelable operating leases with Fresenius SE were €17,097, including amounts pending formal approval above through September 2017, and €22,250 as well as €121,844 and €14,894 with other Fresenius SE affiliates, respectively. These minimum rental payments are included within the amounts disclosed in Note 21.

In addition to the above mentioned service and lease agreements, the Company sold products to the Fresenius SE Companies and made purchases from the Fresenius SE Companies and equity method investees. In addition, Fresenius Medical Care Holdings, Inc. ("FMCH") purchases heparin supplied by Fresenius Kabi USA, Inc. ("Kabi USA"), through an independent group purchasing organization ("GPO"). Kabi USA is an indirect, wholly-owned subsidiary of Fresenius SE. The Company has no direct supply agreement with Kabi USA and does not submit purchase orders directly to Kabi USA. FMCH acquires heparin from Kabi USA, through the GPO contract, which was negotiated by the GPO at arm's length on behalf of all members of the GPO.

The Company entered into an agreement with a Fresenius SE company for the manufacturing of plasma collection devices. The Company agreed to produce 3,500 units which can be further increased to a maximum of 4,550 units, over the length of the five year contract. On January 1, 2015, this manufacturing business was sold to Kabi USA for \$9,327 (€8,567 as of December 31, 2015) for which a fairness opinion was obtained from a reputable global accounting firm. The disposal was accounted for as a transaction between parties under common control at the carrying amounts without the generation of profits.

In December 2010, the Company formed a renal pharmaceutical company with Galenica Ltd., named Vifor Fresenius Medical Care Renal Pharma Ltd. ("VFMCRP"), an equity method investee of which the Company owns 45%. The Company has entered into exclusive supply agreements to purchase certain pharmaceuticals from VFMCRP.

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Below is a summary, including the Company's receivables from and payables to the indicated parties resulting from the above described transactions with related parties.

**Service Agreements, Lease Agreements and Products**

in € THOUS

	2016		2015		December 31, 2016		December 31, 2015	
	Sales of goods and services	Purchases of goods and services	Sales of goods and services	Purchases of goods and services	Accounts Receivables	Accounts Payables	Accounts Receivables	Accounts Payables
<b>Service Agreements <sup>(1)</sup></b>								
Fresenius SE	389	20,220	229	18,262	132	51	388	2,925
Fresenius SE affiliates	2,772	74,083	7,356	68,410	822	2,856	1,932	3,747
Equity method investees	17,578	-	21,063	-	2,506	-	9,351	-
<b>Total</b>	<b>20,739</b>	<b>94,303</b>	<b>28,648</b>	<b>86,672</b>	<b>3,460</b>	<b>2,907</b>	<b>11,671</b>	<b>6,672</b>
<b>Lease Agreements</b>								
Fresenius SE	-	9,475	-	8,671	-	-	-	-
Fresenius SE affiliates	-	13,717	-	13,213	-	-	-	-
<b>Total</b>	<b>-</b>	<b>23,192</b>	<b>-</b>	<b>21,884</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Products</b>								
Fresenius SE	2	-	4	-	-	-	-	-
Fresenius SE affiliates	23,350	43,390	23,362	33,498	7,948	4,787	8,060	3,461
Equity method investees	-	371,241	-	248,166	-	55,329	-	7,581
<b>Total</b>	<b>23,352</b>	<b>414,631</b>	<b>23,366</b>	<b>281,664</b>	<b>7,948</b>	<b>60,116</b>	<b>8,060</b>	<b>11,042</b>

(1) In addition to the above shown Accounts Payables Accrued Expenses for Service Agreements with related parties amounted to €3,359 and €565 at December 31, 2016 and 2015.

**b) Financing**

The Company receives short-term financing from and provides short-term financing to Fresenius SE. The Company also utilizes Fresenius SE's cash management system for the settlement of certain intercompany receivables and payables with its subsidiaries and other related parties. As of December 31, 2016 and December 31, 2015, the Company had accounts receivables from Fresenius SE related to short-term financing in the amount of €197,883 and €120,558, respectively. As of December 31, 2016 and December 31, 2015, the Company had accounts payables to Fresenius SE related to short-term financing in the amount of €186,350 and €106,487, respectively. The interest rates for these cash management arrangements are set on a daily basis and are based on the then-prevailing overnight reference rate for the respective currencies.

On August 19, 2009, the Company borrowed €1,500 from the General Partner on an unsecured basis at 1.335%. The loan repayment has been extended periodically and is currently due August 22, 2017 with an interest rate of 1.054%. On November 28, 2013, the Company borrowed an additional €1,500 from the General Partner at 1.875%. This loan is due on November 24, 2017 with an interest rate of 1.021%.

The Company provided unsecured term loans to one of its equity method investees during 2015 and 2016 in the amount of CHF 78,416 (71,928€ based upon the average exchange rate for the twelve months ended December 31, 2016). These loans were repaid in full during the first half of 2016. The loans were entered into in order to fund the sale of European marketing rights for certain renal pharmaceuticals to the same equity method investee as well as to finance the investee's payments for license and distribution agreements. These marketing rights were sold to this equity method investee in 2015 which resulted in a gain of approximately €10,058, after tax.

On June 12, 2014, the Company provided a one-year unsecured term loan to one of its equity method investees in the amount of \$22,500 (€18,532 at December 31, 2014) at an interest rate of 2.5366%. This loan was repaid in full on June 12, 2015.



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At December 31, 2016 and 2015, a subsidiary of Fresenius SE held unsecured Senior Notes issued by the Company in the amount of €8,300 and €8,300, respectively. The Senior Notes were issued in 2011 and 2012, mature in 2021 and 2019, respectively, and each has a coupon rate of 5.25% with interest payable semiannually. For further information on these Senior Notes, see Note 14.

On December 31, 2016, the Company provided a cash advance to Fresenius SE in the amount of €36,245 on an unsecured basis at an interest rate of 0.771% which was repaid on January 2, 2017. On December 31, 2015 the Company borrowed from Fresenius SE in the amount of €14,500 at an interest rate of 0.970%. For further information on these loan agreements, see Note 13.

**c) Key Management Personnel**

Due to the legal form of a German partnership limited by shares, the General Partner holds a key management position within the Company. In addition, as key management personnel, members of the Management Board and the Supervisory Board, as well as their close relatives, are considered related parties.

The Company's Articles of Association provide that the General Partner shall be reimbursed for any and all expenses in connection with management of the Company's business, including remuneration of the members of the General Partner's supervisory board and the members of the Management Board. The aggregate amount reimbursed to the General Partner was €18,153 and €15,336, respectively, for its management services during 2016 and 2015 and included an annual fee of €120 and €120, respectively, as compensation for assuming liability as general partner. The annual fee is set at 4% of the amount of the General Partner's share capital (€3,000 as of December 31, 2016). As of December 31, 2016 and December 31, 2015, the Company had accounts receivable from the General Partner in the amount of €174 and €446, respectively. As of December 31, 2016 and December 31, 2015, the Company had accounts payable to the General Partner in the amount of €14,696 and €16,355, respectively.

The Chairman of the Company's Supervisory Board is also the Chairman of the supervisory board of Fresenius SE and of the general partner of Fresenius SE. He is also a member of the supervisory board of the Company's General Partner.

The Vice Chairman of the Company's Supervisory Board is a member of the supervisory board of the general partner of Fresenius SE and Vice Chairman of the supervisory board of the Company's General Partner. He is also Chairman of the Advisory Board of a charitable foundation that is the sole shareholder of the general partner of Fresenius SE. He is also a partner in a law firm which provided services to the Company and certain of its subsidiaries. The Company incurred expenses in the amount of €1,258 and €863 for these services during 2016 and 2015, respectively. Four of the six members of the Company's Supervisory Board, including the Chairman and Vice Chairman, are also members of the supervisory board of the Company's General Partner.

The Chairman of the supervisory board of the Company's General Partner is also the Chairman of the management board of the general partner of Fresenius SE, and the Chairman and Chief Executive Officer of the Management Board of the Company's General Partner is a member of the Management Board of the general partner of Fresenius SE.

For information regarding Compensation of the Management Board and the Supervisory Board of the Company see Note 28.

## 6. Cash and Cash Equivalents

As of December, 31 2016 and 2015, cash and cash equivalents are as follows:

### Cash and Cash Equivalents

in € THOUS

	<u>2016</u>	<u>2015</u>
Cash	667,139	501,306
Securities and Time deposits (with a maturity of up to 90 days)	41,743	3,424
<b>Cash and cash equivalents</b>	<b><u>708,882</u></b>	<b><u>504,730</u></b>

## 7. Trade Accounts Receivable

As of December 31, 2016 and 2015, trade accounts receivable are as follows:

### Trade Accounts Receivable, less Allowance for Doubtful Accounts

in € THOUS

	<u>2016</u>	<u>2015</u>
Trade accounts receivable	3,826,280	3,446,239
less allowance for doubtful accounts	482,461	427,841
<b>Trade accounts receivable, net</b>	<b><u>3,343,819</u></b>	<b><u>3,018,398</u></b>

All trade accounts receivable are due within one year.

The following table shows the development of the allowance for doubtful accounts in the fiscal years 2016 and 2015:

### Development of Allowance for Doubtful Accounts

in € THOUS

	<u>2016</u>	<u>2015</u>
<b>Allowance for doubtful accounts as of January 1,</b>	<b>427,841</b>	<b>344,706</b>
Change in valuation allowances as recorded in the consolidated statements of income	430,974	396,831
Write-offs and recoveries of amounts previously written-off	(391,827)	(343,477)
Foreign currency translation	15,473	29,781
<b>Allowance for doubtful accounts as of December 31,</b>	<b><u>482,461</u></b>	<b><u>427,841</u></b>

The following table shows the ageing analysis of trade accounts receivable and the allowance for doubtful accounts as of December 31, 2016 and as of December 31, 2015:

### Ageing Analysis of Trade Accounts Receivable 2016

in € THOUS

	not overdue	up to 3 months overdue	3 to 6 months overdue	6 to 12 months overdue	more than 12 months overdue	Total
Trade accounts receivable	1,991,709	857,490	335,091	241,683	400,307	3,826,280
less allowance for doubtful accounts	(109,221)	(108,941)	(42,039)	(74,999)	(147,261)	(482,461)
<b>Trade accounts receivable, net</b>	<b><u>1,882,488</u></b>	<b><u>748,549</u></b>	<b><u>293,052</u></b>	<b><u>166,684</u></b>	<b><u>253,046</u></b>	<b><u>3,343,819</u></b>

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**Ageing Analysis of Trade Accounts Receivable 2015**

in € THOUS

	not overdue	up to 3 months overdue	3 to 6 months overdue	6 to 12 months overdue	more than 12 months overdue	Total
Trade accounts receivable	1,736,732	765,017	321,566	240,638	382,286	3,446,239
less allowance for doubtful accounts	(51,996)	(111,376)	(71,689)	(67,062)	(125,718)	(427,841)
<b>Trade accounts receivable, net</b>	<b>1,684,736</b>	<b>653,641</b>	<b>249,877</b>	<b>173,576</b>	<b>256,568</b>	<b>3,018,398</b>

## 8. Inventories

As of December 31, 2016 and 2015 inventories consisted of the following:

**Inventories**

in € THOUS

	<u>2016</u>	<u>2015</u>
Finished goods	687,615	615,680
Health care supplies	362,307	363,132
Raw materials and purchased components	214,286	189,699
Work in process	73,269	63,005
<b>Inventories</b>	<b>1,337,477</b>	<b>1,231,516</b>

Under the terms of certain unconditional purchase agreements, the Company is obligated to purchase approximately €419,338 of materials, of which €202,389 is committed at December 31, 2016 for 2017. The terms of these agreements run 1 to 5 years.

Allowances on Inventories amounted to €37,602 and €37,058 for the years ended December 31, 2016 and 2015, respectively.

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## 9. Other Current Assets

As of December 31, 2016 and 2015, other current assets consisted of the following:

### Other Current Assets

in € THOUS

	2016	2015
Available for sale financial assets <sup>(1)</sup>	250,745	249,795
Insurance recoveries	208,709	202,076
Cost report receivable from Medicare and Medicaid	120,155	100,405
Payments on account	84,004	34,000
Other taxes receivable	75,736	64,007
Leases receivable	54,533	48,789
Prepaid rent	54,448	47,443
Income taxes receivable	52,138	120,691
Receivables for supplier rebates	47,592	44,663
Derivatives	39,761	24,820
Amounts due from managed locations	27,382	19,186
Prepaid insurance	16,593	20,068
Deposit / Guarantee / Security	15,096	14,031
Other	237,414	226,778
<b>Other current assets</b>	<b>1,284,306</b>	<b>1,216,752</b>

(1) The impact on the Consolidated Statements of Income and the Consolidated Statements of Shareholders' Equity is not material.

The item "Insurance recoveries" includes the recognized amount in relation to the NaturaLyte® and GranuFlo® agreement in principle, which partially offsets the accrued settlement amount recorded in Accrued Expenses and Other Current Liabilities (see Note 12). For further information, see Note 22.

The item "Other" in the table above primarily includes loans to customers, receivables from employees and notes receivables.

## 10. Property, Plant and Equipment

At December 31, 2016 and 2015, the acquisition or manufacturing costs and the accumulated depreciation of property, plant and equipment consisted of the following:

### Acquisition or Manufacturing Costs

in € THOUS

	January 1, 2016	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2016
Land	59,774	2,297	209	3,299	(273)	(265)	65,041
Buildings and improvements	2,533,313	85,686	13,345	164,288	249,751	(48,849)	2,997,533
Machinery and equipment	3,740,917	77,062	16,253	476,675	15,013	(169,378)	4,156,542
Machinery, equipment and rental equipment under capitalized leases	63,543	2,791	1,183	16,076	329	(364)	83,558
Construction in progress	409,140	14,602	976	282,035	(262,764)	(1,700)	442,289
<b>Property, plant and equipment</b>	<b>6,806,687</b>	<b>182,438</b>	<b>31,966</b>	<b>942,373</b>	<b>2,056</b>	<b>(220,556)</b>	<b>7,744,963</b>

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**Acquisition or Manufacturing Costs**

in € THOUS

	January 1, 2015	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2015
Land	53,604	1,107	182	1,027	4,270	(416)	59,774
Buildings and improvements	2,166,569	180,195	(774)	46,520	175,598	(34,795)	2,533,313
Machinery and equipment	3,268,040	157,613	(5,309)	415,006	54,923	(149,356)	3,740,917
Machinery, equipment and rental equipment under capitalized leases	51,080	3,439	2,460	7,644	(348)	(732)	63,543
Construction in progress	258,683	12,448	(1,481)	391,772	(237,486)	(14,796)	409,140
<b>Property, plant and equipment</b>	<b>5,797,976</b>	<b>354,802</b>	<b>(4,922)</b>	<b>861,969</b>	<b>(3,043)</b>	<b>(200,095)</b>	<b>6,806,687</b>

**Depreciation**

in € THOUS

	January 1, 2016	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2016
Land	1,221	29	-	-	-	20	1,270
Buildings and improvements	1,405,259	44,653	4,272	202,265	2,322	(34,626)	1,624,145
Machinery and equipment	2,223,952	46,154	(4,244)	381,024	(108)	(147,837)	2,498,941
Machinery, equipment and rental equipment under capitalized leases	29,704	1,056	(53)	10,730	(119)	(337)	40,981
Construction in progress	-	-	-	-	-	-	-
<b>Property, plant and equipment</b>	<b>3,660,136</b>	<b>91,892</b>	<b>(25)</b>	<b>594,019</b>	<b>2,095</b>	<b>(182,780)</b>	<b>4,165,337</b>

**Depreciation**

in € THOUS

	January 1, 2015	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2015
Land	1,161	48	-	-	-	12	1,221
Buildings and improvements	1,145,709	105,350	(2,790)	180,964	1,287	(25,261)	1,405,259
Machinery and equipment	1,921,018	90,614	(9,932)	357,410	(4,334)	(130,824)	2,223,952
Machinery, equipment and rental equipment under capitalized leases	20,114	1,420	(17)	8,689	131	(633)	29,704
Construction in progress	-	-	-	-	-	-	-
<b>Property, plant and equipment</b>	<b>3,088,002</b>	<b>197,432</b>	<b>(12,739)</b>	<b>547,063</b>	<b>(2,916)</b>	<b>(156,706)</b>	<b>3,660,136</b>

**Book Value**

in € THOUS

	December 31, 2016	December 31, 2015
Land	63,771	58,553
Buildings and improvements	1,373,388	1,128,054
Machinery and equipment	1,657,601	1,516,965
Machinery, equipment and rental equipment under capitalized leases	42,577	33,839
Construction in progress	442,289	409,140
<b>Property, plant and equipment, net</b>	<b>3,579,626</b>	<b>3,146,551</b>

Depreciation expense for property, plant and equipment for the years ended December 31, 2016 and 2015 amounted to €594,019 and €547,063 respectively. They are allocated within costs of revenue, selling, general and administrative and research and development expenses depending upon the area in which the asset is used.

Included in machinery and equipment at December 31, 2016 and 2015 were €635,858 and €576,963, respectively, of peritoneal dialysis cyclor machines which the Company leases to customers with end-stage renal disease on a month-to-month basis and hemodialysis machines which the Company leases to physicians under operating leases.

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## 11. Intangible Assets and Goodwill

At December 31, 2016 and 2015 the carrying value and accumulated amortization of intangible assets and goodwill consisted of the following:

### Acquisition or Manufacturing Costs

in € THOUS

	January 1, 2016	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2016
<b>Amortizable Intangible Assets</b>							
Non-compete agreements	317,696	10,152	17,076	-	-	(2,767)	342,157
Technology	97,832	3,212	66,770	-	-	-	167,814
Licenses and distribution agreements	177,533	5,363	531	3,075	265	(3,912)	182,855
Customer Relationships	240,411	6,836	181	-	-	-	247,428
Construction in progress	21,432	349	1,650	10,409	(11,836)	(4,100)	17,904
Self-developed software	129,433	5,556	-	8,968	2,109	(135)	145,931
Capitalized development costs	18,465	-	-	-	-	-	18,465
Other	333,977	8,937	17,697	8,509	10,775	(4,539)	375,355
	<b>1,336,779</b>	<b>40,405</b>	<b>103,905</b>	<b>30,961</b>	<b>1,313</b>	<b>(15,453)</b>	<b>1,497,909</b>
<b>Non-Amortizable Intangible Assets</b>							
Tradename	192,343	6,349	-	-	-	-	198,692
Management contracts	6,444	100	-	-	(2,858)	(368)	3,318
	<b>198,787</b>	<b>6,449</b>	<b>-</b>	<b>-</b>	<b>(2,858)</b>	<b>(368)</b>	<b>202,010</b>
<b>Intangible Assets</b>	<b>1,535,566</b>	<b>46,854</b>	<b>103,905</b>	<b>30,961</b>	<b>(1,545)</b>	<b>(15,821)</b>	<b>1,699,919</b>
<b>Goodwill</b>	<b>11,961,731</b>	<b>405,040</b>	<b>585,945</b>	<b>-</b>	<b>2,858</b>	<b>-</b>	<b>12,955,574</b>

### Acquisition or Manufacturing Costs

in € THOUS

	January 1, 2015	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2015
<b>Amortizable Intangible Assets</b>							
Non-compete agreements	279,007	29,983	13,179	1	-	(4,474)	317,696
Technology	93,358	10,635	-	-	(5,530)	(631)	97,832
Licences and distribution agreements	160,456	4,837	(4,500)	11,217	5,530	(7)	177,533
Customer Relationships	197,425	22,090	20,896	-	-	-	240,411
Construction in progress	26,895	1,611	(1,557)	11,526	(14,329)	(2,714)	21,432
Self-developed software	101,263	6,001	-	16,847	5,542	(220)	129,433
Capitalized development costs	18,465	-	-	-	-	-	18,465
Other	298,399	21,330	2,548	9,847	8,241	(6,388)	333,977
	<b>1,175,268</b>	<b>96,487</b>	<b>30,566</b>	<b>49,438</b>	<b>(546)</b>	<b>(14,434)</b>	<b>1,336,779</b>
<b>Non-Amortizable Intangible Assets</b>							
Tradename	172,567	19,776	-	-	-	-	192,343
Management contracts	5,851	593	-	-	-	-	6,444
	<b>178,418</b>	<b>20,369</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>198,787</b>
<b>Intangible Assets</b>	<b>1,353,686</b>	<b>116,856</b>	<b>30,566</b>	<b>49,438</b>	<b>(546)</b>	<b>(14,434)</b>	<b>1,535,566</b>
<b>Goodwill</b>	<b>10,767,035</b>	<b>1,089,334</b>	<b>105,362</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,961,731</b>

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**Amortization**

in € THOUS

	January 1, 2016	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2016
<b>Amortizable Intangible Assets</b>							
Non-compete agreements	251,216	8,757	-	20,904	(11)	(2,764)	278,102
Technology	53,110	2,043	-	5,980	-	-	61,133
Licenses and distribution agreements	103,028	3,237	-	12,315	265	(3,911)	114,934
Customer Relationships	32,452	2,168	-	24,426	530	-	59,576
Construction in progress	-	-	-	-	-	-	-
Self-developed software	66,866	2,489	-	14,841	(4)	(17)	84,175
Capitalized development costs	17,126	(1)	-	724	-	-	17,849
Other	249,065	6,719	(52)	28,327	492	(3,521)	281,030
	<b>772,863</b>	<b>25,412</b>	<b>(52)</b>	<b>107,517</b>	<b>1,272</b>	<b>(10,213)</b>	<b>896,799</b>

**Amortization**

in € THOUS

	January 1, 2015	Currency change	Changes in consolidation group	Additions	Reclassi- fications	Disposals	December 31, 2015
<b>Amortizable Intangible Assets</b>							
Non-compete agreements	212,119	23,929	-	19,642	-	(4,474)	251,216
Technology	42,192	4,973	-	5,971	-	(26)	53,110
Licenses and distribution agreements	92,047	2,591	(4,500)	12,897	-	(7)	103,028
Customer Relationships	9,933	1,497	-	20,986	-	36	32,452
Construction in progress	-	-	-	-	-	-	-
Self-developed software	49,382	3,849	-	14,567	-	(932)	66,866
Capitalized development costs	15,453	-	-	1,673	-	-	17,126
Other	213,454	16,124	(98)	25,368	(672)	(5,111)	249,065
	<b>634,580</b>	<b>52,963</b>	<b>(4,598)</b>	<b>101,104</b>	<b>(672)</b>	<b>(10,514)</b>	<b>772,863</b>

**Book Value**

in € THOUS

	December 31, 2016	December 31, 2015
<b>Amortizable Intangible Assets</b>		
Non-compete agreements	64,055	66,480
Technology	106,681	44,722
Licenses and distribution agreements	67,921	74,505
Customer Relationships	187,852	207,959
Construction in progress	17,904	21,432
Self-developed software	61,756	62,567
Capitalized development costs	616	1,339
Other	94,325	84,912
	<b>601,110</b>	<b>563,916</b>
<b>Non-Amortizable Intangible Assets</b>		
Tradename	198,692	192,343
Management contracts	3,318	6,444
	<b>202,010</b>	<b>198,787</b>
<b>Intangible Assets</b>	<b>803,120</b>	<b>762,703</b>
<b>Goodwill</b>	<b>12,955,574</b>	<b>11,961,731</b>

Amortization of intangible assets amounted to €107,517 and €101,104 for the years 2016 and 2015, respectively. They are allocated within costs of revenue, selling, general and administrative and research and development expenses depending upon the area in which the asset is used.

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Estimated regular amortization expenses of intangible assets for the following five years are shown in the following table.

**Estimated Amortization Expense**

in € THOUS

2017	111,430
2018	105,739
2019	103,514
2020	96,392
2021	93,454

**Goodwill and Intangible Assets with Indefinite Useful Live**

Changes in the carrying amount of goodwill are mainly a result of acquisitions and the impact of foreign currency translations. The Company's acquisitions consisted primarily of the purchase of clinics in the normal course of operations in 2016 and 2015 as well as the purchase of a medical technology company focusing on the treatment of lung and cardiac failure in 2016 and the purchase of a distributor in the Asia-Pacific Segment in 2015.

The carrying amount of goodwill and intangibles with indefinite useful live is allocated to the CGUs at December 31, 2016 and 2015 as follows:

**Allocation of the carrying amount to CGUs**

€ in THOUS

	North America		EMEA		Asia Pacific		Latin America	
	2016	2015	2016	2015	2016	2015	2016	2015
Goodwill	11,284,686	10,655,120	1,194,743	871,685	386,495	361,940	89,650	72,986
Management contracts with indefinite useful life	-	2,905	-	-	3,318	3,539	-	-
Trade name with indefinite useful life	198,052	191,757	-	-	-	-	640	586

The recoverability of goodwill and other separable intangible assets with indefinite useful lives recorded in the Company's consolidated balance sheet was verified. As a result, the Company did not record any impairment losses in 2016 and 2015.



## 12. Current Provisions and Other Current Liabilities

### Current Provisions

The following table shows a reconciliation of the current provisions for 2016:

**Development of Current Provisions**  
in € THOUS

	January 1, 2016	Currency Change	Changes in consolidation group	Utilized	Reversed	Additions	Reclassifications	December 31, 2016
Settlement	257,187	8,442	-	-	-	-	-	265,629
Salaries and wages	241,364	6,608	5,032	(108,008)	(9,647)	122,258	1,299	258,906
Self-insurance programs	207,445	8,513	-	-	(3,614)	37,617	-	249,961
Risk of lawsuit	16,587	470	16	(419)	(2,874)	3,704	-	17,484
Other current provisions	16,948	295	3,306	(5,915)	(3,489)	10,112	1,091	22,348
<b>Current provisions</b>	<b>739,531</b>	<b>24,328</b>	<b>8,354</b>	<b>(114,342)</b>	<b>(19,624)</b>	<b>173,691</b>	<b>2,390</b>	<b>814,328</b>

### Salaries and Wages

Salaries and wages mainly refer to bonuses, the current portion of the provisions for accrued severance payments, contribution of partial retirement and share-based plans. As at December 31, 2016 and 2015 the provisions for share-based plans amounted to €2,760 and €5,796 respectively. See Note 20.

### Settlement

The item "Settlement" includes accruals related to our NaturaLyte® and GranuFlo® agreement in principle, partially offset by insurance recoveries recorded in Prepaid Expenses and Other Current Assets (see Note 9). For further information, see Note 22.

### Self-Insurance Programs

See Note 2 d).

### Other Current Provisions

The item "Other current provisions" in the table above includes provisions for warranties and provisions for physician compensation.

### Other Current Liabilities

As at December 31, 2016 and 2015 other current liabilities consisted of the following:

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**Other Current Liabilities**

in € THOUS

	<b>2016</b>	<b>2015</b>
Noncontrolling interests subject to put provisions	529,406	334,913
Personnel liabilities	449,948	374,623
Unapplied cash and receivable credits	390,375	363,056
Invoices outstanding	157,302	194,449
Rent and lease obligations	116,120	96,876
Interest liabilities	107,743	111,462
Withholding tax and VAT	88,964	78,000
Variable payments outstanding for acquisitions	78,322	48,103
Bonuses, commissions	33,907	32,428
Derivatives	25,516	10,667
Legal matters, advisory and audit fees	18,868	45,117
Other liabilities	225,909	197,035
<b>Other current liabilities</b>	<b>2,222,380</b>	<b>1,886,729</b>

**Personnel Liabilities**

The personnel liabilities mainly refer to liabilities for wages and salaries.

**Other Liabilities**

The item "other liabilities" in the table above includes deferred income, the current portion of pension liabilities and liabilities for insurance premiums.

### 13. Short-term Debt and Short-term Debt from Related Parties

At December 31, 2016 and December 31, 2015, short-term debt and short-term debt from related parties consisted of the following:

#### Short-term Debt and Short-term Debt from Related Parties

in € THOUS

	<u>2016</u>	<u>2015</u>
Borrowings under lines of credit	89,451	101,189
Commercial Paper Program	475,915	-
Other	6,644	20
Short-term debt	<u>572,010</u>	<u>101,209</u>
Short-term debt from related parties (see Note 5.b)	<u>3,000</u>	<u>17,500</u>
<b>Short-term debt and short-term debt from related parties</b>	<b><u>575,010</u></b>	<b><u>118,709</u></b>

#### Borrowings Under Lines of Credit and Further Availabilities

Borrowings under lines of credit in the amount of €89,451 and €101,189 at December 31, 2016 and 2015, respectively, represented amounts borrowed by the Company's subsidiaries under lines of credit with commercial banks. The average interest rates on these borrowings at December 31, 2016 and 2015 were 6.46% and 6.34%, respectively.

Excluding amounts available under the Amended 2012 Credit Agreement (see Note 14 below), at December 31, 2016 and 2015, the Company had €229,966 and €204,729 available under other commercial bank agreements. In some instances, lines of credit are secured by assets of the Company's subsidiary that is party to the agreement or may require the Company's guarantee. In certain circumstances, the subsidiary may be required to meet certain covenants.

The Company and certain consolidated entities operate a multi-currency notional pooling cash management system. The Company met the conditions to offset balances within this cash pool for reporting purposes. At December 31, 2016 and 2015, cash and borrowings under lines of credit in the amount of €325,485 and €44,344 were offset under this cash management system.

#### Commercial Paper Program

Commercial paper programs are flexible financing instruments to obtain short-term funding on the money market. Typically, commercial paper maturities range from a few days up to under two years. The Company established a commercial paper program on January 19, 2016 under which short-term notes of up to €1,000,000 can be issued. At December 31, 2016 the outstanding commercial paper amounted to €476,000.

#### Other

At December 31, 2016 and 2015, the Company had €6,644 and €20 of other debt which was mainly related to fixed payments outstanding for acquisitions.

#### Short-term Debt from Related Parties

The Company is party to an unsecured loan agreement with Fresenius SE under which the Company or its subsidiaries may request and receive one or more short-term advances up to an aggregate amount of \$400,000 until maturity on October 30, 2017. The interest on the advance(s) will be at a fluctuating rate per annum equal to LIBOR or EURIBOR as applicable plus an applicable margin. Advances can be repaid and reborrowed. At December 31, 2016, there were no advances from Fresenius SE under this facility. At December 31, 2015, the Company borrowed from Fresenius SE in the amount of €14,500. For further information on short-term debt from related parties, see Note 5 b.

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#### 14. Long-term Debt and Capital Lease Obligations

As of December 31, 2016 and December 31, 2015, long-term debt and capital lease obligations consisted of the following:

##### Long-term Debt and Capital Lease Obligations

in € THOUS

	<u>2016</u>	<u>2015</u>
Amended 2012 Credit Agreement	2,244,115	2,398,806
Senior Notes	4,670,786	4,891,722
Convertible Bonds	380,735	374,488
Accounts Receivable Facility	165,037	46,096
Capital lease obligations	43,775	37,311
Other	52,656	75,423
Long-term debt and capital lease obligations	7,557,104	7,823,846
Less current portion	(724,218)	(610,209)
<b>Long-term debt and capital lease obligations, less current portion</b>	<b><u>6,832,886</u></b>	<b><u>7,213,637</u></b>

As of December 31, 2016 and December 31, 2015, long-term debt and capital lease obligations have the following maturities:

##### Maturity of Long-term Debt and Capital Lease Obligations

in € THOUS

	Payments due by period of				Total
	less than 1 Year	1 to 3 Years	3 to 5 Years	more than 5 Years	
<b>2016</b>					
Amended 2012 Credit Agreement	213,735	2,040,150	-	-	2,253,885
Senior Notes	474,338	1,788,412	1,390,978	1,043,544	4,697,272
Convertible Bonds	-	-	400,000	-	400,000
Accounts Receivable Facility	-	166,018	-	-	166,018
Capital lease obligations	11,211	13,868	7,707	10,989	43,775
Other	25,790	16,706	6,543	3,644	52,683
<b>Total</b>	<b><u>725,074</u></b>	<b><u>4,025,154</u></b>	<b><u>1,805,228</u></b>	<b><u>1,058,177</u></b>	<b><u>7,613,633</u></b>
<b>2015</b>					
Amended 2012 Credit Agreement	207,705	415,410	1,788,560	-	2,411,675
Senior Notes	350,000	1,226,674	1,444,085	1,907,421	4,928,180
Convertible Bonds	-	-	400,000	-	400,000
Accounts Receivable Facility	-	46,845	-	-	46,845
Capital lease obligations	8,687	10,798	6,633	11,193	37,311
Other	44,646	26,457	2,602	2,203	75,908
<b>Total</b>	<b><u>611,038</u></b>	<b><u>1,726,184</u></b>	<b><u>3,641,880</u></b>	<b><u>1,920,817</u></b>	<b><u>7,899,919</u></b>

The Company's long-term debt as of December 31, 2016, all of which ranks equally in rights of payment, are described as follows:

### Amended 2012 Credit Agreement

The Company originally entered into a syndicated credit facility of \$3,850,000 and a five year period (the "2012 Credit Agreement") with a large group of banks and institutional investors (collectively, the "Lenders") on October 30, 2012. On November 26, 2014, the 2012 Credit Agreement was amended to increase the total credit facility to approximately \$4,400,000 (approximately \$3,800,000 as of December 31, 2016 due to quarterly repayments and currency effects) and extend the term for an additional two years until October 30, 2019.

As of December 31, 2016 the Amended 2012 Credit Agreement consists of:

- A revolving credit facility of approximately \$1,400,000 comprising a \$1,000,000 revolving facility and a €400,000 revolving facility, which will be due and payable on October 30, 2019.
- A term loan facility of \$2,100,000, also scheduled to mature on October 30, 2019. Quarterly repayments of \$50,000 began in January 2015 with the remaining balance outstanding due October 30, 2019.
- A term loan facility of €252,000 scheduled to mature on October 30, 2019. Quarterly repayments of €6,000 began in January 2015 with the remaining balance outstanding due October 30, 2019.

Interest on the credit facilities is, at the Company's option, at a rate equal to either (i) LIBOR or EURIBOR (as applicable) plus an applicable margin or (ii) the Base Rate as defined in the Amended 2012 Credit Agreement plus an applicable margin. At December 31, 2016 and 2015, the dollar-denominated tranches outstanding under the Amended 2012 Credit Agreement had a weighted average interest rate of 2.15% and 1.72%, respectively. At December 31, 2016 and 2015 the euro-denominated tranche had an interest rate of 1.25% and 1.38%, respectively.

The applicable margin is variable and depends on the Company's Consolidated Leverage Ratio which is a ratio of its consolidated funded debt less cash and cash equivalents held by the Consolidated Group to Consolidated EBITDA (earnings before interest, tax, depreciation and amortization) (as these terms are defined in the Amended 2012 Credit Agreement).

In addition to scheduled principal payments, indebtedness outstanding under the Amended 2012 Credit Agreement would be reduced by portions of the net cash proceeds received from certain sales of assets.

Obligations under the Amended 2012 Credit Agreement are secured by pledges of capital stock of certain material subsidiaries in favor of the Lenders.

The Amended 2012 Credit Agreement contains affirmative and negative covenants with respect to the Company and its subsidiaries. Under certain circumstances these covenants limit indebtedness, investments, and restrict the creation of liens. Under the Amended 2012 Credit Agreement the Company is required to comply with a maximum consolidated leverage ratio (ratio of consolidated funded debt less cash and cash equivalents held by the Consolidated Group to consolidated EBITDA). Additionally, the Amended 2012 Credit Agreement provides for a limitation on dividends, share buy-backs and similar payments. Dividends to be paid are subject to an annual basket, which is €440,000 for 2017, and will increase in subsequent years. Additional dividends and other restricted payments may be made subject to the maintenance of a maximum leverage ratio.

In default, the outstanding balance under the Amended 2012 Credit Agreement becomes immediately due and payable at the option of the Lenders.

The following table shows the available and outstanding amounts under the Amended 2012 Credit Agreement at December 31, 2016 and 2015:

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**Amended 2012 Credit Agreement - Maximum Amount Available and Balance Outstanding**

in THOUS

	<b>Maximum Amount Available 2016</b>		<b>Balance Outstanding 2016<sup>(1)</sup></b>					
Revolving Credit USD	\$	1,000,000	€	948,676	\$	10,187	€	9,664
Revolving Credit EUR	€	400,000	€	400,000	€	-	€	-
USD Term Loan	\$	2,100,000	€	1,992,221	\$	2,100,000	€	1,992,221
EUR Term Loan	€	252,000	€	252,000	€	252,000	€	252,000
			€	<b>3,592,897</b>			€	<b>2,253,885</b>

	<b>Maximum Amount Available 2015</b>		<b>Balance Outstanding 2015<sup>(1)</sup></b>					
Revolving Credit USD	\$	1,000,000	€	918,527	\$	25,110	€	23,064
Revolving Credit EUR	€	400,000	€	400,000	€	-	€	-
USD Term Loan	\$	2,300,000	€	2,112,611	\$	2,300,000	€	2,112,611
EUR Term Loan	€	276,000	€	276,000	€	276,000	€	276,000
			€	<b>3,707,138</b>			€	<b>2,411,675</b>

(1) Amounts shown are excluding debt issuance costs.

At December 31, 2016 and December 31, 2015, the Company had letters of credit outstanding in the amount of \$3,550 and \$3,600 (€3,368 and €3,307), respectively, under the USD revolving credit facility, which are not included above as part of the balance outstanding at those dates but which reduce available borrowings under the applicable revolving credit facility.

**Senior Notes**

At December 31, 2016 and 2015, the Company's Senior Notes consisted of the following.

**Senior Notes**

in THOUS

<b>Issuer/Transaction</b>	<b>Face Amount</b>	<b>Maturity</b>	<b>Coupon</b>	<b>Book Value 2016 in €</b>	<b>Book Value 2015 in €</b>
FMC Finance VI S.A. 2010	€ 250,000	July 15, 2016	5.50%	-	249,296
FMC Finance VIII S.A. 2011 <sup>(1)</sup>	€ 100,000	October 15, 2016	3.21%	-	99,876
FMC US Finance, Inc. 2007	\$ 500,000	July 15, 2017	6 7/8%	473,482	456,841
FMC Finance VIII S.A. 2011	€ 400,000	September 15, 2018	6.50%	397,178	395,518
FMC US Finance II, Inc. 2011	\$ 400,000	September 15, 2018	6.50%	376,886	363,441
FMC US Finance II, Inc. 2012	\$ 800,000	July 31, 2019	5.625%	756,627	731,611
FMC Finance VIII S.A. 2012	€ 250,000	July 31, 2019	5.25%	248,993	248,604
FMC US Finance II, Inc. 2014	\$ 500,000	October 15, 2020	4.125%	471,300	455,538
FMC US Finance, Inc. 2011	\$ 650,000	February 15, 2021	5.75%	610,670	589,847
FMC Finance VII S.A. 2011	€ 300,000	February 15, 2021	5.25%	298,108	297,644
FMC US Finance II, Inc. 2012	\$ 700,000	January 31, 2022	5.875%	661,070	639,374
FMC US Finance II, Inc. 2014	\$ 400,000	October 15, 2024	4.75%	376,472	364,132
				<b>4,670,786</b>	<b>4,891,722</b>

(1) This note carried a variable interest rate which was 3.21% at the last interest fixing.

All Senior Notes are unsecured and guaranteed on a senior basis jointly and severally by the Company and by FMCH and Fresenius Medical Care Deutschland GmbH, ("D-GmbH"), (together with FMCH, the "Guarantor Subsidiaries"). The issuers may redeem the Senior Notes at any time at 100% of principal plus accrued interest and a premium calculated pursuant to the terms of the indenture. The holders have the right to request that the issuers repurchase the Senior Notes at 101% of principal

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plus accrued interest upon the occurrence of a change of control of the Company followed by a decline in the ratings of the respective Senior Notes.

The Company has agreed to a number of covenants to provide protection to the holders which, under certain circumstances, limit the ability of the Company and its subsidiaries to, among other things, incur debt, incur liens, engage in sale-leaseback transactions and merge or consolidate with other companies or sell assets. At December 31, 2016, the Company was in compliance with all of its covenants under the Senior Notes.

### Convertible Bonds

On September 19, 2014, the Company issued €400,000 principal amount of equity-neutral convertible bonds (the "Convertible Bonds") which have a coupon of 1.125% and are due on January 31, 2020. The bonds were issued at par. The current conversion price is €73.6054. Beginning November 2017, bond holders can exercise the conversion rights embedded in the bonds at certain dates. In order to fully offset the economic exposure from the conversion feature, the Company purchased call options on its shares ("Share Options"). Any increase of the Company's share price above the conversion price would be offset by a corresponding value increase of the Share Options. The Company will amortize the remaining cost of these options and various other offering costs over the life of these bonds in the amount of €19,265, effectively increasing the total interest rate to 2.611%. The Convertible Bonds are jointly and severally guaranteed by FMCH and D-GmbH.

### Accounts Receivable Facility

The Company refinanced the Accounts Receivable Facility on December 6, 2016 for a term expiring on December 6, 2019 with the available borrowings of \$800,000.

The following table shows the available and outstanding amounts under the Accounts Receivable Facility at December 31, 2016 and December 31, 2015:

#### Accounts Receivable Facility - Maximum Amount Available and Balance Outstanding

in THOUS

	<u>Maximum Amount Available 2016<sup>(1)</sup></u>		<u>Balance Outstanding 2016<sup>(2)</sup></u>	
Accounts Receivable Facility	\$ 800,000	€ <u>758,941</u>	\$ 175,000	€ <u>166,018</u>
	<u>Maximum Amount Available 2015<sup>(1)</sup></u>		<u>Balance Outstanding 2015<sup>(2)</sup></u>	
Accounts Receivable Facility	\$ 800,000	€ <u>734,821</u>	\$ 51,000	€ <u>46,845</u>

(1) Subject to availability of sufficient accounts receivable meeting funding criteria.

(2) Amounts shown are excluding debt issuance costs.

The Company also had letters of credit outstanding under the Accounts Receivable Facility in the amount of \$15,647 at December 31, 2016 and \$16,622 at December 31, 2015 (€14,844 and €15,268). These letters of credit are not included above as part of the balance outstanding at December 31, 2016 and 2015; however, they reduce available borrowings under the Accounts Receivable Facility.

Under the Accounts Receivable Facility, certain receivables are sold to NMC Funding Corporation ("NMC Funding"), a wholly-owned subsidiary. NMC Funding then assigns percentage ownership interests in the accounts receivable to certain bank investors. Under the terms of the Accounts Receivable Facility, NMC Funding retains the right, at any time, to recall all the then outstanding transferred interests in the accounts receivable. Consequently, the receivables remain on the Company's Consolidated Balance Sheet and the proceeds from the transfer of percentage ownership interests are recorded as long-term debt.

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NMC Funding pays interest to the bank investors calculated based on the commercial paper rates for the particular tranches selected. At December 31, 2016 and 2015 the interest rate was 1.00% and 0.89%, respectively. Refinancing fees, which include legal costs and bank fees, are amortized over the term of the facility.

#### Other

At December 31, 2016 and 2015, in conjunction with certain acquisitions and investments, the Company had fixed payments outstanding for acquisitions totaling approximately €24,566 and €3,780, respectively, of which €15,248 and €2,385, respectively, were classified as the current portion of long-term debt.

#### Secured Debt

The obligations under the 2012 Credit Agreement are secured by pledges of capital stock of certain material subsidiaries in favour of the lenders. To a limited extent certain liabilities of foreign subsidiaries are also secured with assets. As of December 31, 2016 the secured debt amounted to €2,253,885 (Amended 2012 Credit Agreement) and €3,693. As of December 31, 2015 the secured debt amounted to €2,411,675 (Amended 2012 Credit Agreement) and €40,091.

### 15. Non-current Provisions and Other Non-current Liabilities

Of the total amount of non-current provisions and other non-current liabilities amounting to €1,027,983 at December 31, 2016 (2015: €806,746), €393,940 (2015: €367,111) are due in between more than one and three years, €335,026 (2015: €305,586) are due in between three to five years and €299,017 (2015: €134,049) are due after five years.

The item "Other non-current liabilities" in the amount of €816,472 at December 31, 2016 (2015: €655,272) includes among others noncontrolling interests subject to put provisions of €478,327 and €456,162, derivatives of €96,272 and €107,599 and variable payments outstanding for acquisitions of €145,183 and €3,022 at December 31, 2016 and 2015, respectively.

The following table shows the development of non-current provisions in the fiscal year:

**Development of Non-current Provisions**  
in € THOUS

	January 1, 2016	Currency Change	Changes in consolidation group	Utilized	Reversed	Additions	Reclassifications	December 31, 2016
Salaries and wages	97,057	5,186	1,233	(2,935)	(298)	53,697	(2,528)	151,412
Medical malpractice	36,088	1,334	-	-	-	2,977	-	40,399
Other non-current provisions	18,329	355	(814)	(2,663)	(89)	4,443	139	19,700
<b>Non-current provisions</b>	<b>151,474</b>	<b>6,875</b>	<b>419</b>	<b>(5,598)</b>	<b>(387)</b>	<b>61,117</b>	<b>(2,389)</b>	<b>211,511</b>

Salaries and wages mainly refer to provisions for severance payments, contribution of partial retirement and provisions for share-based plans. As at December 31, 2016 and 2015 the provisions for share-based plans amounted to €47,944 and €14,940 respectively. See Note 20.

The item "Other non-current provisions" in the table above includes provisions for asset retirement obligations.

The increase during the period in the discounted amount arising from the passage over time and the effect of any change in the discount rate is not material.



## 16. Employee Benefit Plans

### General

FMC-AG & Co. KGaA recognizes pension costs and related pension liabilities for current and future benefits to qualified current and former employees of the Company. The Company's pension plans are structured in accordance with the differing legal, economic and fiscal circumstances in each country. The Company currently has two types of plans, defined benefit and defined contribution plans. In general, plan benefits in defined benefit plans are based on all or a portion of the employees' years of services and final salary. Plan benefits in defined contribution plans are determined by the amount of contribution by the employee and the employer, both of which may be limited by legislation, and the returns earned on the investment of those contributions.

Upon retirement under defined benefit plans, the Company is required to pay defined benefits to former employees when the defined benefits become due. Defined benefit plans may be funded or unfunded.

The Company has five major defined benefit plans, one funded plan in the U.S. and one in France and one unfunded plan in Germany and two in France.

Starting 2016, the defined benefit plans in France were transferred from "Benefit plans offered by other subsidiaries" to the detailed reconciliations of the funded status and the plan assets, retrospectively for 2015. The adjustment of the benefit obligation at the beginning of 2015 has been implemented through the position "Other adjustments".

Actuarial assumptions generally determine benefit obligations under defined benefit plans. The actuarial calculations require the use of estimates. The main factors used in the actuarial calculations affecting the level of the benefit obligations are: assumptions on life expectancy, the discount rate and future salary and benefit levels. Under the Company's funded plans, assets are set aside to meet future payment obligations. An estimated return on the plan assets is recognized as income in the respective period. Actuarial gains and losses are generated when there are variations in the actuarial assumptions and by differences between the actual and the estimated projected benefits obligations and the return on plan assets for that year. The Company's pension liability is impacted by these actuarial gains or losses.

Under defined contribution plans, the Company pays defined contributions to an independent third party as directed by the employee during the employee's service life, which satisfies all obligations of the Company to the employee. The employee retains all rights to the contributions made by the employee and to the vested portion of the Company paid contributions upon leaving the Company. The Company has a defined contribution plan in the U.S.

### Defined Benefit Pension Plans

During the first quarter of 2002 FMCH, the Company's U.S. subsidiary, curtailed its defined benefit and supplemental executive retirement plans. Under the curtailment amendment for substantially all employees eligible to participate in the plan, benefits have been frozen as of the curtailment date and no additional defined benefits for future services will be earned. The Company has retained all employee benefit obligations as of the curtailment date. Each year FMCH contributes at least the minimum amount required by the Employee Retirement Income Security Act of 1974, as amended. In 2016, FMCH's minimum funding requirement was €8,673. In addition to the compulsory contributions, the Company voluntarily provided €91,214 to the defined benefit plan in 2016. Expected funding for 2017 is €1,119.

The benefit obligation for all defined benefit plans at December 31, 2016, is €811,935 (2015: €755,604) which consists of the gross benefit obligation of €415,743 (2015: €438,750) for the U.S. plan and of €4,015 (2015: €3,732) for the French plan, which are funded by plan assets, and the benefit obligation of €384,003 (2015: €306,163) for the German unfunded plan and the benefit obligation of €8,174 (2015: €6,959) for the French unfunded plans.

Related to defined benefit plans the Company is exposed to certain risks. Besides general actuarial risks, e.g. the longevity risk and the interest rate risk, the Company is exposed to market risk as well as to investment risk.

The following table shows the changes in benefit obligations, the changes in plan assets and the

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funded status of the pension plans. Benefits paid as shown in the changes in benefit obligations represent payments made from both the funded and unfunded plans while the benefits paid as shown in the changes in plan assets include only benefit payments from the Company's funded benefit plan.

**Funded Status**

in € THOUS

	<u>2016</u>	<u>2015</u>
<b>Change in benefit obligation:</b>		
Benefit obligation at beginning of year	755,604	722,941
Foreign currency translation (gains) losses	12,620	46,603
Other adjustments	-	9,695
Current Service cost	22,888	23,276
Past service cost (incl. Curtailments and settlements)	(49)	(494)
Interest cost	26,497	25,251
Transfer of plan participants	28	(92)
Actuarial (gains) losses arising from changes in financial assumptions	45,070	(57,333)
Actuarial (gains) losses arising from changes in demographic assumptions	(10,448)	-
Actuarial (gains) losses arising from experience adjustments	(1,416)	6,634
<i>Remeasurements</i>	33,206	(50,699)
Benefits paid	(30,724)	(20,877)
Curtailments and settlements	(8,135)	-
<b>Benefit obligation at end of year</b>	<b><u>811,935</u></b>	<b><u>755,604</u></b>
<b>Change in plan assets:</b>		
Fair value of plan assets at beginning of year	239,056	223,094
Other adjustments	-	92
Foreign currency translation gains (losses)	11,649	25,515
Interest income from plan assets	10,164	9,833
Actuarial gains (losses) arising from experience adjustments	1,783	(19,890)
<i>Actual return on plan assets</i>	11,947	(10,057)
Employer contributions	99,887	18,114
Benefits paid	(27,741)	(17,702)
Curtailments and settlements	(8,135)	-
<b>Fair value of plan assets at end of year</b>	<b><u>326,663</u></b>	<b><u>239,056</u></b>
<b>Funded status at end of year</b>	<b><u>485,272</u></b>	<b><u>516,548</u></b>

For the years 2016 and 2015 there were no effects from Asset Ceiling.

At December 31, 2016 the weighted average duration of the defined benefit obligation was 19 years (2015: 18 years).

The net pension liability as of December 31, 2016 and 2015 is calculated as follows:

**Net Pension Liability**

in € THOUS

	<u>2016</u>	<u>2015</u>
Funded status at end of year	485,272	516,548
Benefit plans offered by other subsidiaries	33,725	27,609
<b>Net Pension Liability</b>	<b><u>518,997</u></b>	<b><u>544,157</u></b>

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Benefit plans offered by the U.S., Germany and France contain a pension liability of €485,272 and €516,548 at December 31, 2016 and 2015 respectively. The pension liability consists of a current portion of €4,483 (2015: €4,036) which is recognized as a current liability in the line item "Current provisions and other current liabilities" in the balance sheet. The non-current portion of €480,789 (2015: €512,512) is recorded as non-current pension liability in the balance sheet.

As of December 31, 2016 €89,177 related to the U.S. pension plan, €384,003 related to the German plan and €12,092 related to the French plans. At December 31, 2015 €199,789 related to the U.S. pension plan, €306,163 related to the German plan and €10,596 related to the French plans. Approximately 74% of the beneficiaries are located in the U.S., 6% in France, with the majority of the remaining 20% located in Germany.

Benefit plans offered by other subsidiaries outside of the U.S., France and Germany contain separate benefit obligations. The total net pension liability for these other plans was €33,725 and €27,609 at December 31, 2016 and 2015 respectively and consists of a pension asset of €0 (2015: €56) recognized as "Other non-current assets and notes receivables" and a current pension liability of €1,975 (2015: €2,538), which is recognized as a current liability in the line item "Current provisions and other current liabilities". The non-current pension liability of €31,750 (2015: €25,127) for these plans is recorded as non-current pension liability in the balance sheet.

The discount rates for all plans are based upon yields of portfolios of highly rated debt instruments with maturities that mirror the plan's benefit obligation. The Company's discount rates at December 31, 2016 and 2015 are the weighted average of these plans based upon their benefit obligations.

The following weighted-average assumptions were utilized in determining benefit obligations at December 31, 2016 and 2015:

**Weighted Average Assumptions**

in %

	2016	2015
Discount rate	3.25	3.67
Rate of compensation increase	3.23	3.27
Rate of pension increase	1.45	1.69

**Sensitivity Analysis**

Increases and decreases in principal actuarial assumptions by 0,5 percentage points would affect the pension liability at December 31, 2016 as follows:

**Sensitivity analysis**

in € THOUS

	0.5% increase	0.5% decrease
Discount rate	(71,185)	82,077
Rate of compensation increase	11,655	(11,474)
Rate of pension increase	29,679	(26,825)

The sensitivity analysis was calculated based on the average duration of the pension obligations determined at December 31, 2016. The calculations were performed isolated for each significant actuarial parameter, in order to show the effect on the fair value of the pension liability separately.

The sensitivity analysis for compensation increases and for pension increases excludes the U.S. pension plan because it is frozen and therefore is not affected by changes from these two actuarial assumptions.

The defined benefit pension plans' net periodic benefit costs are comprised of the following components for the year ended December 31, 2016 and 2015:

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**Components of Net Periodic Benefit Cost**

in € THOUS

	<b>2016</b>	<b>2015</b>
Service cost	23,777	22,782
Net interest cost	16,333	15,418
<b>Net periodic benefit costs</b>	<b>40,110</b>	<b>38,200</b>

Net periodic benefit cost is allocated as personnel expense within costs of revenue, selling, general and administrative expense or research and development expense. This is depending upon the area in which the beneficiary is employed.

The following weighted-average assumptions were used in determining net periodic benefit cost for the year ended December 31, 2016 and 2015:

**Weighted Average Assumptions**

in %

	<b>2016</b>	<b>2015</b>
Discount rate	3.67	3.21
Rate of compensation increase	3.27	3.26
Rate of pension increase	1.69	1.75

Expected benefit payments are as follows:

**Defined Benefit Pension Plans: Cash Outflows**

in € THOUS

	<b>2016</b>	<b>2015</b>
1 Year	21,957	20,861
1 - 3 Years	48,294	45,877
3 - 5 Years	56,211	53,026
5 - 10 Years	173,581	167,725
<b>Total</b>	<b>300,043</b>	<b>287,489</b>

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## Plan Assets

The following table presents the fair values of the Company's pension plan assets at December 31, 2016 and 2015:

### Fair Values of Plan Assets

in € THOUS

Asset Category	Total	Quoted Prices in Active Markets for Identical Assets	Significant Observable Inputs	Total	Quoted Prices in Active Markets for Identical Assets	Significant Observable Inputs
		(Level 1)	(Level 2)		(Level 1)	(Level 2)
		2016		2015		
<b>Equity Investments</b>						
Index Funds <sup>(1)</sup>	81,063	(1,994)	83,057	59,545	90	59,455
<b>Fixed Income Investments</b>						
Government Securities <sup>(2)</sup>	2,373	1,804	569	4,423	3,921	502
Corporate Bonds <sup>(3)</sup>	209,011	-	209,011	155,890	-	155,890
Other Bonds <sup>(4)</sup>	5,339	-	5,339	7,159	-	7,159
U.S. Treasury Money Market Funds <sup>(5)</sup>	28,780	28,780	-	11,944	11,944	-
<b>Other types of investments</b>						
Cash, Money Market and Mutual Funds <sup>(6)</sup>	97	97	-	95	95	-
<b>Total</b>	<b>326,663</b>	<b>28,687</b>	<b>297,976</b>	<b>239,056</b>	<b>16,050</b>	<b>223,006</b>

(1) This category comprises low-cost equity index funds not actively managed that track the S&P 500, S&P 400, Russell 2000, MSCI Emerging Markets Index and the Morgan Stanley International EAFE Index.

(2) This Category comprises fixed income investments by the U.S. government and government sponsored entities.

(3) This Category primarily represents investment grade bonds of U.S. issuers from diverse industries.

(4) This Category comprises private placement bonds as well as collateralized mortgage obligations.

(5) This Category represents funds that invest in U.S. treasury obligations directly or in U.S. treasury backed obligations.

(6) This Category represents cash, money market funds as well as mutual funds comprised of high grade corporate bonds.

The methods and inputs used to measure the fair value of plan assets are as follows:

- Common stocks are valued at their market prices at the balance sheet date.
- Index funds are valued based on market quotes.
- Government bonds are valued based on both market prices and market quotes.
- Corporate bonds and other bonds are valued based on market quotes at the balance sheet date.
- Cash is stated at nominal value which equals the fair value.
- U.S. Treasury money market funds as well as other money market and mutual funds are valued at their market price.

### Plan Investment Policy and Strategy in the U.S.

The Company periodically reviews the assumption for long-term expected return on pension plan assets. As part of the assumptions review, a range of reasonable expected investment returns for the pension plan as a whole was determined based on an analysis of expected future returns for each asset class weighted by the allocation of the assets. The range of returns developed relies both on forecasts, which include the actuarial firm's expected long-term rates of return for each significant

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asset class or economic indicator, and on broad-market historical benchmarks for expected return, correlation, and volatility for each asset class.

The Company's overall investment strategy is to achieve a mix of approximately 98% of investments for long-term growth and income and 2% in cash or cash equivalents. Investment income and cash or cash equivalents are used for near-term benefit payments. Investments are governed by the investment policy and include well diversified index funds or funds targeting index performance.

The investment policy, utilizing a revised target investment allocation in a range around 30% equity and 70% long-term U.S. corporate bonds, considers that there will be a time horizon for invested funds of more than 5 years. The total portfolio will be measured against a custom index that reflects the asset class benchmarks and the target asset allocation. The Plan policy does not allow investments in securities of the Company or other related party securities. The performance benchmarks for the separate asset classes include: S&P 500 Index, S&P 400 Mid-Cap Index, Russell 2000 Index, MSCI EAFE Index, MSCI Emerging Markets Index, and Barclays Capital Long-Corporate Bond Index.

### Defined Contribution Plans

Most FMCH employees are eligible to join a 401(k) savings plan. Employees can deposit up to 75% of their pay up to a maximum of \$18 if under 50 years old (\$24 if 50 or over) under this savings plan. The Company will match 50% of the employee deposit up to a maximum Company contribution of 3% of the employee's pay. The Company's total expense under this defined contribution plan for the years ended December 31, 2016 and 2015 was €43,778 and €41,701 respectively.

Additionally the Company contributed €20,938 in 2016 to state pension plans (2015: €19,751).

## 17. Shareholders' Equity

### Capital Stock

At December 31, 2016, the Company's share capital consists of 306,221,840 bearer shares without par value (Stückaktien) and a nominal value of €1.00 each. The Company's share capital has been fully paid in.

The General Partner has no equity interest in the Company and does not participate in either the assets or the profits and losses of the Company. However, the General Partner is compensated for all outlays in connection with conducting the Company's business, including the remuneration of members of its Management Board and its supervisory board (see Note 5).

In a letter dated February 8, 2011, Fresenius SE gave notice to the company pursuant to Section 21 (1) of the German Securities Trading Act (WpHG) that it held at 35.74% of the voting rights in FMC-AG & Co.KGaA. At December 31, 2016, Fresenius SE holds 30.72% of the Company's voting rights. Net of treasury shares held by FMC-AG & Co. KGaA in accordance with Section 16 (2) sentence 2 of the German Stock Corporation Act (AktG), Fresenius SE holds 30.82% of the Company's voting rights. In addition, Fresenius SE is the sole stockholder of the General Partner.

In accordance with Section 21 (1) of the WpHG, applicable parties must notify the Company when certain mandatory reportable thresholds for voting rights are reached, exceeded or no longer met, taking account of the attribution regulations. Voting-right-related notifications received by the Company subject to the notification requirements were published in accordance with the applicable legal provisions, including publication in the Investors section of the Company's website at [www.freseniusmedicalcare.com](http://www.freseniusmedicalcare.com). On September 30, 2016, BlackRock, Inc., Wilmington, DE, U.S., provided a group voting rights notification, stating that 4.97% of the voting rights of FMC-AG & Co. KGaA were held as of September 27, 2016. Furthermore, on January 27, 2017, Norges Bank, Oslo, Norway, provided voting rights notification, stating that 2.97% of the voting rights of FMC-AG & Co. KGaA were held as of January 26, 2017.

The general meeting of a partnership limited by shares may approve Authorized Capital (*genehmigtes Kapital*). The resolution creating Authorized Capital requires the affirmative vote of a majority of three quarters of the capital represented at the vote and may authorize the General Partner and its management board to issue new shares up to a stated amount for a period of up to five years. The

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nominal value of any proposed increase of the Authorized Capital may not exceed half of the issued capital stock at the time of the authorization.

In addition, the general meeting of a partnership limited by shares may create Conditional Capital (*bedingtes Kapital*) for the purpose of issuing (i) new shares to holders of convertible bonds or other securities which grant a right to shares, (ii) new shares as the consideration in a merger with another company, or (iii) new shares offered to management or employees. In each case, the authorizing resolution requires the affirmative vote of a majority of three quarters of the capital represented at the vote. The nominal value for any proposed increase of the Conditional Capital may not exceed half or, in the case of Conditional Capital created for the purpose of issuing shares to management and employees, 10% of the Company's issued capital at the time of the resolution.

All resolutions increasing the capital of a partnership limited by shares also require the consent of the General Partner in order for the resolutions to go into effect.

The subscribed capital comprised solely ordinary shares due to the conversion of all outstanding preference shares into ordinary shares (approved at FMC-AG & Co. KGaA's Annual General Meeting and Preference Shareholder Meeting held on May 16, 2013) as well as the options associated with the preference shares on a 1:1 basis.

### **Authorized Capital**

By resolution of the Company's Annual General Meeting (AGM) on May 19, 2015, the General Partner was authorized, with the approval of the Supervisory Board, to increase, on one or more occasions, the Company's share capital until May 18, 2020 up to a total of €35,000 through issue of new bearer ordinary shares for cash contributions, "Authorized Capital 2015/I". Additionally, the newly issued shares may be taken up by a credit and/or financial institution or a consortium of such credit and/or financial institutions retained by the General Partner with the obligation to offer them to the shareholders of the Company. The General Partner is entitled, subject to the approval of the supervisory board, to exclude the pre-emption rights of the shareholders. However, such an exclusion of pre-emption rights will be permissible only for fractional amounts. No Authorized Capital 2015/I has been issued as of December 31, 2016.

In addition, by resolution of the AGM of shareholders on May 19, 2015, the General Partner was authorized, with the approval of the Supervisory Board, to increase, on one or more occasions, the share capital of the Company until May 18, 2020 up to a total of €25,000 through the issue of new bearer ordinary shares for cash contributions or contributions in kind, "Authorized Capital 2015/II". The new shares can also be obtained by a credit and/or financial institution or a consortium of such credit and/or financial institutions retained by the General Partner with the obligation to offer the shares to the shareholders of the Company for subscription. The General Partner is entitled, subject to the approval of the Supervisory Board, to exclude the pre-emption rights of the shareholders. However, such exclusion of pre-emption rights will be permissible only if (i) in case of a capital increase against cash contributions, the nominal value of the issued shares does not exceed 10% of the nominal share value of the Company's share capital and the issue price for the new shares is at the time of the determination by the General Partner not significantly lower than the stock price of the existing listed shares of the same class and with the same rights or, (ii) in case of a capital increase against contributions in kind, the purpose of such increase is to acquire an enterprise, parts of an enterprise or an interest in an enterprise. No Authorized Capital 2015/II has been issued as of December 31, 2016.

Authorized Capital 2015/I and Authorized Capital 2015/II became effective upon registration with the commercial register of the local court in Hof an der Saale on June 10, 2015.

### **Conditional Capital**

By resolution of the Company's AGM on May 12, 2011, the Company's share capital was conditionally increased with regards to the 2011 Stock Option Plan ("2011 SOP") by up to €12,000 subject to the issue of up to 12 M no par value bearer ordinary shares with a calculated proportionate value of €1.00 each. For further information, see Note 20. The Conditional Capital increase can only be used for the purposes of servicing stock options under the 2011 SOP, with each stock option awarded exercisable for one ordinary share (see Note 20). The Company has the right to deliver ordinary shares that it owns or purchases in the market in lieu of increasing capital by issuing new shares.

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By resolution of the Company's AGM on May 9, 2006, as amended by resolution of the Company's AGM on May 15, 2007, resolving a three for one share split, the Company's share capital was conditionally increased by up to €15,000 corresponding to 15 M ordinary shares with no par value and a calculated proportionate value of €1.00 each. This Conditional Capital increase can only be used for the purposes of servicing stock options under the Company's Stock Option Plan 2006 with each stock option awarded exercisable for one ordinary share (see Note 20). The Company has the right to deliver ordinary shares that it owns or purchases in the market in lieu of increasing capital by issuing new shares.

Through the Company's other employee participation programs, the Company has issued stock option/subscription rights (Bezugsrechte) to employees and the members of the Management Board of the General Partner and employees and members of management of affiliated companies that entitle these persons to receive shares. At December 31, 2016, 6,067,167 options remained outstanding with a remaining average term of 5 years under these programs. For the year ending December 31, 2016, 907,720 options had been exercised under these employee participation plans (see Note 20).

As a result of the Company's three for one stock split for both then-outstanding preference and ordinary shares, which was approved by the shareholders at the AGM on May 15, 2007, on June 15, 2007 the Company's Conditional Capital was increased by €4,454.

Conditional Capital at December 31, 2016 was €18,692. For all programs Conditional Capital of €15,318 were available, which included €11,346 for the 2011 SOP and €3,972 for the 2006 Plan (see Note 20).

A total of 907,720 shares (2015: 1,758,820 shares) were issued out of Conditional Capital during 2016, increasing the Company's capital stock by €908 (2015: €1,759).

### **Treasury Stock**

By resolution of the Company's AGM on May 12, 2011, the Company was authorized to conduct a share buy-back program. The buy-back program commenced on May 20, 2013 and was completed on August 14, 2013 after 7,548,951 shares had been repurchased in the amount of €384,966. On February 16, 2016, the Company retired 6,549,000 of the repurchased shares from the buy-back program at an average weighted price of €51 per share.

The following tabular disclosure provides the monthly detail of shares repurchased during the buy-back program, which ended on August 14, 2013, as well as the subsequent retirement of a portion of those repurchased shares on February 16, 2016:



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**Treasury Stock**

<b>Period</b>	<b>Average price paid per share</b>	<b>Total number of shares purchased and retired as part of publicly announced plans or programs</b>	<b>Total Value of Shares <sup>(1)</sup></b>
			<b>in € THOUS</b>
<b>Purchase of Treasury Stock</b>			
May 2013	52.96	1,078,255	57,107
June 2013	53.05	2,502,552	132,769
July 2013	49.42	2,972,770	146,916
August 2013	48.40	995,374	48,174
<b>Repurchased Treasury Stock</b>	<b>51.00</b>	<b>7,548,951</b>	<b>384,966</b>
<b>Retirement of repurchased Treasury Stock</b>			
February 2016	51.00	6,549,000	333,973
<b>Total</b>	<b>51.00</b>	<b>999,951</b>	<b>50,993</b>

(1) The amount of the shares repurchased is inclusive of fees (net of taxes) paid in the amount of approximately € 81 for services rendered.

By resolution of the Company's AGM on May 12, 2016, the General Partner is authorized to purchase treasury shares up to a maximum amount of 10 % of the registered share capital existing at the time of this resolution until May 11, 2021. The shares acquired, together with other treasury shares held by the Company or attributable to the Company pursuant to sections 71a et seqq. AktG, must at no time exceed 10 % of the registered share capital. The purchase will be made through the stock exchange, by way of a public tender offer, or a public invitation to shareholders to submit an offer for sale. This authorization is not applicable for the purpose of trading in treasury shares. The General Partner is authorized to use treasury shares purchased on the basis of this authorization or any other earlier authorization for any legally permissible purpose, in particular (i) to redeem shares without requiring any further resolution by the General Meeting, (ii) to sell treasury shares to third parties against contributions in kind, (iii) to award treasury shares, in lieu of the utilization of conditional capital of the Company, to employees of the Company and companies affiliated with the Company, including members of the management of affiliated companies, and use them to service options or obligations to purchase shares of the Company, and (iv) to use treasury shares to service bonds carrying warrant and/or conversion rights or conversion obligations issued by the Company or companies affiliated with the Company pursuant to section 17 AktG.

**Additional Paid-in Capital**

Additional paid-in capital comprise the premium paid on the issue of shares and stock options, the tax effects from stock options, the compensation expense from stock options, which is recognized according to IFRS 2 as well as changes in ownership interest in a subsidiary that do not result in a loss of control.

**Retained Earnings**

Retained earnings comprise earnings generated by group entities in prior years to the extent that they have not been distributed as well as changes of the noncontrolling interests subject to put provisions.

**Dividends**

Under German law, the amount of dividends available for distribution to shareholders is based upon

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the unconsolidated retained earnings of the Company as reported in its balance sheet determined in accordance with the HGB.

In addition, the payment of dividends by the Company is subject to limitations under the Amended 2012 Credit Agreement (see Note 14).

Cash dividends of €244,251 for 2015 in the amount of €0.80 per share were paid on May 13, 2016.

Cash dividends of €236,773 for 2014 in the amount of €0.78 per share were paid on May 20, 2015.

### Noncontrolling Interests

Noncontrolling interests represent the proportion of the net assets of its subsidiaries owned by minority shareholders. The Company has purchase obligations under options held by the holders of noncontrolling interests in certain of its subsidiaries. These obligations result from contractual put options and are exercisable by the owners of the noncontrolling interests. In addition to noncontrolling interests the potential obligations under these put options are recognized at fair value in other current or non-current liabilities by profit or loss neutral reclassification from equity.

## 18. Supplementary Information on Capital Management

The Company has a solid financial profile. Capital management includes both equity and debt. A principal objective of the Company's capital management is to optimize the weighted average cost of capital. Further, it is sought to achieve a balanced mix of equity and debt.

The Company pursues its business model in the dialysis industry and Care Coordination. Especially in the dialysis business the Company has a strong market position in global, growing and largely non-cyclical markets. The dialysis industry is characterized by stable cash flows. Due to Company's customers mostly high credit quality, high, stable, predictable and sustainable cash flows are generated. These generated cash flows allow a reasonable proportion of debt, i.e. the employment of an extensive mix of financial liabilities.

As of December 31, 2016 and 2015 the equity and debt were as follows:

### Shareholders' Equity, Financial Liabilities and Total Assets

in € THOUS

	<u>2016</u>	<u>2015</u>
Shareholders' equity including noncontrolling interests	11,051,132	9,805,591
Financial liabilities	8,132,114	7,942,555
Total assets	25,503,540	23,246,282
Financial liabilities in % of total assets	31.9%	34.2%
Equity ratio in %	<u>43.3%</u>	<u>42.2%</u>

The payment of dividends by the Company is subject to limitations under the 2012 Senior Credit Agreement (see Note 14). Other than that the Company is not subject to any capital requirements provided for in its Articles of Association. The Company has obligations to issue shares out of the conditional capital relating to the exercise of stock option on the basis of the existing 2006 and 2011 SOP stock option plans (see Note 20).

Assuring financial flexibility is a top priority in the Company's financing strategy. This flexibility is achieved through a wide range of financing instruments and a high degree of diversification of the investors. The Company's maturity profile displays a broad spread of maturities with a high proportion of medium and long-term financings. In the choice of financing instruments market capacity, investor diversification, flexibility, credit conditions and the existing maturity profile are taken into account (see Note 15).

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A key financial performance indicator for the Company is the debt/EBITDA ratio which is measured on the basis of U.S. GAAP figures and compares the financial liabilities (Debt) to EBITDA adjusted for acquisitions made during the year with a purchase price above a \$50,000 threshold as defined in the Amended 2012 Credit Agreement and other non-cash charges. This ratio was 2.4 as of December 31, 2016.

The Company's financing strategy is reflected in the credit ratings. It is covered by the three leading rating agencies, Moody's, Standard & Poor's and Fitch. The Company currently has a BBB- rating from Standard & Poor's, a Ba1 rating from Moody's and a BBB- rating from Fitch.

**Rating**

	<b>Standard &amp; Poor's</b>	<b>Moody's</b>	<b>Fitch</b>
Corporate Credit Rating	BBB-	Ba1	BBB-
Outlook	stable	stable	stable

**19. Earnings Per Share**

The following table contains reconciliations of the numerators and denominators of the basic and fully diluted earnings per share computations for 2016 and 2015:

**Reconciliation of Basic and Fully Diluted Earnings Per Share**

in € THOUS, except share and per share data

	<b>2016</b>	<b>2015</b>
<b>Numerators:</b>		
Net income attributable to shareholders of FMC-AG & Co. KGaA	1,143,980	954,946
<b>Denominators:</b>		
Weighted average number of shares outstanding	305,748,381	304,440,184
Potentially dilutive shares	580,313	824,990
Basic earnings per share	3.74	3.14
Fully diluted earnings per share	3.73	3.13

## 20. Share-based Plans

The Company accounts for its share-based plans in accordance with IFRS 2 (Share-based Payment).

### **Fresenius Medical Care AG & Co. KGaA Share-based Plans**

At December 31, 2016, the Company has various share-based compensation plans, which may either be equity- or cash-settled:

#### ***Fresenius Medical Care AG & Co. KGaA Long-term Incentive Plan 2016***

As of May 11, 2016, the issuance of stock options and phantom stocks under the FMC-AG & Co. KGaA Long-Term Incentive Program 2011 ("LTIP 2011") is no longer possible. In order to continue to enable the members of the Management Board, the members of the management boards of affiliated companies and managerial staff members to adequately participate in the long-term, sustained success of the Company, the Management Board and the supervisory board of Management AG have approved and adopted the FMC-AG & Co. KGaA Long-Term Incentive Plan 2016 ("LTIP 2016") as a successor program effective January 1, 2016.

The LTIP 2016 is a variable compensation program with long-term incentive effects. Pursuant to the LTIP 2016, the plan participants may be granted so-called "Performance Shares" annually or semiannually during 2016 to 2018. Performance Shares are non-equity, cash-settled virtual compensation instruments which may entitle plan participants to receive a cash payment depending on the achievement of pre-defined performance targets further defined below as well as the Company's share price development.

For members of the Management Board, the Supervisory Board will, in due exercise of its discretion and taking into account the individual responsibility and performance of each Management Board member, determine an initial value for each grant for any awards to Management Board members. For plan participants other than the members of the Management Board, such determination will be made by the Management Board. The initial grant value is determined in the currency in which the respective participant receives their base salary at the time of the grant. In order to determine the number of Performance Shares each plan participant receives, their respective grant value will be divided by the value per Performance Share at the time of the grant, which is mainly determined based on the average price of the Company's shares over a period of thirty calendar days prior to the respective grant date.

The number of granted Performance Shares may change over the performance period of three years, depending on the level of achievement of the following: (i) revenue growth, (ii) growth in net income attributable to shareholders of FMC-AG & Co. KGaA ("net income growth") and (iii) return on invested capital ("ROIC") improvement.

Revenue, net income and ROIC are determined according to IFRS in euro based on full year results. Revenue growth and net income growth, for the purpose of this plan, are determined at constant currency.

An annual target achievement level of 100% will be reached for the revenue growth performance target if revenue growth is 7% in each individual year of the three-year performance period; revenue growth of 0% will lead to a target achievement level of 0% and the maximum target achievement level of 200% will be reached in the case of revenue growth of at least 16%. If revenue growth ranges between these values, the degree of target achievement will be linearly interpolated between these values.

An annual target achievement level of 100% for the net income growth performance target will be reached if net income growth is 7% in each individual year of the three-year performance period. In the case of net income growth of 0%, the target achievement level will also be 0%; the maximum target achievement of 200% will be reached in the case of net income growth of at least 14%. Between these values, the degree of target achievement will be determined by means of linear interpolation.

With regard to ROIC improvement, an annual target achievement level of 100% will be reached if the target ROIC as defined for the respective year is reached. The target ROIC is 7.3% for 2016 and will increase by 0.2 percentage points per year to 7.5% (2017), 7.7% (2018), 7.9% (2019) and 8.1% (2020). A target achievement level of 0% will be reached if the ROIC falls below the target ROIC for the respective year by 0.2 percentage points or more, whereas the maximum target achievement level

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of 200% will be reached if the target ROIC for the respective year is exceeded by 0.2 percentage points or more. The degree of target achievement will be determined by means of linear interpolation if the ROIC ranges between these values. In case the annual ROIC target achievement level in the third year of a performance period is equal or higher than the ROIC target achievement level in each of the two previous years of such performance period, the ROIC target achievement level of the third year is deemed to be achieved for all years of the respective performance period.

The achievement level for each of the three performance targets will be weighted annually at one-third to determine the yearly target achievement for each year of the three-year performance period. The level of overall target achievement over the three-year performance period will then be determined on the basis of the mean of these three average yearly target achievements. The overall target achievement can be in a range of 0% to 200%.

The number of Performance Shares granted to the plan participants at the beginning of the performance period will each be multiplied by the level of overall target achievement in order to determine the final number of Performance Shares.

The final number of Performance Shares is generally deemed earned four years after the day of a respective grant (the vesting period). The number of such vested Performance Shares is then multiplied by the average Company share price over a period of thirty days prior to the lapse of this four-year vesting period. The respective resulting amount will then be paid to the plan participants as cash compensation.

The first awards under the Long-Term Incentive Plan 2016 were granted on July 25, 2016. During 2016, under the Long-Term Incentive Plan 2016, the Company awarded 642,349 Performance Shares, including 79,888 Performance Shares awarded to the members of the Management Board at a measurement date weighted average fair value of €76.19 each and a total fair value of €48,941, which will be revalued if the fair value changes. The total fair value will be amortized over the four-year vesting period.

#### ***Fresenius Medical Care AG & Co. KGaA Long-term Incentive Program 2011***

On May 12, 2011, the Fresenius Medical Care AG & Co. KGaA Stock Option Plan 2011 ("2011 SOP") was established by resolution of the Company's AGM. The 2011 SOP, together with the Phantom Stock Plan 2011, which was established by resolution of the General Partner's Management and supervisory boards, forms the Company's Long Term Incentive Program 2011 ("2011 Incentive Program"). Under the 2011 Incentive Program, participants were granted awards, which consisted of a combination of stock options and phantom stock. The final grant under the 2011 Incentive Program was made in December 2015. Awards under the 2011 Incentive Program are subject to a four-year vesting period. Vesting of the awards granted is subject to achievement of pre-defined performance targets. The 2011 SOP was established with a conditional capital increase up to €12,000 subject to the issue of up to twelve million non-par value bearer ordinary shares with a nominal value of €1.00, each of which can be exercised to obtain one ordinary share.

Stock options granted under the 2011 Incentive Program have an eight-year term and can be exercised for the first time after a four-year vesting period. The exercise price of stock options granted under the 2011 Incentive Program shall be the average stock exchange price on the Frankfurt Stock Exchange of the Company's shares during the 30 calendar days immediately prior to each grant date. Stock options granted under the 2011 Incentive Program to U.S. participants are non-qualified stock options under the United States Internal Revenue Code of 1986, as amended. Stock options under the 2011 Incentive Program are not transferable by a participant or a participant's heirs, and may not be pledged, assigned, or disposed of otherwise.

Phantom stock awards under the 2011 Incentive Program entitle the holders to receive payment in euro from the Company upon exercise of the phantom stock. The payment per phantom share in lieu of the issuance of such stock shall be based upon the share price on the Frankfurt Stock Exchange of one of the Company's shares on the exercise date. Phantom stock awards have a five-year term and can be exercised for the first time after a four-year vesting period. For participants who are U.S. tax payers, the phantom stock is deemed to be exercised in any event in the month of March following the end of the vesting period.

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During 2015, under the 2011 Incentive Program, the Company awarded 3,073,360 stock options, including 502,980 stock options granted to the Management Board, at a weighted average exercise price of €77.06, a weighted average fair value of €15.00 each and a total fair value of €46,088 which will be amortized over the four-year vesting period. The Company also awarded 607,828 shares of phantom stock, including 62,516 shares of phantom stock granted to members of the Management Board at a measurement date weighted average fair value of €73.81 each and a total fair value of €44,864, which will be revalued if the fair value changes, and amortized over the four-year vesting period.

***New Incentive Bonus Plan***

In 2016, the Management Board was eligible for performance-related compensation that depended upon achievement of pre-defined targets. The targets are measured based on the operating income margin, net income growth and free cash flow (net cash provided by operating activities after capital expenditures before acquisitions and investments) in percentage of revenue, and are derived from the comparison of targeted and actually achieved current year figures. Targets are divided into Group level targets and those to be achieved in individual regions and areas of responsibility.

Performance-related bonuses for fiscal year 2016 will consist proportionately of a cash component and a share-based component which will be paid in cash. Upon meeting the annual targets, the cash component for the year 2016 will be paid in the following year, after the consolidated financial statements for 2016 have been approved. The share-based component is subject to a three-year vesting period, although a shorter period may apply in special cases (e.g. occupational disability, retirement, and employment contracts which were not extended by the Company). The amount of cash for the payment relating to the share-based component shall be based on the share price of Fresenius Medical Care AG & Co. KGaA ordinary shares upon exercise. For each of the members of the Management Board, the amount of the achievable pay component as well as of the allocation value of the cash-settled share-based compensation is capped.

Share-based compensation related to this plan for years ending 2016 and 2015 was €3,281 and €801, respectively.

***Fresenius Medical Care AG & Co. KGaA Stock Option Plan 2006***

The Fresenius Medical Care AG & Co. KGaA Stock Option Plan 2006 ("Amended 2006 Plan") was established with a conditional capital increase up to €12,800, subject to the issue of up to five million no par value bearer ordinary shares with a nominal value of €1.00, each of which can be exercised to obtain one ordinary share. In connection with the share split effected in 2007, the principal amount was adjusted to the same proportion as the share capital out of the capital increase up to €15,000 by the issue of up to 15 million new non-par value bearer ordinary shares. After December 2010, no further grants were issued under the Amended 2006 Plan. Options granted under this plan are exercisable through December 2017.

Options granted under the Amended 2006 Plan to US participants are non-qualified stock options under the United States Internal Revenue Code of 1986, as amended. Options under the Amended 2006 Plan are not transferable by a participant or a participant's heirs, and may not be pledged, assigned, or otherwise disposed of.

***Information on Holdings under Share-based Plans***

At December 31, 2016, the Management Board held 1,010,784 stock options and employees of the Company held 5,056,383 stock options under the various share-based compensation plans of the Company.

At December 31, 2016, the Management Board held 81,019 phantom shares and employees of the Company held 812,970 phantom shares under the 2011 Incentive Plan.

At December 31, 2016, the Management Board held 79,888 Performance Shares and employees of the Company held 555,148 Performance Shares under the LTIP 2016.

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**Additional Information on Stock Options**

The table below provides reconciliations for stock options outstanding at December 31, 2016 as compared to December 31, 2015:

**Transactions**

	<b>Options</b> (in THOUS)	<b>Weighted Average Exercise Price</b> in €
<b>Stock options for shares</b>		
Balance at December 31, 2015	8,737	58.75
Granted	-	-
Exercised*	908	43.45
Forfeited	1,762	52.08
<b>Balance at December 31, 2016</b>	<b>6,067</b>	<b>62.98</b>

\* The average share price at the date of exercise of the options was €78.05.

The following table provides a summary of fully vested options outstanding and exercisable at December 31, 2016:

**Share Options**

Range of exercise prices in €	Outstanding			Exercisable	
	Number of options	Weighted average remaining contractual life	Weighted average exercise price in €	Number of options	Weighted average exercise price in €
40.01 - 45.00	469,788	0.57	42.69	469,788	42.69
45.01 - 50.00	1,931,746	5.33	49.89	-	-
50.01 - 55.00	409,548	2.60	52.44	409,548	52.44
55.01 - 60.00	342,853	3.99	57.53	282,853	57.30
60.01 - 65.00	-	-	-	-	-
65.01 - 70.00	-	-	-	-	-
70.01 - 75.00	-	-	-	-	-
75.01 - 80.00	2,913,232	6.58	77.05	-	-
	<b>6,067,167</b>	<b>5.31</b>	<b>62.98</b>	<b>1,162,189</b>	<b>49.68</b>

At December 31, 2016, there was €21,082 of total unrecognized compensation costs related to non-vested options granted under all plans. These costs are expected to be recognized over a weighted-average period of 2 years.

During the years ended December 31, 2016 and 2015 the Company received cash of €39,438 and €68,745 respectively, from the exercise of stock options (see Note 17). The intrinsic value of stock options exercised for the twelve-month periods ending December 31, 2016 and 2015 were €31,410 and €66,594, respectively. The Company recorded a related tax benefit of €8,029 and €16,289 for the years ending December 31, 2016 and 2015, respectively.

The compensation expenses related to equity-settled stock option programs are determined based upon the fair value on the grant date and the number of stock options granted which will be recognized over the four year vesting period. In connection with its equity-settled stock option programs, the

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Company incurred compensation expense of €23,210 and €5,933 for the years ending December 31, 2016 and 2015, respectively.

The expenses related to cash settled share based payment transactions are determined based upon the fair value at the measurement date and the number of phantom shares or Performance Shares granted which will be recognized over the four-year vesting period. In connection with cash-settled share based payment transactions, the Company recognized expense of €15,509 and €10,755 related to phantom shares for the years ending December 31, 2016 and 2015, respectively and €19,513 related to Performance Shares for the year ending December 31, 2016.

**Fair Value Information**

The Company used a binomial option-pricing model in determining the fair value of the awards under the 2011 SOP and the Amended 2006 Plan. Option valuation models require the input of subjective assumptions including expected stock price volatility. The Company's assumptions are based upon its past experiences, market trends and the experience of other entities of the same size and in similar industries. Expected volatility is based on historical volatility of the Company's shares. To incorporate the effects of expected early exercise in the model, an early exercise of vested options was assumed as soon as the share price exceeds 155% of the exercise price. The Company's stock options have characteristics that vary significantly from traded options and changes in subjective assumptions can materially affect the fair value of the option. The assumptions used to determine the fair value of the 2015 grants are as follows:

**Weighted Average Assumptions**

	<b>2015</b>
Expected dividend yield	1.46%
Risk-free interest rate	0.44%
Expected volatility	22.32%
Expected life of options	8 years
weighted average Exercise price in €	€ 77.06
weighted average Share price at grant date in €	€ 77.25

**Subsidiary Stock Incentive Plan**

Subsidiary stock incentive plans were established during 2014 in conjunction with two acquisitions made by the Company. Under these plans, two of the Company's subsidiaries are authorized to issue a total of 116,103,806 Incentive Units. The Incentive Units have two types of vesting conditions – a service condition and a performance condition. Of the total Incentive Units granted, eighty percent vest ratably over a four year period and twenty percent vest upon the achievement of certain of the relevant subsidiary's performance targets over a six year vesting period (the "Performance Units").

Fifty percent of the Performance Units will vest upon achievement of performance targets in 2017. The remaining 50%, plus any unvested Performance Units, will vest upon achievement of performance targets in 2019. All of the Performance Units will vest upon achievement of performance targets in 2020, if not previously vested. Additionally, for one of the subsidiaries, all Performance Units not previously vested will vest upon successful completion of an initial public offering.

As of December 31, 2016 and 2015, there was \$15,297 (€13,820) and \$17,443 (€15,721) respectively, of total unrecognized compensation cost related to unvested Incentive Units under the plans. These costs are expected to be recognized over a weighted average period of 2.2 years.

The Company used the Monte Carlo pricing model in determining the fair value of the awards under this incentive plan. Option valuation models require the input of subjective assumptions including expected stock price volatility. The Company's assumptions are based upon its past experiences, market trends and the experiences of other entities of the same size and in similar industries.



## 21. Operating Leases and Rental Payments

The Company leases buildings and machinery and equipment under various lease agreements expiring on dates through 2055. Rental expense recorded for operating leases for the years ended December 31, 2016 and 2015 was €756,393 and €690,830, respectively. For further information regarding operating leases with related parties see Note 5 a).

Future minimum rental payments under non-cancelable operating leases for the five years succeeding December 31, 2016 and 2015 and thereafter are:

### Future Minimum Rental Payments

in € THOUS

	2016	2015
1 Year	702,436	640,058
1-3 Years	1,138,767	1,014,985
3-5 Years	827,555	732,761
Over 5 Years	1,291,060	1,065,191
<b>Total</b>	<b>3,959,818</b>	<b>3,452,995</b>

## 22. Commitments and Contingencies

### Legal and Regulatory Matters

The Company is routinely involved in claims, lawsuits, regulatory and tax audits, investigations and other legal matters arising, for the most part, in the ordinary course of its business of providing health care services and products. Legal matters that the Company currently deems to be material or noteworthy are described below. For the matters described below in which the Company believes a loss is both reasonably possible and estimable, an estimate of the loss or range of loss exposure is provided. For the other matters described below, the Company believes that the loss probability is remote and/or the loss or range of possible losses cannot be reasonably estimated at this time. The outcome of litigation and other legal matters is always difficult to predict accurately and outcomes that are not consistent with the Company's view of the merits can occur. The Company believes that it has valid defenses to the legal matters pending against it and is defending itself vigorously. Nevertheless, it is possible that the resolution of one or more of the legal matters currently pending or threatened could have a material adverse effect on its business, results of operations and financial condition.

### Commercial Litigation

On April 5, 2013, the U.S. Judicial Panel on Multidistrict Litigation ordered that the numerous lawsuits pending in various federal courts alleging wrongful death and personal injury claims against FMCH and certain of its affiliates relating to FMCH's acid concentrate products NaturaLyte® and GranuFlo® be transferred and consolidated for pretrial management purposes into a consolidated multidistrict litigation in the United States District Court for the District of Massachusetts. See, In Re: Fresenius Granuflo/Naturalyte Dialysate Products Liability Litigation, Case No. 2013-md-02428. The Massachusetts state courts and the St. Louis City (Missouri) court subsequently established similar consolidated litigation for such cases filed in Massachusetts county courts and St. Louis City court. See, In Re: Consolidated Fresenius Cases, Case No. MICV 2013-03400-O (Massachusetts Superior Court, Middlesex County). These lawsuits alleged generally that inadequate labeling and warnings for these products caused harm to patients. In addition, similar cases were filed in other state courts. On February 17, 2016, the Company reached with a committee of plaintiffs' counsel and reported to the courts an agreement in principle for settlement of potentially all cases. The agreement in principle called for the Company to pay \$250,000 into a settlement fund in exchange for releases of all or substantially all of the plaintiffs' claims, subject to the Company's right to void the settlement under certain conditions, including if more than 3% of all plaintiffs rejected the settlement or the distribution of rejecters met certain criteria.

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As subsequently agreed between the Company and the plaintiff committee, and ordered by the courts, plaintiffs may enforce the settlement and compel payment by the Company if the total of cases electing to participate in the settlement or dismissed by the courts with prejudice, voluntarily or involuntarily, comes to comprise 97% of all cases. The courts are entering "Lone Pine" orders requiring plaintiffs, on pain of dismissal, who have not elected to participate in the settlement to submit specific justification satisfactory to the courts for their complaints, including attorney verification of certain material factual representations and expert medical opinions relating to causation. The Company may elect to void the settlement as of May 10, 2017 if the 97% threshold has not been achieved or if plaintiffs' non-participation falls into suspect patterns. Incidental change to this date is likely. Trials in cases not participating in the settlement may resume as scheduled in the discretion of their respective courts. The Company expects that, in combination with elections to participate and notices of dismissal already submitted, the Lone Pine procedure will result in confirmation of the settlement.

The Company's affected insurers have agreed to fund \$220,000 of the settlement fund if the settlement is not voided, with a reservation of rights regarding certain coverage issues between and among the Company and its insurers. The Company has accrued a net expense of \$60,000 for consummation of the settlement, including legal fees and other anticipated costs.

Subsequent to the agreement in principle, the Company's insurers in the AIG group initiated an action for declaratory judgment in New York state court advancing various arguments for reducing the amount of their coverage obligations. The Company filed an action in Massachusetts state court seeking to compel the AIG group carriers to honor their obligations under applicable policies, including reimbursement to the Company of litigation defense costs incurred before the agreement in principle was reached. The affected carriers have confirmed that the coverage litigation does not impact their commitment to fund \$220,000 of the settlement with plaintiffs.

Certain of the complaints in the GranuFlo®/Naturalyte® litigation named combinations of FMC-AG & Co. KGaA, Management AG, Fresenius SE and Fresenius Management SE as defendants, in addition to FMCH and its domestic United States affiliates. The agreement in principle provides for dismissals and releases of claims encompassing the European defendants.

Four institutional plaintiffs have filed complaints against FMCH or its affiliates under state deceptive practices statutes resting on certain background allegations common to the GranuFlo®/Naturalyte® personal injury litigation, but seeking as remedy the repayment of sums paid to FMCH attributable to the GranuFlo®/Naturalyte® products. These cases implicate different legal standards, theories of liability and forms of potential recovery from those in the personal injury litigation and their claims will not be extinguished by the personal injury litigation settlement described above. The four plaintiffs are the Attorneys General for the States of Kentucky, Louisiana and Mississippi and the commercial insurance company Blue Cross Blue Shield of Louisiana in its private capacity. See, *State of Mississippi ex rel. Hood, v. Fresenius Medical Care Holdings, Inc.*, No. 14-cv-152 (Chancery Court, DeSoto County); *State of Louisiana ex re. Caldwell and Louisiana Health Service & Indemnity Company v. Fresenius Medical Care Airline*, 2016 Civ. 11035 (U.S.D.C. D. Mass.); *Commonwealth of Kentucky ex rel. Beshear v. Fresenius Medical Care Holdings, Inc. et al.*, No. 16-CI-00946 (Circuit Court, Franklin County).

#### ***Other Litigation and Potential Exposures***

On February 15, 2011, a whistleblower (relator) action under the False Claims Act against FMCH was unsealed by order of the United States District Court for the District of Massachusetts and served by the relator. See, *United States ex rel. Chris Drennen v. Fresenius Medical Care Holdings, Inc.*, 2009 Civ. 10179 (D. Mass.). The United States did not intervene initially in the case. The relator's complaint, which was first filed under seal in February 2009, alleged that the Company sought and received reimbursement from government payors for serum ferritin and multiple forms of hepatitis B laboratory tests that were medically unnecessary or not properly ordered by a physician. Discovery on the relator's complaint closed in May 2015. On October 2, 2015, the United States Attorney moved to intervene on the relator's complaint with respect only to certain Hepatitis B surface antigen tests performed prior to 2011, when Medicare reimbursement rules for such tests changed. FMCH opposed the government's motion to intervene, which remains undecided.

On October 6, 2015, the Office of Inspector General of the United States Department of Health and Human Services ("OIG") issued a subpoena to the Company seeking information about utilization and

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invoicing by Fresenius Vascular Care facilities as a whole for a period beginning after the Company's acquisition of American Access Care LLC in October 2011 ("AAC"). The Company is cooperating in the government's inquiry, which is being managed by the United States Attorney for the Eastern District of New York. Allegations against AAC arising in districts in Connecticut, Florida and Rhode Island relating to utilization and invoicing were settled in 2015.

The Company has received communications alleging conduct in countries outside the U.S. that may violate the U.S. Foreign Corrupt Practices Act ("FCPA") or other anti-bribery laws. The Audit and Corporate Governance Committee of the Company's Supervisory Board is conducting investigations with the assistance of independent counsel. The Company voluntarily advised the U.S. Securities and Exchange Commission ("SEC") and the U.S. Department of Justice ("DOJ"). The Company's investigations and dialogue with the SEC and DOJ are ongoing. The Company is cooperating with the government investigations.

Conduct has been identified that may result in monetary penalties or other sanctions under the FCPA or other anti-bribery laws. In addition, the Company's ability to conduct business in certain jurisdictions could be negatively impacted. The Company has previously recorded a non-material accrual for an identified matter. Given the current status of the investigations and remediation activities, the Company cannot reasonably estimate the range of possible loss that may result from identified matters or from the final outcome of the investigations or remediation activities.

The Company is implementing enhancements to its anti-corruption compliance program, including internal controls related to compliance with international anti-bribery laws. The Company continues to be fully committed to FCPA and other anti-bribery law compliance.

In August 2014, FMCH received a subpoena from the United States Attorney for the District of Maryland inquiring into FMCH's contractual arrangements with hospitals and physicians, including contracts relating to the management of in-patient acute dialysis services. FMCH is cooperating in the investigation.

In July 2015, the Attorney General for Hawaii issued a civil complaint under the Hawaii False Claims Act alleging a conspiracy pursuant to which certain Liberty subsidiaries of FMCH overbilled Hawaii Medicaid for Liberty's Epogen® administrations to Hawaii Medicaid patients during the period from 2006 through 2010, prior to the time of FMCH's acquisition of Liberty. See, *Hawaii v. Liberty Dialysis – Hawaii, LLC et al.*, Case No. 15-1-1357-07 (Hawaii 1st Circuit). The State alleges that Liberty acted unlawfully by relying on incorrect and unauthorized billing guidance provided to Liberty by Xerox State Healthcare LLC, which acted as Hawaii's contracted administrator for its Medicaid program reimbursement operations during the relevant period. The amount of the overpayment claimed by the State is approximately \$8,000, but the State seeks civil remedies, interest, fines, and penalties against Liberty and FMCH under the Hawaii False Claims Act substantially in excess of the overpayment. FMCH filed third-party claims for contribution and indemnification against Xerox. The State's False Claims Act complaint was filed after Liberty initiated an administrative action challenging the State's recoupment of alleged overpayments from sums currently owed to Liberty. The civil litigation and administrative action are proceeding in parallel.

On August 31 and November 25, 2015, respectively, FMCH received subpoenas from the United States Attorneys for the District of Colorado and the Eastern District of New York inquiring into FMCH's participation in and management of dialysis facility joint ventures in which physicians are partners. FMCH is cooperating in the investigations.

On June 30, 2016, FMCH received a subpoena from the United States Attorney for the Northern District of Texas (Dallas) seeking information about the use and management of pharmaceuticals including Velphoro® as well as FMCH's interactions with DaVita Healthcare Partners, Inc. The Company understands that the subpoena relates to an investigation previously disclosed by DaVita and that the investigation encompasses DaVita, Amgen, and Sanofi. FMCH is cooperating in the investigation.

On November 18, 2016, FMCH received a subpoena from the United States Attorney for the Eastern District of New York seeking documents and information relating to the operations of Shiel Medical Laboratory, Inc., which FMCH acquired in October 2013. In the course of cooperating in the investigation and preparing to respond to the subpoena, FMCH has identified falsifications and misrepresentations in documents submitted by a Shiel salesperson that relate to the integrity of certain invoices submitted by Shiel for laboratory testing for patients in long term care facilities. On February

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21, 2017, Fresenius Medical Care North America (“FMCNA”) initiated termination of the employee and notification to the United States Attorney of the termination and its circumstances. The Company cannot at this time determine the scope of the conduct implicated in the employee's termination, or whether related liability for overpayments or penalties under the False Claims Act might be material.

On January 3, 2017, the Company received a subpoena from the United States Attorney for the District of Massachusetts inquiring into the Company's interactions and relationships with the American Kidney Fund, including the Company's charitable contributions to the Fund and the Fund's financial assistance to patients for insurance premiums. FMCH is cooperating in the investigation.

On December 14, 2016, CMS published an Interim Final Rule (“IFR”) titled “Medicare Program; Conditions for Coverage for End-Stage Renal Disease Facilities-Third Party Payment” that would amend the Conditions for Coverage for dialysis providers, like FMCNA. The IFR would have effectively enabled insurers to reject premium payments made by patients who received grants for individual market coverage from the AKF and therefore, could have resulted in those patients losing their individual market coverage. The loss of individual market coverage for these patients would have had a material and adverse impact on the operating results of the Company.

On January 25, 2017, a federal district court in Texas, responding to litigation initiated by a patient advocacy group and dialysis providers including FMCNA, preliminarily enjoined CMS from implementing the IFR. *Dialysis Patient Citizens v. Burwell* (E.D. Texas, Sherman Div.). The preliminary injunction is based on CMS' failure to follow appropriate notice-and-comment procedures in adopting the IFR. The preliminary injunction will remain in place in the absence of a contrary ruling by the district or appellate courts.

At this time, the extent to which CMS will continue to contest the preliminary injunction is unclear. It is also unclear whether CMS will elect to pursue, through notice and comment, another rule related to this topic. The operation of charitable assistance programs is also receiving increased attention by state regulators, including State Departments of Insurance. The result may be a regulatory framework that differs from state to state. Even in the absence of the IFR or similar administrative actions, insurers are expected to continue to take steps to thwart the premium assistance provided to our patients for individual market plans as well as other insurance coverages.

From time to time, the Company is a party to or may be threatened with other litigation or arbitration, claims or assessments arising in the ordinary course of its business. Management regularly analyzes current information including, as applicable, the Company's defenses and insurance coverage and, as necessary, provides accruals for probable liabilities for the eventual disposition of these matters.

The Company, like other healthcare providers, insurance plans and suppliers, conducts its operations under intense government regulation and scrutiny. It must comply with regulations which relate to or govern the safety and efficacy of medical products and supplies, the marketing and distribution of such products, the operation of manufacturing facilities, laboratories, dialysis clinics and other health care facilities, and environmental and occupational health and safety. With respect to its development, manufacture, marketing and distribution of medical products, if such compliance is not maintained, the Company could be subject to significant adverse regulatory actions by the U.S. Food and Drug Administration (“FDA”) and comparable regulatory authorities outside the U.S. These regulatory actions could include warning letters or other enforcement notices from the FDA, and/or comparable foreign regulatory authority which may require the Company to expend significant time and resources in order to implement appropriate corrective actions. If the Company does not address matters raised in warning letters or other enforcement notices to the satisfaction of the FDA and/or comparable regulatory authorities outside the U.S., these regulatory authorities could take additional actions, including product recalls, injunctions against the distribution of products or operation of manufacturing plants, civil penalties, seizures of the Company's products and/or criminal prosecution. FMCH is currently engaged in remediation efforts with respect to one pending FDA warning letter. The Company must also comply with the laws of the United States, including the federal Anti-Kickback Statute, the federal False Claims Act, the federal Stark Law, the federal Civil Monetary Penalties Law and the federal Foreign Corrupt Practices Act as well as other federal and state fraud and abuse laws. Applicable laws or regulations may be amended, or enforcement agencies or courts may make interpretations that differ from the Company's interpretations or the manner in which it conducts its business. Enforcement has become a high priority for the federal government and some states. In addition, the provisions of the False Claims Act authorizing payment of a portion of any recovery to the party bringing the suit encourage private plaintiffs to commence whistleblower actions. By virtue of this

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regulatory environment, the Company's business activities and practices are subject to extensive review by regulatory authorities and private parties, and continuing audits, subpoenas, other inquiries, claims and litigation relating to the Company's compliance with applicable laws and regulations. The Company may not always be aware that an inquiry or action has begun, particularly in the case of whistleblower actions, which are initially filed under court seal.

The Company operates many facilities and handles personal health information of its patients and beneficiaries throughout the United States and other parts of the world. In such a decentralized system, it is often difficult to maintain the desired level of oversight and control over the thousands of individuals employed by many affiliated companies. The Company relies upon its management structure, regulatory and legal resources, and the effective operation of its compliance program to direct, manage and monitor the activities of these employees. On occasion, the Company may identify instances where employees or other agents deliberately, recklessly or inadvertently contravene the Company's policies or violate applicable law. The actions of such persons may subject the Company and its subsidiaries to liability under the Anti-Kickback Statute, the Stark Law, the False Claims Act, Health Insurance Portability and Accountability Act, the Health Information Technology for Economic and Clinical Health Act and the Foreign Corrupt Practices Act, among other laws and comparable laws of other countries.

Physicians, hospitals and other participants in the healthcare industry are also subject to a large number of lawsuits alleging professional negligence, malpractice, product liability, worker's compensation or related claims, many of which involve large claims and significant defense costs. The Company has been and is currently subject to these suits due to the nature of its business and expects that those types of lawsuits may continue. Although the Company maintains insurance at a level which it believes to be prudent, it cannot assure that the coverage limits will be adequate or that insurance will cover all asserted claims. A successful claim against the Company or any of its subsidiaries in excess of insurance coverage could have a material adverse effect upon it and the results of its operations. Any claims, regardless of their merit or eventual outcome, could have a material adverse effect on the Company's reputation and business.

The Company has also had claims asserted against it and has had lawsuits filed against it relating to alleged patent infringements or businesses that it has acquired or divested. These claims and suits relate both to operation of the businesses and to the acquisition and divestiture transactions. The Company has, when appropriate, asserted its own claims, and claims for indemnification. A successful claim against the Company or any of its subsidiaries could have a material adverse effect upon its business, financial condition, and the results of its operations. Any claims, regardless of their merit or eventual outcome, could have a material adverse effect on the Company's reputation and business.

The Company is also subject to ongoing and future tax audits in the U.S., Germany and other jurisdictions. With respect to other potential adjustments and disallowances of tax matters currently under review, the Company does not anticipate that an unfavorable ruling could have a material impact on its results of operations. The Company is not currently able to determine the timing of these potential additional tax payments.

In addition to the contingent liabilities mentioned above, as well as in Note 8 and 21, the amount of the Company's other known contingent liabilities is immaterial.

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### 23. Financial Instruments

The Company applies IFRS 7 (Financial Instruments: Disclosures). Thereby the following categories according to IAS 39 (Financial Instruments: Recognition and Measurement) are relevant: Loans and receivables as well as financial liabilities recognized at amortized cost, available for sale financial assets, financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss.

The following table demonstrates the combination between categories and classes as well as the classes allocated to the balance sheet items:

		Classes							
		Cash and cash equivalents	Assets recognized at carrying amount	Liabilities recognized at carrying amount	Assets recognized at fair value	Liabilities recognized at fair value	Noncontrolling interests subject to put provisions	Derivatives not designated as hedging instruments	Derivatives designated as hedging instruments
Categories	Financial Assets at fair value through profit or loss							Other current and non-current assets	
	Loans and Receivables		Trade accounts receivable, Accounts receivable from related parties, Other current and non-current assets						
	Financial liabilities at fair value through profit or loss					Current and non-current provisions and other current and non-current liabilities		Current and non-current provisions and other current and non-current liabilities	
	Financial liabilities recognized at amortized cost			Accounts payable, Accounts payable to related parties, Short-term debt, Short-term debt from related parties, Long-term debt and capital lease obligations (1), Current provisions and other current liabilities					
	Available for sale financial assets				Other current assets and non-current assets				
Not assigned to a category	Cash and cash equivalents	Other current and non-current assets	Long-term debt and capital lease obligations (2)			Other current and non-current liabilities		Other current and non-current assets, Current and non-current provisions and other current and non-current liabilities	

(1) excluding capital lease obligations

(2) exclusively capital lease obligations

### Valuation of Financial Instruments

The carrying amounts of financial instruments at December 31, 2016 and 2015, classified into categories according to IAS 39, can be seen in the following table.

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**Carrying Amount of Financial Instrument Categories**

in € THOUS

	<u>2016</u>	<u>2015</u>
Loans and Receivables	3,835,800	3,465,626
Financial Liabilities recognized at amortized cost	(10,210,287)	(9,844,377)
Financial Assets at fair value through profit or loss	132,406	129,476
Financial Liabilities at fair value through profit or loss	(339,701)	(164,206)
Available for sale financial assets <sup>(1)</sup>	256,437	253,302
<b>Not assigned to a category</b>	<b>(194,176)</b>	<b>(210,382)</b>

(1) The impact on the Consolidated Statements of Income and the Consolidated Statements of Shareholders' Equity is not material.

The following table presents the carrying amounts and fair values of the Company's financial instruments at December 31, 2016 and 2015.

**Carrying Amount and Fair Value of Financial Instruments**

in € THOUS

	<u>Carrying amount 2016</u>	<u>Fair Value 2016</u>	<u>Carrying amount 2015</u>	<u>Fair Value 2015</u>
<b>Non-derivative Financial Instruments</b>				
Cash and cash equivalents	708,882	708,882	504,730	504,730
Assets recognized at carrying amount <sup>(1)</sup>	3,987,806	3,987,806	3,581,069	3,581,069
Assets recognized at fair value	256,437	256,437	253,302	253,302
Liabilities recognized at carrying amount <sup>(2)</sup>	(10,254,062)	(10,754,495)	(9,881,688)	(10,441,697)
Liabilities recognized at fair value	(223,504)	(223,504)	(51,125)	(51,125)
Noncontrolling interests subject to put provisions	(1,007,733)	(1,007,733)	(791,075)	(791,075)

**Derivative Financial Instruments**

Derivatives not designated as hedging instruments	16,209	16,209	16,395	16,395
<b>Derivatives designated as hedging instruments</b>	<b>(3,556)</b>	<b>(3,556)</b>	<b>(2,169)</b>	<b>(2,169)</b>

(1) Not included are "Other current and non-current assets", that do not qualify as financial instrument (2016: €850,630 and 2015: €869,864).

(2) Not included are "Current and non-current provisions and other current and non-current liabilities", that do not qualify as financial instrument (2016: €1,429,344 and 2015: €1,250,639).

Derivative and non-derivative financial instruments that are measured at fair value are categorised in the following three-tier value hierarchy that reflects the significance of the inputs in making the measurements. Level 1 is defined as observable inputs, such as quoted prices in active markets. Level 2 is defined as inputs other than quoted prices in active markets, that are directly or indirectly observable. Level 3 is defined as unobservable inputs for which little or no market data exists, therefore requiring the Company to develop its own assumptions.

The valuation of the Company's derivatives was determined using Significant Other Observable Inputs (Level 2).

**Non-derivative Financial Instruments**

The significant methods and assumptions used in estimating the fair values of non-derivative financial instruments are as follows:

Cash and cash equivalents are stated at nominal value which equals the fair value.

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Short-term financial instruments such as trade accounts receivable, accounts receivable from related parties, accounts payable, accounts payable to related parties and short-term debt as well as certain other financial instruments are valued at their carrying amounts, which are reasonable estimates of the fair value due to the relatively short period to maturity of these instruments.

The fair value of available for sale financial assets quoted in an active market is based on price quotations at the period-end date (Level 1).

Long-term debt is recognized at its carrying amount. The fair values of major long-term debt are calculated on the basis of market information (Level 2). Liabilities for which market quotes are available are measured using these quotes. The fair values of the other long-term debt are calculated at the present value of the respective future cash flows. To determine these present values, the prevailing interest rates and credit spreads for the Company as of the balance sheet date are used.

Variable payments outstanding for acquisitions are recognized at their fair value. The estimation of the individual fair values is based on the key inputs of the arrangement that determine the future contingent payment as well as the Company's expectation of these factors (Level 3). The Company assesses the likelihood and timing of achieving the relevant objectives. The underlying assumptions are reviewed regularly.

The noncontrolling interests subject to put provisions are recognized at their fair value. The methodology the Company uses to estimate the fair values assumes the greater of net book value or a multiple of earnings, based on historical earnings, development stage of the underlying business and other factors (Level 3). Additionally, there are put provisions that are valued by an external valuation firm. The external valuation estimates the fair values using a combination of discounted cash flows and a multiple of earnings and/or revenue (Level 3). When applicable, the obligations are discounted at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. The estimated fair values of the noncontrolling interests subject to these put provisions can also fluctuate, the discounted cash flows and the implicit multiple of earnings and/or revenue at which these noncontrolling interest obligations may ultimately be settled could vary significantly from the Company's current estimates depending upon market conditions.

Following is a roll forward of noncontrolling interests subject to put provisions at December 31, 2016 and 2015.

**Noncontrolling interests subject to put provisions**

in € THOUS

	2016	2015
Beginning balance at January 1,	791,075	551,045
Contributions to noncontrolling interests	(169,260)	(148,562)
Purchase of noncontrolling interests	(1,785)	(3,237)
Sale of noncontrolling interests	53,919	10,370
Contributions from noncontrolling interests	29,144	15,096
Expiration of put provisions and other reclassifications	(8,814)	4,692
Changes in fair value of noncontrolling interests	115,627	154,235
Net income	164,515	143,422
Foreign Currency Translation	33,312	64,014
Ending balance at December 31,	<u>1,007,733</u>	<u>791,075</u>

Credit risk resulting from a decrease in the value of the Company's financing receivables and allowances on credit losses of financing receivables are immaterial.

**Derivative Financial Instruments**

**Market Risk**

The Company is exposed to effects related to foreign exchange fluctuations in connection with its international business activities that are denominated in various currencies. In order to finance its business operations, the Company issues bonds and enters mainly into long-term credit agreements



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with banks. Due to these financing activities, the Company is exposed to changes in the interest rate as well as to price risks of balance sheet items with a fixed interest rate.

In order to manage the risk of currency exchange rate and interest rate fluctuations, the Company enters into various hedging transactions by means of derivative instruments with highly rated financial institutions as authorized by the Company's General Partner. On a quarterly basis, the Company performs an assessment of its counterparty credit risk. The Company currently considers this risk to be low. The Company's policy, which has been consistently followed, is that financial derivatives be used only for the purpose of hedging foreign currency and interest rate exposure.

In certain instances, the Company enters into derivative contracts that do not qualify for hedge accounting but are utilized for economic purposes ("economic hedges"). The Company does not use financial instruments for trading purposes. The Company established guidelines for risk assessment procedures and controls for the use of financial instruments. They include a clear segregation of duties with regard to execution on one side and administration, accounting and controlling on the other.

To reduce the credit risk arising from derivatives the Company concluded Master Netting Agreements with banks. Through such agreements, positive and negative fair values of the derivative contracts could be offset against one another if a partner becomes insolvent. This offsetting is valid for transactions where the aggregate amount of obligations owed to and receivable from are not equal. If insolvency occurs, the party which owes the larger amount is obliged to pay the other party the difference between the amounts owed in the form of one net payment.

These master netting agreements do not provide a basis for offsetting the fair values of derivative financial instruments in the statement of financial position as the offsetting criteria under IFRS are not satisfied.

At December 31, 2016 and 2015, the Company had €24,312 and €22,381 of derivative financial assets subject to netting arrangements and €26,751 and €11,725 of derivative financial liabilities subject to netting arrangements. Offsetting these derivative financial instruments would have resulted in net assets of €13,673 and €14,947 as well as net liabilities of €16,112 and €4,291 at December 31, 2016 and 2015, respectively.

The Company calculates benchmarks for individual exposures in order to quantify interest and foreign exchange risks. The benchmarks are derived from achievable and reasonable market rates. Depending on the individual benchmarks, hedging strategies are agreed on and implemented.

Earnings of the Company were not materially affected by hedge ineffectiveness in the reporting period since the critical terms of the interest and foreign exchange derivatives matched mainly the critical terms of the underlying exposures.

In connection with the issuance of the Convertible Bonds in September 2014, the Company purchased Share Options. Any change in the Company's share price above the conversion price would be offset by a corresponding value change in the Share Options.

### ***Foreign Exchange Risk Management***

The Company conducts business on a global basis in various currencies, though a majority of its operations are in Germany and the United States. For financial reporting purposes in accordance with Section 315a HGB the Company has chosen the euro as its reporting currency (see Note 1 g). Therefore, changes in the rate of exchange between the euro and the local currencies in which the financial statements of the Company's international operations are maintained, affect its results of operations and financial position as reported in its consolidated financial statements.

Additionally, individual subsidiaries are exposed to transactional risks mainly resulting from intercompany purchases between production sites and other subsidiaries with different functional currencies. This exposes the subsidiaries to fluctuations in the rate of exchange between the invoicing currencies and the currency in which their local operations are conducted. For the purpose of hedging existing and foreseeable foreign exchange transaction exposures the Company enters into foreign exchange forward contracts and, on a small scale, foreign exchange options. At December 31, 2016 and 2015 the Company had no foreign exchange options.

Changes in the fair value of the effective portion of foreign exchange forward contracts designated and qualifying as cash flow hedges of forecasted product purchases and sales are reported in AOCI.

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Additionally, in connection with intercompany loans in foreign currency, the Company uses foreign exchange swaps thus assuring that no foreign exchange risks arise from those loans, which, if they qualify for cash flow hedge accounting, are also reported in AOCI. These amounts recorded in AOCI are subsequently reclassified into earnings as a component of cost of revenues for those contracts that hedge product purchases and sales or as an adjustment of interest income/expense for those contracts that hedge loans, in the same period in which the hedged transaction affects earnings. The notional amounts of foreign exchange contracts in place that are designated and qualify as cash flow hedges totaled €103,358 and €178,084 at December 31, 2016 and 2015, respectively.

The Company also enters into derivative contracts for forecasted product purchases and sales and for intercompany loans in foreign currencies which do not qualify for hedge accounting but are utilized for economic hedges as defined above. In these two cases, the change in value of the economic hedge is recorded in the income statement and usually offsets the change in value recorded in the income statement for the underlying asset or liability. The notional amounts of economic hedges that do not qualify for hedge accounting totaled €1,407,611 and €1,503,747 at December 31, 2016 and 2015, respectively.

The Company uses a Cash-Flow-at-Risk (CFaR) model in order to estimate and quantify transaction risks from foreign currencies. The basis for the analysis of the currency risks are the foreign currency cash flows that are reasonably expected to arise within the following twelve months, less any hedges. Under the CFaR approach, the potential currency fluctuations of these net exposures are shown as probability distributions based on historical volatilities and correlations of the preceding 250 business days. The calculation is made assuming a confidence level of 95% and a holding period of up to one year. The aggregation of currency risks has risk-mitigating effects due to correlations between the transactions concerned, i.e. the overall portfolio's risk exposure is generally less than the sum total of the underlying individual risks. At December 31, 2016, the Company's cash flow at risk amounts to €49,449, this means with a probability of 95% a potential loss in relation to the forecasted foreign exchange cash flows of the next twelve months will be not higher than €49,449.

Significant influence on the Company's foreign currency risk is exerted by the Chinese Yuan Renminbi, the South Korea Won, the Russian Ruble, the Indian Rupee, and the South African Rand. The following table shows the Company's most significant net positions in foreign currencies at December 31, 2016.

**Significant Net Positions in Foreign Currencies**

in € THOUS

	<b>2016</b>
CNY	159,605
KRW	100,574
RUB	66,861
INR	58,385
ZAR	21,378

**Interest Rate Risk Management**

The Company's interest rate risks mainly arise from money market and capital market transactions of the Group for financing its business activities.

The Company enters into derivatives, particularly interest rate swaps and to a certain extent, interest rate options, to protect against the risk of rising interest rates. These interest rate derivatives are designated as cash flow hedges and have been entered into in order to effectively convert payments based on variable interest rates into payments at a fixed interest rate. The euro-denominated interest rate swaps expire in 2019 and have a weighted average interest rate of 0.32%. Interest payable and receivable under the swap agreements is accrued and recorded as an adjustment to interest expense.

For purposes of analysing the impact of changes in the relevant reference interest rates on the Company's results of operations, the Company calculates the portion of financial debt which bears variable interest rate and which has not been hedged by means of interest rate swaps or options against rising interest rates. For this particular part of its liabilities, the Company assumes an increase in the reference rates of 0.5% compared to the actual rates as of the balance sheet date. The

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corresponding additional annual interest expense is then compared to the Company's net income. This analysis shows that an increase of 0.5% in the relevant reference rates would have an effect of approximately 1% on the consolidated net income and less than 1% on the shareholder's equity of the Company.

The effective portion of gains and losses of derivatives designated as cash flow hedges is deferred in AOCI; the amount of gains and losses reclassified from AOCI are recorded in interest income and interest expenses.

At December 31, 2016 and 2015, the notional amount of the euro-denominated interest rate swaps in place was €252,000 and €376,000.

In addition, the Company also enters into interest rate hedges ("pre-hedges") in anticipation of future long-term debt issuance, from time to time. These pre-hedges are used to hedge interest rate exposures with regard to interest rates which are relevant for the future long-term debt issuance and which could rise until the respective debt is actually issued. These pre-hedges were settled at the issuance date of the corresponding long-term debt with the settlement amount recorded in AOCI amortized to interest expense over the life of the debt. At December 31, 2016 and 2015, the Company had losses of €35,814 and €53,808, respectively, related to such settlements of pre-hedges deferred in AOCI, net of tax.

### **Derivative Financial Instruments Valuation**

The following table shows the carrying amounts of the Company's derivatives at December 31, 2016 and 2015.

#### **Derivative Financial Instrument valuation**

in € THOUS

	<b>Assets<sup>(2)</sup></b>	<b>Liabilities<sup>(2)</sup></b>	<b>Assets<sup>(2)</sup></b>	<b>Liabilities<sup>(2)</sup></b>
	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
<b>Derivatives in cash flow hedging relationships<sup>(1)</sup></b>				
Current				
Foreign exchange contracts	2,018	(4,101)	2,860	(2,683)
Interest rate contracts	-	-	-	(1,504)
Non-current				
Foreign exchange contracts	17	(76)	157	(116)
Interest rate contracts	-	(1,414)	-	(883)
<b>Total</b>	<b>2,035</b>	<b>(5,591)</b>	<b>3,017</b>	<b>(5,186)</b>
<b>Derivatives not designated as hedging instruments<sup>(1)</sup></b>				
Current				
Foreign exchange contracts	37,743	(21,415)	21,961	(6,481)
Non-current				
Foreign exchange contracts	-	(119)	975	(60)
Derivatives embedded in the Convertible Bonds	-	(94,663)	-	(106,540)
Share Options to secure the Convertible Bonds	94,663	-	106,540	-
<b>Total</b>	<b>132,406</b>	<b>(116,197)</b>	<b>129,476</b>	<b>(113,081)</b>

(1) At December 31, 2016 and December 31, 2015, the valuation of the Company's derivatives was determined using Significant Other Observable Inputs (Level 2).

(2) Derivative instruments are marked to market each reporting period resulting in carrying amounts being equal to fair values at the reporting date.

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The carrying amounts for the current portion of derivatives indicated as assets in the table above are included in "Other current assets" in the Consolidated Balance Sheets while the current portion of those indicated as liabilities are included in "Current provisions and other current liabilities". The non-current portions indicated as assets or liabilities are included in the Consolidated Balance Sheets in "Other non-current assets" or "Non-current provisions and other non-current liabilities", respectively.

The significant methods and assumptions used in estimating the fair values of derivative financial instruments are as follows:

The fair value of interest rate swaps is calculated by discounting the future cash flows on the basis of the market interest rates applicable for the remaining term of the contract as of the balance sheet date. To determine the fair value of foreign exchange forward contracts, the contracted forward rate is compared to the current forward rate for the remaining term of the contract as of the balance sheet date. The result is then discounted on the basis of the market interest rates prevailing at the balance sheet date for the applicable currency. The fair value of the embedded derivative of the convertible bonds is calculated using the difference between the market value of the convertible bond and the market value of an adequate straight bond discounted with the market interest rates as of the reporting date.

The Company's own credit risk is incorporated in the fair value estimation of derivatives that are liabilities. Counterparty credit risk adjustments are factored into the valuation of derivatives that are assets. The Company monitors and analyses the credit risk from derivative financial instruments on a regular basis. For the valuation of derivative financial instruments, the credit risk is considered in the fair value of every individual instrument. The default probability is based upon the credit default swap spreads of each counterparty appropriate for the duration. The calculation of the credit risk considered in the valuation is performed by multiplying the default probability appropriate for the duration with the expected discounted cash flows of the derivative financial instrument.

#### **The Effect of Financial Instruments on the Consolidated Statements of Income**

The effects of financial instruments recorded in the consolidated statements of income consist of interest income of €42,139 (2015: €105,070), interest expense of €408,508 (2015: €457,895) as well as allowances for doubtful accounts of €430,974 (2015: €396,831).

A large part of interest income in 2016 results from the valuation of the derivatives embedded in the Convertible Bonds. In 2015 interest income results mainly from the valuation of the Share Options which the Company purchased in connection with the issuance of the Convertible Bonds as well as interest-bearing notes receivables.

The major part of interest expenses relates to financial liabilities of the Company which are not accounted for at fair value through profit or loss.

In the fiscal year 2016 net gains from foreign currency transactions amount to €5,688 (2015: net losses €3,875).

The following table shows the effect of derivatives on the Consolidated Financial Statements:

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**The Effect of Derivatives on the Consolidated Financial Statements**

in € THOUS

Derivatives in Cash Flow Hedging Relationships	Amount of Gain (Loss) recognized in AOCI on Derivatives (Effective Portion)		Location of (Gain) Loss reclassified from AOCI in Income (Effective Portion)	Amount of (Gain) Loss reclassified from AOCI in Income (Effective Portion)	
	for the year ended December 31,			for the year ended December 31,	
	2016	2015		2016	2015
Interest rate contracts	1,050	10,651	Interest income/expense	26,335	25,556
Foreign exchange contracts	(2,407)	2,049	Costs of Revenue	133	15,940
	<u>(1,357)</u>	<u>12,700</u>		<u>26,468</u>	<u>41,496</u>
<b>Derivatives not designated as Hedging Instruments</b>			<b>Location of (Gain) Loss recognized in Income on Derivatives</b>	<b>Amount of (Gain) Loss recognized in Income on Derivatives</b>	
				<b>for the year ended December 31,</b>	
				<b>2016</b>	<b>2015</b>
Foreign exchange contracts			Selling, general and administrative expense	(2,109)	(55,275)
Foreign exchange contracts			Interest income/expense	2,937	7,387
Derivatives embedded in the Convertible Bonds			Interest income/expense	(11,877)	52,371
Share Options to secure the Convertible Bonds			Interest income/expense	<u>11,877</u>	<u>(52,371)</u>
				<u>828</u>	<u>(47,888)</u>

For foreign exchange derivatives at December 31, 2016 the Company expects to recognize €3,545 of losses deferred in AOCI in earnings during the next twelve months.

The Company expects to incur additional interest expense of €19,844 over the next twelve months which is currently deferred in AOCI. This amount reflects the projected amortization of the settlement amount of the terminated swaps and the current fair value of the additional interest payments resulting from the interest rate swaps maturing in 2019 at December 31, 2016.

At December 31, 2016, the Company had foreign exchange derivatives with maturities of up to 15 months and interest rate swaps with maturities of up to 34 months.

The following table shows when the cash flow from derivative financial instruments is expected to occur.

**Cash Flow from Derivative Financial Instruments**

in € THOUS

	expected in period of			
	less than 1 Year	1 - 3 Years	3 - 5 Years	Over 5 Years
<b>2016</b>				
designated as hedging instrument	(2,879)	(953)	-	-
not designated as hedging instrument	16,331	(119)	-	-
<b>2015</b>				
designated as hedging instrument	(2,562)	(675)	521	-
not designated as hedging instrument	15,497	917	-	-

### **Credit Risk**

The Company is exposed to potential losses in the event of non-performance by counterparties. With respect to derivative financial instruments it is not expected that any counterparty fails to meet its obligations as the counterparties are highly rated financial institutions. The maximum credit exposure of derivatives is represented by the fair value of those contracts with a positive fair value at the balance sheet date. The maximum credit exposure of all derivatives amounted to €134,441 at December 31, 2016 (2015: €132,493). The maximum credit risk resulting from the use of non-derivative financial instruments is defined as the total amount of all receivables and cash and cash equivalents. In order to control this credit risk, the Management of the Company carries out an ageing analysis of trade accounts receivable. For details on the ageing analysis and on the allowance for doubtful accounts, please see Note 7.

### **Liquidity Risk**

The liquidity risk is defined as the risk that a company is potentially unable to meet its financial obligations. The Management of the Company manages the liquidity of the Group by means of effective working capital and cash management as well as an anticipatory evaluation of refinancing alternatives. The Management of the Company believes that existing credit facilities, net cash provided by operating activities and additional short-term debt are sufficient to meet the Company's foreseeable demand for liquidity (see Note 14).

The following table shows all non-discounted payments agreed by contract concerning financial instruments and derivative financial instruments recorded in the Consolidated Balance Sheet:

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**Payments Agreed by Contracts**

in € THOUS

	Payments due by period of			
	less than 1 Year	1 - 3 Years	3 - 5 Years	Over 5 Years
<b>2016</b>				
Accounts payable	575,556	101	-	-
Accounts payable to related parties	264,069	-	-	-
Other current financial liabilities	1,282,222	-	-	-
Short-term debt <sup>(1)</sup>	575,010	-	-	-
Long-term debt and capital lease obligations <sup>(2) (3)</sup>	302,133	2,320,334	418,309	19,865
Senior Notes	741,243	2,206,333	1,601,433	1,117,126
Variable payments outstanding for acquisition	78,322	22,634	71,528	51,020
Noncontrolling interests subject to put provisions	527,243	229,508	173,819	136,443
Letters of Credit	-	18,212	-	-
Derivative Financial Instruments - in cash flow hedging relationships	4,897	970	-	-
Derivative Financial Instruments - not designated as hedging instrument	21,427	94,782	-	-
<b>2015</b>				
Accounts payable	576,677	-	-	-
Accounts payable to related parties	140,556	-	-	-
Other current financial liabilities	1,221,900	-	-	-
Short-term debt <sup>(1)</sup>	118,709	-	-	-
Long-term debt and capital lease obligations <sup>(2) (3)</sup>	305,764	578,139	2,230,189	19,293
Senior Notes	627,498	1,715,431	1,747,045	2,058,931
Variable payments outstanding for acquisition	48,103	779	2,243	-
Noncontrolling interests subject to put provisions	334,993	250,511	145,654	82,231
Letters of Credit	-	15,268	3,307	-
Derivative Financial Instruments - in cash flow hedging relationships	5,422	861	-	-
Derivative Financial Instruments - not designated as hedging instrument	6,487	59	106,540	-

(1) Includes amounts from related parties.

(2) Future interest payments for financial liabilities with variable interest rates were calculated using the latest interest rates fixed prior to December 31, 2016 and 2015.

(3) Excluding Senior Notes.

Product purchases designated as cash flow hedges are expected to affect profit and loss the same period in which the cash flows occur.

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## 24. Other Comprehensive Income (Loss)

The changes in the components of other comprehensive income (loss) for the years ended December 31, 2016 and 2015 are as follows:

### Other Comprehensive Income (Loss)

in € THOUS

	2016			2015		
	Pretax	Tax Effect	Net	Pretax	Tax Effect	Net
<b>Components that will not be reclassified to profit or loss:</b>						
Actuarial gain (loss) on defined benefit pension plans	(31,423)	7,085	(24,338)	30,169	(8,830)	21,339
<b>Components that may be reclassified subsequently to profit or loss:</b>						
Foreign currency translation adjustment	368,429	-	368,429	674,727	-	674,727
Other comprehensive income (loss) relating to cash flow hedges:						
Changes in fair value of cash flow hedges during the period	(1,357)	568	(789)	12,700	(4,070)	8,630
Reclassification adjustments	26,468	(7,607)	18,861	41,496	(11,317)	30,179
Total other comprehensive income (loss) relating to cash flow hedges	25,111	(7,039)	18,072	54,196	(15,387)	38,809
<b>Other comprehensive income (loss)</b>	<b>362,117</b>	<b>46</b>	<b>362,163</b>	<b>759,092</b>	<b>(24,217)</b>	<b>734,875</b>

## 25. Supplementary Cash Flow Information

The following additional information is provided with respect to the consolidated statements of cash flows:

### Supplementary Cash Flow Information

in € THOUS

	2016	2015
Details for acquisitions:		
Assets acquired	(792,941)	(194,703)
Liabilities assumed	113,491	31,402
Noncontrolling interest subject to put provisions	43,628	6,870
Noncontrolling interest	14,448	886
Non-cash consideration	220,849	62,400
Cash paid	(400,525)	(93,145)
Less cash acquired	20,660	2,878
<b>Net cash paid for acquisitions</b>	<b>(379,865)</b>	<b>(90,267)</b>
<b>Cash paid for investments</b>	<b>(129,764)</b>	<b>(165,931)</b>
<b>Cash paid for intangible assets</b>	<b>(12,171)</b>	<b>(29,345)</b>
<b>Total cash paid for acquisitions and investments, net of cash acquired, and purchases of intangible assets</b>	<b>(521,800)</b>	<b>(285,543)</b>



## 26. Segment and Corporate Information

The Company's operating segments are the North America Segment, the EMEA Segment, the Asia-Pacific Segment and the Latin America Segment. Management evaluates each segment using measures that reflect all of the segment's controllable revenues and expenses. With respect to the performance of business operations, management believes that the most appropriate measures are revenue, operating income and operating income margin. The Company does not include income taxes as it believes this is outside the segments' control. Financing is a corporate function, which the Company's segments do not control. Therefore, the Company does not include interest expense relating to financing as a segment measurement. Similarly, the Company does not allocate certain costs, which relate primarily to certain headquarter overhead charges, including accounting and finance, because the Company believes that these costs are also not within the control of the individual segments. Production of products, production asset management, quality management and procurement related to production are centrally managed at Corporate. The Company's global research and development is also centrally managed at Corporate. These Corporate activities do not fulfill the definition of a segment according to IFRS 8. Products are transferred to the segments at cost; therefore no internal profit is generated. The associated internal revenues for the product transfers and their elimination are recorded as Corporate activities. Capital expenditures for production are based on the expected demand of the segments and consolidated profitability considerations. In addition, certain revenues, investments and intangible assets, as well as any related expenses, are not allocated to a segment but are accounted for as Corporate.

The key data used by the management board of the Company's General Partner to control the segments are based on U.S. GAAP figures. The segment information is therefore given in accordance with U.S. GAAP. The column IFRS Adjustments provides a reconciliation from the U.S. GAAP key figures to the IFRS key figures. The differences between the U.S. GAAP and the IFRS key data are mainly due to the differing bad debt provision for accounts receivables related to health care services, cumulative actuarial gains and losses for pensions, recognition of gains from sale and lease back transactions, obligations from stock incentive plans and development costs. Additional differences for the assets result from the different accounting treatment of the sale of receivables.

Information pertaining to the Company's segment and Corporate activities for the twelve-month periods ended December 31, 2016 and 2015 is set forth below.

Fresenius Medical Care AG & Co. KGaA, Hof an der Saale  
Notes to Consolidated Financial Statements  
In THOUS, except share and per share data

**Segment and Corporate Information**

in € THOUS

	North America Segment	EMEA Segment	Asia- Pacific Segment	Latin America Segment	Segment Total	Corporate	US-GAAP Total	IFRS Adjustments	IFRS Total
<b>2016</b>									
Revenue external customers	11,641,412	2,409,110	1,474,132	643,373	16,168,027	13,007	16,181,034	388,681	16,569,715
Inter - segment revenue	3,105	-	31	241	3,377	(3,377)	-	-	-
Revenue	<u>11,644,517</u>	<u>2,409,110</u>	<u>1,474,163</u>	<u>643,614</u>	<u>16,171,404</u>	<u>9,630</u>	<u>16,181,034</u>	<u>388,681</u>	<u>16,569,715</u>
Operating income	<u>1,914,624</u>	<u>473,558</u>	<u>288,261</u>	<u>59,490</u>	<u>2,735,933</u>	<u>(353,130)</u>	<u>2,382,803</u>	<u>26,099</u>	<u>2,408,902</u>
Interest									(366,369)
Income before income taxes									2,042,533
Depreciation and amortization	(389,217)	(109,125)	(43,541)	(15,577)	(557,460)	(143,547)	(701,007)	(529)	(701,536)
Income (loss) from equity method investees	58,547	(2,637)	1,372	1,357	58,639	-	58,639	-	58,639
Total assets	17,318,364	3,591,312	1,767,803	691,768	23,369,247	2,182,353	25,551,600	(48,060)	25,503,540
thereof investments in equity method investees	308,187	209,709	101,414	25,072	644,382	-	644,382	(46,228)	598,154
Capital expenditures, acquisitions and investments <sup>(1)</sup>	827,856	280,575	48,600	41,085	1,198,116	254,204	1,452,320	-	1,452,320
<b>2015</b>									
Revenue external customers	10,647,436	2,369,255	1,353,273	690,783	15,060,747	24,951	15,085,698	369,160	15,454,858
Inter - segment revenue	4,770	1	129	403	5,303	(5,303)	-	-	-
Revenue	<u>10,652,206</u>	<u>2,369,256</u>	<u>1,353,402</u>	<u>691,186</u>	<u>15,066,050</u>	<u>19,648</u>	<u>15,085,698</u>	<u>369,160</u>	<u>15,454,858</u>
Operating income <sup>(2)</sup>	<u>1,620,401</u>	<u>519,959</u>	<u>268,463</u>	<u>43,473</u>	<u>2,452,296</u>	<u>(355,197)</u>	<u>2,097,099</u>	<u>31,402</u>	<u>2,128,501</u>
Interest									(352,825)
Income before income taxes									1,775,676
Depreciation and amortization	(360,013)	(101,966)	(40,213)	(13,371)	(515,563)	(130,965)	(646,528)	(1,639)	(648,167)
Income (loss) from equity method investees	18,746	6,147	2,277	1,178	28,348	-	28,348	-	28,348
Total assets <sup>(3)</sup>	15,862,274	3,025,259	1,586,750	555,403	21,029,686	2,268,976	23,298,662	(52,380)	23,246,282
thereof investments in equity method investees	265,414	202,637	100,438	23,694	592,183	-	592,183	(46,228)	545,955
Capital expenditures, acquisitions and investments <sup>(4)</sup>	639,480	157,034	44,118	45,560	886,192	258,245	1,144,437	-	1,144,437

(1) North America, EMEA, Asia-Pacific, Latin America and Corporate acquisitions exclude €20,661, €212,871, €7,038, €4,992 and €6,915 (€20,661, €212,871, €7,038, €4,992 and €6,915 according to IFRS), respectively, of non-cash acquisitions for 2016.

(2) On July 1, 2015, the Company completed the sale of its clinics in Venezuela to a third party. The purchase price for these clinics was €6,760, which resulted in a loss of approximately €23,694 before tax (approximately €24,263 after tax). The loss is primarily included in Selling, general and administrative costs line item of the Consolidated Income Statements.

(3) Prior year information was adjusted to conform to the current year's presentation due a reclass of deferred taxes at December 31, 2015 in the amount of 154,181 €. Under U.S. GAAP deferred taxes which were classified as current at December 31, 2015 have been reclassified to non-current in accordance with Accounting Standards Update 2015-17, Income Taxes (Topic 740) Balance Sheet Classification of Deferred Taxes. Deferred taxes previously recorded in 2015 within current assets and liabilities have been reclassified to non-current assets and liabilities in the amount of €198,519 and €33,434, respectively. As a result of deferred tax netting, non-current assets and liabilities were then adjusted in the amount of €154,526.

(4) North America, EMEA, Asia-Pacific, Latin America and Corporate acquisitions and investments exclude €5,471, €37,363, €32,857, €220 and €23,627 (€5,471, €37,363, €32,857, €220 and €23,627 according to IFRS), respectively, of non-cash acquisitions and investments for 2015.

For the geographic presentation, revenues are attributed to specific countries based on the end user's location for products and the country in which the service is provided. Information with respect to the Company's geographic operations is set forth in the table below:

**Geographic Presentation**

in € THOUS

	Germany	North America	Rest of the World	US-GAAP Total	IFRS Adjustments	IFRS Total
<b>2016</b>						
Revenue external customers	380,887	11,641,412	4,158,735	16,181,034	388,681	16,569,715
Long-lived assets	861,323	14,446,074	3,018,517	18,325,914	(92,397)	18,233,517
<b>2015</b>						
Revenue external customers	360,884	10,647,436	4,077,378	15,085,698	369,160	15,454,858
Long-lived assets	510,954	13,567,591	2,721,998	16,800,543	(90,198)	16,710,345

## 27. Subsequent Events

On January 31, 2017, the Company announced an agreement with the United States Departments of Veterans Affairs and Justice resolving litigation commenced in 2014 regarding reimbursement for services provided to veterans by the Company's clinics during the period January 2009 through February 15, 2011. The agreement is expected to increase the Company's recognition of revenue in 2017 by approximately €100,000. The estimated positive impact on the Company's net income (net income attributable to shareholders of Fresenius Medical Care AG & Co. KGaA) is expected to be approximately €45,000 to €50,000. The payment is expected to be received in due course.

No further significant activities have taken place since the balance sheet date December 31, 2016, regarding the situation of the Company or the Company's' environment. Currently, there is no intention to change significantly the structure, management or legal form of the Company or its personnel.

## 28. Compensation of the Management Board and the Supervisory Board

### I. Compensation of the Management Board of the General Partner

The total compensation of the members of the Management Board of Fresenius Medical Care Management AG for the fiscal year 2016 amounted to €23,626 (2015: €24,217) and consisted of non-performance-related compensation (including additional benefits) in the total amount of €5,535 (2015: €6,863), short-term performance-related compensation in the total amount of €8,641 (2015: €4,415) and components with long-term incentive effects (multi-year variable remuneration) in the total amount of €9,450 (2015: €12,939). Components with long-term incentive effects, which were granted in or for the 2016 fiscal year, include exclusively share-based compensation with cash settlement.

Under the Long Term Incentive Program 2016, a total of 79,888 performance shares were allocated to the members of the Management Board of Fresenius Medical Care Management AG, in the fiscal year 2016. The fair value of the performance shares granted in the fiscal year 2016 was €76.80 each for grants denominated in Euro and \$85.06 each for grants denominated in US-Dollar on the grant date.

Due to the fact that the targets were met in the fiscal year 2016, in addition to the performance shares granted under the Long Term Incentive Program 2016, the Management Board members of Fresenius Medical Care Management AG were entitled to further share-based compensation with cash settlement in the amount of €3,281 (2015: €801).

At the end of fiscal year 2016, the members of the Management Board of Fresenius Medical Care Management AG held a total of 79,888 performance shares and 81,019 phantom stock (2015: 118,703). In addition, they held a total of 1,010,784 stock options at the end of fiscal year 2016 (2015: 1,565,195 stock options).

As of December 31, 2016, aggregate pension obligations of €24,908 (December 31, 2015: €26,157) existed relating to existing pension commitments. In the fiscal year 2016, the appropriation to the pension reserves amounted to €4,035 (2015: €8,355).

In the fiscal year 2016, no loans or advance payments of future compensation components were made to members of the Management Board of Fresenius Medical Care Management AG.

To the extent permitted by law, Fresenius Medical Care Management AG undertook to indemnify the members of the Management Board from claims against them arising out of their work for the Company and its affiliates, if such claims exceed their liability under German law. To secure such obligations, the Company has concluded a Directors & Officers liability insurance with an excess in compliance with the specifications according to German stock corporation law. The indemnity covers each member of the Management Board during their respective term on the Management Board and also after the respective termination of their term with respect to claims resulting from their board membership.

Fresenius Medical Care Management AG and Dr. Ben Lipps, the Chairman of the Management Board until December 31, 2012, entered into a consulting agreement, in lieu of a pension agreement, for the period January 1, 2013 to December 31, 2022. On the basis of this consulting agreement during the fiscal year a consulting compensation amounting to €585 (2015: €588) including the reimbursement of expenses were paid to Dr. Ben Lipps.

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To Prof. Emanuele Gatti, who was a member of the Management Board until March 31, 2014, pension payments were made in the fiscal year 2016 in a total amount of approximately €338 (2015: €113). Prof. Emanuele Gatti and Dr. Rainer Runte, who also resigned from office as a member of the Management Board effective from March 31, 2014, were additionally granted and paid in the fiscal year 2016 a compensation in connection with their post-contractual non-compete clause in the amount of approximately €974 (2015: €811) as well as fringe benefits in an amount of approximately €7 (2015: €168).

Mr. Roberto Fusté, who resigned the Management Board as of March 31, 2016, received the compensation components he was entitled to according to his service agreement which expired on December 31, 2016 in the total amount of €2,994. Furthermore, a compensation agreement has been entered into between FMC-AG & Co. KGaA, Fresenius Medical Care Management AG and Mr. Roberto Fusté pursuant to which Mr. Fusté is held harmless from certain adverse tax effects. In the fiscal year 2016, the Company has made no payments to compensate such adverse tax effects (2015: €91).

Other than that, the former members of the Management Board of Fresenius Medical Care Management AG did not receive any compensation in the fiscal year 2016. As of December 31, 2016 the pension obligations for these persons amounted to a total of €20,469 (December 31, 2015: €13,988).

A post-employment non-competition covenant was agreed upon with all members of the Management Board. If such covenant becomes applicable, the Management Board members receive a compensation for non-competition amounting to half of their respective annual fixed compensation for each year of the respective application of the non-competition covenant, up to a maximum of two years.

FMC-AG & Co. KGaA publishes detailed and individualized information for each member of the Management Board of Fresenius Medical Care Management AG on the components of their compensation as well as on the shares owned by members of the Management Board in its Compensation Report, which is part of the management report and which can be accessed on Company's website under <http://www.freseniusmedicalcare.com/en/home/investors/corporate-governance/declaration-of-compliance/>.

## **II. Compensation of the Supervisory Board**

In fiscal year 2016 the total compensation fees to all members of the Supervisory Board of FMC-AG & Co. KGaA amounted to €552 (2015: €513). This includes a fixed compensation of €366 (2015: €342) as well as a compensation to all members of the Audit Committee of €179 (2015: €171). Furthermore, in fiscal year 2016 the members of the Supervisory Board which are also members of the Joint Committee of FMC-AG & Co. KGaA, receive an attendance fee of €7 (2015: €0) pursuant to Article 13e para. 3 of the articles of association.

The compensation of the Supervisory Board of the Fresenius Medical Care Management AG and the compensation of its Committees was, in compliance with article 7 para. 3 of the Articles of Association of FMC-AG & Co. KGaA, charged to FMC-AG & Co. KGaA. In fiscal year 2016 the total compensation for the members of the Supervisory Board of the Fresenius Medical Care Management AG amounted to €714 (2015: €711). This includes fixed compensation components for the work in the Supervisory Board in the amount of €330 (2015: €342) and compensation components for the work in the Committees of €384 (2015: €369).

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In THOUS, except share and per share data

## 29. Fees of the Auditor

In 2016 and 2015, fees for the auditor KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, and its affiliates were expensed as follows:

### Fees

in € THOUS

	<b>Consolidated Group</b>	<b>thereof Germany</b>	<b>Consolidated Group</b>	<b>thereof Germany</b>
	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
Audit fees	7,896	1,060	7,831	1,052
Audit-related fees	53	42	101	17
Tax fees	164	-	198	-
Other fees	4,703	4,689	5,066	5,063

## 30. Corporate Governance

The Managing Board of the personally liable shareholder, represented by Fresenius Medical Care Management AG, and the Supervisory Board of Fresenius Medical Care AG & Co. KGaA have issued a compliance declaration pursuant to Section 161 of the German Stock Corporation Act (AktG). The Company has frequently made this declaration available to the public by publishing it on its website: <http://www.freseniusmedicalcare.com/en/home/investors/corporate-governance/declaration-of-compliance/>.

### 31. Proposal for the Distribution of Earnings

It is proposed that the earnings of Fresenius Medical Care AG & Co. KGaA for the fiscal year 2016 will be distributed as follows:

#### **Proposal for the Distribution of Earnings**

in € THOUS, except for share data

Payment of a dividend of €0.96 per share on share capital of €306,222 entitled to receive dividends	293,973
Balance to be carried forward	<u>4,200,162</u>
	<u><u>4,494,135</u></u>

Hof an der Saale, February 21, 2017

Fresenius Medical Care AG & Co. KGaA

Presented by the General Partner  
Fresenius Medical Care Management AG

Managing Board

R. Powell      M. Brosnan      Dr. O. Schermeier      W. Valle

K. Wanzek      D. Wehner      H. de Wit

## **Supervisory Board and Management Board**

## **Supervisory Board**

### ***Dr. Gerd Krick***

Chairman

Member of the Supervisory Boards of:  
Fresenius Management SE (Chairman)  
Fresenius SE & Co. KGaA (Chairman)  
Fresenius Medical Care Management AG  
Vamed AG, Austria (Chairman)

### ***Dr. Dieter Schenk***

Vice Chairman

Attorney and Tax Advisor

Member of the Supervisory Boards of:  
Fresenius Management SE (Vice Chairman)  
Fresenius Medical Care Management AG (Vice Chairman)  
Bank Schilling & Co. AG (Chairman)  
Gabor Shoes AG (Chairman)  
Greiffenberger AG (Vice Chairman)  
TOPTICA Photonics AG (Chairman)

Member of the Foundation Board of:  
Else Kröner-Fresenius-Stiftung (Chairman)

### ***Dr. Walter L. Weisman (until May 12, 2016)***

Former Chairman and Chief Executive Officer of American Medical International, Inc.

Member of the Supervisory Board of:  
Fresenius Medical Care Management AG (until May 12, 2016)

Member of the Boards of Trustees:  
California Institute of Technology, U.S. (Senior Trustee)  
Los Angeles County Museum of Art, U.S. (Life Trustee)  
Oregon Shakespeare Festival, U.S. (Trustee)

### ***William P. Johnston***

Former Chairman of the Board of Directors of Renal Care Group, Inc.

Member of the Supervisory Board of:  
Fresenius Medical Care Management AG

Member of the Board of Directors of:  
The Hartford Mutual Funds, Inc., U.S. (Chairman)  
HCR-Manor Care, Inc., U.S.

The Carlyle Group, U.S. (Operating Executive)



**Professor Dr. Bernd Fahrholz (until May 12, 2016)**

Attorney

**Rolf A. Classon**

Chairman of the Board of Directors of Hill-Rom Holdings, Inc.

Member of the Supervisory Board of:  
Fresenius Medical Care Management AG

Member of the Board of Directors of:  
Tecan Group Ltd., U.S. (Chairman)  
Catalent, Inc., U.S.

**Deborah Doyle McWhinney (since May 12, 2016)**

Lloyds Banking Group, Great Britain (Non-Executive Director)  
Fluor Corporation, U.S. (Non-Executive Director)  
IHS Markit, Great Britain (Non-Executive Director)

**Pascale Witz (since May 12, 2016)**

Member of the board of Directors of:  
Savencia S.A., France (since April 20, 2016)

**Supervisory Board Committees**

**Audit and Corporate Governance Committee**

William P. Johnston (Chairman since May 12, 2016)  
Rolf A. Classon (Vice Chairman) (since May 12, 2016)  
Dr. Gerd Krick  
Deborah Doyle McWhinney (since May 12, 2016)  
Dr. Walter L. Weisman (until May 12, 2016)  
Prof. Dr. Bernd Fahrholz (until May 12, 2016)

**Nomination Committee**

Dr. Gerd Krick (Chairman)  
Dr. Dieter Schenk (Vice Chairman since May 12, 2016)  
Rolf A. Classon (since May 12, 2016)  
Dr. Walter L. Weisman (until May 12, 2016)

**Joint Committee<sup>1</sup>**

Rolf A. Classon (since May 12, 2016)  
William P. Johnston  
Dr. Gerd Krick<sup>2</sup>  
Dr. Walter L. Weisman (until May 12, 2016)

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<sup>1</sup> Additional member of the Joint Committee as representative of Fresenius Medical Care Management AG in the fiscal year were Dr. Ulf M. Schneider (until June 30, 2016) and Stephan Sturm (since September 27, 2016). Dr. Ulf M. Schneider was and Stephan Sturm is not a member of the Supervisory Board of FMC-AG & Co. KGaA.

<sup>2</sup> Member of the Joint Committee as representative of Fresenius Medical Care Management AG.

**Management Board of the General Partner  
Fresenius Medical Care Management AG**

**Rice Powell**

Chairman and Chief Executive Officer

Member of the Management Boards of:

Fresenius Medical Care Holdings, Inc., U.S. (Chairman of the Board of Directors)

Fresenius Management SE, General Partner of Fresenius SE & Co. KGaA

Member of the Board of Administration of:

Vifor Fresenius Medical Care Renal Pharma Ltd., Switzerland (Vice Chairman)

**Michael Brosnan**

Chief Financial Officer

Member of the Management Board of:

Fresenius Medical Care Holdings, Inc., U.S. (Member of the Board of Directors)

Member of the Board of Administration of:

Vifor Fresenius Medical Care Renal Pharma Ltd., Switzerland

**Roberto Fusté**

Chief Executive Officer for Asia-Pacific (until March 31, 2016)

**Ronald Kuerbitz (until February 17, 2017)**

Chief Executive Officer for North America

Member of the Management Boards of:

Fresenius Medical Care Holdings, Inc., U.S. (Member of the Board of Directors)

Specialty Care Services Group, LLC, U.S. (Member of the Board of Directors)

Member of the Board of Administration of:

Vifor Fresenius Medical Care Renal Pharma Ltd., Switzerland

**Dr. Olaf Schermeier**

Chief Executive Officer for Research and Development

Member of the Supervisory board of:

Fiagon AG (since December 21, 2015 until October 6, 2016)

**William Valle (since February 17, 2017)**

Chief Executive Officer for North America

**Kent Wanzek**

Chief Executive Officer for Global Manufacturing Operations

Member of the Management Board of:

Fresenius Medical Care Holdings, Inc., U.S. (Member of the Board of Directors)

**Dominik Wehner**

Chief Executive Officer for Europe, Middle East and Africa and Labor Relations Director for Germany

Member of the Board of Administration of:

Vifor Fresenius Medical Care Renal Pharma Ltd., Switzerland

**Harry de Wit**

Chief Executive Officer for Asia Pacific (since April 1, 2016)

**Participations in affiliated and associated  
companies**

**of**

**Fresenius Medical Care AG & Co. KGaA  
Hof an der Saale**

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### **Agenda**

a	=	No annual financial statement available
b	=	Value as of March 31 of the reporting period
f	=	No actual data of equity or net profit/loss of the reporting period HBI, but US-GAAP closing on level of FMC Holdings Inc.
h	=	These companies make use of exemption rule § 264 b HGB
i	=	These companies make use of exemption rule § 264 (3) HGB
j	=	Value as of December 31 of the preceding reporting period
m	=	The information of the federal state do not refer to the city of the registered seat
t	=	These companies are consolidated due to contractual arrangements
u	=	This company is consolidated due to the majority of the voting rights
v	=	Value as of July 31 of the reporting period

In this list of affiliates FMC is used as abbreviation for Fresenius Medical Care except for all subsidiaries marked with (\*).

Domestic affiliated companies of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
<b>Consolidated financial statements - with profit &amp; loss transfer agreement</b>					
1	DIZ München Nephrocare GmbH München Germany (indirect interest through no.	(i) DIZ München Nephrocare 20 )	72	38	0
2	ET Software Developments GmbH Sandhausen Germany (indirect interest through no.	(i) ET Software Developments GmbH 7 )	100	103	0
3	Fresenius Medical Care Beteiligungsgesellschaft mbH Bad Homburg v.d. Höhe Germany	(i) FMC Beteiligungsgesellschaft	100	8,746,865	0
4	Fresenius Medical Care Deutschland GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) FMC D-GmbH 8 )	100	526,721	0
5	Fresenius Medical Care EMEA Management GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) FMC EMEA GmbH 3 )	100	200	0
6	Fresenius Medical Care Frankfurt am Main GmbH Frankfurt am Main Germany (indirect interest through no.	(i) FMC Ffm GmbH 20 )	100	25	0
7	Fresenius Medical Care GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) FMC GmbH 8 )	100	45,253	0
8	Fresenius Medical Care Investment GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) FMC Investment GmbH 3 )	100	4,900,016	0
9	Fresenius Medical Care Thalheim GmbH Stollberg Germany (indirect interest through no.	FMC Thalheim 48 )	100	2,244	0
10	Fresenius Medical Care US Beteiligungsgesellschaft mbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) FMC US Beteiligungsgesellschaft 4 )	100	25	0
11	Fresenius Medical Care Ventures GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) FMC Ventures GmbH 8 )	100	8,025	0
12	Haas Medizintechnik GmbH Beelitz Germany (indirect interest through no.	(i) Haas Medizintechnik 3 )	100	621	0
13	Medizinisches Versorgungszentrum Berchtesgaden GmbH Berchtesgaden Germany (indirect interest through no.	(i) MVZ Berchtesgaden 20 )	100	23	0
14	MVZ Gelsenkirchen-Buer GmbH Gelsenkirchen Germany (indirect interest through no.	(i) MVZ Gelsenkirchen 20 )	89	42	0
15	Nephrocare Augsburg GmbH Augsburg Germany (indirect interest through no.	(i) Nephrocare Augsburg GmbH 20 )	75	111	0
16	Nephrocare Berlin-Weißensee GmbH Berlin Germany (indirect interest through no.	(i) MVZ Berlin-Weißensee 20 )	100	25	0
17	Nephrocare Betzdorf GmbH Betzdorf Germany (indirect interest through no.	(i) MVZ Betzdorf 20 )	76	81	0
18	Nephrocare Buchholz GmbH Buchholz Germany (indirect interest through no.	(i) Nephrocare Buchholz GmbH 20 )	100	25	0
19	Nephrocare Daun GmbH Daun Germany (indirect interest through no.	(i) Nephrocare Daun 20 )	100	25	0
20	Nephrocare Deutschland GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) Nephrocare D GmbH 3 )	100	9,114	0
21	Nephrocare Friedberg GmbH Friedberg Germany (indirect interest through no.	(i) Nephrocare Friedberg 20 )	100	25	0
22	Nephrocare Grevenbroich GmbH Grevenbroich Germany (indirect interest through no.	(i) Nephrocare Grevenbroich GmbH 20 )	100	25	0
23	Nephrocare Hagen GmbH Hagen Germany (indirect interest through no.	(i) Nephrocare Hagen 20 )	100	25	0
24	Nephrocare Hamburg-Altona GmbH Hamburg Germany (indirect interest through no.	(i) Nephrocare HH-Altona GmbH 20 )	67	37	0
25	Nephrocare Hamburg-Barmbek GmbH Hamburg Germany (indirect interest through no.	(i) MVZ Hamburg-Barmbek 20 )	51	49	0

Domestic affiliated companies of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
26	Nephrocare Hamburg-Süderelbe GmbH Hamburg Germany (indirect interest through no.	(i) Nephrocare HH-Süderelbe GmbH 20 )	100	599	0
27	Nephrocare Ingolstadt GmbH Ingolstadt Germany (indirect interest through no.	(i) MVZ Ingolstadt 20 )	51	76	0
28	Nephrocare Kaufering GmbH Kaufering Germany (indirect interest through no.	(i) Nephrocare Kaufering 20 )	51	197	0
29	Nephrocare Lahr GmbH Lahr Germany (indirect interest through no.	(i) MVZ Lahr 20 )	100	25	0
30	Nephrocare Ludwigshafen GmbH Ludwigshafen am Rhein Germany (indirect interest through no.	(i) Nephrocare Ludwigshafen 20 )	100	25	0
31	Nephrocare Mannheim GmbH Mannheim Germany (indirect interest through no.	(i) Nephrocare Mannheim 20 )	100	25	0
32	Nephrocare Mönchengladbach GmbH Mönchengladbach Germany (indirect interest through no.	(i) Nephrocare Mönchengladbach GmbH 20 )	100	25	0
33	Nephrocare Oberhausen GmbH Oberhausen Germany (indirect interest through no.	(i) Nephrocare Oberhausen GmbH 20 )	100	25	0
34	Nephrocare Papenburg GmbH Papenburg Germany (indirect interest through no.	(i) Nephrocare Papenburg GmbH 20 )	100	25	0
35	Nephrocare Pirmasens GmbH Pirmasens Germany (indirect interest through no.	(i) Nephrocare Pirmasens 20 )	85	31	0
36	Nephrocare Püttlingen GmbH Püttlingen Germany (indirect interest through no.	(i) Nephrocare Püttlingen 20 )	51	214	0
37	Nephrocare Rostock GmbH Rostock Germany (indirect interest through no.	Nephrocare Rostock GmbH 20 )	100	51	0
38	Nephrocare Schrobenhausen GmbH Schrobenhausen Germany (indirect interest through no.	Nephrocare Schrobenhausen GmbH 20 )	100	24	0
39	Nephrocare Starnberg GmbH Starnberg Germany (indirect interest through no.	(i) Nephrocare Starnberg 20 )	100	25	0
40	Nephrocare Wetzlar GmbH Wetzlar Germany (indirect interest through no.	(i) Nephrocare Wetzlar GmbH 20 )	51	49	0
41	Nephrologisch-Internistische Versorgung Ingolstadt GmbH Ingolstadt Germany (indirect interest through no.	(i) Nephrologisch-Internistische Versorgung Ingolstadt 20 )	100	25	0
42	Nova Med GmbH Vertriebsgesellschaft für medizinisch-technische Geräte und Verbrauchsmittel Bad Homburg v.d. Höhe Germany (indirect interest through no.	(i) FMC NOVA MED 3 )	100	24,559	469
43	Zentrum für Nieren- und Hochdruckkrankheiten Bensheim GmbH Bensheim Germany (indirect interest through no.	(i) Zentrum Bensheim 20 )	85	4	0
<u>Consolidated financial statements - without profit &amp; loss transfer agreement</u>					
44	Fresenius Medical Care US Vermögensverwaltungs GmbH & Co. KG Bad Homburg v.d. Höhe Germany (indirect interest through no.	(h) FMC US Vv GmbH & Co. KG 3 )	100	16,906	5,829
45	Fresenius Medical Care US Zwei Vermögensverwaltungs GmbH & Co. KG Bad Homburg v.d. Höhe Germany (indirect interest through no.	(h) FMC US Zwei Vv GmbH & Co. KG 3 )	100	1,713	582
46	Fresenius Medical Care Vermögensverwaltungs GmbH Bad Homburg v.d. Höhe Germany	FMC Vermögensverwaltungs	100	316	15
47	Medos Medizintechnik AG Stolberg Germany (indirect interest through no.	Medos Medizintechnik AG 61 )	100	-2,257	-2,909
48	National Medical Care (Deutschland) GmbH Bad Homburg v.d. Höhe Germany	NMC Deutschland	100	21,766	471
49	Nephrocare Ahrensburg GmbH Ahrensburg Germany (indirect interest through no.	Nephrocare Ahrensburg GmbH 20 )	100	25	0
50	Nephrocare Döbeln GmbH Döbeln Germany (indirect interest through no.	Nephrocare Döbeln GmbH 20 )	100	25	0

Domestic affiliated companies of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
51	Nephrocare Göttingen GmbH Göttingen Germany (indirect interest through no.	Nephrocare Göttingen GmbH 20 )	100	24	0
52	Nephrocare Hennef GmbH Hennef Germany (indirect interest through no.	Nephrocare Hennef GmbH 20 )	100	24	0
53	Nephrocare Krefeld GmbH Krefeld Germany (indirect interest through no.	Nephrocare Krefeld GmbH 20 )	100	25	0
54	Nephrocare Leverkusen GmbH Leverkusen Germany (indirect interest through no.	Nephrocare Leverkusen GmbH 20 )	100	25	0
55	Nephrocare München-Ost GmbH München Germany (indirect interest through no.	(i) Nephrocare München-Ost GmbH 20 )	100	25	0
56	Nephrocare Münster GmbH Münster Germany (indirect interest through no.	Nephrocare Münster GmbH 20 )	100	25	0
57	NMC Holding GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	NMC Holding D 3 )	100	8,351	1,780
58	novalung GmbH Stolberg Germany (indirect interest through no.	novalung GmbH 61 )	100	-10,658	-893
59	PONTORMO GmbH Bad Homburg v.d. Höhe Germany (indirect interest through no.	Pontormo 860 )	100	-95,601	1,327
60	VIVONIC GmbH Sailauf Germany (indirect interest through no.	VIVONIC GmbH 3 )	100	150	583
61	XENIOS AG Heilbronn Germany (indirect interest through no.	XENIOS AG 3 )	100	-11,478	-6,858
<u>Not consolidated financial statements - without profit &amp; loss transfer agreement</u>					
62	Pentracor GmbH Hennigsdorf Germany (indirect interest through no.	Pentracor 3 )	3	(a)	(a)



Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
<u>Consolidated financial statements - without profit &amp; loss transfer agreement</u>					
63	Fresenius Medical Care Angola, S.A. Luanda Angola (indirect interest through no.	FMC Angola 3 )	100	-5,095	-5,482
64	Fresenius Medical Care Argentina S.A. Buenos Aires Argentina (indirect interest through no.	FMC Argentina 3 )	100	75,723	15,188
65	SE.NE.MI. S.R.L. Buenos Aires Argentina (indirect interest through no.	SE.NE.MI. SRL 3 )	100	25	57
66	Artistic Manufacturing Pty. Ltd. Sydney Australia (indirect interest through no.	Artistic Manufacturing 71 )	100	0	0
67	Fresenius Medical Care Australia PTY Ltd. Sydney Australia	FMC Australia	100	64,770	2,605
68	Fresenius Medical Care Day Hospitals Holding Pty Limited Milsions Point Australia (indirect interest through no.	FME Day Hospitals Holding Ltd. 67 )	100	0	0
69	Fresenius Medical Care Day Hospitals Investments Pty Limited Milsions Point Australia (indirect interest through no.	FME Day Hospitals Investments Ltd. 67 )	100	0	0
70	Fresenius Medical Care Packs (Australia) Pty. Ltd. Sydney Australia (indirect interest through no.	Neomedics 67 )	100	4,232	599
71	Fresenius Medical Care Seating (Australia) Pty. Ltd. Sydney Australia (indirect interest through no.	Artistic 72 )	100	-1,154	-76
72	Fresenius Medical Care South Asia Pacific Pty Ltd Sydney Australia (indirect interest through no.	FMC South AP 3 )	100	2,211	0
73	Fresenius Medical Care Adsorber Tec GmbH Krems an der Donau Austria (indirect interest through no.	Biotec Systems Krems 4 )	100	6,591	577
74	Fresenius Medical Care Austria GmbH Vienna Austria (indirect interest through no.	FMC Austria 3 )	100	3,764	1,494
75	Xenios Austria GmbH Wiener Neudorf Austria (indirect interest through no.	Xenios Austria GmbH 61 )	100	-719	-754
76	Fresenius Medical Care Belgium N.V. Antwerp Belgium (indirect interest through no.	FMC Belgium 3 )	100	8,000	768
77	Zdravstvena ustanova - Bolnica "INTERNACIONALNI DIJALIZA CENTAR" Banja Luka (Health Institution - Hospital "INTERNACIONALNI DIJALIZA CENTAR" Banja Luka) Banja Luka Bosnia and Herzegovina (indirect interest through no.	Health Institution Banja Luka 251 )	100	16,911	888
78	Zdravstvena ustanova "Fresenius Medical Care Centar za dijalizu" bolnica za pružanje usluga dijalize za pacijente sa dijagnozom poremećaja rada bubrega u terminalnoj fazi bolesti Šamac (Health Institution "Fresenius Medical Care za dijalizu" hospital for providing dialysis services to patients with diagnosed kidney disturbances in terminal phase of illness, Samac) Samac Bosnia and Herzegovina (indirect interest through no.	FMC Centar za dijalizu 80 )	100	253	251
79	Zdravstvena ustanova "Fresenius Medical Care Centar za dijalizu" d.o.o. Brcko distrikt (Health Institution "Fresenius Medical Care Centar za dijalizu" d.o.o. District Brcko) Brcko Bosnia and Herzegovina (indirect interest through no.	FMC Brcko 80 )	100	550	81
80	"Fresenius Medical Care BH" d.o.o. Sarajevo, društvo za promet i usluge Sarajevo Sarajevo Bosnia and Herzegovina (indirect interest through no.	"Fresenius Medical Care BH" d.o.o. Sarajevo 4 )	100	8,593	486
81	BRASNEFRO PARTICACOES S.A. Sao Paulo Brazil (indirect interest through no.	BRASNEFRO 92 )	100	-5,728	-978
82	CDR - Clínica de Doenças Renais LTDA. Rio de Janeiro Brazil (indirect interest through no.	CDR 81 )	100	512	-1,407
83	Centro Nefrológico de Anil Ltda. Rio de Janeiro Brazil (indirect interest through no.	Nefrológico de Anil Ltda 82 )	100	3	0
84	Centro Nefrológico de Barra Mansa Ltda. Barra MansaRJ Brazil (indirect interest through no.	Nefrológico de Barra Mansa Ltda 82 )	100	3	0
85	Centro Nefrológico de Minas Gerais Ltda. BELO HORIZONTE-MG Brazil (indirect interest through no.	Centro Minas Gerais 81 )	100	-1,334	-682
86	CETENE CENTRO DE TERAPIA NEFROLOGICA LTDA São Paulo -SP Brazil (indirect interest through no.	CETENE 82 )	100	697	572

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
87	CLINEFRON TRATAMENTO DIALITICO E SERVIÇOS MEDICOS LTDA Rio de Janeiro Brazil (indirect interest through no.	CLINEFRON 82 )	50	471	339
88	CLINICA DO RIM LTDA Petrolina-PE Brazil (indirect interest through no.	Clinica Do Rim 95 )	100	899	238
89	Clinica de Diálise do Centro Ltda. Rio de Janeiro Brazil (indirect interest through no.	Dialise do Centro Ltda. 82 )	100	3	0
90	Clinica Nefrológica de Minas Gerais Ltda. BELO HORIZONTE-MG Brazil (indirect interest through no.	Clinica Minas Gerais 81 )	100	-566	-32
91	CLÍNICA SAO JORGE SERVIÇOS NEFROLÓGICOS LTDA. Sao Paulo Brazil (indirect interest through no.	Clinica Sao Jorge 81 )	100	-1,348	-579
92	Dialinvest Servicos e Participacoes Ltda. Sao Paulo Brazil (indirect interest through no.	Dialinvest 225 )	100	30,862	121
93	Fresenius Medical Care Ltda. Sao Paulo Brazil (indirect interest through no.	FMC Brazil 3 )	100	48,760	-5,483
94	INSTITUTO MINEIRO DE NEFROLOGIA LTDA BELO HORIZONTE-MG Brazil (indirect interest through no.	IMN 82 )	100	355	121
95	NEFROCLÍNICA LTDA. Pernambuco Brazil (indirect interest through no.	NEFROCLÍNICA 81 )	100	581	277
96	Nefron Serviços Médicos de Nefrologia Ltda. Contagem Brazil (indirect interest through no.	Nefron 81 )	100	-1,152	-379
97	NEPHRON ASSISTENCIA NEFROLÓGICA LTDA. Sao Paulo Brazil (indirect interest through no.	Nephron Ltda 81 )	100	-1,169	-837
98	NEPHRON BRASILIA SERVIÇOS MEDICOS LTDA Distrito Federal Brazil (indirect interest through no.	NEPHRON 82 )	100	996	-312
99	Pró-Rim - Clinica de Doencas Renais Ltda. Rio de Janeiro Brazil (indirect interest through no.	Pro-Rim CDR Ltd. 81 )	100	221	-360
100	Asia Renal Care Asia Pacific Holdings Ltd. British Virgin Islands British Virgin Islands (indirect interest through no.	ARC AP Holdings 106 )	100	-2,489	79
101	Asia Renal Care Philippines Holdings Ltd. British Virgin Islands British Virgin Islands (indirect interest through no.	ARC Philippines Holdings 106 )	100	189	-1
102	Cardinal Medical Services Ltd. British Virgin Islands British Virgin Islands (indirect interest through no.	Cardinal Medical Services 106 )	100	-15,918	19
103	Redwood Medical Services Ltd. British Virgin Islands British Virgin Islands (indirect interest through no.	Redwood Medical Services 106 )	70	388	1
104	Distributeur D'Equipements Medicaux Haemotec, Inc. Toronto/Ontario Canada (indirect interest through no.	(m) Distributeur D'Equipements Medicaux Haemotec 105 )	100	(f)	(f)
105	Fresenius Medical Care Canada, Inc. Toronto/Ontario Canada (indirect interest through no.	(m) FMC Brent 1242 )	100	(f)	(f)
106	Asia Renal Care Ltd. George Town - Grand Cayman Cayman Islands (indirect interest through no.	Asia Renal Care 245 )	100	142,740	-7
107	Centro de Diálisis Araucania Limitada Temuco Chile (indirect interest through no.	Centro de Diálisis Araucania Limitada 112 )	100	718	193
108	Centro Medico Futuro Limitada Santiago de Chile Chile (indirect interest through no.	Centro Medico Futuro Limitada 112 )	100	-40	-6
109	Diálisis Santa Cruz Limitada Santiago de Chile Chile (indirect interest through no.	Diálisis Santa Cruz Ltda. 112 )	100	333	-20
110	Fresenius Medical Care Chile S.A. Santiago de Chile Chile (indirect interest through no.	FMC CHILE 3 )	100	25,518	-4
111	Fresenius Medical Care Servicios Limitada Santiago Chile (indirect interest through no.	FMC Servicios Ltda. 3 )	100	-547	6

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
112	Nephrocare Chile S.A. Santiago Chile (indirect interest through no.	Nephrocare Chile  110 )	100	22,508	26
113	Pentafarma S.A. Santiago Chile (indirect interest through no.	Pentafarma  3 )	100	17,777	3,116
114	Fresenius Medical Care (Jiangsu) Co. Ltd. Changshu China (indirect interest through no.	FME-Jiangsu  117 )	100	46,049	704
115	Fresenius Medical Care (Jiangsu) Hospital Management Services Co., Ltd. Changshu China (indirect interest through no.	FMC Jiangsu  116 )	100	-60	-254
116	Fresenius Medical Care (Shanghai) Co., Ltd. Shanghai China (indirect interest through no.	FCH  117 )	100	140,721	25,760
117	Fresenius Medical Care Investment (China) Co., Ltd. Shanghai China (indirect interest through no.	FMC Invest (China)  164 )	100	53,843	-375
118	Fresenius Medical Care R&D (Shanghai) Co., Ltd. Shanghai China (indirect interest through no.	FMC R&D  117 )	100	3,894	1,261
119	Guangdong Baiyun Pharmaceutical & Medical Device Logistics Co. Ltd. Guangzhou China (indirect interest through no.	Guangdong  117 )	100	540	-241
120	Fresenius Foundation Bogotá Colombia (indirect interest through no.	Fundacion Fresenius  122 )	100	0	0
121	Fresenius Medical Care Andina S.A.S. Bogotá Colombia (indirect interest through no.	Andina  122 )	100	22,601	4,564
122	Fresenius Medical Care Colombia S.A. Bogotá Colombia (indirect interest through no.	FMC Colombia  3 )	100	98,983	10,746
123	Fresenius Medical Care Servicio Renal S.A.S. Cúcuta Colombia (indirect interest through no.	FMC Servicio Renal  122 )	100	885	177
124	Fresenius Medical Care - Nephro društvo s ograničenom odgovornošću za trgovinu i usluge Zagreb Croatia (indirect interest through no.	Nephromedija  3 )	100	9,080	-3,237
125	FRESENIUS MEDICAL CARE HRVATSKA društvo sa ograničenom odgovornošću za trgovinu i usluge Zagreb Croatia (indirect interest through no.	FMC Hrvatska  3 )	100	1,039	273
126	Poliklinika za Dijalizu Fresenius Medical Care Zagreb Croatia (indirect interest through no.	Poliklinika  124 )	100	402	-47
127	Poliklinika za Hemodijalizu - International Dialysis Centers Zagreb Croatia (indirect interest through no.	Policlinic IDC  124 )	100	1,103	193
128	Poliklinika za hemodijalizu INTERDIAL Opatija Croatia (indirect interest through no.	Poliklinika Interdial  124 )	100	212	-106
129	Poliklinika za internu medicinu, opcu kirurgiju, ginekologiju, hemodijalizu-internu medicinu, pedijatriju i humanu genetiku Sveti Duh II Zagreb Croatia (indirect interest through no.	Policlinic Sveti Duh II  124 )	90	-305	334
130	Caribbean Medic Health Care System N.V. Curacao Curacao (indirect interest through no.	Caribbean Medic Health Care System  3 )	100	2,135	562
131	Godofredo Limited i.L. Larnaca Cyprus (indirect interest through no.	Godofredo  3 )	100	3	189
132	Lokken Trading Limited i.L. Larnaca Cyprus (indirect interest through no.	Lokken  251 )	100	1,235	53
133	Fresenius Medical Care - CR, s.r.o. Prague Czech Republic (indirect interest through no.	FMC CR  3 )	100	6,054	3,076
134	Fresenius Medical Care - DS, s.r.o. Prague Czech Republic (indirect interest through no.	FMC-DS  3 )	100	23,757	811
135	Fresenius Medical Care Danmark A/S Taastrup Denmark (indirect interest through no.	FMC Danmark  3 )	100	4,538	1,022

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
136	Centro de Enfermedades Renales Franz García S.A. Quito Ecuador (indirect interest through no.	Centro de Enfermedades Renales Franz García S.A. 3 )	100	463	19
137	Dialcentro S.A. Quito Ecuador (indirect interest through no.	Dialcentro 3 )	100	1,217	491
138	Fresenius Medical Care Ecuador Holdings S.A. Quito Ecuador (indirect interest through no.	FMC Ecuador 3 )	100	2,952	-50
139	Fresenius Medical Care Ecuador Servicios S.A. Quito Ecuador (indirect interest through no.	FMC Ecuador Servicios S.A. 3 )	100	99	-16
140	MANADIALISIS S.A. Quito Ecuador (indirect interest through no.	Manadialisis 3 )	100	4,874	1,119
141	Medicopharma S.A. La Línea Ecuador (indirect interest through no.	Medicopharma S.A. 3 )	100	1,469	512
142	NEFROCONTROL S.A. Quito Ecuador (indirect interest through no.	Nefrocontrol 3 )	100	22,554	4,514
143	Pasal Patino Salvador Cia. Ltda. Guayaquil Ecuador (indirect interest through no.	Pasal Patino 3 )	100	248	-80
144	Sermens S.A. Quito Ecuador (indirect interest through no.	Ser-Mens 3 )	100	1,870	406
145	UNIDAD RENAL DIALIBARRA CIA LTDA. Ibarra - Imbabura Ecuador (indirect interest through no.	Unidad Renal Dialibarra Cia Ltda. 3 )	100	722	304
146	OÜ Fresenius Medical Care Estonia Tartu Estonia (indirect interest through no.	FMC Estonia 3 )	100	449	-133
147	Fresenius Medical Care Suomi Oy Helsinki Finland (indirect interest through no.	FMC Suomi 3 )	100	5,621	1,430
148	Fresenius Medical Care France S.A.S. Creteil France (indirect interest through no.	FMC France 149 )	100	22,244	5,335
149	Fresenius Medical Care Groupe France S.A.S. Fresnes France (indirect interest through no.	FMC Groupe France 3 )	100	89,039	17,449
150	Fresenius Medical Care SMAD S.A.S. Savigny France (indirect interest through no.	FMC SMAD 149 )	100	94,310	9,879
151	NephroCare Béarn S.A.S. Aressy France (indirect interest through no.	NephroCare Béarn 149 )	100	7,385	923
152	NephroCare Helfaut S.A.S. Helfaut France (indirect interest through no.	Sapromed S.A.S. 149 )	100	798	624
153	Nephrocare Ile de France SAS Fresnes France (indirect interest through no.	Nephrocare Ile de France 149 )	100	25,832	3,728
154	NephroCare Languedoc Méditerranée S.A. Castelnau-le-Lez France (indirect interest through no.	NephroCare Languedoc Méditerranée 149 )	100	3,854	1,953
155	NephroCare Marne La Vallée S.A.S. Jossigny France (indirect interest through no.	NephroCare Marne La Vallée 149 )	100	3,397	1,617
156	NephroCare Maubeuge S.A.S. Maubeuge France (indirect interest through no.	NephroCare Maubeuge 149 )	100	3,320	849
157	NephroCare Occitanie S.A.S Muret France (indirect interest through no.	NephroCare Occitanie. 149 )	100	1,294	817
158	NephroCare Rhône Alpes S.A.S. Lyon France (indirect interest through no.	NephroCare Rhône Alpes 149 )	100	3,075	1,187
159	Xenios France S.A.S Paray-Vieille-Poste - Orly Aérogare Cedex France (indirect interest through no.	Xenios France S.A.S 47 )	100	-3,653	-907
160	Biocare Technology Company Limited Hong Kong Hong Kong (indirect interest through no.	Biocare Technology 3 )	100	6,704	1,442

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
161	Excelsior Renal Service Co., Limited Hong Kong Hong Kong (indirect interest through no.	ERS  165 )	51	19,091	3,634
162	Fresenius Institute of Dialysis Nursing Company Limited Hong Kong Hong Kong (indirect interest through no.	FIDN  3 )	100	341	-4
163	Fresenius Medical Care Asia-Pacific Limited Hong Kong Hong Kong (indirect interest through no.	FMC AP  3 )	100	50,515	13,013
164	Fresenius Medical Care Hong Kong Holding Limited Hong Kong Hong Kong (indirect interest through no.	FMC HK Holding Ltd.  247 )	100	90,851	210
165	Fresenius Medical Care Hong Kong Limited Hong Kong Hong Kong	FMC HK Ltd	100	68,674	6,130
166	NephroCare Hong Kong (Wan Chai) Co., Ltd. Hong Kong Hong Kong (indirect interest through no.	NephroCare HK (Wan Chai)  165 )	90	916	-89
167	NephroCare Limited Hong Kong Hong Kong (indirect interest through no.	NHK  165 )	100	15,673	-88
168	NephroSave Medical Care Limited Hong Kong Hong Kong (indirect interest through no.	NS Medical Care  3 )	100	502	-25
169	Renal Health Investment Co. Limited Hong Kong Hong Kong	(t) Renal Health Investment	0	56,013	-9
170	FMC Dialysis Center Egészségügyi Korlátolt Felelősségű Társaság Budapest Hungary (indirect interest through no.	FMC Dialysis Center Kft  3 )	100	-413	-603
171	FRESENIUS MEDICAL CARE Magyarország Egészségügyi Korlátolt Felelősségű Társaság Budapest Hungary (indirect interest through no.	FMC Hungary  3 )	100	16,448	84
172	Fresenius Medical Care India Private Limited New Delhi India (indirect interest through no.	FMC India  3 )	100	12,607 (b)	3,570 (b)
173	Regency NephroCare Private Uttar Pradesh India (indirect interest through no.	RNC  172 )	51	214 (b)	-16 (b)
174	Sandor Nephro Services Private Limited Banjara Hills, Hyderabad India (indirect interest through no.	Sandor Nephro Services Pvt. Ltd.  172 )	100	2,423 (b)	-176 (b)
175	Srinath Nephrocare Private Limited Neu Delhi India (indirect interest through no.	Srinath  172 )	90	149 (b)	-18 (b)
176	PT Fresenius Medical Care Indonesia Jakarta Indonesia	FMCINDO	100	15,919	1,913
177	Fresenius Medical Care (Ireland) Limited Dublin Ireland (indirect interest through no.	FMC Ireland  3 )	100	13,062	2,521
178	Fresenius Medical Care Israel Ltd. Tel Aviv Israel (indirect interest through no.	Fresenius Medical Care Israel Ltd.  3 )	100	1,410	607
179	Nephromed Ltd. Tel Aviv Israel (indirect interest through no.	Nephromed Ltd.  178 )	100	89	6
180	Nephromor Ltd. Tel Aviv Israel (indirect interest through no.	Nephromor Ltd.  179 )	100	2,046	3,508
181	S.D. Nephromor Ltd. Tel Aviv Israel (indirect interest through no.	(t) S.D. Nephromor Ltd.  180 )	50	600	12
182	Argento Vivo Progetto Salute srl Naples Italy (indirect interest through no.	Argento SRL  190 )	100	491	226
183	Centro Analisi e Diagnostica Clinica SRL Palermo Italy (indirect interest through no.	Centro Analisi  190 )	100	22	-84
184	Centro Dialisi Città di Aprilia S.r.l. Naples Italy (indirect interest through no.	Centro Dialisi Città di Aprilia  190 )	100	1,385	313
185	Centro Dialisi SS. Medici SRL Taranto Italy (indirect interest through no.	Centro Dialisi Medici  190 )	100	6,126	415

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
186	CER.LAB. srl Naples Italy (indirect interest through no.	CER.LAB.  190 )	100	2,868	724
187	Dialifluids S.r.l. Canosa Sannita (Chieti) Italy (indirect interest through no.	Dialifluids  194 )	100	40	-10
188	Euro 2000 s.r.l. Montalto Uffugo (Cosenza) Italy (indirect interest through no.	Euro 2000  190 )	100	1,156	393
189	Fresenius Medical Care Italia S.p.A. Cremona Italy (indirect interest through no.	FME Italia  3 )	100	69,100	7,992
190	NephroCare S.p.A. Naples Italy (indirect interest through no.	NephroCare Italy  189 )	100	25,604	1,828
191	Nephronet Pomezia S.r.l. Naples Italy (indirect interest through no.	Nephronet Pomezia  190 )	100	2,561	465
192	Only Dialysis S.r.l. Naples Italy (indirect interest through no.	Only Dialysis  190 )	66	-62	-36
193	Polo Dialisi Lombardo S.r.l. Naples Italy (indirect interest through no.	Polo Dialisi Lombardo S.r.l.  190 )	100	183	131
194	SIS-TER S.p.A. Cremona Italy (indirect interest through no.	SIS-TER  189 )	100	17,734	2,171
195	Aco Medical Co., Ltd. Tokyo Japan (indirect interest through no.	Aco Medical Tokyo  201 )	100	-9,805	-250
196	Aozora Medical Ltd. Tokyo Japan (indirect interest through no.	Aozora Medical  310 )	100	-2,340	-5
197	Apro K.K. Tokyo Japan	(t) Apro K.K.	0	3,663 (b)	3,322 (b)
198	Eihin-Kai Tokyo Japan	(t) Eihin-Kai	0	1,331 (b)	120 (b)
199	Eiko-Kai Tokyo Japan	(t) Eiko-Kai	0	12,073 (b)	5,226 (b)
200	Fresenius-Kawasumi Co., Ltd. Tokyo Japan (indirect interest through no.	FMC Kawasumi  3 )	70	17,665	1,526
201	Fresenius Medical Care Japan K.K. Tokyo Japan (indirect interest through no.	FMC Japan  3 )	100	106,656	7,595
202	Fuji Investment Holding K.K. Tokyo Japan	(t) Fuji Investment Holding	0	47,445	1,824
203	General Incorporated Foundation Kanzen Kai Tokyo Japan	(t) GIF Kanzen Kai	0	92	35
204	Goto Clinic Fukuoka Japan	(t) Goto Clinic	0	234	-181
205	Hospico Japonica Co., Ltd. Mito Japan (indirect interest through no.	Hospico  195 )	100	198	-15
206	Keisuiikai Tajima Clinic Sapporo Japan	(t) Tajima clinic	0	-389	-241
207	Keitoku-kai Clinic Tokio Japan	(t) Keitoku-kai	0	-28 (v)	203 (v)
208	Kubojima Clinic Saitama Japan	(t) Kubojima Clinic	0	1,473	286
209	Mecom K.K. Yokohama Japan	(t) Mecom K.K.	0	2,072 (b)	1,816 (b)
210	NephroCare Services Japan K.K. Tokyo Japan	NSJ	100	-2,073	-955
211	Ohshima Clinic Saitama Japan	(t) Ohshima Clinic	0	4,869	899
212	Soft Clean Service K.K. Yokohama Japan	(t) Soft Clean Service K.K.	0	369 (b)	209 (b)
213	Sumiyoshi Clinic Mito Japan	(t) Sumiyoshi Clinic	0	11,899	310

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
214	Tojin-Kai Tokyo Japan	(t) Tojin-Kai	0	27,085 (b)	10,131 (b)
215	Fresenius Medical Care Kazakhstan LLP Almaty Kazakhstan (indirect interest through no.	FMC Kazakhstan 3 )	100	1,357	-876
216	Fresenius Medical Care Korea Ltd. Seoul Korea	FMK	100	87,364	5,787
217	National Medical Care Korea Inc. Seoul Korea	SKR	100	-137	-3
218	NephroCare Korea Inc. Seoul Korea (indirect interest through no.	NephroCare Korea 3 )	100	5,012	260
219	Yeolin Medical Foundation Jeju Korea	(t) Yeolin Medical Foundation	0	-162	546
220	Fresenius Medical Care Lebanon s.a.r.l. Beirut Lebanon (indirect interest through no.	FMC Lebanon 3 )	100	535	-149
221	FMC FINANCE II S.à r.l. (*) Bereldange Luxembourg (indirect interest through no.	FMC Finance II (*) 3 )	100	19,835	4,156
222	FMC FINANCE VII S.A. (*) Luxembourg Luxembourg	FMC Finance VII (*)	100	221	187
223	FMC FINANCE VIII S.A. (*) Luxembourg Luxembourg	FMC Finance VIII (*)	100	283	227
224	Fresenius Medical Care US Finance Luxembourg S.à r.l. Bereldange Luxembourg (indirect interest through no.	FMC US Finance Luxembourg S.à r.l. 3 )	100	645,769	-52
225	PREAFIN III S.à r.l. Luxembourg Luxembourg (indirect interest through no.	PREAFIN III 3 )	100	39,913	-3
226	Asia Renal Care (KL) Sdn. Bhd. Kuala Lumpur Malaysia (indirect interest through no.	ARC (KL) 100 )	54	884	67
227	Asia Renal Care (Malaysia) Sdn. Bhd. Kuala Lumpur Malaysia (indirect interest through no.	ARC (Malaysia) 310 )	100	-733	-141
228	Asia Renal Care (Penang) Sdn. Bhd. Penang Malaysia (indirect interest through no.	ARC (Penang) 310 )	70	-224	-10
229	Fresenius Medical Care Malaysia Sdn. Bhd. Kuala Lumpur Malaysia	FMC Malaysia	100	22,405	-899
230	Fresenius Medical Care Production Sdn Bhd Kuala Lumpur Malaysia (indirect interest through no.	FMC Production 229 )	100	4,561	-1,774
231	Fresenius Medical Care Technologies (Malaysia) Sdn Bhd. Petaling Jaya Malaysia (indirect interest through no.	Coremed 229 )	100	1,164	190
232	Pusat Dialisis Ehsan Perak Sdn Bhd Taiping Malaysia (indirect interest through no.	Pusat Dialisis Ehsan Perak 233 )	100	487	-2
233	Pusat Dialisis Taiping Sdn Bhd Taiping Malaysia (indirect interest through no.	Pusat 229 )	100	2,486	214
234	Renal Care Dialysis Services Sdn. Bhd. Kuala Lumpur Malaysia (indirect interest through no.	Renal Care Dialysis Services Sdn. Bhd. 310 )	60	-61	9
235	The Kidney Dialysis Center Sdn. Bhd. Kuala Lumpur Malaysia (indirect interest through no.	The Kidney Dialysis Center Sdn. Bhd. 229 )	100	14	-18
236	TSC Renal Care Dialysis Centre Sdn Bhd Penang Malaysia (indirect interest through no.	TSC Renal Care Dialysis Centre 233 )	100	23	-36
237	Fresenius Medical Care Global Insurance Ltd. St. Julians Malta (indirect interest through no.	FMC Global Insurance Ltd. 238 )	100	(a)	(a)
238	Fresenius Medical Care Malta Holdings Ltd. St. Julians Malta (indirect interest through no.	FMC Malta Holdings Ltd. 224 )	100	(a)	(a)
239	Fresenius Medical Care US Finance Malta Ltd. St. Julians Malta (indirect interest through no.	FMC US Finance Malta Ltd. 238 )	100	(a)	(a)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
240	Erika de Reynosa, S.A. de C.V. Mexico City Mexico (indirect interest through no.	(m) Erika Reynosa 798 )	100	(f)	(f)
241	Fresenius Medical Care Compania de Servicios, S.A. de C.V. Guadalajara, Jalisco Mexico	FMC Compania de Servicios	100	2,360	318
242	Fresenius Medical Care de Mexico, S.A. de C.V. Guadalajara, Jalisco Mexico	FMC Mexico	100	25,563	7,134
243	Fresenius Medical Care Nord Ouest et Centre Afrique S.A. Casablanca Morocco (indirect interest through no.	FMC NOCA 3 )	100	9,944	1,117
244	Fresenius Medical Care Pharma Afrique S.A. Casablanca Morocco (indirect interest through no.	FMC Pharma Afrique 3 )	100	6,151	1,524
245	Fresenius Arcadia Holding B.V. Amsterdam Netherlands (indirect interest through no.	Fresenius Arcadia Holding 3 )	100	91,595	-27
246	Fresenius Medical Care Eastern Europe Holding B.V. Amsterdam Netherlands (indirect interest through no.	FMC EEH B.V. 3 )	100	-51	-17
247	Fresenius Medical Care Far East Holding B.V. Amsterdam Netherlands	FMC FEH B.V.	100	69,736	-39
248	Fresenius Medical Care Nederland B.V. Nieuwkuijk Netherlands (indirect interest through no.	FMC Nederland 221 )	100	6,811	994
249	Holiday Dialysis International Holdings B.V. Nieuwkuijk Netherlands (indirect interest through no.	HDI 3 )	100	-1,815	-141
250	IDC Holding B.V. Amsterdam Netherlands (indirect interest through no.	IDC Holding B.V. 3 )	100	37,429	-42
251	International Dialysis Centers B.V. Amsterdam Netherlands (indirect interest through no.	IDC 250 )	100	29,564	-120
252	International Dialysis Centers Russia Holding B.V. Amsterdam Netherlands (indirect interest through no.	IDC Russia Holding 251 )	100	-38,673	-1,678
253	Krasnoyarsk Region B.V. Amsterdam Netherlands (indirect interest through no.	Krasnoyarsk Region 3 )	100	-87	-35
254	RKZ Dialysecentrum B.V. Beverwijk Netherlands (indirect interest through no.	RKZ B.V. 248 )	90	2,182	14
255	Rostov Region B.V. Amsterdam Netherlands (indirect interest through no.	Rostov Region 42 )	100	-45	-30
256	Fresenius Medical Care Pakistan (Private) Ltd. Lahore Pakistan (indirect interest through no.	FMC Pakistan 3 )	100	6,443	1,271
257	Centro Nefrológico Villa Sur S.A.C. Lima Peru (indirect interest through no.	Villa Sur 259 )	100	321	-29
258	Clinica de enfermedades renales y diálisis del Sur S.A.C. Clerdisur S.A.C. Arequipa Peru (indirect interest through no.	Clerdisur 259 )	100	839	159
259	Fresenius Medical Care del Perú S.A. Lima Peru (indirect interest through no.	FMC Peru 3 )	100	8,125	1,024
260	Nefro Salud Chiclayo S.A.C. Chiclayo Peru (indirect interest through no.	Nefro Salud 259 )	100	396	10
261	Asia Renal Care (Philippines) Inc. Quezon City Philippines (indirect interest through no.	ARC (Philippines) Inc. 101 )	80	-593	-433
262	FMC Renalcare Corp. (*) Makati City Philippines (indirect interest through no.	FMC Renalcare (*) 3 )	100	-4,067	-1,157
263	Fresenius Medical Care Philippines, Inc. Makati City Philippines	FMC Philippines	100	17,591	279
264	Fresenius Medical Care Solutions Services (Philippines), Inc. Metro Manila Philippines (indirect interest through no.	FMC Solutions Services (Philippines) 3 )	100	-1,237	-1,170
265	Mindanao Renal Care Inc. Metro Manila Philippines (indirect interest through no.	Mindanao Renal Care 262 )	60	246	90



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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
266	RSI Dialysis Center Inc. Metro Manila Philippines (indirect interest through no.	RSI Dialysis Center Inc. 262 )	74	191	-360
267	Fresenius Medical Care Polska S.A. Poznan Poland (indirect interest through no.	FMC Polska 3 )	100	141,332	3,699
268	Fresenius Medical Care SSC Sp. z o.o. Wroclaw Poland (indirect interest through no.	FMC SSC 3 )	100	452	206
269	Fresenius Nephrocare Polska Sp.z.o.o. Poznan Poland (indirect interest through no.	Nephrocare Polska 267 )	100	16,887	3,402
270	C.D.B.I. - Centro de Diálise da Beira Interior, S.A. Covilha Portugal (indirect interest through no.	CDBI 275 )	51	244	66
271	DIALVERCA - Sociedade Médica S.A. Vila Franca de Xira Portugal (indirect interest through no.	Dialverca 275 )	51	-14	56
272	Fresenius Medical Care Portugal, S.A. Lisbon Portugal (indirect interest through no.	FMC Portugal 273 )	100	14,475	-8,487
273	Fresenius Medical Care, SGPS, SA Maia Portugal (indirect interest through no.	FMC SGPS 3 )	100	146,295	16,493
274	FRESENIUS PORTUGAL REAL ESTATE, S.A. Lisbon Portugal (indirect interest through no.	Fresenius Real 273 )	100	10,713	2,500
275	NephroCare Portugal, S.A. Lisbon Portugal (indirect interest through no.	Nephrocare Portugal 273 )	100	76,435	15,934
276	Fresenius Medical Care Romania Srl Bucharest Romania (indirect interest through no.	FMC Romania 3 )	100	20,593	1,164
277	Fresenius Nephrocare Romania Srl Bucharest Romania (indirect interest through no.	FNC Romania 3 )	100	33,756	3,974
278	Nefrocare CL SRL Bucharest Romania (indirect interest through no.	Nefrocare CL 277 )	100	-274	60
279	Nefrocare DJ SRL Cluj-Napoca Romania (indirect interest through no.	Nefrocare DJ 277 )	100	-1,324	-33
280	Nefrocare Med SRL Bucharest Romania (indirect interest through no.	Nefrocare Med 277 )	100	-1,284	-106
281	Nefrocare MS SRL Cluj-Napoca Romania (indirect interest through no.	Nefrocare MS 277 )	100	1,995	486
282	Nefrocare Sig SRL Cluj-Napoca Romania (indirect interest through no.	Nefrocare Sig 277 )	100	-197	81
283	Nefrocare VS SRL Cluj-Napoca Romania (indirect interest through no.	Nefrocare VS 277 )	100	795	264
284	Nefromed BM SRL Cluj-Napoca Romania (indirect interest through no.	Nefromed BM 277 )	100	-1,316	-41
285	NEFROMED DIALYSIS CENTERS S.R.L. Bucharest Romania (indirect interest through no.	Nefromed Dialysis Centers 132 )	100	6,434	1,529
286	NEFROMED S.R.L. Timisoara Romania (indirect interest through no.	Nefromed 132 )	100	1,482	238
287	Nefromed SJ SRL Cluj-Napoca Romania (indirect interest through no.	Nefromed SJ 277 )	100	-502	158
288	Potalissa Renal Care SRL Cluj-Napoca Romania (indirect interest through no.	Potalissa Renal Care 277 )	100	148	214
289	Premium Medical Clinic S.R.L. Ploiesti, Prahova County Romania (indirect interest through no.	Premium Medical Clinic S.R.L. 277 )	100	124	21
290	OOO "FRERUS" Dubna Moscow Region Russian Federation (indirect interest through no.	FRERUS 4 )	100	14,808	2,129

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
291	OOO Fresenius Medical Care Holding Moscow Russian Federation (indirect interest through no.	OOO FMC Holding 3 )	100	25,185	-323
292	OOO Fresenius Medical Care Kuban Krasnodar Russian Federation (indirect interest through no.	OOO Regional Nephrological Centre 3 )	100	-22,928	-6,532
293	OOO Fresenius Medical Care Omsk Omsk Russian Federation (indirect interest through no.	FMC Omsk 42 )	100	1,826	-911
294	OOO Fresenius Nephrocare Moscow Russian Federation (indirect interest through no.	OOO Fresenius Nephrocare 42 )	100	-4,635	-4,404
295	OOO Gemodializny Tsentr Krasnoyarsk Krasnoyarsk Russian Federation (indirect interest through no.	Tsentr Krasnoyarsk 3 )	100	1,308	250
296	OOO Hemodialysis Center Rostov Moscow Russian Federation (indirect interest through no.	OOO Hemodialysis Center Rostov 255 )	100	5,968	-469
297	OOO International Dialysis Centers Kazan Kazan Russian Federation (indirect interest through no.	IDC Kazan 3 )	100	2,562	246
298	OOO Tsentr Dializa Moscow Russian Federation (indirect interest through no.	Tsentr Dializa 3 )	100	3,671	-333
299	OOO Tsentr Dializa Astrakhan Astrakhan Russian Federation (indirect interest through no.	Tsentr Dializa Astrakhan 3 )	100	-194	-498
300	OOO Tsentr Dializa St. Petersburg St. Petersburg Russian Federation (indirect interest through no.	Tsentr Dializa St. Petersburg 3 )	100	-2,127	-822
301	OOO UniFarm Krasnogorsk Russian Federation (indirect interest through no.	UniFarm 3 )	100	360	-43
302	ZAO Fresenius SP Moscow Russian Federation (indirect interest through no.	ZAO Fresenius SP 3 )	100	27,139	18,304
303	Fresenius Medical Care Saudi Arabia Ltd. Jeddah Saudi Arabia	FMC Saudi Arabia	100	-8,601	681
304	Saudi Advanced Renal Services Ltd. (SRS) Riyadh Saudi Arabia	(t) SRS	0	-5,059	-1,733
305	Fresenius Medical Care Srbija društvo sa ogranicenom odgovornoscu Vrsac, Beogradski put bb Vrsac Serbia (indirect interest through no.	FMC Srbija 3 )	100	29,549	6,356
306	Specijalna bolnica za hemodijalizu "Fresenius Medical Care" Beograd, (Special Hospital for hemodialysis "Fresenius Medical Care" Belgrade, Belgrade Serbia (indirect interest through no.	Spec. bolnica za hemodijalizu FMC 305 )	100	1,406	94
307	Specijalna bolnica za hemodijalizu "Fresenius Medical Care", Nis, Nis Serbia (indirect interest through no.	Special Hospital for Hemodialysis 306 )	100	-719	2
308	ARC Kidney Dialysis Pte. Ltd. Singapore Singapore (indirect interest through no.	ARC Kidney Dialysis 310 )	80	1,063	259
309	Asia Renal Care (Katong) Pte. Ltd. Singapore Singapore (indirect interest through no.	ARC (Katong) 312 )	70	592	152
310	Asia Renal Care (SEA) Pte. Ltd. Singapore Singapore (indirect interest through no.	ARC (SEA) 106 )	100	23,549	-52
311	Asia Renal Care Mt Elizabeth Pte. Ltd. Singapore Singapore (indirect interest through no.	ARC Mt Elizabeth 312 )	60	916	353
312	Fresenius Medical Care Singapore Pte. Ltd. Singapore Singapore (indirect interest through no.	FMC Singapore 310 )	100	35,360	3,317
313	Kidney Therapy Centre Pte Ltd. Singapore Singapore (indirect interest through no.	Kidney Therapy Centre Pte Ltd. 312 )	75	844	263
314	Armerina s.r.o. Bratislava Slovakia (indirect interest through no.	Armerina 3 )	100	8,135	1,274
315	FMC - dialyzacne sluzby, s.r.o. (*) Plestany Slovakia (indirect interest through no.	FMC DS (*) 3 )	100	15,648	-252

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
316	Fresenius Medical Care Slovensko, spol. s.r.o. Piešťany Slovakia (indirect interest through no.	FMC Slovensko  3 )	100	8,394	1,233
317	Logman a.s. Bratislava Slovakia (indirect interest through no.	Logman  3 )	100	8,854	457
318	Fresenius Medical Care Slovenija, trgovsko in proizvodno podjetje medicinske opreme d.o.o. Zreče Slovenia (indirect interest through no.	FMC Slovenija  3 )	100	2,533	-31
319	NEFRODIAL, nefrološka in dializna dejavnost d.o.o. Zreče Slovenia (indirect interest through no.	Nefrodial d.o.o.  318 )	100	1,076	631
320	Clinix Renal Care (Pty) Limited Gauteng South Africa (indirect interest through no.	Clinix Renal Care  321 )	50	1,945	539
321	Fresenius Medical Care South Africa (PTY) Limited Johannesburg South Africa (indirect interest through no.	FMC South Africa  3 )	100	22,663	4,367
322	Amex S.A.U. Madrid Spain (indirect interest through no.	Amex  335 )	100	824	-160
323	DIALBILBO, S.L.U. Bilbao Spain (indirect interest through no.	Dialbilbo  335 )	100	392	-117
324	Fresenius Medical Care España, S.A.U. Madrid Spain (indirect interest through no.	FMC Espana  3 )	100	121,949	2,707
325	Fresenius Medical Care Extremadura, S.A. Badajoz Spain (indirect interest through no.	Extremadura  335 )	100	1,021	396
326	Fresenius Medical Care Services Andalucía, S.A.U. Sevilla Spain (indirect interest through no.	CAMEX  335 )	100	9,912	-1,418
327	Fresenius Medical Care Services Canarias, S.L.U. Santa Cruz de Tenerife Spain (indirect interest through no.	FMC Services Canarias  335 )	100	2,072	84
328	Fresenius Medical Care Services Cantabria, S.L.U. Santander Spain (indirect interest through no.	FMC Services Cantabria  335 )	100	3,625	119
329	Fresenius Medical Care Services Castilla y León, S.L.U. Valladolid Spain (indirect interest through no.	FMC Services Castilla y León  335 )	100	11,123	974
330	Fresenius Medical Care Services Catalunya, S.L.U. Barcelona Spain (indirect interest through no.	Services Catalunya  335 )	100	38,776	9,328
331	Fresenius Medical Care Services La Rioja, S.L.U. Logrono Spain (indirect interest through no.	FMC Services La Rioja  335 )	100	564	59
332	Fresenius Medical Care Services Levante, S.A.U. Madrid Spain (indirect interest through no.	Ashdo  335 )	100	9,995	511
333	Fresenius Medical Care Services Madrid, S.A.U. Madrid Spain (indirect interest through no.	I.C.N.  335 )	100	2,245	-1,110
334	Fresenius Medical Care Services Murcia, S.L.U. Murcia Spain (indirect interest through no.	FMC Services Murcia  335 )	100	7,771	1,492
335	National Medical Care of Spain, S.A.U. Madrid Spain (indirect interest through no.	NMC of Spain  324 )	100	60,192	1,231
336	Nephrocare e-services Spain, S.L.U. Madrid Spain (indirect interest through no.	Centro de Dialisis Recoletas Albacete  335 )	100	184	38
337	Santa Bárbara Smart Health, S.L. Puertullano-Ciudad Renal Spain (indirect interest through no.	Centro Medico Santa Barbara  332 )	100	358	7
338	Fresenius Medical Care Sverige AB Stockholm Sweden (indirect interest through no.	Sverige AB  3 )	100	7,776	1,156
339	NephroCare Sverige AB Stockholm Sweden (indirect interest through no.	NephroCare Sverige  338 )	100	1,169	351
340	Fresenius Medical Care (Schweiz) AG Oberdorf Switzerland (indirect interest through no.	FMC Schweiz  3 )	100	12,199	4,572

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
341	Fresenius Medical Care Nephrologica SA Lugano Switzerland (indirect interest through no.	FMC Nephrologica  3 )	100	-336	-5
342	Fresenius Medical Care Servizi Logistici SA Manno Switzerland (indirect interest through no.	Servizi Logistici  3 )	100	1,887	103
343	Unicyte AG Oberdorf Switzerland (indirect interest through no.	Unicyte AG  8 )	100	2,458	-685
344	Unicyte EV AG Oberdorf Switzerland (indirect interest through no.	Unicyte EV AG  343 )	100	180	-1,244
345	Unicyte HLSC AG Oberdorf Switzerland (indirect interest through no.	Unicyte HLSC AG  343 )	100	197	-508
346	Unicyte Islet AG Oberdorf Switzerland (indirect interest through no.	Unicyte Islet AG  343 )	100	238	-281
347	An Hsin Chu-Shan (Chien Ming) Nantou Taiwan	(t) An Hsin Chu-Shan	0	1,016	-19
348	An Hsin Chia-Yi Chiayi Taiwan	(t) An Hsin Chia-Yi	0	2,235	45
349	An Hsin Da Se Clinic Taoyuan Taiwan	(t) Meng Sheng - Da Se	0	213	67
350	An Hsin Nan Zi Kaohsiung Taiwan	(t) An Hsin Nan Zi	0	-95	18
351	An Hsin Qingshui Taichung Taiwan	(t) An Hsin Qingshui	0	1,098	-3
352	Ann Hui Taoyuan Taiwan	(t) Ann Hui	0	193	110
353	Bai Ling (9313/5313) Taipei City Taiwan	(t) Bai Ling	0	71	8
354	Bo You (9621/5821) Kaohsiung City Taiwan	(t) Bo You	0	296	7
355	Chang You (9853/5853) Taichung City Taiwan	(t) Chang You	0	-286	-85
356	Chia En Hua Lien Taiwan	(t) Chia En	0	1,327	244
357	Chia Ling Clinic Kaohsiung Taiwan	(t) Chia Ling Clinic	0	901	-44
358	Deh Chuan New Taipei City Taiwan	(t) Deh Chuan	0	-445	-8
359	Dong Cheng Taipei Taiwan	(t) Dong Cheng	0	141	123
360	Dong Feng (TR71) Dongshi Township Taiwan	(t) Dong Feng	0	-82	64
361	Dong Fu (TRF9) Taichung City Taiwan	(t) Dong Fu	0	-40	70
362	Dong He (5353) Pingtung County Taiwan	(t) Dong He	0	-9	-17
363	Fresenius Medical Care Taiwan Co., Ltd. Taipei Taiwan	FMC Taiwan	100	27,518	5,435
364	Gao Mei (9857/5857) Taichung City Taiwan	(t) Gao Mei	0	-187	-4
365	Hai Ho (TRF5) Tainan City Taiwan	(t) Hai Ho	0	-98	-5
366	He An (5342) Taichung City Taiwan	(t) He An	0	-33	-34
367	He An (9307/5307) New Taipei City Taiwan	(t) He An	0	380	-51
368	He Tai Taipei Taiwan	(t) He Tai	0	-162	66
369	Hong Deh Taipei Taiwan	(t) Hong Deh	0	701	74
370	Hsingchuang Hsinren New Taipei City Taiwan	(t) Hsingchuang Hsinren	0	1,255	404

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No.	Company		Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
				%		
371	Hu Kang Kaohsiung Taiwan	(t)	Hu Kang	0	308	27
372	Hui An (9314/5314) New Taipei City Taiwan	(t)	Hui An	0	300	-151
373	Jen Hui New Taipei City Taiwan	(t)	Jen Hui	0	2,032	103
374	Jia Ai (TRH3) New Taipei City Taiwan	(t)	Jia Ai (TRH3)	0	-61	-61
375	Jia An (9827/5827) Taichung City Taiwan	(t)	Jia An	0	472	50
376	Jia An/Se Hu (9817) Changhwa Taiwan	(t)	Jia An	0	170	28
377	Jia Cheng (5337) New Taipei City Taiwan	(t)	Jia Cheng	0	169	-39
378	Jia De (TRG8) Taipei City Taiwan	(t)	Jia De	0	30	79
379	Jia Fu (9815/5815) Taichung City Taiwan	(t)	Jia Fu	0	100	156
380	Jia Ji (9868/5868) Keelung City Taiwan	(t)	Jia Ji	0	56	-113
381	Jia Kang (9860/5860) Taipei City Taiwan	(t)	Jia Kang	0	-131	-38
382	Jia Ming (9859/5859) Kaohsiung City Taiwan	(t)	Jia Ming	0	161	-51
383	Jia Ping (9865/5865) Pingtung County Taiwan	(t)	Jia Ping	0	351	1
384	Jia Ren (9870/5870) Taichung City Taiwan	(t)	Jia Ren	0	90	83
385	Jia Sheng(9850/5850) Kaohsiung City Taiwan	(t)	Jia Sheng	0	-166	-38
386	Jia Xiang New Taipei City Taiwan	(t)	Jia Xiang	0	1,350	306
387	Jia Xin (5348) Tainan City Taiwan	(t)	Jia Xin	0	-112	-36
388	Jia Xin Clinic Chiayi Taiwan	(t)	Jia Xin Clinic	0	2,135	103
389	Jia Yang (9306/5306) Taichung City Taiwan	(t)	Jia Yang	0	5	36
390	Jia Yi (9315/5315) Taoyuan City Taiwan	(t)	Jia Yi Clinic	0	223	-28
391	Jia Yi (9823/5823) Kaohsiung City Taiwan	(t)	Jia Yi	0	-354	13
392	Jia Yi (TRH0) Fengshan City Taiwan	(t)	Jia Yi	0	1	1
393	Jia You (TRG1) New Taipei City Taiwan	(t)	Jia You	0	117	41
394	Jiate Excelsior Co., Ltd. Taipei Taiwan (indirect interest through no.		JTE  165 )	51	1,982	-778
395	Jie An (9848/5848) Taichung City Taiwan	(t)	Jie An	0	-350	-88
396	Kang Meng Jiayi County Taiwan	(t)	Kang Meng	0	534	224
397	Kuo Cheng New Taipei City Taiwan	(t)	Kuo Cheng	0	2,945	417
398	Lee-Fooh (Li Fu) Tainan Taiwan	(t)	Lee-Fooh (Li Fu)	0	1,932	155
399	Lung Hua (9869/5869) Kaohsiung City Taiwan	(t)	Lung Hua	0	-63	-9
400	Luo An (5303) Yunlin County Taiwan	(t)	Luo An	0	135	-48
401	Qing Tien (5347) Yilan County Taiwan	(t)	Qing Tien	0	227	5

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
402	Rong Yuan(9301/5301) Taoyuan City Taiwan	(t) Rong Yuan	0	494	-58
403	Rui Lin (9321) Changhua County Taiwan	(t) Rui Lin	0	25	-534
404	Shang He (5877) Tainan City Taiwan	(t) Shang He	0	601	172
405	Shang Qun (5334) Jiayi County Taiwan	(t) Shang Qun	0	117	79
406	Shang Shui (TRG7) Jiayi County Taiwan	(t) Shang Shui	0	-347	-127
407	Shen An Clinic Yunlin Taiwan	(t) Shen An Clinic	0	877	102
408	Sheng Wen(9893/5893) Taoyuan Taiwan	(t) Sheng Wen	0	482	21
409	Shin-Loong New Taipei City Taiwan	(t) Shin-Loong	0	3,266	39
410	Si Yuan (TRG6) New Taipei City Taiwan	(t) Si Yuan	0	15	1
411	Sing Fu (5344) Taoyuan City Taiwan	(t) Sing Fu	0	216	31
412	Sing Fu (5352) Tainan City Taiwan	(t) Sing Fu	0	30	7
413	Su Bing Wen (9882) Tainan City Taiwan	(t) Su Bing Wen	0	649	-23
414	Tai Tang Miaoli Taiwan	(t) Tai Tang	0	1,375	219
415	Tai You (9820/5820) Tainan City Taiwan	(t) Tai You	0	309	-77
416	Tian Yuan Kaohsiung City Taiwan	(t) Tian Yuan	0	631	97
417	Tsai Jin Lung (5339) Taichung City Taiwan	(t) Tsai Jin Lung	0	30	-33
418	Xian An (9856/5856) New Taipei City Taiwan	(t) Xian An	0	477	74
419	Xin Feng (9811/5811) Taichung City Taiwan	(t) Xin Feng	0	-464	-133
420	Xing He (9320/5320) Tainan City Taiwan	(t) Xing He	0	115	-4
421	Xing Ru (9805/5805) Taipei City Taiwan	(t) Xing Ru	0	158	33
422	Yaun Mei (9855/5855) Changhua County Taiwan	(t) Yaun Mei	0	-183	-56
423	Yen Da Hsiang Tainan City Taiwan	(t) Yen Da Hsiang	0	2,571	66
424	Yi An Clinic New Taipei City Taiwan	(t) Yi An Clinic	0	67	183
425	Yi Yang (9333/5333) Hsinchu City Taiwan	(t) Yi Yang	0	108	24
426	You Quan (9326/5326) Taichung City Taiwan	(t) You Quan	0	-279	-48
427	You Xin Clinic Tainan Taiwan	(t) You Xin Clinic	0	-11	8
428	Yuan Fu (9866/5866) New Taipei City Taiwan	(t) Yuan Fu	0	364	-17
429	Yuan Xiang (9802) Keelung City Taiwan	(t) Yuan Xiang	0	561	121
430	Yun Shen (9329/5329) Taipei Taiwan	(t) Yun Shan	0	77	-27
431	Asia Renal Care (Thailand) Co. Ltd. Waikana District Thailand (indirect interest through no.	ARC (Thailand) 435 )	100	518	-1
432	Esarn Dialysis Co. Ltd. Samutprakarn Province Thailand (indirect interest through no.	Esarn Dialysis 436 )	100	88	-1

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
433	Fresenius Medical Care (Thailand) Ltd. Bangkok Thailand	FMC Thailand	100	10,800	-524
434	Fresenius Medical Care Ltd. Bangkok Thailand (indirect interest through no.	Fresenius Medical Care Ltd. 3 )	100	9,475	1,574
435	NephroCare (Thailand) Co., Ltd. Bangkok Thailand (indirect interest through no.	Nephrocare Thailand 440 )	100	3,192	441
436	NephroMed Co., Ltd. Samutprakarn Thailand (indirect interest through no.	Nephromed Co. 435 )	100	1,887	106
437	NephroMed Northern Co. Ltd. Samutprakarn Province Thailand (indirect interest through no.	NephroMed Northern 436 )	100	185	3
438	North Eastern Dialysis Co. Ltd. Samutprakarn Province Thailand (indirect interest through no.	North Eastern Dialysis 436 )	100	47	-1
439	Renal Health (Thailand) Co. Ltd. Bangkok Thailand (indirect interest through no.	Renal Health Thailand 3 )	49 (u)	-6	-1
440	Renal Med. Co., Ltd. Bangkok Thailand (indirect interest through no.	Renal Med Thailand 439 )	100	26	-1
441	SMCD (Thailand) Co., Ltd. Samutprakarn Thailand (indirect interest through no.	SMCD (Thailand) 435 )	70	895	40
442	Bursa Uludag Özel Saglik Tesisleri ve Malzemeleri Sanayi ve Ticaret Anonim Sirketi Bursa Turkey (indirect interest through no.	Bursa 461 )	100	202	-48
443	Ece Tibbi Urunler ve Sistemleri Tic. Ltd. Sti. Ankara Turkey (indirect interest through no.	Ece Tibbi Urunler 451 )	100	-1,510	-232
444	Erzurum Diyaliz Hizmetleri A.S. Erzurum Turkey (indirect interest through no.	Erzurum 451 )	100	1,306	-2
445	Fresenius Diyaliz Hizmetleri A.S. Gaziemir Izmir Turkey (indirect interest through no.	Gazi 459 )	100	-1,004	-189
446	Fresenius Diyaliz Hizmetleri A.S. Narlidere Izmir Turkey (indirect interest through no.	Narlidere 461 )	100	-428	-63
447	Fresenius Ecza Deposu A.S. Istanbul Turkey (indirect interest through no.	Fresenius Ecza Deposu 451 )	100	4,267	880
448	Fresenius Istanbul Diyaliz Hizmetleri A.S. Istanbul Turkey (indirect interest through no.	Istanbul 451 )	100	-2,337	-472
449	Fresenius Kayseri Diyaliz Hizmetleri A.S. Istanbul Turkey (indirect interest through no.	Fresenius Kayseri Diyaliz Hizmetleri 451 )	100	-21	-147
450	Fresenius Klinik Hizmetleri Limited Sirketi Istanbul Turkey (indirect interest through no.	Bahçelievler 451 )	100	11	-578
451	Fresenius Medikal Hizmetler A.S. Istanbul Turkey (indirect interest through no.	FMH 3 )	100	57,224	-1,508
452	Fresenius Nefroloji Hizmetleri Anonim Sirketi Istanbul Turkey (indirect interest through no.	Fresenius Nefroloji 451 )	100	31,658	-965
453	Fresenius Renal Hizmetleri Limited Sirketi Istanbul Turkey (indirect interest through no.	RNC Renal Nefroloji 451 )	100	-1,332	-479
454	Fresenius Saglik Hizmetleri A.S. Istanbul Turkey (indirect interest through no.	FSH 451 )	100	1,034	-16
455	FRESENIUS ŞİŞLİ DİYALİZ HİZMETLERİ A.Ş. Istanbul Turkey (indirect interest through no.	Fresenius Sisli 451 )	100	-373	-134
456	Fresenius Yalova Diyaliz Hizmetleri A.S. Yalova Turkey (indirect interest through no.	Yalova 451 )	100	-1,010	-156
457	Güneygodu Anadolu Saglik Hizmetleri A.Ş. Diyarbakir Turkey (indirect interest through no.	GDA 451 )	100	-466	-121

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
458	IDC Uluslararası Diyaliz Merkezleri Limited Sirketi Istanbul Turkey (indirect interest through no.	IDC Uluslararası 251 )	100	-796	-899
459	Izmir Anka Özel Saglik Hizmetleri Tesisleri ve Malzemeleri San. Tic. Ltd. Şti. Izmir Turkey (indirect interest through no.	Anka 461 )	100	262	-18
460	Izmir Renal Saglik Tesisleri ve Malzemeleri San. Tic. A.S. Izmir Turkey (indirect interest through no.	Izmir Renal Saglik 461 )	100	-225	-41
461	Izmir Sevgi Özel Saglik Tesisleri ve Malzemeleri San. Tic. A.S. Izmir Turkey (indirect interest through no.	Sevgi 451 )	100	323	-323
462	Ozel Ren Grup Dialysis Clinic Istanbul Turkey (indirect interest through no.	Ozel Ren Grup Dialysis Clinic 451 )	100	104	2
463	Serhat Saglikli Yasam Özel Saglik Hizmetleri Tıbbi ve Kimyasal Ürünler İriyat Insaat Taahhüt Sanayi ve Ticaret Limited Sirketi Erzurum Turkey (indirect interest through no.	Serhat 444 )	100	-138	-11
464	Yasam Özel Saglik Hizmetleri AS in liquidation Diyarbakir Turkey (indirect interest through no.	Yasam Özel Saglik 249 )	100	192	19
465	Fresenius Medical Care Ukraine TOV Kiev Ukraine (indirect interest through no.	FMC Ukraine 3 )	100	-1,270	1,022
466	Fresenius Medical Care Gulf Services FZ-LLC Dubai United Arab Emirates (indirect interest through no.	FMC Gulf Services FZ-LLC 3 )	100	13	0
467	Fresenius Medical Care Middle East FZ-LLC Dubai United Arab Emirates (indirect interest through no.	FMC Gulf FZ-LLC 3 )	100	2,837	-363
468	Fresenius Medical Care (Holdings) Limited Nottinghamshire United Kingdom (indirect interest through no.	FMC (Holdings) 3 )	100	10,048	-202
469	Fresenius Medical Care (U.K.) Limited Nottinghamshire United Kingdom (indirect interest through no.	FMC (U.K.) 468 )	100	53,959	5,992
470	Fresenius Medical Care Renal Services (IDC) Limited Nottinghamshire United Kingdom (indirect interest through no.	IDC UK 468 )	100	-2,631	1,497
471	Fresenius Medical Care Renal Services (SS) Limited Nottinghamshire United Kingdom (indirect interest through no.	FMC Renal Services (SS) 470 )	100	-1,976	-91
472	Fresenius Medical Care Renal Services (UAE) Limited Nottinghamshire United Kingdom (indirect interest through no.	FMC RS (UAE) 468 )	100	621	-15
473	Fresenius Medical Care Renal Services (UK) Limited Nottinghamshire United Kingdom (indirect interest through no.	FMC Renal Services (UK) 468 )	100	-3,833	-2,324
474	Fresenius Medical Care Renal Services Limited Nottinghamshire United Kingdom (indirect interest through no.	FMC Renal Services 468 )	100	24,738	1,739
475	Optimal Renal Care UK Ltd. Nottinghamshire United Kingdom (indirect interest through no.	Optimal Renal Care UK 468 )	100	15	0
476	021808 Holdings LLC Delaware USA (indirect interest through no.	(m) 021808 Holdings 1509 )	85	(f)	(f)
477	021808 LLC Delaware USA (indirect interest through no.	(m) 021808 476 )	60	(f)	(f)
478	022808 Holdings LLC Delaware USA (indirect interest through no.	(m) 022808 Holdings 1509 )	100	(f)	(f)
479	022808 Kenwood Holdings LLC Delaware USA (indirect interest through no.	(m) Kenwood Holdings 1509 )	100	(f)	(f)
480	022808 Kenwood LLC Delaware USA (indirect interest through no.	(m) Kenwood 479 )	50	(f)	(f)
481	022808 LLC Delaware USA (indirect interest through no.	(m) 022808 478 )	50	(f)	(f)
482	2217 East High Street, LLC Delaware USA (indirect interest through no.	(m) 2217 East High Street 616 )	80	(f)	(f)



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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
483	AAC Management Services, LLC Delaware USA (indirect interest through no.	(m) AAC Management Services  535 )	89	(f)	(f)
484	Access Associates of Utah, LLC Delaware USA (indirect interest through no.	(m) Access Associates of Utah  1625 )	100	(f)	(f)
485	Access Care Management Services, L.L.C. New Jersey USA (indirect interest through no.	(m) ACMS  494 )	100	(f)	(f)
486	Acumen Physician Solutions, LLC Delaware USA (indirect interest through no.	(m) Acumen Physician Solutions  997 )	100	(f)	(f)
487	Acute Extracorporeal Services, L.L.C. Delaware USA (indirect interest through no.	(m) Acute Services  1324 )	100	(f)	(f)
488	Alabama Nephrologists, Inc. Delaware USA (indirect interest through no.	(m) Alabama Nephrologists  1124 )	100	(f)	(f)
489	Alaska Nephrologists, LLC Delaware USA (indirect interest through no.	(m) Alaska Nephrologists  1124 )	100	(f)	(f)
490	Albany Kidney Care, LLC Delaware USA (indirect interest through no.	(m) Albany Kidney Care  1124 )	100	(f)	(f)
491	Albuquerque Westside, LLC Delaware USA (indirect interest through no.	(m) Albuquerque Westside  610 )	51	(f)	(f)
492	Alexandria Ambulatory Surgery Center, LP Texas USA	(m, t) Alexandria Ambulatory Surgery Center	0	(f)	(f)
493	American Access Care Holdings, L.L.C. Delaware USA (indirect interest through no.	(m) AAC Holdings  495 )	100	(f)	(f)
494	American Access Care Intermediate Holdings, LLC Delaware USA (indirect interest through no.	(m) American Access Care Intermediate Holdings  493 )	100	(f)	(f)
495	American Access Care Investment Holdings, LLC Delaware USA (indirect interest through no.	(m) American Access Care Investment Holdings  1299 )	100	(f)	(f)
496	American Access Care of Atlanta, L.L.C. Delaware USA (indirect interest through no.	(m) American Access Care of Atlanta  535 )	75	(f)	(f)
497	American Access Care of Baltimore ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Baltimore ASC  498 )	100	(f)	(f)
498	American Access Care of Baltimore, LLC New Jersey USA (indirect interest through no.	(m) American Access Care of Baltimore  535 )	100	(f)	(f)
499	American Access Care of Bellmore, L.L.C. New Jersey USA (indirect interest through no.	(m) American Access Care of Bellmore  535 )	100	(f)	(f)
500	American Access Care of Brooklyn, L.L.C. New Jersey USA (indirect interest through no.	(m) American Access Care of Brooklyn  535 )	100	(f)	(f)
501	American Access Care of Bucks County, LLC Pennsylvania USA (indirect interest through no.	(m) American Access Care of Bucks County  535 )	100	(f)	(f)
502	American Access Care of Chicago, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Chicago  535 )	83	(f)	(f)
503	American Access Care of Connecticut, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Connecticut  535 )	75	(f)	(f)
504	American Access Care of Detroit, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Detroit  535 )	100	(f)	(f)
505	American Access Care of Florida ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Florida ASC  506 )	100	(f)	(f)
506	American Access Care of Florida, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Florida  535 )	83	(f)	(f)
507	American Access Care of Jacksonville ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Jacksonville ASC  508 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
508	American Access Care of Jacksonville, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Jacksonville 535 )	85	(f)	(f)
509	American Access Care of Miami ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Miami ASC 510 )	100	(f)	(f)
510	American Access Care of Miami, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Miami 535 )	65	(f)	(f)
511	American Access Care of New Jersey ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of New Jersey ASC 512 )	100	(f)	(f)
512	American Access Care of New Jersey, L.L.C. New Jersey USA (indirect interest through no.	(m) American Access Care of New Jersey 535 )	100	(f)	(f)
513	American Access Care of NYC ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of NYC ASC 514 )	100	(f)	(f)
514	American Access Care of NYC, L.L.C. New Jersey USA (indirect interest through no.	(m) American Access Care of NYC 535 )	100	(f)	(f)
515	American Access Care of Orlando ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Orlando ASC 516 )	100	(f)	(f)
516	American Access Care of Orlando, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Orlando 535 )	99	(f)	(f)
517	American Access Care of Pennsylvania ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Pennsylvania ASC 518 )	100	(f)	(f)
518	American Access Care of Pennsylvania, L.L.C. New Jersey USA (indirect interest through no.	(m) American Access Care of Pennsylvania 535 )	100	(f)	(f)
519	American Access Care of Pittsburgh, LLC Pennsylvania USA (indirect interest through no.	(m) American Access Care of Pittsburgh 535 )	100	(f)	(f)
520	American Access Care of Queens, LLC New Jersey USA (indirect interest through no.	(m) American Access Care of Queens 535 )	100	(f)	(f)
521	American Access Care of Rhode Island ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Rhode Island ASC 522 )	100	(f)	(f)
522	American Access Care of Rhode Island, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Rhode Island 535 )	92	(f)	(f)
523	American Access Care of Richmond ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Richmond ASC 524 )	100	(f)	(f)
524	American Access Care of Richmond, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Richmond 535 )	100	(f)	(f)
525	American Access Care of San Diego, LLC California USA (indirect interest through no.	(m) American Access Care of San Diego 535 )	99	(f)	(f)
526	American Access Care of SI, LLC Delaware USA (indirect interest through no.	(m) American Access Care of SI 535 )	65	(f)	(f)
527	American Access Care of SP ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of SP ASC 528 )	100	(f)	(f)
528	American Access Care of SP, L.L.C. New Jersey USA (indirect interest through no.	(m) American Access Care of SP 535 )	51	(f)	(f)
529	American Access Care of Suffolk County, LLC New York USA (indirect interest through no.	(m) American Access Care of Suffolk County 535 )	100	(f)	(f)
530	American Access Care of the Bronx, LLC New York USA (indirect interest through no.	(m) American Access Care of the Bronx 535 )	100	(f)	(f)
531	American Access Care of Towson ASC, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Towson ASC 532 )	100	(f)	(f)
532	American Access Care of Towson, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Towson 535 )	78	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
533	American Access Care of Union County, LLC New Jersey USA (indirect interest through no.	(m) American Access Care of Union County 535 )	100	(f)	(f)
534	American Access Care of Westchester, LLC Delaware USA (indirect interest through no.	(m) American Access Care of Westchester 535 )	72	(f)	(f)
535	American Access Care, L.L.C. New York USA (indirect interest through no.	(m) AAC 494 )	100	(f)	(f)
536	American Physicians, Inc. Arizona USA (indirect interest through no.	(m) American Physicians 1948 )	100	(f)	(f)
537	Angleton Dialysis, Inc. Texas USA (indirect interest through no.	(m) Angleton Dialysis 856 )	100	(f)	(f)
538	Apheresis Care Group, Inc. Delaware USA (indirect interest through no.	(m) Apheresis Care Group 1886 )	100	(f)	(f)
539	Apollo-Hauppauge, LLC New York USA	(m, t) Apollo-Hauppauge	0	(f)	(f)
540	Apollo Healthcare, LLC New York USA	(m, t) Apollo Healthcare	0	(f)	(f)
541	Arizona Renal Investments, LLC Delaware USA (indirect interest through no.	(m) Arizona Renal Investments 1886 )	100	(f)	(f)
542	Atlanta Kidney Care, LLC Delaware USA (indirect interest through no.	(m) Atlanta Kidney Care 1124 )	100	(f)	(f)
543	Aurora Hospitalist, P.C. New York USA	(m, t) Aurora Hospitalist	0	(f)	(f)
544	Avantus Renal Therapy New York, LLC New York USA (indirect interest through no.	(m) Avantus Renal Therapy 1890 )	100	(f)	(f)
545	Baltimore County Dialysis, LLC Delaware USA (indirect interest through no.	(m) Baltimore County Dialysis 1192 )	51	(f)	(f)
546	Baltimore County Lutherville Dialysis, LLC Delaware USA (indirect interest through no.	(m) Baltimore County Lutherville Dialysis 545 )	100	(f)	(f)
547	Baton Rouge Vascular Access ASC, LLC Delaware USA (indirect interest through no.	(m) Baton Rouge Vascular Access ASC 548 )	100	(f)	(f)
548	Baton Rouge Vascular Access, LLC Delaware USA (indirect interest through no.	(m) Baton Rouge Vascular Access 1299 )	60	(f)	(f)
549	Baytown ASC, LP Texas USA	(m, t) Baytown ASC	0	(f)	(f)
550	BCLD Holdings LLC Delaware USA (indirect interest through no.	(m) BCLD Holdings 1509 )	100	(f)	(f)
551	BCLD LLC Delaware USA (indirect interest through no.	(m) BCLD 550 )	100	(f)	(f)
552	Beaumont ASC, LP Texas USA	(m, t) Beaumont ASC	0	(f)	(f)
553	Bergen Renal Care Center, LLC Delaware USA (indirect interest through no.	(m) Bergen Renal Care Center 1192 )	59	(f)	(f)
554	Bergen Renal Home PD Center, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Holy Name Home PD Center 1192 )	59	(f)	(f)
555	Bessler, M.D., PLLC Nevada USA	(m, t) Bessler, M.D.	0	(f)	(f)
556	Bio-Medical Applications Home Dialysis Services, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Home Dialysis 557 )	100	(f)	(f)
557	Bio-Medical Applications Management Company, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Management 1591 )	100	(f)	(f)
558	Bio-Medical Applications of Aguadilla, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Aquadilla 557 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
559	Bio-Medical Applications of Alabama, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Alabama 557 )	100	(f)	(f)
560	Bio-Medical Applications of Amarillo, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Amarillo 557 )	100	(f)	(f)
561	Bio-Medical Applications of Anacostia, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Anacostia 557 )	100	(f)	(f)
562	Bio-Medical Applications of Arecibo, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Arecibo 557 )	100	(f)	(f)
563	Bio-Medical Applications of Arizona, LLC Delaware USA (indirect interest through no.	(m) Bio-Medical Arizona 557 )	55	(f)	(f)
564	Bio-Medical Applications of Arkansas, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Arkansas 557 )	100	(f)	(f)
565	Bio-Medical Applications of Bayamon, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Bayamon 557 )	100	(f)	(f)
566	Bio-Medical Applications of Blue Springs, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Blue Springs 557 )	100	(f)	(f)
567	Bio-Medical Applications of Caguas, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Caguas 557 )	100	(f)	(f)
568	Bio-Medical Applications of California, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical California 557 )	100	(f)	(f)
569	Bio-Medical Applications of Camarillo, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Camarillo 557 )	100	(f)	(f)
570	Bio-Medical Applications of Capitol Hill, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Capitol Hill 557 )	100	(f)	(f)
571	Bio-Medical Applications of Carolina, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Carolina PR 557 )	100	(f)	(f)
572	Bio-Medical Applications of Carson, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Carson 557 )	100	(f)	(f)
573	Bio-Medical Applications of Clinton, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Clinton 557 )	100	(f)	(f)
574	Bio-Medical Applications of Columbia Heights, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Columbia Heights 557 )	100	(f)	(f)
575	Bio-Medical Applications of Connecticut, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Connecticut 557 )	100	(f)	(f)
576	Bio-Medical Applications of Delaware, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Delaware 557 )	100	(f)	(f)
577	Bio-Medical Applications of Dover, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Dover NH 557 )	100	(f)	(f)
578	Bio-Medical Applications of Eureka, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Eureka 557 )	100	(f)	(f)
579	Bio-Medical Applications of Fayetteville, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Fayetteville 557 )	100	(f)	(f)
580	Bio-Medical Applications of Florida, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Florida 557 )	100	(f)	(f)
581	Bio-Medical Applications of Fremont, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Fremont 557 )	100	(f)	(f)
582	Bio-Medical Applications of Fresno, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Fresno CA 557 )	100	(f)	(f)
583	Bio-Medical Applications of Georgia, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Georgia 557 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
584	Bio-Medical Applications of Glendora, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Glendora 557 )	100	(f)	(f)
585	Bio-Medical Applications of Guayama, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Guayama 557 )	100	(f)	(f)
586	Bio-Medical Applications of Hoboken, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Hoboken 557 )	100	(f)	(f)
587	Bio-Medical Applications of Humacao, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Humacao 557 )	100	(f)	(f)
588	Bio-Medical Applications of Idaho, LLC Delaware USA (indirect interest through no.	(m) Bio-Medical Idaho 997 )	100	(f)	(f)
589	Bio-Medical Applications of Illinois, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Illinois 1591 )	100	(f)	(f)
590	Bio-Medical Applications of Indiana, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Indiana 557 )	100	(f)	(f)
591	Bio-Medical Applications of Kansas, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Kansas 557 )	100	(f)	(f)
592	Bio-Medical Applications of Kentucky, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Kentucky 557 )	100	(f)	(f)
593	Bio-Medical Applications of Las Americas Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Las Americas 557 )	100	(f)	(f)
594	Bio-Medical Applications of Long Beach Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Long Beach 557 )	100	(f)	(f)
595	Bio-Medical Applications of Los Gatos, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Los Gatos 557 )	100	(f)	(f)
596	Bio-Medical Applications of Louisiana, LLC Delaware USA (indirect interest through no.	(m) Bio-Medical Louisiana 599 )	100	(f)	(f)
597	Bio-Medical Applications of Maine, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Maine 557 )	100	(f)	(f)
598	Bio-Medical Applications of Manchester Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Manchester 557 )	100	(f)	(f)
599	Bio-Medical Applications of Maryland, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Maryland 557 )	100	(f)	(f)
600	Bio-Medical Applications of Massachusetts Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Massachusetts 557 )	100	(f)	(f)
601	Bio-Medical Applications of Mayaguez Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Mayaguez 557 )	100	(f)	(f)
602	Bio-Medical Applications of Michigan, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Michigan 557 )	100	(f)	(f)
603	Bio-Medical Applications of Minnesota, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Minnesota 557 )	100	(f)	(f)
604	Bio-Medical Applications of Mission Hills, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Misson Hills 557 )	100	(f)	(f)
605	Bio-Medical Applications of Mississippi, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Mississippi 557 )	100	(f)	(f)
606	Bio-Medical Applications of Missouri, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Missouri 557 )	100	(f)	(f)
607	Bio-Medical Applications of Nevada, Inc. Nevada USA (indirect interest through no.	(m) Bio-Medical Nevada 557 )	100	(f)	(f)
608	Bio-Medical Applications of New Hampshire Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical New Hampshire 557 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
609	Bio-Medical Applications of New Jersey Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical New Jersey 557 )	100	(f)	(f)
610	Bio-Medical Applications of New Mexico Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical New Mexico 557 )	100	(f)	(f)
611	Bio-Medical Applications of North Carolina Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical North Carolina 557 )	100	(f)	(f)
612	Bio-Medical Applications of Northeast DC Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Northeast DC 557 )	100	(f)	(f)
613	Bio-Medical Applications of Oakland Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Oakland 557 )	100	(f)	(f)
614	Bio-Medical Applications of Ohio, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Ohio 557 )	100	(f)	(f)
615	Bio-Medical Applications of Oklahoma, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Oklahoma 557 )	100	(f)	(f)
616	Bio-Medical Applications of Pennsylvania Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Pennsylvania 557 )	100	(f)	(f)
617	Bio-Medical Applications of Ponce Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Ponce 557 )	100	(f)	(f)
618	Bio-Medical Applications of Puerto Rico Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Puerto Rico 557 )	100	(f)	(f)
619	Bio-Medical Applications of Rhode Island Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Rhode Island 557 )	100	(f)	(f)
620	Bio-Medical Applications of Rio Piedras Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Rio Piedras 557 )	100	(f)	(f)
621	Bio-Medical Applications of San Antonio, LLC Delaware USA (indirect interest through no.	(m) Bio-Medical San Antonio 1148 )	100	(f)	(f)
622	Bio-Medical Applications of San German Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical San German 557 )	100	(f)	(f)
623	Bio-Medical Applications of San Juan, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical San Juan 557 )	100	(f)	(f)
624	Bio-Medical Applications of South Carolina Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical South Carolina 557 )	100	(f)	(f)
625	Bio-Medical Applications of Southeast Washington Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical SE Washington 557 )	100	(f)	(f)
626	Bio-Medical Applications of Tennessee Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Tennessee 557 )	100	(f)	(f)
627	Bio-Medical Applications of Texas, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Texas 557 )	100	(f)	(f)
628	Bio-Medical Applications of the District of Columbia Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Columbia 557 )	100	(f)	(f)
629	Bio-Medical Applications of Ukiah Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Ukiah 557 )	100	(f)	(f)
630	Bio-Medical Applications of Virginia, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Virginia 557 )	100	(f)	(f)
631	Bio-Medical Applications of West Virginia Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical West Virginia 557 )	100	(f)	(f)
632	Bio-Medical Applications of Wisconsin, Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Wisconsin 557 )	100	(f)	(f)
633	Bio-Medical Applications of Woonsocket Inc. Delaware USA (indirect interest through no.	(m) Bio-Medical Woonsocket 557 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
634	Bio-Medical Applications of Wyoming, LLC Delaware USA (indirect interest through no.	(m) Bio-Medical Wyoming  888 )	100	(f)	(f)
635	Boise Dialysis LLC Delaware USA (indirect interest through no.	(m) Boise Dialysis  1513 )	84	(f)	(f)
636	Boise Dialysis Partners II, LLC Delaware USA (indirect interest through no.	(m) Boise Dialysis Partners II  1509 )	56	(f)	(f)
637	Boise LD, LLC Delaware USA (indirect interest through no.	(m) Boise LD  1509 )	100	(f)	(f)
638	Brazoria Kidney Center, Inc. Texas USA (indirect interest through no.	(m) Brazoria Kidney Center  1986 )	100	(f)	(f)
639	Brevard County Dialysis, LLC Florida USA (indirect interest through no.	(m) Brevard County Dialysis  1872 )	100	(f)	(f)
640	Bryan College Station ASC, LP Texas USA	(m, t) Bryan College Station ASC	0	(f)	(f)
641	BVLD Holdings LLC Delaware USA (indirect interest through no.	(m) BVLD Holdings  1509 )	100	(f)	(f)
642	BVLD LLC Delaware USA (indirect interest through no.	(m) BVLD  641 )	100	(f)	(f)
643	Cardiac Cath Lab of Alexandria, GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Alexandria  1589 )	100	(f)	(f)
644	Cardiac Cath Lab of Alexandria, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Alexandria  1594 )	35	(f)	(f)
645	Cardiac Cath Lab of Baytown GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Baytown GP  1589 )	100	(f)	(f)
646	Cardiac Cath Lab of Baytown, LP Delaware USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Baytown  1595 )	30	(f)	(f)
647	Cardiac Cath Lab of Beaumont GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Beaumont  1589 )	100	(f)	(f)
648	Cardiac Cath Lab of Beaumont, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Beaumont  1596 )	29	(f)	(f)
649	Cardiac Cath Lab of Bryan/College Station GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Bryan/College Station GP  1589 )	100	(f)	(f)
650	Cardiac Cath Lab of Bryan/College Station, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Bryan/College Station  1597 )	14	(f)	(f)
651	Cardiac Cath Lab of Clear Lake GP LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Clear Lake  1589 )	100	(f)	(f)
652	Cardiac Cath Lab of Clear Lake LP Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Clear Lake  1598 )	100	(f)	(f)
653	Cardiac Cath Lab of Collin County GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Collin County GP  1589 )	100	(f)	(f)
654	Cardiac Cath Lab of Collin County, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Collin County  1599 )	15	(f)	(f)
655	Cardiac Cath Lab of Conroe GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Conroe  1589 )	100	(f)	(f)
656	Cardiac Cath Lab of Conroe, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Conroe  1600 )	28	(f)	(f)
657	Cardiac Cath Lab of Corpus Christi GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Corpus Christi  1589 )	100	(f)	(f)
658	Cardiac Cath Lab of Corpus Christi, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Corpus Christi  1601 )	28	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
659	Cardiac Cath Lab of Dallas GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Dallas 1589 )	100	(f)	(f)
660	Cardiac Cath Lab of Dallas, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Dallas 1602 )	39	(f)	(f)
661	Cardiac Cath Lab of El Paso GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of El Paso 1589 )	100	(f)	(f)
662	Cardiac Cath Lab of El Paso, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of El Paso 1603 )	29	(f)	(f)
663	Cardiac Cath Lab of Fort Myers, GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Fort Myers 1589 )	100	(f)	(f)
664	Cardiac Cath Lab of Fort Myers, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Fort Myers, LP 1604 )	35	(f)	(f)
665	Cardiac Cath Lab of Fort Worth GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Fort Worth 1589 )	100	(f)	(f)
666	Cardiac Cath Lab of Fort Worth, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Fort Worth 1605 )	35	(f)	(f)
667	Cardiac Cath Lab of Kingwood GP LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Kingwood 1589 )	100	(f)	(f)
668	Cardiac Cath Lab of Kingwood, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Kingwood 667 )	30	(f)	(f)
669	Cardiac Cath Lab of Lake Charles GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Lake Charles GP 1589 )	100	(f)	(f)
670	Cardiac Cath Lab of Lake Charles, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Lake Charles 1607 )	35	(f)	(f)
671	Cardiac Cath Lab of Mid Cities GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Mid Cities GP 1589 )	100	(f)	(f)
672	Cardiac Cath Lab of Mid Cities, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Mid Cities 1608 )	15	(f)	(f)
673	Cardiac Cath Lab of NW Houston GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of NW Houston 1589 )	100	(f)	(f)
674	Cardiac Cath Lab of NW Houston, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of NW Houston 1609 )	40	(f)	(f)
675	Cardiac Cath Lab of Phoenix GP, LLC Delaware USA (indirect interest through no.	(m) Cardiac Cath Lab of Phoenix GP 1589 )	100	(f)	(f)
676	Cardiac Cath Lab of Phoenix, LP Delaware USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Phoenix 1610 )	35	(f)	(f)
677	Cardiac Cath Lab of San Antonio GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of San Antonio 1589 )	100	(f)	(f)
678	Cardiac Cath Lab of San Antonio, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of San Antonio 1611 )	35	(f)	(f)
679	Cardiac Cath Lab of Sugarland GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Sugarland 1589 )	100	(f)	(f)
680	Cardiac Cath Lab of Sugarland, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Sugarland 1923 )	32	(f)	(f)
681	Cardiac Cath Lab of TMC GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of TMC 1589 )	100	(f)	(f)
682	Cardiac Cath Lab of TMC, LP Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of TMC LP 1612 )	100	(f)	(f)
683	Cardiac Cath Lab of Tomball GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Tomball GP 1589 )	100	(f)	(f)



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			%		
684	Cardiac Cath Lab of Tomball, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Tomball  1613 )	28	(f)	(f)
685	Cardiac Cath Lab of Tyler GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Tyler GP  1589 )	100	(f)	(f)
686	Cardiac Cath Lab of Tyler, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Tyler  1614 )	30	(f)	(f)
687	Cardiac Cath Lab of Waco GP, LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Waco GP  1589 )	100	(f)	(f)
688	Cardiac Cath Lab of Waco, LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Waco  1615 )	35	(f)	(f)
689	Cardiac Cath Lab of Wichita GP LLC Texas USA (indirect interest through no.	(m) Cardiac Cath Lab of Wichita GP  1589 )	100	(f)	(f)
690	Cardiac Cath Lab of Wichita LP Texas USA (indirect interest through no.	(m, t) Cardiac Cath Lab of Wichita  1616 )	25	(f)	(f)
691	Carolina Dialysis of Mebane, LLC North Carolina USA (indirect interest through no.	(m) Carolina Dialysis  611 )	100	(f)	(f)
692	Carr PLLC Tennessee USA	(m, t) Carr	0	(f)	(f)
693	Cartersville Dialysis Center, LLC Georgia USA (indirect interest through no.	(m) Cartersville Dialysis Center  1872 )	100	(f)	(f)
694	Charing Cross Dialysis LLC Maryland USA (indirect interest through no.	(m, t) Charing Cross Dialysis  1446 )	45	(f)	(f)
695	CINLD Holdings, LLC Delaware USA (indirect interest through no.	(m) CINLD Holdings  1509 )	100	(f)	(f)
696	CINLD, LLC Delaware USA (indirect interest through no.	(m) CINLD  695 )	50	(f)	(f)
697	Clayton County Dialysis, LLC Georgia USA (indirect interest through no.	(m) Clayton County Dialysis  1872 )	100	(f)	(f)
698	Clermont Dialysis Center, LLC Georgia USA (indirect interest through no.	(m) Clermont Dialysis Center  1872 )	100	(f)	(f)
699	Cleveland Renal Care, LLC Delaware USA (indirect interest through no.	(m) Cleveland Renal Care  1124 )	100	(f)	(f)
700	CM Partners Holdings, LLC Delaware USA (indirect interest through no.	(m) Partners Holdings  1509 )	100	(f)	(f)
701	Cobb County Dialysis, LLC Georgia USA (indirect interest through no.	(m) Cobb County Dialysis  1872 )	100	(f)	(f)
702	Coconut Creek Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) Coconut Creek Dialysis Center  580 )	51	(f)	(f)
703	Cogent Healthcare Informatics, Inc. Nevada USA (indirect interest through no.	(m) Cogent Healthcare Informatics  737 )	86	(f)	(f)
704	Cogent Healthcare IPA of New York, Inc. New York USA (indirect interest through no.	(m) Cogent Healthcare IPA of New York  737 )	100	(f)	(f)
705	Cogent Healthcare Management of New York, Inc. New York USA (indirect interest through no.	(m) Cogent Healthcare Management of New York  737 )	100	(f)	(f)
706	Cogent Healthcare Management, Inc. Nevada USA (indirect interest through no.	(m) Cogent Healthcare Management  737 )	100	(f)	(f)
707	Cogent Healthcare of Alabama, Inc. Alabama USA (indirect interest through no.	(m) Cogent Healthcare of Alabama  737 )	100	(f)	(f)
708	Cogent Healthcare of Arizona, P.C. Arizona USA	(m, t) Cogent Healthcare of Arizona	0	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
709	Cogent Healthcare of Brockton, P.C. Massachusetts USA	(m, t) Cogent Healthcare of Brockton	0	(f)	(f)
710	Cogent Healthcare of California, P.C. California USA	(m, t) Cogent Healthcare of California	0	(f)	(f)
711	Cogent Healthcare of Daly City, P.C. California USA	(m, t) Cogent Healthcare of Daly City	0	(f)	(f)
712	Cogent Healthcare of Decatur, L.L.C. Alabama USA (indirect interest through no.	(m) Cogent Healthcare of Decatur.  707 )	100	(f)	(f)
713	Cogent Healthcare of Fort Myers, LLC Florida USA (indirect interest through no.	(m) Cogent Healthcare of Fort Myers  748 )	100	(f)	(f)
714	Cogent Healthcare of Georgia P.C. Georgia USA	(m, t) Cogent Healthcare of Georgia	0	(f)	(f)
715	Cogent Healthcare of Illinois, LLC Illinois USA	(m, t) Cogent Healthcare of Illinois	0	(f)	(f)
716	Cogent Healthcare of Iowa, P.C. Iowa USA	(m, t) Cogent Healthcare of Iowa	0	(f)	(f)
717	Cogent Healthcare of Jackson, MS, LLC Mississippi USA (indirect interest through no.	(m) Cogent Healthcare of Jackson  723 )	100	(f)	(f)
718	Cogent Healthcare of Jacksonville, LLC Florida USA (indirect interest through no.	(m) Cogent Healthcare of Jacksonville  748 )	100	(f)	(f)
719	Cogent Healthcare of Kentucky, P.S.C. Kentucky USA	(m, t) Cogent Healthcare of Kentucky	0	(f)	(f)
720	Cogent Healthcare of Macon, L.L.C. Georgia USA	(m, t) Cogent Healthcare of Macon	0	(f)	(f)
721	Cogent Healthcare of Michigan, P.C. Michigan USA	(m, t) Cogent Healthcare of Michigan	0	(f)	(f)
722	Cogent Healthcare of Minnesota, P.C. Minnesota USA	(m, t) Cogent Healthcare of Minnesota	0	(f)	(f)
723	Cogent Healthcare of Mississippi, Inc. Mississippi USA (indirect interest through no.	(m) Cogent Healthcare of Mississippi  737 )	100	(f)	(f)
724	Cogent Healthcare of Missouri, Inc. Missouri USA (indirect interest through no.	(m) Cogent Healthcare of Missouri  737 )	100	(f)	(f)
725	Cogent Healthcare of Montana, P.C. Montana USA	(m, t) Cogent Healthcare of Montana	0	(f)	(f)
726	Cogent Healthcare of New Jersey, P.C. New Jersey USA	(m, t) Cogent Healthcare of New Jersey	0	(f)	(f)
727	Cogent Healthcare of North Carolina, P.C. North Carolina USA	(m, t) Cogent Healthcare of North Carolina	0	(f)	(f)
728	Cogent Healthcare of Ocala, L.L.C. Florida USA (indirect interest through no.	(m) Cogent Healthcare of Ocala  748 )	100	(f)	(f)
729	Cogent Healthcare of Oregon, P.C. Oregon USA	(m, t) Cogent Healthcare of Oregon	0	(f)	(f)
730	Cogent Healthcare of Pennsylvania, Inc. Pennsylvania USA	(m, t) Cogent Healthcare of Pennsylvania	0	(f)	(f)
731	Cogent Healthcare of Pensacola, L.L.C. Florida USA (indirect interest through no.	(m) Cogent Healthcare of Pensacola  748 )	100	(f)	(f)
732	Cogent Healthcare of Tennessee, P.C. Tennessee USA	(m, t) Cogent Healthcare of Tennessee	0	(f)	(f)
733	Cogent Healthcare of Texas, P.A. Texas USA	(m, t) Cogent Healthcare of Texas	0	(f)	(f)
734	Cogent Healthcare of Virginia, Inc. Virginia USA (indirect interest through no.	(m) Cogent Healthcare of Virginia  737 )	100	(f)	(f)
735	Cogent Healthcare of Washington, P.C. Washington USA	(m, t) Cogent Healthcare of Washington	0	(f)	(f)
736	Cogent Healthcare of Wisconsin, S.C. Wisconsin USA	(m, t) Cogent Healthcare of Wisconsin	0	(f)	(f)
737	Cogent Healthcare, Inc. Delaware USA (indirect interest through no.	(m) Cogent Healthcare  1386 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
738	Cogent Medical Care, P.C. New York USA	(m, t) Cogent Medical Care	0	(f)	(f)
739	Cogent Patient Safety Organization, Inc. Nevada USA (indirect interest through no.	(m) Cogent Patient Safety Organization 737 )	100	(f)	(f)
740	Cogent/Endion Medical Care of New York, P.C. New York USA	(m, t) Cogent/Endion Medical Care of New York	0	(f)	(f)
741	College Park Dialysis, LLC Georgia USA (indirect interest through no.	(m) College Park Dialysis 1872 )	55	(f)	(f)
742	Collin County ASC, LP Texas USA (indirect interest through no.	(m) Collin County ASC 653 )	100	(f)	(f)
743	Colorado River Group, LLC Delaware USA (indirect interest through no.	(m) Colorado River Group 1978 )	100	(f)	(f)
744	Colorado River Management Company of Texas, LLC Texas USA (indirect interest through no.	(m) Colorado River Management Company of Texas 754 )	100	(f)	(f)
745	Columbus Area Renal Alliance, LLC Delaware USA (indirect interest through no.	(m) Columbus Area Renal Alliance 1843 )	100	(f)	(f)
746	Columbus Med Partners, LLC Delaware USA (indirect interest through no.	(m) Columbus Med 700 )	75	(f)	(f)
747	Columbus Renal Care Group, LLC Delaware USA (indirect interest through no.	(m) Columbus RCG 745 )	80	(f)	(f)
748	Comprehensive Hospital Physicians of Florida, Inc. Florida USA (indirect interest through no.	(m) Comprehensive Hospital Physicians of Florida 737 )	100	(f)	(f)
749	Con-Med Supply Company, Inc. Illinois USA (indirect interest through no.	(m) Con-Med Supply Company 799 )	100	(f)	(f)
750	Conejo Valley Dialysis, Inc. California USA (indirect interest through no.	(m) Conejo Dialysis 557 )	100	(f)	(f)
751	Conroe ASC, LP Texas USA (indirect interest through no.	(m) Conroe ASC 655 )	100	(f)	(f)
752	Cottman Avenue Properties, LLC Pennsylvania USA (indirect interest through no.	(m) Cottman Avenue Properties 535 )	100	(f)	(f)
753	Covington Dialysis Center, LLC Georgia USA (indirect interest through no.	(m) Covington Dialysis 1872 )	100	(f)	(f)
754	CRG Operating Company, LLC Delaware USA (indirect interest through no.	(m) CRG Operating Company 743 )	100	(f)	(f)
755	Critical Care Physician of New York, P.C. New York USA	(m, t) Critical Care Physician of New York	0	(f)	(f)
756	Critical Care Physicians of Illinois, LLC Illinois USA	(m, t) Critical Care Physicians of Illinois	0	(f)	(f)
757	Critical Care Physicians of New Jersey, PC New Jersey USA	(m, t) Critical Care Physicians of New Jersey	0	(f)	(f)
758	Critical Care Physicians of Pennsylvania, P.C. Pennsylvania USA	(m, t) Critical Care Physicians of Pennsylvania	0	(f)	(f)
759	CSLD Holdings LLC Delaware USA (indirect interest through no.	(m) CSLD Holdings 1509 )	85	(f)	(f)
760	CSLD Lelaray Holdings LLC Delaware USA (indirect interest through no.	(m) CSLD Lelaray Holdings 1509 )	85	(f)	(f)
761	CSLD Lelaray LLC Delaware USA (indirect interest through no.	(m) CSLD Lelaray 760 )	70	(f)	(f)
762	CSLD LLC Delaware USA (indirect interest through no.	(m) CSLD 759 )	60	(f)	(f)
763	D'iberville Home Program, LLC Delaware USA (indirect interest through no.	(m) D'iberville Home Program 605 )	51	(f)	(f)

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			%		
764	Dallas ASC GP, LLC Delaware USA (indirect interest through no.	(m) Dallas ASC GP  1589 )	100	(f)	(f)
765	Dallas ASC, LP Texas USA (indirect interest through no.	(m) Dallas ASC  764 )	100	(f)	(f)
766	Dallas Inpatient Specialists, PLLC Texas USA (indirect interest through no.	(m, f) Dallas Inpatient Specialists  733 )	45	(f)	(f)
767	Danville Vascular Access, LLC Delaware USA (indirect interest through no.	(m) Danville Vascular Access  1299 )	100	(f)	(f)
768	Denton LD Holdings LLC Delaware USA (indirect interest through no.	(m) Denton LD Holdings  1509 )	100	(f)	(f)
769	Denton LD LLC Delaware USA (indirect interest through no.	(m) Denton LD  768 )	64	(f)	(f)
770	Denver West Hampden, LLC Delaware USA (indirect interest through no.	(m) Denver West Hampden  1192 )	51	(f)	(f)
771	Dialysis America Alabama, LLC Delaware USA (indirect interest through no.	(m) Dialysis America Alabama  1591 )	100	(f)	(f)
772	Dialysis America Georgia, LLC Delaware USA (indirect interest through no.	(m) Dialysis America Georgia  997 )	100	(f)	(f)
773	Dialysis Associates of Northeast Ohio, Inc. Ohio USA (indirect interest through no.	(m) Dialysis Associates Northeast Ohio  1843 )	90	(f)	(f)
774	Dialysis Associates of Northern New Jersey LLC New Jersey USA (indirect interest through no.	(m) Dialysis Associates of Northern New Jersey  1324 )	100	(f)	(f)
775	Dialysis Associates, LLC Tennessee USA (indirect interest through no.	(m) Dialysis Associates  1886 )	100	(f)	(f)
776	Dialysis Centers of America – Illinois, Inc. Illinois USA (indirect interest through no.	(m) Dialysis America  1886 )	100	(f)	(f)
777	Dialysis Licensing Corp. Delaware USA (indirect interest through no.	(m) Dialysis Licensing  1886 )	100	(f)	(f)
778	Dialysis Management Corporation Texas USA (indirect interest through no.	(m) Dialysis MGM  1886 )	100	(f)	(f)
779	Dialysis Services of Atlanta, Inc. Georgia USA (indirect interest through no.	(m) Dialysis Atlanta  1899 )	100	(f)	(f)
780	Dialysis Services of Cincinnati, Inc. Ohio USA (indirect interest through no.	(m) Dialysis Services Cincinnati  1324 )	100	(f)	(f)
781	Dialysis Services of Southeast Alaska, LLC Alaska USA (indirect interest through no.	(m) Dialysis Southeast Alaska  1818 )	100	(f)	(f)
782	Dialysis Services, Inc. Texas USA (indirect interest through no.	(m) Dialysis Services Texas  557 )	100	(f)	(f)
783	Dialysis Specialists of Barbourville Inc. Kentucky USA (indirect interest through no.	(m) Dialysis Specialists Barbourville  1324 )	100	(f)	(f)
784	Dialysis Specialists of Marietta Ltd. Ohio USA (indirect interest through no.	(m) Dialysis Specialists Marietta  1324 )	100	(f)	(f)
785	Dialysis Specialists of Northeast Ohio, Ltd. Ohio USA (indirect interest through no.	(m) Dialysis Specialists Northeast Ohio  1843 )	90	(f)	(f)
786	Dialysis Specialists of Topeka Inc. Kansas USA (indirect interest through no.	(m) Dialysis Specialists Topeka  1324 )	100	(f)	(f)
787	Dialysis Specialists of Tulsa Inc. Oklahoma USA (indirect interest through no.	(m) Dialysis Specialists Tulsa  1324 )	100	(f)	(f)
788	Douglas County Dialysis, LLC Georgia USA (indirect interest through no.	(m) Douglas Dialysis  1872 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
789	Doylestown Acute Renal Services, L.L.C. Pennsylvania USA (indirect interest through no.	(m) Doylestown Acute RS  1904 )	100	(f)	(f)
790	DuPage Dialysis Ltd. Illinois USA (indirect interest through no.	(m) DuPage Dialysis  799 )	100	(f)	(f)
791	East Valley Associates, LLC Delaware USA (indirect interest through no.	(m) East Valley Associates  1625 )	100	(f)	(f)
792	Echo Locum Tenens, Inc. Delaware USA (indirect interest through no.	(m) Echo Locum Tenens  1948 )	100	(f)	(f)
793	Elyria Renal Care, LLC Delaware USA (indirect interest through no.	(m) Elyria RC  1724 )	62	(f)	(f)
794	Endion Hospitalist North, P.C. New York USA	(m, t) Endion Hospitalist North	0	(f)	(f)
795	Endion Hospitalist of Western New York, P.C. New York USA	(m, t) Endion Hospitalist of Western New York	0	(f)	(f)
796	Endion Medical Healthcare, P.C. New York USA	(m, t) Endion Medical Healthcare	0	(f)	(f)
797	Endion Medical Services P.C. New York USA	(m, t) Endion Medical Services	0	(f)	(f)
798	Erika of Texas, Inc. Delaware USA (indirect interest through no.	(m) Erika Texas  1136 )	100	(f)	(f)
799	Everest Healthcare Holdings Inc. Delaware USA (indirect interest through no.	(m) Everest Healthcare Holdings  997 )	100	(f)	(f)
800	Everest Healthcare Indiana Inc. Indiana USA (indirect interest through no.	(m) Everest Indiana  799 )	100	(f)	(f)
801	Everest Healthcare of Ohio Inc. Ohio USA (indirect interest through no.	(m) Everest Ohio  1324 )	100	(f)	(f)
802	Everest Healthcare Rhode Island, Inc. Delaware USA (indirect interest through no.	(m) Everest Healthcare Rhode Island  799 )	100	(f)	(f)
803	Everest Healthcare Texas Holding Corp. Delaware USA (indirect interest through no.	(m) Everest Texas Holding  1663 )	100	(f)	(f)
804	Everest Healthcare Texas LP Delaware USA (indirect interest through no.	(m) Everest Texas  803 )	100	(f)	(f)
805	Everest Management Inc. Delaware USA (indirect interest through no.	(m) Everest Management  799 )	100	(f)	(f)
806	Everest New York Holdings Inc. New York USA (indirect interest through no.	(m) Everest New York Holdings  799 )	100	(f)	(f)
807	Everest Three IPA Inc. New York USA (indirect interest through no.	(m) Everest Three  806 )	100	(f)	(f)
808	Everest Two IPA Inc. New York USA (indirect interest through no.	(m) Everest Two  806 )	100	(f)	(f)
809	FDC Buffalo, LLC New York USA (indirect interest through no.	(m) FDC Buffalo  1509 )	100	(f)	(f)
810	FDC Goshen, LLC New York USA (indirect interest through no.	(m) FDC Goshen  1631 )	100	(f)	(f)
811	FDC Selden, LLC New York USA (indirect interest through no.	(m) FDC Selden  1509 )	100	(f)	(f)
812	FHP Insurance Holding Co., Inc. Delaware USA (indirect interest through no.	(m) FHP Insurance Holding  876 )	100	(f)	(f)
813	Fishkill Dialysis Center, LLC New York USA	(m, t) Fishkill Dialysis Center	0	(f)	(f)
814	Fishkill Dialysis Holdings LLC Delaware USA (indirect interest through no.	(m) Fishkill Dialysis Holdings  1509 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
815	Fishkill Partners LLC Delaware USA (indirect interest through no.	(m) Fishkill Partners  814 )	50	(f)	(f)
816	Flowood Vascular Access Center, Inc. Mississippi USA (indirect interest through no.	(m) Flowood Vascular Access Center  817 )	100	(f)	(f)
817	Flowood Vascular Access, LLC Delaware USA (indirect interest through no.	(m) Flowood Vascular Access  1299 )	70	(f)	(f)
818	FMCPs Front Range, LLC Delaware USA (indirect interest through no.	(m) FMCPs Front Range  1124 )	100	(f)	(f)
819	FMCPs Greensburg, LLC Delaware USA (indirect interest through no.	(m) FMCPs Greensburg  1124 )	100	(f)	(f)
820	FMCPs Hopkinsville, LLC Delaware USA (indirect interest through no.	(m) FMCPs Hopkinsville  1124 )	100	(f)	(f)
821	FMCPs Jersey City, LLC Delaware USA (indirect interest through no.	(m) FMCPs Jersey City  1124 )	100	(f)	(f)
822	FMCPs Laredo, LLC Delaware USA (indirect interest through no.	(m) FMCPs Laredo  1124 )	100	(f)	(f)
823	FMCPs Lubbock, LLC Delaware USA (indirect interest through no.	(m) FMCPs Lubbock  1124 )	100	(f)	(f)
824	FMCPs Mishawaka, LLC Delaware USA (indirect interest through no.	(m) FMCPs Mishawaka  1124 )	100	(f)	(f)
825	FMCPs New York City, LLC Delaware USA (indirect interest through no.	(m) FMCPs New York City  1124 )	100	(f)	(f)
826	FMCPs Pacific Cardio, LLC Delaware USA (indirect interest through no.	(m) FMCPs Pacific Cardio  1124 )	100	(f)	(f)
827	FMCPs Pittsburgh, LLC Delaware USA (indirect interest through no.	(m) FMCPs Pittsburgh  1124 )	100	(f)	(f)
828	FMCPs Santa Rosa, LLC Delaware USA (indirect interest through no.	(m) FMCPs Santa Rosa  1124 )	100	(f)	(f)
829	FMCPs South Florida, LLC Delaware USA (indirect interest through no.	(m) FMCPs South Florida  1124 )	100	(f)	(f)
830	FMCPs South Texas, LLC Texas USA (indirect interest through no.	(m) FMCPs South Texas  1124 )	100	(f)	(f)
831	FMCPs Tennessee, LLC Delaware USA (indirect interest through no.	(m) FMCPs Tennessee  1124 )	100	(f)	(f)
832	FMS Abramson, LLC Delaware USA (indirect interest through no.	(m) FMS Abramson  616 )	51	(f)	(f)
833	FMS Albion, LLC Delaware USA (indirect interest through no.	(m) FMS Albion  602 )	100	(f)	(f)
834	FMS Cabell Hunting Dialysis Centers, LLC Delaware USA (indirect interest through no.	(m) FMS Cabell Hunting Dialysis Centers  1192 )	55	(f)	(f)
835	FMS Carmel Nephrology, LLC Delaware USA (indirect interest through no.	(m) FMS Carmel Nephrology  1192 )	100	(f)	(f)
836	FMS Cold Springs, LLC Delaware USA (indirect interest through no.	(m) FMS Cold Springs  1631 )	100	(f)	(f)
837	FMS Delaware Dialysis, LLC Delaware USA (indirect interest through no.	(m) FMS Delaware Dialysis  1192 )	100	(f)	(f)
838	FMS ENA Home, LLC Delaware USA (indirect interest through no.	(m) FMS ENA Home  611 )	100	(f)	(f)
839	FMS Endavour Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) FMS Endavour Dialysis Center  559 )	51	(f)	(f)

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			%	KEUR	KEUR
840	FMS Gulfport, LLC Delaware USA (indirect interest through no.	(m) FMS Gulfport  1192 )	51	(f)	(f)
841	FMS Hauppauge, LLC Delaware USA (indirect interest through no.	(m) FMS Hauppauge  850 )	100	(f)	(f)
842	FMS Kalamazoo, LLC Delaware USA (indirect interest through no.	(m) FMS Kalamazoo  602 )	51	(f)	(f)
843	FMS Kentwood, LLC Delaware USA (indirect interest through no.	(m) FMS Kentwood  602 )	75	(f)	(f)
844	FMS Lansing Dialysis Centers, LLC Delaware USA (indirect interest through no.	(m) FMS Lansing Dialysis Centers  1866 )	75	(f)	(f)
845	FMS Lansing, LLC Delaware USA (indirect interest through no.	(m) FMS Lansing  844 )	100	(f)	(f)
846	FMS Lawrenceville, LLC Delaware USA (indirect interest through no.	(m) FMS Lawrenceville  583 )	70	(f)	(f)
847	FMS Midwest Dialysis Centers, LLC Delaware USA (indirect interest through no.	(m) FMC Midwest Dialysis Centers  1869 )	51	(f)	(f)
848	FMS MNA Home, LLC Delaware USA (indirect interest through no.	(m) FMS MNA Home  1393 )	100	(f)	(f)
849	FMS Nephrology Partners North Central Indiana Dialysis Centers, LLC Delaware USA (indirect interest through no.	(m) FMS Nephrology Partners North Central Indiana Dialysis Centers  1826 )	90	(f)	(f)
850	FMS New York Services, LLC Delaware USA (indirect interest through no.	(m) FMS New York Services  557 )	100	(f)	(f)
851	FMS Niagara, LLC Delaware USA (indirect interest through no.	(m) FMS Niagara  850 )	100	(f)	(f)
852	FMS Philadelphia Dialysis , LLC. Delaware USA (indirect interest through no.	(m) FMS Philadelphia Dialysis  616 )	100	(f)	(f)
853	FMS St. Johns Michigan, LLC Delaware USA (indirect interest through no.	(m) FMS St. Johns Michigan  844 )	100	(f)	(f)
854	FMS Swedesboro, LLC Delaware USA (indirect interest through no.	(m) FMS Swedesboro  609 )	100	(f)	(f)
855	FMS Watertown, LLC Delaware USA (indirect interest through no.	(m) FMS Watertown  850 )	75	(f)	(f)
856	Fondren Dialysis Clinic, Inc. Texas USA (indirect interest through no.	(m) Fondren Dialysis  1986 )	100	(f)	(f)
857	Fort Lauderdale Vascular Access, LLC Delaware USA (indirect interest through no.	(m) Fort Lauderdale  506 )	100	(f)	(f)
858	Fort Scott Regional Dialysis Center, Inc. Missouri USA (indirect interest through no.	(m) Fort Scott Dialysis  1886 )	100	(f)	(f)
859	Four State Regional Dialysis Center, Inc. Missouri USA (indirect interest through no.	(m) Four State Dialysis  1886 )	100	(f)	(f)
860	Franconia Acquisition LLC Delaware USA	(m) Franconia	100	62,658	0
861	Franconia Acquisition Sub LLC Delaware USA (indirect interest through no.	(m) Franconia Sub  860 )	100	0	0
862	Freedom Center of Buffalo Home, LLC New York USA	(m, t) Freedom Center of Buffalo Home	0	(f)	(f)
863	Freedom Center of Fresh Meadows, LLC New York USA (indirect interest through no.	(m) Freedom Center of Fresh Meadows  1509 )	100	(f)	(f)
864	Freedom Center of Glengariff, LLC New York USA (indirect interest through no.	(m) Freedom Center of Glengariff  1631 )	100	(f)	(f)

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			%		
865	Freedom Center of Huntington, LLC New York USA (indirect interest through no.	(m) Freedom Center of Huntington 1631 )	78	(f)	(f)
866	Freedom Center of Newark, LLC New York USA (indirect interest through no.	(m) Freedom Center of Newark 1631 )	87	(f)	(f)
867	Freedom Center of Queens, LLC New York USA (indirect interest through no.	(m) Freedom Center of Queens 1631 )	100	(f)	(f)
868	Freedom Center of Saratoga Springs, LLC New York USA (indirect interest through no.	(m) Freedom Center of Saratoga Springs 1509 )	100	(f)	(f)
869	Freedom Center of Syosset, LLC New York USA (indirect interest through no.	(m) Freedom Center of Syosset 1631 )	51	(f)	(f)
870	Freedom Center of Westmere, LLC New York USA (indirect interest through no.	(m) Freedom Center of Westmere 1631 )	51	(f)	(f)
871	Frenova, LLC Delaware USA (indirect interest through no.	(m) Frenova 888 )	100	(f)	(f)
872	Fresenius Accountable Care Solutions, LLC Delaware USA (indirect interest through no.	(m) Fresenius Accountable Care Solutions 1009 )	100	(f)	(f)
873	Fresenius Anne Arundel Outpatient Dialysis Services LLC Delaware USA (indirect interest through no.	(m) Anne Arundel Services 599 )	75	(f)	(f)
874	Fresenius California MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius California MSO 826 )	100	(f)	(f)
875	Fresenius Health Partners Puerto Rico, LLC Puerto Rico USA (indirect interest through no.	(m) FMC Health Partners, LLC 876 )	100	(f)	(f)
876	Fresenius Health Partners, Inc. Delaware USA (indirect interest through no.	(m) FMC Health Partners, Inc. 997 )	100	(f)	(f)
877	Fresenius Health Plans Insurance Company Indiana USA (indirect interest through no.	(m) Fresenius Health Plans Insurance 812 )	100	(f)	(f)
878	Fresenius Health Plans of New York, Inc. New York USA (indirect interest through no.	(m) Fresenius Health Plans of New York 812 )	100	(f)	(f)
879	Fresenius Health Plans of North Carolina, Inc. North Carolina USA (indirect interest through no.	(m) Fresenius Health Plans of North Carolina 812 )	100	(f)	(f)
880	Fresenius Health Plans of Texas, Inc. Texas USA (indirect interest through no.	(m) Fresenius Health Plans of Texas 812 )	100	(f)	(f)
881	Fresenius Kidney Care Attalla, LLC Delaware USA (indirect interest through no.	(m) Fresenius Kidney Care Attalla 559 )	100	(f)	(f)
882	Fresenius Kidney Care Bristow, LLC Delaware USA (indirect interest through no.	(m) Fresenius Kidney Care Bristow 615 )	100	(f)	(f)
883	Fresenius Kidney Care Cromwell, LLC Delaware USA (indirect interest through no.	(m) Fresenius Kidney Care Cromwell 599 )	100	(f)	(f)
884	Fresenius Kidney Care Group, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Services Group 997 )	100	(f)	(f)
885	Fresenius Kidney Care North Iowa, LLC Delaware USA (indirect interest through no.	(m) Fresenius Kidney Care North Iowa 1192 )	80	(f)	(f)
886	Fresenius Kidney Care Phenix City, LLC Delaware USA (indirect interest through no.	(m) Fresenius Kidney Care Phenix City 559 )	100	(f)	(f)
887	Fresenius Kidney Care Union Springs, LLC Delaware USA (indirect interest through no.	(m) Fresenius Kidney Care Union Springs 559 )	100	(f)	(f)
888	Fresenius Management Services, Inc. Delaware USA (indirect interest through no.	(m) Fresenius Management Services 557 )	100	(f)	(f)
889	Fresenius Medical Care-Meridian Health System, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care-Meridian Health System 1859 )	60	(f)	(f)



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			%	KEUR	KEUR
890	Fresenius Medical Care - Eucalyptus, LLC Delaware USA (indirect interest through no.	(m) FME - Eucalyptus  1192 )	51	(f)	(f)
891	Fresenius Medical Care - Jackson Pike Associates Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) FMC Jackson Pike  1192 )	60	(f)	(f)
892	Fresenius Medical Care - OSUIM Kidney Centers, LLC Delaware USA (indirect interest through no.	(m) OSUIM Kidney Centers  1192 )	100	(f)	(f)
893	Fresenius Medical Care - Paulding Dialysis Partners, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care - Paulding Dialysis Partners  1192 )	60	(f)	(f)
894	Fresenius Medical Care - Princess Anne Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) FMC Princess Anne  1192 )	100	(f)	(f)
895	Fresenius Medical Care - Silver City, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care - Silver City  1192 )	100	(f)	(f)
896	Fresenius Medical Care - South Texas Kidney, LLC Delaware USA (indirect interest through no.	(m) FMC South Texas Kidney  1192 )	100	(f)	(f)
897	Fresenius Medical Care - Stillwater, LLC Delaware USA (indirect interest through no.	(m) FMC Stillwater  1192 )	80	(f)	(f)
898	Fresenius Medical Care - UPMC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care - UPMC  1192 )	51	(f)	(f)
899	Fresenius Medical Care 5856, LLC Delaware USA (indirect interest through no.	(m) FMC 5856  615 )	51	(f)	(f)
900	Fresenius Medical Care Acworth Dialysis, LLC Delaware USA (indirect interest through no.	(m) FMC Acworth Dialysis  563 )	100	(f)	(f)
901	Fresenius Medical Care Akron, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Akron  614 )	100	(f)	(f)
902	Fresenius Medical Care Ala Moana, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Ala Moana  568 )	100	(f)	(f)
903	Fresenius Medical Care Albertville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Albertville  559 )	58	(f)	(f)
904	Fresenius Medical Care Alhambra, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Alhambra  568 )	80	(f)	(f)
905	Fresenius Medical Care Anaheim, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Anaheim  568 )	51	(f)	(f)
906	Fresenius Medical Care Anderson, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Anderson  624 )	69	(f)	(f)
907	Fresenius Medical Care Anniston Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Anniston Home  559 )	100	(f)	(f)
908	Fresenius Medical Care Apheresis Services, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Apheresis Services  888 )	100	(f)	(f)
909	Fresenius Medical Care B, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care B  3 )	100	111,500	7,005
910	Fresenius Medical Care Bakersfield, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Bakersfield  568 )	100	(f)	(f)
911	Fresenius Medical Care Balboa II, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Balboa II  1933 )	51	(f)	(f)
912	Fresenius Medical Care Balboa V, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Balboa V  568 )	100	(f)	(f)
913	Fresenius Medical Care Balboa, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Balboa  1192 )	51	(f)	(f)
914	Fresenius Medical Care Bartlett Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Bartlett Home  626 )	65	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
915	Fresenius Medical Care Batavia, LLC Delaware USA (indirect interest through no.	(m) FMC Batavia  1192 )	60	(f)	(f)
916	Fresenius Medical Care Beamer, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Beamer  627 )	88	(f)	(f)
917	Fresenius Medical Care Bedford, LLC Delaware USA (indirect interest through no.	(m) FMC Bedford  627 )	100	(f)	(f)
918	Fresenius Medical Care Belleville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Belleville  609 )	100	(f)	(f)
919	Fresenius Medical Care Bergen Renal Care Center, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Bergen Renal Care Center  609 )	100	(f)	(f)
920	Fresenius Medical Care Berkeley Lake, LLC Delaware USA (indirect interest through no.	(m) FMC Berkeley Lake  1192 )	60	(f)	(f)
921	Fresenius Medical Care Birmingham Home, LLC Delaware USA (indirect interest through no.	(m) FMC Birmingham Home  559 )	60	(f)	(f)
922	Fresenius Medical Care Bluffton, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Bluffton  978 )	100	(f)	(f)
923	Fresenius Medical Care Boone County, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Boone County  592 )	51	(f)	(f)
924	Fresenius Medical Care Braselton, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Braselton  583 )	75	(f)	(f)
925	Fresenius Medical Care Burlington, LLC Delaware USA (indirect interest through no.	(m) FMC Burlington  1112 )	72	(f)	(f)
926	Fresenius Medical Care Camden County, LLC Delaware USA (indirect interest through no.	(m) FMC Camden County  1192 )	74	(f)	(f)
927	Fresenius Medical Care Canal Winchester, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Canal Winchester  614 )	51	(f)	(f)
928	Fresenius Medical Care Canton, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Canton  614 )	100	(f)	(f)
929	Fresenius Medical Care Capital City, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Capital City  596 )	60	(f)	(f)
930	Fresenius Medical Care Cedar City, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Cedar City  1192 )	79	(f)	(f)
931	Fresenius Medical Care Centennial, LLC Delaware USA (indirect interest through no.	(m) FMC Centennial  1192 )	72	(f)	(f)
932	Fresenius Medical Care Central Oklahoma City Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) FMC Central Oklahoma City Dialysis Center  615 )	70	(f)	(f)
933	Fresenius Medical Care Chatham, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Chatham  1192 )	60	(f)	(f)
934	Fresenius Medical Care Chicago Kidney Center, LLC Delaware USA (indirect interest through no.	(m) FMC Chicago Kidney Center  589 )	100	(f)	(f)
935	Fresenius Medical Care Chicago, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Chicago  1099 )	100	(f)	(f)
936	Fresenius Medical Care Chicagoland, LLC Delaware USA (indirect interest through no.	(m) FMC Chicagoland  589 )	60	(f)	(f)
937	Fresenius Medical Care Cicero, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Cicero  1192 )	51	(f)	(f)
938	Fresenius Medical Care Clearcreekwater, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Clearcreekwater  1192 )	83	(f)	(f)
939	Fresenius Medical Care Cline Dialysis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Cline Dialysis  1192 )	100	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
940	Fresenius Medical Care Clovis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Clovis 568 )	51	(f)	(f)
941	Fresenius Medical Care CNA Kidney Center, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care CNA Kidney Center 624 )	51	(f)	(f)
942	Fresenius Medical Care CNV Marlborough, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care CNV Marlborough 600 )	60	(f)	(f)
943	Fresenius Medical Care Colonial Heights, LLC Delaware USA (indirect interest through no.	(m) FMC Colonial Heights 630 )	100	(f)	(f)
944	Fresenius Medical Care Colorado Springs, LLC Delaware USA (indirect interest through no.	(m) FMC Colorado Springs 963 )	100	(f)	(f)
945	Fresenius Medical Care Columbia Franklin, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Columbia Franklin 775 )	100	(f)	(f)
946	Fresenius Medical Care Commonwealth Nephrology, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Commonwealth Nephrology 600 )	100	(f)	(f)
947	Fresenius Medical Care Comprehensive CKD Services Inc. Delaware USA (indirect interest through no.	(m) CKD Services 997 )	100	(f)	(f)
948	Fresenius Medical Care Coral Gables, LLC Delaware USA (indirect interest through no.	(m) FMC Coral Gables 580 )	90	(f)	(f)
949	Fresenius Medical Care Crawford County, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Crawford County 1754 )	100	(f)	(f)
950	Fresenius Medical Care Creighton Dialysis, LLC Delaware USA (indirect interest through no.	(m) FMC Creighton Dialysis 614 )	51	(f)	(f)
951	Fresenius Medical Care Dakota Dunes, LLC Delaware USA (indirect interest through no.	(m) FMC Dakota Dunes 1192 )	100	(f)	(f)
952	Fresenius Medical Care Dallas Dialysis, LLC Delaware USA (indirect interest through no.	(m) FMC Dallas Dialysis 627 )	100	(f)	(f)
953	Fresenius Medical Care Dallas, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Dallas 627 )	100	(f)	(f)
954	Fresenius Medical Care Delano, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Delano 568 )	100	(f)	(f)
955	Fresenius Medical Care Delray, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Delray 500 )	100	(f)	(f)
956	Fresenius Medical Care Deptford, LLC Delaware USA (indirect interest through no.	(m) FMC Deptford 609 )	51	(f)	(f)
957	Fresenius Medical Care Derby Dialysis, LLC Delaware USA (indirect interest through no.	(m) FMC Derby Dialysis 591 )	100	(f)	(f)
958	Fresenius Medical Care Des Plaines, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Des Plaines 1192 )	60	(f)	(f)
959	Fresenius Medical Care Desert, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Desert 1886 )	100	(f)	(f)
960	Fresenius Medical Care Diablo Nephrology Clinics, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Diablo Nephrology Clinics 1192 )	51	(f)	(f)
961	Fresenius Medical Care Dialysis of Golden Isles, LLC Delaware USA (indirect interest through no.	(m) FMC Dialysis of Golden Isles 1192 )	100	(f)	(f)
962	Fresenius Medical Care Dialysis Services - Oregon LLC Oregon USA (indirect interest through no.	(m) FMC Dialysis Oregon 1591 )	100	(f)	(f)
963	Fresenius Medical Care Dialysis Services Colorado LLC Delaware USA (indirect interest through no.	(m) Dialysis Services Colorado 557 )	100	(f)	(f)
964	Fresenius Medical Care DuBois, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care DuBois 616 )	90	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
965	Fresenius Medical Care East Aurora, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care East Aurora  1192 )	100	(f)	(f)
966	Fresenius Medical Care East Chicago, LLC Illinois USA (indirect interest through no.	(m) FMC East Chicago  799 )	100	(f)	(f)
967	Fresenius Medical Care East Joliet, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care East Joliet  1192 )	100	(f)	(f)
968	Fresenius Medical Care East Lakes, LLC Delaware USA (indirect interest through no.	(m) FMC East Lakes  568 )	51	(f)	(f)
969	Fresenius Medical Care East Morris, LLC Delaware USA (indirect interest through no.	(m) FMC East Morris  1192 )	60	(f)	(f)
970	Fresenius Medical Care Edmond, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Edmond  615 )	51	(f)	(f)
971	Fresenius Medical Care El Paso West, LLC Delaware USA (indirect interest through no.	(m) FMC El Paso West  627 )	80	(f)	(f)
972	Fresenius Medical Care Elgin, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Elgin  1192 )	51	(f)	(f)
973	Fresenius Medical Care Enid, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Enid  615 )	51	(f)	(f)
974	Fresenius Medical Care Essex Dundalk, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Essex Dundalk  599 )	60	(f)	(f)
975	Fresenius Medical Care Fairview Dialysis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Fairview Dialysis  609 )	85	(f)	(f)
976	Fresenius Medical Care Fishers, LLC Delaware USA (indirect interest through no.	(m) FMC Fishers  590 )	51	(f)	(f)
977	Fresenius Medical Care Florence, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Florence  962 )	100	(f)	(f)
978	Fresenius Medical Care Fort Wayne, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Fort Wayne  1826 )	51	(f)	(f)
979	Fresenius Medical Care Frederick, LLC Delaware USA (indirect interest through no.	(m) FMC Frederick  599 )	100	(f)	(f)
980	Fresenius Medical Care Fresno, LLC Delaware USA (indirect interest through no.	(m) FMC Fresno  568 )	56	(f)	(f)
981	Fresenius Medical Care Gadsden, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Gadsden  559 )	100	(f)	(f)
982	Fresenius Medical Care Galesburg, LLC Delaware USA (indirect interest through no.	(m) FMC Galesburg  1099 )	90	(f)	(f)
983	Fresenius Medical Care Garden City, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Garden City  591 )	60	(f)	(f)
984	Fresenius Medical Care Glendale, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Glendale  568 )	80	(f)	(f)
985	Fresenius Medical Care Goldenwest, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Goldenwest  1797 )	100	(f)	(f)
986	Fresenius Medical Care Goochland Nephrology, LLC Delaware USA (indirect interest through no.	(m) FMC Goochland Nephrology  1192 )	78	(f)	(f)
987	Fresenius Medical Care Goose Creek Home Dialysis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Goose Creek Home Dialysis  624 )	51	(f)	(f)
988	Fresenius Medical Care Granbury, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Granbury  627 )	51	(f)	(f)
989	Fresenius Medical Care Griffith, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Griffith  590 )	51	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
990	Fresenius Medical Care Hackensack, LLC Delaware USA (indirect interest through no.	(m) FMC Hackensack 609 )	51	(f)	(f)
991	Fresenius Medical Care Hall County, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Hall County 583 )	75	(f)	(f)
992	Fresenius Medical Care Hamlin, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Hamlin 834 )	100	(f)	(f)
993	Fresenius Medical Care Harston Hall, LLC. Delaware USA (indirect interest through no.	(m) FMC Harston Hall 1192 )	100	(f)	(f)
994	Fresenius Medical Care Healthcare Recruitment, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Healthcare Recruitment 888 )	100	(f)	(f)
995	Fresenius Medical Care Heritage Park, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Heritage Park 615 )	100	(f)	(f)
996	Fresenius Medical Care HIMG Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care HIMG Dialysis Center 834 )	75	(f)	(f)
997	Fresenius Medical Care Holdings, Inc. New York USA (indirect interest through no.	(m) FMC Holdings 1080 )	100	7,833,850	777,423
998	Fresenius Medical Care Honey Creek Dialysis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Honey Creek Dialysis 583 )	80	(f)	(f)
999	Fresenius Medical Care Hopkinsville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Hopkinsville 592 )	51	(f)	(f)
1000	Fresenius Medical Care Houston Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Houston Home 627 )	80	(f)	(f)
1001	Fresenius Medical Care HT, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care HT 568 )	100	(f)	(f)
1002	Fresenius Medical Care Huntingdon Valley, LLC Delaware USA (indirect interest through no.	(m) FMC Huntingdon 616 )	60	(f)	(f)
1003	Fresenius Medical Care Huntsville Home, LLC Delaware USA (indirect interest through no.	(m) FMC Huntsville 559 )	67	(f)	(f)
1004	Fresenius Medical Care Hyde Park, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Hyde Park 1099 )	100	(f)	(f)
1005	Fresenius Medical Care Indian Hills, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Indian Hills 614 )	80	(f)	(f)
1006	Fresenius Medical Care Indiana, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Indiana 1826 )	60	(f)	(f)
1007	Fresenius Medical Care InMed, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care InMed 1192 )	100	(f)	(f)
1008	Fresenius Medical Care Insurance Group, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Insurance Group 1591 )	100	(f)	(f)
1009	Fresenius Medical Care Integrated Care Group, LLC Delaware USA (indirect interest through no.	(m) FMC Ancillary Services Group 997 )	100	(f)	(f)
1010	Fresenius Medical Care Ironbound, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Ironbound 609 )	100	(f)	(f)
1011	Fresenius Medical Care Irvine, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Irvine 568 )	90	(f)	(f)
1012	Fresenius Medical Care Janesville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Janesville 632 )	100	(f)	(f)
1013	Fresenius Medical Care Jersey Shore, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Jersey Shore 889 )	100	(f)	(f)
1014	Fresenius Medical Care Joliet Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Joliet Home 1192 )	60	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1015	Fresenius Medical Care Jonesboro, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Jonesboro 583 )	70	(f)	(f)
1016	Fresenius Medical Care KAMI Partners, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care KAMI Partners 1192 )	80	(f)	(f)
1017	Fresenius Medical Care Kidney and Hypertension, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Kidney and Hypertension 1192 )	70	(f)	(f)
1018	Fresenius Medical Care Kidney Healthcare, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Kidney Healthcare 1192 )	60	(f)	(f)
1019	Fresenius Medical Care Kingwood, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Kingwood 627 )	51	(f)	(f)
1020	Fresenius Medical Care Koke Mill, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Koke Mill 1099 )	100	(f)	(f)
1021	Fresenius Medical Care Lake County, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Lake County 1099 )	60	(f)	(f)
1022	Fresenius Medical Care Lake Forest, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Lake Forest 596 )	89	(f)	(f)
1023	Fresenius Medical Care Lancaster Nephrology, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Lancaster Nephrology 1192 )	60	(f)	(f)
1024	Fresenius Medical Care Lemont, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Lemont 1099 )	51	(f)	(f)
1025	Fresenius Medical Care Lenexa, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Lenexa 591 )	51	(f)	(f)
1026	Fresenius Medical Care Linden, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Linden 1192 )	60	(f)	(f)
1027	Fresenius Medical Care Livingston (Texas), LLC Delaware USA (indirect interest through no.	(m) FMC Livingston (Texas) 627 )	100	(f)	(f)
1028	Fresenius Medical Care Livingston, LLC Delaware USA (indirect interest through no.	(m) FMC Livingston 609 )	60	(f)	(f)
1029	Fresenius Medical Care Logan Square, LLC Delaware USA (indirect interest through no.	(m) FMC Logan Square 1192 )	60	(f)	(f)
1030	Fresenius Medical Care Loganville, LLC Delaware USA (indirect interest through no.	(m) FMC Loganville 583 )	90	(f)	(f)
1031	Fresenius Medical Care Lombard, LLC Delaware USA (indirect interest through no.	(m) FMC Lombard 1192 )	51	(f)	(f)
1032	Fresenius Medical Care Long Beach, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Long Beach 1797 )	80	(f)	(f)
1033	Fresenius Medical Care Los Alamitos, LLC Delaware USA (indirect interest through no.	(m) FMC Los Alamitos 568 )	100	(f)	(f)
1034	Fresenius Medical Care Louisiana Dialysis Group, LLC. Delaware USA (indirect interest through no.	(m) FMC Louisiana Dialysis Group 596 )	100	(f)	(f)
1035	Fresenius Medical Care Loveland, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Loveland 963 )	51	(f)	(f)
1036	Fresenius Medical Care Loves Park, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Loves Park 1099 )	100	(f)	(f)
1037	Fresenius Medical Care Lubbock, LLC Delaware USA (indirect interest through no.	(m) FMC Lubbock 627 )	51	(f)	(f)
1038	Fresenius Medical Care Madison Parish Dialysis Center LLC Delaware USA (indirect interest through no.	(m) Madison Parish Dialysis 596 )	100	(f)	(f)
1039	Fresenius Medical Care Manassas, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Manassas 630 )	90	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1040	Fresenius Medical Care Marlton, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Marlton 609 )	51	(f)	(f)
1041	Fresenius Medical Care Masonic Homes, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Masonic Homes 1192 )	60	(f)	(f)
1042	Fresenius Medical Care Matawan, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Matawan 889 )	60	(f)	(f)
1043	Fresenius Medical Care Maumee Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Maumee Home 614 )	65	(f)	(f)
1044	Fresenius Medical Care McCalla, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care McCalla 559 )	100	(f)	(f)
1045	Fresenius Medical Care McComb Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care McComb Home 605 )	100	(f)	(f)
1046	Fresenius Medical Care Memorial, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Memorial 568 )	51	(f)	(f)
1047	Fresenius Medical Care Miami Shores, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Miami Shores 580 )	70	(f)	(f)
1048	Fresenius Medical Care Mid Valley Dialysis, LLC Delaware USA (indirect interest through no.	(m) FMC Mid Valley Dialysis 1192 )	100	(f)	(f)
1049	Fresenius Medical Care Midwest Dialysis, LLC Delaware USA (indirect interest through no.	(m) FMC Midwest Dialysis 632 )	75	(f)	(f)
1050	Fresenius Medical Care Milford, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Milford 614 )	60	(f)	(f)
1051	Fresenius Medical Care Monmouth, LLC Delaware USA (indirect interest through no.	(m) FMC Monmouth 1099 )	100	(f)	(f)
1052	Fresenius Medical Care Monroe, LLC Delaware USA (indirect interest through no.	(m) FMC Monroe 596 )	59	(f)	(f)
1053	Fresenius Medical Care Montclair, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Montclair 1192 )	60	(f)	(f)
1054	Fresenius Medical Care Moore, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Moore 615 )	100	(f)	(f)
1055	Fresenius Medical Care Morristown, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Morristown 1192 )	55	(f)	(f)
1056	Fresenius Medical Care Morrisville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Morrisville 611 )	100	(f)	(f)
1057	Fresenius Medical Care Mount Prospect, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Mount Prospect 1099 )	100	(f)	(f)
1058	Fresenius Medical Care NAK Bardstown, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NAK Bardstown 1192 )	60	(f)	(f)
1059	Fresenius Medical Care NAK Berea, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NAK Berea 592 )	60	(f)	(f)
1060	Fresenius Medical Care NAK Campbellsville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NAK Campbellsville 1192 )	60	(f)	(f)
1061	Fresenius Medical Care NAK Elizabethtown, LLC Delaware USA (indirect interest through no.	(m) FMC NAK Elizabethtown 1192 )	80	(f)	(f)
1062	Fresenius Medical Care NAK Frankfort, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NAK Frankfort 592 )	60	(f)	(f)
1063	Fresenius Medical Care NAK Lebanon, LLC Delaware USA (indirect interest through no.	(m) FMC NAK Lebanon 1192 )	60	(f)	(f)
1064	Fresenius Medical Care NAK Lexington, LLC Delaware USA (indirect interest through no.	(m) FMC NAK Lexington 592 )	100	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
1065	Fresenius Medical Care NAK Radcliff, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NAK Radcliff 592 )	60	(f)	(f)
1066	Fresenius Medical Care NAK Scott County, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NAK Scott County 1192 )	60	(f)	(f)
1067	Fresenius Medical Care NAK Shepherdsville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NAK Shepherdsville 1192 )	80	(f)	(f)
1068	Fresenius Medical Care NAK Stanford, LLC Delaware USA (indirect interest through no.	(m) FMC NAK Stanford 592 )	100	(f)	(f)
1069	Fresenius Medical Care Naperbrook, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Woodridge 1192 )	51	(f)	(f)
1070	Fresenius Medical Care NE Las Vegas, LLC Delaware USA (indirect interest through no.	(m) FMC NE Las Vegas 1077 )	100	(f)	(f)
1071	Fresenius Medical Care Nephrology and Internal Medicine Dialysis Centers, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Nephrology and Internal Medicine Dialysis Centers 1826 )	51	(f)	(f)
1072	Fresenius Medical Care Nephrology Partners Renal Care Centers, LLC Delaware USA (indirect interest through no.	(m) FMC Nephrology Partners Renal Care Centers 1826 )	83	(f)	(f)
1073	Fresenius Medical Care New Albany, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care New Albany 614 )	51	(f)	(f)
1074	Fresenius Medical Care New Caney Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) FMC New Caney Dialysis Center 627 )	100	(f)	(f)
1075	Fresenius Medical Care New Vista, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care New Vista 609 )	51	(f)	(f)
1076	Fresenius Medical Care Nimmo Parkway, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Nimmo Parkway 630 )	100	(f)	(f)
1077	Fresenius Medical Care NKDHC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NKDHC 607 )	51	(f)	(f)
1078	Fresenius Medical Care Noble Woods, LLC Oregon USA (indirect interest through no.	(m) Fresenius Medical Care Noble Woods 1730 )	56	(f)	(f)
1079	Fresenius Medical Care Normal, LLC Delaware USA (indirect interest through no.	(m) FMC Normal 1099 )	65	(f)	(f)
1080	Fresenius Medical Care North America Holdings Limited Partnership Delaware USA (indirect interest through no.	(m) DLP 3 )	100	(f)	(f)
1081	Fresenius Medical Care North Cape May, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care North Cape May 609 )	51	(f)	(f)
1082	Fresenius Medical Care North Chelmsford Partners, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care North Chelmsford Partners 600 )	100	(f)	(f)
1083	Fresenius Medical Care North Chelmsford, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care North Chelmsford 600 )	100	(f)	(f)
1084	Fresenius Medical Care North Fort Myers, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care North Fort Myers 580 )	100	(f)	(f)
1085	Fresenius Medical Care North Port, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care North Port 580 )	100	(f)	(f)
1086	Fresenius Medical Care Northcoast, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Northcoast 568 )	51	(f)	(f)
1087	Fresenius Medical Care Northeast Houston, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Northeast Houston 627 )	82	(f)	(f)
1088	Fresenius Medical Care Northern Delaware, LLC Delaware USA (indirect interest through no.	(m) FMC Northern Delaware 599 )	60	(f)	(f)
1089	Fresenius Medical Care Northern York, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Northern York 616 )	100	(f)	(f)



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			%	KEUR	KEUR
1090	Fresenius Medical Care Northside Dialysis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Northside Dialysis 627 )	100	(f)	(f)
1091	Fresenius Medical Care Norwalk, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Norwalk 568 )	80	(f)	(f)
1092	Fresenius Medical Care NW Baltimore, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care NW Baltimore 599 )	90	(f)	(f)
1093	Fresenius Medical Care NW Indiana, LLC Delaware USA (indirect interest through no.	(m) FMC NW Indiana 800 )	51	(f)	(f)
1094	Fresenius Medical Care Oahu, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Oahu 1192 )	100	(f)	(f)
1095	Fresenius Medical Care Oak Forest, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Oak Forest 1099 )	80	(f)	(f)
1096	Fresenius Medical Care Ocean, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Ocean 889 )	100	(f)	(f)
1097	Fresenius Medical Care Oceanside, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Oceanside 568 )	100	(f)	(f)
1098	Fresenius Medical Care of Bucks County, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care of Bucks County 616 )	100	(f)	(f)
1099	Fresenius Medical Care of Illinois, LLC Delaware USA (indirect interest through no.	(m) FMC of Illinois 1591 )	100	(f)	(f)
1100	Fresenius Medical Care of Lillington, LLC North Carolina USA (indirect interest through no.	(m) FMC of Lillington 611 )	100	(f)	(f)
1101	Fresenius Medical Care of Montana, LLC Delaware USA (indirect interest through no.	(m) FMC of Montana 997 )	100	(f)	(f)
1102	Fresenius Medical Care of Nebraska, LLC Delaware USA (indirect interest through no.	(m) FMC of Nebraska 557 )	100	(f)	(f)
1103	Fresenius Medical Care of North Dakota, LLC Delaware USA (indirect interest through no.	(m) FMC of North Dakota 557 )	100	(f)	(f)
1104	Fresenius Medical Care of Plainfield, LLC Delaware USA (indirect interest through no.	(m) FMC of Plainfield 1192 )	60	(f)	(f)
1105	Fresenius Medical Care OKCD, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care OKCD 1192 )	83	(f)	(f)
1106	Fresenius Medical Care Olathe, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Olathe 591 )	100	(f)	(f)
1107	Fresenius Medical Care Orange County, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Orange County 1797 )	80	(f)	(f)
1108	Fresenius Medical Care Palatine, LLC Delaware USA (indirect interest through no.	(m) FMC Palatine 1192 )	51	(f)	(f)
1109	Fresenius Medical Care Palm Springs, LLC Delaware USA (indirect interest through no.	(m) FMC Palm Springs 568 )	100	(f)	(f)
1110	Fresenius Medical Care Paramus Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Paramus Dialysis Center 609 )	51	(f)	(f)
1111	Fresenius Medical Care Paris, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Paris 1099 )	100	(f)	(f)
1112	Fresenius Medical Care Partners Burlington, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Partners Burlington 609 )	83	(f)	(f)
1113	Fresenius Medical Care Pascack Valley, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Pascack Valley 609 )	100	(f)	(f)
1114	Fresenius Medical Care Pegasus, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Pegasus 568 )	90	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1115	Fresenius Medical Care Pharmacy Services Inc. Delaware USA (indirect interest through no.	(m) FMC MS  1009 )	100	(f)	(f)
1116	Fresenius Medical Care Physician Reinsurance Company (Cayman), Ltd.  Cayman Islands USA (indirect interest through no.	(m) Fresenius Medical Care Physician Reinsurance Company (Cayman)  997 )	100	(f)	(f)
1117	Fresenius Medical Care Pioneer, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Pioneer  1192 )	100	(f)	(f)
1118	Fresenius Medical Care Piscataway, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Piscataway  609 )	95	(f)	(f)
1119	Fresenius Medical Care Plainfield North, LLC Delaware USA (indirect interest through no.	(m) FMC Plainfield North  1192 )	51	(f)	(f)
1120	Fresenius Medical Care Pleasant View, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Pleasant View  1192 )	100	(f)	(f)
1121	Fresenius Medical Care Pomona, LLC Delaware USA (indirect interest through no.	(m) FMC Pomona  609 )	60	(f)	(f)
1122	Fresenius Medical Care Port Charlotte, LLC Delaware USA (indirect interest through no.	(m) FMC Port Charlotte  580 )	51	(f)	(f)
1123	Fresenius Medical Care Practice Holdings, Inc. Delaware USA (indirect interest through no.	(m) FMC Practice Holdings  997 )	100	(f)	(f)
1124	Fresenius Medical Care Practice Services, LLC Delaware USA (indirect interest through no.	(m) FMC Practice Services  1123 )	100	(f)	(f)
1125	Fresenius Medical Care Prairie Meadows, LLC Delaware USA (indirect interest through no.	(m) FMC Prairie Meadows  1099 )	100	(f)	(f)
1126	Fresenius Medical Care Provo, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Provo  1192 )	100	(f)	(f)
1127	Fresenius Medical Care PSO, LLC Delaware USA (indirect interest through no.	(m) FMC PSO  888 )	100	(f)	(f)
1128	Fresenius Medical Care Quad Cities, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Quad Cities  1192 )	85	(f)	(f)
1129	Fresenius Medical Care Randallstown, LLC Delaware USA (indirect interest through no.	(m) FMC Randallstown  599 )	60	(f)	(f)
1130	Fresenius Medical Care Reading, LLC Delaware USA (indirect interest through no.	(m) FMC Reading  616 )	100	(f)	(f)
1131	Fresenius Medical Care Redan, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Redan  583 )	51	(f)	(f)
1132	Fresenius Medical Care Reedley, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Reedley  568 )	51	(f)	(f)
1133	Fresenius Medical Care Reinsurance Company (Cayman), Ltd. Cayman USA (indirect interest through no.	(m) FMC Reinsurance Company  997 )	100	(f)	(f)
1134	Fresenius Medical Care Renal Accountable Care Organization, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Renal Accountable Care Organization  876 )	100	(f)	(f)
1135	Fresenius Medical Care Renal Therapeutics, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Renal Therapeutics  604 )	51	(f)	(f)
1136	Fresenius Medical Care Renal Therapies Group, LLC Delaware USA (indirect interest through no.	(m) FMC Renal Therapies Group  997 )	100	(f)	(f)
1137	Fresenius Medical Care Renner Road Home, LLC Delaware USA (indirect interest through no.	(m) FMC Renner Road Home  627 )	100	(f)	(f)
1138	Fresenius Medical Care Renner Road, LLC Delaware USA (indirect interest through no.	(m) FMC Renner Road  627 )	100	(f)	(f)
1139	Fresenius Medical Care Reno, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Reno  1509 )	100	(f)	(f)

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			%		
1140	Fresenius Medical Care Risk Management Group, Limited Bermuda USA (indirect interest through no.	(m) FMC Risk Management Group  997 )	100	(f)	(f)
1141	Fresenius Medical Care River Forest, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care River Forest  1192 )	51	(f)	(f)
1142	Fresenius Medical Care Riverton, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Riverton  1192 )	51	(f)	(f)
1143	Fresenius Medical Care Riverview, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Riverview  889 )	100	(f)	(f)
1144	Fresenius Medical Care Roanoke Valley Dialysis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Roanoke Valley Dialysis  630 )	60	(f)	(f)
1145	Fresenius Medical Care Rock Quarry, LLC North Carolina USA (indirect interest through no.	(m) Fresenius Medical Care Rock Quarry  611 )	100	(f)	(f)
1146	Fresenius Medical Care Roseland, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Roseland  1192 )	100	(f)	(f)
1147	Fresenius Medical Care RX, LLC Delaware USA (indirect interest through no.	(m) FMC RX  1009 )	100	(f)	(f)
1148	Fresenius Medical Care San Antonio, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care San Antonio  627 )	60	(f)	(f)
1149	Fresenius Medical Care San Juan Capistrano, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care San Juan Capistrano  568 )	90	(f)	(f)
1150	Fresenius Medical Care Sandhill, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Sandhill  610 )	51	(f)	(f)
1151	Fresenius Medical Care Sandwich, LLC Delaware USA (indirect interest through no.	(m) FMC Sandwich  1192 )	60	(f)	(f)
1152	Fresenius Medical Care Sandy Joint Venture, LLC Delaware USA (indirect interest through no.	(m) FMC Sandy JV  1730 )	100	(f)	(f)
1153	Fresenius Medical Care Santa Ana, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Santa Ana  568 )	100	(f)	(f)
1154	Fresenius Medical Care Santa Monica, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Santa Monica  568 )	100	(f)	(f)
1155	Fresenius Medical Care Schaumburg, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Schaumburg  1099 )	100	(f)	(f)
1156	Fresenius Medical Care Sellersville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Sellersville  616 )	75	(f)	(f)
1157	Fresenius Medical Care Sharon Hill, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Sharon Hill  616 )	85	(f)	(f)
1158	Fresenius Medical Care Shawano, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Shawano  632 )	100	(f)	(f)
1159	Fresenius Medical Care Shawnee, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Shawnee  615 )	100	(f)	(f)
1160	Fresenius Medical Care Solano County, LLC Delaware USA (indirect interest through no.	(m) FMC Solano County  568 )	90	(f)	(f)
1161	Fresenius Medical Care Soldotna, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Soldotna  1817 )	100	(f)	(f)
1162	Fresenius Medical Care South Airways, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care South Airways  626 )	60	(f)	(f)
1163	Fresenius Medical Care South Bend, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care South Bend  590 )	60	(f)	(f)
1164	Fresenius Medical Care South Deering, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care South Deering  1192 )	60	(f)	(f)

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			%		
1165	Fresenius Medical Care South Elgin, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care South Elgin  1099 )	100	(f)	(f)
1166	Fresenius Medical Care Southeast Oklahoma City, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Southeast Oklahoma City  1192 )	51	(f)	(f)
1167	Fresenius Medical Care Southern Delaware, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Southern Delaware  576 )	60	(f)	(f)
1168	Fresenius Medical Care Southwest Anchorage, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Southwest Anchorage  1192 )	100	(f)	(f)
1169	Fresenius Medical Care Spring Klein Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) FMC Spring Klein Dialysis Center  627 )	100	(f)	(f)
1170	Fresenius Medical Care Spring Valley, LLC Delaware USA (indirect interest through no.	(m) FMC Spring Valley  1192 )	51	(f)	(f)
1171	Fresenius Medical Care Sugarland Home, LLC Delaware USA (indirect interest through no.	(m) FMC Sugarland Home  627 )	100	(f)	(f)
1172	Fresenius Medical Care Sugarland, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Sugarland  627 )	80	(f)	(f)
1173	Fresenius Medical Care Summit, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Summit  1099 )	51	(f)	(f)
1174	Fresenius Medical Care Surrats, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Surrats  599 )	51	(f)	(f)
1175	Fresenius Medical Care SW Jackson Home, LLC Delaware USA (indirect interest through no.	(m) FMC SW Jackson Home  605 )	51	(f)	(f)
1176	Fresenius Medical Care SW OKC, LLC Delaware USA (indirect interest through no.	(m) FMC SW OKC  615 )	51	(f)	(f)
1177	Fresenius Medical Care Sycamore Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Sycamore Home  1099 )	100	(f)	(f)
1178	Fresenius Medical Care Tamarac, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Tamarac  580 )	51	(f)	(f)
1179	Fresenius Medical Care Toledo, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Toledo  614 )	100	(f)	(f)
1180	Fresenius Medical Care Tomball Regional Kidney Center, LLC Delaware USA (indirect interest through no.	(m) FMC Tomball Regional Kidney Center  627 )	100	(f)	(f)
1181	Fresenius Medical Care Toms River, LLC Delaware USA (indirect interest through no.	(m) FMC Toms River  1889 )	100	(f)	(f)
1182	Fresenius Medical Care Towson, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Towson  599 )	60	(f)	(f)
1183	Fresenius Medical Care Trussville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Trussville  559 )	80	(f)	(f)
1184	Fresenius Medical Care Tulsa, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Tulsa  615 )	51	(f)	(f)
1185	Fresenius Medical Care Turquoise Trail, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Turquoise Trail  610 )	100	(f)	(f)
1186	Fresenius Medical Care Union City Home, LLC Delaware USA (indirect interest through no.	(m) FMC Union City Home  609 )	60	(f)	(f)
1187	Fresenius Medical Care US Finance II, Inc. Delaware USA	(m) FMC US Finance II	100	159,635	-28,243
1188	Fresenius Medical Care US Finance, Inc. Delaware USA	(m) FMC US Finance	100	78,655	4,294
1189	Fresenius Medical Care Utah, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Utah  1508 )	100	(f)	(f)

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			%	KEUR	KEUR
1190	Fresenius Medical Care Venice, LLC Delaware USA (indirect interest through no.	(m) FMC Venice  1647 )	51	(f)	(f)
1191	Fresenius Medical Care Ventures Holding Company, Inc. Delaware USA (indirect interest through no.	(m) FMC Ventures Holding Company  1591 )	100	(f)	(f)
1192	Fresenius Medical Care Ventures, LLC Delaware USA (indirect interest through no.	(m) FMC Ventures  1191 )	100	(f)	(f)
1193	Fresenius Medical Care Vineland, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Vineland  609 )	51	(f)	(f)
1194	Fresenius Medical Care Virginia Beach Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Virginia Beach Home  630 )	51	(f)	(f)
1195	Fresenius Medical Care VRO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care VRO  1192 )	60	(f)	(f)
1196	Fresenius Medical Care Walterboro, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Walterboro  624 )	70	(f)	(f)
1197	Fresenius Medical Care Warner Robins, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Warner Robins  583 )	75	(f)	(f)
1198	Fresenius Medical Care West Bexar, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care West Bexar  627 )	100	(f)	(f)
1199	Fresenius Medical Care West Frankfort Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care West Frankfort Home  1099 )	80	(f)	(f)
1200	Fresenius Medical Care West Madison, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care West Madison  559 )	69	(f)	(f)
1201	Fresenius Medical Care West Sahara, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care West Sahara  1077 )	100	(f)	(f)
1202	Fresenius Medical Care West Willow, LLC Delaware USA (indirect interest through no.	(m) FMC West Willow  1192 )	70	(f)	(f)
1203	Fresenius Medical Care White Oak, LLC North Carolina USA (indirect interest through no.	(m) Fresenius Medical Care White Oak  611 )	100	(f)	(f)
1204	Fresenius Medical Care Wichita Falls, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Wichita Falls  1192 )	51	(f)	(f)
1205	Fresenius Medical Care Wildwood, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Wildwood  580 )	100	(f)	(f)
1206	Fresenius Medical Care Wilmington Home, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Wilmington Home  614 )	70	(f)	(f)
1207	Fresenius Medical Care Windsor, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Windsor  575 )	60	(f)	(f)
1208	Fresenius Medical Care Woodland (California), LLC Delaware USA (indirect interest through no.	(m) FMC Woodland (California)  568 )	90	(f)	(f)
1209	Fresenius Medical Care Woodlands, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Woodlands  627 )	100	(f)	(f)
1210	Fresenius Medical Care Woodridge, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Woodridge  1099 )	100	(f)	(f)
1211	Fresenius Medical Care Wyandot, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Wyandot  614 )	100	(f)	(f)
1212	Fresenius Medical Care Youngstown, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Youngstown  1735 )	51	(f)	(f)
1213	Fresenius Medical Care Yukon, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Yukon  615 )	51	(f)	(f)
1214	Fresenius Medical Care Zion, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Zion  1099 )	100	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1215	Fresenius Medical Seamless Care, LLC Delaware USA (indirect interest through no.	(m) Fresenius Medical Care Seamless Care 1591 )	100	(f)	(f)
1216	Fresenius Perryville Outpatient Dialysis Center LLC Delaware USA (indirect interest through no.	(m) Outpatient Dialysis Center 606 )	51	(f)	(f)
1217	Fresenius Seamless Care of Atlanta, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Atlanta 1215 )	100	(f)	(f)
1218	Fresenius Seamless Care of Central Alabama, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Central Alabama 1215 )	100	(f)	(f)
1219	Fresenius Seamless Care of Central Illinois, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Central Illinois 1215 )	100	(f)	(f)
1220	Fresenius Seamless Care of Central North Carolina, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Central North Carolina 1215 )	100	(f)	(f)
1221	Fresenius Seamless Care of Central Texas, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Central Texas 1215 )	100	(f)	(f)
1222	Fresenius Seamless Care of Delaware, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Delaware 1215 )	100	(f)	(f)
1223	Fresenius Seamless Care of Erie Valley, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Erie Valley 1215 )	100	(f)	(f)
1224	Fresenius Seamless Care of Gulf Shore, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Gulf Shore 1215 )	100	(f)	(f)
1225	Fresenius Seamless Care of Houston, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Houston 1215 )	100	(f)	(f)
1226	Fresenius Seamless Care of Indianapolis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Indianapolis 1215 )	100	(f)	(f)
1227	Fresenius Seamless Care of Las Vegas, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Las Vegas 1215 )	100	(f)	(f)
1228	Fresenius Seamless Care of Louisiana, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Louisiana 1215 )	100	(f)	(f)
1229	Fresenius Seamless Care of Louisville, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Louisville 1215 )	100	(f)	(f)
1230	Fresenius Seamless Care of Maryland, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Maryland 1215 )	100	(f)	(f)
1231	Fresenius Seamless Care of Massachusetts, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Massachusetts 1215 )	100	(f)	(f)
1232	Fresenius Seamless Care of Michigan, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Michigan 1215 )	100	(f)	(f)
1233	Fresenius Seamless Care of Minneapolis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Minneapolis 1215 )	100	(f)	(f)
1234	Fresenius Seamless Care of New York, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of New York 1215 )	100	(f)	(f)
1235	Fresenius Seamless Care of Phoenix, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Phoenix 1215 )	100	(f)	(f)
1236	Fresenius Seamless Care of Portland, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Portland 1215 )	100	(f)	(f)
1237	Fresenius Seamless Care of Utah, LLC Delaware USA (indirect interest through no.	(m) Fresenius Seamless Care of Utah 1215 )	100	(f)	(f)
1238	Fresenius Securities, Inc. California USA (indirect interest through no.	(m) Securities 1136 )	100	(f)	(f)
1239	Fresenius USA Home Dialysis, Inc. Delaware USA (indirect interest through no.	(m) FUSAHD 1136 )	100	(f)	(f)

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			%	KEUR	KEUR
1240	Fresenius USA Manufacturing, Inc. Delaware USA (indirect interest through no.	(m) FUSAMF  1136 )	100	(f)	(f)
1241	Fresenius USA Marketing, Inc. Delaware USA (indirect interest through no.	(m) FUSAMK  1136 )	100	(f)	(f)
1242	Fresenius USA, Inc. Massachusetts USA (indirect interest through no.	(m) FUSA  1136 )	100	(f)	(f)
1243	Fresenius Vascluar Care Del Caribe, Inc. Puerto Rico USA (indirect interest through no.	(m) Fresenius Vascluar Care Del Caribe  1299 )	100	(f)	(f)
1244	Fresenius Vascular Care Albany MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Albany MSO  1299 )	100	(f)	(f)
1245	Fresenius Vascular Care Augusta, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Augusta  1299 )	65	(f)	(f)
1246	Fresenius Vascular Care Beverly, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Beverly  1299 )	51	(f)	(f)
1247	Fresenius Vascular Care Birmingham MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Birmingham MSO  1299 )	70	(f)	(f)
1248	Fresenius Vascular Care Boston, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Boston  1299 )	51	(f)	(f)
1249	Fresenius Vascular Care Charlotte MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Charlotte MSO  1299 )	65	(f)	(f)
1250	Fresenius Vascular Care Cincinnati ASC, LLC Delaware USA	(m, t) Fresenius Vascular Care Cincinnati ASC	0	(f)	(f)
1251	Fresenius Vascular Care Cincinnati, LLC Delaware USA (indirect interest through no.	(m, t) Fresenius Vascular Care Cincinnati  1299 )	41	(f)	(f)
1252	Fresenius Vascular Care Colorado Springs ASC, LLC Delaware USA	(m, t) Fresenius Vascular Care Colorado Springs ASC	0	(f)	(f)
1253	Fresenius Vascular Care Colorado Springs MSO, LLC Delaware USA (indirect interest through no.	(m, t) Fresenius Vascular Care Colorado Springs MSO  1299 )	40	(f)	(f)
1254	Fresenius Vascular Care Columbia MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Columbia MSO  941 )	100	(f)	(f)
1255	Fresenius Vascular Care Corpus Christi ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Corpus Christi ASC  1256 )	100	(f)	(f)
1256	Fresenius Vascular Care Corpus Christi MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Corpus Christi MSO  1299 )	51	(f)	(f)
1257	Fresenius Vascular Care Culver City ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Culver City ASC  1258 )	100	(f)	(f)
1258	Fresenius Vascular Care Culver City MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Culver City MSO  1299 )	70	(f)	(f)
1259	Fresenius Vascular Care Del Caribe ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Del Caribe ASC  1260 )	100	(f)	(f)
1260	Fresenius Vascular Care Del Caribe MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Del Caribe MSO  1299 )	100	(f)	(f)
1261	Fresenius Vascular Care Durham MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Durham MSO  1299 )	100	(f)	(f)
1262	Fresenius Vascular Care Four Corners ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Four Corners ASC  1263 )	100	(f)	(f)
1263	Fresenius Vascular Care Four Corners, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Four Corners  1299 )	100	(f)	(f)
1264	Fresenius Vascular Care Greenville MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Greenville MSO  1299 )	65	(f)	(f)

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			%	KEUR	KEUR
1265	Fresenius Vascular Care Harker Hights MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Harker Hights MSO 1299 )	80	(f)	(f)
1266	Fresenius Vascular Care Houston ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Houston ASC 1267 )	100	(f)	(f)
1267	Fresenius Vascular Care Houston MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Houston MSO 1299 )	51	(f)	(f)
1268	Fresenius Vascular Care Lake Worth, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Lake Worth 1299 )	100	(f)	(f)
1269	Fresenius Vascular Care Lansing, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Lansing 1299 )	71	(f)	(f)
1270	Fresenius Vascular Care Laredo ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Laredo ASC 1271 )	100	(f)	(f)
1271	Fresenius Vascular Care Laredo MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Laredo MSO 1299 )	51	(f)	(f)
1272	Fresenius Vascular Care Memphis MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Memphis MSO 1299 )	51	(f)	(f)
1273	Fresenius Vascular Care Mishawaka MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Mishawaka MSO 1299 )	70	(f)	(f)
1274	Fresenius Vascular Care Montgomery, LLLP Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Montgomery 1299 )	51	(f)	(f)
1275	Fresenius Vascular Care Myrtle Beach MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Myrtle Beach MSO 1299 )	80	(f)	(f)
1276	Fresenius Vascular Care North Andover, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care North Andover 1299 )	100	(f)	(f)
1277	Fresenius Vascular Care Oakland ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Oakland ASC 1278 )	100	(f)	(f)
1278	Fresenius Vascular Care Oakland MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Oakland MSO 1299 )	51	(f)	(f)
1279	Fresenius Vascular Care of Pensacola ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care of Pensacola ASC 1283 )	100	(f)	(f)
1280	Fresenius Vascular Care of Tampa ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care of Tampa ASC 1281 )	100	(f)	(f)
1281	Fresenius Vascular Care of Tampa, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care of Tampa 1299 )	51	(f)	(f)
1282	Fresenius Vascular Care Orlando, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Orlando 1299 )	100	(f)	(f)
1283	Fresenius Vascular Care Pensacola, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Pensacola 1299 )	70	(f)	(f)
1284	Fresenius Vascular Care Petersburg, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Petersburg 1299 )	51	(f)	(f)
1285	Fresenius Vascular Care Portland MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Portland MSO 1299 )	100	(f)	(f)
1286	Fresenius Vascular Care Pottstown ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Pottstown ASC 1287 )	100	(f)	(f)
1287	Fresenius Vascular Care Pottstown, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Pottstown 1299 )	100	(f)	(f)
1288	Fresenius Vascular Care Raleigh MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Raleigh MSO 1299 )	70	(f)	(f)
1289	Fresenius Vascular Care Reno MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Reno MSO 1299 )	60	(f)	(f)



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			%	KEUR	KEUR
1290	Fresenius Vascular Care San Antonio ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care San Antonio ASC  1291 )	100	(f)	(f)
1291	Fresenius Vascular Care San Antonio MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care San Antonio MSO  1299 )	51	(f)	(f)
1292	Fresenius Vascular Care Savannah, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Savannah  1299 )	100	(f)	(f)
1293	Fresenius Vascular Care South Florida ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care South Florida ASC  1294 )	100	(f)	(f)
1294	Fresenius Vascular Care South Florida, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care South Florida  1299 )	59	(f)	(f)
1295	Fresenius Vascular Care St. Louis ASC, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care St. Louis ASC  1296 )	100	(f)	(f)
1296	Fresenius Vascular Care St. Louis, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care St. Louis  1299 )	51	(f)	(f)
1297	Fresenius Vascular Care Suffolk MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care Suffolk MSO  529 )	100	(f)	(f)
1298	Fresenius Vascular Care WNA MSO, LLC Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care WNA MSO  1299 )	51	(f)	(f)
1299	Fresenius Vascular Care, Inc. Delaware USA (indirect interest through no.	(m) Fresenius Vascular Care, Inc.  2006 )	100	(f)	(f)
1300	Front Range Kidney Care, PLLC Delaware USA	(m, t) Front Range Kidney Care	0	(f)	(f)
1301	FVC Brooklyn Heights MSO, LLC Delaware USA (indirect interest through no.	(m) FVC Brooklyn Heights MSO  1299 )	100	(f)	(f)
1302	FVC Lenoir MSO, LLC Delaware USA (indirect interest through no.	(m) FVC Lenoir MSO  1299 )	100	(f)	(f)
1303	FVC Syracuse MSO, LLC Delaware USA (indirect interest through no.	(m) FVC Syracuse MSO  1299 )	60	(f)	(f)
1304	FVC West Springfield, LLC Delaware USA (indirect interest through no.	(m) FVC West Springfield  1299 )	100	(f)	(f)
1305	Garay Dialysis Center Partnership California USA (indirect interest through no.	(m) Garay Dialysis Center  1805 )	60	(f)	(f)
1306	Genevity, LLC Delaware USA (indirect interest through no.	(m, t) Genevity  1937 )	41	(f)	(f)
1307	GFLD Holdings, LLC Delaware USA (indirect interest through no.	(m) GFLD Holdings  1509 )	67	(f)	(f)
1308	GFLD LLC Delaware USA (indirect interest through no.	(m) GFLD  1307 )	55	(f)	(f)
1309	Goshen LD Partners, LLC Delaware USA (indirect interest through no.	(m) Goshen LD Partners  1310 )	100	(f)	(f)
1310	Goshen Partners Holdings, LLC Delaware USA (indirect interest through no.	(m) Goshen Partners Holdings  1631 )	100	(f)	(f)
1311	Gulf Region Mobile Dialysis, Inc. Delaware USA (indirect interest through no.	(m) Gulf Region Mobile  557 )	100	(f)	(f)
1312	Haemo-Stat, Inc. California USA (indirect interest through no.	(m) Haemo-Stat  1591 )	100	(f)	(f)
1313	Hauppauge Dialysis Center, LLC New York USA (indirect interest through no.	(m) Hauppauge Dialysis Center  1631 )	100	(f)	(f)
1314	Hawaii Nephrologists, LLC Delaware USA (indirect interest through no.	(m) Hawaii Nephrologists  1124 )	100	(f)	(f)

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			%	KEUR	KEUR
1315	Health Property Services, Inc. Delaware USA (indirect interest through no.	(m) Health Property Services 557 )	100	(f)	(f)
1316	Healthqare Services, LLC Delaware USA (indirect interest through no.	(m) Healthqare Services 535 )	76	(f)	(f)
1317	Henry Dialysis Center, LLC Georgia USA (indirect interest through no.	(m) Henry Dialysis 1872 )	100	(f)	(f)
1318	High Plains Surgery Center GP, LLC Texas USA (indirect interest through no.	(m) High Plains Surgery Center GP 1421 )	100	(f)	(f)
1319	HMG Holding Corporation Delaware USA (indirect interest through no.	(m) HMG Holding 1948 )	100	(f)	(f)
1320	HMG Holdings, LLC Delaware USA (indirect interest through no.	(m) HMG Holdings 1319 )	100	(f)	(f)
1321	HMP of Oakland County, LLC Missouri USA (indirect interest through no.	(m) HMP of Oakland County 1386 )	100	(f)	(f)
1322	Holton Dialysis Clinic, LLC Georgia USA (indirect interest through no.	(m) Holton Dialysis 1872 )	100	(f)	(f)
1323	Holy Name Renal Care Center, LLC Delaware USA (indirect interest through no.	(m) Renal Care Center 609 )	60	(f)	(f)
1324	Home Dialysis of America Inc. Arizona USA (indirect interest through no.	(m) Home Dialysis of America 799 )	100	(f)	(f)
1325	Home Dialysis of Eastgate Inc. Ohio USA (indirect interest through no.	(m) Home Dialysis Eastgate 1324 )	100	(f)	(f)
1326	Home Dialysis of Mount Auburn Inc. Ohio USA (indirect interest through no.	(m) Home Dialysis Auburn 1324 )	81	(f)	(f)
1327	Home Dialysis of Muhlenberg County Inc. Kentucky USA (indirect interest through no.	(m) Home Dialysis Muhlenberg 1324 )	100	(f)	(f)
1328	Homestead Artificial Kidney Center, Inc. Florida USA (indirect interest through no.	(m) Homestead Kidney Center 580 )	100	(f)	(f)
1329	Hopkinsville Kidney Care, PLLC Kentucky USA	(m, t) Hopkinsville Kidney Care	0	(f)	(f)
1330	Hospitalist Medicine Physician of Broome County, PLLC New York USA	(m, t) Hospitalist Medicine Physician of Broome County	0	(f)	(f)
1331	Hospitalist Medicine Physicians of Albany County, PLLC New York USA	(m, t) Hospitalist Medicine Physicians of Albany County	0	(f)	(f)
1332	Hospitalist Medicine Physicians of Ashland County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Ashland County	0	(f)	(f)
1333	Hospitalist Medicine Physicians of Ashtabula County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Ashtabula County	0	(f)	(f)
1334	Hospitalist Medicine Physicians of Buncombe County, PLLC North Carolina USA	(m, t) Hospitalist Medicine Physicians of Buncombe County	0	(f)	(f)
1335	Hospitalist Medicine Physicians of Butler County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Butler County	0	(f)	(f)
1336	Hospitalist Medicine Physicians of Calhoun County, PLLC Michigan USA	(m, t) Hospitalist Medicine Physicians of Calhoun County	0	(f)	(f)
1337	Hospitalist Medicine Physicians of California, Inc. California USA	(m, t) Hospitalist Medicine Physicians of California	0	(f)	(f)
1338	Hospitalist Medicine Physicians of Charleston, PLLC West Virginia USA	(m, t) Hospitalist Medicine Physicians of Charleston	0	(f)	(f)
1339	Hospitalist Medicine Physicians of Clinton County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Clinton County	0	(f)	(f)
1340	Hospitalist Medicine Physicians of Connecticut, LLC Connecticut USA	(m, t) Hospitalist Medicine Physicians of Connecticut	0	(f)	(f)
1341	Hospitalist Medicine Physicians of Cortland County, PLLC New York USA	(m, t) Hospitalist Medicine Physicians of Cortland County	0	(f)	(f)
1342	Hospitalist Medicine Physicians of Cuyahoga County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Cuyahoga County	0	(f)	(f)

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			%	KEUR	KEUR
1343	Hospitalist Medicine Physicians of Davidson County, PLLC North Carolina USA	(m, t) Hospitalist Medicine Physicians of Davidson County	0	(f)	(f)
1344	Hospitalist Medicine Physicians of DC, PC District of Columbia USA	(m, t) Hospitalist Medicine Physicians of DC	0	(f)	(f)
1345	Hospitalist Medicine Physicians of Delaware, P.A. Delaware USA	(m, t) Hospitalist Medicine Physicians of Delaware	0	(f)	(f)
1346	Hospitalist Medicine Physicians of Durham County, PLLC North Carolina USA	(m, t) Hospitalist Medicine Physicians of Durham County	0	(f)	(f)
1347	Hospitalist Medicine Physicians of Forsyth County, PLLC North Carolina USA	(m, t) Hospitalist Medicine Physicians of Forsyth County	0	(f)	(f)
1348	Hospitalist Medicine Physicians of Fredericksburg, LLC Virginia USA	(m, t) Hospitalist Medicine Physicians of Fredericksburg	0	(f)	(f)
1349	Hospitalist Medicine Physicians of Front Royal, LLC Virginia USA	(m, t) Hospitalist Medicine Physicians of Front Royal	0	(f)	(f)
1350	Hospitalist Medicine Physicians of Harnett County, PLLC North Carolina USA	(m, t) Hospitalist Medicine Physicians of Harnett County	0	(f)	(f)
1351	Hospitalist Medicine Physicians of Imperial County, Inc. California USA	(m, t) Hospitalist Medicine Physicians of Imperial County	0	(f)	(f)
1352	Hospitalist Medicine Physicians of Indiana, LLC Indiana USA	(m, t) Hospitalist Medicine Physicians of Indiana	0	(f)	(f)
1353	Hospitalist Medicine Physicians of Iowa, PLC Iowa USA	(m, t) Hospitalist Medicine Physicians of Iowa	0	(f)	(f)
1354	Hospitalist Medicine Physicians of Kanawha County, PLLC West Virginia USA	(m, t) Hospitalist Medicine Physicians of Kanawha County	0	(f)	(f)
1355	Hospitalist Medicine Physicians of Kentucky, PLLC Kentucky USA	(m, t) Hospitalist Medicine Physicians of Kentucky	0	(f)	(f)
1356	Hospitalist Medicine Physicians of Los Angeles County, Inc. California USA	(m, t) Hospitalist Medicine Physicians of Los Angeles County	0	(f)	(f)
1357	Hospitalist Medicine Physicians of Louisiana, LLC Louisiana USA	(m, t) Hospitalist Medicine Physicians of Louisiana	0	(f)	(f)
1358	Hospitalist Medicine Physicians of Lucas County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Lucas County	0	(f)	(f)
1359	Hospitalist Medicine Physicians of Marathon County, Ltd Wisconsin USA	(m, t) Hospitalist Medicine Physicians of Marathon County	0	(f)	(f)
1360	Hospitalist Medicine Physicians of Maryland, P.C. Maryland USA	(m, t) Hospitalist Medicine Physicians of Maryland	0	(f)	(f)
1361	Hospitalist Medicine Physicians of Michigan, PLLC Michigan USA	(m, t) Hospitalist Medicine Physicians of Michigan	0	(f)	(f)
1362	Hospitalist Medicine Physicians of Mississippi, LLC Mississippi USA	(m, t) Hospitalist Medicine Physicians of Mississippi	0	(f)	(f)
1363	Hospitalist Medicine Physicians of Monterey County, Inc. California USA	(m, t) Hospitalist Medicine Physicians of Monterey County	0	(f)	(f)
1364	Hospitalist Medicine Physicians of Multiple Practice Sites, LLC Delaware USA	(m, t) Hospitalist Medicine Physicians of Multiple Practice Sites	0	(f)	(f)
1365	Hospitalist Medicine Physicians of Muskingum County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Muskingum County	0	(f)	(f)
1366	Hospitalist Medicine Physicians of New York, PLLC New York USA	(m, t) Hospitalist Medicine Physicians of New York	0	(f)	(f)
1367	Hospitalist Medicine Physicians of North Carolina, PLLC North Carolina USA	(m, t) Hospitalist Medicine Physicians of North Carolina	0	(f)	(f)
1368	Hospitalist Medicine Physicians of Ohio County, PLLC West Virginia USA	(m, t) Hospitalist Medicine Physicians of Ohio County	0	(f)	(f)
1369	Hospitalist Medicine Physicians of Ohio, PC Ohio USA	(m, t) Hospitalist Medicine Physicians of Ohio	0	(f)	(f)
1370	Hospitalist Medicine Physicians of Pennsylvania, P.C. Pennsylvania USA	(m, t) Hospitalist Medicine Physicians of Pennsylvania	0	(f)	(f)
1371	Hospitalist Medicine Physicians of Pickaway County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Pickaway County	0	(f)	(f)
1372	Hospitalist Medicine Physicians of Rapides Parish, L.L.C. Louisiana USA	(m, t) Hospitalist Medicine Physicians of Rapides Parish	0	(f)	(f)
1373	Hospitalist Medicine Physicians of Richland County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Richland County	0	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1374	Hospitalist Medicine Physicians of Samaritan, PLLC New York USA	(m, t) Hospitalist Medicine Physicians of Samaritan	0	(f)	(f)
1375	Hospitalist Medicine Physicians of San Bernardino County, Inc. California USA	(m, t) Hospitalist Medicine Physicians of San Bernardino County	0	(f)	(f)
1376	Hospitalist Medicine Physicians of San Luis Obispo County, Inc. California USA	(m, t) Hospitalist Medicine Physicians of San Luis Obispo County	0	(f)	(f)
1377	Hospitalist Medicine Physicians of Summit County, Ltd. Ohio USA	(m, t) Hospitalist Medicine Physicians of Summit County	0	(f)	(f)
1378	Hospitalist Medicine Physicians of Sylvania, Ltd Ohio USA	(m, t) Hospitalist Medicine Physicians of Sylvania	0	(f)	(f)
1379	Hospitalist Medicine Physicians of Texas, PLLC Texas USA	(m, t) Hospitalist Medicine Physicians of Texas	0	(f)	(f)
1380	Hospitalist Medicine Physicians of Virginia, LLC Virginia USA	(m, t) Hospitalist Medicine Physicians of Virginia	0	(f)	(f)
1381	Hospitalist Medicine Physicians of Washington County, LLC Pennsylvania USA	(m, t) Hospitalist Medicine Physicians of Washington County	0	(f)	(f)
1382	Hospitalist Medicine Physicians of West Virginia, PLLC West Virginia USA	(m, t) Hospitalist Medicine Physicians of West Virginia	0	(f)	(f)
1383	Hospitalist Medicine Physicians of Wisconsin Rapids, Ltd. Wisconsin USA	(m, t) Hospitalist Medicine Physicians of Wisconsin Rapids	0	(f)	(f)
1384	Hospitalist Medicine Physicians of Wisconsin, Ltd. Wisconsin USA	(m, t) Hospitalist Medicine Physicians of Wisconsin	0	(f)	(f)
1385	Hospitalist Medicine Physicians of Wood County, PLLC West Virginia USA	(m, t) Hospitalist Medicine Physicians of Wood County	0	(f)	(f)
1386	Hospitalists Management Group, LLC Delaware USA (indirect interest through no. 1320 )	(m) Hospitalists Management Group	100	(f)	(f)
1387	Hospitalists Medicine Physicians of Franklin County, Ltd. Ohio USA	(m, t) Hospitalists Medicine Physicians of Franklin County	0	(f)	(f)
1388	HPLD Partners Holdings, LLC Delaware USA (indirect interest through no. 1631 )	(m) HPLD Partners Holdings	100	(f)	(f)
1389	HPLD Partners, LLC Delaware USA (indirect interest through no. 1388 )	(m) HPLD Partners	50	(f)	(f)
1390	HR Administration, LLC Delaware USA (indirect interest through no. 888 )	(m) HR Administration	100	(f)	(f)
1391	Hutchinson Dialysis, L.L.C. Kansas USA (indirect interest through no. 1869 )	(m) Hutchinson Dialysis	50	(f)	(f)
1392	Idaho Kidney Center-Blackfoot LLC Delaware USA (indirect interest through no. 1512 )	(m) Idaho Kidney Center	100	(f)	(f)
1393	Independent Nephrology Services, Inc. Ohio USA (indirect interest through no. 1508 )	(m) Nephrology Services	100	(f)	(f)
1394	Inland Northwest Renal Care Group, LLC Washington USA (indirect interest through no. 1886 )	(m) Inland Northwest RCG Renal Care Group	100	(f)	(f)
1395	Inland NW Renal Care Group- Gritman Medical Center, LLC Delaware USA (indirect interest through no. 1394 )	(m) Inland NW Renal Care Group- Gritman Medical Center	70	(f)	(f)
1396	Inland NW Renal Care Group - Rockwood Nephrology, LLC Delaware USA (indirect interest through no. 1192 )	(m) Inland NW RCG Rockwood Nephrology	100	(f)	(f)
1397	Inpatient Services, P.C. Colorado USA	(m, t) Inpatient Services	0	(f)	(f)
1398	Inpatient Specialists of California, P.C. California USA	(m, t) Inpatient Specialists of California	0	(f)	(f)
1399	Inpatient Specialists of Southwest Florida, LLC Florida USA (indirect interest through no. 748 )	(m) Inpatient Specialists of Southwest Florida	70	(f)	(f)
1400	Integrated Renal Care of the Pacific, LLC Hawaii USA (indirect interest through no. 997 )	(m) Integrated Renal Care	100	(f)	(f)
1401	International Medical Care, Inc. Delaware USA (indirect interest through no. 557 )	(m) International Medical Care	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
1402	Jefferson County Dialysis, Inc. Arkansas USA (indirect interest through no.	(m) Jefferson County Dialysis 1886 )	100	(f)	(f)
1403	Katy ASC, LP Texas USA (indirect interest through no.	(m) Katy ASC 1404 )	100	(f)	(f)
1404	Katy Cardiovascular Services GP, LLC Texas USA (indirect interest through no.	(m) Katy Cardiovascular Services GP 1589 )	100	(f)	(f)
1405	Katy Cardiovascular Services, LP Texas USA (indirect interest through no.	(m, t) Katy Cardiovascular Services 1924 )	20	(f)	(f)
1406	KDCO, Inc. Missouri USA (indirect interest through no.	(m) KDCO 1886 )	100	(f)	(f)
1407	Kentucky Renal Care Group, LLC Delaware USA (indirect interest through no.	(m) Kentucky RCG 1843 )	100	(f)	(f)
1408	KHINU Holdings LLC Delaware USA (indirect interest through no.	(m) KHINU Holdings 1509 )	100	(f)	(f)
1409	Kidney & Hypertension Institute of Northern Utah, LLC Delaware USA (indirect interest through no.	(m) Institute of Northern Utah 1408 )	100	(f)	(f)
1410	Kidney & Hypertension Institute of Utah, PLLC Utah USA (indirect interest through no.	(m) Institute of Utah 1517 )	99	(f)	(f)
1411	Kidney Disease and Hypertension Center, Ltd. Arizona USA (indirect interest through no.	(m) Kidney Disease Center 557 )	100	(f)	(f)
1412	Kingwood ASC LP Texas USA	(m, t) Kingwood ASC	0	(f)	(f)
1413	Lafayette Kidney Care, LLC Delaware USA (indirect interest through no.	(m) Lafayette Kidney Care 1124 )	100	(f)	(f)
1414	Lake Charles Ambulatory Surgery Center, LP Texas USA	(m, t) Lake Charles Ambulatory Surgery Center	0	(f)	(f)
1415	Lake Clarke Shores Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) Lake Clarke Shores Dialysis Center 1192 )	60	(f)	(f)
1416	Lakeland Home Program, LLC Delaware USA (indirect interest through no.	(m) Lakeland Home Program 605 )	70	(f)	(f)
1417	Lakewood Dialysis Services, LLC Delaware USA (indirect interest through no.	(m) Lakewood Dialysis 889 )	68	(f)	(f)
1418	Laredo Nephrologists, PLLC Texas USA	(m, t) Laredo Nephrologists	0	(f)	(f)
1419	Laurus Healthcare GP, LLC Texas USA (indirect interest through no.	(m) Laurus Healthcare GP 1617 )	100	(f)	(f)
1420	Laurus Healthcare Management Company Texas USA (indirect interest through no.	(m) Laurus Healthcare Management Company 1421 )	100	(f)	(f)
1421	Laurus Healthcare, L.P. Texas USA (indirect interest through no.	(m) Laurus Healthcare 1617 )	100	(f)	(f)
1422	Laurus High Plains Surgery Center, LP Texas USA (indirect interest through no.	(m) Laurus High Plains Surgery Center 1421 )	100	(f)	(f)
1423	Lawton Dialysis, Inc. Arkansas USA (indirect interest through no.	(m) Lawton Dialysis 1886 )	100	(f)	(f)
1424	LD Group 6 Holdings LLC Delaware USA (indirect interest through no.	(m) LD Group 6 Holdings 1508 )	100	(f)	(f)
1425	LD Group 6 LLC Delaware USA (indirect interest through no.	(m) LD Group 6 1424 )	100	(f)	(f)
1426	LD South Hill Holdings LLC Delaware USA (indirect interest through no.	(m) LD South Hill Holdings 1509 )	100	(f)	(f)
1427	LDBH Holdings LLC Delaware USA (indirect interest through no.	(m) LDBH Holdings 1509 )	100	(f)	(f)

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			%	KEUR	KEUR
1428	LDBH LLC Delaware USA (indirect interest through no.	(m) LDBH  1427 )	60	(f)	(f)
1429	LDCD Holdings LLC Delaware USA (indirect interest through no.	(m) LDCD Holdings  1509 )	100	(f)	(f)
1430	LDCD LLC Delaware USA (indirect interest through no.	(m) LDCD  1429 )	90	(f)	(f)
1431	LDHB Holdings LLC Delaware USA (indirect interest through no.	(m) LDHB Holdings  1509 )	100	(f)	(f)
1432	LDHB LLC Delaware USA (indirect interest through no.	(m) LDHB  1431 )	59	(f)	(f)
1433	LDHB Middletown Holdings LLC Delaware USA (indirect interest through no.	(m) LDHB Middletown Holdings  1509 )	100	(f)	(f)
1434	LDHB Middletown LLC Delaware USA (indirect interest through no.	(m) LDHB Middletown  1433 )	51	(f)	(f)
1435	LDHV Acutes LLC Delaware USA (indirect interest through no.	(m) LDHV Acutes  1436 )	60	(f)	(f)
1436	LDHV Holdings, LLC Delaware USA (indirect interest through no.	(m) LDHV Holdings  1509 )	77	(f)	(f)
1437	LDHV, LLC Delaware USA (indirect interest through no.	(m) LDHV  1436 )	53	(f)	(f)
1438	LDNL Holdings LLC Delaware USA (indirect interest through no.	(m) LDNL Holdings  1509 )	100	(f)	(f)
1439	LDNL LLC Delaware USA (indirect interest through no.	(m) LDNL  1438 )	100	(f)	(f)
1440	LDSP Holdings LLC Delaware USA (indirect interest through no.	(m) LDSP Holdings  1509 )	100	(f)	(f)
1441	LDSP LLC Delaware USA (indirect interest through no.	(m) LDSP  1440 )	51	(f)	(f)
1442	LDV LLC Delaware USA (indirect interest through no.	(m) LDV  1445 )	65	(f)	(f)
1443	Lewisville LD Holdings, LLC Delaware USA (indirect interest through no.	(m) Lewisville LD Holdings  1509 )	100	(f)	(f)
1444	Lewisville LD, LLC Delaware USA (indirect interest through no.	(m) Lewisville LD  1443 )	51	(f)	(f)
1445	LHV LLC Delaware USA (indirect interest through no.	(m) LHV  1509 )	85	(f)	(f)
1446	Liberty-Charing Cross LLC Maryland USA (indirect interest through no.	(m) Liberty-Charing Cross  1509 )	100	(f)	(f)
1447	Liberty-Monroe Clinic Dialysis Partners LLC Delaware USA (indirect interest through no.	(m) Liberty-Monroe Clinic  1509 )	60	(f)	(f)
1448	Liberty-St. George LLC Delaware USA (indirect interest through no.	(m) Liberty St. George  1509 )	100	(f)	(f)
1449	Liberty-Weber County LLC Delaware USA (indirect interest through no.	(m) Liberty-Weber County  1509 )	100	(f)	(f)
1450	Liberty-West Virginia LLC Delaware USA (indirect interest through no.	(m) Liberty-West Virginia  1509 )	100	(f)	(f)
1451	Liberty-Woods Cross LLC Delaware USA (indirect interest through no.	(m) Liberty-Woods Cross  1509 )	100	(f)	(f)
1452	Liberty Acute Services, LLC Delaware USA (indirect interest through no.	(m) Liberty Acute Services  1509 )	100	(f)	(f)

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			%	KEUR	KEUR
1453	Liberty Acutes-Salt Lake LLC Delaware USA (indirect interest through no.	(m) Liberty Acutes-Salt Lake 1509 )	100	(f)	(f)
1454	Liberty California LLC Delaware USA (indirect interest through no.	(m) Liberty California 1504 )	100	(f)	(f)
1455	Liberty CH Holdings, LLC Delaware USA (indirect interest through no.	(m) Liberty CH Holdings 1509 )	100	(f)	(f)
1456	Liberty Connecticut 2 LLC Delaware USA (indirect interest through no.	(m) Liberty Connecticut 2 1509 )	93	(f)	(f)
1457	Liberty Davis LLC Delaware USA (indirect interest through no.	(m) Liberty Davis 1509 )	100	(f)	(f)
1458	Liberty Dialysis-Baden LLC Delaware USA (indirect interest through no.	(m) LD Baden 2034 )	100	(f)	(f)
1459	Liberty Dialysis-Banksville LLC Delaware USA (indirect interest through no.	(m) LD Banksville 2034 )	100	(f)	(f)
1460	Liberty Dialysis-BBC LLC Delaware USA (indirect interest through no.	(m) Liberty Dialysis-BBC 1509 )	100	(f)	(f)
1461	Liberty Dialysis-Berlin LLC Delaware USA (indirect interest through no.	(m) LD Berlin 1523 )	86	(f)	(f)
1462	Liberty Dialysis-Bryan LLC Delaware USA (indirect interest through no.	(m) LD Bryan 1541 )	51	(f)	(f)
1463	Liberty Dialysis-Carson City LLC Delaware USA (indirect interest through no.	(m) LD Carson City 1542 )	63	(f)	(f)
1464	Liberty Dialysis-Castle Rock LLC Delaware USA (indirect interest through no.	(m) LD Castle Rock 1543 )	100	(f)	(f)
1465	Liberty Dialysis-Chippewa LLC Delaware USA (indirect interest through no.	(m) LD Chippewa 2034 )	100	(f)	(f)
1466	Liberty Dialysis-College Station LLC Delaware USA (indirect interest through no.	(m) LD College Station 1554 )	51	(f)	(f)
1467	Liberty Dialysis-Fairfield LLC Delaware USA (indirect interest through no.	(m) LD Fairfield 1456 )	81	(f)	(f)
1468	Liberty Dialysis-Friendship Ridge LLC Delaware USA (indirect interest through no.	(m) LD Friendship Ridge 1535 )	90	(f)	(f)
1469	Liberty Dialysis-Hammond LLC Delaware USA (indirect interest through no.	(m) LD Hammond 1544 )	60	(f)	(f)
1470	Liberty Dialysis-Hawaii LLC Delaware USA (indirect interest through no.	(m) LD Hawaii 1532 )	99	(f)	(f)
1471	Liberty Dialysis-Hopewell LLC Delaware USA (indirect interest through no.	(m) LD Hopewell 2034 )	100	(f)	(f)
1472	Liberty Dialysis-Idaho Falls LLC Delaware USA (indirect interest through no.	(m) LD Idaho Falls 1512 )	100	(f)	(f)
1473	Liberty Dialysis-Jordan Landing LLC Delaware USA (indirect interest through no.	(m) LD Jordan Landing 1515 )	70	(f)	(f)
1474	Liberty Dialysis-Lafayette Holdings, LLC Delaware USA (indirect interest through no.	(m) LD Lafayette Holdings 1509 )	100	(f)	(f)
1475	Liberty Dialysis-Lafayette LLC Delaware USA (indirect interest through no.	(m) LD Lafayette 1474 )	77	(f)	(f)
1476	Liberty Dialysis-Laredo Acutes LLC Delaware USA (indirect interest through no.	(m) LD Laredo Acutes 1545 )	100	(f)	(f)
1477	Liberty Dialysis-Laredo, LLC Delaware USA (indirect interest through no.	(m) LD Laredo 1546 )	100	(f)	(f)

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			%	KEUR	KEUR
1478	Liberty Dialysis-Lebanon LLC Delaware USA (indirect interest through no.	(m) LD Lebanon  1547 )	75	(f)	(f)
1479	Liberty Dialysis-Nampa LLC Delaware USA (indirect interest through no.	(m) LD Nampa  635 )	100	(f)	(f)
1480	Liberty Dialysis-North Carolina LLC Delaware USA (indirect interest through no.	(m) LD North Carolina  1509 )	100	(f)	(f)
1481	Liberty Dialysis-North Hawaii LLC Delaware USA (indirect interest through no.	(m) Liberty Dialysis-North Hawaii  1529 )	95	(f)	(f)
1482	Liberty Dialysis-Northwest Reno LLC Delaware USA (indirect interest through no.	(m) LD Northwest Reno  1548 )	63	(f)	(f)
1483	Liberty Dialysis-Reno Home Dialysis LLC Delaware USA (indirect interest through no.	(m) LC Reno Home  1549 )	85	(f)	(f)
1484	Liberty Dialysis-Runnemedede LLC Delaware USA (indirect interest through no.	(m) LD Runnemedede  1520 )	84	(f)	(f)
1485	Liberty Dialysis-Sierra Nevada LLC Delaware USA (indirect interest through no.	(m) Liberty Dialysis-Sierra Nevada  1509 )	100	(f)	(f)
1486	Liberty Dialysis-South Reno LLC Delaware USA (indirect interest through no.	(m) LD South Reno  1551 )	71	(f)	(f)
1487	Liberty Dialysis-Southpointe LLC Delaware USA (indirect interest through no.	(m) LD Southpointe  2034 )	100	(f)	(f)
1488	Liberty Dialysis-Sparks LLC Delaware USA (indirect interest through no.	(m) LD Sparks  1552 )	85	(f)	(f)
1489	Liberty Dialysis-St. George LLC Delaware USA (indirect interest through no.	(m) LD St. George  1448 )	85	(f)	(f)
1490	Liberty Dialysis-Washington LLC Delaware USA (indirect interest through no.	(m) LD Washington  2034 )	100	(f)	(f)
1491	Liberty Dialysis-Weber County LLC Delaware USA (indirect interest through no.	(m) LD Weber County  1449 )	71	(f)	(f)
1492	Liberty Dialysis-Woods Cross LLC Delaware USA (indirect interest through no.	(m) LD Woods Cross  1451 )	83	(f)	(f)
1493	Liberty Dialysis - Brenham LLC Delaware USA (indirect interest through no.	(m) LD - Brenham  1553 )	51	(f)	(f)
1494	Liberty Dialysis - Cherry Hill, LLC Delaware USA (indirect interest through no.	(m) LD - Cherry Hill  1455 )	61	(f)	(f)
1495	Liberty Dialysis - Davis County LLC Delaware USA (indirect interest through no.	(m) LD Davis County  1457 )	100	(f)	(f)
1496	Liberty Dialysis - Doylestown LLC Pennsylvania USA (indirect interest through no.	(m) LD Doylestown  1510 )	75	(f)	(f)
1497	Liberty Dialysis - Hammonton LLC Delaware USA (indirect interest through no.	(m) LD Hammonton  1522 )	56	(f)	(f)
1498	Liberty Dialysis - Lakeland LLC Delaware USA (indirect interest through no.	(m) LD Lakeland  1516 )	60	(f)	(f)
1499	Liberty Dialysis - Las Vegas LLC Delaware USA (indirect interest through no.	(m) LD Las Vegas  1519 )	58	(f)	(f)
1500	Liberty Dialysis - Nevada Acutes LLC Delaware USA (indirect interest through no.	(m) LD Nevada Acutes  1555 )	100	(f)	(f)
1501	Liberty Dialysis - Pasadena, LLC Delaware USA (indirect interest through no.	(m) LD Pasadena  1533 )	52	(f)	(f)
1502	Liberty Dialysis - South Hill LLC Delaware USA (indirect interest through no.	(m) LD South Hill  1539 )	100	(f)	(f)
1503	Liberty Dialysis Group LLC	(m) LD Group	100	(f)	(f)



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			%		
	Delaware USA (indirect interest through no. 1509 )				
1504	Liberty Dialysis Holdings I, LLC Delaware USA (indirect interest through no. 1509 )	(m) LD Holding I	100	(f)	(f)
1505	Liberty Dialysis Holdings, Inc. Delaware USA (indirect interest through no. 557 )	(m) LD Holdings	100	(f)	(f)
1506	Liberty Dialysis Intermediate Holdings V, LLC Delaware USA (indirect interest through no. 1509 )	(m) LD Intermediate Holdings V	100	(f)	(f)
1507	Liberty Dialysis Petersburg LLC Delaware USA (indirect interest through no. 1556 )	(m, t) LD Petersburg	40	(f)	(f)
1508	Liberty Dialysis, Inc. Delaware USA (indirect interest through no. 1505 )	(m) Liberty Dialysis Inc.	100	(f)	(f)
1509	Liberty Dialysis, LLC Delaware USA (indirect interest through no. 1508 )	(m) Liberty Dialysis, LLC	100	(f)	(f)
1510	Liberty Doylestown LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty Doylestown	100	(f)	(f)
1511	Liberty Forest Fair, LLC Delaware USA (indirect interest through no. 614 )	(m) Fresenius Medical Care Forest Fair	60	(f)	(f)
1512	Liberty Idaho Falls 2 LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty Idaho Falls 2	100	(f)	(f)
1513	Liberty Idaho LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty Idaho	100	(f)	(f)
1514	Liberty INS LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty INS	100	(f)	(f)
1515	Liberty Jordan Landing LLC Delaware USA (indirect interest through no. 1625 )	(m) Liberty Jordan Landing	100	(f)	(f)
1516	Liberty Lakeland LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty Lakeland	100	(f)	(f)
1517	Liberty Nephrology-Utah LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty Nephrology-Utah	100	(f)	(f)
1518	Liberty Nephrology Partners LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty Nephrology Partners	79	(f)	(f)
1519	Liberty Nevada LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty Nevada	100	(f)	(f)
1520	Liberty New Jersey 2 LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty New Jersey 2	100	(f)	(f)
1521	Liberty New Jersey III LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty New Jersey III	100	(f)	(f)
1522	Liberty New Jersey IV LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty New Jersey IV	100	(f)	(f)
1523	Liberty New Jersey LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty New Jersey	100	(f)	(f)
1524	Liberty New Mexico Holdings, LLC Delaware USA (indirect interest through no. 1509 )	(m) Liberty New Mexico Holdings	100	(f)	(f)
1525	Liberty New Mexico Partners 1, LLC Delaware USA (indirect interest through no. 1527 )	(m) Liberty New Mexico Partners 1	100	(f)	(f)
1526	Liberty New Mexico Partners 2, LLC Delaware USA (indirect interest through no. 1527 )	(m) Liberty New Mexico Partners 2	100	(f)	(f)
1527	Liberty New Mexico Partners, LLC Delaware USA (indirect interest through no. 1524 )	(m) Liberty New Mexico Partners	51	(f)	(f)
1528	Liberty Newburgh Holdings LLC Delaware USA	(m, t) Liberty Newburgh Holdings	0	(f)	(f)

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			%		
1529	Liberty North Hawaii LLC Delaware USA (indirect interest through no.	(m) Liberty North Hawaii 1509 )	100	(f)	(f)
1530	Liberty NY Holdings LLC Delaware USA (indirect interest through no.	(m) Liberty NY Holdings 1508 )	100	(f)	(f)
1531	Liberty Pacific II LLC Delaware USA (indirect interest through no.	(m) Liberty Pacific II 1509 )	100	(f)	(f)
1532	Liberty Pacific LLC Delaware USA (indirect interest through no.	(m) Liberty Pacific 1531 )	100	(f)	(f)
1533	Liberty Pasadena LLC Delaware USA (indirect interest through no.	(m) Liberty Pasadena 1509 )	100	(f)	(f)
1534	Liberty Pittsburgh II LLC Delaware USA (indirect interest through no.	(m) Liberty Pittsburgh II 1509 )	100	(f)	(f)
1535	Liberty Pittsburgh LLC Delaware USA (indirect interest through no.	(m) Liberty Pittsburgh 1509 )	100	(f)	(f)
1536	Liberty Pocatello Acutes LLC Delaware USA (indirect interest through no.	(m) Liberty Pocatello Acutes 1509 )	100	(f)	(f)
1537	Liberty Pocatello LLC Delaware USA (indirect interest through no.	(m) Liberty Pocatello 1509 )	100	(f)	(f)
1538	Liberty Research Holdings, LLC Delaware USA (indirect interest through no.	(m) Liberty Research Holdings 1509 )	100	(f)	(f)
1539	Liberty South Hill LLC Delaware USA (indirect interest through no.	(m) Liberty South Hill 1426 )	51	(f)	(f)
1540	Liberty Syracuse, LLC New York USA (indirect interest through no.	(m) Liberty Syracuse 1631 )	100	(f)	(f)
1541	Liberty Venture Partners-Bryan LLC Delaware USA (indirect interest through no.	(m) LVP-Bryan 1509 )	100	(f)	(f)
1542	Liberty Venture Partners-Carson City LLC Delaware USA (indirect interest through no.	(m) LVP-Carson City 1509 )	100	(f)	(f)
1543	Liberty Venture Partners-Castle Rock LLC Delaware USA (indirect interest through no.	(m) LVP-Castle Rock 1509 )	100	(f)	(f)
1544	Liberty Venture Partners-Hammond LLC Delaware USA (indirect interest through no.	(m) LVP-Hammond 1509 )	100	(f)	(f)
1545	Liberty Venture Partners-Laredo Acutes LLC Delaware USA (indirect interest through no.	(m) LVP-Laredo Acutes 1509 )	100	(f)	(f)
1546	Liberty Venture Partners-Laredo LLC Delaware USA (indirect interest through no.	(m) LVP-Laredo 1509 )	100	(f)	(f)
1547	Liberty Venture Partners-Lebanon LLC Delaware USA (indirect interest through no.	(m) LVP-Lebanon 1509 )	100	(f)	(f)
1548	Liberty Venture Partners-Northwest Reno LLC Delaware USA (indirect interest through no.	(m) LVP-Northwest Reno 1509 )	100	(f)	(f)
1549	Liberty Venture Partners-Reno Home LLC Delaware USA (indirect interest through no.	(m) LVP-Reno Home 1509 )	100	(f)	(f)
1550	Liberty Venture Partners-Reno LLC Delaware USA (indirect interest through no.	(m) LVP-Reno 1509 )	100	(f)	(f)
1551	Liberty Venture Partners-South Reno LLC Delaware USA (indirect interest through no.	(m) LVP-South Reno 1509 )	100	(f)	(f)
1552	Liberty Venture Partners-Sparks LLC Delaware USA (indirect interest through no.	(m) LVP-Sparks 1509 )	100	(f)	(f)
1553	Liberty Venture Partners - Brenham LLC Delaware USA (indirect interest through no.	(m) LVP - Brenham 1509 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
1554	Liberty Venture Partners - College Station LLC Delaware USA (indirect interest through no.	(m) LVP - College Station 1509 )	100	(f)	(f)
1555	Liberty Venture Partners - Nevada Acutes LLC Delaware USA (indirect interest through no.	(m) LVP - Nevada Acutes 1509 )	100	(f)	(f)
1556	Liberty Virginia LLC Delaware USA (indirect interest through no.	(m) Liberty Virginia 1509 )	100	(f)	(f)
1557	LIBIR Holdings LLC Delaware USA (indirect interest through no.	(m) LIBIR Holdings 1509 )	100	(f)	(f)
1558	Life Assist Medical Products Corp. Puerto Rico USA (indirect interest through no.	(m) NMC Med Prod. Puerto Rico 1136 )	100	(f)	(f)
1559	Lincoln County Home Therapy, LLC Delaware USA (indirect interest through no.	(m) Lincoln County Home Therapy 1834 )	100	(f)	(f)
1560	Lithonia-Rockdale Dialysis, LLC Georgia USA (indirect interest through no.	(m) Lithonia-Rockdale 1872 )	60	(f)	(f)
1561	Little Rock Dialysis, Inc. Arkansas USA (indirect interest through no.	(m) Little Rock 1886 )	100	(f)	(f)
1562	Liverpool LD, LLC New York USA (indirect interest through no.	(m) Liverpool LD 1631 )	60	(f)	(f)
1563	LMAH LLC Delaware USA (indirect interest through no.	(m) LMAH 1509 )	100	(f)	(f)
1564	Lorain County Renal Care Group, LLC Delaware USA (indirect interest through no.	(m) Lorain County RCG 793 )	100	(f)	(f)
1565	LSL Newburgh LLC New York USA (indirect interest through no.	(m) LSL Newburgh 1631 )	55	(f)	(f)
1566	LVA - Pittsburgh LLC Delaware USA (indirect interest through no.	(m) LVA - Pittsburgh 1509 )	100	(f)	(f)
1567	M4 Consultants, Inc. New York USA (indirect interest through no.	(m) M4 Consultants 1530 )	100	(f)	(f)
1568	Maumee Dialysis Services, LLC Delaware USA (indirect interest through no.	(m) Maumee Dialysis Services 1826 )	100	(f)	(f)
1569	MedSpring Management of Illinois, LLC Delaware USA (indirect interest through no.	(m) MedSpring Management of Illinois 754 )	100	(f)	(f)
1570	MedSpring of Georgia, LLC Delaware USA (indirect interest through no.	(m) MedSpring of Georgia 754 )	100	(f)	(f)
1571	MedSpring of Massachusetts, LLC Delaware USA (indirect interest through no.	(m) MedSpring of Massachusetts 754 )	100	(f)	(f)
1572	Medspring of Texas P.A. Texas USA	(m, t) Medspring of Texas	0	(f)	(f)
1573	Medspring Prime P.A. Texas USA	(m, t) Medspring Prime	0	(f)	(f)
1574	Mercer Fishkill, LLC Delaware USA	(m, t) Mercer Fishkill	0	(f)	(f)
1575	Mercy Dialysis Center Inc. Wisconsin USA (indirect interest through no.	(m) Mercy Dialysis Center 799 )	100	(f)	(f)
1576	Metro Dialysis Center - Normandy, Inc. Missouri USA (indirect interest through no.	(m) Metro Dialyse Normandy 1577 )	100	(f)	(f)
1577	Metro Dialysis Center - North, Inc. Missouri USA (indirect interest through no.	(m) Metro Dialysis Center - North 606 )	100	(f)	(f)
1578	Metropolis Dialysis Services, LLC Delaware USA (indirect interest through no.	(m) Metropolis Dialysis Services 1099 )	82	(f)	(f)
1579	Miami Regional Dialysis Center, Inc. Missouri USA (indirect interest through no.	(m) Miami Regional Dialysis 1886 )	100	(f)	(f)

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			%	KEUR	KEUR
1580	Michigan Home Dialysis Center, LLC Michigan USA (indirect interest through no.	(m) Michigan Home Dialysis Center  844 )	100	(f)	(f)
1581	Mid-America Dialysis, LLC Tennessee USA (indirect interest through no.	(m) Mid-America Dialysis  1563 )	88	(f)	(f)
1582	Mid Cities ASC, LP Texas USA (indirect interest through no.	(m) Mid Cities ASC  671 )	100	(f)	(f)
1583	Midland Kidney Care, PLLC Texas USA	(m, t) Midland Kidney Care	0	(f)	(f)
1584	Mississippi Nephrologists, LLC Delaware USA (indirect interest through no.	(m) Mississippi Nephrologists  1124 )	100	(f)	(f)
1585	Mountain Ridge Dialysis LLC Delaware USA (indirect interest through no.	(m) Mountain Ridge Dialysis  1450 )	100	(f)	(f)
1586	Muldoon Development Partners, LLC Delaware USA (indirect interest through no.	(m) Muldoon Development Partners  1818 )	100	(f)	(f)
1587	Naples Dialysis Center, LLC Florida USA (indirect interest through no.	(m) Naples Dialysis Center  1872 )	100	(f)	(f)
1588	National Cardiovascular Partners GP, LLC Texas USA (indirect interest through no.	(m) National Cardiovascular Partners  1421 )	100	(f)	(f)
1589	National Cardiovascular Partners, LP Texas USA (indirect interest through no.	(m) National Cardiovascular Partners  1421 )	100	(f)	(f)
1590	National Medical Care of Taiwan, Inc. Delaware USA (indirect interest through no.	(m) NMC Taiwan  1401 )	100	-5,908	0
1591	National Medical Care, Inc. Delaware USA (indirect interest through no.	(m) NMC Inc.  997 )	100	(f)	(f)
1592	National Nephrology Associates Management Company of Texas, Inc. Texas USA (indirect interest through no.	(m) NNA MGM Texas  1886 )	100	(f)	(f)
1593	National Nephrology Associates of Texas, L.P. Texas USA (indirect interest through no.	(m) NNA Texas  1652 )	100	(f)	(f)
1594	NCP Cardiac Cath Lab of Alexandria, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Alexandria  1589 )	100	(f)	(f)
1595	NCP Cardiac Cath Lab of Baytown, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Baytown  1589 )	100	(f)	(f)
1596	NCP Cardiac Cath Lab of Beaumont, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Beaumont  1589 )	100	(f)	(f)
1597	NCP Cardiac Cath Lab of Bryan/College Station, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Bryan/College Station  1589 )	100	(f)	(f)
1598	NCP Cardiac Cath Lab of Clear Lake LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Clear Lake  1589 )	100	(f)	(f)
1599	NCP Cardiac Cath Lab of Collin County, LP Texas USA	(m, t) NCP Cardiac Cath Lab of Collin County	0	(f)	(f)
1600	NCP Cardiac Cath Lab of Conroe, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Conroe  1589 )	100	(f)	(f)
1601	NCP Cardiac Cath Lab of Corpus Christi, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Corpus Christi  1589 )	100	(f)	(f)
1602	NCP Cardiac Cath Lab of Dallas, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Dallas  1589 )	100	(f)	(f)
1603	NCP Cardiac Cath Lab of El Paso, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of El Paso  1589 )	100	(f)	(f)
1604	NCP Cardiac Cath Lab of Fort Myers, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Fort Myers  1589 )	100	(f)	(f)

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			%		
1605	NCP Cardiac Cath Lab of Fort Worth, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Fort Worth 1589 )	100	(f)	(f)
1606	NCP Cardiac Cath Lab of Kingwood, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Kingwood 667 )	100	(f)	(f)
1607	NCP Cardiac Cath Lab of Lake Charles, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Lake Charles 1589 )	100	(f)	(f)
1608	NCP Cardiac Cath Lab of Mid Cities, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Mid Cities 1588 )	100	(f)	(f)
1609	NCP Cardiac Cath Lab of NW Houston, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of NW Houston 1589 )	100	(f)	(f)
1610	NCP Cardiac Cath Lab of Phoenix, LP Delaware USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Phoenix 1588 )	100	(f)	(f)
1611	NCP Cardiac Cath Lab of San Antonio, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of San Antonio 1589 )	100	(f)	(f)
1612	NCP Cardiac Cath Lab of TMC, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of TMC 1589 )	100	(f)	(f)
1613	NCP Cardiac Cath Lab of Tomball, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Tomball 1589 )	100	(f)	(f)
1614	NCP Cardiac Cath Lab of Tyler, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Tyler 1589 )	100	(f)	(f)
1615	NCP Cardiac Cath Lab of Waco, LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Waco 1589 )	100	(f)	(f)
1616	NCP Cardiac Cath Lab of Wichita LP Texas USA (indirect interest through no.	(m) NCP Cardiac Cath Lab of Wichita 1589 )	100	(f)	(f)
1617	NCP Healthcare Holdings, Inc. Texas USA (indirect interest through no.	(m) NCP Healthcare Holdings 1619 )	100	(f)	(f)
1618	NCP Healthcare Management Company Texas USA (indirect interest through no.	(m) NCP Healthcare Management Company 1589 )	100	(f)	(f)
1619	NCP Investment Holdings, Inc. Texas USA (indirect interest through no.	(m) NCP Investment Holdings 1009 )	100	(f)	(f)
1620	NCP Port Arthur Cardiac Cath Lab, LP Texas USA (indirect interest through no.	(m) NCP Port Arthur Cardiac Cath Lab 1589 )	100	(f)	(f)
1621	NCP Vascular Lab of Los Angeles, LLC Delaware USA (indirect interest through no.	(m) NCP Vascular Lab of Los Angeles 1589 )	100	(f)	(f)
1622	NCP Vascular Lab of San Jose, LP Texas USA (indirect interest through no.	(m) NCP Vascular Lab of San Jose 1589 )	100	(f)	(f)
1623	NCP Yuma Heart and Vascular , LP Texas USA (indirect interest through no.	(m) NCP Yuma Heart and Vascular 1589 )	100	(f)	(f)
1624	Neomedica, Inc. Delaware USA (indirect interest through no.	(m) Neomedica 1591 )	100	(f)	(f)
1625	Nephrology Associates of Utah, LLC Utah USA (indirect interest through no.	(m) Nephrology Associates of Utah 1504 )	100	(f)	(f)
1626	Nephrology of Northern Utah, LLC Delaware USA (indirect interest through no.	(m) Nephrology of Northern Utah 1124 )	100	(f)	(f)
1627	Nephrology Services MSO, LLC Delaware USA (indirect interest through no.	(m) Nephrology Services MSO 1124 )	51	(f)	(f)
1628	Nephromed LLC Delaware USA (indirect interest through no.	(m) Nephromed 1241 )	100	(f)	(f)
1629	New Hampshire Kidney Care, LLC Delaware USA (indirect interest through no.	(m) New Hampshire Kidney Care 1124 )	100	(f)	(f)

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			%	KEUR	KEUR
1630	New Orleans Kidney Care, LLC Delaware USA (indirect interest through no.	(m) New Orleans Kidney Care 1124 )	100	(f)	(f)
1631	New York Dialysis Services, Inc. New York USA (indirect interest through no.	(m) New York Dialysis Services 997 )	100	(f)	(f)
1632	Newport Mesa Dialysis Services, LLC Delaware USA (indirect interest through no.	(m) Newport Mesa Dialysis Services 1890 )	60	(f)	(f)
1633	Newport Superior Dialysis, LLC Delaware USA (indirect interest through no.	(m) Newport Superior Dialysis 1890 )	80	(f)	(f)
1634	Niagara Hospitalist, P.C. New York USA	(m, t) Niagara Hospitalist	0	(f)	(f)
1635	Niagara Renal Holdings, LLC New York USA (indirect interest through no.	(m) Niagara Renal Holdings 850 )	100	(f)	(f)
1636	NMC A, LLC Delaware USA (indirect interest through no.	(m) NMC A 1591 )	100	(f)	(f)
1637	NMC Asia-Pacific, Inc. Delaware USA (indirect interest through no.	(m) NMC Asia Pacific 1401 )	100	403	0
1638	NMC China, Inc. Delaware USA (indirect interest through no.	(m) NMC China 1401 )	100	-983	-66
1639	NMC Funding Corporation Delaware USA (indirect interest through no.	(m) NMC Funding Corporation 1591 )	100	(f)	(f)
1640	NMC Services, Inc Delaware USA (indirect interest through no.	(m) NMC Services 1591 )	100	(f)	(f)
1641	NNA Management Company of Kentucky, Inc. Kentucky USA (indirect interest through no.	(m) NNA MGM Kentucky 1886 )	100	(f)	(f)
1642	NNA Management Company of Louisiana, Inc. Louisiana USA (indirect interest through no.	(m) NNA MGM Louisiana 1886 )	100	(f)	(f)
1643	NNA of Ada, L.L.C. Oklahoma USA (indirect interest through no.	(m) NNA Ada 1654 )	60	(f)	(f)
1644	NNA of Alabama, Inc. Alabama USA (indirect interest through no.	(m) NNA Alabama 1886 )	100	(f)	(f)
1645	NNA of East Orange, L.L.C. New Jersey USA (indirect interest through no.	(m) NNA East Orange 1907 )	100	(f)	(f)
1646	NNA of Elizabeth, L.L.C. New Jersey USA (indirect interest through no.	(m) NNA Elizabeth 1917 )	51	(f)	(f)
1647	NNA of Florida, LLC Florida USA (indirect interest through no.	(m) NNA Florida 1914 )	100	(f)	(f)
1648	NNA of Georgia, Inc. Delaware USA (indirect interest through no.	(m) NNA Georgia 1886 )	100	(f)	(f)
1649	NNA of Harrison, L.L.C. New Jersey USA (indirect interest through no.	(m) NNA Harrison 1907 )	100	(f)	(f)
1650	NNA of Louisiana, LLC Louisiana USA (indirect interest through no.	(m) NNA Louisiana 1642 )	100	(f)	(f)
1651	NNA of Memphis, LLC Tennessee USA (indirect interest through no.	(m) NNA Memphis 775 )	100	(f)	(f)
1652	NNA of Nevada, Inc. Nevada USA (indirect interest through no.	(m) NNA Nevada 1886 )	100	(f)	(f)
1653	NNA of Newark, L.L.C. New Jersey USA (indirect interest through no.	(m) NNA Newark 1917 )	100	(f)	(f)
1654	NNA of Oklahoma, Inc. Nevada USA (indirect interest through no.	(m) NNA Oklahoma Inc. 1886 )	100	(f)	(f)

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			%		
1655	NNA of Oklahoma, L.L.C. Oklahoma USA (indirect interest through no.	(m) NNA Oklahoma L.L.C.  1654 )	100	(f)	(f)
1656	NNA of Paducah, LLC Kentucky USA (indirect interest through no.	(m) NNA of Paducah  1641 )	84	(f)	(f)
1657	NNA of Rhode Island, Inc. Rhode Island USA (indirect interest through no.	(m) NNA Rhode Island  1886 )	100	(f)	(f)
1658	NNA of Toledo, Inc. Ohio USA (indirect interest through no.	(m) NNA Toledo  1886 )	100	(f)	(f)
1659	NNA Properties of New Jersey, Inc. New Jersey USA (indirect interest through no.	(m) NNA New Jersey  1886 )	100	(f)	(f)
1660	NNA-Saint Barnabas-Livingston, L.L.C. New Jersey USA (indirect interest through no.	(m) NNA - Barnabas - Livingston  1917 )	100	(f)	(f)
1661	NNA-Saint Barnabas, L.L.C. New Jersey USA (indirect interest through no.	(m) NNA - Barnabas  1917 )	100	(f)	(f)
1662	Norcross Dialysis Center, LLC Georgia USA (indirect interest through no.	(m) Norcross Dialysis Center  1872 )	100	(f)	(f)
1663	North Buckner Dialysis Center, Inc. Delaware USA (indirect interest through no.	(m) North Buckner Dialysis Center  1324 )	100	(f)	(f)
1664	North Gulfport Home Program, LLC Delaware USA (indirect interest through no.	(m) North Gulfport Home Program  605 )	51	(f)	(f)
1665	North Gwinnett Dialysis, LLC Georgia USA (indirect interest through no.	(m) North Gwinnett Dialysis  1872 )	60	(f)	(f)
1666	North Suburban Dialysis Center Partnership Massachusetts USA (indirect interest through no.	(m) North Suburban Dialysis  600 )	100	(f)	(f)
1667	Northeast Alabama Kidney Clinic, Inc. Alabama USA (indirect interest through no.	(m) Northeast Alabama Kidney Clinic  1886 )	100	(f)	(f)
1668	Northern New Jersey Dialysis LLC Delaware USA (indirect interest through no.	(m) Northern New Jersey Dialysis  799 )	100	(f)	(f)
1669	Northwest Dialysis, Inc. Arkansas USA (indirect interest through no.	(m) Northwest Dialysis  1886 )	100	(f)	(f)
1670	Northwest Georgia Dialysis Services, LLC Delaware USA (indirect interest through no.	(m) Northwest Georgia Dialysis Services  563 )	100	(f)	(f)
1671	NRA-Acute Inpatient, LP Texas USA (indirect interest through no.	(m) NRA-Acute Inpatient  1811 )	100	(f)	(f)
1672	NRA-Ada, Oklahoma, LLC Delaware USA (indirect interest through no.	(m) NRA-Ada  1811 )	100	(f)	(f)
1673	NRA-Augusta, Georgia, LLC Georgia USA (indirect interest through no.	(m) NRA-Augusta  1811 )	100	(f)	(f)
1674	NRA-Bamberg, South Carolina, LLC Tennessee USA (indirect interest through no.	(m) NRA-Bamberg  1811 )	100	(f)	(f)
1675	NRA-Barbourville (Home Therapy Center), Kentucky, LLC Delaware USA (indirect interest through no.	(m) NRA-Barbourville  1811 )	100	(f)	(f)
1676	NRA-Bay City, L.P. Texas USA (indirect interest through no.	(m) NRA-Bay City  1811 )	100	(f)	(f)
1677	NRA-Bay City, Texas, LLC Tennessee USA (indirect interest through no.	(m) NRA-Bay City, Texas  1811 )	100	(f)	(f)
1678	NRA-Crossville, Tennessee, LLC Tennessee USA (indirect interest through no.	(m) NRA-Crossville  1811 )	100	(f)	(f)
1679	NRA-Demorest, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Demorest  1811 )	100	(f)	(f)

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1680	NRA-Dickson, Tennessee, LLC Delaware USA (indirect interest through no.	(m) NRA-Dickson 1811 )	100	(f)	(f)
1681	NRA-Eatonton, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Eatonton 1811 )	100	(f)	(f)
1682	NRA-Farmington, Missouri, LLC Delaware USA (indirect interest through no.	(m) NRA-Farmington 1811 )	100	(f)	(f)
1683	NRA-Fredericktown, Missouri, LLC Delaware USA (indirect interest through no.	(m) NRA-Fredericktown 1811 )	100	(f)	(f)
1684	NRA-Georgetown, Kentucky, LLC Delaware USA (indirect interest through no.	(m) NRA-Georgetown 1811 )	100	(f)	(f)
1685	NRA-Gray, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Gray 1811 )	100	(f)	(f)
1686	NRA-Greensboro, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Greensboro 1811 )	100	(f)	(f)
1687	NRA-Hogansville, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Hogansville 1811 )	100	(f)	(f)
1688	NRA-Holly Hill, South Carolina, LLC Tennessee USA (indirect interest through no.	(m) NRA-Holly Hill 1811 )	100	(f)	(f)
1689	NRA-Hollywood, South Carolina, LLC Delaware USA (indirect interest through no.	(m) NRA-Hollywood 1811 )	100	(f)	(f)
1690	NRA-Inpatient Dialysis, LLC Tennessee USA (indirect interest through no.	(m) NRA-Inpatient Dialysis 1811 )	100	(f)	(f)
1691	NRA-LaGrange, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-LaGrange 1811 )	100	(f)	(f)
1692	NRA-London, Kentucky, LLC Tennessee USA (indirect interest through no.	(m) NRA-London 1811 )	100	(f)	(f)
1693	NRA-Macon, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Macon 1811 )	100	(f)	(f)
1694	NRA-Memphis (Home Therapy Center), Tennessee, LLC Delaware USA (indirect interest through no.	(m) NRA-Memphis 1811 )	100	(f)	(f)
1695	NRA-Midtown Macon, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Midtown Macon 1811 )	100	(f)	(f)
1696	NRA-Milledgeville, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Milledgeville 1811 )	100	(f)	(f)
1697	NRA-Monticello, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Monticello 1809 )	100	(f)	(f)
1698	NRA-Mt. Pleasant, South Carolina, LLC Tennessee USA (indirect interest through no.	(m) NRA-Mt. Pleasant 1811 )	100	(f)	(f)
1699	NRA-New Castle, Indiana, LLC Delaware USA (indirect interest through no.	(m) NRA-New Castle 1811 )	100	(f)	(f)
1700	NRA-Newnan Acquisition, LLC Tennessee USA (indirect interest through no.	(m) NRA-Newnan Acquisition 1811 )	100	(f)	(f)
1701	NRA-Nicholasville, Kentucky, LLC Delaware USA (indirect interest through no.	(m) NRA-Nicholasville 1811 )	100	(f)	(f)
1702	NRA-North Augusta, South Carolina, LLC Delaware USA (indirect interest through no.	(m) NRA-North Augusta 1811 )	100	(f)	(f)
1703	NRA-Orangeburg, South Carolina, LLC Tennessee USA (indirect interest through no.	(m) NRA-Orangeburg 1811 )	100	(f)	(f)
1704	NRA-Palmetto, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Palmetto 1811 )	100	(f)	(f)



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1705	NRA-Portland, Tennessee, LLC Delaware USA (indirect interest through no.	(m) NRA-Portland 1811 )	100	(f)	(f)
1706	NRA-Princeton, Kentucky, LLC Tennessee USA (indirect interest through no.	(m) NRA-Princeton 1811 )	100	(f)	(f)
1707	NRA-Roanoke, Alabama, LLC Tennessee USA (indirect interest through no.	(m) NRA-Roanoke 1811 )	100	(f)	(f)
1708	NRA-South City, Missouri, LLC Delaware USA (indirect interest through no.	(m) NRA-South City 1811 )	100	(f)	(f)
1709	NRA-St. Louis (Home Therapy Center), Missouri, LLC Delaware USA (indirect interest through no.	(m) NRA-St. Louis (Home Therapy Center) 1811 )	100	(f)	(f)
1710	NRA-St. Louis, Missouri, LLC Delaware USA (indirect interest through no.	(m) NRA-St. Louis 1811 )	100	(f)	(f)
1711	NRA-Talladega, Alabama, LLC Tennessee USA (indirect interest through no.	(m) NRA-Talladega 1811 )	100	(f)	(f)
1712	NRA-UKMC, Kansas, LLC Delaware USA (indirect interest through no.	(m) NRA-UKMC 1810 )	74	(f)	(f)
1713	NRA-Union Springs, Alabama, LLC Delaware USA (indirect interest through no.	(m) NRA-Union Springs 1811 )	100	(f)	(f)
1714	NRA-Valdosta (North), Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Valdosta (North) 1811 )	100	(f)	(f)
1715	NRA-Valdosta, Georgia, LLC Delaware USA (indirect interest through no.	(m) NRA-Valdosta 1811 )	100	(f)	(f)
1716	NRA-Varnville, South Carolina, LLC Tennessee USA (indirect interest through no.	(m) NRA-Varnville 1811 )	100	(f)	(f)
1717	NRA-Washington County, Missouri, LLC Delaware USA (indirect interest through no.	(m) NRA-Washington County 1811 )	100	(f)	(f)
1718	NRA-Winchester, Indiana, LLC Delaware USA (indirect interest through no.	(m) NRA-Winchester, Indiana 1811 )	100	(f)	(f)
1719	NRA-Winchester, Kentucky, LLC Delaware USA (indirect interest through no.	(m) NRA-Winchester, Kentucky 1811 )	100	(f)	(f)
1720	NVC Florida, LLC Delaware USA (indirect interest through no.	(m) NVC Florida 1299 )	100	(f)	(f)
1721	NVC Management, LLC Delaware USA (indirect interest through no.	(m) NVC Management 1299 )	100	(f)	(f)
1722	NVC Texas, LLC Delaware USA (indirect interest through no.	(m) NVC Texas 1299 )	100	(f)	(f)
1723	Ohio Kidney Care, LLC Delaware USA (indirect interest through no.	(m) Ohio Kidney Care 1124 )	100	(f)	(f)
1724	Ohio Renal Care Group, LLC Ohio USA (indirect interest through no.	(m) Ohio RCG 1843 )	51	(f)	(f)
1725	Ohio Renal Care Supply Company, LLC Delaware USA (indirect interest through no.	(m) Ohio RC Supply 1724 )	51	(f)	(f)
1726	Oquirrh Artificial Kidney Center LLC Delaware USA (indirect interest through no.	(m) Oquirrh Artificial Kidney Center 2028 )	100	(f)	(f)
1727	Orlando Kidney Care, LLC Delaware USA (indirect interest through no.	(m) Orlando Kidney Care 1124 )	100	(f)	(f)
1728	Overland Trails Renal Care Group, LLC Nebraska USA (indirect interest through no.	(m) Overland Trails RCG 1869 )	55	(f)	(f)
1729	Pacific Cardiovascular Associates Medical Group, Inc. California USA	(m, t) Pacific Cardiovascular Associates Medical Group	0	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
1730	Pacific Northwest Renal Services, L.L.C. Oregon USA (indirect interest through no.	(m) Pacific Northwest RS  1868 )	95	(f)	(f)
1731	Pacific Renal Research Institute, LLC Delaware USA (indirect interest through no.	(m) Pacific Renal Research Institute  1509 )	100	(f)	(f)
1732	Park Slope Dialysis, LLC New York USA (indirect interest through no.	(m) Park Slope Dialysis  1509 )	100	(f)	(f)
1733	Pasadena Dialysis, LLC Delaware USA (indirect interest through no.	(m) Pasadena Dialysis  1454 )	100	(f)	(f)
1734	Phoenix ASC, LP Delaware USA (indirect interest through no.	(m) Phoenix ASC  675 )	100	(f)	(f)
1735	Physicians Dialysis Company, Inc. Pennsylvania USA (indirect interest through no.	(m) Physicians Dialysis  1874 )	100	(f)	(f)
1736	Plantation Dialysis Center, LLC Delaware USA (indirect interest through no.	(m) Plantation Dialysis Center  580 )	51	(f)	(f)
1737	Pocatello Med Partners LLC Delaware USA (indirect interest through no.	(m) Pocatello Med Partners  1537 )	100	(f)	(f)
1738	Port Arthur Cardiac Cath Lab GP, LLC Texas USA (indirect interest through no.	(m) Port Arthur Cardiac Cath Lab GP  1589 )	100	(f)	(f)
1739	Port Arthur Cardiac Cath Lab, LP Texas USA (indirect interest through no.	(m, t) Port Arthur Cardiac Cath Lab  1620 )	25	(f)	(f)
1740	Prescott Renal Care Group, LLC Delaware USA (indirect interest through no.	(m) Prescott RCG  1854 )	100	(f)	(f)
1741	Professional Coverage Services, PLLC Tennessee USA	(m, t) Professional Coverage Services	0	(f)	(f)
1742	Provo Kidney Care, LLC Delaware USA (indirect interest through no.	(m) Provo Kidney Care  1124 )	100	(f)	(f)
1743	QCI Holdings, Inc. Delaware USA (indirect interest through no.	(m) QCI Holdings  1591 )	100	(f)	(f)
1744	QCI Limited Liability Company Colorado USA (indirect interest through no.	(m) QCI  1755 )	100	(f)	(f)
1745	Qix, Inc. Delaware USA (indirect interest through no.	(m) Qix  1973 )	100	(f)	(f)
1746	QualiCenters Albany, Ltd Colorado USA (indirect interest through no.	(m) Q.C. Albany  1755 )	100	(f)	(f)
1747	QualiCenters Bend, LLC Colorado USA (indirect interest through no.	(m) Q.C. Bend  1755 )	100	(f)	(f)
1748	QualiCenters Coos Bay, Ltd Colorado USA (indirect interest through no.	(m) Q.C. Coos Bay  1755 )	100	(f)	(f)
1749	QualiCenters Eugene- Springfield, Ltd Colorado USA (indirect interest through no.	(m) Q.C. Eugene- Springfield  1755 )	100	(f)	(f)
1750	QualiCenters Inland Northwest, LLC Colorado USA (indirect interest through no.	(m) Q.C. Inland Northwest  1755 )	100	(f)	(f)
1751	QualiCenters Louisville, LLC Colorado USA (indirect interest through no.	(m) Q.C. Louisville  1755 )	100	(f)	(f)
1752	QualiCenters Pueblo, LLC Colorado USA (indirect interest through no.	(m) Q.C. Pueblo  1743 )	100	(f)	(f)
1753	QualiCenters Salem, LLC Colorado USA (indirect interest through no.	(m) Q.C. Salem  1755 )	100	(f)	(f)
1754	QualiCenters Sioux City, LLC Colorado USA (indirect interest through no.	(m) Q.C. Sioux City  1755 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1755	QualiCenters, Inc. Colorado USA (indirect interest through no.	(m) QualiCenters 1743 )	100	(f)	(f)
1756	QualiServ, Ltd. Colorado USA (indirect interest through no.	(m) QualiServ 1755 )	100	(f)	(f)
1757	Quality Care Dialysis Center of Vega Baja Inc. Puerto Rico USA (indirect interest through no.	(m) Dialysis Vega Baja 1591 )	100	(f)	(f)
1758	R.C.G. Supply Company Tennessee USA (indirect interest through no.	(m) R.C.G. Supply 1843 )	100	(f)	(f)
1759	RA Acquisition Co., LLC Delaware USA (indirect interest through no.	(m) RA Acquisition Co. 1849 )	100	(f)	(f)
1760	RABessler, M.D., P.C. Nevada USA	(m, t) Hospitalist Medicine Physicians of Nevada	0	(f)	(f)
1761	RAI - DC Holdco, LLC Delaware USA (indirect interest through no.	(m) RAI - DC Holdco 1780 )	100	(f)	(f)
1762	RAI Care Centers Holdings I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers Holdings I 1848 )	100	(f)	(f)
1763	RAI Care Centers Holdings II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers Holdings II 1848 )	100	(f)	(f)
1764	RAI Care Centers of Alabama, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Alabama 1811 )	100	(f)	(f)
1765	RAI Care Centers of Colton, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Colton 1798 )	60	(f)	(f)
1766	RAI Care Centers of DC I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of DC I 1780 )	51	(f)	(f)
1767	RAI Care Centers of Denbigh, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Denbigh 1804 )	60	(f)	(f)
1768	RAI Care Centers of Florida I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Florida I 1762 )	100	(f)	(f)
1769	RAI Care Centers of Florida II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Florida II 1763 )	100	(f)	(f)
1770	RAI Care Centers of Georgia I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Georgia I 1811 )	100	(f)	(f)
1771	RAI Care Centers of Georgia II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Georgia II 1763 )	100	(f)	(f)
1772	RAI Care Centers of Goldenwest, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Goldenwest 1798 )	51	(f)	(f)
1773	RAI Care Centers of Holland, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Holland 1783 )	65	(f)	(f)
1774	RAI Care Centers of Illinois I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Illinois I 1762 )	100	(f)	(f)
1775	RAI Care Centers of Illinois II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Illinois II 1763 )	100	(f)	(f)
1776	RAI Care Centers of Kansas City I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Kansas City I 1806 )	85	(f)	(f)
1777	RAI Care Centers of Lebanon I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Lebanon I 1811 )	60	(f)	(f)
1778	RAI Care Centers of Los Angeles, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Los Angeles 1797 )	100	(f)	(f)
1779	RAI Care Centers of Lynwood, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Lynwood 1797 )	60	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1780	RAI Care Centers of Maryland I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Maryland I 1762 )	100	(f)	(f)
1781	RAI Care Centers of Merritt Island, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Merritt Island 1769 )	85	(f)	(f)
1782	RAI Care Centers of Michigan I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Michigan I 1762 )	100	(f)	(f)
1783	RAI Care Centers of Michigan II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Michigan II 1763 )	100	(f)	(f)
1784	RAI Care Centers of Nebraska II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Nebraska II 1763 )	100	(f)	(f)
1785	RAI Care Centers of North Carolina II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of North Carolina II 1763 )	100	(f)	(f)
1786	RAI Care Centers of Northern California I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Northern California I 1762 )	100	(f)	(f)
1787	RAI Care Centers of Northern California II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Northern California II 1763 )	100	(f)	(f)
1788	RAI Care Centers of Oakland I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Oakland I 1787 )	60	(f)	(f)
1789	RAI Care Centers of Oakland II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Oakland II 1787 )	100	(f)	(f)
1790	RAI Care Centers of Pennsylvania, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Pennsylvania 1762 )	100	(f)	(f)
1791	RAI Care Centers of Rockledge, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Rockledge 1813 )	85	(f)	(f)
1792	RAI Care Centers of San Francisco, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of San Francisco 1814 )	100	(f)	(f)
1793	RAI Care Centers of Santa Ana, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Santa Ana 1815 )	51	(f)	(f)
1794	RAI Care Centers of Sarasota II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Sarasota II 1769 )	76	(f)	(f)
1795	RAI Care Centers of South Carolina I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of South Carolina I 1762 )	100	(f)	(f)
1796	RAI Care Centers of Southeast DC, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Southeast DC 1761 )	51	(f)	(f)
1797	RAI Care Centers of Southern California I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Southern California I 1762 )	100	(f)	(f)
1798	RAI Care Centers of Southern California II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Southern California II 1763 )	100	(f)	(f)
1799	RAI Care Centers of St. Petersburg, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of St. Petersburg 1769 )	51	(f)	(f)
1800	RAI Care Centers of Stockbridge, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Stockbridge 1811 )	60	(f)	(f)
1801	RAI Care Centers of Tennessee, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Tennessee 1762 )	100	(f)	(f)
1802	RAI Care Centers of Virginia I, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Virginia I 1762 )	100	(f)	(f)
1803	RAI Care Centers of Virginia II, LLC Delaware USA (indirect interest through no.	(m) RAI Care Centers of Virginia II 1763 )	100	(f)	(f)
1804	RAI Denbigh Holdco, LLC Delaware USA (indirect interest through no.	(m) RAI Denbigh Holdco 1802 )	100	(f)	(f)

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No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1805	RAI Garey, LLC Delaware USA (indirect interest through no.	(m) RAI Garey  1798 )	100	(f)	(f)
1806	RAI II - Kansas City LLC Delaware USA (indirect interest through no.	(m) RAI II - Kansas City  1425 )	100	(f)	(f)
1807	RAI II - Memphis LLC Delaware USA (indirect interest through no.	(m) RAI II - Memphis  1509 )	100	(f)	(f)
1808	RAI II - Memphis South LLC Delaware USA (indirect interest through no.	(m) RAI II - Memphis South  1509 )	100	(f)	(f)
1809	RAI II - Monticello LLC Delaware USA (indirect interest through no.	(m) RAI II - Monticello  1425 )	100	(f)	(f)
1810	RAI II - UKMC LLC Delaware USA (indirect interest through no.	(m) RAI II - UKMC  1425 )	100	(f)	(f)
1811	RAI II LLC Delaware USA (indirect interest through no.	(m) RAI II  1847 )	100	(f)	(f)
1812	RAI of New York, LLC New York USA (indirect interest through no.	(m) RAI of New York  1848 )	100	(f)	(f)
1813	RAI Rockledge Holdings, LLC Delaware USA (indirect interest through no.	(m) RAI Rockledge Holdings  1769 )	100	(f)	(f)
1814	RAI San Francisco Holdco, LLC Delaware USA (indirect interest through no.	(m) RAI San Francisco Holdco  1787 )	100	(f)	(f)
1815	RAI Santa Ana Holdings, LLC Delaware USA (indirect interest through no.	(m) RAI Santa Ana Holdings  1798 )	100	(f)	(f)
1816	RCG Alaska Holdings I, LLC Delaware USA (indirect interest through no.	(m) RCG Alaska Holdings I  1853 )	64	(f)	(f)
1817	RCG Alaska Holdings II, LLC Delaware USA (indirect interest through no.	(m) RCG Alaska Holdings II  1192 )	64	(f)	(f)
1818	RCG Alaska Holdings III, LLC Delaware USA (indirect interest through no.	(m) RCG Alaska Holdings III  1853 )	51	(f)	(f)
1819	RCG Arlington Heights, LLC Delaware USA (indirect interest through no.	(m) RCG Arlington Heights  776 )	100	(f)	(f)
1820	RCG Bloomington, LLC Delaware USA (indirect interest through no.	(m) RCG Bloomington  1826 )	100	(f)	(f)
1821	RCG Columbus, LLC Delaware USA (indirect interest through no.	(m) RCG Columbus  1886 )	51	(f)	(f)
1822	RCG East Texas, LLP Delaware USA (indirect interest through no.	(m) RCG East Texas  1876 )	100	(f)	(f)
1823	RCG Finance, Inc. Delaware USA (indirect interest through no.	(m) RCG Finance  1886 )	100	(f)	(f)
1824	RCG Grand Island, LLC Delaware USA (indirect interest through no.	(m) RCG Grand Island  1869 )	60	(f)	(f)
1825	RCG Houston, LLP Delaware USA (indirect interest through no.	(m) RCG Houston  1876 )	100	(f)	(f)
1826	RCG Indiana, L.L.C. Delaware USA (indirect interest through no.	(m) RCG Indiana  1886 )	100	(f)	(f)
1827	RCG Irving, LLP Delaware USA (indirect interest through no.	(m) RCG Irving  1876 )	100	(f)	(f)
1828	RCG Marion, LLC Delaware USA (indirect interest through no.	(m) RCG Marion  1834 )	100	(f)	(f)
1829	RCG Martin, LLC Delaware USA (indirect interest through no.	(m) RCG Martin  1886 )	100	(f)	(f)

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			%	KEUR	KEUR
1830	RCG Memphis East, LLC Delaware USA (indirect interest through no.	(m) RCG Memphis East 1886 )	100	(f)	(f)
1831	RCG Memphis South, LLC Delaware USA (indirect interest through no.	(m) RCG Memphis South 1834 )	100	(f)	(f)
1832	RCG Memphis, LLC Delaware USA (indirect interest through no.	(m) RCG Memphis 1886 )	100	(f)	(f)
1833	RCG Mercy Des Moines, LLC Delaware USA (indirect interest through no.	(m) RCG Mercy Des Moines 1869 )	80	(f)	(f)
1834	RCG Mississippi, Inc. Delaware USA (indirect interest through no.	(m) RCG Mississippi 1886 )	100	(f)	(f)
1835	RCG North Platte, LLC Delaware USA (indirect interest through no.	(m) RCG North Platte 1869 )	60	(f)	(f)
1836	RCG PA Merger Corp. Texas USA (indirect interest through no.	(m) RCG PA 1886 )	100	(f)	(f)
1837	RCG Pensacola, LLC Delaware USA (indirect interest through no.	(m) RCG Pensacola 1873 )	100	(f)	(f)
1838	RCG Robstown, LLP Delaware USA (indirect interest through no.	(m) RCG Robstown 1876 )	100	(f)	(f)
1839	RCG Saint Luke's LLC Delaware USA (indirect interest through no.	(m) RCG/Saint Luke 1869 )	100	(f)	(f)
1840	RCG Southaven, LLC Delaware USA (indirect interest through no.	(m) RCG Southaven 1886 )	51	(f)	(f)
1841	RCG Southern New Jersey, LLC Delaware USA (indirect interest through no.	(m) RCG Southern New Jersey 1859 )	70	(f)	(f)
1842	RCG Tunica, LLC Delaware USA (indirect interest through no.	(m) RCG Tunica 1834 )	70	(f)	(f)
1843	RCG University Division, Inc. Tennessee USA (indirect interest through no.	(m) RCG University 1886 )	100	(f)	(f)
1844	RCG West Health Supply, L.C. Arizona USA (indirect interest through no.	(m) RCG West Health Supply 1886 )	100	(f)	(f)
1845	RCG Whitehaven, LLC Delaware USA (indirect interest through no.	(m) RCG Whitehaven 1834 )	100	(f)	(f)
1846	RCGIH, Inc. Delaware USA (indirect interest through no.	(m) RCGIH 1886 )	100	(f)	(f)
1847	Renal Advantage Holdings, Inc. Delaware USA (indirect interest through no.	(m) Renal Advantage Holdings 1759 )	100	(f)	(f)
1848	Renal Advantage Inc. Delaware USA (indirect interest through no.	(m) Renal Advantage 1847 )	100	(f)	(f)
1849	Renal Advantage Partners, LLC Delaware USA (indirect interest through no.	(m) Renal Advantage Partners 1505 )	100	(f)	(f)
1850	Renal Care Group-Beaumont, L.P. Delaware USA (indirect interest through no.	(m) RCG-Beaumont 1876 )	80	(f)	(f)
1851	Renal Care Group-Harlingen, L.P. Delaware USA (indirect interest through no.	(m) RCG - Harlingen 1876 )	100	(f)	(f)
1852	Renal Care Group Alaska (Fairbanks), LLC Delaware USA (indirect interest through no.	(m) Renal Care Group Alaska (Fairbanks) 1818 )	100	(f)	(f)
1853	Renal Care Group Alaska, Inc. Alaska USA (indirect interest through no.	(m) RCG Alaska 1886 )	100	(f)	(f)
1854	Renal Care Group Arizona, LLC Delaware USA (indirect interest through no.	(m) RCG Arizona 1886 )	55	(f)	(f)

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			%		
1855	Renal Care Group Central Memphis, LLC Delaware USA (indirect interest through no.	(m) RCG Central Memphis  1886 )	100	(f)	(f)
1856	Renal Care Group Charlotte, LLC Delaware USA (indirect interest through no.	(m) RCG Charlotte  844 )	100	(f)	(f)
1857	Renal Care Group Chicago Southside, LLC Delaware USA (indirect interest through no.	(m) RCG Chicago Southside  776 )	80	(f)	(f)
1858	Renal Care Group Chicago Uptown, LLC Delaware USA (indirect interest through no.	(m) RCG Chicago Uptown  776 )	100	(f)	(f)
1859	Renal Care Group East, Inc. Pennsylvania USA (indirect interest through no.	(m) RCG East  1886 )	100	(f)	(f)
1860	Renal Care Group Eastern Ohio, LLC Delaware USA (indirect interest through no.	(m) RCG Eastern Ohio  1735 )	60	(f)	(f)
1861	Renal Care Group Gainesville East, LLC Delaware USA (indirect interest through no.	(m) RCG Gainesville East  1648 )	90	(f)	(f)
1862	Renal Care Group Gainesville, LLC Delaware USA (indirect interest through no.	(m) RCG Gainesville  1648 )	60	(f)	(f)
1863	Renal Care Group Lansing, LLC Delaware USA (indirect interest through no.	(m) RCG Lansing  844 )	100	(f)	(f)
1864	Renal Care Group Las Vegas, LLC Delaware USA (indirect interest through no.	(m) RCG Las Vegas  1192 )	70	(f)	(f)
1865	Renal Care Group Maplewood, LLC Delaware USA (indirect interest through no.	(m) RCG Maplewood  1905 )	100	(f)	(f)
1866	Renal Care Group Michigan, Inc. Delaware USA (indirect interest through no.	(m) RCG Michigan  1886 )	100	(f)	(f)
1867	Renal Care Group Nacogdoches, LLP Delaware USA (indirect interest through no.	(m) RCG Nacogdoches  1876 )	100	(f)	(f)
1868	Renal Care Group Northwest, Inc. Delaware USA (indirect interest through no.	(m) RCG Northwest  1886 )	100	(f)	(f)
1869	Renal Care Group of the Midwest, Inc. Kansas USA (indirect interest through no.	(m) RCG Midwest  1886 )	100	(f)	(f)
1870	Renal Care Group of the Ozarks, LLC Delaware USA (indirect interest through no.	(m) RCG Ozarks  1869 )	100	(f)	(f)
1871	Renal Care Group of the Rockies, LLC Delaware USA (indirect interest through no.	(m) RCG Rockies  1886 )	100	(f)	(f)
1872	Renal Care Group of the South, Inc. Delaware USA (indirect interest through no.	(m) RCG South  1886 )	100	(f)	(f)
1873	Renal Care Group of the Southeast, Inc. Florida USA (indirect interest through no.	(m) RCG Southeast  1886 )	100	(f)	(f)
1874	Renal Care Group Ohio, Inc. Delaware USA (indirect interest through no.	(m) RCG Ohio  1886 )	100	(f)	(f)
1875	Renal Care Group South New Mexico, LLC Delaware USA (indirect interest through no.	(m) RCG South New Mexico  1876 )	100	(f)	(f)
1876	Renal Care Group Southwest Holdings, Inc. Delaware USA (indirect interest through no.	(m) RCG Southwest Holdings  1886 )	100	(f)	(f)
1877	Renal Care Group Southwest Michigan, LLC Delaware USA (indirect interest through no.	(m) RCG Southwest Michigan  1580 )	100	(f)	(f)
1878	Renal Care Group Southwest, L.P. Delaware USA (indirect interest through no.	(m) RCG Southwest  1876 )	100	(f)	(f)
1879	Renal Care Group Tampa, LLC Delaware USA (indirect interest through no.	(m) RCG Tampa  1873 )	80	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
1880	Renal Care Group Terre Haute, LLC Delaware USA (indirect interest through no.	(m) RCG Terre Haute 1826 )	100	(f)	(f)
1881	Renal Care Group Texas, Inc. Texas USA (indirect interest through no.	(m) RCG Texas 1886 )	100	(f)	(f)
1882	Renal Care Group Toledo, LLC Delaware USA (indirect interest through no.	(m) RCG Toledo 1658 )	100	(f)	(f)
1883	Renal Care Group Tupelo, LLC Delaware USA (indirect interest through no.	(m) RCG Tupelo 1834 )	69	(f)	(f)
1884	Renal Care Group Wasilla, LLC Delaware USA (indirect interest through no.	(m) RCG Wasilla 1816 )	93	(f)	(f)
1885	Renal Care Group Westlake, LLC Delaware USA (indirect interest through no.	(m) RCG Westlake 1724 )	100	(f)	(f)
1886	Renal Care Group, Inc. Delaware USA (indirect interest through no.	(m) RCG 997 )	100	(f)	(f)
1887	Renal Care of Northern New York, LLC New York USA	(m, t) Renal Care of Northern New York	0	(f)	(f)
1888	Renal Dimensions, LLC Delaware USA (indirect interest through no.	(m) Renal Dimensions 1886 )	55	(f)	(f)
1889	Renal Institute of Central Jersey, LLC Delaware USA (indirect interest through no.	(m) Renal Institute Central Jersey 889 )	73	(f)	(f)
1890	Renal Research Institute LLC New York USA (indirect interest through no.	(m) Renal Research Institute 1591 )	100	(f)	(f)
1891	Renal Research Institute of Michigan LLC Delaware USA (indirect interest through no.	(m) Renal Research Michigan 1890 )	100	(f)	(f)
1892	Renal Solutions, Inc. Indiana USA (indirect interest through no.	(m) Renal Solutions 1136 )	100	(f)	(f)
1893	Renal Supply (Tenn) Corp. New Jersey USA (indirect interest through no.	(m) Renal Supply (Tenn) 557 )	100	(f)	(f)
1894	RenaLab, Inc. Delaware USA (indirect interest through no.	(m) RenaLab 1848 )	100	(f)	(f)
1895	RenalNet, Inc. Delaware USA (indirect interest through no.	(m) RenalNet 1886 )	100	(f)	(f)
1896	RenalPartners of Arizona, LLC Delaware USA (indirect interest through no.	(m) Renal Partners Arizona 1898 )	100	(f)	(f)
1897	RenalPartners of the Rockies, LLC Delaware USA (indirect interest through no.	(m) Renal Partners Rockies 1896 )	100	(f)	(f)
1898	RenalPartners, Inc. Delaware USA (indirect interest through no.	(m) Renal Partners 1886 )	100	(f)	(f)
1899	Renex Corp. Florida USA (indirect interest through no.	(m) Renex 1886 )	100	(f)	(f)
1900	Renex Dialysis Clinic of Amesbury, Inc. Massachusetts USA (indirect interest through no.	(m) Renex Amesbury 1899 )	100	(f)	(f)
1901	Renex Dialysis Clinic of Bloomfield, Inc. New Jersey USA (indirect interest through no.	(m) Renex Bloomfield 1899 )	100	(f)	(f)
1902	Renex Dialysis Clinic of Bridgeton, Inc. Missouri USA (indirect interest through no.	(m) Renex Bridgeton 1899 )	100	(f)	(f)
1903	Renex Dialysis Clinic of Creve Coeur, Inc. Missouri USA (indirect interest through no.	(m) Renex Creve Coeur 1899 )	100	(f)	(f)
1904	Renex Dialysis Clinic of Doylestown, Inc. Pennsylvania USA (indirect interest through no.	(m) Renex Doylestown 1899 )	100	(f)	(f)



Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1905	Renex Dialysis Clinic of Maplewood, Inc. Missouri USA (indirect interest through no.	(m) Renex Maplewood 1899 )	100	(f)	(f)
1906	Renex Dialysis Clinic of North Andover, Inc. Massachusetts USA (indirect interest through no.	(m) Renex North Andover 1899 )	100	(f)	(f)
1907	Renex Dialysis Clinic of Orange, Inc. New Jersey USA (indirect interest through no.	(m) Renex Orange 1899 )	100	(f)	(f)
1908	Renex Dialysis Clinic of Penn Hills, Inc. Pennsylvania USA (indirect interest through no.	(m) Renex Penn Hills 1899 )	100	(f)	(f)
1909	Renex Dialysis Clinic of Philadelphia, Inc. Pennsylvania USA (indirect interest through no.	(m) Renex Philadelphia 1899 )	100	(f)	(f)
1910	Renex Dialysis Clinic of Pittsburgh, Inc. Pennsylvania USA (indirect interest through no.	(m) Renex Pittsburgh 1899 )	100	(f)	(f)
1911	Renex Dialysis Clinic of Shaler, Inc. Pennsylvania USA (indirect interest through no.	(m) Renex Shaler 1899 )	100	(f)	(f)
1912	Renex Dialysis Clinic of South Georgia, Inc. Georgia USA (indirect interest through no.	(m) Renex South Georgia 1899 )	100	(f)	(f)
1913	Renex Dialysis Clinic of St. Louis, Inc. Missouri USA (indirect interest through no.	(m) Renex St. Louis 1899 )	100	(f)	(f)
1914	Renex Dialysis Clinic of Tampa, Inc. Florida USA (indirect interest through no.	(m) Renex Tampa 1899 )	100	(f)	(f)
1915	Renex Dialysis Clinic of Union, Inc. Missouri USA (indirect interest through no.	(m) Renex Union 1899 )	100	(f)	(f)
1916	Renex Dialysis Clinic of University City, Inc. Missouri USA (indirect interest through no.	(m) Renex University City 1899 )	100	(f)	(f)
1917	Renex Dialysis Clinic of Woodbury, Inc. New Jersey USA (indirect interest through no.	(m) Renex Woodbury 1899 )	100	(f)	(f)
1918	Renex Dialysis Facilities, Inc. Mississippi USA (indirect interest through no.	(m) Renex Facilities 1899 )	100	(f)	(f)
1919	Renex Dialysis Homecare of Greater St. Louis, Inc. Missouri USA (indirect interest through no.	(m) Renex Homecare 1899 )	100	(f)	(f)
1920	Renex Management Services, Inc. Florida USA (indirect interest through no.	(m) Renex Management Services 1899 )	100	(f)	(f)
1921	Resonant Physician Advisory Services, Inc. Colorado USA (indirect interest through no.	(m) Resonant Physician Advisory Services 1948 )	100	(f)	(f)
1922	Richmond Kidney Care, LLC Delaware USA (indirect interest through no.	(m) Richmond Kidney Care 1124 )	100	(f)	(f)
1923	RLS Cardiac Cath Lab of Sugarland, LP Texas USA (indirect interest through no.	(m) RLS Cardiac Cath Lab of Sugarland 1589 )	100	(f)	(f)
1924	RLS Katy Cardiovascular Services, LP Texas USA (indirect interest through no.	(m) RLS Katy Cardiovascular Services 1589 )	100	(f)	(f)
1925	Robert A. Bessler, M.D., PLLC Nevada USA	(m, f) Robert A. Bessler, M.D.	0	(f)	(f)
1926	Rose City Dialysis, LLC Delaware USA (indirect interest through no.	(m) Rose City Dialysis 1730 )	56	(f)	(f)
1927	Ross Dialysis - Englewood, LLC Delaware USA (indirect interest through no.	(m) Ross Dialysis 1192 )	60	(f)	(f)
1928	RTC Holding International, Inc. Delaware USA (indirect interest through no.	(m) RTC Holdings 59 )	100	12,764	80
1929	RVLD, LLC Delaware USA (indirect interest through no.	(m) RVLD 1509 )	100	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1930	S.A.K.D.C., LLC Texas USA (indirect interest through no.	(m) S.A.K.D.C.  1148 )	100	(f)	(f)
1931	Saint Louis Renal Care, LLC Delaware USA (indirect interest through no.	(m) Saint Louis Renal Care  1843 )	100	(f)	(f)
1932	Saint Louis Supply Company, LLC Delaware USA (indirect interest through no.	(m) Saint Louis Supply  1931 )	100	(f)	(f)
1933	San Diego Dialysis Services, Inc. Delaware USA (indirect interest through no.	(m) San Diego Dialysis  557 )	100	(f)	(f)
1934	San Jose Ambulatory Surgery Center, LP Texas USA	(m, t) San Jose Ambulatory Surgery Center	0	(f)	(f)
1935	Santa Barbara Community Dialysis Center Inc. California USA (indirect interest through no.	(m) Santa Barbara Dialysis  557 )	100	(f)	(f)
1936	Sherlof, Inc. South Carolina USA (indirect interest through no.	(m) Sherlof  1242 )	100	(f)	(f)
1937	Shiel Holdings, LLC Delaware USA (indirect interest through no.	(m) Shiel Holdings  1973 )	100	(f)	(f)
1938	Smyrna Dialysis Center, LLC Georgia USA (indirect interest through no.	(m) Smyrna Dialysis Center  1872 )	100	(f)	(f)
1939	Snapfinger Vascular Access Center, LLC Georgia USA (indirect interest through no.	(m) Snapfinger Vascular Access Center  1299 )	100	(f)	(f)
1940	SORB Technology, Inc. Mississippi USA (indirect interest through no.	(m) Sorb Technology  1892 )	100	(f)	(f)
1941	Sound Hospitalists of Centura Health, LLC Colorado USA (indirect interest through no.	(m, t) Sound Hospitalists of Centura Health  1948 )	50	(f)	(f)
1942	Sound Hospitalists of Centura Health, PC Colorado USA	(m, t) Sound Hospitalists of Centura Health	0	(f)	(f)
1943	Sound Inpatient Physicians - Michigan PLLC Michigan USA	(m, t) Sound Inpatient Physicians - Michigan	0	(f)	(f)
1944	Sound Inpatient Physicians Holdings, LLC Delaware USA (indirect interest through no.	(m) Sound Inpatient Physicians Holdings  997 )	83	(f)	(f)
1945	Sound Inpatient Physicians Medical Group, Inc. California USA	(m, t) Sound Inpatient Physicians Medical Group	0	(f)	(f)
1946	Sound Inpatient Physicians of Ohio, LLC Ohio USA	(m, t) Sound Inpatient Physicians of Ohio	0	(f)	(f)
1947	Sound Inpatient Physicians of Texas I, Inc. Texas USA (indirect interest through no.	(m) Sound Inpatient Physicians of Texas I  1948 )	100	(f)	(f)
1948	Sound Inpatient Physicians, Inc. Delaware USA (indirect interest through no.	(m) Sound Inpatient Physicians  1944 )	100	(f)	(f)
1949	Sound Intensivists of Nevada (RBessler, M.D.), PLLC Nevada USA	(m, t) Sound Intensivists of Nevada (RBessler, M.D.)	0	(f)	(f)
1950	Sound Kenwood Hospitalists of Cincinnati LLC Ohio USA (indirect interest through no.	(m) Sound Kenwood Hospitalists of Cincinnati  1948 )	80	(f)	(f)
1951	Sound Kenwood Hospitalists of Cincinnati, Inc. Ohio USA	(m, t) Sound Kenwood Hospitalists of Cincinnati	0	(f)	(f)
1952	Sound Physicians Emergency Medicine of Michigan, PLLC Michigan USA	(m, t) Sound Physicians Emergency Medicine of Michigan	0	(f)	(f)
1953	Sound Physicians Emergency Medicine of South Carolina, LLC South Carolina USA	(m, t) Sound Physicians Emergency Medicine of South Carolina	0	(f)	(f)
1954	Sound Physicians Emergency Medicine of West Virginia, PLLC West Virginia USA	(m, t) Sound Physicians Emergency Medicine of West Virginia	0	(f)	(f)
1955	Sound Physicians of Idaho, PLLC Idaho USA	(m, t) Sound Physicians of Idaho	0	(f)	(f)
1956	Sound Physicians of Illinois, LLC Illinois USA	(m, t) Sound Physicians of Illinois	0	(f)	(f)
1957	Sound Physicians of Indiana, LLC Indiana USA	(m, t) Sound Physicians of Indiana	0	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1958	Sound Physicians of Iowa, PLLC Iowa USA	(m, t) Sound Physicians of Iowa	0	(f)	(f)
1959	Sound Physicians of Kankakee, Illinois, LLC Illinois USA	(m, t) Sound Physicians of Kankakee	0	(f)	(f)
1960	Sound Physicians of Massachusetts, Inc. Massachusetts USA	(m, t) Sound Physicians of Massachusetts	0	(f)	(f)
1961	Sound Physicians of Nebraska, LLC Nebraska USA	(m, t) Sound Physicians of Nebraska	0	(f)	(f)
1962	Sound Physicians of New Jersey, LLC New Jersey USA	(m, t) Sound Physicians of New Jersey	0	(f)	(f)
1963	Sound Physicians of New York, PLLC New York USA	(m, t) Sound Physicians of New York	0	(f)	(f)
1964	Sound Physicians of North Carolina, PLLC North Carolina USA	(m, t) Sound Physicians of North Carolina	0	(f)	(f)
1965	Sound Physicians of South Carolina, LLC South Carolina USA	(m, t) Sound Physicians of South Carolina	0	(f)	(f)
1966	Sound Physicians of Wyoming, LLC Wyoming USA	(m, t) Sound Physicians of Wyoming	0	(f)	(f)
1967	South Florida Kidney Care, PLLC Florida USA	(m, t) South Florida Kidney Care	0	(f)	(f)
1968	South Mountain Dialysis, LLC Delaware USA (indirect interest through no. 1504 )	(m) South Mountain Dialysis	100	(f)	(f)
1969	South Sound Inpatient Physicians PLLC Washington USA	(m, t) South Sound Inpatient Physicians	0	(f)	(f)
1970	Southern Ocean County Dialysis Clinic, LLC Delaware USA (indirect interest through no. 889 )	(m) SOC Dialysis Clinic	76	(f)	(f)
1971	Spectra Diagnostics, LLC Delaware USA (indirect interest through no. 1973 )	(m) Spectra Diagnostics	100	(f)	(f)
1972	Spectra East, Inc. Delaware USA (indirect interest through no. 1980 )	(m) Spectra East	100	(f)	(f)
1973	Spectra Laboratories, Inc. Nevada USA (indirect interest through no. 1980 )	(m) Spectra Laboratories	100	(f)	(f)
1974	Spectra Medical Data Processing, LLC. Delaware USA (indirect interest through no. 1972 )	(m) Spectra Medical Data Processing	100	(f)	(f)
1975	Spectra Renal Research, LLC Delaware USA (indirect interest through no. 1591 )	(m) Spectra RR	100	(f)	(f)
1976	SPLD Holdings LLC Delaware USA (indirect interest through no. 1509 )	(m) SPLD Holdings	100	(f)	(f)
1977	SPLD LLC Delaware USA (indirect interest through no. 1976 )	(m) SPLD	65	(f)	(f)
1978	SPPE VII-B CRG Blocker Corp. Delaware USA (indirect interest through no. 1009 )	(m) SPPE VII-B CRG Blocker	100	(f)	(f)
1979	Spring Valley Dialysis Center LLC Nevada USA (indirect interest through no. 1499 )	(m) Spring Valley Dialysis Center	100	(f)	(f)
1980	SRC Holding Company, Inc. Delaware USA (indirect interest through no. 1009 )	(m) SRC Holding	100	(f)	(f)
1981	SSKG, Inc. Illinois USA (indirect interest through no. 776 )	(m) SSKG	100	(f)	(f)
1982	St. George Kidney Care, LLC Delaware USA (indirect interest through no. 1124 )	(m) St. George Kidney Care	100	(f)	(f)
1983	St. Louis Kidney Care, LLC Delaware USA (indirect interest through no. 1124 )	(m) St. Louis Kidney Care	100	(f)	(f)
1984	St. Raphael Dialysis Center Partnership Connecticut USA (indirect interest through no. 1890 )	(m, t) St. Raphael Dialysis	0	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
1985	St.Louis Regional Dialysis Center, Inc. Missouri USA (indirect interest through no.	(m) St.Louis Dialysis Center 606 )	100	(f)	(f)
1986	STAT Dialysis Corporation Delaware USA (indirect interest through no.	(m) STAT Dialysis 1886 )	100	(f)	(f)
1987	Stone Mountain Dialysis Center, LLC Georgia USA (indirect interest through no.	(m) Stone Mountain Dialysis Center 1872 )	100	(f)	(f)
1988	Stuttgart Dialysis, LLC Arkansas USA (indirect interest through no.	(m) Stuttgart Dialysis 1561 )	100	(f)	(f)
1989	Suburban Home Dialysis Inc. Ohio USA (indirect interest through no.	(m) Suburban Home Dialysis 1324 )	100	(f)	(f)
1990	T.M. Carr, M.D. P.C. Tennessee USA	(m, t) T.M. Carr, M.D.	0	(f)	(f)
1991	Tappahannock Dialysis Center, Inc. Virginia USA (indirect interest through no.	(m) Tappahannock Dialysis Center 630 )	100	(f)	(f)
1992	Tennessee Kidney Care, PLLC Tennessee USA	(m, t) Tennessee Kidney Care	0	(f)	(f)
1993	Terrell Dialysis Center LLC Delaware USA (indirect interest through no.	(m) Terrell Dialysis Center 1324 )	100	(f)	(f)
1994	TFLD Holdings, LLC Delaware USA (indirect interest through no.	(m) TFLD Holdings 1509 )	100	(f)	(f)
1995	TFLD Partners, LLC Delaware USA (indirect interest through no.	(m) TFLD Partners 1994 )	50	(f)	(f)
1996	THC/PNRS LLC Oregon USA (indirect interest through no.	(m) THC/PNRS 1730 )	60	(f)	(f)
1997	The Intensivist Group of Langhorne, LLC Pennsylvania USA (indirect interest through no.	(m) The Intensivist Group of Langhorne 1948 )	51	(f)	(f)
1998	The Medical Accountability Group, Inc. Texas USA (indirect interest through no.	(m) Medical Accountability Group 557 )	100	(f)	(f)
1999	Three Rivers Dialysis Services, LLC Delaware USA (indirect interest through no.	(m) Three Rivers Dialysis Services 978 )	100	(f)	(f)
2000	Three Rivers Nephrology & Hypertension Associates, LLC Pennsylvania USA	(m, t) Three Rivers Nephrology & Hypertension Associates	0	(f)	(f)
2001	TMC Ambulatory Surgery Center, LP Texas USA (indirect interest through no.	(m) TMC Ambulatory Surgery Center 1612 )	100	(f)	(f)
2002	Tyler ASC, LP Texas USA (indirect interest through no.	(m, t) Tyler ASC 1614 )	30	(f)	(f)
2003	U.S. Vascular Access Center of Dallas LLC Delaware USA (indirect interest through no.	(m) USVAD 2006 )	100	(f)	(f)
2004	U.S. Vascular Access Center of Houston, LLC Delaware USA (indirect interest through no.	(m) Access Center Houston 2006 )	100	(f)	(f)
2005	U.S. Vascular Access Center of Philadelphia LLC Delaware USA (indirect interest through no.	(m) U.S. VAC Philadelphia 2006 )	100	(f)	(f)
2006	U.S. Vascular Access Holdings, LLC Delaware USA (indirect interest through no.	(m) USVAH 1591 )	100	(f)	(f)
2007	U.S. Vascular of Puerto Rico, Inc. Delaware USA (indirect interest through no.	(m) U.S. Vascular Puerto Rico 2006 )	100	(f)	(f)
2008	UROHSD, LLC Delaware USA (indirect interest through no.	(m) UROHSD 1784 )	80	(f)	(f)
2009	Vascular Access Management Services of Puerto Rico, L.L.C. Puerto Rico USA (indirect interest through no.	(m) Vascular Access Management Services of Puerto Rico 535 )	100	(f)	(f)
2010	Vascular Lab of Los Angeles, LLC Delaware USA (indirect interest through no.	(m) Vascular Lab of Los Angeles 1589 )	100	(f)	(f)

Foreign affiliated companies (consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
2011	Vascular Lab of San Jose GP, LLC Texas USA (indirect interest through no.	(m) Vascular Lab of San Jose GP  1589 )	100	(f)	(f)
2012	Vascular Lab of San Jose, LP Texas USA (indirect interest through no.	(m, t) Vascular Lab of San Jose  1622 )	35	(f)	(f)
2013	VC Management Services, L.L.C. Delaware USA (indirect interest through no.	(m) VC Management Services  535 )	71	(f)	(f)
2014	Verona Management Services, LLC Delaware USA (indirect interest through no.	(m) Verona Management Services  535 )	67	(f)	(f)
2015	Vestal HC FM, LLC New York USA	(m, t) Vestal HC FM	0	(f)	(f)
2016	Vestal HC Queens, LLC New York USA	(m, t) Vestal HC Queens	0	(f)	(f)
2017	Vestal Healthcare II, LLC New York USA	(m, t) Vestal Healthcare II	0	(f)	(f)
2018	Vestal Healthcare, LLC New York USA	(m, t) Vestal Healthcare	0	(f)	(f)
2019	Via Vitae MSO, LLC Delaware USA (indirect interest through no.	(m) Via Vitae MSO  826 )	60	(f)	(f)
2020	VLA LLC Delaware USA (indirect interest through no.	(m) VLA  1442 )	100	(f)	(f)
2021	Waco Ambulatory Surgery Center, LP Delaware USA (indirect interest through no.	(m, t) Waco Ambulatory Surgery Center  1615 )	29	(f)	(f)
2022	Warrenton Dialysis Facility Inc. Virginia USA (indirect interest through no.	(m) Warrenton Dialysis Facility  630 )	100	(f)	(f)
2023	Wasatch Artificial Kidney Center LLC Delaware USA (indirect interest through no.	(m) Wasatch Artificial Kidney Center  791 )	100	(f)	(f)
2024	Watertown Dialysis Center, LLC New York USA (indirect interest through no.	(m) Watertown Dialysis Center  1631 )	75	(f)	(f)
2025	West End Dialysis Center, Inc. Virginia USA (indirect interest through no.	(m) West End Center  630 )	100	(f)	(f)
2026	West Hinds County Dialysis, LLC Delaware USA (indirect interest through no.	(m) West Hinds County Dialysis  605 )	100	(f)	(f)
2027	West Palm Dialysis, LLC Georgia USA (indirect interest through no.	(m) West Palm Dialysis  1872 )	100	(f)	(f)
2028	West Valley Associates, LLC Delaware USA (indirect interest through no.	(m) West Valley Associates  1625 )	100	(f)	(f)
2029	Wharton Dialysis, Inc. Texas USA (indirect interest through no.	(m) Wharton Dialysis  1986 )	100	(f)	(f)
2030	Whiting Dialysis Services, LLC Delaware USA (indirect interest through no.	(m) Whiting Dialysis Services  889 )	83	(f)	(f)
2031	Wichita ASC LP Delaware USA	(m, t) Wichita ASC	0	(f)	(f)
2032	Wilson and Edison and Carl Wilson, M.D. California USA	(m, t) Wilson and Edison and Carl Wilson	0	(f)	(f)
2033	Wisconsin Renal Care Group, L.L.C. Delaware USA (indirect interest through no.	(m) Wisconsin RCG  1843 )	55	(f)	(f)
2034	WPMA, LLC Pennsylvania USA (indirect interest through no.	(m) WPMA  1535 )	90	(f)	(f)
2035	WSKC Dialysis Services Inc. Illinois USA (indirect interest through no.	(m) WSKC  799 )	100	(f)	(f)
2036	Fresenius Medical Care Vietnam Limited Liability Company Ho Chi Minh City Vietnam (indirect interest through no.	(m) FMC Vietnam LLC  3 )	100	2,374	580

Foreign affiliated companies (non-consolidated) of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
<b>Not consolidated financial statements - without profit &amp; loss transfer agreement</b>					
2037	Fresenius Medical Care Bulgaria EOOD Gabrovo Bulgaria (indirect interest through no.	FMC Bulgaria  3 )	100	2,159	211
2038	Fresenius Nephrocare Bulgaria EOOD Gabrovo Bulgaria (indirect interest through no.	NephroCare Bulgaria  3 )	100	180	0
2039	Fresenius Nephrocare Bulgaria Holiday Dialysis EOOD i.L. Gabrovo Bulgaria (indirect interest through no.	Fresenius Nephrocare Bulgaria Holiday Dialysis  2038 )	100	46	0
2040	FRESENIUS MEDICAL CARE DOMINICANA, SRL Santo Domingo Dominican Republic (indirect interest through no.	FMC Dominicana  3 )	100	-220 (j)	41 (j)
2041	Omega - Centro Dialisi S.r.l. Naples Italy (indirect interest through no.	Omega - Centro Dialisi S.r.l.  190 )	100	(a)	(a)
2042	Amicon Japan K.K. i.L. Tokyo Japan (indirect interest through no.	Amicon Japan  1401 )	100	55	-12
2043	Fresenius Medical Care East Africa Limited Nairobi Kenya (indirect interest through no.	FMC East Africa Ltd.  3 )	100	79 (j)	17 (j)
2044	Nephrocare South Africa (Pty) Limited Gauteng South Africa (indirect interest through no.	Nephrocare South Africa  3 )	100	0	0
2045	Comprehensive Nephrology Services Limited Island of Trinidad Trinidad & Tobago (indirect interest through no.	CNS  468 )	51	(a)	(a)
2046	Fresenius Medical Care Tunisie S.A. Sousse Tunisia	FMC Tunisie	51	2,961 (j)	79 (j)
2047	Novalung Inc. Ann Arbor USA (indirect interest through no.	Novalung Inc.  58 )	100	-5	-1
2048	Fresenius Medical Care, C.A. Caracas Venezuela	FMC Venezuela	100	(a)	(a)

Associates of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
2049	Vifor Fresenius Medical Care Renal Pharma Belgie NV Antwerp Belgium Included in financial statements according to Equity-Method (indirect interest through no.	Vifor FMC Renal Pharma Belgie NV  2063 )	45	76	11
2050	Vifor Fresenius Medical Care Renal Pharma Danmark A/S Taastrup Denmark Included in financial statements according to Equity-Method (indirect interest through no.	Vifor FMC Renal Pharma Danmark A/S  2063 )	45	615	96
2051	Vifor Fresenius Medical Care Renal Pharma France Paris France Included in financial statements according to Equity-Method (indirect interest through no.	Vifor FMC Renal Pharma France  2063 )	45	43	27
2052	Fresenius Medical Care Nephrologica Deutschland GmbH Bad Homburg v.d. Höhe Germany Included in financial statements according to Equity-Method (indirect interest through no.	FMC Nephrologica D-GmbH  2063 )	45	481	343
2053	Vifor Fresenius Medical Care Renal Pharma Italia S.R.L. Vaiano Cremasco Italy Included in financial statements according to Equity-Method (indirect interest through no.	Vifor FMC Renal Pharma Italia S.R.L.  2063 )	45	-1,951	-1,533
2054	Pantai-ARC Dialysis Services Sdn. Bhd. Kuala Lumpur Malaysia Included in financial statements according to Equity-Method (indirect interest through no.	Pantai-ARC Dialysis Services  100 )	20	1,101	160
2055	Vifor Fresenius Medical Care Renal Pharma Nederland B.V. Breda Netherlands Included in financial statements according to Equity-Method (indirect interest through no.	Vifor FMC Renal Pharma Nederland B.V.  2063 )	45	23	21
2056	CHD - Clinica de Hemodiálise de Gondomar, S.A. Porto Portugal Included in financial statements according to Equity-Method (indirect interest through no.	CHD  275 )	50	996	57
2057	CHP - Clinica de Hemodiálise do Porto S.A. Porto Portugal Included in financial statements according to Equity-Method (indirect interest through no.	CHP  275 )	50	84	9
2058	Nefroserve - Servicos e Produtos Medicos S.A. Porto Portugal Included in financial statements according to Equity-Method (indirect interest through no.	Nefroserve  275 )	50	4,463	282
2059	Suldiálise - Prestacao de Servicos Médicos, S.A. Seixal Portugal Included in financial statements according to Equity-Method (indirect interest through no.	Suldiálise  275 )	33	1,951	192
2060	Uninefro (Matosinhos) - Sociedade Prestadora de Cuidados Médicos e de Diálise S.A. Porto Portugal Included in financial statements according to Equity-Method (indirect interest through no.	Uninefro  275 )	40	3,416	169
2061	Renal Health Pte. Ltd. Singapore Singapore Included in financial statements according to Equity-Method (indirect interest through no.	Renal Health  310 )	30	1,375 (b)	96 (b)
2062	Vifor Fresenius Medical Care Renal Pharma Espana S.L. Barcelona Spain Included in financial statements according to Equity-Method (indirect interest through no.	Vifor FMC Renal Pharma Espana S.L.  2063 )	45	112	101
2063	Vifor Fresenius Medical Care Renal Pharma Ltd. St. Gallen Switzerland Included in financial statements according to Equity-Method (indirect interest through no.	FMC Renal Pharma  2063 )	45	357,431	166,857
2064	Vifor Fresenius Medical Care Renal Pharma UK Limited Cardiff United Kingdom Included in financial statements according to Equity-Method (indirect interest through no.	Vifor FMC Renal Pharma UK  2063 )	45	76	61
2065	American Access Care of Southern California, LLC California USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) American Access Care of Southern California  535 )	41	(f)	(f)
2066	Carolina Dialysis, LLC North Carolina USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Carolina Dialysis, LLC  1890 )	33	(f)	(f)
2067	ChoiceOne Urgent Care, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) ChoiceOne Urgent Care  1009 )	57	(f)	(f)
2068	Covenant High Plains Surgery Center, LLC Texas USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Covenant High Plains Surgery Center  1422 )	13	(f)	(f)
2069	Fresenius Seamless Care of Charlotte, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Fresenius Seamless Care of Charlotte  611 )	53	(f)	(f)
2070	Fresenius Seamless Care of Chicago, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Fresenius Seamless Care of Chicago  776 )	53	(f)	(f)

Associates of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date	Net profit/loss 2016 converted at spot rate at bal. sheet date
			%	KEUR	KEUR
2071	Fresenius Seamless Care of Columbia, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Fresenius Seamless Care of Columbia 941 )	53	(f)	(f)
2072	Fresenius Seamless Care of Dallas, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Fresenius Seamless Care of Dallas 627 )	53	(f)	(f)
2073	Fresenius Seamless Care of Philadelphia, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Fresenius Seamless Care of Philadelphia 609 )	53	(f)	(f)
2074	Fresenius Seamless Care of San Diego, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Fresenius Seamless Care of San Diego 568 )	53	(f)	(f)
2075	Home Dialysis of Johnstown, Inc. Pennsylvania USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Home Dialysis of Johnstown 1324 )	30	(f)	(f)
2076	LIBIR LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) LIBIR 1557 )	30	(f)	(f)
2077	Michigan Dialysis Services, LLC Michigan USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Michigan Dialysis Services 1891 )	49	(f)	(f)
2078	Partners Urgent Care, LLC Delaware USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Partners Urgent Care 1571 )	50	(f)	(f)
2079	SJLS, LLC New York USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) SJLS 1631 )	34	(f)	(f)
2080	Yuma Heart and Vascular, LLC Texas USA Included in financial statements according to Equity-Method (indirect interest through no.	(m) Yuma Heart and Vascular 1623 )	25	(f)	(f)
2081	XOR-Labs Toronto Inc. Toronto Canada Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	XOR-Labs Toronto Inc. 61 )	10	569 (j)	-943 (j)
2082	Egyptian Group for Corporate Services S.A.E Cairo Egypt Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	EGCS 4 )	1	(a)	(a)
2083	Fresenius Medical Care E.G. S.A.E. Cairo Egypt Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	FMC - EG 4 )	50	381 (j)	73 (j)
2084	Centro Emodialisi Alto Adige S.r.l. - G.m.b.H. Bolzano Italy Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	CEAA 190 )	25	589 (j)	239 (j)
2085	Tecnobiomedica S.p.A. in liquidazione Milan Italy Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	Tecnobiomedica 189 )	8	(a)	(a)
2086	Dialyse Kliniek Noord B.V. Emmen Netherlands Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	Dialyse Kliniek Noord 248 )	10	(a)	(a)
2087	IDS International Dialysis Services B.V. Amsterdam Netherlands Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	IDS 3 )	49	-66	-22
2088	Renalis International B.V. Amsterdam Netherlands Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	Renalis International 3 )	40	(a)	(a)
2089	Holiday Dialysis Canarias, S.L. Las Palmas de Gran Canaria Spain Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	Canarias 249 )	30	(a)	(a)
2090	Apollo Medical Holdings, Inc. Delaware USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) Apollo Medical Holdings 1652 )	11	(a)	(a)
2091	Balance Accountable Care Network, LLC New York USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) Balance Accountable Care Network 872 )	7	(a)	(a)



Associates of Fresenius Medical Care AG & Co. KGaA

No.	Company	Abbreviation	Direct and indirect interest	Equity 31.12.2016 converted at spot rate at bal. sheet date KEUR	Net profit/loss 2016 converted at spot rate at bal. sheet date KEUR
			%		
2092	ExThera Medical Corporation Delaware USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) ExThera  11 )	16	(a)	(a)
2093	Ivedix, Inc. Delaware USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) Ivedix  997 )	4	(a)	(a)
2094	Liberty Health Partners, LLC Delaware USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) Liberty Health Partners  997 )	10	(a)	(a)
2095	National Billing Partners, LLC Delaware USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) National Billing Partners  1589 )	6	(a)	(a)
2096	Oaklawn Dialysis Center of Albion, LLC Michigan USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) Oaklawn Dialysis Center of Albion  833 )	15	(a)	(a)
2097	RCG Mayersville, LLC Mississippi USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) RCG Mayersville  1834 )	10	(a)	(a)
2098	Specialty Care Services Group, Inc. Delaware USA Not included in financial statements according to § 311 (2) HGB due to negligible importance (indirect interest through no.	(m) Specialty Care Services Group  997 )	10	(a)	(a)

Group Management Report  
Fiscal Year 2016

**Consolidated Financial Statements  
of  
Fresenius Medical Care AG & Co. KGaA**

**Hof an der Saale  
Germany**

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You should read the following discussion and analysis of the group management report of Fresenius Medical Care AG & Co. KGaA and its subsidiaries (together “we”, “our”, “FMC-AG & Co. KGaA”, “Fresenius Medical Care”, “the Group” or “the Company”), which has been prepared in accordance with sections 315 and 315a of the German Commercial Code and German Accounting Standards No. 17 and 20., in conjunction with the consolidated financial statements and related notes contained elsewhere in this report. Some of the statements contained below, including those concerning future revenue, costs and capital expenditures and possible changes in our industry and competitive and financial conditions include forward-looking statements. We made these forward-looking statements based on the expectations and beliefs of the Management Board of the Company’s General Partner (“Management Board”) concerning future events which may affect us, but we cannot assure that such events will occur or that the results will be as anticipated. Because such statements involve opportunities, risks and uncertainties, actual results may differ materially (positive as well as negative) from the results which the forward-looking statements express or imply. Such statements include the matters and are subject to the uncertainties that we described in the discussions in this report entitled D. “Report on expected developments”, E. “Report on risks and opportunities” as well as in Note 2 and 22 of the notes to the consolidated financial statements.

Due to rounding, individual numbers and percentages presented in this report may not precisely reflect the absolute figures.

Our business is also subject to other opportunities, risks and uncertainties that we describe in our public filings. Developments in any of these areas could cause our results to differ materially from the results that we or others have projected or may project.

## **A. Fundamental information about the Group**

### **I. The Group’s business model**

#### ***Operations and group structure***

Fresenius Medical Care is the world’s largest kidney dialysis company, based on publicly reported sales and number of patients treated. We provide dialysis care and related services to persons who suffer from end stage renal disease (“ESRD”) as well as other health care services. We develop and manufacture a full range of dialysis machines, systems and disposable products, which we sell to customers in more than 120 countries and also use in our internal health care service operations. Our dialysis business is therefore vertically integrated. We describe our other health care services as “Care Coordination.” Care Coordination currently includes coordinated delivery of pharmacy services, vascular, cardiovascular and endovascular specialty services, non-dialysis laboratory testing services, physician services, hospitalist and intensivist services, health plan services, ambulatory surgery center services and urgent care services, which, together with dialysis care services represent our health care services.

The main part of our sales is still generated by dialysis products and dialysis care services. We care for over 308,000 dialysis patients in 3,624 proprietary dialysis clinics in more than 45 countries worldwide. We are continuously developing this network of clinics, which is the largest and most international in the world, to accommodate the ever rising number of dialysis patients. At the same time, we operate 37 production sites in more than 20 countries. The most important plants for dialyzer production are in St. Wendel (Germany), Ogden (U.S.), Changsu (China), L’Arbresle (France) and Buzen (Japan). We manufacture dialysis machines in Schweinfurt (Germany) and in Concord, California (U.S.).

Fresenius Medical Care is organized decentralized and divided into the regions North America, EMEA (Europe, Middle East, Africa), Asia-Pacific and Latin America; our business segments correspond to this regional breakdown.

Fresenius Medical Care’s Company headquarters is in Bad Homburg v. d. Höhe, Germany. The headquarters of North America, our most important region in terms of revenue, is in Waltham, Massachusetts (U. S.).

## ***Our Products, services and business processes***

### **Dialysis**

Approximately 3.0 M patients regularly underwent dialysis treatment at the end of 2016 worldwide. Dialysis is a life-saving blood cleansing procedure that substitutes the function of the kidney in case of kidney failure. Healthy kidneys rid the blood of waste products, regulate water levels, and produce important hormones. If the kidneys are irreparably damaged and are therefore no longer able to function adequately for a lengthy period of time, this is known as chronic kidney failure. Many diseases can lead to chronic kidney failure, particularly diabetes, chronic nephritis, and high blood pressure. There are currently two treatment options for chronic kidney failure: a kidney transplant and dialysis.

As a globally leading company Fresenius Medical Care offers services and products in more than 130 countries around the world with a focus on the following areas:

- Hemodialysis - treatment in specialized clinics
- Home dialysis
- Peritoneal dialysis
- Acute dialysis - in case of a sudden loss of renal function
- Further blood cleansing procedure
- Dialysis drugs.

### **Medical services – Care Coordination**

Since 2014, our non-dialysis medical services have been bundled in Care Coordination.

Care Coordination enables us to expand and grow our business beyond dialysis, for example in markets where the privatized dialysis market is relatively well developed and we already have a high market share. Although Care Coordination is a business with a global focus, we currently provide non-dialysis services mainly in our largest market, the U.S. In recent years, the health care system there has moved away from the reimbursement of individual services towards holistic, coordinated care. Our activities in Care Coordination and our experience with dialysis mean that we can help to shape the evolution of the U.S. health care system and use this as a basis for additional growth. At the same time, patients can benefit from coordinated care, and health care systems from lower costs.

### ***Major markets and competitive position***

According to our estimates, the volume of the global dialysis market increased to around \$76 BN in 2016. The market grew by 4% over the past year in constant currency terms. We expect the following approximate breakdown for this market volume: around \$14 BN for dialysis products and approximately \$62 BN for dialysis services (including dialysis drugs).

Fresenius Medical Care is the world's leading provider of dialysis services with a market share of about 10% based on the number of treated patients. As well as caring for the largest number of dialysis patients, we also operate more dialysis clinics than any other company: in 2016, we ran 3,624 (2015: 3,418) clinics worldwide. We treated most of our patients (61%) in the North America Segment, 19% in the EMEA Segment, 10% in the Latin America Segment and 10% in the Asia-Pacific Segment.

Our dialysis products accounted for around 34% of the global market in 2016 (2015: 34%), which means that we are the market leader in this area as well. The market share of our key products – dialyzers and dialysis machines – was even significantly higher at around 45% and more than 50% respectively.

Due to the different services we offer in the field of Care Coordination we cannot estimate the market volume in a meaningful number. We offer medical services in Care Coordination mainly in the U.S. at present, and have adapted our activities to this market. One of our medical service providers in Care Coordination is our subsidiary Sound Inpatient Physicians Inc. (Sound). More than 2,200 Sound providers cared for more than 1.5 million patients in 2016, at around 350 hospitals and post-acute facilities in U.S. They serve and coordinate care throughout the episode of care in the communities they serve - from emergency to inpatient care (hospitalists and intensivists) as well

as post-acute care to improve quality and reduce cost. Sound also provides interim staffing to hospitals in the U.S. and advises hospitals with their documentation and coding to help them to address denied claims. 54% of hospitalists in the U.S. are employed by hospitals or integrated delivery systems and 25% are employed by independent hospitalists groups. It is estimated that hospitalists are practicing in approximately 75% of U.S. hospitals, including academic medical centers. The number of hospitalists has grown over the past 20 years from a few hundred to more than 50,000. The extent to which our Care Coordination services are rolled out outside the U.S. may vary in individual countries and regions depending on the respective reimbursement system and market environment.

### ***Procurement and production***

The Global Manufacturing and Quality (GMQ) division centrally manages all of Fresenius Medical Care's activities worldwide in the procurement of raw materials and semi-finished goods, production including quality management, and distribution in North America. This centralized approach enables us to

- continuously enhance the efficiency of our processes,
- optimize cost structures,
- improve returns on our capital invested in manufacturing,
- respond more flexibly,
- fulfill our commitment to meeting high quality and safety standards.

Strategic purchasing at Fresenius Medical Care is geared towards ensuring the availability, safety and quality of the materials used in production with the aim of further expanding our competitive and internationally balanced supplier network.

By further standardizing our procurement processes and making them more transparent, we are able to continuously improve our efficiency in purchasing while ensuring a constant supply of material and maintaining our quality level. In optimizing procurement, our focus is on enhancing our cross-regional processes within the purchasing function as well as optimizing processes at interfaces to other divisions.

The objective of our production strategy is to manufacture top-quality products in the right place at the right time on the best possible terms. We are able to successfully implement this strategy with a network of large production sites, where we make technically sophisticated products and sell them worldwide, as well as production sites that primarily supply products regionally.

At the end of 2016, GMQ had 15,224 employees (full-time equivalents) (2015: 15,350). In total, we operate 37 production sites in more than 20 countries.

For further information regarding the Group's business model, mainly external factors influencing the business, see Chapter B. Report on economic position, Part I. Macroeconomic and sector-specific environment.

## **II. Internal management system**

Until now the Management Board oversaw our Company by setting strategic and operational targets as well as measuring various financial key performance indicators used for internal management determined in U.S. dollar based on U.S. GAAP. Part II. Course of business in Chapter B. Report on economic position contains therefore figures in U.S. dollar, which are derived from U.S. GAAP measured values. In the segment reporting in the notes to the consolidated financial statements and in the group management report the operating segments are based on U.S. GAAP and determined in euro. Starting in 2017 the financial key performance indicators used for internal management are no longer determined in U.S. dollar based on U.S. GAAP. Instead the indicators are determined in euro based on IFRS. To reflect this change Chapter D. Report on expected developments contains figures determined in euro based on IFRS. As such, in 2017 in the segment reporting in the notes to the consolidated financial statements and in the group management report the operating segments are based on IFRS and determined in euro. Due to increased impacts of exchange rate fluctuations on the financial key performance indicators in euro the growth rates will also be calculated at constant exchange rates starting in 2017.

The key performance indicators used for internal management do not differ in the individual operating segments.

Each operating segment is evaluated based on target figures that reflect revenue and expenses the operating segments control. We do not include the effects of certain transactions nor income taxes as we believe these items to be outside the operating segments' control. Financing is a corporate function, which the operating segments do not control. Therefore, we do not include interest expense relating to financing as an operating segment measurement. Similarly, we do not allocate certain costs which relate primarily to certain headquarters overhead charges, including accounting and finance, global research and development, etc. because we believe that these costs are also not within the control of the individual operating segments.

The management of our operating segments is based on **revenue** as a key performance indicator. We believe that the key to continued growth in revenue is our ability to attract new patients in order to increase the number of treatments performed each year. The number of treatments performed each year is therefore an indicator of continued revenue growth and success.

Further, **operating income** is from our point of view the most appropriate yardstick for measuring the profitability of the operating segments.

**Operating income margin** represents the operating income to revenue ratio and shows the profitability of each operating segment respectively the Group. We believe that the operating margin is an appropriate measurement for the evaluation of the profitability.

As a result of the significance of noncontrolling interest holders in our operations, we believe a measure that is meaningful to investors is operating income less noncontrolling interests ("**Delivered EBIT**"). Delivered EBIT approximates the operating income attributable to the shareholders of FMC-AG & Co. KGaA.

Below is a table showing the reconciliation of Delivered EBIT to Operating Income for each of our reporting segments:

**Delivered EBIT Reconciliation**

in € M

	<b>2016</b>	<b>2015</b>
<b>Consolidated Financial Statements</b>		
<b>Total</b>		
Operating income (EBIT)	2,409	2,129
less noncontrolling interests	(276)	(256)
Delivered EBIT	<u>2,133</u>	<u>1,873</u>
<b>Segment Reporting<sup>(1)</sup></b>		
<b>Total North America Segment</b>		
Operating income (EBIT)	1,915	1,620
less noncontrolling interests	(267)	(246)
Delivered EBIT	<u>1,648</u>	<u>1,374</u>
<b>Dialysis</b>		
Operating income (EBIT)	1,861	1,532
less noncontrolling interests	(243)	(210)
Delivered EBIT	<u>1,618</u>	<u>1,322</u>
<b>Care Coordination</b>		
Operating income (EBIT)	54	88
less noncontrolling interests	(24)	(36)
Delivered EBIT	<u>30</u>	<u>52</u>
<b>EMEA Segment</b>		
Operating income (EBIT)	474	520
less noncontrolling interests	(3)	(3)
Delivered EBIT	<u>471</u>	<u>517</u>
<b>Asia-Pacific Segment</b>		
Operating income (EBIT)	288	268
less noncontrolling interests	(6)	(7)
Delivered EBIT	<u>282</u>	<u>261</u>
<b>Latin America Segment</b>		
Operating income (EBIT)	59	44
less noncontrolling interests	0	0
Delivered EBIT	<u>59</u>	<u>44</u>

(1) The measures are determined in U.S. dollar based on U.S. GAAP and converted into euro.

On consolidated level, the percentage **growth in net income** (net income attributable to shareholders of FMC-AG & Co. KGaA) is an additional key performance indicator used for internal management.

The percentage **growth in basic earnings per share** is a key performance indicator to evaluate our profitability. This indicator helps to manage our overall performance. The basic earnings per share is calculated by dividing net income attributable to shareholders by the weighted-average number of shares during the year. Additionally, we compute a percentage growth in adjusted basic earnings per share for use in our management incentive program targets under the FMC AG & Co. KGaA Long-Term Incentive Program 2011.

We manage our investments using a detailed coordination and evaluation process. The Management Board sets the complete investment budget for the Group as well as the investment targets. Before concrete investment projects or acquisitions are realized, our internal Acquisition & Investment Committee (AIC) examines the individual projects and measures taking into account the return on investment and potential yield. The investment projects are evaluated based on commonly used methods such as the net present value and internal interest rate methods; payback periods are also included in the assessment. In this way, we try to ensure that we only make and implement investments and acquisitions that actually increase shareholder value. **Capital expenditures** for



property, plant and equipment is an indicator used for our internal management. The indicator influences the capital invested for replacement and expansion investments.

Our consolidated statement of cash flows indicates how we generated and used cash and cash equivalents. When used in conjunction with the other primary financial statements, it provides information that helps us evaluate the changes of our net assets, our financial structure (including our liquidity and solvency). Net cash provided by (used in) operating activities is used to assess whether a business can generate the cash required to make replacement and expansion investments. Net cash provided by (used in) operating activities is impacted by the profitability of our business and the development of working capital, principally receivables. The indicator **net cash provided by (used in) operating activities in % of revenue** shows the percent of our revenue that is available in terms of financial resources. This is an indicator for our operative financial strength.

Free cash flow (net cash provided by (used in) operating activities after capital expenditures, before acquisitions and investments) is the free disposable cash flow. The indicator **free cash flow in % of revenue** shows the percentage of revenue that is available for acquisitions and investments, dividends to the shareholders or for the reduction of debt financing.

Another important key performance indicator used for internal management on group level is the **debt/EBITDA ratio**. To determine the total debt/EBITDA ratio, debt is compared to EBITDA (earnings before interest, taxes, depreciation and amortization) adjusted for acquisitions made during the year with a purchase price above a \$50 M threshold as defined in the Amended 2012 Credit Agreement and non-cash charges. The ratio is an indicator of the length of time needed to service it out of its own resources. The debt/EBITDA ratio provides more reliable information about the extent to which a company is able to meet its payment obligations than taking the absolute amount of financial liability into account only. We hold a strong market position in a growing, global and mainly non-cyclical market. Furthermore, most of the customers have a high credit rating as the dialysis industry is characterized by stable and sustained cash flows. This means that we can work with a relatively large share of debt capital compared with companies in other industries.

#### **New key performance indicator**

With the development of Vision 2020 we communicated improvements in Return on Invested Capital ("ROIC"). Therefore we implemented ROIC improvement on group level in 2016 as key performance indicator in association with the FMC-AG & Co. KGaA Long-Term Incentive Plan 2016 ("LTIP 2016") to measure our performance. The ROIC is the ratio of operating income after tax (Net Operating Profit After Tax, NOPAT) to average invested capital of the last five quarter closing dates and expresses how efficiently we allocate the capital under our control or how well we employ our capital with regard to a specific investment project. The ROIC is determined according to IFRS in euro based on full year results.

The following table shows the reconciliation of average invested capital and ROIC:

## Reconciliation of Average Invested Capital and ROIC

in € M, except ROIC

	December 31,	September 30,	June 30,	March 31,	December 31,
<b>2016</b>	2016	2016 <sup>(2)</sup>	2016 <sup>(2)</sup>	2016 <sup>(2)</sup>	2015 <sup>(2)</sup>
Total assets	25,504	24,074	24,108	23,262	23,680
Plus: Cumulative goodwill amortization	444	422	424	413	431
Minus: Cash and cash equivalents	(709)	(566)	(653)	(466)	(516)
Minus: Loans to related parties	(199)	(144)	(152)	(197)	(182)
Minus: Deferred tax assets	(291)	(262)	(248)	(245)	(261)
Minus: Accounts payable	(576)	(473)	(518)	(495)	(585)
Minus: Accounts payable to related parties	(264)	(231)	(196)	(208)	(141)
Minus: Provisions and other current liabilities <sup>(1)</sup>	(2,857)	(2,573)	(2,583)	(2,341)	(2,470)
Minus: Income tax payable	(242)	(228)	(228)	(245)	(216)
Invested capital	<u>20,810</u>	<u>20,019</u>	<u>19,954</u>	<u>19,478</u>	<u>19,740</u>
Average invested capital as of December 31, 2016	20,000				
Operating income <sup>(2)</sup>	2,398				
Income tax expense <sup>(3)</sup>	<u>(840)</u>				
NOPAT	<u>1,558</u>				
ROIC in %	7.8				
	December 31,	September 30,	June 30,	March 31,	December 31,
<b>2015</b>	2015	2015	2015	2015	2014
Total assets	23,246	22,393	22,433	23,000	20,673
Plus: Cumulative goodwill amortization	431	420	421	437	390
Minus: Cash and cash equivalents	(505)	(555)	(520)	(579)	(522)
Minus: Loans to related parties	(182)	(142)	(105)	(136)	(141)
Minus: Deferred tax assets	(256)	(226)	(226)	(220)	(212)
Minus: Accounts payable	(577)	(520)	(480)	(542)	(472)
Minus: Accounts payable to related parties	(141)	(179)	(160)	(127)	(116)
Minus: Provisions and other current liabilities <sup>(1)</sup>	(2,438)	(2,192)	(2,209)	(2,218)	(1,904)
Minus: Income tax payable	(216)	(201)	(198)	(208)	(212)
Invested capital	<u>19,362</u>	<u>18,798</u>	<u>18,956</u>	<u>19,407</u>	<u>17,484</u>
Average invested capital as of December 31, 2015	18,801				
Operating income	2,129				
Income tax expense <sup>(3)</sup>	<u>(786)</u>				
NOPAT	<u>1,343</u>				
ROIC in %	7.1				

(1) Including non-current provisions and variable payments outstanding for acquisitions and excluding pension liabilities and noncontrolling interests subject to put provisions.

(2) Including adjustments for acquisitions made within the reporting period with a purchase price above a \$50 M threshold as defined in the Amended 2012 Credit Agreement.

(3) Adjusted for noncontrolling partnership interests.

### **III. Research and development**

Developing innovative products and continuously improving our dialysis treatments form an inherent part of our growth strategy. Our global research and development (R&D) activities, which are centrally managed by the “Global Research and Development” division (GRD), enable us to develop products efficiently and to systematically promote the exchange of knowledge and technology between regions.

#### ***Global research and development strategy***

Healthcare systems face major financial challenges now and in the long term. With regard to our research and development activities, this confirms our intention to develop innovative products that are not only of the highest quality, but are also affordable. Based on our experience in operating our own dialysis clinics, we do not consider these to be incompatible aims.

Our R&D strategy is globally oriented. This enables us to respond even better to the global rise in demand for improved, high-quality yet cost-efficient treatment methods. In doing so, we also take regional market conditions into account and offer an accordingly differentiated product range. In future, we intend to deliver innovative, competitive products in an even more timely manner and strengthen our focus on developing countries. All in all, we have identified six core areas as the focal points of our R&D activities

- Market leadership
- Vertical integration
- Global portfolio management
- New technologies and applications
- Home therapies
- Emerging markets.

In addition to the R&D activities carried out within our company, we collaborate with external partners to create a comprehensive innovation and technology network. These include numerous academic institutions, such as research institutes at renowned universities in the U.S. Another partner is the Renal Research Institute (RRI) in New York. This subsidiary of Fresenius Medical Care North America is a leading institution in the field of clinical research into chronic kidney failure. Together, we are working on fundamental issues relating to dialysis treatment. We are increasingly working with start-ups to encourage an open culture that promotes innovation and to gain access to the latest technologies both in our core business as well as in adjacent areas that are of future strategic interest to us.

In 2016, we formed Fresenius Medical Care Ventures to allow us to participate in young start-ups as a strategic investor. Fresenius Medical Care Ventures is another element of our innovation strategy. Our first investment is a company that develops extracorporeal treatment for bloodstream infections.

Also in 2016, we officially presented Unicyte AG, a wholly-owned subsidiary of Fresenius Medical Care. Unicyte evolved from the long-standing research partnership between Fresenius Medical Care and the University of Turin and aims to translate projects in the areas of regenerative medicine, adult stem cells, and nanoscale extracellular vesicles (the smallest membrane particles that can transfer a complex set of information from one cell to another) into clinical programs. The new organizational structure will allow us to involve additional partners.

#### ***R&D resources***

In the fiscal year, Fresenius Medical Care spent a total of around €147 M on research and development (2015: €128 M). R&D expenditure corresponded to around 5% (2015: 4%) of our dialysis product revenue and slightly less than 1% of our total revenue. Around a quarter of our R&D expenditure went into funding advance development, which lay the foundations for future product innovations. At the end of 2016, our patent portfolio comprised some 7,748 property rights in approximately 1,163 patent families, i.e. groups of patents linked to the same invention. Our R&D work in the fiscal year produced around 107 additional patent families. A broad portfolio of patents will provide us with a wide range of treatment options in this competitive area in future.

In 2016, 794 highly qualified employees (full-time equivalents) worked for Fresenius Medical Care in R&D worldwide (2015: 649). They come from various backgrounds: Physicians work side by side with software specialists, business economists and engineers in interdisciplinary teams. Around 490 employees, and therefore the majority of our R&D staff, are based in Europe. Most activities are carried out at our facilities in Schweinfurt and Bad Homburg v.d.Höhe (Germany). Other R&D sites are in St. Wendel (Germany), Bucharest (Romania) and Krems (Austria). In the U.S. the Company maintains centers of excellence for the development of devices in Concord and Lake Forest, California, and for dialyzers and other disposable products in Ogden, Utah. Development activities in Shanghai and Changshu (China) are focused on the growing demand for cost-effective dialysis systems for Asia and emerging markets. The global R&D organization coordinates collaboration and technology exchange among the various sites. As part of our innovation culture, we also strive to carry out research and development responsibly.

#### **IV. Employees**

Fresenius Medical Care owes its business success to the commitment of its employees.

##### **Number of employees worldwide continues to grow**

As at December 31, 2016, Fresenius Medical Care employed a total of 109,319 members of staff (full-time equivalents) in more than 50 countries. This means that our workforce grew by 5% or more than 5,200 in absolute terms compared to the previous year. This was primarily due to organic growth in our business and acquisitions.

At the end of the fiscal year, most of our employees were based in the North America segment (60%), followed by the EMEA segment (22%), the Latin America segment (9%) and the Asia-Pacific segment (9%). The workforce in the North America segment grew fastest last year as a result of expanding our clinic network. In Germany, Fresenius Medical Care employed approximately 5,500 people (full-time equivalents 2015: around 4,900) at the end of the fiscal year, accounting for around 5% (2015: 5%) of the total workforce. This underscores our very high degree of internationalization.

Staff costs at Fresenius Medical Care rose to €6,291 M in 2016 (2015: €5,698 M). This corresponds to 38% (2015: 37%) of revenue. Average staff costs per employee (average full-time equivalents) stood at €58,596 (2015: €55,447).

#### **V. Quality management**

At Fresenius Medical Care, we believe in supplying products and therapies of the highest quality and reliability to ensure the best medical care for our patients and customers. To enable us to fulfill this aspiration and the numerous regulatory requirements, our processes in the business regions are embedded in comprehensive quality management systems. These ensure that all of our products and procedures comply with quality and safety standards from their development, market approval, manufacture, and use in clinics, right up to training customers and dealing with complaints. In addition, our production sites are certified according to regional quality standards, in some cases to several at once.

Our quality management systems in production combine internal regulations, processes, and procedures with the demands of generally recognized external standards and guidelines. Our plants apply recognized quality management tools such as Lean Six Sigma for optimizing production and testing processes as well as general workflows.

We have established special quality management systems in our dialysis clinics. We regularly check whether they are applied, but transfer some of the tasks involved to third parties, for instance the technical inspection association TÜV in Europe. Its experts inspect our clinics in standardized annual audits to monitor compliance with the ISO 9001 norm for quality management and the ISO 14001 norm for environmental management. In the U.S., our clinics are inspected by the Centers for Medicare and Medicaid Services (CMS), a public health care authority.

Due to the 2011 ESRD prospective payment system (PPS) our Medicare reimbursement rate in the U.S. is influenced by our established quality management. We mitigated the impact of the ESRD PPS with two broad measures in our quality management. First, we worked with medical directors and treating physicians to find efficiencies consistent with the ESRD PPS's quality incentive program ("QIP") and good clinical practices, and we negotiated pharmaceutical acquisition cost savings. In addition, we achieved greater efficiencies and better patient outcomes by introducing new initiatives to improve patient care upon initiation of dialysis.

The ESRD PPS's QIP began affecting payments starting January 1, 2012. Dialysis facilities that fail to achieve the established quality standards have payments for a particular year reduced by up to 2%, based on a prior year's performance. CMS updates the set of quality measures each year, adding, revising or retiring measures. The 2017 QIP payment adjustment is based on each facility's performance in 2015 on a set of measures that focus on anemia management, dialysis adequacy, reporting of dialysis events to the Centers for Disease Control and Prevention (CDC), administration of patient satisfaction surveys and monthly reporting of mineral metabolism. For payment year 2017, CMS continued the 2016 QIP measures with the exception of the retirement of one measure of hemoglobin adequacy and added a measure of hospital readmissions in order to assess coordinated care. For payment year 2018, CMS will add two new clinical measures (standardized transfusion ratio and pediatric peritoneal dialysis adequacy) and three new reporting measures (pain assessment and follow-up, clinical depression screening and follow-up and influenza vaccination of healthcare personnel). For payment year 2019, CMS will replace four separate measures of dialysis adequacy with a single comprehensive dialysis adequacy clinical measure. In addition, CMS will make changes to the technical specifications of the hypercalcemia clinical measure, reintroduce a dialysis event reporting measure, and make changes relating to QIP scoring, including introduction of a new Safety Measure Domain. For payment year 2020, CMS will replace a mineral metabolism reporting measure with a new serum phosphorous reporting measure and adopt two new measures: the standardized hospitalization ratio clinical measure and the ultrafiltration rate reporting measure.

Furthermore, we participate in CMS's Comprehensive ESRD Care Model twenty-four of our dialysis organizations participate in (CEC Model), through ESRD Seamless Care Organizations (ESCOs) in six markets. The CEC Model seeks to deliver better health outcomes for ESRD patients while lowering Medicare's costs. For six of our ESCOs, the CEC Model commenced on October 1, 2015, and for the other eighteen ESCOs, the CEC Model commenced on January 1, 2017. The initial agreement period for all ESCOs participating in the CEC Model lasts through 2018. As originally specified, CMS and an ESCO would then have the option of extending the ESCO's agreement for an additional two years based on the ESCO's performance.

We are also working closely with CMS, a state-run public health care authority, in the area of care coordination. For example, we have been involved in the "Bundled Payments for Care Improvement" (BPCI) initiative via our subsidiary Sound since April 2015. This is a CMS three-year pilot initiative with bundled payments for the individual services, including acute inpatient hospital services, physician services, and post-acute services, furnished to Medicare beneficiaries during a single episode of illness or course of treatment.

We measure and assess the treatment quality at our dialysis clinics on the basis of generally recognized quality standards, such as industry-specific clinical benchmarks, as well as our own quality targets. We use quality parameters that are generally recognized in the dialysis industry:

- The Kt / V value shows whether a patient was detoxified effectively during dialysis.
- Other quality indicators are the albumin, calcium and phosphat level in the blood. These parameters are indicative of a patient's general nutritional status.
- We also strive for a defined hemoglobin value in our patients. Hemoglobin is the component of red blood cells that transports oxygen around the body. An insufficient level of this in the blood is indicative of anemia.
- The number of days patients are hospitalized because of complications as part of their kidney disease is also crucial for determining treatment quality, because they are particularly cost-intensive and can significantly reduce the quality of life of dialysis patients.
- We record the number of patients who do not use a hemodialysis catheter as a vascular access in dialysis treatment. In order to guarantee sufficient blood flow through and therefore an effective dialysis treatment a permanent vascular access is necessary. Catheters are associated with serious infections and increases in the number of days spent in the hospital.

The ongoing measurement of these and other parameters is the basis for us to improve our dialysis services.

We regularly carry out patient surveys to find out where we can make further improvements and in which areas we should expand our services. In the U.S., the state-run public health care authority CMS specifies the content of patient satisfaction surveys. We use the results to inform and train both our patients and our clinic staff in a more targeted way with the aim of permanently improving our patients' quality of life.

## **VI. Responsibility, environmental management and sustainability**

Not only are a company's activities affected by a number of external factors; companies themselves also influence their environment in many ways. Our activities are always focused on our patients. As a manufacturer and provider of dialysis products and health care services, we are a business partner to suppliers as well as to other companies and organizations in the health care system. We are also an international employer. At the same time, we gear our corporate activities towards using resources in an environmentally sound way. We act as a partner for both state health care systems, i.e. governments, and taxpayers, thus making an important contribution to society. Corporate responsibility at Fresenius Medical Care therefore goes beyond economic responsibility and is geared towards sustainability and trust with regard to our stakeholder groups and their many demands on Fresenius Medical Care.

Consequently, we consider sustainable action to be an integral part of our commercial success rather than just one of many factors. Responsible management and trust-based dialog with our stakeholders are therefore firmly embedded in our code of conduct.

For Fresenius Medical Care, sustainability means acting responsibly to achieve commercial success as well as environmental and social progress and secure the Company's future. In doing so, we distinguish between the following four areas:

- Economic responsibility
- Responsibility for our employees
- Responsibility for the environment
- Social responsibility

In 2016, we established a company-wide project to expand our sustainability reporting. As part of this expansion, we started carrying out a materiality analysis at the end of the reporting year. We will continue the project in 2017 and plan to report extensively on it in the first half of 2018.

Fresenius Medical Care's sustainability activities again won plaudits in 2016: Our company has featured in the prestigious Dow Jones Sustainability Europe Index every year since 2009.

### **Stakeholder dialog and sustainable value-added**

Our business activities are based on responsible management that is rooted in integrity, sound corporate governance and adherence to compliance principles and requires and encourages ethically impeccable conduct from all employees and managers. Due to Fresenius Medical Care's global presence and regional diversity, our sustainability management is largely organized on a regional basis, in the same way as our operations management.

Regular, trust-based interaction with our stakeholders is very important to us. They place many different demands on Fresenius Medical Care both at a national and an international level. We aim to make our corporate decisions more transparent and create trust through dialog. At the same time, by interacting with our stakeholders, we can identify a wide range of trends at an early stage, strengthen our social commitment and act sustainably. The key players in the stakeholder dialog are:

- Partners: employees, patients, physicians, clinical staff, suppliers, associations, health insurers
- Regulators: legislators, politicians, authorities, health care systems
- Capital market participants: investors, banks, rating agencies
- Societal stakeholders: general public, non-governmental organizations, competitors, media.

### **Economic responsibility**

Economic responsibility is an integral part of our corporate strategy and management. Fresenius Medical Care again achieved economic success in 2015 and posted profitable growth. We improved our revenue and earnings in line with our strategy, thus generating economic value-added.

### **Responsibility for our employees**

Fresenius Medical Care owes its business success to the commitment of its employees. We offer them a varied working environment and long-term prospects. Our strategy of recruiting employees with outstanding skills and great potential and supporting their development within the Company

using targeted measures also means that we are investing in the future of our company. By offering diversity, fair, performance-related working and pay conditions, continuous personnel development and a healthy work-life balance, Fresenius Medical Care aims to retain and increase its attractiveness as an employer.

### **Responsibility for the environment**

To ensure that we fulfill our corporate responsibility to the environment in a systematic and coordinated way, we have established a company environmental management system. This enables us to implement environmental requirements and design our operational processes to use resources as efficiently as possible, and in this way to save on costs. The main objectives of environmental protection at our company are to comply with environmental regulations, continuously optimize the use of resources and reduce the associated CO<sub>2</sub> emissions. In addition, our environmental management increasingly supports the business divisions in creating added value for our customers with eco-friendly products and services.

### **Social Responsibility**

In a global market, Fresenius Medical Care is organized regionally with a high level of local responsibility for business operations. This also applies to our company's social commitment. For this reason, we not only support global organizations and projects, but also especially regional and local initiatives. In this respect, we mainly focus on projects that serve the common good and promote sustainable development according to the principle of helping others to help themselves, ensuring that they have a long-term impact.

## **B. Report on economic position**

### **I. Macroeconomic and sector-specific environment**

#### ***a) Macroeconomic environment***

##### ***Minimum dependency on economic cycles***

Fresenius Medical Care provides life-saving products and therapies for patients suffering from chronic kidney failure and is therefore exposed to economic cycles to a relatively small extent. This sets us apart from manufacturers of consumer goods, for instance, whose products are subject to a more cyclical demand.

Our business is impacted more by government reimbursement rates and remuneration systems. Dialysis is a vital medical service, which is why it is usually paid for by the responsible health system. See also dialysis market in the following part.

##### ***Exchange rate developments characterized by a constant euro during the course of the year compared to prior year***

As Fresenius Medical Care operates worldwide, exchange rate developments impact its results of operations. For Fresenius Medical Care, movements in the U.S. dollar and the euro in relation to one another are especially crucial as we generate a major part of our revenues in the U.S. The euro remained constant in relation to the U.S. dollar at the annual average rate in 2016.

In addition, the exchange rate developments between the euro and local currencies are influencing the operating results of Fresenius Medical Care due to sales within the Group of the large production sites in the euro zone to group companies with different functional currencies as well as due to the euro being the financial reporting currency. In relation to the sales within the Group, individual subsidiaries are exposed to transactional risks due to fluctuations in the rate of exchange between the invoicing currencies and the currencies, in which their local operations are conducted. Fresenius Medical Care reduces transaction risks, i.e. risks due to foreign currency exposures or exchange rate fluctuations, through a global network of production facilities, which is geared towards demand in the dialysis product business of Fresenius Medical Care. Often, the production facilities are based in the markets that they serve. Therefore costs are incurred in the same currency in which Fresenius Medical Care generates revenue. For health care services the risk of exchange rate fluctuations is relatively low because services are provided locally and therefore are invoiced in the respective currency.

#### ***b) Sector-specific environment***

##### ***Number of dialysis patients is rising worldwide***

Chronic kidney failure is a global problem: At the end of 2016, approximately 3.7 M patients had either received a kidney transplant or were on dialysis.

The incidence of chronic kidney failure varies between regions. Prevalence, i.e. the relative number of people being treated for end-stage renal disease in a particular country, also differs significantly from one country to another. The prevalence rate, measured in patients per million population (pmp), can be well below 100, especially in developing countries. In countries in the European Union, it averages just over 1,100 pmp. Countries like Japan and the U.S. have very high levels that exceed 2,000 pmp in places. In Taiwan, the rate is even as high as 3,000 pmp. There are various reasons for the significant divergence in prevalence rates:

- The countries differ demographically, as age structures in the population vary worldwide.
- The prevalence of risk factors for kidney disease, such as diabetes and high blood pressure, varies widely.
- The genetic predisposition for kidney disease also differs significantly around the world.
- Access to dialysis is still restricted in many countries, meaning that many patients suffering from kidney failure are not treated and therefore do not appear in prevalence statistics.
- Cultural factors such as nutrition play a role.



The number of dialysis patients in 2016 rose by around 6%. In the U.S., Japan, and Western and Central Europe the number of patients was below average. In these regions, prevalence is already relatively high and patients generally have reliable access to treatment, normally dialysis. In economically weaker regions, on the other hand, growth was above average – an indication that access to dialysis treatment in these countries is still limited and is gradually improving.

### ***Comparison of dialysis treatment methods***

Of the approximately 3.0 M patients who were undergoing dialysis treatment at the end of 2016 2.632 M, or about 88%, were treated with hemodialysis and around 348,000 (12%) with peritoneal dialysis. In a global comparison of treatment methods, hemodialysis is clearly the most common.

Dialysis patients can be treated either in a dialysis center or at home. Treatment options available outside dialysis clinics are home hemodialysis, which is so far relatively uncommon, and peritoneal dialysis. The ratio of patients treated in dialysis clinics to patients on home dialysis varies from region to region.

The third option for treating patients with end-stage renal disease is kidney transplantation. Approximately 726,000 patients were living with a transplanted kidney at the end of 2016. However, for many years now, the number of donated organs worldwide has been significantly lower than the number of patients on transplant waiting lists. Despite extensive efforts by regional initiatives to increase awareness of kidney donation and the willingness to donate, the share of patients receiving kidney transplantation compared with other treatment methods has remained relatively unchanged over the past ten years.

### ***Care Coordination: Chronic diseases are becoming increasingly common***

Chronic diseases such as diabetes and cardiovascular diseases are becoming increasingly common and are responsible for almost two out of three deaths worldwide. In many countries, a large proportion of health care spending goes towards treating chronic diseases. To counteract the resultant increase in cost pressure, more and more health care systems, such as that in our largest market, the U.S., have started reimbursing coordinated, holistic care rather than individual services.

### ***Our customers are mostly health insurers and companies***

Fresenius Medical Care's most important customers are state-owned or public health insurers, private health insurers, and companies. For 2016, approximately 33% of the Company's consolidated revenues were attributable to U.S. federal health care benefit programs, such as Medicare and Medicaid reimbursement.

### ***Health care and reimbursement systems vary from country to country***

As renal replacement therapy is a life-saving medical service, patients do not usually have to pay for dialysis themselves. Instead, the costs are borne by the responsible health care system. The reimbursement systems for dialysis treatment – in other words, the structures used by health care systems to reimburse dialysis services – differ from country to country and often even within countries. The factors determining reimbursement include regional conditions, the treatment method, regulatory issues, and the type of dialysis service provider (public or private).

The health care debate in some countries is currently focused on establishing reimbursement structures based on treatment quality (pay for performance). In this case, more responsibility is transferred to the medical service provider, subject to transparency and quality criteria. The goal of reimbursement models of this kind is to maintain a high quality of care combined with lower overall costs for the health care system.

One example of a compensation model based on qualitative criteria is the reimbursement system for dialysis in the U.S., our biggest sales market. This system applies to dialysis treatment for patients who are predominantly covered by national health insurance (Medicare patients). Dialysis costs are compensated as part of a lump-sum reimbursement system that bundles specific products and services in a single reimbursement rate.

In addition, the reimbursement and ancillary services utilization environment significantly influences our business. In the U.S., the reimbursement rates for Medicare patients are finalized by the responsible authority, the CMS. Overall, the reimbursement rate for 2016 has not changed material year-on-year. In our biggest sales market, the U.S. market, the reimbursements of governmental institutions are lower than the reimbursements of private insurers and managed care organizations.

Therefore a change in the portion of reimbursements by private insurers in the U.S. influences our business. The majority of treatments we provide are paid for by governmental institutions such as Medicare in the U.S. As a consequence of the pressure to decrease health care costs, government reimbursement rate increases in the U.S. have historically been limited. The stability of reimbursement in the U.S. has been affected by (i) the implementation of the ESRD PPS in the U.S. in January 2011, (ii) the U.S. Sequestration cuts, (iii) the phased reduction to the ESRD PPS rate to account for the decline in utilization of certain drugs and biologicals associated with dialysis and (iv) the enactment of the Protecting Access to Medicare Act of 2014 (PAMA) and could be affected by (v) the CMS rule published on November 15, 2016 that modifies certain payment policies, payment rates and quality provisions in the Physician Fee Schedule for calendar year 2017. There is presently considerable uncertainty regarding possible future changes in health care regulation in the U.S., including the regulation of reimbursement for dialysis services. We have generally experienced stable reimbursement globally, including the balancing of unfavorable reimbursement changes in certain countries with favorable changes in other countries. Our ability to influence the pricing of our services is limited. Any significant decreases in Medicare reimbursement rates could have material adverse effects on our health care services business and, because the demand for dialysis products is affected by Medicare reimbursement, on our products business. To the extent that increases in operating costs that are affected by inflation, such as labor and supply costs, are not fully reflected in a compensating increase in reimbursement rates, our business and results of operations may be adversely affected. More information can be found in Part III. Results of operation, financial position and net assets as well as in Chapter D. Report on expected developments.

We are also working closely with CMS in Care Coordination. For example, the participation of our subsidiary Sound in the BPCI initiative will have an impact on the reimbursement. As a participant in this project, we can become entitled to additional reimbursement if we provide high-quality care at a cost that is below a set threshold. In addition, the participation in CMS's CEC Model through ESCO has an impact on the reimbursement since October 1, 2015. The CEC Model seeks to deliver better health outcomes for ESRD patients while lowering Medicare's costs. ESCOs that achieve the program's minimum quality thresholds and generate reductions in CMS's cost of care above certain thresholds for the ESRD patients covered by the ESCO will receive a share of the cost savings. Our ESCOs also share in the risk of cost increases and are obligated to reimburse CMS for a share of any such increases if actual costs rise above set thresholds.

Furthermore, we have entered into various arrangements with both government and private sector health care insurers which involve taking risk for the complete care of certain ESRD patients in exchange for set payments. We are currently operating Medicare Advantage ESRD Chronic Special Needs Plan ("MA-CSNP") in five states as of January 1, 2017. MA-CSNPs are Medicare Advantage health plans offered by private companies that contract with Medicare to provide patients with Medicare benefits. Enrollment in these plans is limited to special needs individuals with specific severe or disabling chronic conditions, such as ESRD. Our MA-CSNPs provide services, including Care Coordination services, and receive capitated payments from Medicare for the complete care of enrolled ESRD patients.

We also participate in sub-capitation and other shared savings and risk arrangements with certain Medicare Advantage plans, accountable care organizations and other integrated care organizations under which we assume risk and share in savings realized in providing care to the plans' ESRD patients.

## II. Course of business

### Highlights

#### *Change in management structure*

Mr. Roberto Fusté, a member of the General Partner's Management Board as well as the Chief Executive Officer of the Asia-Pacific Segment resigned from the General Partner's Management Board effective March 31, 2016 and retired from the Company. Mr. Fusté was succeeded by Mr. Harry de Wit, as of April 1, 2016.

#### **Comparison of the actual business results with targets**

The environment for our core business dialysis remained mainly stable in the financial year 2016. We have met the targets we have established for the financial year 2016. The targets are determined in U.S. dollar based on U.S. GAAP as described in Part II. Internal management system in Chapter A. Fundamental information about the Group.

The targets 2016 did not include contributions from acquisitions closed in 2015 and 2016 and special items. The actual results 2016 have been adjusted accordingly to make them comparable to the targets 2016. The results 2015, which are the basis for the targeted growth rates for 2016 have been adjusted accordingly. Operating income for 2015 was increased by \$60 M related to accruals in relation to the NaturaLyte® and GranuFlo® agreement in principle (Net Settlement Expense) and net income was increased by \$37 M Net Settlement Expense (after tax) (see Note 22 of the Notes to the Consolidated Financial Statements – Section Commercial Litigation).

The targets for the financial year 2016 were based on the exchange rates prevailing at the beginning of the year 2016. We expected revenue growth excluding contributions from acquisitions closed in 2015 and 2016 of 7-10% at constant exchange rates. Revenue amounted to \$17.9 BN an increase of 7%. At constant exchange rates revenue increased by 8% and excluding the contributions from acquisitions closed in 2015 and 2016 revenue increased by 7% at constant exchange rates which is in the range of our expectations. We therefore met our expectations.

All operating segments, mainly the North America Segment and the Asia Pacific Segment, contributed to the expansion in business. Further details on the development of revenue can be found in Part III. Results of operation, financial position and net assets.

We expected a growth in operating income above growth in revenue for the financial year 2016. The basis for this target 2016 did not include the Net Settlement Expense of \$60 M. Adjusted operating income for 2016 increased by 10% to \$2.6 BN and we therefore met our target.

Also for Delivered EBIT we expected a growth above growth in revenue for the financial year 2016. The basis for this target 2016 did not include the Net Settlement Expense of \$60 M. Adjusted operating income for 2016 increased by 10% to \$2.3 BN and therefore we also met our target.

At the beginning of the year we set a target range for net income growth of 15 – 20% for the financial year 2016. This included cost savings from the global efficiency program as well as further expenses related to the expansion of Care Coordination. The Net Settlement Expense of \$37 M (after tax) and contributions from acquisitions closed in 2015 and 2016 were not included in this target range. Adjusted net income for 2016 increased by 16% to \$1.2BN which is in the range of our expectations.

Adjusted earnings per share increased by 16%. This increase is in line with the development of net income, as expected.

We earmarked \$1.0 - \$1.1BN for capital expenditures. We remained within our target, as we spent \$1.0 BN for capital expenditures. For acquisitions and investments we expected around \$ 0.75 BN. We spent \$0.4 BN for acquisitions and investments after divestitures. We received \$0.2 for divestitures mainly related to available for sale financial assets (\$0.1 M) and a repayment of unsecured loans provided to an equity method investee in 2015 and 2016 (\$0.1 M) and therefore were below our expectations. For further information, see Part III. Results of operation, financial position and net assets.

Driven by earnings development and good management of inventories, net cash provided by (used in) operating activities in % of revenue was on a high level with 11.9%, meeting our target of greater than 10%.

Free cash flow (net cash provided by (used in) operating activities after capital expenditures, before acquisitions and investments) in % of revenue was 6.3% in 2016, which is also in line with our target of greater than 4%.

According to our forecast the leverage ratio (Debt/EBITDA ratio) should have been below 3.0 at the end of 2016. The actual leverage ratio decreased to 2.4 at the balance sheet date and is therefore as expected.

The number of employees at Fresenius Medical Care (full-time equivalents) grew from 104,033 at the end of 2015 to 109,319 at the end of 2016 due to organic growth and acquisitions. We therefore reached our forecasted number of more than 109,000.

Research and development expenditures aimed at boosting Fresenius Medical Care's ability to adapt to future requirements amounted to \$162 M, meeting our target range of \$160 -170 M. Our research and development activities are focused on further developing existing product groups.

Below is a table showing the actual results and our targets for 2016:

**Results and Targets for 2016 - determined in U.S. dollar based on U.S. GAAP**

	<b>Results 2016</b>	<b>Results 2016 adjusted</b>	<b>Targets 2016</b>
Revenue growth <sup>(1),(2)</sup>	8%	7%	7 - 10%
	( at Constant Exchange Rates)	( at Constant Exchange Rates)	( at Constant Exchange Rates)
Operating income growth <sup>(3)</sup>	13%	10%	Growth > revenue growth
Delivered EBIT growth <sup>(3)</sup>	14%	10%	Growth > revenue growth
Net income growth <sup>(2),(3),(4)</sup>	21%	16%	15 - 20%
Basic earnings per share growth <sup>(2),(3),(4)</sup>	20%	16%	based on development of net income
Capital Expenditures	\$1.0 BN		\$1.0 - 1.1 BN
Acquisitions and investments	\$0.4 BN		~ \$0.75 BN
Net cash provided by (used in) operating activities in % of revenue <sup>(3)</sup>	11.9%		> 10%
Free cash flow in % of revenue <sup>(3)</sup>	6.3%		> 4%
Debt/EBITDA Ratio <sup>(3)</sup>	2.4		< 3.0
Employees <sup>(5)</sup>	109,319		> 109,000
Research and development expenses	\$162 M		\$160 - 170 M

(1) Net of patient service bad debt provision

(2) Targets 2016 and Results 2016 adjusted exclude contributions from acquisitions closed in 2015 and 2016

(3) Targets 2016 and Results 2016 adjusted exclude special items

(4) Net income attributable to shareholders of FMC AG & Co. KGaA

(5) Full-time equivalents

### III. Results of operations, financial position and net assets

The following chapters summarize our results of operations, financial position and net assets as well as key performance indicators by principal segment and Corporate for the periods indicated.

We prepared the information using a management approach, consistent with the basis and manner in which our management internally disaggregates financial information to assist in making internal operating decisions and evaluating management performance.

#### Results of operations

##### Segment Data

in M €

	US-GAAP		IFRS adjustments		IFRS	
	2016	2015	2016	2015	2016	2015
<b>Total revenue</b>						
North America	11,641	10,647				
EMEA	2,409	2,369				
Asia-Pacific	1,474	1,353				
Latin America	643	691				
Corporate	14	26				
<b>Total</b>	<b>16,181</b>	<b>15,086</b>	<b>389</b>	<b>369</b>	<b>16,570</b>	<b>15,455</b>
<b>Operating income</b>						
North America	1,915	1,620				
EMEA	474	520				
Asia-Pacific	288	268				
Latin America	59	44				
Corporate	(353)	(355)				
<b>Total</b>	<b>2,383</b>	<b>2,097</b>	<b>26</b>	<b>32</b>	<b>2,409</b>	<b>2,129</b>
Interest income	42	105	-	-	42	105
Interest expense	(408)	(458)	-	-	(408)	(458)
Income tax expense	(618)	(560)	(5)	(5)	(623)	(565)
<b>Net income</b>	<b>1,399</b>	<b>1,184</b>	<b>21</b>	<b>27</b>	<b>1,420</b>	<b>1,211</b>
<b>Net income attributable to noncontrolling interests</b>	<b>(276)</b>	<b>(256)</b>	<b>-</b>	<b>-</b>	<b>(276)</b>	<b>(256)</b>
<b>Net income attributable to shareholders of FMC-AG &amp; Co. KGaA</b>	<b>1,123</b>	<b>928</b>	<b>21</b>	<b>27</b>	<b>1,144</b>	<b>955</b>

The comparison of the financial years 2016 and 2015 is affected by the development of the Euro against the U.S. dollar, since for the year ended December 31, 2016 approximately 73% of revenues and approximately 80% of operating income are generated in U.S. dollar.

Due this fact the growth rates of revenue and operating profit measures are influenced by increased impacts of exchange rate fluctuations. Therefore, we calculate constant currency revenue and operating profit measures ("at Constant Exchange Rates" or "Constant Currency") to show changes in our revenue and operating profit measures without giving effect to period-to-period currency fluctuations. We calculate constant currency revenue and operating profit measures by translating foreign currencies using the average exchange rates from the comparative period instead of the current period.

## Consolidated Financial Statements

### Key Indicators for Consolidated Financial Statements

	2016	2015	Change in %	
			as reported	at Constant Exchange Rates
Revenue in € M	16,570	15,455	7%	8%
Health Care	13,505	12,439	9%	9%
Dialysis Products	3,065	3,016	2%	4%
Number of dialysis treatments	46,529,154	44,596,446	4%	
Same market treatment growth in %	3.2%	4.3%		
Gross profit as a % of revenue	33.9%	33.5%		
Selling, general and administrative costs as a % of revenue	18.8%	19.1%		
Operating income in € M	2,409	2,129	13%	13%
Operating income margin in %	14.5%	13.8%		
Delivered EBIT in € M <sup>(1)</sup>	2,133	1,873	14%	14%
Net income attributable to shareholders of FMC-AG & Co. KGaA in € M	1,144	955	20%	20%
Basic earnings per share in €	3.74	3.14	19%	

(1) For further information on Delivered EBIT, including a reconciliation of Delivered EBIT to Operating Income for each of our reporting segments, see chapter A. II. Internal management system.

Total Revenue increased by 7% (8% at Constant Exchange Rates) to €16,570 M for the year ended December 31, 2016 from €15,455 M in the same period of 2015. The increase at Constant Exchange Rates was mainly due to increases in organic revenue (7%) and contributions from acquisitions (1%).

Health Care revenue increased by 9% to €13,505 M (9% at Constant Exchange Rates) for the year ended December 31, 2016 from €12,439 M in the same period of 2015. The increase at Constant Exchange Rates was mainly due to increases in organic revenue per treatment (5%), growth in same market treatments (3%) and contributions from acquisitions (2%), partially offset by the effect of closed or sold clinics (1%).

Dialysis treatments increased by 4% for the year ended December 31, 2016 as compared to the same period in 2015. The increase is due same market treatment growth (3%) and contributions from acquisitions (2%), partially offset by the effect of closed or sold clinics (1%).

At December 31, 2016, we owned, operated or managed (excluding those managed but not consolidated in the U.S.) 3,624 dialysis clinics compared to 3,418 dialysis clinics at December 31, 2015. For the year ended December 31, 2016, we acquired 136 dialysis clinics, opened 122 dialysis clinics and combined or closed 52 clinics. The number of patients treated in dialysis clinics that we own, operate or manage (excluding patients of dialysis clinics managed but not consolidated in the U.S.) increased by 5% to 308,471 at December 31, 2016 from 294,381 at December 31, 2015.

Dialysis product revenue increased by 2% (4% at Constant Exchange Rates) to €3,065 M for the year ended December 31, 2016 as compared to €3,016 M in the same period of 2015. The increase at Constant Exchange Rates was driven by increased sales of dialyzers, machines, bloodlines, products for acute care treatments, hemodialysis solutions and concentrates and peritoneal dialysis products, partially offset by lower sales of renal pharmaceuticals.

The increase in gross profit margin to 33.9% from 33.5% primarily reflects increases in the North America Segment and the Asia-Pacific Segment. The increase in the North America Segment was mainly due to lower costs for health care supplies and a higher volume of dialysis treatments with commercial payors, partially offset by higher personnel expense related to dialysis services and an unfavorable impact from Care Coordination services largely driven by the higher cost of revenue in our pharmacy services business. The increase in the Asia-Pacific Segment was predominantly driven by business growth.

Selling, general and administrative (SG&A) expenses increased to €3,119 M in the year ended December 31, 2016 from €2,949 M in the same period of 2015. SG&A expenses as a percentage of

sales decreased to 18.8% for the year of 2016 as compared to 19.1% in the same period of 2015 due to decreases in the North America Segment, Latin America Segment and at Corporate, partially offset by increases in the EMEA Segment and the Asia-Pacific Segment. The decrease in the North America Segment was due to the prior year impact from the Net Settlement Expense of \$60 M (€54 M) (for further information, see Note 22 of the Notes to the Consolidated Financial Statements), a release of bad debt reserves and lower legal expenses excluding Net Settlement Expense legal costs above, partially offset by a cost impact related to the vesting of long term incentive plan grants and higher personnel expense. The decrease in the Latin America Segment was mainly due to the prior year loss related to the divestment of the dialysis service business in Venezuela as well as the impact from proportionately higher sales as compared to SG&A expenses, partially offset by higher bad debt expense and increased costs related to inflation. The decrease at Corporate was mainly driven by lower legal and consulting expenses related to compliance investigations we are conducting (for further information, see Note 22 of the Notes to the Consolidated Financial Statements). The increase in the EMEA Segment was driven by the prior year impact from a gain from the sale of our European marketing rights for certain renal pharmaceuticals (see Note 5 of the Notes to the Consolidated Financial Statements) and higher bad debt expense and higher IT project costs. The increase in the Asia-Pacific Segment was mainly due to increased costs related to further sales development, unfavorable foreign exchange effects and costs associated with changes in the Management Board.

R&D expenses increased by 14% to €147 M for the year ended December 31, 2016 from €128 M for the same period of 2015. This increase was driven by higher personnel expense and project costs related to an expansion of our project portfolio. Currently, we have certain R&D projects which are at the peak of their cost consumption.

Income from equity method investees increased to €59 M for the year ended December 31, 2016 from €28 M for the same period of 2015. This increase is primarily related to higher income from Vifor Fresenius Medical Care Renal Pharma Ltd., an entity in which we have ownership of 45%, due to increased revenue resulting from the expansion of its product portfolio partially offset by increased product development costs.

Operating income increased to €2,409 M for the year ended December 31, 2016 from €2,129 M for the same period in 2015. Operating income margin increased to 14.5% for the year ended December 31, 2016 as compared to 13.8% for the same period in 2015 as a result of increased gross profit margin, a decrease in SG&A as a percentage of revenue and increased income from equity method investees.

Delivered EBIT increased by 14% (14% at Constant Exchange Rates) to €2,133 M for the year ended December 31, 2016 from €1,873 M for the same period in 2015 as a result of the increased operating income, partially offset by increased noncontrolling interests driven by higher operating income of dialysis clinics in which we have ownership of less than 100%.

Interest expense decreased by 11% to €408 M for the year ended December 31, 2016 from €458 M for the same period in 2015 due to the lower impact of the valuation of the embedded derivative related to the equity-neutral convertible bonds issued in September 2014 (Convertible Bonds) and the related call option on our shares (see Note 14 of the Notes to the Consolidated Financial Statements) as well as due to a reduction in our overall debt level. Interest income decreased by 60% to €42 M for the year ended December 31, 2016 from €105 M for the same period in 2015 due to the lower impact of the valuation of the derivative embedded in the Convertible Bonds and the related call option on our shares (see Note 14 of the Notes to the Consolidated Financial Statements) as well as the repayment of interest bearing notes receivables in the fourth quarter of 2015.

Income tax expense increased to €623 M for the year ended December 31, 2016 from €565 M for the same period in 2015. The effective tax rate decreased to 30.5% from 31.8% for the same period of 2015, mainly driven by lower tax expense as a result of released tax liabilities and a prior year impact from the non-tax deductible loss from the divestiture of our dialysis service business in Venezuela, partially offset by a lower portion of tax free income attributable to noncontrolling interests compared to income before taxes.

Net income attributable to noncontrolling interests for the year ended December 31, 2016 increased to €276 M from €256 M for the same period of 2015 primarily driven by higher operating income of dialysis clinics in which we have ownership of less than 100%, partially offset by decreased noncontrolling interest expense related to Care Coordination, both in the North America Segment.

Net income attributable to shareholders of FMC-AG & Co. KGaA for the year ended December 31, 2016 increased by 20% (20% at Constant Exchange Rates) to €1,144 M from €955 M for the same period in 2015 as a result of the combined effects of the items discussed above. Excluding the impacts

of (i) the 2015 after tax loss, €32.7 M, related to the Net Settlement Expense (for further information, see Note 22 of the Notes to the Consolidated Financial Statements), (ii) the 2015 after tax loss, €24.3 M, from the divestiture of our dialysis service business in Venezuela, and (iii) the 2015 realized portion of the after tax gain, €10.1 M, from the sale of our European marketing rights for certain renal pharmaceuticals to our joint venture, Vifor Fresenius Medical Care Renal Pharma, net income attributable to FMC-AG & Co. KGaA increased by 14%.

Basic earnings per share increased by 19% for the year ended December 31, 2016 to €3.74 as compared with €3.14 for the same period in 2015 due to the increase in net income attributable to shareholders of FMC-AG & Co. KGaA above. The weighted average number of shares outstanding for the period was approximately 305.7 M in 2016 (304.4 M in 2015). The increase in the weighted average number of shares outstanding was the result of stock options exercised.

We employed 109,319 people (full-time equivalents) as of December 31, 2016 compared to 104,033 as of December 31, 2015, an increase of 5%, primarily due to organic growth in our business and acquisitions.

### ***Material differences between IFRS and US-GAAP regarding the consolidated income statement***

#### ***Revenue***

The main differences between IFRS and US-GAAP result from the difference in the presentation of bad debt provisions for health care services. Under US-GAAP, expenses are presented as a reduction in health care service revenue, whereas IFRS requires those expenses to be presented as a component of SG&A expenses.

In 2016, the adjustments to reconcile revenue for IFRS and for US-GAAP amounted to €389 M. In 2015, the adjustments amounted to €369 M.

#### ***Operating income***

The main differences between IFRS and U.S. GAAP result from the difference in the accounting treatment of actuarial gains and losses arising on the valuation of pension obligations, sale and leaseback transactions containing operating lease agreements, obligations from stock incentive plans as well as development costs.

In 2016, the adjustments to reconcile operating income for IFRS and for U.S. GAAP amounted to €26 M. In 2015, the adjustments amounted to €32 M.

#### ***Segment reporting***

The following discussions pertain to the North America Segment, the EMEA Segment, the Asia-Pacific Segment and the Latin America Segment as well as the measures we use to manage these segments. The measures are determined in U.S. dollar based on U.S. GAAP and converted into euro as described in Part II. Internal management system in Chapter A. Fundamental information about the Group.

Due to the expansion of our Care Coordination services we established new business metrics for Care Coordination in our North America Segment in 2015, which will be defined below.

#### ***Business Metrics for Care Coordination in the North America Segment***

The measures for our North America Segment discussed below include current and future programs that we will be participating in and will be reflected in the discussion of our business within the North America Segment. Currently, the sub-capitation, capitation arrangements under physician practice services, BPCI, ESCO programs and other shared savings programs are included within the Member Months and Medical Cost Under Management calculations below. In the future, there may be other programs that could be included in the following metrics. These metrics may be developed further in future periods. Note that due to the timing required by CMS to review the BPCI program data that we provide, estimates have been used in order to report these metrics in a timely manner.

#### ***Member Months Under Medical Cost Management***

Member months under medical cost management is calculated by multiplying the number of members who are included in value-based reimbursement programs, such as Medicare Advantage plans or



other value-based programs in the U.S., by the corresponding number of months these members participate in those programs ("Member Months"). In the aforementioned programs, we are assuming the risk of generating savings. The financial results will be recorded in earnings as our performance is determined. The membership offerings within Care Coordination are sub-capitation arrangements, MA-CSNPs, ESCO and BPCI programs as well as other shared savings programs. An increase in patient membership may indicate future earnings or losses as our performance is determined through these managed care programs.

#### *Medical Cost Under Management*

Medical cost under management represents the management of medical costs associated with our patient membership in value-based programs. For ESCO, BPCI and other shared savings programs, this is calculated by multiplying the Member Months in each program by the benchmark of expected medical cost per member per month. The sub-capitation and MA-CSNPs calculation multiplies the premium per member of the program per month by the number of Member Months associated with the plan, as noted above.

#### *Care Coordination Patient Encounters*

Care Coordination patient encounters represents the total patient encounters and procedures conducted by certain of our Care Coordination activities. Specifically, Care Coordination patient encounters is the sum of all encounters and procedures completed during the period by Sound, MedSpring Urgent Care ("MedSpring"), Fresenius Vascular Care, and National Cardiovascular Partners ("NCP") as well as patients in our Fresenius Medical Care Rx Bone Mineral Metabolism program ("BMM program").

## North America Segment

### Key Indicators and Business Metrics for North America Segment

	2016	2015	Change in %	
			as reported	at Constant Exchange Rates
<b>Total North America Segment</b>				
Revenue in € M <sup>(1)</sup>	11,641	10,647	9%	9%
Health Care <sup>(1)</sup>	10,825	9,853	10%	10%
Dialysis Products	816	794	3%	3%
Operating income in € M	1,915	1,620	18%	18%
Operating income margin in %	16.4%	15.2%		
Delivered EBIT in € M <sup>(2)</sup>	1,648	1,374	20%	20%
<b>Dialysis</b>				
Revenue in € M <sup>(1)</sup>	9,557	8,951	7%	7%
Number of dialysis treatments	28,882,107	27,686,877	4%	
Same market treatment growth in %	3.1%	4.1%		
Operating income in € M	1,861	1,532	21%	21%
Operating income margin in %	19.5%	17.1%		
Delivered EBIT in € M <sup>(2)</sup>	1,618	1,322	22%	22%
<b>Care Coordination</b>				
Revenue in € M <sup>(1)</sup>	2,084	1,696	23%	23%
Operating income in € M	54	88	(39%)	(39%)
Operating income margin in %	2.6%	5.2%		
Delivered EBIT in € M <sup>(2)</sup>	30	52	(41%)	(41%)
Member Months Under Medical Cost Management <sup>(3),(4)</sup>	387,244	208,933	85%	
Medical Cost Under Management in € M <sup>(3),(4)</sup>	2,542	1,496	70%	70%
Care Coordination Patient Encounters <sup>(3),(4)</sup>	5,539,703	5,005,695	11%	

(1) Net of patient service bad debt provision.

(2) For further information on Delivered EBIT, including a reconciliation of Delivered EBIT to Operating Income for each of our reporting segments, see chapter A. II. Internal management system.

(3) For further information on these metrics on our Care Coordination measures please refer to the discussion above under "Segment reporting – Business Metrics for Care Coordination in the North America Segment".

(4) The 2016 metric may be understated due to a physician mapping issue related to the BPCI program within a CMS system which has not yet been resolved. Additionally, data presented for the metrics are subject to finalization by CMS, which may result in changes from previously reported metrics.

### Dialysis

#### Revenue

Dialysis revenue increased for the year ended December 31, 2016 by 7% (7% at Constant Exchange Rates) to €9,557 M from €8,951 M in the same period of 2015.

Dialysis care revenue increased for the year ended December 31, 2016 by 7% (7% at Constant Exchange Rates) to €8,741 M from €8,157 M in the same period of 2015. This increase at Constant Exchange Rates was driven by same market treatment growth (3%), increases in organic revenue per treatment (2%), an increase in dialysis days (1%) and contributions from acquisitions (1%).

Dialysis treatments increased by 4% for the year ended December 31, 2016 as compared to the same period in 2015 primarily due to same market treatment growth (3%) and contributions from acquisitions (1%). At December 31, 2016, 188,987 patients (a 3% increase over December 31, 2015) were being treated in the 2,306 dialysis clinics that we own or operate in the North America Segment, compared to 182,852 patients treated in 2,210 dialysis clinics at December 31, 2015.

In the U.S., the average revenue per treatment at Constant Exchange Rates was €317 for the year ended December 31, 2016 and €312 for the same period in 2015. The increase was mainly attributable to a higher volume of dialysis treatments with commercial payors.

Cost per treatment in the U.S. at Constant Exchange Rates decreased to €250 for the year ended December 31, 2016 from €251 in the same period of 2015. The decrease was largely driven by a favorable impact from lower cost for health care supplies and decreased bad debt, partially offset by higher personnel expense and various cost increases including rent expense and administration costs.

Dialysis product revenue increased by 3% (3% at Constant Exchange Rates) to €816 M for the year ended December 31, 2016 as compared to €794 M in the same period in 2015. This increase at Constant Exchange Rates was driven by higher sales of machines, dialyzers and peritoneal dialysis products, partially offset by lower sales of renal pharmaceuticals and bloodlines.

#### *Operating Income*

Dialysis operating income increased by 21% (21% at Constant Exchange Rates) to €1,861 M for the year ended December 31, 2016 as compared to €1,532 M in the same period in 2015. Operating income margin increased to 19.5% for the year ended December 31, 2016 from 17.1% for the same period in 2015, due to lower costs from health care supplies, a higher volume of dialysis treatments with commercial payors, the prior year impact from the Net Settlement Expense, a release of bad debt reserves, higher income from equity method investees and lower legal expenses excluding Net Settlement Expense legal costs noted above, partially offset by higher personnel expense and a cost impact related to the vesting of long term incentive plan grants.

#### *Delivered EBIT*

Dialysis delivered EBIT increased by 22% (22% at Constant Exchange Rates) to €1,618 M for the year ended December 31, 2016 from €1,322 M for the same period of 2015. The increase at Constant Exchange Rates was mainly the result of the increased operating income, partially offset by increased noncontrolling interests driven by higher operating income of dialysis clinics in which we have ownership of less than 100%.

### *Care Coordination*

#### *Revenue*

Care Coordination revenue increased by 23% (23% at Constant Exchange Rates) to €2,084 M for the year ended December 31, 2016 from €1,696 M for the same period of 2015. The increase at Constant Exchange Rates was driven by increases in organic revenue growth (20%) and contributions from acquisitions (3%).

#### *Operating Income*

Care Coordination operating income decreased by 39% (39% at Constant Exchange Rates) to €54 M for the year ended December 31, 2016 from €88 M for the same period of 2015. The operating income margin decreased to 2.6% for the year ended December 31, 2016 from 5.2% mainly driven by increased costs related to bad debt reserves for hospitalist and intensivist services and the prior year impact of reimbursement for BPCI costs as well as higher costs for physician practice services due to infrastructure development, partially offset by a favorable impact from vascular, cardiovascular and endovascular specialty services.

#### *Delivered EBIT*

Care Coordination delivered EBIT decreased by 41% (41% at Constant Exchange Rates) to €30 M for the year ended December 31, 2016 from €52 M for the same period of 2015, mainly as the result of decreased operating income, partially offset by decreased noncontrolling interests effects.

#### *Member Months Under Medical Cost Management*

Care Coordination's member months under medical cost management for the year ended December 31, 2016 was 387,244 months as compared to 208,933 months for the same period of 2015. The increase in membership volume was largely attributable to furthered enrollment in our ESCOs, BPCI development, growth in our sub-capitation and other shared savings arrangements as well as the

continued contribution from MA-CSNPs which commenced in the first quarter of 2016. See note 4 to the table “Key Indicators and Business Metrics for North America Segment,” above.

#### *Medical Cost Under Management*

Care Coordination’s medical cost under management for the year ended December 31, 2016 was €2,542 M as compared to €1,496 M for the same period of 2015. The increase in medical cost under management was largely attributable to furthered enrollment in our ESCOs, BPCI development, growth in our other shared savings and sub-capitation arrangements as well as the continued contribution from MA-CSNPs which commenced in the first quarter of 2016. See note 4 to the table “Key Indicators and Business Metrics for North America Segment,” above.

#### *Care Coordination Patient Encounters*

Care Coordination’s patient encounters for the year ended December 31, 2016 was 5,539,703 encounters and procedures as compared to 5,005,695 encounters and procedures for the same period of 2015. The increase was driven by patient encounters and procedures provided by hospitalist and intensivist services, Rx BMM program, urgent care centers, vascular procedures as well as cardiovascular and endovascular services. See note 4 to the table “Key Indicators and Business Metrics for North America Segment,” above.

### **EMEA Segment**

#### **Key Indicators for EMEA Segment**

	2016	2015	Change in %	
			as reported	at Constant Exchange Rates
Revenue in € M <sup>(1)</sup>	2,409	2,369	2%	4%
Health Care <sup>(1)</sup>	1,169	1,104	6%	9%
Dialysis Products	1,240	1,265	(2%)	0%
Number of dialysis treatments	8,872,231	8,211,464	8%	
Same market treatment growth in %	3.6%	3.8%		
Operating income in € M	474	520	(9%)	(9%)
Operating income margin in %	19.7%	21.9%		
Delivered EBIT in € M <sup>(2)</sup>	471	517	(9%)	(9%)

(1) Net of patient service bad debt provision.

(2) For further information on Delivered EBIT, including a reconciliation of Delivered EBIT to Operating Income for each of our reporting segments, see chapter A. II. Internal management system.

#### *Revenue*

Total revenue for the EMEA Segment increased by 2% (4% at Constant Exchange Rates) to €2,409 M for the year ended December 31, 2016 as compared to €2,369 M for the same period of 2015. Health Care service revenue for the EMEA Segment increased during the year ended December 31, 2016 by 6% (9% at Constant Exchange Rates) to €1,169 M from €1,104 M in the same period of 2015. The increase at Constant Exchange Rates is a result of contributions from acquisitions (6%), same market treatment growth (4%), and an increase in dialysis days (1%), partially offset by the effect of closed or sold clinics (1%) and decreases in organic revenue growth per treatment (1%). Dialysis treatments increased by 8% for the year ended December 31, 2016 over the same period in 2015 mainly due to contributions from acquisitions (5%) and same market treatment growth (4%), partially offset by the effect of closed or sold clinics (1%). As of December 31, 2016, we had 59,767 patients (a 9% increase over December 31, 2015) being treated at the 711 dialysis clinics that we own, operate or manage in the EMEA Segment compared to 54,857 patients treated at 659 clinics at December 31, 2015.

Dialysis product revenue for the year ended December 31, 2016 decreased by 2% (remained flat at Constant Exchange Rates) to €1,240 M compared to €1,265 M in the same period of 2015. Dialysis product revenue was largely static at Constant Exchange Rates due to lower sales of renal pharmaceuticals, dialyzers and machines, mostly offset by increased sales of bloodlines, products for acute care treatments, peritoneal dialysis products and hemodialysis solutions and concentrates.

### Operating Income

Operating income decreased by 9% (9% at Constant Exchange Rates) to €474 M for the year ended December 31, 2016 as compared to €520 M for the same period in 2015. Operating income margin decreased to 19.7% for the year ended December 31, 2016 from 21.9% for the same period in 2015 mainly due to the prior year impact from a gain from the sale of our European marketing rights for certain renal pharmaceuticals, higher bad debt expense, lower income from equity method investees due to product development costs and unfavorable foreign exchange effects, partially offset by fixed costs leverage of higher sales.

### Delivered EBIT

Delivered EBIT decreased by 9% (9% at Constant Exchange Rates) to €471 M for the year ended December 31, 2016 as compared to €517 M for the same period in 2015 primarily due to decreased operating income coupled with increased noncontrolling interests effects.

### Asia-Pacific Segment

	Key Indicators for Asia-Pacific Segment		Change in %	
	2016	2015	as reported	at Constant Exchange Rates
Revenue in € M <sup>(1)</sup>	1,474	1,353	9%	8%
Health Care <sup>(1)</sup>	659	601	10%	3%
Dialysis Products	815	752	8%	12%
Number of dialysis treatments	4,003,957	3,790,924	6%	
Same market treatment growth in %	4.7%	3.8%		
Operating income in € M	288	268	7%	5%
Operating income margin in %	19.6%	19.8%		
Delivered EBIT in € M <sup>(2)</sup>	282	261	8%	5%

(1) Net of patient service bad debt provision.

(2) For further information on Delivered EBIT, including a reconciliation of Delivered EBIT to Operating Income for each of our reporting segments, see chapter A. II. Internal management system.

### Revenue

Total revenue for the Asia-Pacific Segment increased by 9% (8% at Constant Exchange Rates) to €1,474 M for the year ended December 31, 2016 as compared to €1,353 M for the same period of 2015. Health Care service revenue for the Asia-Pacific Segment increased during the year ended December 31, 2016 by 10% (3% at Constant Exchange Rates) to €659 M from €601 M in the same period of 2015. The increase at Constant Exchange Rates is a result of same market treatment growth (5%), partially offset by decreases in organic revenue growth per treatment (1%) and the effect of closed or sold clinics (1%). Dialysis treatments increased by 6% for the year ended December 31, 2016 over the same period in 2015 mainly due to same market treatment growth (5%) and contributions from acquisitions (2%), partially offset by the effect of closed or sold clinics (1%). As of December 31, 2016, we had 29,328 patients (a 11% increase over December 31, 2015) being treated at the 374 dialysis clinics that we own, operate or manage in the Asia-Pacific Segment compared to 26,472 patients treated at 320 clinics at December 31, 2015.

Dialysis product revenue for the year ended December 31, 2016 increased by 8% (12% at Constant Exchange Rates) to €815 M compared to €752 M in the same period of 2015. The increase at Constant Exchange Rates was driven by increased sales of machines, dialyzers, bloodlines, products for acute care treatments, peritoneal dialysis products and hemodialysis solutions and concentrates.

### Operating Income

Operating income increased by 7% (5% at Constant Exchange Rates) to €288 M for the year ended December 31, 2016 as compared to €268 M for the same period in 2015. Operating income margin decreased to 19.6% for the year ended December 31, 2016 from 19.8% for the same period in 2015 due to unfavorable foreign exchange effects and costs associated with changes in the Management

Board, partially offset by a favorable effect of prior year costs related to customs duty receivables in India.

#### *Delivered EBIT*

Delivered EBIT increased by 8% (5% at Constant Exchange Rates) to €282 M for the year ended December 31, 2016 as compared to €261 M for the same period in 2015 due to increased operating income.

#### **Latin America Segment**

	<b>Key Indicators for Latin America Segment</b>		<b>Change in %</b>	
	<b>2016</b>	<b>2015</b>	<b>as reported</b>	<b>at Constant Exchange Rates</b>
Revenue in € M <sup>(1)</sup>	643	691	(7%)	13%
Health Care <sup>(1)</sup>	463	511	(9%)	15%
Dialysis Products	180	180	0%	7%
Number of dialysis treatments	4,770,859	4,907,181	(3%)	
Same market treatment growth in %	1.9%	6.5%		
Operating income in € M	59	44	37%	71%
Operating income margin in %	9.2%	6.3%		
Delivered EBIT in € M <sup>(2)</sup>	59	44	37%	71%

(1) Net of patient service bad debt provision.

(2) For further information on Delivered EBIT, including a reconciliation of Delivered EBIT to Operating Income for each of our reporting segments, see chapter A. II. Internal management system.

#### *Revenue*

Total revenue for the Latin America Segment decreased by 7% (13% increase at Constant Exchange Rates) to €643 M for the year ended December 31, 2016 as compared to €691 M for the same period of 2015. Health Care service revenue for the Latin America Segment decreased during the year ended December 31, 2016 by 9% (15% increase at Constant Exchange Rates) to €463 M from €511 M in the same period of 2015. The increase at Constant Exchange Rates is a result of increases in organic revenue per treatment (18%), growth in same market treatments (2%) and contributions from acquisitions (2%), partially offset by the effect of closed or sold clinics (mainly in Venezuela and Brazil) (7%). Dialysis treatments decreased by 3% for the year ended December 31, 2016 over the same period in 2015 mainly due to the effect of closed or sold clinics (mainly in Venezuela and Brazil) (7%), partially offset by same market treatment growth (2%), contributions from acquisitions (2%). As of December 31, 2016, we had 30,389 patients (a 1% increase over December 31, 2015) being treated at the 233 dialysis clinics that we own, operate or manage in the Latin America Segment compared to 30,200 patients treated at 229 clinics at December 31, 2015.

Dialysis product revenue for the year ended December 31, 2016 remained unchanged at €180 M (7% increase at Constant Exchange Rates) compared to the same period of 2015. The 7% increase at Constant Exchange Rates was driven by increased sales of dialyzers, hemodialysis solutions and concentrates as well as bloodlines, partially offset by lower sales of peritoneal dialysis products and machines.

#### *Operating Income*

Operating income increased by 37% (71% at Constant Exchange Rates) to €59 M for the year ended December 31, 2016 as compared to €44 M for the same period in 2015. Operating income margin increased to 9.2% for the year ended December 31, 2016 from 6.3% for the same period in 2015 mainly due the prior year loss from the divestment of the dialysis service business in Venezuela and the impact from higher revenue in the region primarily from reimbursement increases, partially offset by higher bad debt expense, an unfavorable impact from manufacturing production costs driven by (i) unfavorable foreign exchange effects and (ii) higher costs for quality development, as well as unfavorable foreign exchange effects and higher costs mainly related to inflation.

## *Delivered EBIT*

Delivered EBIT increased by 37% (71% at Constant Exchange Rates) to €59 M for the year ended December 31, 2016 as compared to €44 M for the same period in 2015 due to increased operating income noted above.

## **Financial Position**

Our investment and financing strategy did not change substantially in the past financial year. One of the reasons is our business model, which is based on stable and high cash flows, allowing a more consistent and higher level of debt than might be the case in other industries. We still regard our refinancing options as being very stable and flexible. During the fiscal year, the focus of our investing activities was on our health care services business.

## **Financial management policies and goals**

Besides optimizing our financial costs, financial flexibility takes top priority within Fresenius Medical Care's financing strategy. We ensure this flexibility by using a wide range of financial instruments and securing a high level of diversification with regard to our investors and banks. Our financing profile is characterized by a wide range of maturities up to 2024.

The main financing instrument is the syndicated credit agreement with revolving credit facilities as well as long-term loans in U.S. dollar and euro. In addition, we use several other mid and long-term financing instruments, mainly including senior notes in U.S. dollar and euro and Convertible Bonds.

In our long-term financial planning, we focus primarily on the leverage ratio, defined as debt/EBITDA ratio. At the end of 2016 and 2015, the debt/EBITDA ratio was at 2.4 and 2.8, respectively.

The key financial risks we are exposed to include foreign exchange risk and interest rate risk. In order to manage these risks, we enter into various hedging transactions with banks that have been authorized by the Management Board of our general partner and which generally have ratings in the "A" Category or better. We do not use financial instruments for trading or other speculative purposes (for financial risks, see also Chapter E. Report on risks and opportunities, Part II. Risks, 3. Other risks).

Our parent, Fresenius SE & Co. KGaA (Fresenius SE), as provided for under a service agreement, conducts financial instrument activity for us under the control of a single centralized department. Fresenius SE has established guidelines that we have agreed to, for risk assessment procedures and controls for the use of financial instruments. They include a clear segregation of duties with regard to execution on one side and administration, accounting and controlling on the other.

We also utilize Fresenius SE's cash management system for the settlement of certain intercompany receivables and payables with its subsidiaries and other related parties.

## **Effect of off-balance-sheet financing instruments on our financial position and assets and liabilities**

Fresenius Medical Care is not involved in off-balance-sheet transactions that are likely to materially affect its financial position, results of operations, liquidity, capital expenditures, assets or capitalization.

## **Sources of liquidity**

Our primary sources of liquidity are typically cash provided by operating activities, cash provided by short-term debt from third parties and related parties, as well as proceeds from the issuance of long-term debt and equity securities. We require this capital primarily to finance working capital needs, fund acquisitions and joint ventures, develop free-standing renal dialysis clinics and other health care facilities, purchase equipment for existing or new renal dialysis clinics and production sites, repay debt and pay dividends (see "Net Cash Provided By (Used In) Investing Activities" and "Net Cash Provided By (Used In) Financing Activities" below).

At December 31, 2016, we had cash and cash equivalents of €709 M.

Free Cash Flow (Net cash provided by (used in) operating activities, after capital expenditures, before acquisitions and investments) amounted to €1,017 M in 2016. Free Cash Flow in % of revenue remained flat at 6% in 2016 compared to 2015.

The following table shows the significant cash flow key performance indicators for the years ended December 31, 2016 and 2015.

**Significant Cash Flow Key Performance Indicators**

in € M

	<b>2016</b>	<b>2015</b>
<b>Revenue</b>	<b>16,570</b>	<b>15,455</b>
<b>Net cash provided by (used in) operating activities</b>	<b>1,932</b>	<b>1,767</b>
Capital expenditures	(931)	(859)
Proceeds from sale of property, plant and equipment	16	16
<b>Capital expenditures, net</b>	<b>(915)</b>	<b>(843)</b>
<b>Free cash flow</b>	<b>1,017</b>	<b>924</b>
<b>Net cash provided by (used in) operating activities in % of revenue</b>	<b>12%</b>	<b>11%</b>
<b>Free cash flow in % of revenue</b>	<b>6%</b>	<b>6%</b>

**Net cash provided by (used in) operating activities**

During 2016 and 2015 we generated net cash provided by operating activities of €1,932 M and €1,767 M, respectively. In % of revenue net cash provided by (used in) operating activities was 12% for the year ended December 31, 2016 compared to 11% the same period of 2015.

Net cash provided by (used in) operating activities is impacted by the profitability of our business, the development of our working capital, principally inventories, receivables and cash outflows that occur due to a number of specific items as discussed below. The increase in 2016 versus 2015 was mainly a result of a decreased volume of health care supplies, particularly due to erythropoietin-stimulating agents as well as increased earnings, partially offset by unfavorable effects from other working capital items and a \$100 M (€90 M) discretionary contribution to pension plan assets in the United States.

The profitability of our business depends significantly on reimbursement rates. Approximately 82% of our revenues are generated by providing health care services, a major portion of which is reimbursed by either public health care organizations or private insurers. Legislative changes could affect reimbursement rates for a significant portion of the services we provide, as well as the scope of coverage. A decrease in reimbursement rates or the scope of coverage could have a material adverse effect on our business, financial condition and results of operations and thus on our capacity to generate cash flow. While we have generally experienced stable reimbursement globally, including the balancing of unfavorable reimbursement changes in certain countries with favorable changes in other countries, the stability of reimbursement in the U.S. has been affected by (i) the implementation of the ESRD PPS in the U.S. in January 2011, (ii) the U.S. Sequestration cuts, (iii) the phased reduction to the ESRD PPS rate to account for the decline in utilization of certain drugs and biologicals associated with dialysis and (iv) the enactment of PAMA, and could be affected by (v) the CMS rule published on November 15, 2016 that modifies certain payment policies, payment rates and quality provisions in the Physician Fee Schedule for calendar year 2017.

We intend to continue to address our current cash and financing requirements using cash provided by operating activities, our existing and future credit agreements, issuances under the Commercial Paper Program (see Note 13 of the Notes to the Consolidated Financial Statements) and the issuance of debt securities. In addition, when funds are required for acquisitions or to meet other needs, we expect to successfully complete long-term financing arrangements, such as the issuance of senior notes. We aim to preserve financial resources with a minimum of \$500 M of committed and unutilized credit facilities.

Net cash provided by (used in) operating activities depends on the collection of accounts receivable. Commercial customers and governments generally have different payment cycles. A lengthening of their payment cycles could have a material adverse effect on our capacity to generate cash flow. In addition, we could face difficulties in enforcing and collecting accounts receivable under some countries' legal systems and due to the economic conditions in some countries. Accounts receivable



balances, net of valuation allowances, represented DSO of 70 at December 31, 2016, a decrease as compared to 71 at December 31, 2015.

DSO by segment is calculated by dividing the segment's accounts receivable, as converted to U.S. dollars using the average exchange rate for the period presented, less any value added tax included in the receivables, by the average daily sales for the last twelve months of that segment, as converted to U.S. dollars using the average exchange rate for the period. Receivables and sales are adjusted for amounts related to acquisitions made during the reporting period with a purchase price above a \$50 M threshold as defined in the Amended 2012 Credit Agreement.

The development of DSO by reporting segment is shown in the table below:

**Development of Days Sales Outstanding**

in days, December 31,	<u>2016</u>	<u>2015</u>
North America days sales outstanding	54	53
EMEA days sales outstanding	101	104
Asia-Pacific days sales outstanding	105	113
Latin America days sales outstanding	143	141
<b>FMC-AG &amp; Co. KGaA average days sales outstanding</b>	<b><u>70</u></b>	<b><u>71</u></b>

The DSO increase in the North America Segment is largely due to a release of bad debt reserves in our dialysis business, which is partially offset by increased bad debt reserves in our Care Coordination business. The EMEA Segment's DSO decrease reflects increased sales in the region coupled with fluctuations in payments of public health care organizations. The Asia-Pacific Segment's DSO decrease reflects an improvement of payment collections in China. The Latin America Segment's DSO increase reflects periodic delays in payment of public health care organizations in certain countries.

Due to the fact that a large portion of our reimbursement is provided by public health care organizations and private insurers, we expect that most of our accounts receivable will be collectible.

We are subject to ongoing and future tax audits in the U.S., Germany and other jurisdictions. We have received notices of unfavorable adjustments and disallowances in connection with certain of the audits. We are contesting, including appealing, certain of these unfavorable determinations. If our objections and any final audit appeals are unsuccessful, we could be required to make additional tax payments, including payments to state tax authorities reflecting the adjustments made in our federal tax returns in the U.S. With respect to other potential adjustments and disallowances of tax matters currently under review, we do not anticipate that an unfavorable ruling could have a material impact on our results of operations. We are not currently able to determine the timing of these potential additional tax payments.

**Net Cash Provided By (Used In) Investing Activities**

We used net cash of €1,246 M and €902 M in investing activities during 2016 and 2015, respectively.

Capital expenditures for property, plant and equipment, net of proceeds from sales of property, plant and equipment were €915 M and €843 M for the years ended 2016 and 2015; respectively. During 2016, capital expenditures were €514 M in the North America Segment, €228 M at Corporate, €107 M for the EMEA Segment, €35 M for the Asia-Pacific Segment and €31 M for the Latin America Segment. During 2015, capital expenditures were €433 M in the North America Segment, €235 M at Corporate, €101 M for the EMEA Segment, €42 M for the Latin America Segment and €32 M for the Asia-Pacific Segment. The majority of our capital expenditures were used for maintaining existing clinics, equipping new clinics, maintenance and expansion of production facilities (primarily in the North America Segment, Germany and France) and capitalization of machines provided to our customers and for Care Coordination. In 2016 capital expenditures were approximately 6% of total revenue as compared to 5% in 2015, respectively.

In addition to the capital expenditures discussed above, we invested approximately €522 M cash in 2016, €314 M in the North America Segment, €166 M in the EMEA Segment, €21 M at Corporate, €13 M in the Asia-Pacific Segment and €8 M in the Latin America Segment. The investment during 2016 is primarily related to acquisitions of dialysis clinics, available for sale financial assets, acquisitions in our hospitalist and intensivist business, and a loan provided to an equity method investee in the North America Segment. In the EMEA Segment, we acquired a medical technology

company focusing on the treatment of lung and cardiac failure as well as dialysis clinics. In the Asia-Pacific Segment and Latin America Segment, we acquired dialysis clinics. During 2016, we received €191 M from divestitures, mainly related to available for sale financial assets of approximately €117 M and a repayment of unsecured loans provided to an equity method investee in 2015 and 2016 of approximately €72 M. During 2015, we invested approximately €286 M cash, €206 M in the North America Segment, €49 M in the EMEA Segment, €18 M at Corporate, €12 M in the Asia-Pacific Segment and €1 M in the Latin America Segment. The investment in the North America Segment was mainly driven by available for sale financial assets, the acquisition of dialysis clinics and notes receivables related to an equity method investee. The investment in the EMEA Segment largely relates to the acquisition of dialysis clinics and the contribution to an equity method investee. The investment in the Asia-Pacific Segment was mainly driven by the takeover of a distributor. During 2015, we received €227 M from divestitures, primarily driven by a €162 M repayment of an investment in the form of subordinated notes, €29 M related to the sale of our European marketing rights for certain renal pharmaceuticals, €19 M repayment of an unsecured loan provided to an equity method investee in 2014, as well as €8 M from the sale of our plasma collection device manufacturing business to Fresenius Kabi USA, Inc. (see Note 5 of the Notes to the Consolidated Financial Statements).

We anticipate capital expenditures of €1.1 – 1.2 BN and expect to make acquisitions of approximately €0.75 BN in 2017. See Chapter D “Report on expected developments” below.

### **Net Cash Provided By (Used In) Financing Activities**

Net cash used in financing activities was €520 M during 2016 compared to €907 M during 2015.

During 2016, cash was mainly used for the repayments of long-term debt and capital lease obligations, repayments of short-term debt, distributions to noncontrolling interests as well as payment of dividends, partially offset by proceeds from short-term debt and the increase in the utilization of our Accounts Receivable Facility. During 2015, cash was mainly used for repayments of long-term debt, repayments of short-term debt, a reduction in the Accounts Receivable Facility, distributions to noncontrolling interests and the payment of dividends, partially offset by proceeds from short-term debt, proceeds from the exercise of stock options, contributions from noncontrolling interests, and proceeds from short-term debt from related parties.

On May 13, 2016, we paid a dividend with respect to 2015 of €0.80 per share (for 2014 paid in 2015: €0.78). The total dividend payment was €244 M and €237 M in 2016 and 2015, respectively.

The following table summarizes our significant financing instruments as well as their maturity, currency and interest rate structure at December 31, 2016:

**Interest Rate Exposure**

in € M

	2017	2018	2019	2020	2021	There- after	Total	Fair Value Dec. 31, 2016
<b>FLOATING RATE U.S. DOLLAR DEBT</b>								
Principal payments on Senior Credit Agreement								
Variable interest rate = 2.15%	190	190	1,622	-	-	-	2,002	2,000
Accounts receivable securitization program								
Variable interest rate = 1.00%	-	-	166	-	-	-	166	166
<b>FLOATING RATE EURO DEBT</b>								
Principal payments on Senior Credit Agreement								
Variable interest rate = 1.25%	24	24	204	-	-	-	252	249
<b>FIXED RATE U.S. DOLLAR DEBT</b>								
Senior Notes 2007/2017;								
Fixed interest rate = 6.875%	474	-	-	-	-	-	474	487
Senior Notes 2011/2018;								
Fixed interest rate = 6.50%	-	379	-	-	-	-	379	402
Senior Notes 2011/2021;								
Fixed interest rate = 5.75%	-	-	-	-	617	-	617	667
Senior Notes 2012/2019;								
Fixed interest rate = 5.625%	-	-	759	-	-	-	759	807
Senior Notes 2012/2022;								
Fixed interest rate = 5.875%	-	-	-	-	-	664	664	728
Senior Notes 2014/2020;								
Fixed interest rate = 4.125%	-	-	-	474	-	-	474	490
Senior Notes 2014/2024;								
Fixed interest rate = 4.75%	-	-	-	-	-	379	379	387
<b>FIXED RATE EURO DEBT</b>								
Senior Notes 2011/2018								
Fixed interest rate = 6.50%	-	400	-	-	-	-	400	442
Senior Notes 2011/2021								
Fixed interest rate = 5.25%	-	-	-	-	300	-	300	353
Senior Notes 2012/2019								
Fixed interest rate = 5.25%	-	-	250	-	-	-	250	281
Equity-Neutral Convertible Bonds 2014/2020								
Fixed interest rate = 1.125%	-	-	-	400	-	-	400	502
<b>INTEREST RATE DERIVATIVES</b>								
Euro Payer Swaps Notional Amount	24	24	204	-	-	-	252	(1)
Average fixed pay rate = 0.32%	0.32%	0.32%	0.32%				0.32%	
Receive rate = 3-month EURIBOR								

All variable interest rates depicted above are as of December 31, 2016.

For a description of our short-term debt see Note 13 of the Notes to the Consolidated Financial Statements. For a description of our long-term sources of liquidity, including the 2012 Credit Agreement, the Senior Notes, the equity-neutral convertible bonds and the Accounts Receivable Facility, see Note 14 of the Notes to the Consolidated Financial Statements.

The following table summarizes our available sources of liquidity at December 31, 2016:

## Available Sources of Liquidity

in € M

	Total	Expiration per period of			Over 5 Years
		less than 1 Year	1-3 Years	3-5 Years	
Accounts Receivable Facility <sup>(1)</sup>	578	-	578	-	-
Revolving Credit Facility of the Amended 2012 Credit Agreement <sup>(2)</sup>	1,336	-	1,336	-	-
Other Unused Lines of Credit	230	230	-	-	-
	<b>2,144</b>	<b>230</b>	<b>1,914</b>	-	-

(1) Subject to availability of sufficient accounts receivable meeting funding criteria. At December 31, 2016, the Company had letters of credit outstanding in the amount of \$16 M (€15 M) which reduces the availability under the Accounts Receivable Facility to the amount shown in this table.

(2) At December 31, 2016, the Company had letters of credit outstanding in the amount of \$3 M (€3 M) which reduces the availability under the Revolving Credit Facility to the amount shown in this table.

An additional source of liquidity is our Commercial Paper Program under which up to €1,000 M of short-term notes can be issued on a flexible and continuous basis. The maturity of the notes issued may not exceed two years less one day. As of December 31, 2016 €476 M was outstanding under the Commercial Paper Program.

The amount of guarantees and other commercial commitments at December 31, 2016 was not significant.

At December 31, 2016, we had short-term debt, excluding the current portion of long-term debt, and short-term debt from related parties in the total amount of €575 M.

The following table summarizes, as of December 31, 2016, our obligations and commitments to make future payments under our long-term debt and other long-term obligations, and our commitments and obligations under lines of credit and letters of credit.

## Contractual Obligations and Commitments<sup>(1)</sup>

in € M

	Total	Payments due by period of			Over 5 Years
		less than 1 Year	1-3 Years	3-5 Years	
Long-term Debt <sup>(2)</sup>	8,674	1,031	4,512	2,010	1,121
Capital Lease Obligations	54	13	16	9	16
Operating Leases	3,960	702	1,139	828	1,291
Unconditional Purchase Obligations for inventory	419	202	181	36	-
Other Long-term Obligations <sup>(3)</sup>	177	102	69	6	-
Letters of Credit	18	-	18	-	-
	<b>13,302</b>	<b>2,050</b>	<b>5,935</b>	<b>2,889</b>	<b>2,428</b>

(1) Our pension liabilities are not included in the table of contractual obligations and commitments. The regular or special funding of our pension plans may adversely affect our liquidity in the future periods. The liability recognized in our consolidated financial statements may fluctuate significantly in future periods due to changes in assumptions, in particular the discount rate, rate of future compensation increases and pension progression. Actual results could differ from assumptions due to changing market, economic and governmental regulatory conditions, thereby resulting in an increase or decrease of the liability. Employer contributions expected to be paid to the defined benefit plans during fiscal year 2017 are €1,1 M. For additional information regarding our pension plans and expected payments for the next ten years, see Note 16 of the Notes to Consolidated Financial Statements.

(2) Includes expected interest payments which are based upon the principal repayment schedules and fixed interest rates or estimated variable interest rates considering the applicable interest rates (e.g. Libor, Prime), the applicable margins, and the effects of related interest rate swaps.

(3) Other Long-term Obligations consist mainly of production asset acquisition commitments.

Our Amended 2012 Credit Agreement, the Senior Notes and the Accounts Receivable Facility include covenants that require us to maintain certain financial ratios or meet other financial tests. Under our Amended 2012 Credit Agreement and our Accounts Receivable Facility, we are subject to a maximum consolidated leverage ratio (ratio of consolidated funded debt less cash and cash equivalents to consolidated EBITDA) as these terms are defined in these financing agreements. Other covenants in one or more of each of these agreements restrict or have the effect of restricting our ability to dispose of assets, incur debt, pay dividends, create liens or engage in sale-lease backs.

The breach of any of the covenants in any of the instruments or agreements governing our material long-term debt – Amended 2012 Credit Agreement, the Senior Notes or the Accounts Receivable Facility – could, in turn, create additional defaults under one or more of the other instruments or agreements. In default, the outstanding balance under the Amended 2012 Credit Agreement becomes due at the option of the lenders under that agreement, and the “cross default” provisions in our other long-term debt permit the lenders to accelerate the maturity of the other debt upon such a default as well. As of December 31, 2016, we were in compliance with all covenants under the Amended 2012 Credit Agreement and our other financing agreements. For information regarding our Amended 2012 Credit Agreement, the Senior Notes and the Accounts Receivable Facility, see Note 14 of the Notes to Consolidated Financial Statements.

Although, current and future economic conditions could adversely affect our business and our profitability, we believe that we are well positioned to continue to grow our business while meeting our financial obligations as they come due. Due to the non-discretionary nature of the health care services we provide, the need for products utilized to provide such services and the availability of government reimbursement for a substantial portion of our health care services, our business is generally not cyclical. A substantial portion of our accounts receivable are generated by governmental payors. While payment and collection practices vary significantly between countries and even between agencies within one country, government payors usually represent low to moderate credit risks. However, limited or expensive access to capital could make it more difficult for our customers to do business with us, or to do business generally, which could adversely affect our business by causing our customers to reduce or delay their purchases of our dialysis products. See “Results of operations” above. If the current conditions in the credit and equity markets continue, or worsen, they could also increase our financing costs and limit our financial flexibility.

Our General Partner’s Management Board will propose to the shareholders at our Annual General meeting on May 11, 2017, a dividend with respect to 2016 and payable in 2017, of €0.96 per share (for 2015 paid in 2016: €0.80). The total expected dividend payment is approximately €294 M compared to dividends of €244 M paid in 2016 with respect to 2015. The Amended 2012 Credit Agreement provides for a limitation on dividends and other restricted payments which is €440 M in 2017 and increases in subsequent years. Additional dividends and other restricted payments may be made subject to the maintenance of a maximum leverage ratio.

Our 2017 principal financing needs are the repayment of Senior Notes and the quarterly payments under our Amended 2012 Credit Agreement Term Loan. These payments as well as our dividend payment of approximately €294 M in May 2017 and the anticipated capital expenditures and acquisition payments are expected to be covered by our cash flows, by using existing credit facilities and if required by additional debt financing. We currently have sufficient flexibility under our debt covenants to meet our financing needs in the near future. Generally, we believe that we will have sufficient financing to achieve our goals in the future and to continue to promote our growth.

## **Net assets**

### **Net assets and capital structure**

Our total assets were €25,504 M, an increase of €2,257 M (10%) over the prior year. At Constant Exchange Rates total assets would have increased by €1,592 M (7%) to €24,838 M.

Non-current assets increased by €1,545 M (9%) to €18,620 M in 2016 and remained stable at 73% of total assets. At Constant Exchange Rates, they would have increased by 6% to €18,105 M compared to prior year. This was primarily a result of the increase in goodwill due to business combinations and the increase in capital expenditures.

Current assets increased by 12% to €6,884 M (an increase of 9% at Constant Exchange Rates). The increase at Constant Exchange Rates was mainly the result of an increase in trade accounts receivable, an increase in cash and cash equivalents and higher inventories due to increased finished goods.

On the liability side of the balance sheet our total liabilities were €14,452 M at December 31, 2016, an increase of €1,011 M (8%) from €13,441 M in 2015. At Constant Exchange Rates, total liabilities would have increased by 5%. This increase at Constant Exchange Rates was mainly a result of higher short-term debt, an increase of provisions and other current liabilities due to higher noncontrolling interests subject to put provisions and higher accrued expenses for salaries and wages, an increase in accounts payable to related parties and an increase in current portion of long-term debt, partially offset by a decrease of long-term debt. Additionally, there is an increase in non-current provisions and other non-current liabilities due to higher payments outstanding for acquisitions and higher accrued expenses for salaries and wages.

€1,299 M of our debt are current liabilities, an increase of €570 M (€556M at Constant Exchange Rates) as compared to €729M last year. The increase was mainly a result of the issuance of Commercial Paper and the reclassification of dollar-denominated Senior Notes to current liabilities as these notes mature during the third quarter of 2017. This was partially offset by the repayment of euro-denominated Senior Notes that matured in the third and fourth quarter of 2016. Long-term debt decreased to €6,833 M from €7,214 M in the prior year, a decrease by €381 M (€549 M at Constant Exchange Rates). This decrease at Constant Exchange Rates was mainly a result of the reclassification of dollar-denominated Senior Notes to current liabilities and the quarterly repayment of the Amended 2012 Credit Agreement. The decrease was partially offset by additional drawings under the Accounts Receivable Facility. See also Note 14 of the Notes to the Consolidated Financial Statements.

Shareholders' equity increased by 13% to €11,051 M. The change is mainly due to the net income, effects of exchange rate fluctuations and proceeds from exercised stock options. This increase was partially offset by dividend payments and the valuation of noncontrolling interests subject to put provisions at fair value. The equity to assets ratio increased to 43% at December 31, 2016 from 42% at December 31, 2015.

On group level the ROIC increased from 7.1% at December 31, 2015 to 7.8% at December 31, 2016. Within the position invested capital the goodwill had a significant impact on the calculation of the ROIC. In 2016 the ROIC on group level substantially exceeded our cost of capital. The Weighted Average Cost of Capital was 5.5%.

For supplementary information on capital management and capital structure see also Note 18 of the Notes to the Consolidated Financial Statements.

### **The Management's general assessment**

In a challenging environment, 2016 was a positive year for Fresenius Medical Care. Despite a difficult reimbursement situation in the U.S., we met our targets and continued to grow. Compared with 2015, we managed to increase our revenue by 7% to \$17.9 BN, setting a new record. Adjusted net income for 2016 rose by 16% to \$1.2 BN. These results were driven particularly by lower cost for health care supplies and by strong organic growth in the area of health care services in North America. More information can be found in chapter B. Report on economic position, section II. Course of business.

In 2016, we also continued to expand Care Coordination. This expansion requires time and investment as well as an extensive understanding of the market dynamics. One current example is our largest market, the U.S.: In the new U.S. reimbursement system, health care service providers are increasingly being paid for the overall treatment outcome rather than for individual units of care delivered. In our core business and with the expansion of Care Coordination, we have been preparing for this switch for some time to ensure that we have the requisite structures in place. With our many years of experience in the dialysis market, we are uniquely placed to use this development as a long-term opportunity.

To boost our profitability in the years ahead, we continued to pursue our Global Efficiency Program in 2016, making further cost savings. By the end of the fiscal year, we actually exceeded our target of achieving savings of \$300 M before tax.

In addition, we continued our investment activities at an undiminished pace. We invested around \$1.0 BN in 2016, mainly in equipping existing and new dialysis clinics, preserving and expanding production capacity, continuing to set up Care Coordination, and providing dialysis machines to customers.

In 2016, at Group level, we defined return on invested capital (ROIC) as a new key performance indicator for assessing our corporate development. ROIC was 7.8% as of December 31, 2016. When calculating ROIC, goodwill is a key factor in the "invested capital" item. ROIC significantly exceeded our capital costs in 2016. The weighted average cost of capital (WACC) amounted to 5.5%.

With our strategic decisions and activities in 2016, we have set the course for the future. Fresenius Medical Care stands on strong foundations. We aim to build on these in the next few years.

At the time this Group Management Report was prepared, the Management Board continued to assess the development of the Company as positive.

### **C. Report on post-balance sheet date events**

Please refer to Note 27 of the Notes to the Consolidated Financial Statements.

### **D. Report on expected developments**

#### **The Management's general assessment**

We remain optimistic regarding the performance of Fresenius Medical Care in the years to come. We aim to further expand our core business with dialysis products and services in the future, too. Despite this, we will be operating in a challenging business environment in which cost increases are not adequately reflected in higher reimbursement rates. This particularly applies to the U.S., Fresenius Medical Care's most important market in terms of business volume. Due to our strong operating basis in dialysis and the expansion of Care Coordination, we expect to grow our income in the current financial year and beyond.

The report on expected developments describes how Fresenius Medical Care is expected to perform in fiscal year 2017. The report on expected developments takes all events known at the time of the preparation of the financial statements into account which could affect the development of our business in 2017. As in the past, we are committed to achieve and, if possible to exceed our targets.

#### **Sector-specific environment – Dialysis market**

For 2017 the Company expects the worldwide annual growth in the number of dialysis patients to be about 6%. Some significant regional differences are likely to remain: the Company anticipates a growth in patient numbers in the U.S., Japan and Western and Central Europe of 0 to 4%. In these regions, the prevalence of chronic kidney failure is already relatively high and patients generally have readily available access to treatment, usually dialysis. Growth rates in economically weaker regions are even higher. We expect a continuing growth in patient numbers in the coming years as well.

Demographic factors are one of the main reasons for the continued growth of dialysis markets, including the aging population and the increasing incidence of patients with diabetes and hypertension, two diseases that often precede ESRD. In addition, life expectancy of dialysis patients is increasing due to continual improvements in treatment quality and higher standards of living, even in developing countries.

As a result of improved infrastructure, the establishment of health care systems and the expansion of chronic disease in Asia-Pacific, Latin America, Eastern Europe, the Middle East and Africa we expect higher dialysis growth rates in the future. This opens up a great potential for the whole spectrum of dialysis services and products, as a large part of the world's population lives in these regions.

We do not expect any significant changes regarding treatment methods. Hemodialysis will remain the treatment of choice, accounting for about 88% of all dialysis therapies. Peritoneal dialysis will continue to be the preferred treatment for about 12% of all dialysis patients.

The volume of the worldwide dialysis market, which amounted to about \$76 BN last year according to preliminary estimates, is expected to increase by around 4%. This is based on the assumption that exchange rates will remain stable in the forecasting period. The overall volume of the dialysis market could thus reach around \$79 BN by 2017.

In addition, the reimbursement and ancillary services utilization environment significantly influences our business. In the U.S., our biggest sales market, the reimbursements of governmental institutions are lower than the reimbursements of private insurers and managed care organizations. Therefore a change in the portion of reimbursements by private insurers in the US influences our business.

### **Business Performance of the Company in 2017**

Fresenius Medical Care's outlook for 2017 is based on exchange rates prevailing at the beginning of 2017. The expected revenue and earnings development described below excludes the contributions from the agreement with the United States Departments of Veterans Affairs and Justice for services provided to veterans by our clinics during the period January 2009 through February 15, 2011. The agreement is expected to increase our revenue in 2017 by approximately € 100 M. The estimated positive impact on our net income (net income attributable to shareholders of FMC-AG & Co. KGaA) is expected to be approximately € 45 – 50 M.

#### **Revenue**

We aim to further increase our revenue at constant exchange rates by 8 - 10% in 2017.

#### **Results**

We expect growth in operating income for 2017 to grow with revenue or even exceed revenue growth. Delivered EBIT is expected to grow approximately in line with revenue.

We aim to achieve an increase in net income (net income attributable to shareholders of FMC-AG & Co. KGaA) at constant exchange rates by 7 – 9% in 2017.

Basic earnings per share are expected to show the same development as net income in 2017 compared to 2016.

#### **Capital Expenditures and Acquisitions and Investments**

In 2017 we intend to spend around €1.85 – 1.95 BN for capital expenditures and acquisitions and investments. Capital expenditures should account for €1.1 – 1.2 BN in 2017. Around 50% of this amount is earmarked for expansion investments. Approximately €0.75 BN is to be used for mainly bold-on acquisitions and equity investments in health care.

Capital expenditures will primarily be used to expand our worldwide production capacities and rationalize production processes, equipping new dialysis clinics and distributors as well as for maintenance.

#### **Liquidity**

##### *Cash flow*

In 2017 net cash provided by operating activities in percent of revenue is again expected to account for more than 10% of revenue.

In 2017 free cash flow in percent of revenue is again expected to account for more than 4% of revenue.

##### *Debt/EBITDA ratio (leverage ratio)*

Fresenius Medical Care uses the leverage ratio (debt/EBITDA ratio) as a guideline in its long-term financial planning. The ratio was 2.6 at the end of 2016. For the end of 2017 the target figure is expected to be better than 2.5.

#### **Rentability**

We expect an improvement in ROIC from 7.8% in 2016 to at least 8.0%.



## Non-financial performance indicators

### Employees

Due to the anticipated expansion in business, we expect the number of employees to grow in all regions in 2017, particularly for health care. By the end of 2017 the number of employees working for Fresenius Medical Care is estimated to increase to more than 117,000 (full-time equivalents).

### Research and development

In 2017 our target is to spend for research and development €150 - 160 M. The number of personnel concerned (currently 794 full-time equivalents) should not change significantly.

The expected developments might be negative influenced by unfavorable developments. See also risks with potential effect on the 1 year forecast in the report on risks and opportunities (Chapter E., Part II).

The following table provides an overview of the Targets:

### Targets 2017 - determined in euro based on IFRS

	Results 2016	Targets 2017
Revenue <sup>(1)</sup>	€16.6 BN	Growth 8 - 10% ( at Constant Exchange Rates)
Operating income <sup>(1)</sup>	€2.4 BN	Growth ≥ revenue growth
Delivered EBIT <sup>(1)</sup>	€2.1 BN	Growth ~ revenue growth
Net income <sup>(2)</sup>	€1.1 BN	
Net income growth <sup>(1),(2)</sup>		7 - 9% ( at Constant Exchange Rates)
Basic earnings per share growth <sup>(1),(2)</sup>		based on development of net income
Capital Expenditures	€0.9 BN	€1.1 - 1.2 BN
Acquisitions and investments	€0.3 BN	~ €0.75 BN
Net cash provided by (used in) operating activities in % of revenue	11.7%	> 10%
Free cash flow in % of revenue	6.1%	> 4%
Debt/EBITDA Ratio	2.6	< 2.5
ROIC	7.8%	≥ 8.0%
Employees <sup>(3)</sup>	109,319	> 117,000
Research and development expenses	€147 M	€150 - 160 M

(1) Targets 2017 exclude the effects of the agreement with the United States Departments of Veterans Affairs and Justice

(2) Net income attributable to shareholders of FMC-AG & Co. KGaA

(3) Full-time equivalents

### Growth strategy 2020

In 2014 we set ourselves new long-term targets with our growth strategy 2020 („Vision 2020”). This growth strategy expressed a goal to increase revenues to \$28 billion, in accordance with U.S. GAAP, by fiscal year 2020. In accordance with IFRS in euro, this revenue goal would be €21 billion by fiscal year 2020 utilizing the currency exchange rates at the time Vision 2020 was presented in April 2014. At currency rates prevailing at the beginning of 2017, this vision represents revenue of €24 billion in 2020. In addition, we indicated average annual revenue growth of approximately 10% and average annual growth of net income attributable to shareholders of FMC-AG & Co. KGaA in the high single-digits, these goals are unchanged.

## **E. Report on risks and opportunities**

### **Risk and opportunities management**

As an enterprise with global operations, the Company is naturally exposed to risks associated with its business activities. Ultimately, the Company can only leverage opportunities for its business if it is willing to take certain risks. Many years of expertise and the Company's extensive knowledge of the markets enable it to uncover and assess risks and opportunities for its business.

The Company sees risk management as the ongoing task of determining, analyzing and evaluating the spectrum of actual and potential risks within the Company's operations and its environment, and, where possible, taking corrective measures. The risk management system, which is described in more detail below, provides the Company with a basis for these activities. It enables management to identify risks that could jeopardize the Company's growth or going concern, and to take steps to minimize any negative impact. As such, it is an important component of the Company's management and governance.

Long-term success for the Company is secured by actively managing opportunities. The aim here is to identify and assess opportunities as early as possible, and to initiate appropriate measures so that opportunities can be turned into business successes for the Company. Identified long-term and medium-term opportunities are taken into account in our strategy and budget planning. Short-term opportunities, provided that they are aligned with business interests and targets, are seized by ongoing business operations.

### **I. Risk management**

#### **1. Risk management system**

Risk management is part of the Company's integrated management system. The main objective is to identify potential risks as early as possible to assess their impact on the business activities and, where necessary, to take appropriate countermeasures. Due to constantly changing external as well as internal requirements and conditions, risk management at Fresenius Medical Care is continuously evolving. In the past financial year, Group-wide risk management began to adjust the Company's risk management approach in terms of its valuation methodology, the use of different risk classifications and reporting thresholds as well as the organizational anchoring of risk management and will continue with these activities in 2017.

The structure of the internal risk monitoring system is based on the internationally recognized framework for company-wide risk management, the "Enterprise Risk Management - Integrated Framework" of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Opportunities are not covered by the implemented risk management system.

As part of the risk monitoring system, regional risk coordinators assume the task of coordinating risk management activities within the regions and selected functions with the help of risk management software. These activities relate to existing and potential emerging short-term as well as mid-term risks. In addition, risk coordinators are responsible for reporting risks to the regional or function finance boards. Twice a year, the central risk management function collects risk management reports from the regions and functions. These reports are analyzed, consolidated and communicated to the executive management board. The focus during this process lies on significant risks, which are above a defined threshold.

The executive management board and central risk management are promptly informed of risks that are estimated to be high or develop into high risks in order to ensure appropriate responses. The effectiveness of the risk management system is monitored by the Audit and Corporate Governance Committee of the Supervisory Board.

The organizational structure of risk management at Fresenius Medical Care as well as the previously described processes are shown in the following overview:



In addition to risk reporting, standard reporting to management is an important tool for managing and controlling risks, as well as for taking preventive measures in a timely manner. Therefore, the Management Board of the Company is informed on a monthly basis about the industry situation, the Company's operating and non-operating business, and the outcome of analyses of the Company's earnings and financial position, as well as of the assets position on a quarterly basis.

Part of the risk management system is the Global Internal Audit department, which is regularly informed about the results of the risk management system. This department determines risk focus areas and audits a selected number of Company departments and subsidiaries worldwide each year. The department works according to internationally accepted standards of the Institute of Internal Auditors (IIA). The scope of internal auditing is widespread and involves, among others, the efficiency of controls over business processes, the reliability of special parts of financial reporting and compliance with accounting regulations and internal policies. The Company's locations and units to be audited are determined annually on the basis of a selection model taking various risks into consideration. This annual audit plan is reviewed and approved by the Management Board and the Audit and Corporate Governance Committee of the Supervisory Board. It comprises financial audits of individual balance sheet positions, as well as full audits of all business processes of subsidiaries or business units. All audit reports with material observations are presented to the Management Board. The Global Internal Audit department is also responsible for monitoring the implementation of measures documented in the reports. The Management Board is informed about the implementation status on a quarterly basis. The Audit and Corporate Governance Committee of the Supervisory Board is also informed of the audit results. In 2016, a total of 49 audits were carried out at the Company's various worldwide sites.

Nevertheless it is important to note that even a functioning and adequate risk management system like the Company's cannot guarantee that all risks are fully identified and controlled.

## 2. Internal control and risk management system for the Group's accounting process

The Company's internal control system over financial reporting ensures compliance with applicable accounting standards. The goal is to provide reasonable assurance that the Group financial statements are issued in accordance with appropriate accounting principles. The Company's internal reporting process is generally carried out at four levels and ensures that financial data and key figures are reliably recorded, processed and controlled. At each of these four reporting levels - the local entity, the region, the segment and the entire Group - the figures and data are compared regularly on a monthly and quarterly basis with the previous year's values, budget targets, and the latest projections. In addition, the Management Board and the departments responsible for preparing the annual and consolidated Group financial statements discuss all parameters, assumptions and estimates that substantially affect the Group and segment results reported externally. The Audit and Corporate Governance Committee of the Supervisory Board also reviews current quarterly results and compares them with budgets and projections.

The internal control system contains guidelines and instructions that ensure, for example, that all Company transactions are recorded appropriately and presented accurately.

Further control mechanisms to ensure reliable financial reporting and correct recording of transactions within the accounting and the consolidation process include automated and manual reconciliations, as well as the separation of certain personnel functions to prevent potential conflicts of interest. The fact that all process owners assess the risks of their respective processes in terms of their implications for accounting also ensures that risks with a direct impact on financial reporting are identified and that controls are in place to minimize these risks. Changes to accounting standards are discussed on an ongoing basis and considered in the preparation of the financial statements. Employees responsible for financial reporting are given regular training to be up to date with changes regarding accounting standards. The consolidation is performed centrally by the department which is responsible for the group accounting. The basis for the consolidation is derived from reporting packages and sub-group consolidated financial statements prepared and submitted by the local group entities. The preparation of the reporting packages and the sub-group consolidated financial statements is performed according to the requirements and guidelines issued by the department which is responsible for the group accounting.

Furthermore, the Company has implemented comprehensive quality management systems and a compliance program, which is monitored regularly, in all of its regions with the intention to ensure that its business activities are in line with recognized standards as well as local laws and regulations. Monitoring compliance is a management task at all the Company's decision-making levels. An important element of the compliance program is the code of conduct that is based on our core values and implemented in all of our business regions. It encourages the employees worldwide to conduct themselves in a professional and responsible manner at all times.

As the Company is also listed on the New York Stock Exchange, it is required to adhere to the requirements of the U.S. Sarbanes-Oxley Act ("SOX"). Section 404 of this federal law stipulates that the management boards of companies listed in the U.S. must take responsibility for implementing and adhering to an appropriate internal control system to produce reliable financial reporting. Based on this requirement, the design and operating effectiveness of the internal control system over financial reporting are routinely tested and considered in regular internal audits. These criteria are also included in the review by the Company's independent auditors.

To assess the effectiveness of the internal control system over financial reporting, the Company applies the criteria of the COSO model. This was developed by the Committee of Sponsoring Organizations of the Treadway Commission and is recognized as a standard by the Securities and Exchange Commission ("SEC"). In accordance with the COSO model, the internal control system over financial reporting is divided into the five components: control environment, risk assessment, control activities, information and communication, as well as the monitoring of the internal control system. Each of these components is regularly documented, tested and assessed. Within the revised COSO model, the before mentioned components are explained by 17 principles, which are supported by 85 points of focus. The Company aligned its internal controls to fulfil the requirements of the COSO model.

The Company's review of the internal control system over financial reporting complies with a specific SEC guideline (Commission Guidance Regarding Management's Report on Internal Control Over Financial Reporting under Section 13(a) or 15(d) of the Securities Exchange Act of 1934). For the review, the Company uses software which takes into account the definitions and requirements of this guideline. In a first step, regional project teams coordinate the assessment of the internal control system in each region, after which the results are consolidated for the whole Group. Based on this, management then evaluates the effectiveness of the internal control system for the current fiscal year. External advisers are consulted as needed. A corporate steering committee meets several times a year to review changes and new requirements of SOX, to discuss possible control deficiencies, and derive further measures. In addition, in its meetings, the Audit and Corporate Governance Committee of the Supervisory Board is informed regularly of the results of management's assessment.

As at December 31, 2016, management assessed the Company's internal control system over financial reporting and deemed it effective.

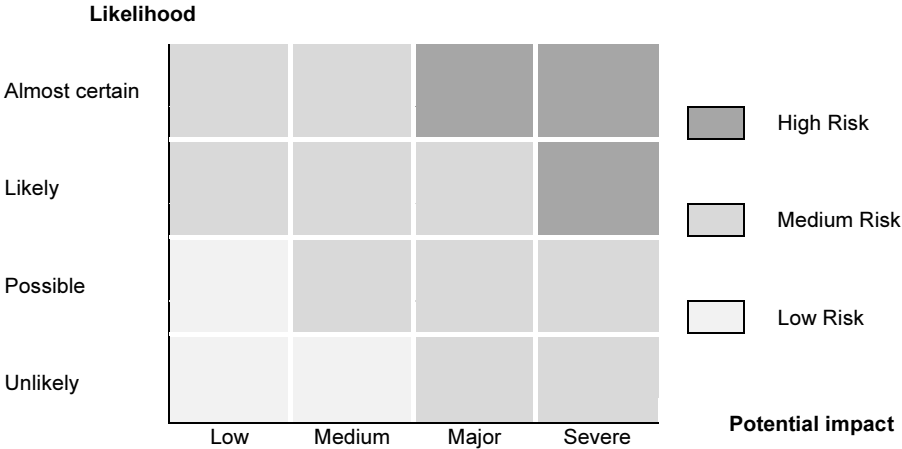
Internal control systems over financial reporting are subject to inherent limitations, no matter how carefully they are designed. As a result, there is no absolute assurance that financial reporting objectives can be met, nor that misstatements will always be prevented or detected.

## **II. Risks**

The following section describes significant risk factors which could have significant impact on our group business operations. In the course of the risk assessment an estimation of the risks takes place

regarding the likelihood of occurrence and the potential impact in the respective assessment period, allowing a prioritization of the risks into the classifications “low” “medium” and “high”. For the identification of strategic developments, besides the short-term consideration (1 year forecast), risks can also be assessed in terms of a mid-term impact within the subsequent 5 years. The scales for classification of potential impact and likelihood as well as their localization within the risk matrix are depicted in the two following illustrations:

Potential impact	Description of impact	Classification	Likelihood
Severe	Material negative impact	Almost certain	> 90% to 100%
Major	Significant negative impact	Likely	> 50% to 90%
Medium	Moderate negative impact	Possible	> 10% to 50%
Low	Small negative impact	Unlikely	0% to 10%



**1. Sector-specific risks**

**a) Regulatory environment, quality**

The Company’s operations in both its health care services business and products business are subject to extensive governmental regulation in virtually every country in which the Company operates. The Company is also subject to other laws of general applicability, including anti-trust laws. The applicable regulations, which differ from country to country, cover areas that include:

- the quality, safety and efficacy of medical and pharmaceutical products and supplies;
- product approvals and regulatory approvals for new products or product improvements;
- the operation of manufacturing facilities, laboratories and dialysis clinics;
- product labeling, advertising and other promotion;
- accurate reporting and billing for government and third-party reimbursement including accurate and complete medical records to support such billing;
- the discounting of reimbursed drug and medical device products and the reporting of drug prices to government authorities;
- the collection, dissemination, access, use, security and privacy of protected health information;
- compliance with due diligence, warranty obligations and product liability rules and
- compensation of medical directors and other financial arrangements with physicians and other referral sources.

If the Company fails to comply with one or more of these laws or regulations, this may give rise to a number of legal consequences. These include, in particular, loss or suspension of governmental certifications, loss or suspension of licenses under the laws of governmental authority from which we

generate substantial revenues, monetary and administrative penalties, recall actions and claims for damages, increased costs for compliance with government orders, complete or partial exclusion from government reimbursement programs, refunds of payments received from government payors and government health care program beneficiaries due to any failures to meet applicable requirements or complete or partial curtailment of the Company's authority to conduct business. In the end, these types of risks could no longer be insured. Including the considerable costs of legal defense, all the consequences mentioned above could have a material adverse effect on the Company's business, results of operations and financial condition.

A number of the health care businesses in the U.S., that the Company operates is owned, or managed, by joint ventures in which one or more hospitals, physicians or physician practice groups hold an interest. While the Company has structured its joint venture arrangements with physicians to comply with many of the criteria for safe harbor protection under the federal and state Anti-Kickback Statutes, its investments in these joint venture arrangements do not satisfy all elements of such safe harbor. If one or more of its joint ventures were found to be in violation of the Anti-Kickback Statute or the Stark Law, the Company could be required to restructure or terminate them. The Company also could be required to repay to Medicare amounts received by the joint ventures pursuant to any prohibited referrals, and the Company could be subject to monetary penalties and exclusion from Medicare, Medicaid and other federal and state health care programs. Imposition of any of these penalties could have a material adverse effect on its business, results of operations and financial condition. In 2015, we received a subpoena from the U.S. Attorneys for Colorado and New York requesting information pertaining to certain of our joint venture dialysis facilities. For details, reference is made to Note 22 of Notes to Consolidated Financial Statements.

To ensure that our products and services comply with the quality requirements, we implemented quality management systems in the different regions. The employees have access to procedures and work instructions to ensure that the applicable quality requirements are met. In addition, we conduct internal reviews of the production sites and clinics to monitor compliance with quality standards of our products and services. Furthermore, our plants and hospitals are also subject to external reviews by the relevant supervisory authorities. Compliance programs implemented in the regions reduce the risk of legal violations by providing general and specific rules of conduct and procedures as well as regular training of the employees according to the specifications.

In the short-term, risks associated with the regulatory environment and quality present a low risk to the Company and in the mid-term, they present a medium risk to the Company.

#### ***b) U.S. federal health care programs***

In fiscal year 2016, the Company derived approximately 33% of its worldwide revenue from Medicare and Medicaid reimbursements i.e. reimbursements from U.S. federal health care benefit programs. Consequently, changes in legislation or reimbursement practices regarding e.g. the End-Stage Renal Disease Prospective Payment System, the Physician Fee Schedule, the Clinical Laboratory Fee Schedule, and the Ambulatory Surgical Center Payment System could influence the volume of Medicare and Medicaid reimbursements for services provided and the insurance coverage. A decrease in Medicare or Medicaid reimbursement rates or covered services could result in a significant reduction in revenue and operating profit.

Parts of our health care services are reimbursed within the Medicare end stage renal disease ("ESRD") prospective payment system ("ESRD PPS"). The ESRD PPS's quality incentive program ("QIP"), affects Medicare payments based on performance of each facility on a set of quality measures. Dialysis facilities that fail to achieve the established quality standards have payments for a particular year reduced by up to 2 percent, based on a prior year's performance. CMS updates the set of quality measures each year, adding, revising or retiring measures. A material failure by the Company to achieve the minimum client quality standards under the QIP could materially and adversely affect its business, financial condition and results of operations.

As part of our business we provide our products and services within diverse health care initiatives and models which, besides advantages, also carry risks.

Through our value-based agreements and health insurance products, we assume the risk of both medical and administrative costs for certain patients in return for fixed periodic payments from governmental and commercial insurers. The Company currently participates in various programs such as the "Bundled Payments for Care Improvement" (BPCI) program, the "Comprehensive ESRD Care initiative" of the CMS, and the "Medicare Advantage chronic special needs plans" ("MA-CSNP"), as well as remuneration agreements with insurers under which the Company receives a fixed

remuneration to cover all, or a defined amount of treatment costs, for a defined quantity of patients. (Details and detailed descriptions of the above mentioned and other programs in which the Company participates can be found in the report under Chapter A. Part V. Quality management and Chapter B. Part I. Macroeconomic and sector-specific environment.)

Under the BPCI, we can receive additional payments if we are able to deliver quality care at a cost that is lower than certain established benchmarks, but also have the risk of incurring financial penalties if we are not successful in doing so. Should we fail to perform as required under the BPCI initiative and our agreement with CMS, CMS may, among other remedies, terminate our right to participate in the BPCI program, in whole or in part. Congress is expected to consider repeal or revision of the Affordable Care Act ("ACA"), and the position of CMS in the current U.S. administration toward projects of this sort may differ from that under the prior U.S. administration. Such changes may affect the project's future prospects in ways which we cannot predict.

Under CMS's new Comprehensive ESRD Care Model ("the Model"), dialysis providers and physicians can form entities known as ESRD Seamless Care Organizations, or "ESCOs," as part of a new payment and care delivery model that seeks to deliver better health outcomes for ESRD patients while lowering CMS's costs. ESCOs that achieve the program's minimum quality thresholds and generate reductions in CMS's cost of care above certain thresholds for the ESRD patients covered by the ESCO will receive a share of the cost savings. ESCOs that include dialysis chains with more than 200 facilities are required to share in the risk of cost increases and reimburse CMS a share of any such increases. This project was also implemented under ACA authority and is subject to the same caveat noted above.

We have also entered into sub-capitation and other shared savings arrangements with certain payors to provide care to Medicare Advantage ESRD patients. Under these arrangements, a baseline per patient per month amount is established. If we provide complete care for less than the baseline, we retain the difference. If the cost of complete care exceeds the baseline, we owe the payor the difference.

Regarding the MA-CSNP the premiums we charge and our bids are based on our estimates of future medical costs over the fixed contract period. Nevertheless many factors may cause actual costs to exceed those estimated and reflected in premiums or bids. These factors may include medical cost inflation, increased use of services, increased cost of individual services, natural catastrophes or other large-scale medical emergencies, epidemics, the introduction of new or costly drugs, treatments and technology, new mandated benefits (such as the expansion of essential benefits coverage) or other regulatory changes and insured population characteristics. Failure to adequately price our products or estimate the costs of providing benefits to our beneficiaries, or effectively manage our operating expenses, may result in a material adverse effect on our results of operations, financial position, and cash flows. There is also the possibility that MA-CSNP will not be re-authorized by Congress. Without Congressional action, these plans will expire on December 31, 2018. If the Special Needs plans are not re-authorized, our insurance business financial results could be materially and adversely impacted.

The reserves that we establish for health insurance policy benefits and other contractual rights and benefits are based upon assumptions and judgments concerning a number of factors, including trends in health care costs, expenses, general economic conditions and other factors. To the extent the actual claims experience is less favorable than estimated based on our underlying assumptions, our incurred losses could increase and future earnings could be adversely affected.

Our profitability is dependent in part upon our ability to contract on favorable terms with hospitals, physicians and other health care providers. The failure to maintain or to secure cost-effective health care provider contracts may result in a loss of beneficiaries or higher medical costs, which could adversely affect our business.

We cannot give any assurance that we will achieve the cost savings required or contemplated by these programs, which could have a material adverse effect on our operating results.

The Company mitigated the impact of the ESRD PPS and the other legislative initiatives referenced above with two broad measures. First, it worked with medical directors and treating physicians to make clinical protocol changes used in treating patients consistent with the QIP and good clinical practices, and it negotiated pharmaceutical acquisition cost savings. In addition, the Company achieved greater efficiencies and better patient outcomes by introducing new initiatives to improve patient care upon initiation of dialysis, increase the percentage of patients using home therapies and achieve additional cost reductions in its clinics.

In the short-term as well as in the mid-term, risks from U.S. federal health care programs present a

medium risk for the Company.

**c) Erythropoietin stimulating agents (ESAs)**

Under the ESRD PPS payment for ESAs is generally included in the bundled rate; previously, it was reimbursed separately. An interruption of supply of ESAs, or material increases in the utilization of or acquisition costs for ESAs could materially adversely affect the Company's business, financial condition and results of operations.

Adverse effects caused by short-term supply interruptions can be compensated by a distribution of our ESA inventories between individual hospitals based on individual demands. Furthermore a supply interruption could be limited by the fact that ESAs are sold in various forms and products, which can be used for substitution purposes for currently used forms and products. In addition we conduct intensive monitoring of the use of ESAs and its impact on the quality of treatments. Contractual arrangements are used to mitigate a substantial increase in the cost of ESAs.

In 2015 patents on certain ESAs expired. This enables us to diversify the procurement sources and to reduce the risks in conjunction with supply interruptions as well as with price increases.

In the short-term as well as in the mid-term, risks associated with erythropoietin-stimulating substances present a low risk for the Company.

**d) Reimbursement by private insurers**

In the U.S. a portion of the dialysis treatments is reimbursed by private insurers and integrated care organizations; these reimbursements are in general higher than the reimbursements of the public health care systems. If these payors succeed in lowering reimbursement rates in the USA or if the portion of reimbursements by private insurers in general drops, this could result in a significant reduction in Company revenue and operating profit. In addition, consolidation among private insurers may have any adverse impact on our ability to negotiate commercially reasonable rates with such insurers.

We monitor the relationships with private health insurance companies continuously and try to hedge the business through long-term contracts to maintain profitability.

A portion of our privately insured patients in the U.S., who depend on charitable support to cover insurance contributions, may be forced to switch to state health insurance in the near future. If the recent efforts to limit or abolish this usage of charitable funds in the US are successful, it could have a material negative effect on our operating results due to lower reimbursement rates.

In the short-term as well as the mid-term, risks associated with reimbursement by private health insurers are of medium significance.

**e) Health care reforms**

A number of governments have been considering proposals to modify their current health care systems to improve access to health care and to control costs. Policymakers in several countries are also considering reforms that could change the methodology used to reimburse providers of health care services.

Any decrease in spending or other significant changes in state funding in countries in which the Group operates, especially significant changes in the U.S. Medicare and Medicaid programs, could reduce the Company's revenue and profitability and have a material adverse effect on its business, financial condition and results of operations.

The current U.S. administration has publicly announced its intention to pursue significant changes to existing health care insurance programs. In addition, proposals to restructure the Medicare program in the direction of a defined-contribution, "premium support" model and to shift Medicaid funding to a block grant or per capita arrangement, with greater flexibility for the states, may also be considered. Changes of this nature could have significant effects on our businesses, but, due to the continued uncertainty about the implementation of the ACA, including potential further legal challenges to or significant modifications to or repeal of that legislation, the outcomes and impact of such changes on our business, financial condition and results of operations are currently impossible to quantify or predict.

In the short-term as well as in the mid-term, risks associated with health care reforms are considered medium.



## **2. Risks relating to the Company's business**

### ***a) Growth***

The health care industry has experienced significant consolidation in recent years, particularly in the dialysis services sector. The Company's ability to make future acquisitions depends, in part, on the availability of financial resources and the current restrictions imposed by competition laws as well as existing credit agreements. The integration of acquired businesses may cause problems. Furthermore the Company's business could be affected adversely by the failure to receive or the loss of required licenses, certifications, or other regulatory approvals for operation of dialysis clinics or sale of equipment, products or services.

In the mid-term risks associated with growth present a low risk to the Company

### ***b) Competitors***

The Company faces numerous competitors in both its health care services and dialysis products business. Technological innovation has historically been a significant competitive factor in the dialysis products business. The introduction of new products by competitors could render one or more of the Company's products or services less competitive or even obsolete and thus materially adversely affect the future pricing and sale of its products and services. This also includes the launch by competitors of generic drugs or pharmaceuticals protected by patents, which could affect the Company's sales and distribution of pharmaceuticals for which, to some extent, the Company is obligated to make certain minimum annual royalty payments.

To ensure our permanent competitiveness, we work closely together with physicians and scientists. Important technological and pharmaceutical innovations are intended to be quickly identified and further developed, if necessary also by adapting our business strategy. Moreover we secure our competitiveness by ongoing analyzes of our market environment as well as the regulatory framework. The market activity, especially our competitors' products and newly launched dialysis-related products are thoroughly monitored. The cooperation between the various technical, medical and academic institutions within our company also ensures our competitiveness, which is finally further enhanced by our consequent conduction of programs devoted to cost saving and efficiency increase.

Risks that arise due to competitors represent a low risk for us in the short term, as well as in the mid-term.

### ***c) Research and Development***

The development of new products and therapies proposes a risk that the desired development goal will not be achieved or achieved significantly later than planned. Costly and extensive preclinical and clinical examinations are necessary until admission. All products, packaging, applications and technologies are constantly and systematically monitored, tested and improved. We address potential risks in the area of Research and Development (R&D) by continually analyzing, evaluating and assessing whether the R&D projects fit into the overall strategy of Fresenius Medical Care. As a vertically integrated company, we also benefit from direct contact with our patients and medical professionals. Due to this close proximity to the market, we have the potential to gather important information to develop and offer products and therapies that meet the needs of our customers.

In the mid-term, the risk associated with research and development represents a low risk to the company.

### ***d) Referral practices***

The Company's dialysis services business is dependent upon patients choosing the Company's clinics as the location for their treatments. Patients may select a clinic based, in whole or in part, on the recommendation of their physician. If a significant number of physicians, hospitals or other health care institutions cease referring their patients to the Company's clinics or stop purchasing or prescribing the Company's dialysis products, this could result in loss of revenue.

In the mid-term, the risk associated with referral practices represents a low risk to the company.

### ***e) Patents***

One of the typical patent risks faced by the Company is inadequate protection in the form of patents for technologies and products developed by the Company. This means that competitors could copy

the Company's products without incurring comparable development costs. In addition, the Company could infringe the patent of a competitor and thus be liable for damages; this could result in a ban on the Company further selling the affected product. An inadequate protection of the Company's patents could have an adverse impact on the Company's financial condition and results of operations.

In the mid-term, risks associated with patents represent a low risk to the Company.

#### **f) Procurement**

The Company's purchasing strategy is aimed at developing partnerships with strategic suppliers through long-term contracts and at the same time ensuring that it has at least two sources for all supply and price-critical primary products (dual sourcing, multiple sourcing). If the Company is unable to counteract the risk of bottleneck situations at times of limited availability of materials in spite of its purchasing strategy in combination with ongoing monitoring of market developments, this could result in delays in production and hence have an adverse effect on the Company's results of operations. Similarly, price increases by suppliers could also adversely affect the Company's results of operations.

To prevent loss of suppliers, we monitor our supplier relationships on a regular basis. Suppliers which are integral to our procurement functions are subject to performance- and risk-analyses. Through constant market analyses, a demands-based design of supplier-relationships and -contracts, as well as the use of financial instruments, possible price increases can be partially mitigated. We benefit from international price advantages and are able to mitigate procurement risks associated with currency fluctuations or with a dependency on individual suppliers through the intensive regional cooperation of our procurement teams.

Risks that arise from procurement represent a low risk for us from a mid-term perspective.

#### **g) Personnel**

The Company's continued growth in the health care business will depend upon the ability to attract and retain skilled employees, such as highly skilled nurses and other medical personnel. Competition for those employees is intense and the current nursing shortage has increased the Company's personnel and recruiting costs. Moreover, the Company considers that future success in the provider business depends on the ability to attract and retain qualified physicians to serve as employees of or consultants to the Company's health care services businesses. The Company's dialysis products business depends on the development of new products, technologies and treatment concepts to be competitive. Competition is also intense for skilled engineers and other technical research and development personnel. If the Company is unable to recruit and retain qualified personnel, this could have an adverse impact on its ability to manage future growth and on new or continued product development and hence have an adverse impact on our profitability.

In the mid-term, risks associated with personnel present a low risk to the Company.

#### **h) Corruption**

The Company with its decentralized system has thousands of persons employed by many affiliated companies. Training, oversight and compliance programs cannot assure protection from deliberate, reckless or inadvertent acts of employees that violate the Company's compliance policies or anti-corruption laws. Such violations could disrupt the Company's business and result in a material adverse effect on results of operations or financial condition.

The Company has received communications alleging conduct in countries outside the U.S. that may violate the U.S. Foreign Corrupt Practices Act ("FCPA") or other anti-bribery laws. The Audit and Corporate Governance Committee of the Company's Supervisory Board is conducting investigations with the assistance of independent counsel. The Company voluntarily advised the U.S. Securities and Exchange Commission ("SEC") and the U.S. Department of Justice ("DOJ"). The Company's investigation and dialogue with the SEC and DOJ are ongoing. The Company has received a subpoena from the SEC requesting additional documents and a request from the DOJ for copies of the documents provided to the SEC. The Company is cooperating with the requests.

Conduct has been identified that may result in monetary penalties or other sanctions under the FCPA or other anti-bribery laws. In addition, the Company's ability to conduct business in certain jurisdictions could be negatively impacted. The Company has previously recorded a non-material accrual for an identified matter. Given the current status of the investigation, the Company cannot reasonably estimate the range of possible loss that may result from identified matters or from the final outcome of the investigation or remediation activities.

The Company's independent counsel, in conjunction with the Company's compliance department have reviewed the Company's anti-corruption bribery compliance program, including internal controls related to compliance with international anti-bribery laws, and appropriate enhancements are being implemented. The Company is fully committed to FCPA and other anti-bribery law compliance.

Risk from corruption is considered medium in the short-term and low in the mid-term.

### ***j) Information technology***

As the Company continues to grow in size and introduces more international operations, the processes within the Company are increasingly complex. Accordingly, it is more and more dependent on information and communication technologies and -systems to structure its processes and harmonize them between different regions. A breakdown of these systems could temporarily lead to standstill of extensive parts of our business and consequently cause heavy damages. By loss of sensitive data or non-compliance with data protection related laws, regulations and standards, our position in competition, our reputation as well as our whole business could be threatened. Hence, The Company uses continuously updated and newly developed hardware and software to prevent potential security risks in the area of information technology ("IT"). Using its Information Security Management System ("ISMS"), which is based on the internationally recognized security standard ISO 27002, the security guidelines and processes within the Company are enhanced continuously. Business data is backed up regularly. The frequency of these backups depends on how important the respective IT system is for the Company's business. Potential IT risks are covered by a detailed disaster recovery plan, which is regularly tested and improved. The Company operates three data centers at geographically separate locations, each with an associated disaster recovery plan, to maximize the availability and data security of its IT systems. A mirrored infrastructure that creates a copy of critical systems is in use.

In order to minimize organizational risks, manipulation and unauthorized access, access is protected by passwords that must be changed regularly. Moreover, Company guidelines relating to data protection, which also regulate the assignment of access rights, must be considered. Compliance is monitored with controls including those relating to Section 404 of SOX. Operational and security audits are carried out every year both internally and by external auditors.

Associated with the increased integration of IT systems into business processes the possibility exists, that cyber-attacks can penetrate internal or external systems, cause damage or gain sensitive information. The existing IT security architecture with different layers of security measures protects the systems in our data centers. The access to sensitive or critical data from outside of the secured data center networks is protected by the usage of secure protocols and cryptographic measures. Besides that, annual penetration tests for applications with critical data (e.g. patient or personnel data) are conducted.

Risks associated with information technology represent a medium risk to the Company; both in the short-term as well as in the mid-term.

## **3. Other risks**

### ***a) Liquidity and financing***

The liquidity risk is defined as the risk that a company is potentially unable to meet its financial obligations. The Management Board of the Company manages the liquidity of the Group by means of effective working capital and cash management as well as an anticipatory evaluation of refinancing alternatives. The Management of the Company believes that existing credit facilities, cash flow from operating activities and additional short-term borrowings are sufficient to meet the Company's foreseeable demand for liquidity.

At December 31, 2016 respectively December 31, 2015, the Group had financial debt of €8.13 BN respectively €7.94 BN. The Company's credit agreements and notes include covenants that require maintaining certain financial ratios or meeting other financial tests. The covenants also restrict the Company's ability to dispose of assets, incur debt, pay dividends and other restricted payments, create liens or make investments or acquisitions. The breach of any of the covenants could result in a default and acceleration of payments of the indebtedness, which would have an adverse effect on the Company's business, financial condition and results of operations. The Company considers itself able to maintain the required financial ratios at present and in the near future.

In the short-term as well as in the mid-term, risks associated with liquidity and financing present a low risk to the Company.

## **b) Currencies and interests**

The Company actively manages foreign currency and interest rate exposures that are part of its normal business activities. Risk management procedures for foreign currencies and interest rate exposures are based on strategies defined and, if necessary, adapted in close cooperation with the Management Board, including, for example, guidelines that cover all steps and levels of the risk management process. They define responsibilities for the determination of risks, the careful use of financial instruments for hedging purposes and for accurate financial reporting. The use of derivative instruments is restricted to micro hedges which are used in order to hedge exposures that arise in the ordinary course of business. The Company does not enter into transactions for trading or other speculative purposes. The Company enters into transactions with banks, which generally have ratings in the "A" Category or better, as approved by the Management Board. The effectiveness of the hedging relationships of the hedging instruments and the hedged items is tested on a quarterly basis.

The Company enters into derivatives, particularly interest rate swaps and to a certain extent, interest rate options to protect against the risk of rising interest rates. These interest rate derivatives are designated as cash flow hedges and have been entered into in order to effectively convert payments based on variable interest rates into payments at a fixed interest rate. The euro-denominated interest rate swaps expire in 2019 and have an interest rate of 0.32%. As of December 31, 2016 respectively December 31, 2015, the notional amount of the euro-denominated interest rate swaps in place was €252 M respectively €376 M.

Derivative foreign currency contracts are entered into for the purpose of limiting the exchange rate exposure from sales and purchases as well as lendings and borrowings between the Company's subsidiaries located in different countries and reporting in different currencies. A large portion of the transaction exposures arise from sales of products from the Company's subsidiaries in the Euro region to other international business units. The aggregate notional amount of foreign currency hedge contracts as of December 31, 2016 was €1,511 M, primarily for hedging Euro exposure to the U.S. dollar and various other currencies. Economic hedges, which are used by the Company, are accounted for as recognized hedges in the consolidated financial statements, when necessary.

The estimation and quantification of transaction risks from foreign currencies is determined according to the statistical model Cash Flow at Risk ("CFaR"). CFaR indicates the maximum amount of a potential loss of the forecasted foreign exchange cash flow of the next twelve months that occurs with a probability of 95%. As of December 31, 2016, the Company's CFaR amounts to €49 M (\$52 M).

Further information on market, default and liquidity risks is included in Note 23 of Notes to Consolidated Financial Statements.

In the short term, risks associated with currencies and interests represent a medium risk for the Company.

## **c) Litigation**

Risks associated with litigations are continuously identified, assessed and reported within the Company. The Company is involved in various legal proceedings resulting from its business operations. A negative outcome of these legal proceedings could have an adverse impact on the Company's financial condition and results of operations.

External legal consulting support is always used to defend the Company against risks associated with litigations. If necessary accounting measures like accruals are used.

For the matters in which the Company believes a loss is both reasonably possible and assessable, an estimate of the loss or range of loss exposure is provided in Note 22 of Notes to Consolidated Financial Statements. For other proceedings the Company believes that the loss probability is remote and/or the loss or range of possible losses cannot be reasonably estimated at this time.

For details on ongoing proceedings and further information on material legal risks to which the Company is exposed, reference is made to Note 22 of Notes to Consolidated Financial Statements.

In the short term, risks from litigation represent a low risk for the Company.

## **d) Taxes and import duties**

The Company is subject to ongoing tax audits in the U.S., Germany and other jurisdictions. The Company could potentially receive notices of unfavorable adjustments and disallowances in connection with certain of these audits. If the Company is unsuccessful in contesting unfavorable

determinations we could be required to make additional tax payments, which could have a material adverse impact on the results of operations and operating cash flow in the relevant reporting period.

In general, tax-relevant issues are, as necessary, coordinated with internal tax expert regarding compliance with the according tax laws. If necessary, statements and opinions by external consultants are obtained to minimize tax risks.

Risks associated with taxation represent a low risk to the company, both in the short-term as well as in the mid-term.

Furthermore we could also be exposed to additional or higher taxes or import duties, which restrict the import of our products.

Especially the currently discussed initiatives of the U.S. administration, which have a wide-spread focus in terms of taxation and import duties are an uncertainty factor for our business, both in terms of chances and risks. An aggregated assessment of the impact of all of these initiatives is not possible at the moment. A special topic within these initiatives is the possible introduction of further import duties on products coming from outside the U.S. The introduction of these additional import duties could have a negative effect on our operating results and consolidated earnings and represent a medium risk in the short-term.

#### ***e) International operations***

The Company operates dialysis clinics in more than 45 countries and sells a range of equipment, products and services to customers in more than 120 countries. The Company's international operations are subject to a number of risks, including the following:

- The Company could face difficulties in enforcing and collecting accounts receivable under some countries' legal systems
- The Company could be negatively impacted by the ability of certain countries to service their sovereign debt obligations
- Local regulations could restrict the Company's ability to obtain a direct ownership interest in dialysis clinics or other operations
- Political, social or economic instability, especially in developing and newly industrializing countries, could disrupt the Company's operations
- The withdrawal of individual states from federations or multinational agreements and the associated effects on tax, exchange rate, legal, and regulatory conditions could make our activities there more difficult or negatively affect their results

Any one or more of these or other factors could increase the Company's costs, reduce revenues, or disrupt operations, with possible material adverse effects on the Company's business, results of operations and financial condition.

Risks associated with international operations represent a low risk for the Company in the mid-term.

#### ***f) Global economic conditions and disruptions in financial markets***

The Company is dependent on the conditions of the financial markets and the global economy. In order to pursue its business, the Company is reliant on capital, as are its renal product customers and commercial healthcare insurers. Limited or expensive access to capital in the financial markets could adversely affect the Company's business.

The global recovery from the financial crisis continues. This development is accompanied by unexpected interferences like emerging geopolitical conflicts in several regions. Thus, the overall global economic outlook remains uncertain and current economic conditions could adversely affect the Company's business and profitability. Potential decline in revenues may create additional pressures to contain or reduce reimbursements for the Company's services from public payors, including Medicare and Medicaid in the U.S. and other government sponsored programs in the United States and other countries around the world. Increasing job losses or only slow improvement in the unemployment rate in the U.S. may result in a smaller percentage of the Company's patients being covered by an employer group health plan and a larger percentage being covered by lower paying Medicare and Medicaid programs. To the extent that payors are negatively impacted by a decline in the economy, the Company may experience further pressure on commercial rates, a further slowdown in collections and a reduction in the amounts it expects to collect. Devaluation of currencies and worsening

economic conditions, including inflationary cost increases in various markets in connection with deteriorating country ratings also increase the risk of a goodwill impairment, which could lead to a partial or a total goodwill write off in the affected cash generating units. If the global economic conditions continue or worsen, the Company’s financial cost could increase, its financial flexibility could be limited and its results of operations could be adversely affected. The Company believes to be well positioned to continue to grow its business while meeting its financial obligations.

Risks associated with global economic conditions and disruptions in financial markets represent a medium risk for the Company in the short-term.

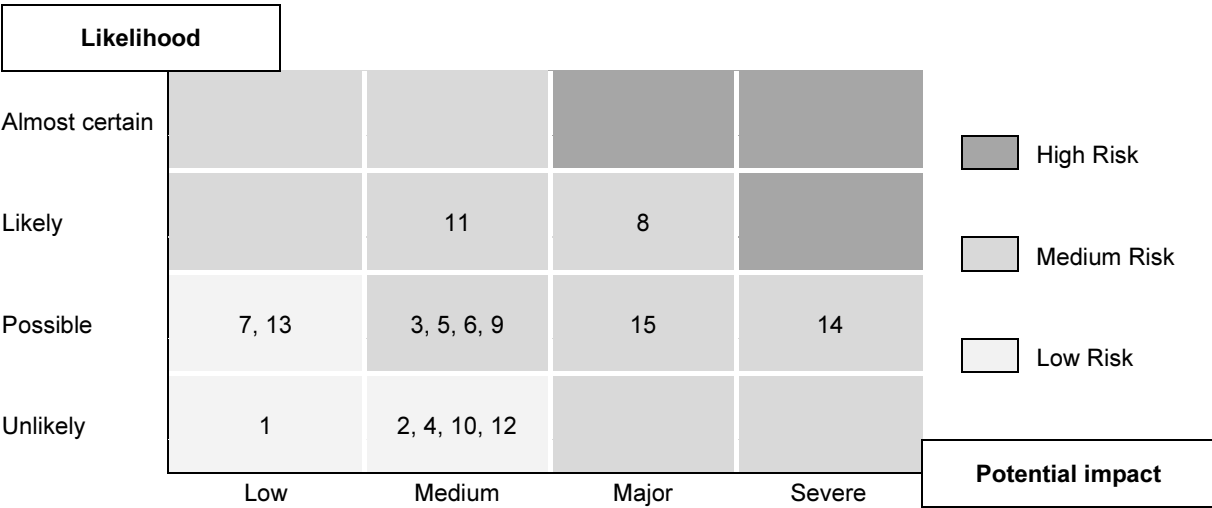
**4. Risks with potential effect on the 1 year forecast**

Risks with potential effect on the 1 year forecast are shown in the chart below. The risks are illustrated by a cross reference, which refers to the risks described in detail in the report on risks and opportunities. In course of the risk classification, besides quantitative factors, especially qualitative factors are applied. The scales for classification of potential impact and likelihood as well as their localization within the risk matrix are depicted in the following tables:

Potential impact	Description of impact	Classification	Likelihood
Severe	Material negative impact	Almost certain	> 90% to 100%
Major	Significant negative impact	Likely	> 50% to 90%
Medium	Moderate negative impact	Possible	> 10% to 50%
Low	Small negative impact	Unlikely	0% to 10%

In detail the risk situation of Fresenius Medical Care related to the 1 year forecast is as follows:

**Risks with potential effect on the 1 year forecast**



No.	Risks relevant for 2017	Reference to report on risks and opportunities
1	Regulatory environment	II.1.a)
2	Quality	II.1.a)
3	U.S. federal health care programs	II.1.b)
4	Erythropoietin stimulating agents (ESAs)	II.1.c)
5	Reimbursement by private insurers	II.1.d)
6	Health care reforms	II.1.e)
7	Competitors	II.2.b)
8	Corruption	II.2.h)
9	Information technology	II.2.i)
10	Liquidity and financing	II.3.a)
11	Currencies and interests	II.3.b)
12	Litigation	II.3.c)
13	Taxes	II.3.d)
14	U.S. import duties	II.3.d)
15	Global economic conditions and disruptions in financial markets	II.3.f)

With regard to the classification of the risks in terms of probability and potential impact, the following changes occurred compared to the previous year.

Because of several initiatives by the current U.S. government we are exposed to increasing risks regarding import duties (14). Furthermore possible changes in the patient structure in the U.S. increase the risk regarding the reimbursement of private insurers (5). Considerations regarding extensive changes in health care systems in which we are operating lead to a higher risk from potentially resulting health care reforms (6).

## 5. Overall risk position of the Group

The implemented risk management system forms the basis for the assessment of the overall risk position of the Group. The overall risk of Fresenius Medical Care is determined by the individual risks described above. Changes in the risk structure of the Group compared to the previous reporting period occur as stated under point 4. There are currently no risks identified that could endanger the continued existence of Fresenius Medical Care. As part of the enterprise-wide review of the integrated management system, the effectiveness of the risk management system is monitored and where necessary improvements are made. The management board will continue to expand our risk management as well as the review of the related management system to be able to identify, explore and evaluate potential risks more quickly and then initiate appropriate countermeasures. We believe that we have made all necessary organizational steps to recognize potential risks early and to respond appropriately to these.

## III. Opportunities management

### Opportunities management system

As much of our business is organized regionally, we can identify industry-specific trends and requirements as well as the resultant opportunities in the different regions at an early stage and gear our actions to them. To capture business opportunities, we also perform comprehensive quantitative and qualitative analyses. This involves systematically evaluating relevant market data, closely examining research projects and taking general trends in society into consideration. Our analyses focus on general economic, industry-specific, regional and local developments as well as regulatory changes. In addition, close cooperation between our Strategy and Planning departments and the managers of other departments allows us to identify global opportunities as early as possible.

## **IV. Opportunities**

As a vertically integrated dialysis company, Fresenius Medical Care can offer almost all of the products and services that a patient with chronic kidney failure requires for treatment. Our 3,624 dialysis clinics in more than 45 countries constitute the largest and most international network in the world. As a result, we possess valuable dialysis expertise that is unique in the industry. Thanks to this wealth of experience, we know that high quality is not only the key to a better quality of life for patients, but can also make a significant contribution to reducing the costs of healthcare. Based on this understanding and our business model, major opportunities arise that could have a positive impact on the results of operations, financial situation, assets and liabilities of Fresenius Medical Care as things stand today.

### **1. Industry-specific opportunities**

#### **a) Patient growth and demographic development**

The dialysis market is a growth market that is largely unaffected by macroeconomic influences. According to estimates, the number of people worldwide suffering from chronic kidney failure and requiring dialysis treatment is rising at a relatively constant rate of around 6% annually. It is expected to reach more than 3,2 M patients in 2017 and about 3.7 M by 2020. Social trends contribute to this rise in patient numbers. In Europe and the U.S. in particular, they include the aging population and the increasing incidence of diabetes and hypertension, two illnesses that frequently precede the onset of end-stage renal disease. In developing and emerging countries, the growing population and gradually improved access to dialysis as a result of increasing wealth are key factors that further boost demand for dialysis products and services. We want to continue to make a significant contribution to meeting this demand in the future.

#### **b) Changes in legal and political conditions**

Whether or not private companies can offer dialysis treatment and in what form depends on the health care system of the country in which they operate and its legal framework. For Fresenius Medical Care, opportunities to tap into new markets or to expand its market share arise if a country opens up to private dialysis providers. These decisions are also increasingly influenced by the following factors:

- Health care systems face the challenge of having to deliver ever more comprehensive medical care (longer life expectancy, increase in concomitant diseases, fully-functioning health care provision still being established).
- Dialysis is a complex life-sustaining procedure, which places high demands on health care systems in terms of expertise and efficiency. Therefore, public health care providers are increasingly looking for solutions with private providers.

One example is Germany, the seventh-largest market worldwide in terms of the number of dialysis patients. We lead the market here with our products. Dialysis clinics are operated predominantly by physicians in private practice, hospitals, and non-profit organizations; however, for a number of years, Fresenius Medical Care has also offered dialysis services in outpatient medical care centers. At the end of 2016, we were involved in 31 care centers (2015: 26). As an experienced partner, we want to continue to support our customers in setting up new structures in the German health care system and take advantage of the opportunity to strengthen our business in the long term.

#### **c) Public private partnerships**

In some countries, public-private partnerships (PPP) are an attractive business model for Fresenius Medical Care. These are contractually defined project alliances between the public sector and private companies in which both partners share the financing, tasks, risks and opportunities of a project. Our extensive dialysis expertise gives us a competitive edge here, too, as it enables us to make suitable offers flexibly for various levels of care for hospitals, health insurers, local or national authorities. Depending on the contract, we set up new dialysis clinics and install the equipment, train medical personnel in quality, hygiene and nutrition, or manage the clinics ourselves on the terms agreed. This enables the public sector to care for more patients more effectively and less expensively. The PPP model allows Fresenius Medical Care to tap into new



markets, expand its market share, and extend its range of products and services with new forms of health care.

#### **d) Growing demand for integrated healthcare**

Cost pressure and the growing number of patients are resulting in an increase in global demand for a holistic (integrated) health care concept for patients with chronic kidney failure. All health care services and therapies associated with the treatment of a kidney patient are combined to create a holistic program that is tailored to the patient's individual needs and the requirements of the health insurer. Depending on the contract and the structure of the health care system, dialysis can be supplemented by medical tests, drugs for kidney patients and vascular access management, for example. This comprehensive care from a single source is aimed at improving the way in which the different stages of treatment are coordinated and controlled, minimizing complications and thereby avoiding additional stays in hospital as far as possible. It increases the patient's quality of life and the quality of treatment, while reducing the overall costs of the treatment.

Fresenius Medical Care is particularly well placed to offer integrated, high-quality treatment programs for chronically ill kidney patients for several reasons: As a manufacturer of market-leading dialysis products and an operator of the largest global dialysis clinic network, we have long-standing experience in providing comprehensive care for dialysis patients. Thanks to the high quality and reliability of our products and services, we enjoy a very good reputation in the industry. In addition, we use sophisticated internal feedback instruments to measure and compare the success of treatment at our clinics and to rapidly identify any potential for improvement.

Beyond our core business with dialysis products and the treatment of dialysis patients, we benefit from a network of medical services that we combine under the heading "care coordination". These include services such as vascular care and medication management for patients with kidney disease, as well as our laboratory and pharmacy business. This provides us with significant opportunities for the future. We plan to expand this network further in the coming years.

## **2. Opportunities related to our business operations**

### **a) New products and technologies**

If patient numbers grow as strongly as anticipated, cost pressure continues to rise, and the capacity of clinics is possibly no longer sufficient, home therapies are expected to take on a more crucial role in dialysis. This development presents us with opportunities for growth. Home dialysis as well as associated technologies and products will therefore continue to be a key focal point of our R&D activities. One major aim here is to give patients the greatest possible independence and mobility with a dialysis machine that is resource-efficient and can be used flexibly. We will continue to add innovative products and technologies to our range in the future to capture growth opportunities and meet the demand for integrated care as effectively as possible.

### **b) Internal organization and procedures**

Fresenius Medical Care can benefit from a number of long-term opportunities in the way it organizes and designs its business operations. To this end, we use the Lean Six Sigma management method to analyze and better coordinate our production processes worldwide with the aim of reducing both our defect rates and manufacturing cycles. In addition, we are systematically expanding environmental management at our production sites and clinics to improve our operating efficiency, for instance by saving resources.

### **c) Capital expenditure and acquisitions**

We evaluate ideas for growth initiatives generated from market analyses as part of our annual budget planning, or more frequently if necessary. We manage the investments required for implementing projects using a detailed coordination and evaluation process. The Management Board sets the investment budget for the Group as well as the focus of investment. Before realizing investment projects, an internal committee examines the individual projects and measures, taking into account their yield requirements and potential return on investment. Projects are only undertaken if they help to increase the Company's value.

We are investing in our future growth by expanding our health care services business through acquisitions and purchasing expertise and relevant technologies in the area of research and development. Through close collaboration between our Strategy and Planning departments and the managers responsible for our acquisitions, we are able to identify suitable potential purchases worldwide at an early stage.

#### **d) Fresenius Medical Care's Business model.**

Our business model itself also provides opportunities for our company's future growth. As a vertically integrated dialysis company, we not only offer almost all of the products and services that a patient with chronic kidney failure requires for treatment, but also use these on a daily basis in our own clinics. As a result, we can benefit a great deal from the feedback of our patients, physicians and nurses worldwide in developing and manufacturing new products as well as in organizing our clinic management. This gives us a crucial competitive edge.

### **3. Assessment of the opportunities by the management**

We remain confident that our integrated global business model and our Group's earning power constitute a sound basis for our business development, allowing us to capture the potential that arises for the Company. In view of our leading position in the dialysis market, our innovative strength, our committed staff, and our structured processes for identifying risks early and managing opportunities, we firmly believe that we can continue to make the most of any opportunities that arise for our business in a responsible manner.

## **F. Takeover-related disclosures**

Share capital held by the Company's shareholders (excluding treasury shares held by the Company) at December 31, 2016 totals approximately € 306 million, divided into 306,221,840 non-par bearer shares, each arithmetically representing € 1 of the share capital. The total of non-par bearer shares include 47,190 shares issued to Company employees in 2016 in conjunction with a corporate agreement and which are subject to a two-year holding period. In addition to treasury shares which have meanwhile been cancelled as part of a capital reduction measure, the Company also holds 999,951 treasury shares at December 31, 2016 which were acquired on the basis of the authorization – granted at the Company's Annual General Meeting on May 12, 2011 – to acquire treasury shares during the period from May 20, 2013 to August 14, 2013. Treasury shares held correspond to approximately € 1 million or 0.33 % of the Company's share capital. Voting rights may not be exercised on treasury shares. The treasury shares were acquired on the stock exchange via the XETRA trading system in conjunction with a share buyback program. Including treasury shares, the Company share capital therefore amounted to € 307 million at December 31, 2016, divided into 307,221,791 shares. The acquired treasury shares will only be used to reduce the Company's share capital (by cancellation of the relevant shares) or to service employee incentive plans.

The rights of the shareholders are governed by the German Stock Corporation Act (AktG) and the Company's Articles of Association. This stipulates that each share shall be entitled to one vote at the Company's General Meeting.

The General Partner, Fresenius Medical Care Management AG, is responsible for managing and representing the Company. Similarly, it does not participate in the profit or loss or net assets of the Company. The General Partner's management authority also encompasses exceptional management measures, which do not require approval by the shareholders. *Vis-à-vis* the General Partner, the Company is represented by its Supervisory Board.

The General Partner will cease to be General Partner of the Company if and when all shares in the General Partner entity are no longer held directly or indirectly by one party, which at the same time must hold, directly or indirectly by means of a controlled company as defined by § 17 (1) AktG, more than 25 % of the Company's share capital. This does not apply if all the shares of the General Partner entity are held directly or indirectly by the Company. Additionally, the General Partner will cease to be the Company's General Partner if the shares in the General Partner entity are acquired by another person

- who does not at the same time acquire shares of the Company in the amount of more than 25 % of the Company's capital or
- who has not, within three months after the effectiveness of such acquisition, submitted a voluntary or mandatory takeover offer to the Company's shareholders according to the rules of the German Securities Acquisition and Takeover Act (WpÜG); the fair consideration offered to the shareholders must also reflect the consideration which the purchaser pays for the shares in the General Partner entity, if the amount for such consideration is above the amount of its equity capital.

The other grounds for withdrawal as provided by the law remain unaffected with respect to the General Partner.

As at December 31, 2016, Fresenius SE & Co. KGaA, Bad Homburg v.d. Höhe, Germany holds 94,380,382 shares of the Company, corresponding to 30.72 % holding and hence in excess of 10% of the Company's total share capital. After deduction of treasury shares held by the Company in accordance with § 16 (2) sentence 2 AktG, Fresenius SE & Co. KGaA holds 30.82 % of the Company's voting rights.

The appointment and removal of members of the Managing Board of the General Partner entity are governed by § 84 and § 85 AktG. Changes in the Articles of Association must be made in accordance with § 179 AktG in conjunction with § 133 AktG. The Articles of Association entitle the Company's Supervisory Board, without resolution of the General Meeting, to make amendments to the Articles of Association which concern only its wording.

The General Partner is entitled, subject to approval by the Supervisory Board, to increase the Company's share capital as follows in accordance with the resolutions passed by the shareholders' at the General Meeting:

- authorization, in the period up to May 18, 2020 to increase, on one or more occasions, the Company's share capital by up to a total of € 35 million by issuing new bearer ordinary shares in return for cash contributions (Authorized Capital 2015/I).
- authorization, in the period up to May 18, 2020 to increase, on one or more occasions, the Company's share capital by up to a total of € 25 million by issuing new bearer ordinary shares in return for non-cash contributions (Authorized Capital 2015/II).

In both cases, the General Partner is entitled, under certain circumstances and with the approval of the Supervisory Board, to decide on the exclusion of shareholders' pre-emption rights.

In addition to the above, the following conditional capitals are in place:

- a conditional increase of up to € 3.374 million. This conditional increase in capital will only be carried out to the extent that convertible bonds were issued in accordance with the International Employee Participation Scheme in accordance with the shareholders' resolutions taken on May 23 2001, May 15, 2007 and May 16, 2013 and the holders of such convertible bonds exercise their conversion rights. With effect from December 2015, no exercisable option or convertible bonds are outstanding.
- a conditional increase of up to € 3.972 million. This conditional share capital increase will only be carried out to the extent that options were issued in accordance with the Stock Option Plan 2006 based on the shareholders' resolutions taken on May 9, 2006 and May 15, 2007, the holders of such options exercise their rights and the Company does not issue any own (treasury) shares to settle the options; in the case of options issued to members of the Managing Board of the General Partner entity, the Supervisory Board of that entity shall be responsible.
- a conditional increase of up to € 11.346 million. This conditional share capital increase will only be carried out to the extent that options were issued in accordance with the Stock Option Plan 2011 based on the shareholders' resolutions taken on May 12, 2011 and May 12, 2016, the holders of such options exercise their rights and the Company does not issue any own (treasury) shares to settle the options; in the case of options issued to members of the Managing Board of the General Partner entity, the Supervisory Board of that entity shall be responsible.

In accordance with the resolution taken at the Annual General Meeting on May 12, 2016, the personally liable shareholder is authorized to acquire treasury shares up to May 11, 2021 and up to a maximum of 10 % of the share capital in place at the date of the resolution. At no stage shall the acquired shares together with other treasury shares held by the Company or attributable to pursuant to §§ 71a ff. AktG exceed 10 % of the Company's share capital. The acquisition can be made via the stock exchange or by means of a public invitation to submit offers for sale. The authorization may not be used for the purposes of trading in its own shares. The personally liable shareholder is authorized to use the shares of the Company acquired on the basis of this or an earlier authorization for all legally admissible purposes, in particular (i) to withdraw them from circulation without any requirement for a further resolution to be taken at the Annual General Meeting, (ii) to sell them to third parties in return for contributions in kind, (iii) rather than using conditional capital, to issue use them to employees of the Company and its affiliates (including to members of the executive managements of affiliates) and to use them to service rights or commitments to acquire shares of the Company and (iv) to service bonds with option or conversion rights issued by the Company or by dependent companies as defined by § 17 AktG

A change of control resulting from a takeover offer could, under certain circumstances, have an impact on the Company's long-term financing arrangements, in particular the Credit Agreement 2012, the notes, the equity-neutral convertible bond and the receivables sale program, in which change of control clauses are in place. These clauses, which are customary for the market, give creditors the right to terminate agreements early or call for early repayment of outstanding amounts in the event of a change in control. The right to terminate only exists, however, if the change of control involves the Company's rating or the corresponding financing instrument being downgraded.

## **G. Corporate Governance Declaration**

For the fiscal year 2016 the Company makes use of the option to publish the Corporate Governance Declaration (*Erklärung zur Unternehmensführung*) on the Company's website pursuant to sec. 289a para. 1 German Commercial Code (HGB). The Corporate Governance Declaration is available on the Company's website under <http://www.freseniusmedicalcare.com/en/home/investors/corporate-governance/declaration-on-corporate-governance/>.

## **H. Compensation Report**

The Compensation Report of FMC-AG & Co. KGaA summarizes the main elements of the compensation system for the members of the Management Board of Fresenius Medical Care Management AG, the General Partner of FMC-AG & Co. KGaA, and in this regard notably explains the amounts and structure of the compensation paid to the Management Board. Furthermore, the principles and the amount of the remuneration of the Supervisory Board are described. The Compensation Report is part of the Management Report on the annual financial statements and the annual consolidated group financial statements of FMC-AG & Co. KGaA as of December 31, 2016. The Compensation Report is prepared on the basis of the recommendations of the German Corporate Governance Code and also includes the disclosures as required pursuant to the applicable statutory regulations, notably in accordance with the German Commercial Code (HGB).

### **Compensation of the Management Board**

The entire Supervisory Board of Fresenius Medical Care Management AG is responsible for determining the compensation of the Management Board. The Supervisory Board of Fresenius Medical Care Management AG is assisted in this task by a personnel committee, the Human Resources Committee, a committee which is created from among the Supervisory Board of Fresenius Medical Care Management AG's members. The Human Resources Committee is composed of Mr. Stephan Sturm (Chairman) Dr. Gerd Krick (Vice Chairman), Mr. William P. Johnston, Dr. Dieter Schenk and Mr. Rolf A. Classon.

The current Management Board compensation system was approved by the General Meeting of FMC-AG & Co. KGaA on May 12, 2016, and is reviewed by an independent external compensation expert on a regular basis. The objective of the compensation system is to enable the members of the Management Board to participate reasonably in the sustainable development of the Company's business and to reward them based on their duties and performance as well as their success in managing the Company's economic and financial position giving due regard to the peer environment.

The amount of the total compensation of the members of the Management Board is measured taking particular account of a horizontal comparison with the compensation of management board members of other DAX-listed companies and similar companies of comparable size and performance in the relevant industry sector. Furthermore, the relation of the overall compensation of the members of the Management Board and that of the Senior Management as well as the staff overall, as determined by way of a vertical comparison, is taken into account.

The compensation of the Management Board is, as a whole, performance-based and consisted of three elements in the fiscal year:

- non-performance-based compensation (fixed compensation and fringe benefits)
- short-term performance-based compensation (one-year variable compensation (bonus))
- components with long-term incentive effects (multi-year variable compensation in form of share-based compensation with cash settlement)

#### **I. Fixed compensation**

The Management Board members receive a fixed amount as basic compensation. In Germany or Hong Kong, as the case may be, the fixed compensation is paid in twelve equal monthly installments. To the extent the fixed compensation is paid to members of the Management Board in the U.S., payment is made in accordance with local customs in twenty-four equal instalments.

Moreover, the members of the Management Board received additional benefits consisting mainly of payment for insurance premiums, the private use of company cars and special payments such as school fees, rent and relocation supplements, reimbursement of fees for the preparation of tax returns and reimbursement of certain other charges, contributions to pension and health insurance as well as tax burden compensation due to varying tax rates applicable in Germany and the U.S. (net compensation) and other benefits, also in case accruals have been set up therefore.

#### **II. Performance-based compensation**

Performance-based compensation is awarded as a short-term cash component (one-year variable compensation) and as components with long-term incentive effects (share-based compensations with cash settlement). The share-based compensations with cash settlement consist of the so-called Share

Based Award, resulting as a deferral amount from the one-year variable compensation, as well as of Performance Shares, which are granted in the context of the “Fresenius Medical Care Long-Term Incentive Plan 2016” (LTIP 2016). In addition, the Supervisory Board may grant a discretionary bonus for extraordinary performances.

### **One-year variable compensation and Share Based Award**

The amount of the one-year variable compensation and of the Share Based Award depends on the achievement of the following individual and common targets:

- net income growth,
- free cash flow (net cash provided by (used in) operating activities after capital expenditures, before acquisitions and investments) in percent of revenue,
- operating income margin

The targets are weighted differently depending on the department of the Management Board or its functions. In the case of Messrs. Rice Powell and Michael Brosnan (both with corporate group functions) as well as Dr. Olaf Schermeier (Research & Development), the net income growth is weighted with 80%. In the case of Messrs. Roberto Fusté (Management Board member until March 31, 2016), Ronald Kuerbitz, Dominik Wehner and Harry de Wit (Management Board member since April 1, 2016) (Management Board members with regional responsibility) as well as Mr. Kent Wanzek (Global Manufacturing & Quality), the net income growth is weighted with 60%. In the case of the members of the Management Board last named, the valuation of the operating margins contributes another 20%. The target free cash flow as a percentage of the sales revenues is uniformly measured with 20% for all members of the Management Board.

	<b>Net income growth</b>	<b>Free cash flow in % of revenues</b>	<b>Operating margin (regional)</b>
<b>Corporate group functions and/or Research &amp; Development</b>	80%	20%	-
<b>Regional functions and/or Global Manufacturing &amp; Quality</b>	60%	20%	20%

The degree of the achievement of the specific targets (target achievement) is determined by comparing the actual values with the target values to be achieved.

The net income growth to be achieved is taken into account up to a growth rate of 10%. Furthermore, the members of the Management Board are also evaluated by reference to the development of free cash flow within the Group or, as the case may be, in the relevant regions, with the targets being within a range of rates between 3% and 6% of the respective free cash flow in percent of revenue. For the benefit of Management Board members with regional responsibilities as well as for the benefit of the Management Board member responsible for Global Manufacturing & Quality, growth of regional operating income margins is compensated within individual targets ranging between 13% and 18.5%, reflecting the particularities of the respective regions and responsibilities.

	<b>Minimum (0% target achievement)</b>	<b>Target achievement 100%</b>	<b>Maximum (120% target achievement)</b>
<b>Net income growth</b>	0.00%	8.00%	10.00%
<b>Free cash flow in % of revenues</b>	3.00%	5.71%	6.00%
<b>Operating margin (regional)</b>	Individual target corridors between 13.00% and 18.50%, depending on the respective responsibilities		

Multiplying the level of the respective overall target achievement by the respective fixed compensation and another fixed multiplier results in the total amount, of which a 75% share is paid out in cash to the Management Board members as a one-year variable compensation after approval of the annual

financial statements of FMC-AG & Co. KGaA for the respective fiscal year. Since the maximum level of target achievement is set at 120%, the Management Board's maximum achievable one-year variable compensation is limited as regards to specific amounts.

For the 2016 fiscal year and the previous year, the amount of cash compensation payments to members of the Management Board without components with long-term incentive effects consisted of the following:

#### Amount of Cash Payments

in € THOUS

	Non-performance related compensation				Short-term performance related compensation		Cash compensation (without long-term incentive components)	
	Fixed compensation		Other benefits <sup>1)</sup>		Bonus		2016	2015 <sup>2)</sup>
	2016	2015 <sup>2)</sup>	2016	2015 <sup>2)</sup>	2016	2015 <sup>2), 3)</sup>		
<b>Management board members serving as of December 31, 2016</b>								
Rice Powell	1,242	1,239	121	342	2,403	1,032	3,766	2,613
Michael Brosnan	696	694	194	533	1,300	581	2,190	1,808
Ronald Kuerbitz	845	843	19	28	1,476	785	2,340	1,656
Dr. Olaf Schermeier	450	450	83	635 <sup>4)</sup>	891	381	1,424	1,466
Kent Wanzek	539	538	112	112	1,054	594	1,705	1,244
Dominik Wehner	406	350	37	37	804	394	1,247	781
Harry de Wit <sup>5)</sup>	360	-	213	-	713	-	1,286	-
<b>Former member of the management board who resigned March 31, 2016</b>								
Roberto Fusté <sup>6)</sup>	145	580	73	482 <sup>7)</sup>	-	648	218	1,710
<b>Total:</b>	<b>4,683</b>	<b>4,694</b>	<b>852</b>	<b>2,169</b>	<b>8,641</b>	<b>4,415</b>	<b>14,176</b>	<b>11,278</b>

1) Includes insurance premiums, private use of company cars, special payments such as school fees, rent and relocation supplements, reimbursement of fees for the preparation of tax returns and reimbursement of certain other charges, contributions to pension and health insurance as well as tax burden compensation due to varying tax rates applicable in Germany and the U.S. (net compensation) as well as other fringe benefits, also in case accruals have been set up therefore.

2) Please note for purposes of comparison with the amounts indicated for the fiscal year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Roberto Fusté, Dr. Olaf Schermeier, Dominik Wehner and Harry de Wit) or U.S. dollar (Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzek).

3) Includes a discretionary bonus granted to Mr. Rice Powell in the amount of €541, to Mr. Michael Brosnan in the amount of €306, to Mr. Roberto Fusté in the amount of €189, to Mr. Ronald Kuerbitz in the amount of €451, to Dr. Olaf Schermeier in the amount of €203, to Mr. Kent Wanzek in the amount of €203 and to Mr. Dominik Wehner in the amount of €117.

4) This also includes the rent and relocation supplements incurred by the Company, including, but not limited to, non-recurring costs in connection with the relocation of Dr. Schermeier at the start of his occupation with the Company.

5) Please note for purposes of comparison of the amounts indicated for the fiscal year that Mr. Harry de Wit has been appointed as member of the Management Board only with effect as of April 1, 2016 and, therefore, has received compensation payments to be set out herein only as of such date.

6) In addition to the compensation set out herein, Mr. Roberto Fusté received a fixed compensation in the amount of €435, fringe benefits in the amount of €253 as well as a short-term performance-based compensation in the amount of €1,531; such compensation was received by Mr. Roberto Fusté only after his resignation from the Management Board.

7) Also included are payments and accruals the Company made in the context of holding Mr. Roberto Fusté harmless from certain adverse tax effects.

The remaining share, amounting to 25% of the total amount calculated according to the key data above, is granted to the members of the Management Board in the form of the so-called Share Based Award, which is included in the compensation components with long-term incentive effects. The Share Based Award is subject to a three-year waiting period, although a shorter period may apply in special cases (e.g. professional incapacity, entry into retirement, non-renewal by the Company of expired service agreements). The amount of the cash payment of the Share Based Award is based on the share price of FMC-AG & Co. KGaA shares upon exercise after the three-year waiting period.

In accordance with the targets achieved in the fiscal year, the members of the Management Board who were members of the Management Board on December 31 of the fiscal year acquired entitlements to Share Based Awards valued at €3,281 THOUS (2015: €801 THOUS). Based on the already fixed value, the allocation of the specific number of virtual shares made by the Supervisory Board takes place no sooner than March of the following year on the basis of the then current price conditions of the shares of FMC-AG & Co. KGaA. This number will then serve as a multiplier for the

share price on the relevant exercise date and, thus, as the basis for the determination of the payment of the relevant stock-based compensation after the end of the three-year waiting period.

The components with long-term incentive effects contain a limit option for the case of extraordinary developments.

### **Performance Shares**

In addition to the Share Based Award, the members of the Management Board were also granted so-called "Performance Shares" on the basis of the LTIP 2016, as further performance-related components with a long-term incentive effect in the fiscal year. The LTIP 2016 was approved in the fiscal year by the Supervisory Board upon recommendation of the Human Resources Committee and replaces the LTIP 2011. As of the end of the previous year no further stock options may be granted under the LTIP 2011. Performance Shares are virtual remuneration instruments not backed by equity. These may provide entitlement to a cash payment depending on the achievement of the performance targets described below and the development of the company's share price. The LTIP 2016 stipulates that the Management Board members will be granted Performance Shares once or twice a year in the years 2016 to 2018. For the members of the Management Board, the Supervisory Board determines, after due consideration and taking into account the responsibilities and performances of the respective members of the Management Board, the so-called "grant value", as the initial amount for each grant to be made to members of the Management Board. This grant value is divided by the applicable fair value of a Performance Share at the grant date, in order to determine the number of Performance Shares to be granted. This number may change over a period of three years depending on the degree to which the performance targets are achieved, whereby the total loss of all granted Performance Shares as well as a doubling (at most) of that number is possible. The number of Performance Shares after the three-year performance period, resulting from the respective target achievement, is considered as vested four years after the date the respective allocation was made. The above-mentioned number of Performance Shares is then multiplied by the average price of the Company's shares during a thirty-day period prior to the expiration of this vesting period. The resulting amount is paid out in cash to the members of the Management Board for their respective Performance Shares.

The degree of the total target achievement during the three-year performance period is determined on the basis of the three performance targets (i) revenue growth, (ii) annual growth of the net income attributable to the shareholders of FMC-AG & Co. KGaA ("net income growth") as well as (iii) increase of the return on invested capital (Return on Invested Capital "ROIC" improvement). The target corridors and targets are as set out in the table below:

	<b>Growth/increase</b>	<b>Target achievement</b>	<b>Weight</b>
<b>Performance target 1: Revenue growth</b>	≤ 0%	0%	<b>1/3</b>
	7%	100%	
	≥ 16%	200%	
<b>Performance target 2: Net income growth</b>	≤ 0%	0%	<b>1/3</b>
	7%	100%	
	≥ 14%	200%	
<b>Performance target 3: ROIC level against target ROIC</b>	0.2 percentage points below target ROIC	0%	<b>1/3</b>
	target ROIC	100%	
	0.2 percentage points above target ROIC	200%	

The ROIC target for the year 2016 is set at 7.3% and increases by 0.2 percentage points each year, that is, to 7.5% (2017), 7.7% (2018), 7.9% (2019) and 8,1% (2020). For each revenue growth and/or any net income growth and ROIC level within the range of the values presented above, the degree of target achievement is linearly interpolated. If the target achievement in relation to the ROIC target in the third year of an assessment period is higher than or equal to the target achievement in each of the two previous years, the ROIC target achievement for the third year applies to all years of the respective assessment period.

Each of these three performance targets accounts for one-third in the calculation of the yearly target achievement, which is calculated for each year of the three-year performance period. The overall



target achievement at the end of the three-year performance period is determined by the mean of these three average yearly target achievements. The overall target achievement can lie in a corridor between 0% and 200%.

The number of Performance Shares granted to the Management Board members at the beginning of the performance period is multiplied by the overall target achievement in order to determine the final number of Performance Shares that form the basis of the cash compensations under the LTIP 2016 as described above.

In the course of the fiscal year, 642,349 Performance Shares were granted under the LTIP 2016. This includes 79,888 Performance Shares with a total value of €6,170 THOUS, which were granted to the members of the Management Board. The relevant fair value of the Performance Shares issued in July of the fiscal year amounted on the grant date to €76.80 for grants in euro (applies to Messrs. Dr. Olaf Schermeier, Harry de Wit, Dominik Wehner and Roberto Fusté) and to \$85.06 for grants in U.S. dollars (applies to Messrs. Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzek). In the previous year, instead of Performance Shares, stock options and phantom stock in a total value of €7,555 THOUS and €4,582 THOUS, respectively, were granted. By the end of the fiscal year, the Management Board members being in office on December 31, 2016, held a total of 79,888 Performance Shares (2015: 0).

For the fiscal year, the value of the share-based compensations with cash settlement issued to the members of the Management Board in each case, is shown respectively compared to the previous year, in the following table.

#### Long-term Incentive Components

	Stock Options		Share-based compensation with cash settlement		Total			
	Number	in € THOUS	in € THOUS		in € THOUS			
	2016	2015	2016	2015	2016	2015		
<b>Management board members serving as of December 31, 2016</b>								
Rice Powell	-	149,400	-	2,244	2,415	941	2,415	3,185
Michael Brosnan	-	74,700	-	1,122	1,306	480	1,306	1,602
Ronald Kuerbitz	-	49,800	-	748	1,482	888	1,482	1,636
Dr. Olaf Schermeier	-	49,800	-	748	1,072	836	1,072	1,584
Kent Wanzek	-	69,720	-	1,047	1,120	596	1,120	1,643
Dominik Wehner	-	49,800	-	748	1,043	869	1,043	1,617
Harry de Wit	-	-	-	-	1,013	-	1,013	-
<b>Former member of the management board who resigned March 31, 2016</b>								
Roberto Fusté <sup>4)</sup>	-	59,760	-	898	-	774	-	1,672
<b>Total:</b>	<b>-</b>	<b>502,980</b>	<b>-</b>	<b>7,555</b>	<b>9,451</b>	<b>5,384</b>	<b>9,451</b>	<b>12,939</b>

1) This includes Performance Shares pursuant to the LTIP 2016 as well as Share Based Awards granted to the Management Board members during the fiscal year. The share-based compensation amounts are based on the fair value on the grant date.

2) This includes Phantom Stock pursuant to the LTIP 2011 as well as Share Based Awards granted to the Management Board members during the previous year. The share-based compensation amounts are based on the fair value at the grant date. Please note for purposes of comparison of the amounts indicated for the fiscal year to those for the previous year that the Performance Shares do not only replace Phantom Stock as compensation element but also Stock Options pursuant to the LTIP 2011. The increase of share-based compensation with cash settlement compared to the previous year is accompanied by the discontinuation of Stock Options as a compensation element.

3) Please note for purposes of comparison between the amounts indicated and those for the fiscal year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Roberto Fusté, Dr. Olaf Schermeier, Dominik Wehner and Harry de Wit) or U.S. dollar (Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzek).

4) In addition to the compensation indicated, Mr. Roberto Fusté received the following long-term incentive components in the fiscal year: share-based compensation with cash settlement in an amount of €775, which was granted to Mr. Roberto Fusté following his resignation from the Management Board.

The components with long-term incentive effect entitle to a cash payment or can be exercised only after the expiration of predefined waiting- and/or vesting periods. Their value is distributed over the waiting periods and is proportionally accounted for as an expense in the respective fiscal year.

The expenses pertaining to components with long-term incentive effects for the fiscal year and for the previous year, in which the stock options and phantom stock illustrated below were issued, are set out in the following table:

**Expenses for Long-term Incentive Components**

in € THOUS

	Stock Options		Share-based compensation with cash settlement		Share-based compensation	
	2016	2015	2016	2015	2016	2015
<b>Management board members serving as of December 31, 2016</b>						
Rice Powell	593	377	668	699	1,261	1,076
Michael Brosnan	605	187	726	450	1,331	637
Ronald Kuerbitz	190	153	494	261	684	414
Dr. Olaf Schermeier	190	153	401	177	591	330
Kent Wanzek	288	151	398	495	686	646
Dominik Wehner	169	162	376	152	545	314
Harry de Wit	-	-	122	-	122	-
<b>Former member of the management board who resigned March 31, 2016</b>						
Roberto Fusté <sup>1)</sup>	887	136	1,014	471	1,901	607
<b>Total:</b>	<b>2,922</b>	<b>1,319</b>	<b>4,199</b>	<b>2,705</b>	<b>7,121</b>	<b>4,024</b>

1) In addition to the compensation set out, the following expenses arose for Mr. Roberto Fusté following his resignation from the Management Board in the fiscal year: €1,176 for share-based compensation with cash settlement.

**Focus on sustainable corporate development**

To the extent the portion of the performance-based components with long-term incentive effects (i.e. Performance Shares and Share Based Award) does not reach 50% of the sum of all variable compensation components for the respective fiscal year, it has been contractually provided that the one-year variable compensation shall be reduced accordingly. The Share Based Award is increased correspondingly. This shall ensure that the compensation structure is always oriented towards a sustainable corporate development.

**Stock options and phantom stock**

Until the end of the fiscal year 2015 grants under the Long Term Incentive Program 2011 (LTIP 2011), which consisted of the 2011 Stock Option Plan and the 2011 Phantom Stock Plan, constituted an essential component of the compensation system for the members of the Management Board. As of the end of the fiscal year 2015 grants under the LTIP 2011 are no longer possible. However, the members of the Management Board may exercise stock options or phantom stock, which have already been granted, taking into consideration the blackout periods applicable to the exercise of such instruments, the achievement of defined performance targets as well as, subject to deviating stipulations in the individual case, the continuation of the service- and/or employment relationship.

Under the LTIP 2011 a combination of stock options and phantom stock awards was granted to the participants. The number of stock options and phantom stock awards to be granted to the members of the Management Board was determined by the Supervisory Board in its reasonable discretion. In principle all members of the Management Board were entitled to receive the same number of stock options and phantom stock awards, whereas the Chairman of the Management Board is entitled to receive double the granted quantity. At the time of the grant, the members of the Management Board were entitled to choose a ratio based on the value of the stock options vs. the value of phantom stock awards in a range between 75:25 and 50:50.

Stock options may be exercised within four years and phantom stock awards within one year after the expiration of the waiting period. For Management Board members who are U.S. taxpayers specific conditions apply with respect to the exercise period of phantom stock awards.

The success target for stock options and phantom stock is achieved in each case if, during the waiting period, either the adjusted basic income per share increases by at least 8% per annum in comparison to the previous year in each case or - if this is not the case - the compounded annual growth rate of the adjusted basic income per share during the four years of the waiting period reflects an increase of

at least 8% per annum. Deviating from this, the success target for phantom stock granted in the fiscal year 2015 is also achieved if under the global efficiency program an amount of \$200 M has been saved until the end of the fiscal year and, until the end of the fiscal years 2016 to 2018, an amount of \$300 M is saved, each in comparison to January 1, 2013, and also the respective group target for fiscal years 2015 to 2018 – each as expected and communicated – have been achieved and confirmed by the auditor. If with regard to any reference year or more than one of the four reference years within the waiting period neither the adjusted basic income per share increases by at least 8% per annum in comparison to the previous year nor the compounded annual growth rate of the adjusted basic income per share during the four years of the waiting period reflects an increase of at least 8% per annum, the stock options and phantom stock awards subject to such waiting period are cancelled to such proportion to which the success target was not achieved within the waiting period, i.e. in the proportion of 25% for each year in which the target is not achieved within the waiting period, up to 100%; this principle of proportional cancelation also applies to the additional success target for phantom stock as resolved by the Supervisory Board in the fiscal year 2015.

At the end of the fiscal year the members of the Management Board held a total of 1,010,784 stock options (2015: 1,565,195) originating from previous compensation programs with long-term incentive effects secured by conditional capital, which entitled their participants to stock options. Moreover, the Management Board members held, by the end of the fiscal year, a total of 81,019 phantom stock (2015: 118,703) pursuant to the Phantom Stock Plan 2011.

The development and status of stock options of the members of the Management Board serving at December 31 of the fiscal year in the fiscal year are shown in more detail in the following table:

		Development and Status of the Stock Options							Total:
		Rice Powell	Michael Brosnan	Ronald Kuerbitz	Dr. Olaf Schermeier	Kent Wanzek	Dominik Wehner	Harry de Wit	
<b>Options outstanding January 1, 2016</b>	Number	465,318	260,212	157,002	124,500	209,782	123,759	-	1,340,573
	Weighted average exercise price in €	55.88	54.46	58.61	60.70	57.73	59.29	-	56.98
<b>Options exercised during the fiscal year</b>	Number	64,500	33,000	-	-	49,800	7,350	-	154,650
	Weighted average exercise price in €	34.41	31.97	-	-	42.68	31.97	-	36.44
	Weighted average share price in €	72.99	77.61	-	-	82.82	74.91	-	77.23
<b>Options forfeited during the fiscal year</b>	Number	56,025	28,012	28,012	28,012	28,013	7,065	-	175,139
	Weighted average exercise price in €	49.76	49.76	49.76	49.76	49.76	49.76	-	49.76
<b>Options outstanding December 31, 2016</b>	Number	344,793	199,200	128,990	96,488	131,969	109,344	-	1,010,784
	Weighted average exercise price in €	60.89	58.84	60.53	63.88	65.10	61.75	-	61.37
	Weighted average remaining contractual life in years	4.76	4.27	5.03	5.99	5.46	5.27	-	4.96
	Range of exercise prices in €	42.68 - 76.99	42.68 - 76.99	42.68 - 76.99	49.76 - 76.99	49.76 - 76.99	42.68 - 76.99	-	42.68 - 76.99
<b>Options exercisable December 31, 2016</b>	Number	102,018	77,812	32,502	-	28,012	19,839	-	260,183
	Weighted average exercise price in €	47.38	46.79	50.58	-	54.09	47.15	-	48.31

### III. Total Compensation

The amount of the total compensation of the Management Board for the fiscal year and for the previous year is as shown in the following table:

#### Total Compensation in € THOUS

	Cash compensation (without long-term incentive components)		Components with long-term incentive effect		Total compensation (including long-term incentive components)	
	2016	2015 <sup>1)</sup>	2016	2015 <sup>1)</sup>	2016	2015 <sup>1)</sup>
<b>Management board members serving as of December 31, 2016</b>						
Rice Powell	3,766	2,613	2,415	3,185	6,181	5,798
Michael Brosnan	2,190	1,808	1,306	1,602	3,496	3,410
Ronald Kuerbitz	2,340	1,656	1,482	1,636	3,822	3,292
Dr. Olaf Schermeier	1,424	1,466	1,072	1,584	2,496	3,050
Kent Wanzek	1,705	1,244	1,120	1,643	2,825	2,887
Dominik Wehner	1,247	781	1,043	1,617	2,290	2,398
Harry de Wit	1,286	-	1,013	-	2,299	-
<b>Former member of the management board who resigned March 31, 2016</b>						
Roberto Fusté <sup>2)</sup>	218	1,710	-	1,672	218	3,382
<b>Total:</b>	<b>14,176</b>	<b>11,278</b>	<b>9,451</b>	<b>12,939</b>	<b>23,627</b>	<b>24,217</b>

1) Please note for purposes of comparison between the amounts indicated with the amounts indicated for the fiscal year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Roberto Fusté, Dr. Olaf Schermeier, Dominik Wehner and Harry de Wit) or U.S. dollar (Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzek).

2) For the entire fiscal year, the cash compensation (without long-term incentive components) of Mr. Roberto Fusté amounts to €2,437, long-term incentive components to €775 and the total compensation (including long-term incentive components) to €3,212.

### IV. Commitments to members of the Management Board for the event of termination of their appointment

The following pension commitments and other benefits are also part of the compensation system for the members of the Management Board: individual contractual pension commitments for the Management Board members Mr. Rice Powell, Mr. Michael Brosnan, Mr. Ronald Kuerbitz, Dr. Olaf Schermeier and Mr. Kent Wanzek have been entered into by Fresenius Medical Care Management AG. In addition, pension commitments from the participation in employee pension schemes of other Fresenius Medical Care companies exist for individual members of the Management Board.

Each of the pension commitments by Fresenius Medical Care Management AG provides for a pension and survivor benefit as of the time of conclusively ending active work, at age 65 at the earliest or upon occurrence of disability or incapacity to work (Berufs- oder Erwerbsunfähigkeit), however, calculated by reference to the amount of the recipient's most recent base salary.

The retirement pension will be based on 30% of the last fixed compensation and will increase for each complete year of service by 1.5 percentage points up to a maximum of 45%. Current pensions increase according to legal requirements (Sec. 16 of the German Act to improve company pension plans, "BetrAVG"). 30% of the gross amount of any post-retirement income from an activity of the Management Board member is offset against the pension obligation. Any amounts to which the Management Board members or their surviving dependents, respectively, are entitled from other company pension rights of the Management Board member, even from service agreements with other companies, are also to be set off. If a Management Board member dies, the surviving spouse receives a pension amounting to 60% of the resulting pension claim at that time. Furthermore, the deceased Management Board member's own legitimate children (leibliche eheliche Kinder) receive an orphan's pension amounting to 20% of the resulting pension claim at that time, until the completion of their education or they reach 25 years of age, at the latest. All orphans' pensions and the spousal pension together reach a maximum of 90% of the Management Board member's pension, however. If a Management Board member leaves the Management Board of Fresenius Medical Care Management AG before reaching the age of 65, except in the event of a disability or incapacity to work (Berufs- oder

Erwerbsunfähigkeit), the rights to the aforementioned benefits remain, although the pension to be paid is reduced in proportion to the ratio of the actual years of service as a Management Board member to the potential years of service until reaching the age of 65.

Based on individual contractual commitments, Management Board members Mr. Rice Powell, Mr. Michael Brosnan, Mr. Ronald Kuerbitz and Mr. Kent Wanzek additionally participated in the U.S.-based 401(k) savings plan in the fiscal year; in this regard, contributions in the amount of \$7,950.00 (2015: \$7,950.00) were earned in the fiscal year in each case and allocated in January 2017. This plan generally allows employees in the U.S. to invest a limited portion of their gross salaries in retirement pension programs. The Company supports its employees hereby with contributions of up to 50% of the yearly made payments.

Furthermore, the Management Board members Mr. Rice Powell, Mr. Michael Brosnan and Mr. Ronald Kuerbitz have acquired non-forfeitable benefits from participation in employee pension plans of Fresenius Medical Care North America, which provide payment of pensions as of the age of 65 and the payment of reduced benefits as of the age of 55. In March 2002, the rights to receive benefits from the pension plans were frozen at the level then applicable.

From the time of his previous employment activities for Fresenius Medical Care Deutschland GmbH, a pension commitment exists for Management Board member Mr. Dominik Wehner. As a result of his service agreement with Fresenius Medical Care Management AG, the latter assumed this pension commitment and continues the commitment on the basis of Mr. Wehner's compensation as Management Board member. This pension commitment is based on the Fresenius companies' pension scheme of January 1, 1988 and provides old-age pensions, disability pensions and surviving dependents' pensions. It does not provide for any offsetting mechanisms against other income or pension payments. The spousal pension amounts to 60% of the disability pension or old-age pension to be granted at the time of death. The orphan's pension amounts to 10% (semi-orphans) or 20% (orphans) of the disability pension or old-age pension to be granted at the time of death. The claims of all surviving dependents are limited to a total of 100% of Mr. Dominik Wehner's pension entitlements.

Additions to pension provisions in the fiscal year for Management Board members serving as of December 31 amounted to €4,035 THOUS (2015: €8,355 THOUS). The pension commitments are shown in the following table:

#### **Development and Status of Pension Commitments**

in € THOUS

	<b>As of January 1, 2016</b>	<b>Increase</b>	<b>As of December 31, 2016</b>
Rice Powell	9,397	875	10,272
Michael Brosnan	4,260	724	4,984
Ronald Kuerbitz	2,557	810	3,367
Dr. Olaf Schermeier	309	266	575
Kent Wanzek	2,327	434	2,761
Dominik Wehner	2,023	926	2,949
Harry de Wit	-	-	-
<b>Total:</b>	<b>20,873</b>	<b>4,035</b>	<b>24,908</b>

A post-employment non-competition covenant was agreed upon with all Management Board members. If such covenant becomes applicable, the Management Board members receive compensation amounting to half of their respective annual fixed compensation for each year of respective application of the non-competition covenant, up to a maximum of two years. The employment contracts of the Management Board members contain no express provisions that are triggered by a change of control of the Company.

## V. Miscellaneous

All members of the Management Board have received individual contractual commitments for the continuation of their compensation in cases of sickness for a maximum of 12 months, although after six months of sick leave, insurance benefits may be set off against such payments. If a Management Board member dies, the surviving dependents will be paid three more monthly instalments after the month of death, not to exceed, however, the amount due between the time of death and the scheduled expiration of the agreement.

In the 2016 fiscal year, Mr. Roberto Fusté – who was a member of the Management Board until March 31, 2016 – received the compensation payments he was entitled to until December 31, 2016 pursuant to his termination agreement, i.e., fixed compensations (in the amount of €435 THOUS) and fringe benefits (in the amount of approximately €253 THOUS) as well as one-year and multi-year variable compensation components (in the amount of approximately €1,531 THOUS and in the amount of €775 THOUS, respectively). The long term variable compensation components granted to Mr. Roberto Fusté on the basis of the LTIP 2011 were not affected by his retirement from the Management Board. The payment of the Share Based Award for the fiscal year 2012 earned by Mr. Roberto Fusté took place in the fiscal year 2016. The Share Based Awards earned during the fiscal years 2013 to 2015 are to be paid out until March 1, 2017. As of the completion of the age of 65, Mr. Roberto Fusté receives a company-funded retirement pension of €261 THOUS per year. It was also agreed with Mr. Roberto Fusté that following the termination of his service agreement as of December 31, 2016 as a member of the Management Board, he would be subject to a post-employment non-compete obligation lasting until the end of December 31, 2018, and would act as an advisor of the Chairman of the Management Board. For this, he will receive an annual non-compete compensation of approximately €377 THOUS and an annual advisory fee in the amount of €377 THOUS, respectively. The type and amount of the benefits granted and allocations made in favor of Mr. Roberto Fusté during the fiscal year are shown in the tables in section VI below.

Furthermore, there is a compensation agreement between FMC-AG & Co. KGaA, the Fresenius Medical Care Management AG and Mr. Roberto Fusté, according to which Mr. Roberto Fusté is exempted from certain tax disadvantages resulting from income tax audits. In the fiscal year, the company did not compensate any such tax disadvantages (2015: €91 THOUS).

Prof. Emanuele Gatti, who was a member of the Management Board until March 31, 2014, received pension payments in the amount of approximately €338 THOUS (2015: €113 THOUS) as well as fringe benefits in the amount of €7 THOUS during the fiscal year. On the occasion of the termination of his service agreement as a member of the Management Board effective as of April 30, 2015, a two-year post-employment non-compete obligation was agreed upon with Prof. Gatti. As a compensation for this, Prof. Emanuele Gatti receives an annual non-compete compensation in the amount of approximately €488 THOUS. In the previous year Prof. Gatti received a partial non-compete compensation in the amount of approximately €325 THOUS.

As agreed, Dr. Rainer Runte was a member of the Management Board until March 31, 2014, was granted and paid in the fiscal year a compensation in connection with his post-contractual non-compete clause in the amount of approximately €486 THOUS (2015: €486 THOUS) as well as fringe benefits in the amount of €0 THOUS (2015: €28 THOUS).

With Dr. Ben Lipps, the Chairman of the Management Board until December 31, 2012, instead of a pension provision a consulting agreement was entered into for the period January 1, 2013 to December 31, 2022. By this consulting agreement Dr. Ben Lipps will provide consulting services on certain fields and within a specified time frame as well as complying with a non-compete covenant. The annual consideration to be granted by Fresenius Medical Care Management AG for such services (including reimbursement of expenses) amounts for the fiscal year to €585 THOUS (2015: €588 THOUS). The present value of this agreement (including pension payments for the surviving spouse in case of death) amounts to €3,357 THOUS (2015: €3,694 THOUS) as at December 31 of the fiscal year.

In the fiscal year, no loans or advance payments of future compensation components were made to members of the Management Board of Fresenius Medical Care Management AG.

The payments to U.S. Management Board members Mr. Rice Powell, Mr. Michael Brosnan and Mr. Kent Wanzek were paid in part in the U.S. (in U.S. dollar) and in part in Germany (in euro). For the part paid in Germany, the Company has agreed that due to varying tax rates in both countries, the increased tax burden to such Management Board members arising from German tax rates in comparison to U.S. tax rates will be balanced (net compensation). Pursuant to a modified net

compensation agreement, these Management Board members will be treated as if they were taxed in their home country, the United States, only. Therefore, the gross amounts may be retroactively changed. Since the actual tax burden can only be calculated in connection with the preparation of the Management Board members' tax returns, subsequent adjustments may have to be made, which will then be retroactively covered in future compensation reports.

To the extent permitted by law, Fresenius Medical Care Management AG undertook to indemnify the members of the Management Board against claims against them arising out of their work for the Company and its affiliates, if such claims exceed their liability under German law. To secure such obligations, the Company has obtained directors & officers liability insurance carrying a deductible which complies with the requirements of the German Stock Corporation Act (AktG). The indemnity applies for the time in which each member of the Management Board is in office and for claims in this connection after termination of membership on the Management Board in each case.

Former members of the Management Board did not receive any compensation in the fiscal year other than mentioned herein. As of December 31 of the fiscal year, pension obligations towards this group of persons exist in an amount of €20,469 THOUS (2015: €13,988 THOUS), of which €5,933 THOUS were attributable to Mr. Roberto Fusté.

#### **VI. Tables of the value of benefits granted and of the allocation**

The German Corporate Governance Code provides that the compensation report shall include information for each member of the Management Board on the benefits granted and allocations made as well as on the pension expenses for the fiscal year. The model tables provided in the appendix to the German Corporate Governance Code shall be used to present this information. The following tables include information on the value of benefits granted as well as on the allocations made. They adhere to the structure and, to the greatest extent possible, the standards of the model tables of the German Corporate Governance Code:

**Benefits granted to serving members of the Management Board as of December 31, 2016**

in € THOUS

	<b>Rice Powell</b>				<b>Michael Brosnan</b>			
	Chairman of the Management Board				Chief Financial Officer			
	Member of the Management Board since December 21, 2005 <sup>2)</sup>				Member of the Management Board since January 1, 2010			
	2016	2016	2016	2015 <sup>3)</sup>	2016	2016	2016	2015 <sup>3)</sup>
	Minimum	Maximum		Minimum	Maximum			
Fixed compensation	1,242	1,242	1,242	1,239	696	696	696	694
Fringe benefits <sup>1)</sup>	121	121	121	342	194	194	194	533
Total non-performance-based compensation	1,363	1,363	1,363	1,581	890	890	890	1,227
One-year variable compensation	2,050	169	2,460	2,586 <sup>4)</sup>	1,148	98	1,377	1,451 <sup>4)</sup>
Multi-year variable compensation / components with long-term incentive effects	2,415	-	n.a.	3,185	1,306	-	n.a.	1,602
thereof Share Based Award - New Incentive Bonus Plan 2010								
3-year term / 3-year waiting period	877	-	n.a.	164	537	-	n.a.	92
thereof Long Term Incentive Program 2011 - Stock Option Plan 2011								
8-year term / 4-year vesting period	-	-	n.a.	2,244	-	-	n.a.	1,122
thereof Long Term Incentive Program 2011 - Phantom Stock Plan 2011								
5-year term / 4-year vesting period	-	-	n.a.	777	-	-	n.a.	388
thereof Long Term Incentive Program 2016 - Performance Share Plan 2016								
4-year term / 4-year vesting period	1,538	-	n.a.	-	769	-	n.a.	-
Total non-performance-based and performance-based compensation	5,828	1,532	n.a.	7,352	3,344	988	n.a.	4,280
Pension expense	741	741	741	570	666	666	666	533
Value of benefits granted	6,569	2,273	n.a.	7,922	4,010	1,654	n.a.	4,813

	<b>Ronald Kuerbitz</b>				<b>Dr. Olaf Schermeier</b>			
	Member of the Management Board for North America				Member of the Management Board for Global Research and Development			
	Member of the Management Board since January 1, 2013				Member of the Management Board since March 1, 2013			
	2016	2016	2016	2015 <sup>3)</sup>	2016	2016	2016	2015 <sup>3)</sup>
	Minimum	Maximum		Minimum	Maximum			
Fixed compensation	845	845	845	843	450	450	450	450
Fringe benefits <sup>1)</sup>	19	19	19	28	83	83	83	635 <sup>5)</sup>
Total non-performance-based compensation	864	864	864	871	533	533	533	1,085
One-year variable compensation	1,394	127	1,673	1,841 <sup>4)</sup>	743	56	891	946 <sup>4)</sup>
Multi-year variable compensation / components with long-term incentive effects	1,482	-	n.a.	1,636	1,072	-	n.a.	1,584
thereof Share Based Award - New Incentive Bonus Plan 2010								
3-year term / 3-year waiting period	713	-	n.a.	111	297	-	n.a.	59
thereof Long Term Incentive Program 2011 - Stock Option Plan 2011								
8-year term / 4-year vesting period	-	-	n.a.	748	-	-	n.a.	748
thereof Long Term Incentive Program 2011 - Phantom Stock Plan 2011								
5-year term / 4-year vesting period	-	-	n.a.	777	-	-	n.a.	777
thereof Long Term Incentive Program 2016 - Performance Share Plan 2016								
4-year term / 4-year vesting period	769	-	n.a.	-	775	-	n.a.	-
Total non-performance-based and performance-based compensation	3,740	991	n.a.	4,348	2,348	589	n.a.	3,615
Pension expense	751	751	751	2,327	151	151	151	-
Value of benefits granted	4,491	1,742	n.a.	6,675	2,499	740	n.a.	3,615

1) Includes insurance premiums, private use of company cars, special payments such as school fees, rent and relocation supplements, reimbursement of fees for the preparation of tax returns and reimbursement of certain other charges, contributions to pension and health insurance as well as tax burden compensation due to varying tax rates applicable in Germany and the U.S. (net compensation) as well as other fringe benefits, also in case accruals have been set up therefore.

2) The indicated date refers to the appointment as member of the Management Board of the General Partner.

3) Please note for purposes of comparison with the amounts indicated for the fiscal year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Roberto Fusté, Dr. Olaf Schermeier, Dominik Wehner and Harry de Wit) or U.S. dollar (Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzek).

4) Includes a discretionary bonus for fiscal year 2015 granted to Mr. Rice Powell in the amount of €541, to Mr. Michael Brosnan in the amount of €306, to Mr. Roberto Fusté in the amount of €189, to Mr. Ronald Kuerbitz in the amount of €451, to Dr. Olaf Schermeier in the amount of €203, to Mr. Kent Wanzek in the amount of €203 and to Mr. Dominik Wehner in the amount of €117.

5) This also includes the rent and relocation supplements incurred by the Company, including, but not limited to, non-recurring costs in connection with the relocation of Dr. Schermeier at the start of his occupation with the Company.



**Benefits granted to serving members of the Management Board as of December 31, 2016**

in € THOUS

	<b>Kent Wanzek</b>				<b>Dominik Wehner</b>			
	Member of the Management Board for Global Manufacturing Operations				Member of the Management Board for EMEA			
	Member of the Management Board since January 1, 2010				Member of the Management Board since April 1, 2014			
	2016	2016	2016	2015 <sup>3)</sup>	2016	2016	2016	2015 <sup>3)</sup>
	<u>Minimum</u>		<u>Maximum</u>		<u>Minimum</u>		<u>Maximum</u>	
Fixed compensation	539	539	539	538	406	406	406	350
Fringe benefits <sup>1)</sup>	112	112	112	112	37	37	37	37
Total non-performance-based compensation	651	651	651	650	443	443	443	387
One-year variable compensation	890	73	1,068	1,091 <sup>4)</sup>	670	53	804	695 <sup>4)</sup>
Multi-year variable compensation / components with long-term incentive effects	1,120	-	n.a.	1,643	1,043	-	n.a.	1,617
thereof Share Based Award - New Incentive Bonus Plan 2010								
<i>3-year term / 3-year waiting period</i>	351	-	n.a.	130	268	-	n.a.	92
thereof Long Term Incentive Program 2011 - Stock Option Plan 2011								
<i>8-year term / 4-year vesting period</i>	-	-	n.a.	1,047	0	-	n.a.	748
thereof Long Term Incentive Program 2011 - Phantom Stock Plan 2011								
<i>5-year term / 4-year vesting period</i>	-	-	n.a.	466	0	-	n.a.	777
thereof Long Term Incentive Program 2016 - Performance Share Plan 2016								
<i>4-year term / 4-year vesting period</i>	769	-	n.a.	-	775	-	n.a.	-
Total non-performance-based and performance-based compensation	2,661	724	n.a.	3,384	2,156	496	n.a.	2,699
Pension expense	379	379	379	292	98	98	98	99
Value of benefits granted	3,040	1,103	n.a.	3,676	2,254	594	n.a.	2,798

	<b>Harry de Wit</b>			
	Member of the Management Board for Asia-Pacific			
	Member of the Management Board since April 1, 2016			
	2016	2016	2016	2015 <sup>3)</sup>
	<u>Minimum</u>		<u>Maximum</u>	
Fixed compensation	360	360	360	-
Fringe benefits <sup>1)</sup>	213	213	213	-
Total non-performance-based compensation	573	573	573	-
One-year variable compensation	594	124	713	-
Multi-year variable compensation / components with long-term incentive effects	1,013	-	n.a.	-
thereof Share Based Award - New Incentive Bonus Plan 2010				
<i>3-year term / 3-year waiting period</i>	238	-	n.a.	-
thereof Long Term Incentive Program 2011 - Stock Option Plan 2011				
<i>8-year term / 4-year vesting period</i>	-	-	n.a.	-
thereof Long Term Incentive Program 2011 - Phantom Stock Plan 2011				
<i>5-year term / 4-year vesting period</i>	-	-	n.a.	-
thereof Long Term Incentive Program 2016 - Performance Share Plan 2016				
<i>4-year term / 4-year vesting period</i>	775	-	n.a.	-
Total non-performance-based and performance-based compensation	2,180	697	n.a.	-
Pension expense	-	-	-	-
Value of benefits granted	2,180	697	n.a.	-

1) Includes insurance premiums, private use of company cars, special payments such as school fees, rent and relocation supplements, reimbursement of fees for the preparation of tax returns and reimbursement of certain other charges, contributions to pension and health insurance as well as tax burden compensation due to varying tax rates applicable in Germany and the U.S. (net compensation) as well as other fringe benefits, also in case accruals have been set up therefore.

3) Please note for purposes of comparison with the amounts indicated for the fiscal year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Roberto Fusté, Dr. Olaf Schermeier, Dominik Wehner and Harry de Wit) or U.S. dollar (Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzek).

4) Includes a discretionary bonus for fiscal year 2015 granted to Mr. Rice Powell in the amount of €541, to Mr. Michael Brosnan in the amount of €306, to Mr. Roberto Fusté in the amount of €189, to Mr. Ronald Kuerbitz in the amount of €451, to Dr. Olaf Schermeier in the amount of €203, to Mr. Kent Wanzek in the amount of €203 and to Mr. Dominik Wehner in the amount of €117.

**Benefits granted to former members of the Management Board who retired in fiscal year 2016**

in € THOUS

<b>Roberto Fusté<sup>6)</sup></b>				
Member of the Management Board for Asia-Pacific				
Member of the Management Board until March 31, 2016				
	<b>2016</b>	<b>2016</b>	<b>2016</b>	<b>2015<sup>3)</sup></b>
	<b>Minimum</b>		<b>Maximum</b>	
Fixed compensation	145	145	145	580
Fringe benefits <sup>1)</sup>	73	73	73	482 <sup>7)</sup>
Total non-performance-based compensation	218	218	218	1,062
One-year variable compensation	1,276	174	1,531	1,146 <sup>4)</sup>
Multi-year variable compensation / components with long-term incentive effects	-	-	n.a.	1,672
thereof Share Based Award - New Incentive Bonus Plan 2010				
3-year term / 3-year waiting period	-	-	n.a.	153
thereof Long Term Incentive Program 2011 - Stock Option Plan 2011				
8-year term / 4-year vesting period	-	-	n.a.	898
thereof Long Term Incentive Program 2011 - Phantom Stock Plan 2011				
5-year term / 4-year vesting period	-	-	n.a.	621
thereof Long Term Incentive Program 2016 - Performance Share Plan 2016				
4-year term / 4-year vesting period	-	-	n.a.	-
Total non-performance-based and performance-based compensation	1,494	392	n.a.	3,880
Pension expense	301	301	301	280
<b>Value of benefits granted</b>	<b>1,795</b>	<b>693</b>	<b>n.a.</b>	<b>4,160</b>

3)

1) Includes insurance premiums, private use of company cars, special payments such as school fees, rent and relocation supplements, reimbursement of fees for the preparation of tax returns and reimbursement of certain other charges, contributions to pension and health insurance as well as tax burden compensation due to varying tax rates applicable in Germany and the U.S. (net compensation) as well as other fringe benefits, also in case accruals have been set up therefore.

3) Please note for purposes of comparison with the amounts indicated for the fiscal year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Roberto Fusté, Dr. Olaf Schermeier, Dominik Wehner and Harry de Wit) or U.S. dollar (Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzek).

4) Includes a discretionary bonus for fiscal year 2015 granted to Mr. Rice Powell in the amount of €541, to Mr. Michael Brosnan in the amount of €306, to Mr. Roberto Fusté in the amount of €189, to Mr. Ronald Kuerbitz in the amount of €451, to Dr. Olaf Schermeier in the amount of €203, to Mr. Kent Wanzek in the amount of €203 and to Mr. Dominik Wehner in the amount of €117.

6) Mr. Roberto Fusté resigned from the Management Board of the General Partner with effect as of March 31, 2016. In addition to the compensation set out, Mr. Roberto Fusté received the following compensation in the fiscal year: fixed compensation (€435), fringe benefits (€253) as well as multi-year variable compensation (Long Term Incentive Program 2016 - Performance Share Plan 2016 (€775)); such compensation was received by Mr. Roberto Fusté only after his resignation from the Management Board.

7) Also included are payments and accruals the Company made in the context of holding Mr. Roberto Fusté harmless from certain adverse tax effects.

**Allocations**  
in € THOUS

	Serving members of the Management Board as of December 31, 2016										Former member of the Management Board (retired in fiscal year 2016)	
	Rice Powell	Michael Brosnan	Ronald Kuerbitz	Dr. Olaf Schermeier	Kent Wanzenk	Dominik Wehner	Harry de Wit	Roberto Fusté <sup>6)</sup>				
	Chairman of the Management Board	Chief Financial Officer	Member of the Management Board for North America	Member of the Management Board for Global Research and Development	Member of the Management Board for Global Manufacturing Operations	Member of the Management Board for EMEA	Member of the Management Board for Asia-Pacific	Member of the Management Board for Asia-Pacific				
	Member of the Management Board since December 21, 2005 <sup>2)</sup>	Member of the Management Board since January 1, 2010	Member of the Management Board since January 1, 2013	Member of the Management Board since March 1, 2013	Member of the Management Board since January 1, 2010	Member of the Management Board since April 1, 2014	Member of the Management Board since April 1, 2016	Member of the Management Board since until March 31, 2016				
	2016	2015 <sup>3)</sup>	2016	2016	2016	2016	2016	2016	2015 <sup>3)</sup>	2016	2015 <sup>3)</sup>	2016
Fixed compensation	1,242	696	694	843	450	450	538	350	360	145	580	580
Fringe benefits <sup>1)</sup>	121	342	533	28	83	635 <sup>5)</sup>	112	37	213	73	482 <sup>7)</sup>	482 <sup>7)</sup>
Total non-performance based compensation	1,363	1,581	890	871	533	1,085	650	443	573	218	1,062	1,062
One-year variable compensation	2,403	1,032 <sup>4)</sup>	1,300	581 <sup>4)</sup>	1,476	785 <sup>4)</sup>	891	381 <sup>4)</sup>	1,054	594 <sup>4)</sup>	713	648 <sup>4)</sup>
Multi-year variable compensation / components with long-term incentive effects	3,273	2,608	2,006	4,031	100	1,900	255	346	784	-	-	3,518
thereof Share Based Award - New Incentive Bonus Plan 2010	-	-	-	-	-	-	-	-	-	-	-	-
3-year term / 3-year vesting period	-	485	-	292	-	-	255	-	-	-	-	262
Grant 2011	-	-	376	-	-	-	314	-	-	-	-	-
Grant 2012	598	-	-	-	-	-	-	-	-	-	-	-
thereof International Stock Option Plan 2001	-	-	-	-	-	-	-	-	-	-	-	-
10-year term / one third 2-, 3- and 4-year vesting period	-	-	-	-	-	-	-	-	-	-	-	-
Grant 2005	-	-	-	-	-	-	-	-	475	-	-	-
thereof Stock Option Plan 2006	-	-	-	-	-	-	-	-	-	-	-	-
7-year term / 3-year vesting period	-	2,123	-	1,386	-	-	-	-	309	-	-	2,110
Grant 2008	-	-	-	-	-	-	-	-	-	-	-	-
Grant 2009	2,043	-	1,506	-	824	-	-	316	-	-	-	1,146
Grant 2010	446	-	-	-	-	1,076	-	1,999	-	-	-	-
thereof Long Term Incentive Program 2011 - Phantom Stock Plan 2011	-	-	-	-	-	-	-	-	-	-	-	-
5-year term / 4-year vesting period	186	-	124	-	-	-	124	30	-	-	-	-
Grant 2011	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total non-performance-based and performance-based compensation	7,039	5,221	4,196	5,839	2,440	3,556	1,424	1,466	4,142	1,499	1,593	1,585
Pension expense	741	570	666	533	751	2,327	151	292	379	292	98	99
Allocation	7,780	5,791	4,862	6,372	3,191	5,883	1,575	1,466	4,521	1,791	1,691	1,684

1) Includes insurance premiums, private use of company cars, special payments such as school fees, rent and relocation supplements, reimbursement of fees for the preparation of tax returns and reimbursement of certain other charges, contributions to pension and health insurance as well as tax burden compensation due to varying tax rates applicable in Germany and the U.S. (net compensation) as well as other fringe benefits, also in case accruals have been set up therefore.

2) The indicated date refers to the appointment as member of the Management Board of the General Partner.

3) Please note for purposes of comparison with the amounts indicated for the fiscal year that the compensation is subject to foreign exchange rate fluctuations depending on whether it is contractually denominated in euro (Roberto Fusté, Dr. Olaf Schermeier, Dominik Wehner and Harry de Wit) or U.S. dollar (Rice Powell, Michael Brosnan, Ronald Kuerbitz and Kent Wanzenk).

4) Includes a discretionary bonus for fiscal year 2015 granted to Mr. Rice Powell in the amount of €541, to Mr. Michael Brosnan in the amount of €306, to Mr. Roberto Fusté in the amount of €189, to Dr. Olaf Schermeier in the amount of €451, to Dr. Olaf Schermeier in the amount of €203, to Mr. Kent Wanzenk in the amount of €203 and to Mr. Dominik Wehner in the amount of €117.

5) This also includes the rent and relocation supplements incurred by the Company, including, but not limited to, non-recurring costs in connection with the relocation of Dr. Schermeier at the start of his occupation with the Company.

6) Mr. Roberto Fusté resigned from the Management Board of the General Partner with effect as of March 31, 2016. In addition to the compensation indicated, Mr. Roberto Fusté received the following compensation in the fiscal year: fixed compensation (€435), fringe benefits (€253), one-year variable compensation (€1,531) as well as multi-year variable compensation (Share Based Award - New Incentive Bonus Plan 2010 - Grant 2012 (€351), Stock Option Plan 2006 - Grant 2009 (€1,009) and Long Term Incentive Program 2011 - Phantom Stock Plan 2011 - Grant 2011 (€128)); such compensation was received by Mr. Roberto Fusté only after his resignation from the Management Board.

7) Also included are payments and accruals the Company made in the context of holding Mr. Roberto Fusté harmless from certain adverse tax effects.

## Compensation of the Supervisory Board

The compensation of the FMC-AG & Co. KGaA Supervisory Board is set out in clause 13 of the Articles of Association. The Annual General Meeting resolved on May 12, 2016 to adjust the amount of the fixed compensation of the Supervisory Board with effect as of January 1, 2017.

Each Supervisory Board member receives a fixed salary of \$80 THOUS (\$88 THOUS as of January 1, 2017) for each full fiscal year, payable in four equal instalments at the end of a calendar quarter. The Chairman of the Supervisory Board receives additional compensation of \$80 THOUS (\$88 THOUS as of January 1, 2017) and his deputy additional compensation of \$40 THOUS (\$44 THOUS as of January 1, 2017) per respective complete fiscal year.

In addition, each member of the Supervisory Board shall also receive as a variable performance-related compensation component an additional remuneration which is based upon the respective average growth in basic earnings per share of the Company (EPS) during the period of the last three fiscal years prior to the payment date (3-year average EPS growth). The amount of the variable performance-related remuneration component is \$60 THOUS in case of achieving a 3-year average EPS growth corridor from 8.00 to 8.99%, \$70 THOUS in the corridor from 9.00 to 9.99% and \$80 THOUS in case of a growth of 10.00% or more. If the aforementioned targets are reached, the respective variable remuneration amounts are earned to their full extent, i.e. within these margins there is no pro rata remuneration. In any case, this component is limited to a maximum of \$80 THOUS per annum. Reciprocally, the members of the Supervisory Board are only entitled to the remuneration component if the 3-year average EPS growth of at least 8.00% is reached. Provided that the relevant targets have been achieved, the remuneration is, in principle, disbursed on a yearly basis following the approval of the Company's annual financial statements for the respective fiscal year. For the fiscal year 2016, the 3-year average EPS growth for the fiscal years 2014, 2015 and 2016 was relevant.

In application of the principles above, for the previous year no entitlement to a payment of variable performance-related compensation was generated.

As a member of a committee, a Supervisory Board member of FMC-AG & Co. KGaA additionally annually receives \$40 THOUS (\$44 THOUS as of January 1, 2017). A member of a committee who serves as chairman or vice chairman of a committee additionally receives \$20 THOUS and \$10 THOUS a year (\$22 THOUS and \$11 THOUS as of January 1, 2017, respectively), payable in identical instalments at the end of a calendar quarter. For memberships in the Nomination Committee of the Supervisory Board and in the Joint Committee of the Company as well as in the capacity of their respective chairmen and deputy chairmen, no separate remuneration shall be granted to the members of the Supervisory Board. In accordance with section 13e para. 3 of the Articles of Association of FMC-AG & Co. KGaA, the members of the Joint Committee are, however, entitled to receive an attendance fee in the amount of \$3.5 THOUS.

Should a member of the FMC-AG & Co. KGaA Supervisory Board be a member of the Supervisory Board of the General Partner Fresenius Medical Care Management AG at the same time, and receive compensation for his work on the Supervisory Board of Fresenius Medical Care Management AG, the compensation for the work as a FMC-AG & Co. KGaA Supervisory Board member shall be reduced by half. The same applies to the additional compensation for the Chairman of the FMC-AG & Co. KGaA Supervisory Board and his deputy, to the extent that they are at the same time chairman and deputy, respectively, of the Supervisory Board of Fresenius Medical Care Management AG. If the deputy chairman of the FMC-AG & Co. KGaA Supervisory Board is at the same time chairman of the Supervisory Board at Fresenius Medical Care Management AG, he shall receive no additional compensation for his work as deputy chairman of the FMC-AG & Co. KGaA Supervisory Board to this extent.

The compensation of the members of the Supervisory Board of Fresenius Medical Care Management AG and the compensation of the members of its committees were charged to FMC-AG & Co. KGaA in accordance with section 7 para. 3 of the Articles of Association of FMC-AG & Co. KGaA.

The members of the Supervisory Board of FMC-AG & Co. KGaA are to be reimbursed for the expenses incurred in their exercise of their offices, which also include the applicable VAT.

The total compensation of the Supervisory Board of FMC-AG & Co. KGaA including the amount charged by Fresenius Medical Care Management AG to FMC-AG & Co. KGaA, is stated in the following table:

## Compensation of the Supervisory Board

in € THOUS<sup>1)</sup>

	Fixed compensation for Supervisory Board at FMC Management AG		Fixed compensation for Supervisory Board at FMC-AG & Co. KGaA		Compensation for committee services at FMC Management AG		Compensation for committee services at FMC-AG & Co. KGaA		Non-performance related compensation	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Dr. Gerd Krick	36	36	108	108	54	54	40	36	238	234
Stephan Sturm <sup>2)</sup>	82	-	-	-	16	-	4	-	102	-
Rolf A. Classon	36	36	36	36	89	54	32	-	193	126
William P. Johnston	36	36	36	36	103	108	51	36	226	216
Deborah Doyle McWhinney <sup>3)</sup>	-	-	46	-	-	-	23	-	69	-
Dr. Dieter Schenk	54	54	54	54	74	45	-	-	182	153
Pascale Witz <sup>4)</sup>	-	-	46	-	-	-	-	-	46	-
Dr. Ulf M. Schneider <sup>5)</sup>	72	144	-	-	32	63	-	-	104	207
Dr. Walter L. Weisman <sup>6)</sup>	14	36	14	36	16	45	20	54	64	171
Prof. Dr. Bernd Fahrholz <sup>7)</sup>	-	-	26	72	-	-	16	45	42	117
<b>TOTAL</b>	<b>330</b>	<b>342</b>	<b>366</b>	<b>342</b>	<b>384</b>	<b>369</b>	<b>186</b>	<b>171</b>	<b>1,266</b>	<b>1,224</b>

1) Shown without VAT and withholding tax; translation of U.S. dollar amounts at respective average exchange rates for the respective year

2) Chairman of the Supervisory Board of FMC Management AG, but not member of the Supervisory Board of FMC-AG & Co. KGaA; compensation paid by FMC Management AG. Please note for purposes of comparison of the amounts indicated for the fiscal year that Mr. Stephan Sturm was appointed as member of the Supervisory Board of FMC Management AG as of May 11, 2016, and as Chairman as of June 30, 2016. He was elected as member and Chairman of the Human Resources Committee as of September 27, 2016. Therefore, he received the respective compensation payments to be set out herein as of the respective dates.

3) Member of the Supervisory Board of FMC-AG & Co. KGaA, but not member of the Supervisory Board of FMC Management AG; compensation paid by FMC-AG & Co. KGaA. Please note for purposes of comparison of the amounts indicated for the fiscal year that Mrs. Deborah Doyle McWhinney was appointed as member of the Supervisory Board of FMC-AG & Co. KGaA not before May 12, 2016, and, therefore, received compensation payments to be set out herein as of this date.

4) Member of the Supervisory Board of FMC-AG & Co. KGaA, but not member of the Supervisory Board of FMC Management AG; compensation paid by FMC-AG & Co. KGaA. Please note for purposes of comparison of the amounts indicated for the fiscal year that Mrs. Pascale Witz was appointed as member of the Supervisory Board of FMC-AG & Co. KGaA not before May 12, 2016, and, therefore, received compensation payments to be set out herein as of this date.

5) Chairman of the Supervisory Board of FMC Management AG, but not member of the Supervisory Board of FMC-AG & Co. KGaA; compensation paid by FMC Management AG. Please note for purposes of comparison of the amounts indicated for the fiscal year that Dr. Ulf M. Schneider was appointed as member of the Supervisory Board of FMC Management AG until June 30, 2016, and, therefore, received compensation payments to be set out herein until this date.

6) Please note for purposes of comparison of the amounts indicated for the fiscal year that Dr. Walter L. Weisman was appointed as member of the Supervisory Board of FMC Management AG until May 11, 2016, and as member of the Supervisory Board of FMC-AG & Co. KGaA until May 12, 2016, and, therefore, received compensation payments to be set out herein until these dates.

7) Member of the Supervisory Board of FMC-AG & Co. KGaA, but not member of the Supervisory Board of FMC Management AG; compensation paid by FMC-AG & Co. KGaA. Please note for purposes of comparison with the amounts indicated for the fiscal year that Prof. Dr. Bernd Fahrholz was appointed as member of the Supervisory Board of FMC Management AG until May 11, 2016, and as member of the Supervisory Board of FMC-AG & Co. KGaA until May 12, 2016, and, therefore, received compensation payments to be set out herein until these dates.

Hof an der Saale, February 21, 2017

Fresenius Medical Care AG & Co. KGaA

Represented by the General Partner  
Fresenius Medical Care Management AG  
Managing Board

# Auditor's Report

We have audited the consolidated financial statements prepared by Fresenius Medical Care AG & Co. KGaA, Hof an der Saale, comprising the consolidated statement of income, consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of cash flows, consolidated statement of shareholders' equity, and notes, together with the group management report for the financial year from January 1 to December 31, 2016. The preparation of the consolidated financial statements and the group management report in accordance with IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315a (1) of the German Commercial Code [*HGB*] are the responsibility of the legal representative of the Company. Our responsibility is to express an opinion on the consolidated financial statements and on the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with Section 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors [IDW]. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the legal representative, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements comply with IFRSs as adopted by the EU, the additional requirements of German commercial law pursuant to Section 315a (1) HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements, complies with the German statutory requirements, and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Frankfurt am Main, February 21, 2017

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Boettcher

Wirtschaftsprüfer

[German Public Auditor]

Kast

Wirtschaftsprüfer

[German Public Auditor]

## Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the results of operations, financial position and net assets of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Hof an der Saale, February 21, 2017

Fresenius Medical Care AG & Co. KGaA

Represented by the General Partner  
Fresenius Medical Care Management AG

Managing Board

R. Powell

M. Brosnan

Dr. O. Schermeier

W. Valle

K. Wanzek

D. Wehner

H. de Wit



**Report of the Supervisory Board**  
**of Fresenius Medical Care AG & Co. KGaA**  
**for the Fiscal Year 2016**

The past fiscal year once more was a very successful year for Fresenius Medical Care. The business with dialysis services had a particularly positive development. Furthermore, the expansion of the Care Coordination sector progressed. In this still relatively young sector, the company was able to achieve a sustained strong sales growth. The work of the Supervisory Board was characterized by, among other things, the new elections by the Annual General Meeting.

The Supervisory Board of Fresenius Medical Care AG & Co. KGaA (hereinafter the “Company”) in the past fiscal year observed all the duties imposed on it by the law, the articles of association and the rules of procedure. In this context it also took into account the recommendations of the German Corporate Governance Code. The Supervisory Board supervised the general partner, Fresenius Medical Care Management AG, within its responsibility and regularly advised the management board (hereinafter the “Management Board”).

Deliberations of the Supervisory Board covered all significant questions of business policy, the company planning and the strategy. Reports of the Management Board on the progress of transactions, acquisitions, the profitability and liquidity as well as on the situation and perspectives of the Company and the Group served as a basis for the work of the Supervisory Board. Further subjects were the risk situation and risk management. This and all further significant business issues were comprehensively discussed by the Supervisory Board and its committees. The agenda also included regular reviews of the development of the acquisitions of the previous years. Key benchmarks for this were the planning and prognoses at the time of each acquisition. The Supervisory Board passed various resolutions within its competencies according to law and the Articles of Association.

## Meetings

In the last fiscal year, six meetings of the Supervisory Board, some of which lasting several days, took place. In addition, the Supervisory Board had one session via telephone conference. In the last fiscal year, no Supervisory Board member attended only half of the meetings of the Supervisory Board and the committees he is a member of, or less. The following table shows the participation of the members in the meetings and the telephone conference held in the past fiscal year:

	Supervisory Board	Audit and Corporate Governance Committee	Nomination Committee	Joint Committee
Dr Gerd Krick (Chairman)	7/7	9/9	1/1	1/1 <sup>3)</sup>
Dr Dieter Schenk (Vice Chairman)	7/7	0/0	1/1	0/0
Rolf A. Classon	7/7	4/4	0/0	1/1
William P. Johnston	7/7	8/9	0/0	1/1
Deborah Doyle McWhinney <sup>1)</sup>	3/3	4/4	0/0	0/0
Pascale Witz <sup>1)</sup>	3/3	0/0	0/0	0/0
Prof Dr Bernd Fahrholz <sup>2)</sup>	4/4	5/5	0/0	0/0
Dr Walter L. Weisman <sup>2)</sup>	3/4	4/5	1/1	0/0

1) Member of the Supervisory Board since May 12, 2016

2) Member of the Supervisory Board until May 12, 2016

3) On behalf of the general partner

The Supervisory Board was always informed promptly, regularly and comprehensively by the Management Board. The Management Board reported to the Supervisory Board in writing in between, or in due time in advance of, meetings. During the meetings, it also informed the Supervisory Board orally. In addition, this year the Supervisory Board had the opportunity to meet individual members of the upper management level. The members of the Management Board were further available to the Supervisory Board for follow-up queries. The Chairman of the Supervisory Board maintained regular

and close contact with the Management Board outside the meetings. In case of particularly important events, the Management Board promptly informed the Chairman of the Supervisory Board or the chairmen of its committees. During the entire fiscal year, the Chairman of the Supervisory Board was in close contact with the other members of the Supervisory Board.

#### Focus of the discussions in the Supervisory Board

Also in the past year, the Supervisory Board mainly focused on strategic considerations. Measures discussed by the Supervisory Board related to both existing and potentially new business areas. Fresenius Medical Care intends to continue growing strongly in the current core business with dialysis products and the treatment of dialysis patients. A notable acquisition project in the field of dialysis services was the acquisition of a 85% participation in the Indian dialysis group Sandor Nephro Services. This group of companies is the second largest provider of dialysis treatments in India; it operates more than 50 dialysis centers. With this takeover, Fresenius Medical Care strengthens its core business in one of the world's fastest growing economies. At the same time, the Company pursues its "Growth Strategy 2020". The goal of that strategy is to also offer medical services which go beyond the dialysis treatment itself. Those services, which are combined under the title "Care Coordination", shall form an even larger share of the overall turnover in the future. Against this background, the Supervisory Board primarily deliberated on acquisition- and cooperation projects in this area.

The Supervisory Board also deliberated on the compensation of the Management Board. The Supervisory Board discussed in detail in particular the structure of the Long-Term Incentive Plan 2016. This plan sets long-term incentives for the Management Board to align its work with the success of the Company by means of a performance-oriented remuneration. The Long Term Incentive Plan 2016, thus, is an essential component of the compensation system for the Management Board. The Annual General Meeting has approved the compensation system on May 12, 2016.

The Supervisory Board also discussed in depth the changes in accounting. Going forward, Fresenius Medical Care will no longer report in accordance with US-GAAP, with US dollars as the reporting currency, but in accordance with the International Financial Reporting Standards (IFRS), with Euro as the reporting currency.

The business development, the competitive situation and the Management Board's planning in the individual regions, once more, were at the centre of the Supervisory Board's discussions. It particularly the Supervisory Board discussed in detail the development of cost reimbursement in the various health care systems. Another focus of the discussions was on research and development activities. In the past fiscal year, the 6008 CAREsystem was presented. With the help of this dialysis machine, a further improvement of the already high therapy standards of Fresenius Medical Care and a more efficient structuring of the treatments could be achieved. In the past year, the Supervisory Board also informed itself about the quality assurance systems and the results of the product quality testing in the production facilities. In joint consultations with the Management Board the expected development of the production quantities in the existing facilities and their expansion was discussed. For example, Fresenius Medical Care will invest in a new approximately 7,000 square meters technology center at the Schweinfurt location. Around 250 employees will be working together in a project-related manner under a single roof in the future.

Already in 2013 Fresenius Medical Care started a worldwide efficiency enhancement program. Also in the past year, the Supervisory Board had itself informed on the success of the measures to improve the cost situation. Additional discussions related to the litigation in connection with alleged inadequate warning notices on the acid concentrate products NaturaLyte® and Granuflo®. At the center of the discussions was an out-of-court settlement in principle with the plaintiffs in early 2016.

The Supervisory Board has regularly received informed on the compliance of the Company. Also results of the internal revision were taken into account in this context. As a further topic, the Supervisory Board inquired about the progress of the internal investigation concerning asserted violations of provisions of the US Foreign Corrupt Practices Act (FCPA) or other anti-corruption laws.

In particular in the first half of 2016, the Supervisory Board was intensely occupied with the preparation of personnel changes. The ordinary election of the members of the Supervisory Board was on the agenda of the Annual General Meeting on May 12, 2016. Dr Walter L. Weisman and Prof Dr Bernd Fahrholz did not stand for re-election; thus their term of office ended with effect of the end of this Annual General Meeting. In preparation for the elections, the Supervisory Board discussed proposals from the Nomination

Committee as well as suitable candidates. As a result of the discussions, the Supervisory Board proposed to the Annual General Meeting the election of Ms. Deborah Doyle McWhinney and Ms. Pascale Witz as new members in addition to the re-election of four of its former members. Deborah Doyle McWhinney is an American manager with many years of experience in the financial sector. Pascale Witz, French citizen, has extensive experience in the health sector. The Supervisory Board is pleased that the Annual General Meeting followed its proposals. As a result, the Supervisory Board not only fulfilled its self-defined goals with regard to the proportion of female members in Supervisory Board at an early stage. Moreover, it was able to increase anew the diversity of its composition with regard to the internationality and professional background of its members.

Following the elections to the Supervisory Board by the Annual General Meeting, the Supervisory Board passed resolutions on the election of its Chairman and the composition of its committees.

The Supervisory Board has formed committees from among its members that support the Supervisory Board as a whole in its supervisory and advisory functions. In the Joint Committee of the Company, some members of the Supervisory Board also have to deliberate on matters relating to transactions requiring approval.

#### Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee convened four times in the past fiscal year. In addition, five telephone conferences were held. Dr Walter L. Weisman held the function of the chairman until his resignation from the Supervisory Board. As of May 12, 2016, William P. Johnston is the chairman of the committee. He has been a member of this body for several years. All members, in particular the two aforementioned chairmen, are independent financial experts according to Sec. 100 para. 5 of the German Stock Corporation Act. In addition, the members of the committee in their entirety are familiar with the sectors in which Fresenius Medical Care operates.

In 2016 the committee dealt with the annual and consolidated financial statements, the proposal for the allocation of profit and the report according to Form 20-F for the U.S. Securities and Exchange Commission (SEC). It also discussed the quarterly reports with the Management Board. Furthermore, it dealt with the selection and the independence of the auditor of the annual and

consolidated financial statements. In doing so, it also considered additional non-audit services provided by the auditor for the Group. Also, the auditing mandate for the consolidated financial statements and the consolidated annual management report according to US accounting principles was issued by the committee. Its activities also included negotiating the fee agreement with the auditor and discussing and determining the focuses of the audit. As an additional topic the committee dealt with the compliance of the Company. In this context, the committee provided support in connection with investigations of alleged cases of non-compliance, which are currently still pending, as well as the review of the internal control processes.

Representatives of the auditor participated in all meetings and telephone conferences of the committee and informed the members of the committee of their auditing. In the absence of the members of the Management Board, they reported on the cooperation with them. In addition, they provided information on any significant results of their audit and were available for additional information.

The committee discussed the accountancy process, the effectiveness of the internal control system, the risk management system and the internal audit system as well as the audit several times. In the course of its audit, the auditor reviewed the internal control and risk management system in relation to the accountancy process as well as the early risk recognition system. It did not raise any objections. With a view to the internal control system and the implementation of the relevant provisions of the Sarbanes-Oxley Act it granted an unqualified audit certificate on February 21, 2017. The Management Board periodically reported to the committee on larger individual risks. It also informed the committee regularly on the compliance situation as well as on the audit plans and results of the internal audit.

The legal and business relations of the Fresenius Medical Care group companies to Fresenius SE & Co. KGaA and/or its affiliates were a further subject matter of the reviews of the committee. It was confirmed in each case that these relationships corresponded to those between unrelated third parties.

The chairman of the committee has reported on the results of the discussions and resolutions in the committee to the Supervisory Board.

### Nomination Committee

After the Nomination Committee had already intensively dealt with suitable candidates in 2015, it convened once again in the past fiscal year on March 8. Subject of the deliberations were now, among other things, the resolution proposals for the Supervisory Board elections 2016. The Nomination Committee therefore conducted preliminary interviews with potential female and male candidates. In the selection process, the Nomination Committee was supported by an external service provider.

### Joint Committee

The Company has a Joint Committee. It is composed of two representatives nominated by the general partner as well as two members of the Supervisory Board. For certain matters, the Management Board requires the approval of the Joint Committee. The Joint Committee held one meeting in the past fiscal year. The subject of such meeting was the deliberation on the renewal of lease agreements for offices and production buildings at the locations of Bad Homburg, Schweinfurt and St. Wendel. The committee was presented with an external expert's report on the market adequacy of the rent and other contents of the agreements. In its meeting held on November 29, 2016 the Joint Committee agreed to prolong the lease agreements for another ten years.

### Corporate Governance

The Supervisory Board again reviewed the efficiency of its work and also dealt with the exchange of information between it and its committees as well as between it and the Management Board. No objections arose in the course of such review.

In some cases, members of the Supervisory Board of the Company are also members of the Supervisory Board of the general partner. This applies to Rolf A. Classon, William P. Johnston, Dr Gerd Krick and Dr Dieter Schenk. The same was true for Dr Walter L. Weisman, who did not stand for re-election to the Supervisory Board in May 2016. In addition, Dr Gerd Krick is chairman and Dr Dieter Schenk vice chairman of the supervisory board of Fresenius Management SE. Fresenius Management SE is the general partner of

Fresenius SE & Co. KGaA. As of the end of the past fiscal year Fresenius SE & Co. KGaA held 30.7% of the shares in the Company. It is also the sole shareholder of Fresenius Medical Care Management AG. Dr Gerd Krick is also chairman of the supervisory board of Fresenius SE & Co. KGaA.

Consultancy or other service relationships with Supervisory Board members in the last fiscal year existed only in the case of Dr Dieter Schenk. He is, at the same time, a partner in the law firm Noerr LLP. The companies of the international law firm Noerr LLP provided legal advice to Fresenius Medical Care AG & Co. KGaA and its affiliates in the past fiscal year. In the last fiscal year, Fresenius Medical Care paid legal fees in an amount of approx. 0.9 million € (plus VAT) to the law firm Noerr (previous year: approx. 1.1 million €). This amount paid includes also payments for services already provided in 2015 which have been paid in 2016. That is less than 1% of the legal and consultancy costs paid by Fresenius Medical Care worldwide. The Supervisory Board approved the assignments and the payments based on the presentation of detailed information and following corresponding recommendations of the Audit and Corporate Governance Committee. The same applies to the Supervisory Board of Fresenius Medical Care Management AG. With regard to such approvals, Dr Dieter Schenk abstained from voting. The payments were only executed after approval by the Supervisory Board.

The Supervisory Board dealt with the provisions of the German Corporate Governance Code and their application in relation to the group of companies. In this context, the Supervisory Board concluded that it and its committees have, in its opinion, an adequate number of independent members. Independent in terms of the German Corporate Governance Code are Rolf A. Classon, William P. Johnston, Deborah Doyle McWhinney and Pascale Witz. In accordance with the regulations of the SEC, the Supervisory Board also considers Dr Gerd Krick as independent. In the opinion of the Supervisory Board, depending on the definition applied four or five of six members are independent.

Based on its deliberations, the Supervisory Board resolved on the Declaration of Conformity in relation to the German Corporate Governance Code according to Sec. 161 of the German Stock Corporation Act. It was published in December 2016. The Declaration of Conformity is permanently available to the public on the Company's website.



The Corporate Governance Report of the general partner and of the Supervisory Board together with the declaration on corporate governance is on pages 105 et seqq. of the annual report. The declaration on the corporate governance was discussed by the Supervisory Board and approved at its meeting of March 8, 2017.

### Annual and consolidated financial statements

The annual financial statements and the annual management report of Fresenius Medical Care AG & Co. KGaA were prepared in accordance with the regulations of the German Commercial Code (HGB). The consolidated financial statements and consolidated management report, on the other hand, follow Sec. 315a German Commercial Code in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union. Accountancy, annual financial statements, annual management report as well as consolidated financial statements and consolidated annual management report for 2016, were audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin. Said company was elected as auditor by resolution of the Annual General Meeting of May 12, 2016 and instructed by the Supervisory Board. The auditor has provided each of the aforementioned documents with an unqualified certificate. The audit reports of the auditor were made available to the Audit and Corporate Governance Committee and the Supervisory Board. The Audit and Corporate Governance Committee reviewed the annual and consolidated financial statements as well as the management reports taking into account the audit reports of, and the discussions with, the auditor. It reported to the Supervisory Board thereon.

The Supervisory Board also reviewed the annual financial statements, the annual management report, the consolidated financial statements and consolidated annual management report in each case for the past fiscal year. The documents were provided to it in good time. The Supervisory Board declared its agreement to the result of the audit of the annual financial statements and the consolidated financial statements by the auditor. The representatives of the auditor who signed the audit reports participated in the discussions of the Supervisory Board of the annual and consolidated financial statements. They reported to the Supervisory Board on the significant findings of their audit and were available for additional information. Also according to the final results of its own review, no objections had to be raised by the

Supervisory Board as regards the annual financial statements, the annual management report, the consolidated financial statements and the consolidated annual management.

At its meeting on February 21, 2017 the Supervisory Board discussed the draft of the report according to Form 20-F. The report according to Form 20-F was filed with the SEC on February 22, 2017. It contains, inter alia, also the consolidated financial statements and the consolidated annual management report which have been prepared for the last time in accordance with US accounting principles, with the US dollar as the reporting currency. In the future and for the first time for fiscal year 2017, the report according to Form 20-F will contain the consolidated financial statements and the consolidated annual management report according to IFRS with Euro as the reporting currency.

The annual financial statements and annual management report of Fresenius Medical Care AG & Co. KGaA as well as the consolidated financial statements and the consolidated annual management report for the last fiscal year, as presented by the general partner, were approved by the Supervisory Board at its meeting on March 8, 2017.

The Supervisory Board also approved the general partner's proposal for the application of profit which provides for a dividend of € 0.96 for each share.

#### Dependency report

The general partner prepared a report on its relationships to Fresenius SE & Co. KGaA and the latter's affiliates in accordance with Sec. 312 German Stock Corporation Act for the past fiscal year. The report contains the following final declaration:

*“In conjunction with the legal transactions and measures set out in the report on relationships with affiliates, and on the basis of the circumstances of which we were aware at the time when the legal transactions were carried out or when the measures were taken or not taken, FMC-AG & Co. KGaA has received adequate consideration for every legal transaction, and has not suffered any disadvantage as a result of the fact that measures have been or have not been carried out.”*

Both, the Audit and Corporate Governance Committee and the Supervisory Board received the dependency report in good time and reviewed it. The auditor participated in the relevant meetings. It reported on the main results of his audit and was available for additional information. On February 21, 2017, the auditor added the following certificate to that dependency report:

*“Based on our audit and the conclusions reached, we confirm that 1. the disclosures made in the report are factually correct, 2. the consideration received or paid by the Company for each legal transaction disclosed in the report was not unreasonably high, 3. there are no other circumstances relating to the transactions and measures disclosed in the report which would lead to a conclusion different to the one reached by the personally liable shareholder (General Partner).“*

The Audit and Corporate Governance Committee and the Supervisory Board concur with the assessment of the auditor. Following the final results of the review by the Supervisory Board, it does not raise any objections against the declaration of the general partner at the bottom of the report on the relationships to affiliates.

#### Personnel matters

After many years as member of the Management Board and as General Manager for the region Asia-Pacific Roberto Fusté has decided to resign from both offices with effect as of March 31, 2016. It has been agreed that Roberto Fusté will continue to support Fresenius Medical Care with his long-term experience as Executive Advisor for Regional Strategies until December 31, 2018. In this function he will directly report to the Chairman of the Management Board. The successor of Roberto Fusté is Andreas Hendrik (Harry) de Wit. Harry de Wit has been working in the medical technology sector for over 25 years. He has extensive experience in the Asia-Pacific region and is based in Hong Kong. The Supervisory Board is convinced that the Asia-Pacific region will continue to develop successfully under his leadership.

With effect as of February 17, 2017 also Ronald Kuerbitz has resigned as member of the Management Board and General Manager for the region North

America. His successor William (Bill) Valle has close to 30 years of experience in the dialysis business. Since 2014 he is heading the dialysis service business and the vascular access unit of Fresenius Medical Care in North America.

The Supervisory Board thanks Roberto Fusté and Ronald Kuerbitz for their efforts and outstanding contributions.

The Supervisory Board also thanks the retiring Supervisory Board members Dr Walter L. Weisman and Prof Dr Bernd Fahrholz for their professional dedication and for their valuable contributions as well as for the long-time and trustful cooperation.

The Supervisory Board finally thanks the members of the Management Board as well as all employees of the group for their commitment. Thank you very much for the successful work performed in the last fiscal year!

Bad Homburg v.d. Höhe, March 8, 2017

On behalf of the Supervisory Board

sgd. Dr Gerd Krick

Chairman

- convenience translation -

**Declaration by the Management Board of  
the general partner of Fresenius Medical Care AG & Co. KGaA,  
Fresenius Medical Care Management AG,  
and by the Supervisory Board of  
Fresenius Medical Care AG & Co. KGaA  
on the German Corporate Governance Code  
pursuant to Section 161 German Stock Corporation Act (Aktiengesetz)**

The Management Board of the general partner of Fresenius Medical Care AG & Co. KGaA, Fresenius Medical Care Management AG, (hereafter the Management Board) and the Supervisory Board of Fresenius Medical Care AG & Co. KGaA declare that since issuance of the previous declaration of compliance in December 2015 the recommendations of the “German Corporate Governance Code Government Commission” published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette (hereafter the Code) in the version of May 5, 2015 since publication thereof in the Federal Gazette have been met and will be met in the future. Only the following recommendations of the Code in its version of May 5, 2015 have not been met and will not be met:

- **Code number 4.2.3 paragraph 2 sentence 6:  
Caps regarding specific compensation amounts**

Pursuant to Code number 4.2.3 paragraph 2 sentence 6, the amount of compensation for Management Board members shall be capped, both overall and for variable compensation components.

This recommendation is not met. The service agreements with members of the Management Board do not provide for caps regarding specific amounts for all compensation components and accordingly not for caps regarding specific amounts for the overall compensation. The performance-oriented short-term compensation (the variable bonus) is capped. As regards stock options, phantom stock and performance shares as compensation components with long-term incentives, the service agreements with members of the Management Board do provide for a possibility of limitation but not for caps regarding specific amounts. Introducing caps regarding specific amounts in relation to such stock-based compensation components would contradict the basic idea of the members of the Management Board participating appropriately in the economic risks and opportunities of the Company. Instead of that, Fresenius Medical Care pursues a flexible concept considering each individual case. In situations of extraordinary developments in relation to the stock-based compensation which are not related to the performance of the Management Board, the Supervisory Board may cap the stock-based compensation.

- **Code number 4.2.3 paragraph 4:  
Severance payment cap**

Pursuant to Code number 4.2.3 paragraph 4, in concluding Management Board contracts, care shall be taken to ensure that payments made to a Management Board member on premature termination of his/her contract, including fringe benefits, do not exceed the value of two years' compensation (severance payment cap) and compensate no more than the remaining term of the employment contract. The severance payment cap shall be calculated on the basis of the total compensation for the past full financial year and if appropriate also the expected total compensation for the current financial year.

These recommendations are not met insofar as the employment contracts of the members of the Management Board do not contain severance payment arrangements for the case of premature termination of the contract and consequently do not contain a limitation of any severance payment amount insofar. Uniform severance payment arrangements of this kind would contradict the concept practiced by Fresenius Medical Care in accordance with the German Stock Corporation Act according to which employment contracts of the members of the Management Board are, in principle, concluded for the period of their appointment. They would also not allow for a well-balanced assessment in the individual case.

- **Code number 4.2.5 paragraph 3:  
Presentation in the compensation report**

Pursuant to Code number 4.2.5 paragraph 3, the presentation of the compensation for each individual member of the Management Board in the compensation report shall inter alia present the maximum and minimum achievable compensation for variable compensation components by using corresponding model tables.

Fresenius Medical Care, in deviation from Code number 4.2.3 paragraph 2 sentence 6, does not provide for caps regarding specific amounts for all variable compensation components and, therefore, does not provide for caps regarding specific amounts for the overall compensation. In this respect, the compensation report cannot meet the recommendations of the code. Irrespective thereof, Fresenius Medical Care will continue to present its compensation system and the amounts paid to members of the Management Board in its compensation report in a comprehensive and transparent manner. The compensation report will include tables relating to the value of the benefits granted as well as to the allocation in the year under review which follow the structure and largely also the specifications of the model tables.

- **Code number 5.1.2 paragraph 2 sentence 3:  
Age limit for members of the Management Board**

Pursuant to Code number 5.1.2 paragraph 2 sentence 3 an age limit shall be specified for members of the Management Board. As in the past, Fresenius Medical Care will refrain from determining an age limit for members of the Management Board in the future. Complying with this recommendation would unduly limit the selection of qualified candidates.

- **Code number 5.4.1 paragraph 2 and paragraph 3:  
Specification of concrete objectives regarding the composition of the Supervisory Board and their consideration when making recommendations to the competent election bodies**

Pursuant to Code number 5.4.1 paragraph 2 and paragraph 3, the Supervisory Board shall specify concrete objectives regarding its composition and, when making recommendations to the competent election bodies, take these objectives into account. The objectives specified by the Supervisory Board and the status of the implementation shall be published in the Corporate Governance Report. These recommendations are not met.

The composition of the Supervisory Board needs to be aligned to the enterprise's interest and has to ensure the effective supervision and consultation of the Management Board. Hence, it is a matter of principle and of prime importance that each member is suitably qualified. When discussing its recommendations to the competent election bodies, the Supervisory Board will take into account the international activities of the enterprise, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of Code number 5.4.2, and diversity.

In the enterprise's interest not to limit the selection of qualified candidates in a general way, the Supervisory Board, however, confines itself to pursue self-defined targets for the representation of female Supervisory Board members and particularly refrains from an age limit and from a duration limit on the term of membership.

Bad Homburg v.d.H., December 2016

Management Board of the general partner of  
Fresenius Medical Care AG & Co. KGaA,  
Fresenius Medical Care Management AG,  
and Supervisory Board of Fresenius Medical Care AG & Co. KGaA