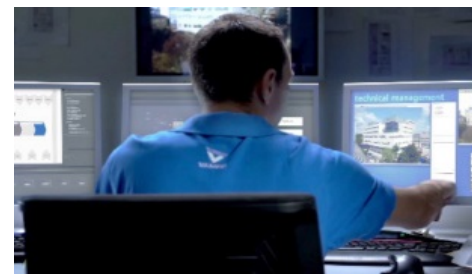
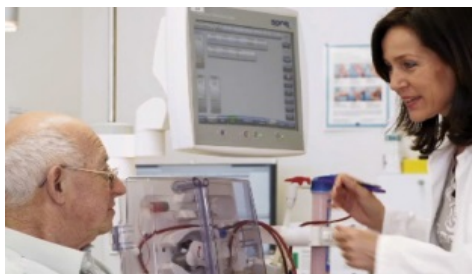


Fresenius Kabi to Strengthen and Diversify Product Portfolio by Acquiring Akorn and Merck KGaA's Biosimilars Business



Bad Homburg, 25 April 2017

Safe Harbor Statement

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The information contained in this release is for background purposes only and is subject to amendment, revision and updating. Certain statements contained in this release may be statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties. In addition to statements which are forward-looking by reason of context, including without limitation, statements referring to risk limitations, operational profitability, financial strength, performance targets, profitable growth opportunities, and risk adequate pricing, as well as the words "may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, or continue", "potential, future, or further", and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements as a result of, among other factors, changing business or other market conditions and the prospects for growth anticipated by the management of Fresenius. These and other factors could adversely affect the outcome and financial effects of the plans and events described herein. Forward-looking statements contained in this release regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Fresenius does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this release.

Highlights

- ✓ **Primary purpose: Prepare Fresenius Kabi's U.S. business for the next decade**
- ✓ **Enhances and complements current franchise**
- ✓ **Diversifies product portfolio into adjacent areas**
- ✓ **Expands existing U.S. market access**
- ✓ **Increases market penetration via additional distribution channels**
- ✓ **2020 Group earnings target confirmed**



Acquisition of Akorn



Akorn: Transaction Highlights

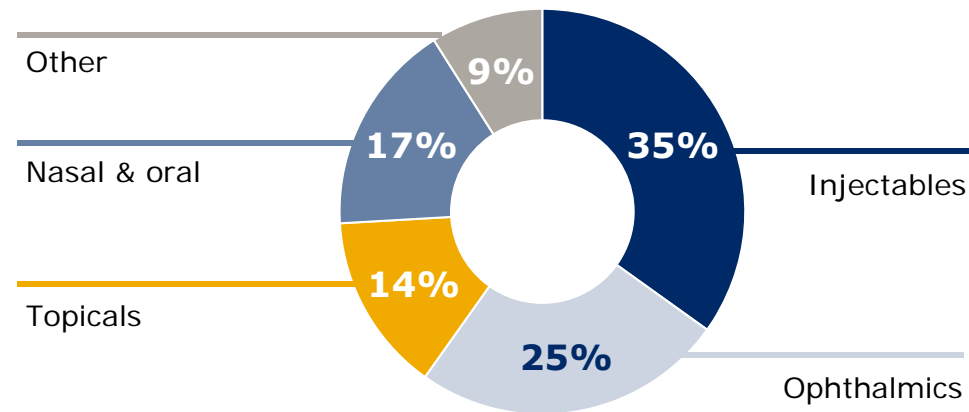
- ✓ **Complementary product portfolio and pipeline diversifies Fresenius Kabi's IV generics offering**
- ✓ **Access to additional distribution channels: retail, clinics and physicians**
- ✓ **Adds growth potential in attractive adjacent segments such as ophthalmology and clinical dermatology**
- ✓ **Substantial cost and growth synergies paired with limited integration complexity**
- ✓ **Fully debt-financed**
- ✓ **Accretive to Group net income¹ from 2018**



¹ Net income attributable to shareholders of Fresenius SE & Co. KGaA; before integration costs

Akorn: Complementary Product Portfolio and Distribution Channels

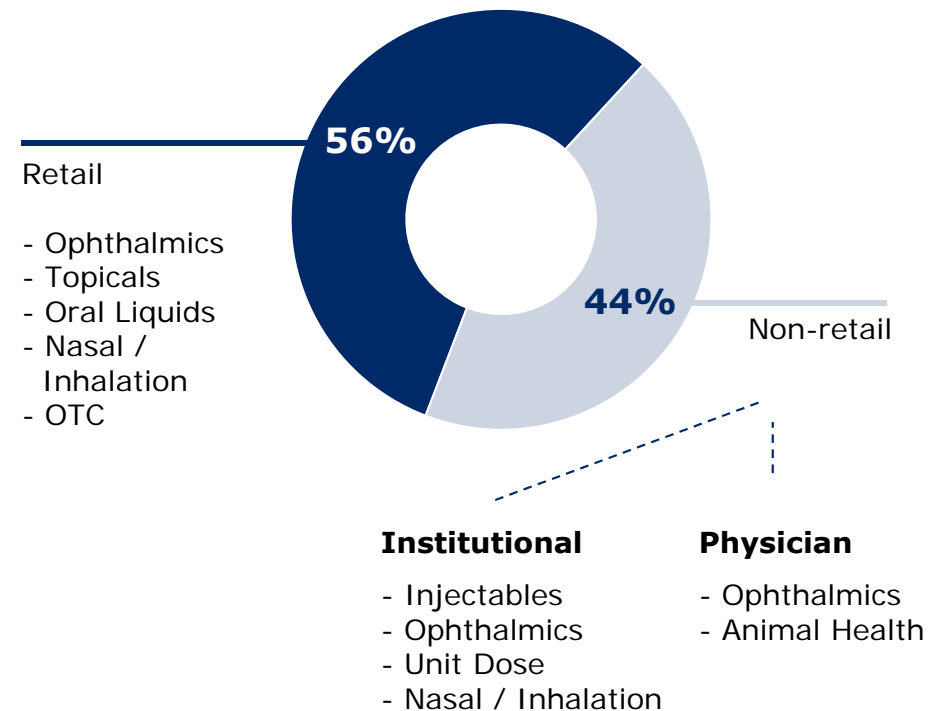
Dosage forms



Common characteristics





- Mostly sterile
- Generic
- Non-solid
- Specialized manufacturing

Distribution channels



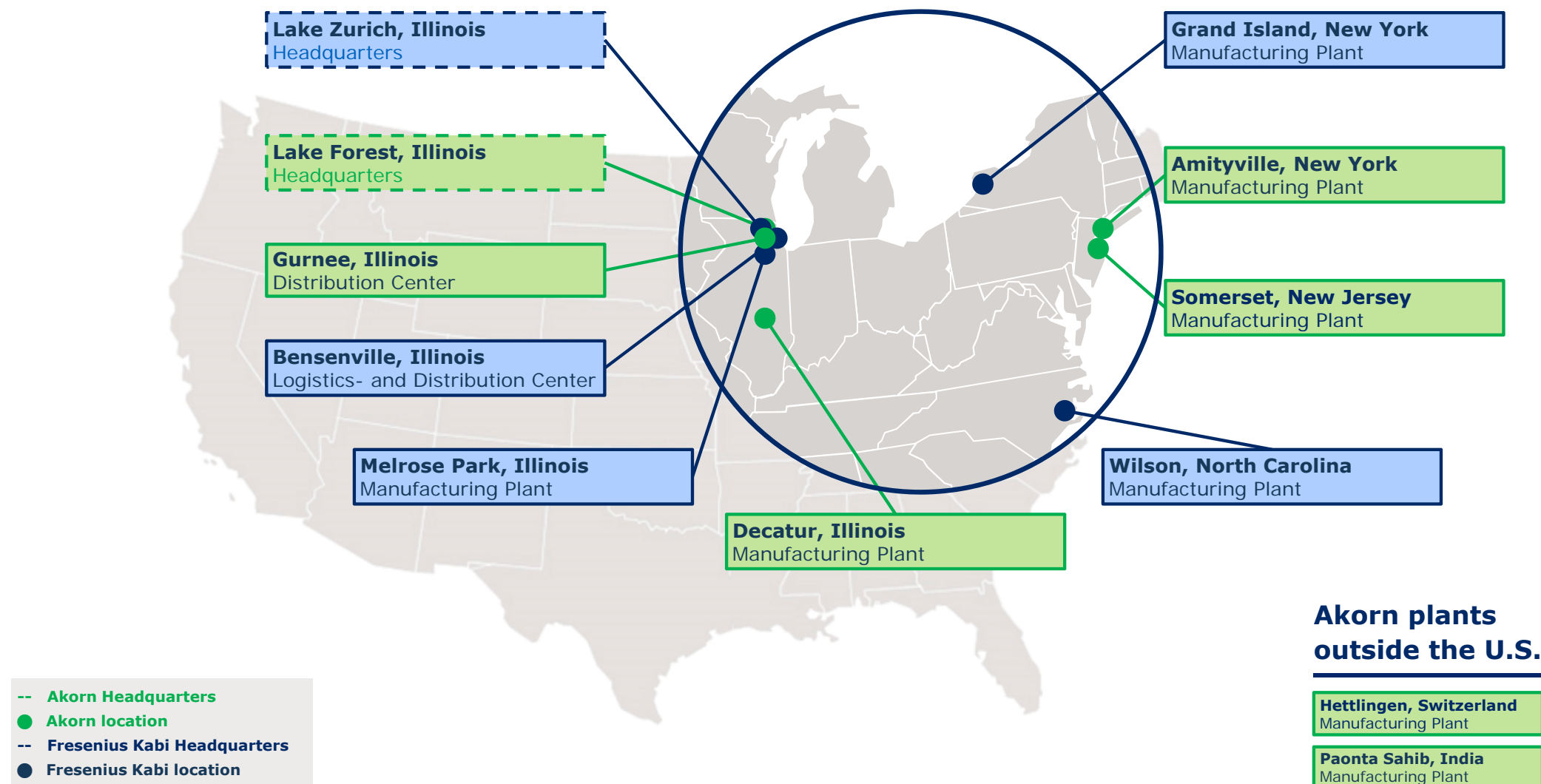
Note: Sales mix based on 2016 data

Akorn: Diversified U.S. Portfolio

	Current Portfolio		Pipeline	
	 FRESENIUS KABI	 AKORN	 FRESENIUS KABI	 AKORN
Total Products	137	173	55	85
IV Analgesics & Anesthetics	●●●	●	●●	●
IV Anti-Infectives	●●●	●	●	●●
IV Critical Care	●●●	●●	●●●	●●●
IV Oncolytics	●●●	●	●●●	●
Nutrition & IV Solutions	●	●	●●	
Ophthalmics		●●●		●●●
Topicals		●		●●
Orals	●	●●●		●
Nasal / Otics / Consumer Health		●●		●
Animal Health		●		●

●●● strong ●● medium ● light

Akorn: Concentrated U.S. Footprint



Akorn: Detailed and Comprehensive Due Diligence

Process

- Bilateral exchange with Akorn since 11/2016
- Very comprehensive due diligence over more than two months covering all functional areas
- Virtual data room, management presentations and expert meetings
- Multiple visits of all manufacturing plants
- Detailed bottom-up business plan
- Internal resources supported by external advisers and specialists in new product areas

Addressed areas

- ANDA pipeline, related regulatory approvals and R&D costs
- New distribution channels and Akorn's strengths
- Sales practices, pricing history and related customer perception
- Competition in key product areas
- Plant status (technical and regulatory) and future manufacturing strategy
- Serialization readiness
- Accounting issues and internal control systems
- Current trading



Akorn: Substantial Cost and Growth Synergies



Synergies: progressive build-up to **~US\$100 m p.a.** before tax in the mid-term



Main synergy drivers: Integration and modernization of production network, improvement of supply chain and combination of other functions



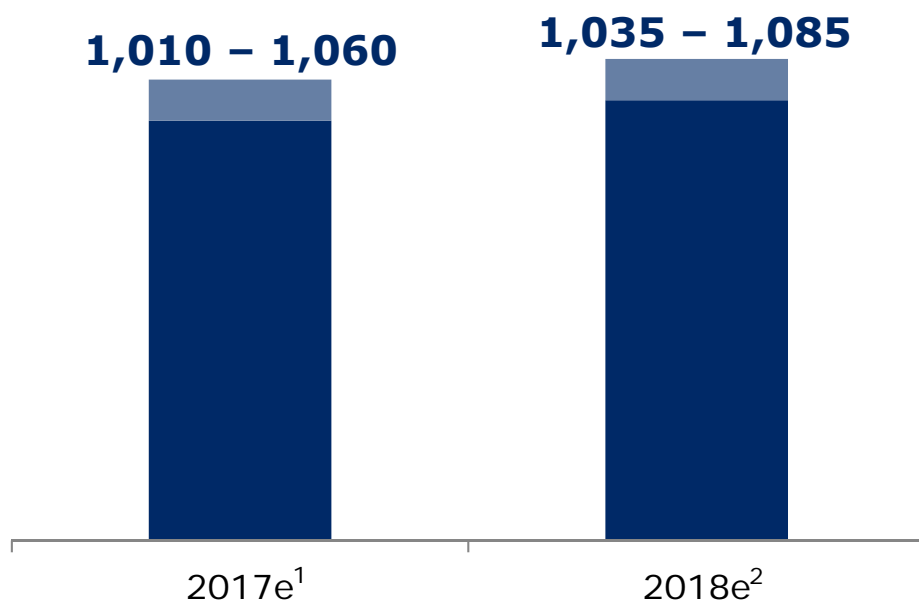
Integration costs: **~US\$140 m** before tax in total for time frame 2018 – 2022; largest P&L impact in 2018



Akorn: Financial Outlook

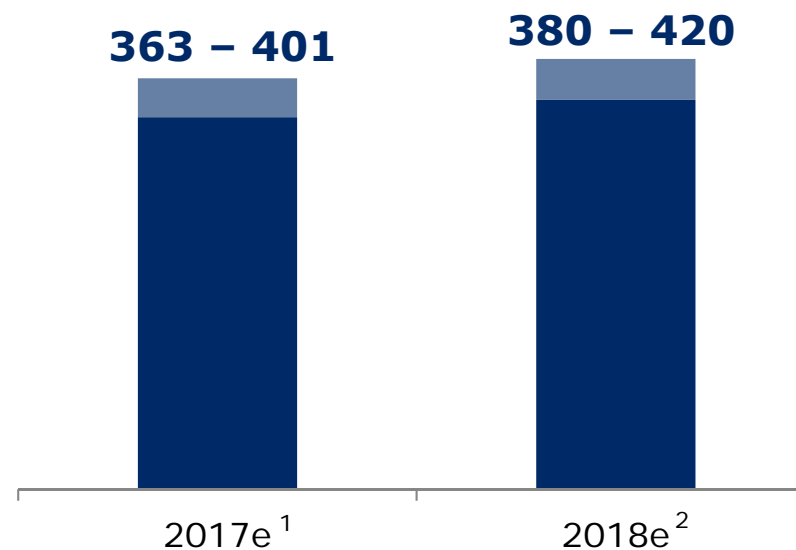
Sales

US\$ m



Adj. EBITDA

US\$ m



¹ Akorn announced on April 24, 2017, that based on a preliminary review of Q1 results, it is reaffirming its previously announced 2017 guidance (including revenue of US\$1,010 to 1,060 million and adjusted EBITDA of US\$363 to 401 million), excluding any one-time costs related to the transaction with Fresenius Kabi

² Fresenius Kabi business plan

Akorn: Financially Sound Acquisition

Cash purchase price	US\$4.30 bn for 100% of Akorn shares (US\$34/share)
Assumed net debt¹	~US\$0.45 bn
Amortization charge	Initially ~US\$130 m p.a.
Synergies	~US\$100 m p.a. before tax mid-term, progressive ramp-up
Integration costs	~US\$140 m before tax in total for 2018 - 2022
Financing	Broad mix of € and US\$ debt instruments at ~4% p.a.
Tax rate	~35%
EPS²	Accretive in 2018 (excluding integration costs), from 2019 (including integration costs)
Closing	Expected by early 2018

¹ Projected net debt as of December 31, 2017

² Net income attributable to shareholders of Fresenius SE & Co. KGaA

Acquisition of Merck KGaA's Biosimilars Business



Biosimilars: Transaction Highlights



Strategic step to enhance Fresenius Kabi's position as a leading player in the injectable pharmaceuticals market



Direct access to attractive biosimilars development platform



Experienced team of biosimilars experts with excellent development know-how



Highly variable consideration strictly tied to development targets



EBITDA break-even in 2022



High triple-digit million sales from 2023 onwards



Biosimilars: Highly Attractive Platform



Background: Established in 2012 as a Business Unit within the biopharmaceutical development/production network of Merck KGaA



Pipeline: Single-digit number of molecules in oncology and autoimmune diseases



Organization: Core team of >70 experts located in Aubonne and Vevey, Switzerland

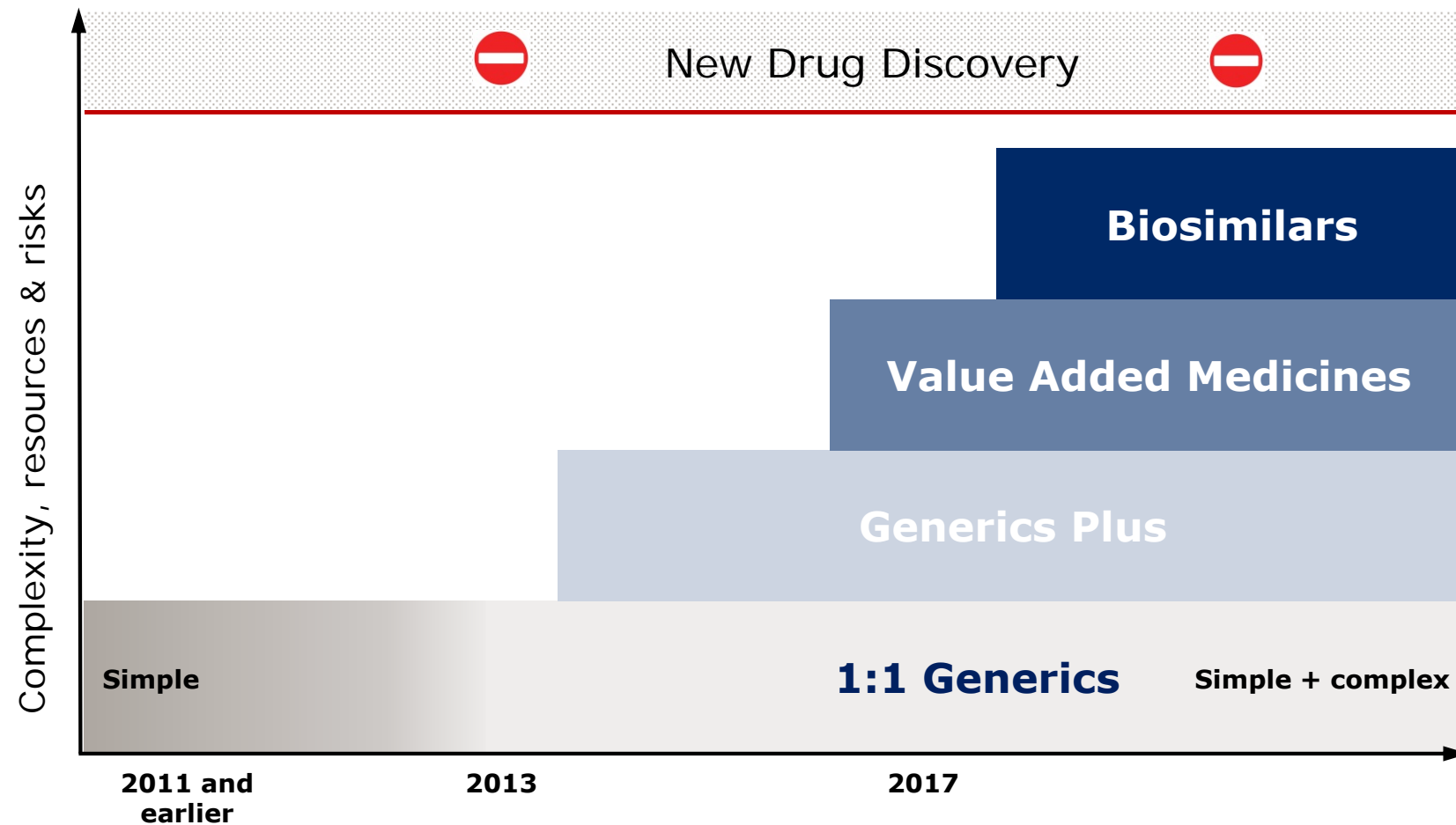


Network: External partners supporting development, documentation and regulatory affairs

Merck Biopharma provides support in manufacturing (one production suite reserved for biosimilars), analytics, regulatory, quality, safety and clinical operations.



Biosimilars: Enhancing Kabi's Already Strong Position in Injectables



Biosimilars: Sound Risk/Reward Ratio

Purchase price	€170 m upfront payment
Milestone payments	Up to €500 m, strictly tied to achievement of development targets
Sales	First sales in 2019, ramp-up to high triple-digit € million from 2023 onwards
Royalties	Single-digit percentage royalties based on sales
EPS¹	Significantly accretive from 2023 onwards
Self-imposed investment ceiling	€1.4 bn incl. upfront and milestone payments as well as ramp-up of R&D and M&S expenses until EBITDA break-even in 2022
Financing	Mainly free cash flow
Closing	Expected in H2/2017

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

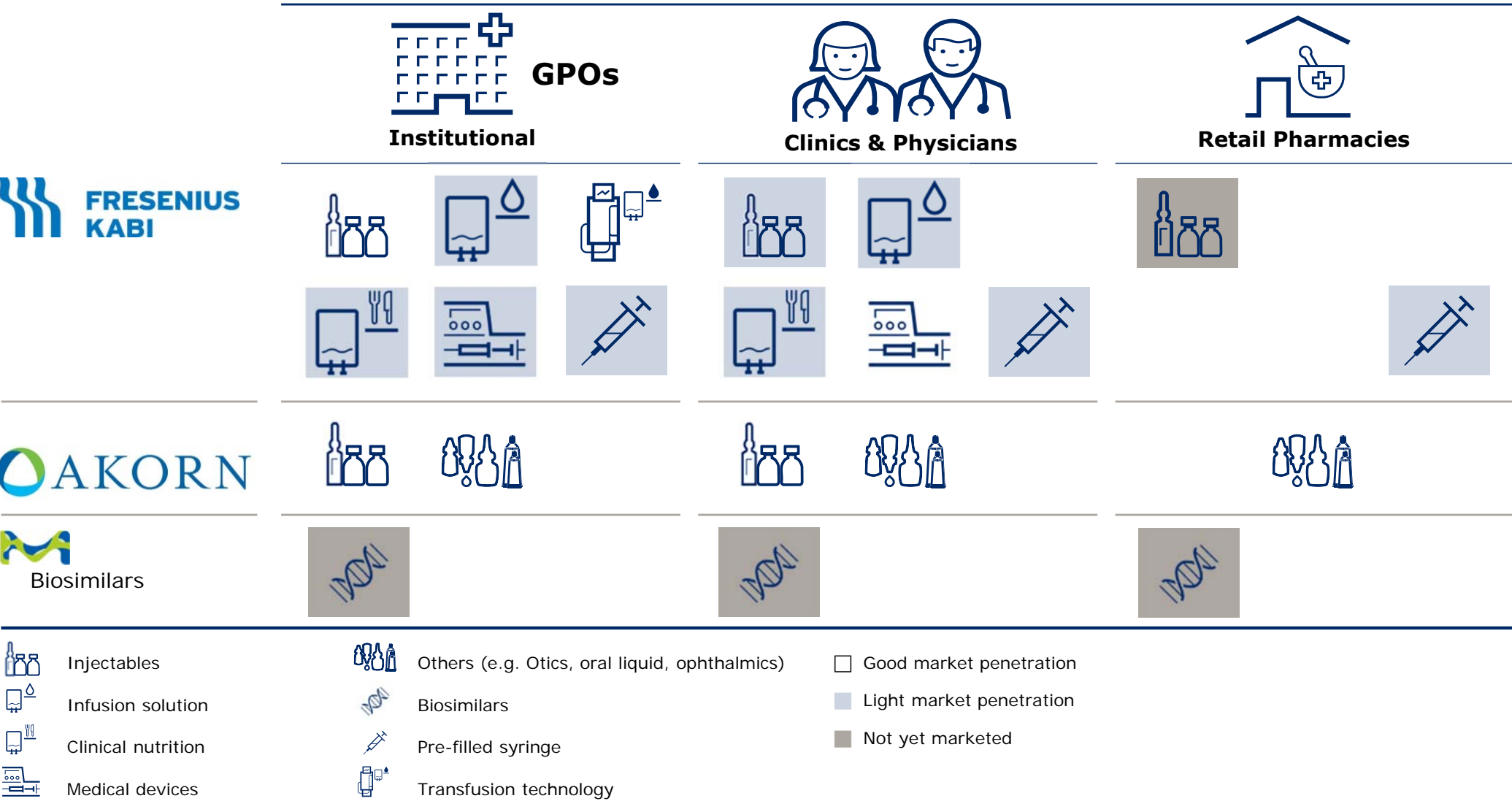
Acquisition of Akorn & Merck KGaA's Biosimilars Business



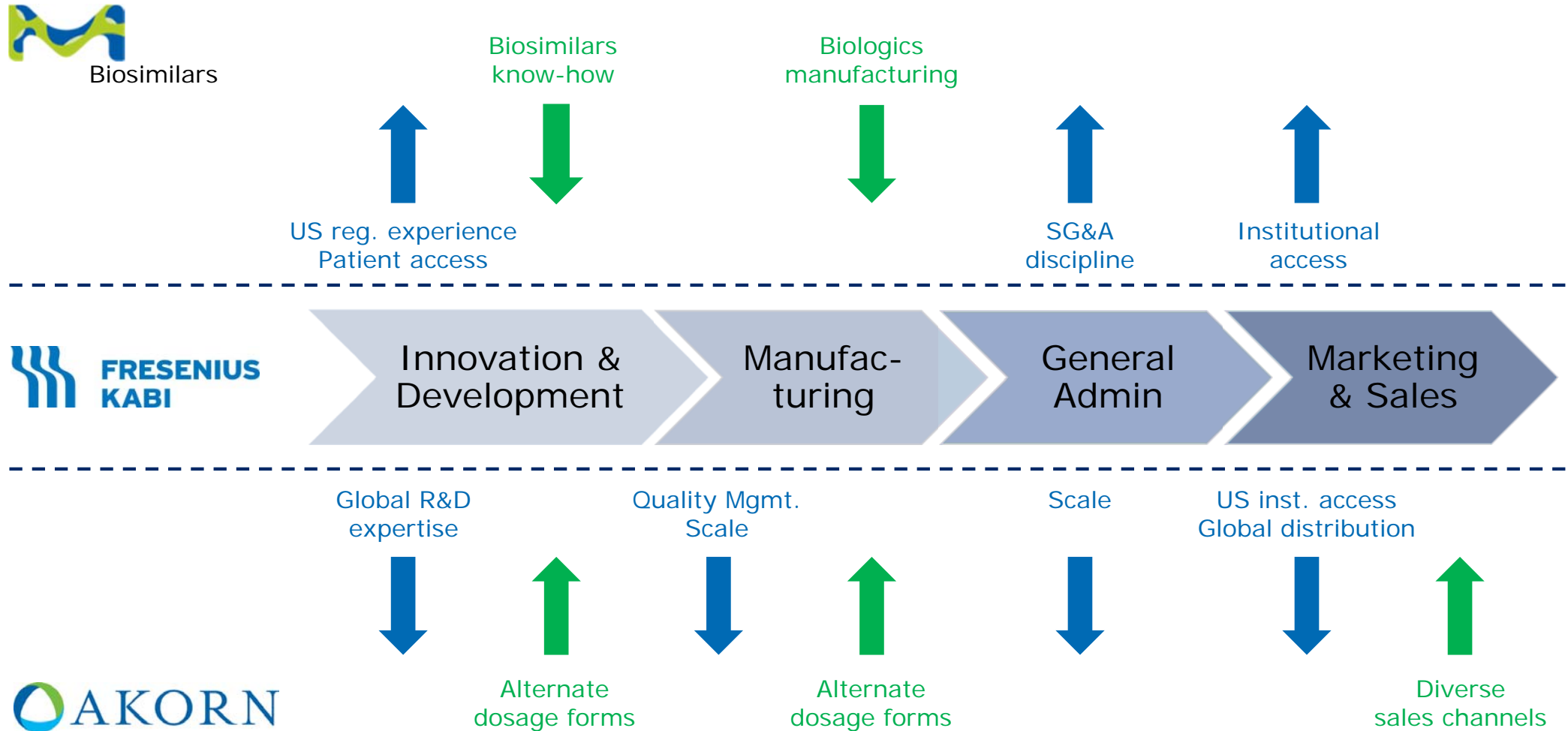
Biosimilars



Expanding U.S. Market Access



Who Brings What to a Great Party?



Combined Implications of Transactions on Group Financials

	12/2017e	12/2018e	12/2019e	12/2020e	12/2021e
Net debt / EBITDA	~3.3	~3.0			
Accretion before ¹		neutral	positive		
Accretion fully loaded ²		dilutive		neutral	positive
2020 earnings target confirmed					

¹ Before amortization and integration costs

² After amortization and after integration costs

Well Positioned for the Next Decade

2020+



Partner of choice
for our customers



Continue to build ever
stronger and diversified
portfolio



Quality leadership
in the industry

Share Information

Share key facts

Number of shares ¹	553,497,393
WKN / ISIN	578560 / DE0005785604
Ticker symbol	FRE
Bloomberg symbol	FRE GR
Reuters symbol	FREG.de

ADR key facts

Ratio	4 ADRs = 1 ordinary share
ADR CUSIP / ISIN	35804M105 / US35804M1053
Ticker symbol	FSNUY
Exchange	OTCQX International Premier
Structure	Sponsored Level I ADR
Depository bank	Deutsche Bank

¹ As of March 31, 2017

Non-GAAP financial measures

For additional information on the performance indicators used please refer to our website <https://www.fresenius.com/alternative-performance-measures>.

For information regarding non-GAAP financial measures or adjusted figures derived from Akorn's public information, please see section "Non-GAAP Financial Measures" on Akorn's FY/16 press release using following link:

<http://investors.akorn.com/phoenix.zhtml?c=78132&p=irol-newsArticle&ID=2250528>

Financial Calendar / Contact

Financial Calendar 2017

03.05.2017	Report on 1 st quarter 2017
12.05.2017	Annual General Meeting, Frankfurt/Main
01.08.2017	Report on 2 nd quarter 2017
02.11.2017	Report on 3 rd quarter 2017

Please note that these dates could be subject to change.

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