

TAILOR-MADE: Your Long-Term Incentive Program



SHARING IN OUR SUCCESS

Fresenius has a long history of offering share-based plans as part of the company's reward package. This has proved advantageous for both Fresenius and participants as the plans facilitate sustainable success, aligning participants' objectives with shareholder interests. The Long-Term Incentive Program has refined this formula through increased flexibility, as you can choose your preferred risk profile through the tailor-made choice of awards. At Fresenius, we value our employees; your invitation to participate in this Program is testimony to the company's continuous commitment to outstanding performance and the appreciation Fresenius has for its people. Together, the company and its employees drive the success of the Fresenius Group.

Key features: two awards - your choice

The Long-Term Incentive Program consists of a combination of two distinct award instruments: Stock Options (rights to purchase Fresenius shares at a fixed price) and Phantom Stocks (cash equivalent of the Fresenius share value).

You can choose between two combinations of Stock Options and Phantom Stocks to reflect your expectations of the future performance of Fresenius stock and your investment preferences.

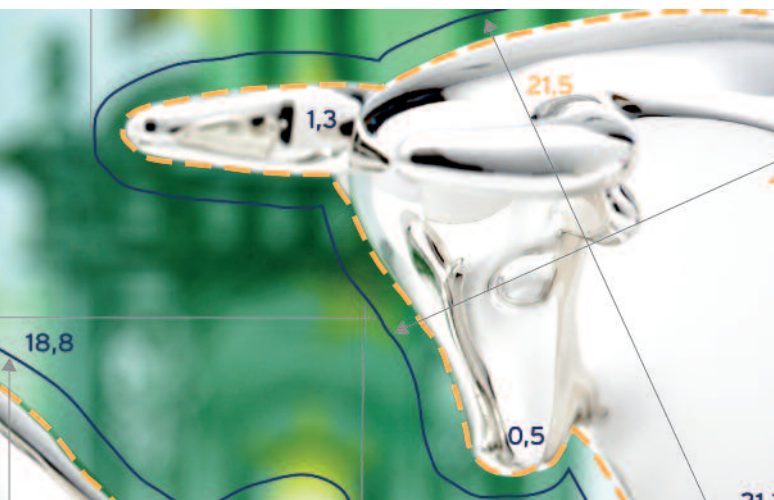
After you have made your choice, you will receive a conditional grant of the award mix. 'Conditional' means the actual number of awards you can exercise depends on Fresenius' performance during the 4-year Vesting Period; both Stock Options and Phantom Stocks are only exercisable if the Success Target has been met.

What are... Stock Options?

A Stock Option is a right to buy a share at a fixed price (the exercise price during a certain period, referred to as the Exercise Period). Stock Options cannot be sold. With Stock Options there are no dividends or voting rights. For the Stock Option to provide value to you, the Fresenius share price has to trade over the exercise price.

What are... Phantom Stocks?

Phantom Stocks are virtual shares. Their value at exercise equals the average price of the Fresenius shares of the three months prior to exercise. So they may provide some protection to you against market anomalies (i.e., provide value in the case that the Success Target is achieved but Fresenius shares trade at, or below, the Exercise Price for Stock Options). On the other hand, they provide less opportunities than Stock Options.



A SUSTAINABLE PARTNERSHIP

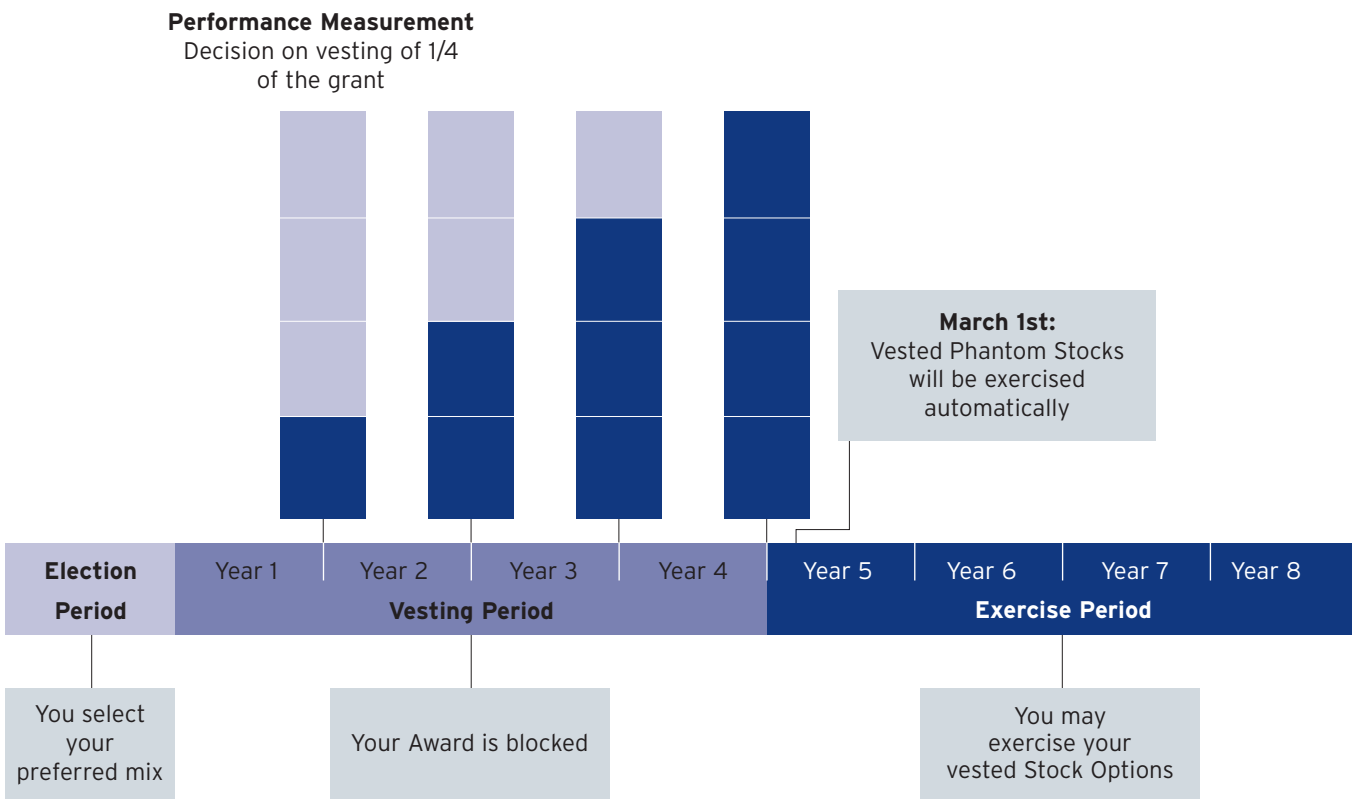
The Long-Term Incentive Program is part of a long tradition of rewarding our managers' contributions to Fresenius' sustainable success.

Who can participate in the Long-Term Incentive Program?

- Members of the management board of the General Partner of Fresenius SE & Co. KGaA.
- Entitled managers of affiliated enterprises within the Fresenius Group.
- Entitled executives as appointed by the management board of the General Partner of Fresenius SE & Co. KGaA.

Please note: participation is at the discretion of the management board and subject to annual review. Participation in one of the grants of the Long-Term Incentive Program does not constitute a basis for future grants.

Let's have a look at the different periods of the Long-Term Incentive Program in detail...



GRANT: CHOOSING THE PERFECT FIT

Before the plan term starts you will be granted your Long-Term Incentive award. Then it's up to you to decide on the perfect fit. You can choose between two different award mixes of Stock Options and Phantom Stocks. Find out more on how the mixes are calculated and how to find the perfect fit:

Your individual grant depends on your role and responsibility within Fresenius and your performance. You can choose between two different award mixes:

- Base Mix: 75% Stock Options : 25% Phantom Stocks
- Balanced Mix: 50% Stock Options : 50% Phantom Stocks.

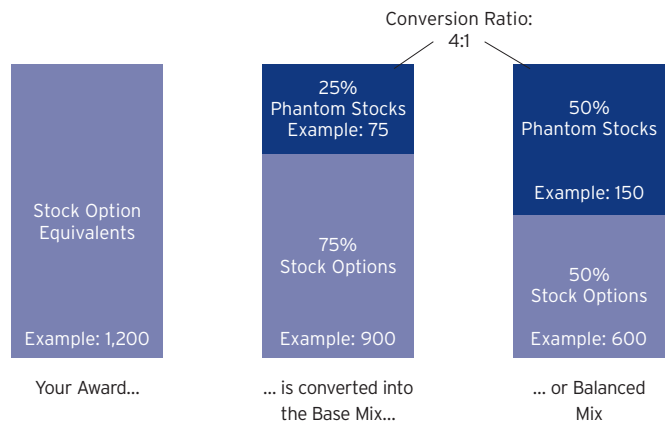
The two award mixes reflect a different risk profile. However, at grant, both mixes represent the same award value.

At first, your award will be expressed in so called Stock Option Equivalents. When the mixes are calculated, one Stock Option equals one Stock Option Equivalent while one Phantom Stock equals roughly four Stock Option Equivalents. This means that for about four Stock Options you will receive one Phantom Stock. Why is that? For the Stock Option to have any value, the Fresenius share price has to rise above the exercise price. If the share price is below the exercise price during the Exercise Period, the Stock Options may not be exercised.

On the other hand, Phantom Stocks, which mirror the Fresenius share price, always have a certain value, even if the share price falls during the plan term. As Fresenius shares may also trade below the Exercise Price (the Option being 'underwater') or only slightly exceed the Exercise Price during the Exercise Period, Stock Options have less

value at grant than Phantom Stocks. So the Long-Term Incentive Program uses the ca. 4:1 conversion rate to equalize the expected value of the award instruments at grant.

Let's take an example: your individual award is 1,200 Stock Option Equivalents. Converted into the Base Mix, you receive 900 Stock Options (equals 75% of the award) and 75 Phantom Stocks (equals 25% of the award). The Balanced Mix equals 600 Stock Options plus 150 Phantom Stocks.



Please note: the exact conversion rate will be determined for every grant year by the Management Board.

In practice

Before the plan term starts you will receive a grant letter informing you about your grant.

On EquatePlus, our online election and administration platform, you will then find a statement of your award in Stock Option Equivalents, the Base Mix and Balanced Mix, and the deadline for the election. You then submit your preferred mix.

How to take a decision for your mix

Your selection of your preferred mix is generally influenced by your expectation of the Fresenius share price development, your individual time horizon for exercising the award and your personal risk profile.

Broadly speaking, Stock Options provide a higher leverage if the share price is rising and if you do not plan to cash in your gains as soon as possible. With Stock Options, you have a 4-year Exercise Period to decide the best moment to sell. However, if the share price falls below the exercise price, Stock Options do not have any value at all.

Phantom Stocks are safer, as they always have a value. But as the Phantom Stocks will be exercised shortly after the 4-year Vesting Period, you might miss out on any gains from a rising share price in the following years.

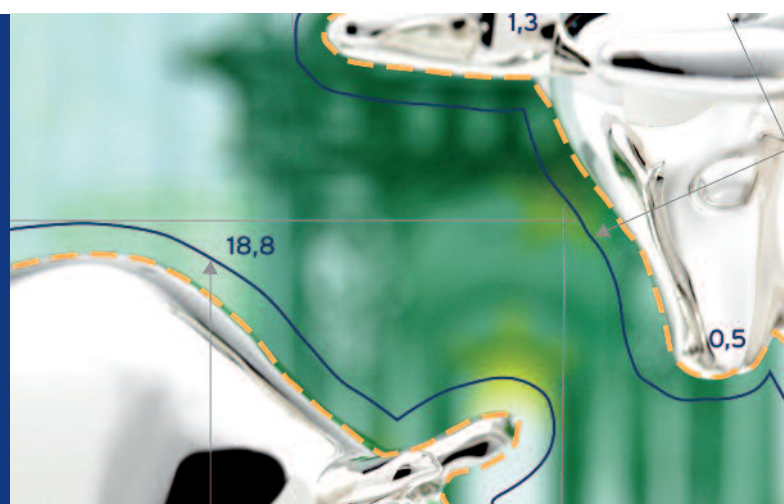
To learn more on potential gains with Stock Options and Phantom Stocks check out the calculator on EquatePlus and simulate different exercise scenarios.

Please note: If you do not select a mix on EquatePlus you will simply stay with the Base Mix for this grant year.

Rule of thumb: Stock Options are more risky, but offer a potentially higher gain over a 4-year Exercise Period. Phantom Stocks are safer, but you might miss out on future share price developments as the Phantom Stocks are exercised at a fixed date shortly after vesting.

INCREASED FLEXIBILITY

The tailor-made choice of awards will allow you to select your individual mix according to your risk profile and long-term expectations.



VESTING - MEASURING SUCCESS

The 8-year plan term of the Long-Term Incentive Program is divided into a 4-year Vesting Period and a 4-year Exercise Period for Stock Options.

Tailor-made solutions call for proper measurement; after the grant, the 4-year Vesting Period begins. During this time, Fresenius' performance is measured against the Success Target. The target achievement determines how many Stock Options and Phantom Stocks vest, i.e. how many Stock Options and Phantom Stocks may actually be exercised after the Vesting Period. Every year, 1/4 of the award vests if the Success Target is achieved.

What is the Success Target?

The Success Target is based on the adjusted group net income (earnings attributable to the shareholders of the Company, 'Konzernergebnis') on a constant currency basis - a key financial figure for Fresenius.

The Success Target is met either by the achievement* of:

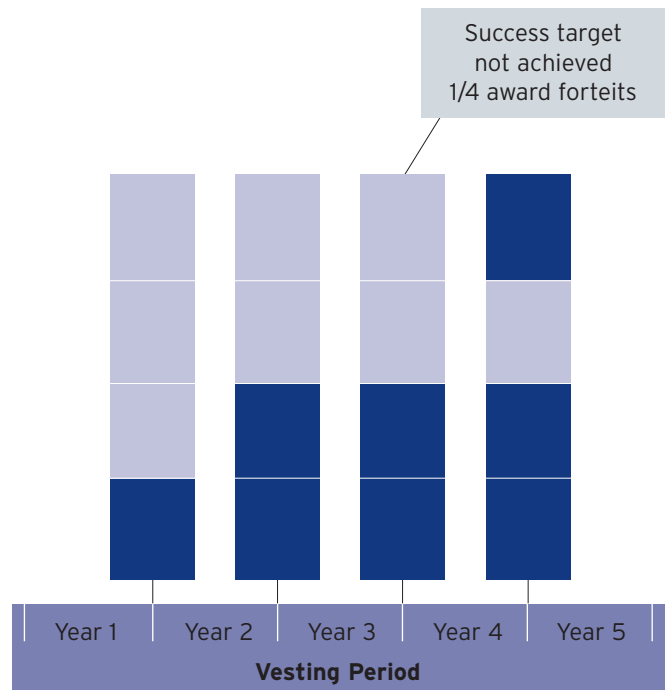
- 8% growth of the adjusted group net income on a year-on-year comparison, or
- 8% compounded annual growth rate of the adjusted group net income over the 4-year Vesting Period.

With each year in which the Success Target has been met within the Vesting Period 1/4 of your granted award vests - provided you remain employed by Fresenius.

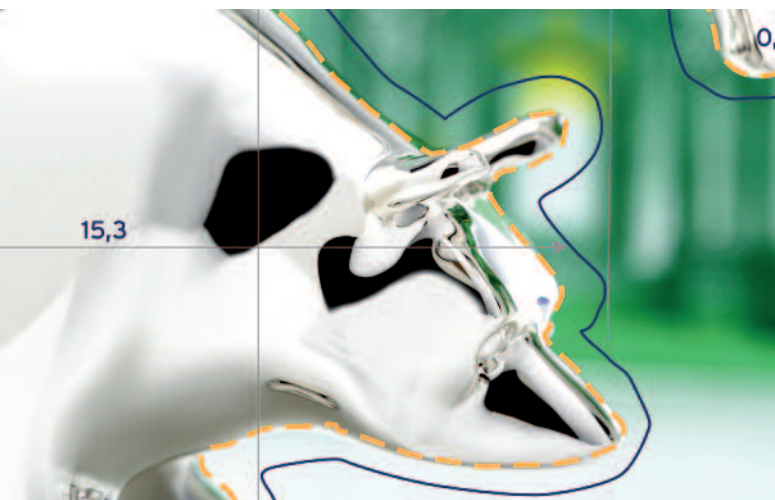
If the average growth rate at the end of the Vesting Period amounts to 8%, the total award vests. Should the Success Target not be achieved for one or more of the four years and on average, the awards are forfeited in the respective proportion (1/4, 2/4, 3/4 or completely).

For example: let's assume that Fresenius achieves growth of at least 8% of the adjusted group net income on a year-on-year comparison in three years, but not in the fourth year. Additionally, the compounded annual growth rate is below 8%. Then 3/4 of your award vests and can be exercised, but 1/4 of the award forfeits. If the initial grant was 900 Stock Options and 75 Phantom Stocks you will receive 675 Stock Options and 56 Phantom Stocks.

After the Vesting Period the Exercise Period begins.



* on a constant currency basis.

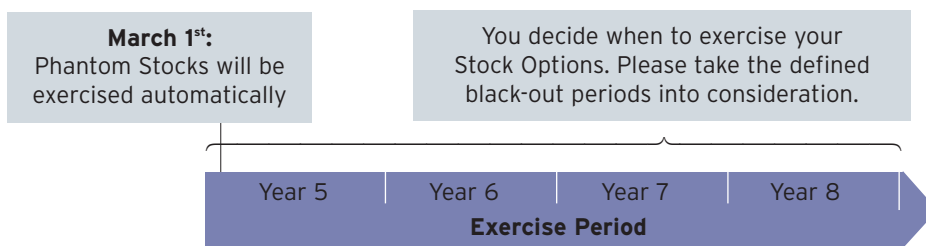


ALIGNED INTERESTS

By rewarding sustainable growth, the Long-Term Incentive Program aligns our managers' interests with those of our shareholders.

EXERCISING YOUR AWARD - SUIT UP!

After the Vesting Period the 4-year Exercise Period starts. Stock Options and Phantom Stocks are exercised under different rules and in a different timeframe:



Stock Options: payout in equity	Phantom Stocks: payout in cash
<p>4-year Exercise Period - you determine the point in time when you exercise your options.</p>	<p>At March 1st after the end of the Vesting Period, all vested Phantom Stocks will be exercised automatically by Fresenius.</p>
<p>Good to know</p> <ul style="list-style-type: none"> • Exercising a Stock Option means buying a Fresenius share at a fixed price, i.e. the exercise price, which is determined at the beginning of the plan term. You may then sell the share and cash in your gain, or hold the share as a future investment. You will find more information about your exercise options in EquatePlus. • The gain equals the difference between the exercise price and the Fresenius share price at exercise. • Stock Options that are not exercised during the Exercise Period (e.g. because they are 'underwater') forfeit after the end of the 8-year plan term. 	<p>Good to know</p> <ul style="list-style-type: none"> • Exercising a Phantom Stock means that you will receive the Phantom Stock's value in cash. • Generally, a Phantom Stock mirrors the value of the Fresenius Share Price. The share price at exercise is set as the average Fresenius share price of the three months prior to exercise. Thus, your gain equals the full Phantom Stock value. • The exercise of Phantom Stocks is carried out automatically at a set date. You don't have to become active.

SEAMLESS COMPLIANCE

Prevention of Insider Trading

It is a myth that only executives possess insider knowledge; lower-level employees and managers may also own information that qualifies as insider information. Even if Insider Regulations are not applicable to a particular situation, you may find yourself in a conflict of interest. This situation can easily arise in 'normal' work life, as employees are often exposed to confidential company information at a very early stage.

Important note: before you exercise Stock Options, you always need to consider carefully if you are in possession of insider information, or if you are in a conflict of interest situation.

It is critical for Fresenius to ensure that all participants of the Long-Term Incentive Program always fully comply with

the legally required insider trading regulations and the conflict of interest rules set out in the Fresenius Code of Conduct. Fresenius has consequently developed an online training program which can be accessed via EquatePlus. The training not only explains the regulations but also focuses on practical hints and examples.

The training is mandatory. You will only be able to exercise Stock Options in EquatePlus if you have completed the training course. This applies to the Long-Term Incentive Program as well as to prior share based plans. The training needs to be completed every four years - please refer to EquatePlus for details.

Insider Information

You qualify as an insider if you have knowledge of any insider information, i.e. any information:

- about circumstances which are relating to Fresenius or Fresenius shares.
- that is concrete and not publicly known.
- which is able to influence the share price of the Fresenius shares significantly when becoming publicly known.

Conflict of Interest

A conflict of interest is a situation when the professional judgment or actions of an employee regarding the primary interests of Fresenius can be unduly influenced by a secondary personal interest of that employee (e.g. gain a personal advantage through the exercise of stock options), whereas it is within Fresenius' interest to avoid the impression that a personal gain was obtained by the employee.

ADDITIONAL INFORMATION

What happens in case of...

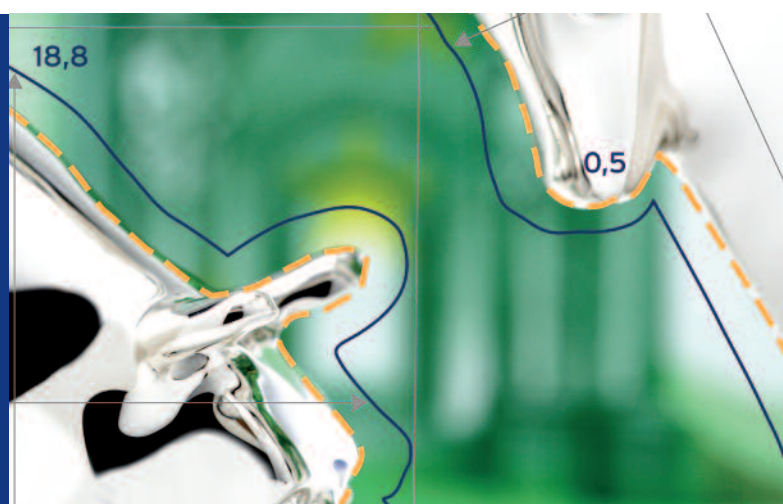
Retirement	Your Awards remain unaffected and vest according to Fresenius' performance. Once vested, the Stock Options and Phantom Stocks can be exercised according to the plan rules.
Death	Your Awards remain unaffected and vest according to Fresenius' performance. Once vested, the Stock Options and Phantom Stocks can be exercised by the heirs according to the plan rules.
Ordinary termination of Employment	Vested Stock Options may be exercised within 60 days after ordinary employment termination. If a black-out period occurs during the 60 days, the timeframe for exercise will be extended accordingly. Options that are not exercised in this timeframe will forfeit. Vested Phantom Stocks will be exercised automatically on the day the employment ends. Unvested Stock Options or Phantom Stocks will forfeit.
Transfer to another company within the Group	Your Awards remain unaffected.

Taxation

Tax regulations vary from country to country and may also change from time to time. In most instances, there will be national/state income tax and social security levies arising from the exercise of your Stock Options and Phantom Stocks. It is your responsibility to ensure that you comply with the tax regulations for the Long-Term Incentive awards received and any potential payouts resulting from it. Any income tax and/or social security due on the proceeds arising from the exercise or payment of your Stock Options or Phantom Stocks are your responsibility.

RESPONSIBLE INVESTMENT

It is of utmost importance to be aware of the responsibility that comes with trading Fresenius shares as a Fresenius manager. Please see the training on Insider Trading for valuable guidance and practical advice.



FAQs

What happens if I leave Fresenius during the Vesting Period?

If you leave Fresenius during the Vesting Period, your unvested Long-Term Incentive award forfeits. This does not apply in case of retirement or death.

What are Black-out Periods?

Generally, you can exercise vested Stock Options at any time during the 4-year Exercise Period. However, there are defined black-out periods during which Stock Options cannot be exercised, e.g. before the General Meeting or before the publication of the quarterly or annual results. You will find any black-out periods on EquatePlus.

After exercising the Stock Options, can I hold the Fresenius shares as further investment?

You can decide to sell your Fresenius shares directly after exercising ("exersale"): the bank exercises options on your behalf and sells the shares at best price attainable. Any expenses are automatically deducted by the bank so you do not need to invest anything in order to cash in the gain.

However, you can also exercise your options and keep the shares as further investment: the bank exercises options on your behalf and then transfers the shares to your personal securities account. In this case, an investment is required: you have to pay the exercise price and potential income tax in advance.

You will find detailed information about exercising your Stock Options in EquatePlus.

What happens if I forget to submit a preferred award mix?

Entering no election by the due day does not lead to forfeiture of your award. You just stay with the Base Mix for this grant and can choose between Base Mix and Balanced Mix again in potential future grants.

What happens if I forget to take the training on Insider Trading?

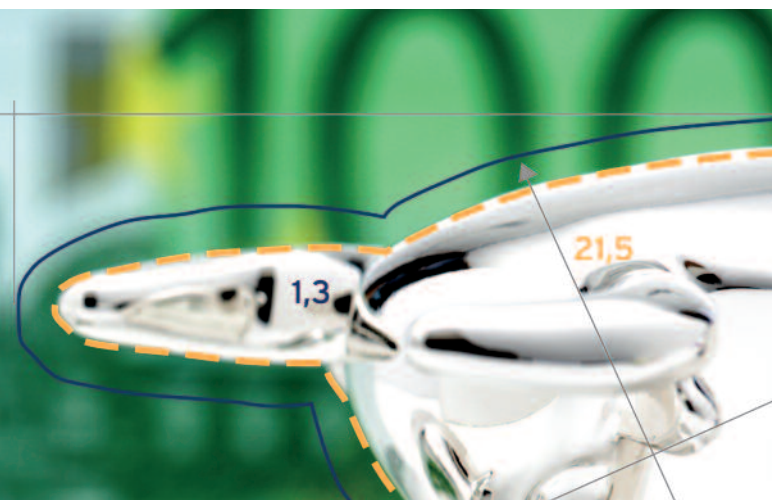
You will not be able to exercise any Stock Options, also from prior share based plans, if you do not complete the training.

You will find details on EquatePlus.

Are the payouts taxable?

Generally, there will be both taxes and social security charges on the payouts. However, tax regulations vary from country to country and may also change from time to time.

It is your responsibility to ensure that you comply with the tax regulations, which is why we recommend you to consult your tax adviser, especially if you have worked in more than one country during the plan.



EFFICIENT ADMINISTRATION

Our online platform EquatePlus offers easy access to all long-term incentive plans.

CHECKLIST

Checklist - what you need to do at grant

1. Check that you have received your personal Grant Letter (provided to you by e-mail). If you currently participate in a Fresenius share-based plan, you should already have your access data for EquatePlus. First time participants will receive their access data in a separate letter.
2. Enter EquatePlus and find your Base Mix and the Balanced Mix information. Make yourself familiar with the submission process and deadlines. View the various information materials provided to help you make a well informed decision on your preferred Mix.
3. You may assess your preferred Mix using the Calculation Tool provided on EquatePlus.
4. Finally, submit your preferred Award Mix at EquatePlus.
5. Don't forget to take the mandatory training course on Insider Trading and Conflicts of Interest on EquatePlus.

EquatePlus - all the information you need, and the possibility to select and exercise your award online. You can

- Submit your preferred award mix.
- Get details on black-out periods, exercise alternatives, trading fees...
- Download plan rules, insider trading laws...
- Exercise Stock Options and keep track of your award portfolio online.
- Take your mandatory training course on Insider Trading and Conflicts of Interest.

Login details

If you are participating for the first time in a long-term incentive plan, your user ID and password will be sent in a separate letter.

Lost your password? Contact Equate Plus:
Outside USA **+800 4020 0096** (toll free),
USA **+1 866 8610055** (toll free)

www.equateplus.com

Contact:

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61352 Bad Homburg

This brochure provides a simplified overview on the Fresenius Long-Term Incentive Program without obligation. Please note that only the plan terms (German version) are legally binding. These plan terms, together with the regularly updated Information Paper (both available on EquatePlus), include further information about the details of the Fresenius Long-Term Incentive Program. Participation in the Program is at the discretion of the management board of the General Partner of Fresenius SE & Co. KGaA and is subject to an annual review. Participation in one or more grants does not automatically entitle you to participation in future grants.

In order to avoid suspicion that insider knowledge has been taken advantage of and avert damage to the company's reputation, the compliance guidelines must be adhered to when exercising Stock Options. Observance of this regulation does not remove the general duty of the participants to comply with the applicable legal regulations on insider trading of each country.

This brochure contains forward-looking statements that are subject to various risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to certain factors, e.g. changes in business, economic, and competitive conditions, regulatory reforms, results of clinical trials, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. Fresenius does not undertake any responsibility to update the forward-looking statements in this brochure.