Fresenius Finance B.V.

2015 financial statements

Initialed
for identification purposes only
Ernst & Young Accountants LLP

EY Building a better working world

Contents

Financial report

Initialed
for identification purposes only
Ernst & Young Accountants LLP

EY Building a better working world

Director's report

Management of Fresenius Finance B.V. ("the company") hereby presents its financial statements for the financial year ended on 31 December 2015.

General information

The company is a financing company. The principal activities of the company consist of borrowing and lending activities. In 2015, the only loans remaining within the company are with Fresenius SE & Co. KGaA.

At balance sheet date the company has issued Senior notes for EUR 2,200,000,000 (no change to prior year) and the company has provided loans to Fresenius SE & Co. KGaA for EUR 2,196,320,500

The company, statutory seated in 's-Hertogenbosch, is a private limited company. The ultimate parent company is Fresenius SE & Co. KGaA, Bad Homburg, Germany.

The company is managed by two directors and uses services provided by affiliated companies and external advisers.

The objective of the company is to act as the most appropriate financing company for Fresenius SE & Co. KGaA and affiliated companies.

Financial information

During 2015, the company continued her role as financing company for the Fresenius group. No additional Senior Notes have been issued in 2015.The existing Senior Notes are :

- Senior Note issued in 2014 for a total amount of EUR 300 million with a coupon of 2.375%. This Senior Note will mature in 2019. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue.
- Senior Note issued in 2014 for a total amount of EUR 450 million with a coupon of 3.000%. This Senior Note will mature in 2021. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue.
- Senior Note issued in 2014 for a total amount of EUR 450 million with a coupon of 4.000%. This Senior Note will mature in 2024. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue.
- Eurobond issued in 2013 for a total amount of EUR 500 million with a coupon of 2.875%. This Eurobond will mature in 2020. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue
- Eurobond in 2012 for a total amount of EUR 500 million with a coupon of 4.25%. This Eurobond will mature in 2019. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue.

The operating result before taxation has decreased from EUR 2,458,675 in 2014 to EUR 1,794,611 in 2015. This decrease is the result of a lower financial result (decreased with EUR 813,264). In 2014 we had an extra-ordinary interest income on income taxes related to years 2002 – 2014 as a result of a tax audit on transfer pricing. This was partly offset by decreased external costs (decreased with EUR 149,200).

The balance sheet total has increased from EUR 2,220,926,057 at the end of 2014 to EUR 2,226,527,818 at the end of 2015.

Financial fixed assets increased by EUR 3,175,910 due to the amortization of the issue costs.

Current assets increased by EUR 2,426,382 primarily due to the increased cash position account (EUR 6,644,682), which can be offset by receipts of income taxes and interest on income taxes related to the years 2002 - 2014.

The shareholder's equity increased by EUR 1,974,496 to a positive amount of EUR 17,003,484 which is caused by the net result of the current year that is added to the unappropriated result under the shareholder's equity.

Non-current liabilities increased by EUR 3,811,748 due to the amortization of issue costs and disagio/premium related to the Senior Notes in FY 2015.

Current liabilities decreased by EUR 184,483, which is mainly explained by the reversed deferred tax liability regarding interest income on income taxes (2002 – 2014), which were fully repaid by the Dutch tax authorities in 2015.

The solvency ratio for 2015 is at 0,76 % (2014: 0,68 %). The fact that the ratio is so low is because we are a financing company.

Significant risks and uncertainties depend on the risks and uncertainties in the affiliated companies that have outstanding loans from Fresenius Finance B.V.

Cash flows and funding requirements of the company are driven by the cash flows and funding requirements of the affiliated companies(see Credit risk below).

Financial and non-financial performance indicators

Incoming cash flow exceeded outgoing cash flows over the year and has resulted in a cash and cash equivalents net increase of EUR 134,184. Refer to the cash-flow statement for further details.

Personnel related information

During 2015 the company was managed by two directors. On December 31st, 2015 the general meeting accepted the resignation of Mr. Bernard Dierickx as managing director of the company and has granted him a full and final release from liability for his management of the company. Mr. Dierickx was replaced by Mr. Dirk De Preter as of January 1st 2016. None of the directors of the company received emoluments.

Fresenius Finance B.V. deviates from Article 2:276 of Book 2 of the Dutch Civil Code, which states that positions on the management should be distributed in a way so that at least 30% of positions are held by women and at least 30% by men. This deviation has been made to ensure that the Company has competent Executive Board that has required knowledge of the company and the Company's key market areas. When appointing members to the Executive Board, the Company shall aim for a complementary range of experience, gender and age.

Information regarding financial instruments

General

During the normal course of business, Fresenius Finance B.V. makes use of several financial instruments such as bonds, loans from affiliated companies and cash balances with banks. Due to the use of these financial instruments, the company is exposed to interest rate risk and credit risk. For loans with variable interest rates (if applicable), the policy of the company is to use derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the company does not hold or issue derivative financial instruments for trading purposes. There are no derivatives applicable for FY 2015 since we have fixed interest rates and therefore the cash flow risk regarding interest is low for FY 2015.

Risk management:

The company is putting everything in place to cover all the different risks as mentioned below. Risk management is a process that we are committed to continuously improve.

In this respect, a formal general service agreement has been set up between Fresenius Finance and Fresenius SE & Co. KGaA., which describes the services Fresenius SE & Co. can perform for Fresenius Finance.

Besides that Fresenius Finance and Fresenius Se & Co. have agreed to set up an Expert Advisory Panel. The purpose of this panel is to assist/advice the management board of Fresenius Finance in the preparation of major and/or complex business decisions within the business purpose of Fresenius Finance.

Senior management, together with advisors from Fresenius SE & CO and the above mentioned Expert Advisory Panel, agree on the risk management priorities of the company. The company risk profile is discussed and agreed with the Management Board. The advisors from Fresenius SE & Co and from the Expert Advisory Panel facilitate the annual assessment of the business risks to achieve appropriate level of objectivity in the assessment of the risks. Over the year, we monitor the mitigating actions in relation to each risk and the trend for each risk. The business risk profile is taken into account when establishing our strategy.

Risk Appetite and Impact

Our willingness to assume risks and uncertainties (the risk appetite) may differ for each category, but is very low.

The risk overview table shows the risk appetite and the expected impact on the group's achievement of its objectives if one or more of the main risks and uncertainties were to materialize. The likelihood of the risk taking place is also disclosed.

RISK OVERVIEW				
Risk Category	Risk	Risk Appetite	Impact	Likelihood
Strategic Risks	Reputation damange	o	oo	o
Operational Risks	Credit risk	o	ooo	o
	Cash flows and liquidity risk	o	ooo	o
Legal and Compliance Risks	Market Information Risk	o	oo	o
	Tax Risk	o	o	o
Financial Risks	Interest Risk and FMV risk	o	oo	o

Group Risk Profile

Below is an overview of the risks that we believe are most relevant to the achievement of our strategy. The sequence of risks below does not reflect an order of importance, vulnerability or materiality. The overview is not exhaustive and should be considered in connection with forward looking statements. There may be risks not yet known to us or which are currently not deemed to be material.

Reputation damage

The fact that we would not be able to fulfill our obligations (Operational, Compliance, Financial) may cause serious damage to the brand 'Fresenius' and may have a material adverse effect on our financial condition and of the entire Fresenius family.

Fresenius Finance BV employs a rigorous quality and compliance management process before entering into new deals. Internal policies and Code of Conduct are designed to further mitigate the risk of incidents that could result in reputation or brand damage.

Credit risk

The fact that one of our counterparties would have a significant change in credit rating may influence the credit risk of the company.

To avoid this, all financial instruments are concluded with either highly rated financial institutions or companies within the Fresenius SE & Co. KGaA group, which are expected to fully perform under the terms of the agreements. The company continuously monitors changes in credit ratings of counterparties. At the balance sheet date the credit risk concentrates on entities of the Fresenius SE & Co. KGaA group. Fresenius' credit quality is assessed and regularly reviewed by the leading rating agencies Moody's, Standard & Poor's, and Fitch. The corporate credit rating of Fresenius SE & Co. KGaA at issue date of these financial statements is for Standard & Poor's BBB- with stable outlook, for Moody's Baa3 with stable outlook and for Fitch's BB+ with stable outlook.

The company does not expect any counterparties to fail to meet their obligations. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet.

Cash flows and liquidity risk

The liquidity risk and cash flow risk may be influenced by external factors.

However, future cash flows and financial requirements will mainly be influenced by the future cash flows and financial requirements of the parent company Fresenius SE & Co KGaA and its subsidiaries. As in previous years the company expects that loans provided to affiliated companies will be repaid on due date. The cash flow risk is therefore minimal.

Generally it is Fresenius´ goal to minimize external debt in all of its subsidiaries. Therefore all subsidiaries are instructed to use primarily the Fresenius In-house bank (which is located at Fresenius SE).

We expect Fresenius SE & Co KGaA to remain solvent. In January 2015 S&P has upgraded the corporate credit rating of Fresenius from BB+ to BBB- with a stable outlook. Also Moody's Investors Service has raised the outlook from a Ba1 to a Baa3 rating for Fresenius with stable outlook.

The company is monitoring the credit ratings and the results / expectations of Fresenius SE & Co KGaA on a regular basis by analyzing the quarterly results published by Fresenius SE & Co KGaA.

The liquidity risk is as well minimal due to matching of the external financing with the internal loans with a fix interest rate. They have the same term, similar nominal value, and the projected interest receivables are higher than the interest payables.

There is also a EUR 17 million cash position account with Fresenius SE & Co KGaA which guarantees sufficiently the liquidity position of the company.

The cash position at yearend 2015 increased compared to previous year by EUR 134,184 to EUR 587,048 (2014 : EUR 452,864)

Market Information Risk

The company has clear deadlines to inform the market about its performance. Not meeting the deadlines may cause suspicion on the companies' financial health and ability to meet all its requirements.

In order to meet the deadline of depositing the financial annual and bi-annual accounts to the Luxemburg Market and the Dutch AFM, management is working closely together with the advisors from Fresenius FSE & Co and the Expert Advisory Panel.

Tax risk

In 2014, the German tax authorities finalised a tax audit related to transfer pricing between the Company and its ultimate parent company in Germany. Pursuant to this tax audit in Germany, the taxable results of Fresenius Finance B.V. have been adjusted retrospectively for fiscal years 2002 -2011, which in turn may lead to a refund of Dutch corporate income tax. During 2014, the transfer pricing model of the Company has been reviewed and assessed by the Dutch tax authorities. The outcome of this review is that the Company has received a refund for the years 2002-2014 in 2015.

In order to limit the tax risk we are advised on a regular basis by our local KPMG tax office and by being in close contact with the tax department of Fresenius SE & Co KGaA with whom we have at least once a quarter a review meeting.

Interest rate and fair market value risk

A change in the financial climate may influence the interest rates.

It is management's policy not to be exposed to significant open interest rate risk positions. Loans and borrowings are matched on an individual basis as much as possible. If this is not possible, the company enters into interest rate swaps to hedge the remaining interest rate risks.

The interest rate risk is mitigated for 2015 and the following years as the interest rate of the long term loans is fixed and directly related to the interest rate of the senior notes. As a result, there is no interest rate risk at December 31st, 2015, and the company does not expect to have an interest rate risk in the near future.

Due to these fix interest rates and the long term of the loans, there may be a risk concerning the fair value.

However, the company has accurately estimated this risk before entering into these long term deals, and has assessed the estimated fair values appropriately.

Foreign currency risk

The company is not exposed to foreign currency risk.

Future developments

Investments in financial fixed assets (such as granting of loans to affiliated companies) will be done if necessary for the affiliated companies.

No future activities regarding research and development are expected.

The profitability of the Company will mainly depend on the amounts of the loans provided to affiliated companies and the corresponding interest spread.

These financial statements have been prepared on the basis of the going concern assumption.

Responsibility statements

As far as we are aware the financial statements give a true and fair view of the assets, liabilities, financial position and the profit or the loss of the company. The financial statements give a true and fair view regarding the position on the balance sheet date, the state of affairs during the financial year of the company and its associated companies whose information is disclosed in the financial statements, and the principal risks confronting the company are discussed.

Zeist, April 25th, 2016

The Board of Directors

Jos Simons　　　　　Dirk De Preter

Balance sheet as at 31 December 2015

(Before profit appropriation)

		2015		2014	
		EUR	EUR	EUR	EUR
Fixed assets					
Tangible fixed assets	1	**2,391**		2,922	
Financial fixed assets	2	**2,181,119,000**		2,177,943,090	
			2,181,121,391		2,177,946,012
Current assets					
Receivables from affiliated companies	3	**44,787,045**		38,139,909	
Other receivables	4	**32,334**		4,387,272	
Cash and cash equivalents	5	**587,048**		452,864	
			45,406,427		42,980,045
			2,226,527,818		2,220,926,057
Shareholder's equity					
Issued capital	6	**18,151**		18,151	
Share premium reserve	6	**1,981,857**		1,981,857	
Retained earnings	6	**13,028,980**		7,249,162	
Unappropriated result	6	**1,974,496**		5,779,818	
			17,003, 484		15,028,988
Non-current liabilities	7		**2,182,436,001**		2,178,624,253
Current liabilities	8		**27,088,333**		27,272,816
			2,226,527,818		2,220,926,057

Initialed
for identification purposes only
Ernst & Young Accountants LLP

EY Building a better working world

Profit and loss account for the year ended 31 December 2015

		2015		2014	
		EUR	**EUR**	EUR	EUR
Financial result					
Interest and similar income loans	*9*	**80,076,048**		82,349,351	
Interest income on income taxes		-		792,267	
Total interest and similar income		**80,076,048**		83,141,618	
Interest and similar charges	*10*	**78,064,887**		80,317,193	
			2,011,161		2,824,425
Costs of outsourced work and other external costs	*11*		**216,550**		365,750
Operating result before taxation			**1,794,611**		2,458,675
Taxation on result loss/(gain)	*12*		**(179,885)**		(3,321,143)
Net result			**1,974,496**		5,779,818

Fresenius Finance B.V.

Statement of total income and expense for the year ended 31 December 2015

	2015		2014	
	EUR	**EUR**	EUR	EUR
Net result after taxes attributable to the company		**1,974,496**		5,779,818
Changes in the fair value of the derivatives recognised in equity	-		1,669,162	
Total of items recognised directly in equity of the company		-		1,669,162
Total result of the legal entity		**1,974,496**		7,448,980

Initialed
for identification purposes only
Ernst & Young Accountants LLP

EY Building a better working world

Cash flow statement for the year 2015

	2015		2014	
	EUR	EUR	EUR	EUR
Result before taxation		1,794,611		2,458,675
Adjustments for:				
• Depreciation fixed assets	531		1,101	
• Amortization transaction expenses Senior Notes	3,811,748		3,257,402	
• Amortization transaction expenses loans to affiliated companies	-3,175,910		-2,576,239	
		636,369		682,264
Changes in working capital		-6,749,182		-2,911,216
Cash flow from business operation		-4,318,202		229,723
Income tax received (paid)	4,452,386		117,658	
		4,452,386		117,658
Cash flow from operating activities		134,184		347,381
Investments in:				
• Fixed assets	-		-871	
• Financial fixed assets	-		-1,196,320,500	
• Transaction expenses loans to affiliated companies received	-		10,364,000	
Disinvestment in:				
• Receivables from affiliated companies	-		300,000,000	
Cash flow from investing activities *		-		-885,957,371

Initialed
for identification purposes only
Ernst & Young Accountants LLP

EY Building a better working world

Fresenius Finance B.V.

	2015		2014	
	EUR	EUR	EUR	EUR
• Euronotes repaid	-		-300,000,000	
• Eurobonds issued	-		1,196,320,500	
• Transaction expenses Euronotes paid	-		-10,364,000	
Cash flow from financing activities *		**-**		**885,956,500**
Changes in cash equivalents		**134,184**		**346,510**
Balance at January 1		452,864		106,354
Change in cash equivalents		134,184		346,510
Balance at December 31		587,048		452,864

* The company uses the corporate treasury facilities offered by the parent company Fresenius SE & Co. KGaA. Consequently the cash movements need to be considered as cash movements in Fresenius SE & Co. KGaA on behalf of Fresenius Finance B.V.

Notes to the 2015 financial statements

General

Relationship with parent company and principal activities

The company, statutory seated in's-Hertogenbosch, the Netherlands, is a private limited company. The ultimate parent company is Fresenius SE & Co. KGaA, Bad Homburg, Germany.

The company is a financing company; the principal activities of the company consist of borrowing and lending activities.

The offices of the company are located at Amersfoortseweg 10 E, 3705 GJ ZEIST in the Netherlands.

Basis of preparation

The financial statements have been prepared in accordance with Title 9 of Book 2 of the Netherlands Civil Code.

Solvency

Given the objectives of the company, the company is economically interrelated with the ultimate holding company, Fresenius SE & Co. KGaA, Germany. In assessing the solvency and general risk profile of the company, the solvency of the Fresenius SE & Co. KGaA group as a whole needs to be considered.

Comparative figures

In the context of comparability, the comparative figures of the balance sheet and income statement are adjusted to reflect the reclassification of the Cash position account with Fresenius SE & Co from Financial fixed assets to Receivables from affiliated companies.

Accounting policies

If not stated otherwise, assets and liabilities are shown at historical cost.

An asset is included in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be reliably measured. A liability is included in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

If a transaction results in a transfer of future economic benefits or when all risks relating to assets or liabilities transfer to a third party, the asset or liability is no longer included in the balance sheet. Assets and liabilities are not included in the balance sheet if economic benefits are not probable or cannot be measured with sufficient reliability.

The income and expenses are accounted for in the period to which they relate.

The preparation of the financial statements requires the management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

Principles for the translation of foreign currencies

The reporting currency in the financial statements of Fresenius Finance B.V. is the euro (EUR), which is the company's functional currency. There are no transactions in foreign currencies and therefore the Company is not exposed to foreign currency risks.

Financial instruments

Financial instruments include trade and other receivables, cash and cash equivalents, loans and other financing commitments, trade and other payables.

Financial instruments are initially recognised at fair value. If instruments are not carried at fair value through profit and loss, then any directly attributable transaction costs are included in the initial measurement.

After initial recognition, financial instruments are valued in the manner described below.

Derivatives and hedge accounting

Derivatives are measured at fair value with recognition of all changes in value in the profit and loss account, except where hedge accounting is used to hedge the variability of future cash flows affecting the profit and loss account (cash flow hedge accounting).

If cash flow hedge accounting is used, the effective portion of the fair value changes of the derivatives is initially recognised in the revaluation reserve. As soon as the expected future transactions lead to the recognition of gains or losses in the profit and loss account, the respective amounts are taken from the revaluation reserve to the profit and loss account.

In case a derivative no longer meets the conditions for hedge accounting, expires, is sold, or if the company has decided to no longer applies hedge accounting, the hedging relationship is terminated. The gains or losses recognised at the time of the termination of the hedging relationship remain in equity until the expected future transaction takes place. If the transaction is no longer expected to take place, the deferred gain or loss on the hedge recognised in equity is taken to the profit and loss account.

The company regularly assesses the effectiveness of its hedging relationships by comparing the cumulative value change of the hedged position with the cumulative value change of the derivatives.

The lower of the cumulative value change of the hedged position and the cumulative value change of the derivatives is recognised as a deferred gain or loss in the revaluation reserve.

The company documents its hedging relationships by means of specific hedging documentation.

Loans granted and other receivables

Loans granted and other receivables are carried at amortised cost using the effective interest method, less impairment losses.

Long-term and current liabilities and other financial commitments

Long-term and current liabilities and other financial commitments are stated after their initial recognition at amortised cost on the basis of the effective interest rate method.

Redemption payments regarding long-term liabilities that are due next year, are presented under current liabilities.

Impairment

On reporting dates the company will test all long term assets reported at amortized cost whether any possible devaluations might occur. When the impairment test is positive, the company should determine the profit and loss effect of the impairment.

The accounting policies applied for the valuation of trade and other receivables and securities are described under the heading 'Financial instruments'.

Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the legal reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the legal reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognised in the profit and loss as financial income or expense.

Non-current liabilities

When long-term liabilities are recognized initially, they are measured at fair value, plus, in the case of financial liabilities not classified at fair value through profit or loss, directly attributable transaction costs.

After initial measurement, long-term liabilities are carried at amortized cost using the effective interest method. Gains and losses are taken to the profit and loss account when the liabilities are derecognized, as well as through the amortization process.

Current liabilities

On initial recognition, current liabilities are carried at fair value less directly attributable transaction costs (in the case of financial liabilities not carried at fair value through profit or loss).

After initial measurement, other current liabilities are carried at amortized cost using the effective interest method. Gains or losses are recognized in the profit and loss account when the liabilities are derecognized, as well as through the amortization process.

Amortized cost

Amortized cost is the amount at which a financial asset or liability is measured at initial recognition less repayments of the principal, plus or less the cumulative amortization using the effective interest method for any difference between this initial amount and the maturity amount, and less any reductions (effected directly or through a provision being formed) for impairment and doubtful debts.

Interest and similar income

Interest and similar income comprise interest income on funds invested, foreign exchange gains and gains on hedging instruments that are recognised in the income statement. Interest income is recognised in the income statement as it accrues, using the effective interest method.

Interest and similar charges

Interest and similar charges comprise interest charges on borrowings calculated using the effective interest rate method, foreign exchange losses and losses on hedging instruments that are recognised in the income statement.

Costs of outsourced work and other external costs

This concerns costs that are directly attributable to the operations of the company.

Taxation on result

The taxation on result comprises both current taxes payable and deferred taxes, taking account of tax facilities and non-deductible costs. No taxes are deducted from profits if and insofar as said profits can be offset against losses from previous years.

Taxes are deducted from losses if these can be offset against profits in previous years and results in a tax rebate. In addition, taxes may be deducted to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date taking into account the tax facilities and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Several countries require that payers of interest to foreign payees withhold income tax from such payment and pay it to their government. Taxes withhold may be eligible for a tax credit depending on the tax structure of the company.

Cash flow statement

The cash flow statement has been prepared using the indirect method. Cash flows in foreign currency are translated into euros at the average weighted exchange rates at the dates of the transactions.

The company uses the corporate treasury facilities offered by the parent company Fresenius SE & Co. KGaA. Consequently the cash movements need to be considered as cash movements in Fresenius SE & Co. KGaA on behalf of Fresenius Finance B.V.

Determination of fair value

A number of accounting principles and disclosures require the determination of fair values, for both financial and non-financial assets and liabilities. For measurement and disclosure purposes, the fair value is determined on the basis of the methods as described below. If applicable, detailed information concerning the principles for determining the fair value is included in the section that specifically relates to the relevant asset or liability.

Trade and other receivables

The fair value of trade and other receivables is estimated at the present value of future cash flows.

Non-derivative financial obligations

The fair value of non-derivative financial commitments is only determined for disclosure purposes and is calculated on the basis of the net present value of future repayments and interest payments, discounted at the market interest rate, including a margin for the relevant risks as at the reporting date.

1 Tangible fixed assets

Movements in Tangible Fixed Assets can be detailed as follows:

	Office equipment EUR	Hardware EUR	Total EUR
Balance at 1 January 2015			
Cost	5,710	15,768	21,478
Accumulated depreciation	3,599	14,957	18,556
Carrying amount at 1 January 2015	2,111	811	2,922
Changes during the year:			
• Cost depreciation 2015	-439	-92	-531
Carrying amount at 31 December 2015	1,672	719	2,391
Cost	5,710	15,768	21,478
Accumulated depreciation	4,038	15,051	19,087
Carrying amount at 31 December 2015	1,672	719	2,391

2 Financial fixes assets

Movements in financial fixed assets can be detailed as follows:

	Loans to affiliated companies EUR	Total EUR
Balance as at 1 January 2015	2,177,943,090	2,177,943,090
• Amortization issue costs	3,175,910	3,175,910
Balance as at 31 December 2015	2,181,119,000	2,181,119,000

Loans to affiliated companies:

The loans to affiliated companies as at 31 December 2015 comprise long-term loans to

Fresenius SE & Co. KGaA with a principal amount of EUR 2,196,320,500(2014: EUR 2,196,320,500) containing the following loans:

EUR 500,000,000 at 4.300 % due in 2019 (Fair value EUR 562 million)

EUR 500,000,000 at 2.930 % due in 2020 (Fair value EUR 548 million)

EUR 298,941,000 at 2.552 % due in 2019 (Fair value EUR 319 million)

EUR 444,379,500 at 3.411 % due in 2021 (Fair value EUR 503 million)

EUR 453,000,000 at 3.964 % due in 2024 (Fair value EUR 522 million)

The loans can be detailed as follows :

	2012/2019 EUR
Face value	500,000,000
Issue costs	-7,106,405
Accumulated amortisation issue cost	3,531,772
Balance as at 31 December 2015	496,425,367

Fresenius Finance B.V.

	2013/2020 EUR
Face value	500,000,000
Issue costs	-5,948,666
Accumulated amortisation issue cost	2,140,065
Balance as at 31 December 2015	496,191,399

	2014/2019 EUR
Face value	298,941,000
Issue costs	-2,700,000
Accumulated amortisation issue cost	982,967
Balance as at 31 December 2015	297,223,967

	2014/2021 EUR
Face value	444,379,500
Issue costs	-3,819,000
Accumulated amortisation issue cost	945,678
Balance as at 31 December 2015	441,506,178

	2014/2024 EUR
Face value	453,000,000
Issue costs	-3,845,000
Accumulated amortisation issue cost	617,090
Balance as at 31 December 2015	449,772,090

Initialed
for identification purposes only
Ernst & Young Accountants LLP
EY Building a better working world

	Total loans to affiliated companies EUR
Face value	2,196,320,500
Issue costs	-23,419,071
Accumulated amortisation issue cost	8,217,572
Balance as at 31 December 2015	2,181,119,001

3 Receivables from affiliated companies

	2015 EUR	2014 EUR
Accrued interest to be received from Fresenius SE & Co. KGaA	28,060,911	28,058,457
Cash position account Fresenius SE & Co. KGaA(*)	16,726,134	10,081,452
	44,787,045	38,139,909

(*) This short term loan is a cash position account with Fresenius SA & Co KGaA. The loan has no fixed due date and bears an interest rate of 0,049%.

4 Other receivables

	2015	2014
	EUR	EUR
Tax receivable 2015	**18,182**	-
Tax receivable 2014	-	482,492
Tax receivable 2013	-	364,835
Tax payable 2012	-	-20,977
Tax receivable 2011	-	571,028
Tax receivable 2010	-	524,469
Tax receivable 2009	-	433,447
Tax receivable 2008	-	116,121
Tax receivable 2007	-	56,339
Tax receivable 2006	-	337,777
Tax receivable 2005	-	52,564
Tax payable 2004	-	-5,521
Tax receivable 2003	-	318,306
Tax receivable 2002	-	347,353
Other receivables	**14,152**	16,772
Interest receivable regarding income tax	-	792,267
	32,334	4,387,272

Corporate income tax

In 2014 the company has agreed with the tax authorities a revised method to determine the taxable bases for the years 2002 until current year for Fresenius Finance B.V. Since Fresenius SE & Co KGaA act as guarantor for the obtained loans, the interest margin is tax levied in Germany and Fresenius SE & Co KGaA is a principal responsible for these taxes.

During 2015, the company has received all tax amounts as well as the interests from the Dutch tax authorities as listed above (comparative figures) .

Reference is made to note 12 for further details on withholding taxes.

Other

The other receivables include an amount of EUR 13,652 (2014: EUR 13,652) not due within one year.

5 Cash and cash equivalents

Cash at bank and in hand are stated at nominal value and are at free disposal.

6 Shareholders' equity

	Issued capital EUR	Share premium reserve EUR	Retained earnings EUR	Unappro-priated result EUR	Total 2015 EUR	Total 2014 EUR
Balance as at 1 January	**18,151**	**1,981,857**	**7,249,162**	**5,779,818**	**15,028,988**	7,580,008
Changes:						
Result for the year				**1,974,496**	**1,974,496**	5,779,818
Retained earnings			**5,779,818**	**-5,779,818**	**-**	-
Changes in fair value of derivatives recognised in equity						1,669,162
Balance as at 31 December	**18,151**	**1,981,857**	**13,028,980**	**1,974,496**	**17,003,484**	15,028,988

Referring to Article 178c sub 1, the authorized share capital of the company consists of 200 shares with a nominal value of EUR 453.78.

According to the Articles of Association, the shares are nominated in guilders NLG 1,000 per share. 40 shares are issued and fully paid. No changes occurred during the year.

The share premium reserve relates to income from the issuance of shares as far nominal value of the shares (income above par) is exceeded. No changes occurred during the year.

7 Non-current liabilities

This note provides information about the contractual terms of the company's Senior notes. For more information about the company's exposure to interest rate and foreign currency risk, refer to note 8 - Financial Instruments.

The non-current liabilities can be specified as follows:

	2015 EUR	2014 EUR
Senior Notes	**2,182,436,001**	2,178,624,253
	2,182,436,001	2,178,624,253

Senior Notes

The existing Senior Notes are :

- Senior Note issued in 2014 for a total amount of EUR 300 million with a coupon of 2.375%. This Senior Note will mature in 2019. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue. The effective interest of the senior note is 2,65%, which differs from the coupon rate due to the issue costs and the disagio.

- Senior Note issued in 2014 for a total amount of EUR 450 million with a coupon of 3.000%. This Senior Note will mature in 2021. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue. The effective interest of the senior note is 3,34%, which differs from the coupon rate due to the issue costs and the disagio.

- Senior Note issued in 2014 for a total amount of EUR 450 million with a coupon of 4.000%. This Senior Note will mature in 2024. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue. The effective interest of the senior note is 4,02%, which differs from the coupon rate due to the issue costs and the premium.

- Eurobond issued in 2013 for a total amount of EUR 500 million with a coupon of 2.875%. This Eurobond will mature in 2020. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue. The effective interest of the senior note 2013/2020 is 3,06% which differs from the coupon rate due to the issue costs.

- Eurobond in 2012 for a total amount of EUR 500 million with a coupon of 4.25%. This Eurobond will mature in 2019. Fresenius SE & Co. KGaA, Fresenius Kabi AG and Fresenius ProServe GmbH are the guarantors for this issue. The effective interest of the senior note 2012/2019 is 4,49% which differs from the coupon rate due to the issue costs.

The Senior Notes can be detailed as follows:

	Senior notes (2019) EUR
Face value	500,000,000
Issue costs	-7,106,405
Accumulated amortisation issue cost	3,534,766
Balance as at 31 December 2015	496,428,361

	Senior notes (2020) EUR
Face value	500,000,000
Issue costs	-5,948,666
Accumulated amortisation issue cost	2,142,844
Balance as at 31 December 2015	496,194,178

	Senior notes (2019) EUR
Face value	300,000,000
Issue costs	-2,700,000
Disagio	-1,059,000
Accumulated amortisation issue cost	980,080
Accumulated amortisation disagio	390,618
Balance as at 31 December 2015	297,611,698

	Senior notes (2021) EUR
Face value	450,000,000
Issue costs	-3,819,000
Disagio	-5,620,500
Accumulated amortisation issue cost	934,024
Accumulated amortisation disagio	1,416,364
Balance as at 31 December 2015	442,910,888

	Senior notes (2024) EUR
Face value	450,000,000
Issue costs	-3,845,000
Premium	3,000,000
Accumulated amortisation issue cost	614,079
Accumulated amortisation premium	-478,203
Balance as at 31 December 2015	449,290,876

	Senior notes (Total) EUR
Face value	**2,200,000,000**
Issue costs	**-23,419,071**
Disagio/Premium	**-3,679,500**
Accumulated amortisation issue cost	**8,205,793**
Accumulated amortisation disagio/premium	**1,328,779**
Balance as at 31 December 2015	**2,182,436,001**

The Senior Notes have been offered in a private placement to institutional investors. Fresenius SE & Co KGaA has applied the Luxembourg Stock Exchange to admit the senior notes to trading on its regulated market.

The fair values of the Fresenius Finance B.V. Senior Notes at December 31, 2015 were as follows (in Mio EUR):

Senior Notes	Nominal	Rate	Fair Value
FFBV 2012/19 4.250 %	500.00	1.1163	EUR 558 million
FFBV 2013/20 2.875 %	500.00	1.0713	EUR 536 million
FFBV 2014/19 2.375 %	300.00	1.0500	EUR 315 million
FFBV 2014/21 3.000 %	450.00	1.0725	EUR 483 million
FFBV 2014/24 4.000 %	450.00	1.1338	EUR 510 million

This fair value calculation is based on price quotes per balance sheet date.

8 Current liabilities

Current liabilities can be specified as follows:

	2015	2014
	EUR	EUR
Trade creditors	**27,008**	15.168
Accrued interest	**27,003,325**	27,002,077
Other liabilities	**58,000**	57,504
Deferred tax liability regarding interest income on income taxes	-	198,067
	27,088,333	27,272,816

Initialed
for identification purposes only
Ernst & Young Accountants LLP
EY Building a better working world

Accrued interest

The accrued interest can be detailed as follows:

	2015 EUR	2014 EUR
Euro Notes EUR 500,000,000 (2019)	**4,427,083**	4,427,083
Euro Notes EUR 300,000,000 (2019)	**2,950,200**	2,948,963
Euro Notes EUR 500,000,000 (2020)	**6,588,542**	6,588,542
Euro Notes EUR 450,000,000 (2021)	**5,587,500**	5,587,492
Euro Notes EUR 450,000,000 (2024)	**7,450,000**	7,449,997
	27,003,325	27,002,077

Deferred tax liability

In 2014, the deferred tax liability was the result of the interest income on income taxes from previous years. The tax rate of 25% was applied to the total interest receivable amount of EUR 792,267, resulting in a deferred tax liability of EUR 198,067.

Since the interests on income taxes have been paid by the Dutch tax authorities in 2015, the deferred tax liability was released.

Off-balance liabilities

The liability concerning the rent of the building amounts to EUR 33,604 (2014 : EUR 32,785). This amount represents 1 year of rent .

Financial instruments

General

During the normal course of business, Fresenius Finance B.V. makes use of several financial instruments such as bonds, loans from affiliated companies and cash balances with banks. Due to the use of these financial instruments, the company is exposed to interest rate risk and credit risk. For loans with variable interest rates (if applicable), the policy of the company is to use derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. In accordance with its treasury policy, the company does not hold or issue derivative financial instruments for trading purposes. There are no derivatives applicable for FY 2015 since we have fixed interest rates and therefore the cash flow risk regarding interest is low for FY 2015.

Risk management:

The company is putting everything in place to cover all the different risks as mentioned below. Risk management is a process that we are committed to continuously improve.

In this respect, a formal general service agreement has been set up between Fresenius Finance and Fresenius SE & Co. KGaA., which describes the services Fresenius SE & Co. can perform for Fresenius Finance.

Besides that Fresenius Finance and Fresenius Se & Co. have agreed to set up an Expert Advisory Panel. The purpose of this panel is to assist/advice the management board of Fresenius Finance in the preparation of major and/or complex business decisions within the business purpose of Fresenius Finance.

Senior management, together with advisors from Fresenius SE & CO and the above mentioned Expert Advisory Panel, agree on the risk management priorities of the company. The company risk profile is discussed and agreed with the Management Board. The advisors from Fresenius SE & Co and from the Expert Advisory Panel facilitate the annual assessment of the business risks to achieve appropriate level of objectivity in the assessment of the risks. Over the year, we monitor the mitigating actions in relation to each risk and the trend for each risk. The business risk profile is taken into account when establishing our strategy.

Credit risk

The fact that one of our counterparties would have a significant change in credit rating may influence the credit risk of the company.

To avoid this, all financial instruments are concluded with either highly rated financial institutions or companies within the Fresenius SE & Co. KGaA group, which are expected to fully perform under the terms of the agreements. The company continuously monitors changes in credit ratings of counterparties. At the balance sheet date the credit risk concentrates on entities of the Fresenius SE & Co. KGaA group. Fresenius' credit quality is assessed and regularly reviewed by the leading rating agencies Moody's, Standard & Poor's, and Fitch. The corporate credit rating of Fresenius SE & Co. KGaA at issue date of these financial statements is for Standard & Poor's BBB- with stable outlook, for Moody's Baa3 with stable outlook and for Fitch's BB+ with stable outlook.

The company does not expect any counterparties to fail to meet their obligations. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet.

Cash flows and liquidity risk

The liquidity risk and cash flow risk may be influenced by external factors.

However, future cash flows and financial requirements will mainly be influenced by the future cash flows and financial requirements of the parent company Fresenius SE & Co KGaA and its subsidiaries. As in previous years the company expects that loans provided to affiliated companies will be repaid on due date. The cash flow risk is therefore minimal.

Generally it is Fresenius´ goal to minimize external debt in all of its subsidiaries. Therefore all subsidiaries are instructed to use primarily the Fresenius In-house bank (which is located at Fresenius SE).

We expect Fresenius SE & Co KGaA to remain solvent. In January 2015 S&P has upgraded the corporate credit rating of Fresenius from BB+ to BBB- with a stable outlook. Also Moody's Investors Service has raised the outlook from a Ba1 to a Baa3 rating for Fresenius with stable outlook.

The liquidity risk is as well minimal due to matching of the external financing with the internal loans with a fix interest rate. They have the same term, similar nominal value, and the projected interest receivables are higher than the interest payables.

There is also a EUR 17 million cash position account with Fresenius SE & Co KGaA which guarantees sufficiently the liquidity position of the company.

The cash position at yearend 2015 increased compared to previous year by EUR 134,184 to EUR 587,048 (2014 : EUR 452,864)

Tax risk

In 2014, the German tax authorities finalised a tax audit related to transfer pricing between the Company and its ultimate parent company in Germany. Pursuant to this tax audit in Germany, the taxable results of Fresenius Finance B.V. have been adjusted retrospectively for fiscal years 2002 -2011, which in turn may lead to a refund of Dutch corporate income tax. During 2014, the transfer pricing model of the Company has been reviewed and assessed by the Dutch tax authorities. The outcome of this review is that the Company has received a refund for the years 2002-2014 in 2015.

Interest rate and fair market value risk

A change in the financial climate may influence the interest rates.

It is management's policy not to be exposed to significant open interest rate risk positions. Loans and borrowings are matched on an individual basis as much as possible. If this is not possible, the company enters into interest rate swaps to hedge the remaining interest rate risks.

The interest rate risk is mitigated for 2015 and the following years as the interest rate of the long term loans is fixed and directly related to the interest rate of the senior notes. As a result, there is no interest rate risk at December 31st, 2015, and the company does not expect to have an interest rate risk in the near future.

Due to these fix interest rates and the long term of the loans, there may be a risk concerning the fair value.

However, the company has accurately estimated this risk before entering into these long term deals, and has assessed the estimated fair values appropriately.

Foreign currency risk

The company is not exposed to foreign currency risk.

Initialed
for identification purposes only
Ernst & Young Accountants LLP
EY Building a better working world

9 Interest and similar income

Interest and similar income can be detailed as follows:

	2015 EUR	2014 EUR
Interest income Fresenius SE & Co. KGaA	**76,900,138**	74,209,412
Interest income Fresenius Kabi Austria	-	2,327,421
Interest income Fresenius Proserve GMBH	-	1,671,818
Interest income Clinico Poland	-	73,325
Interest income Fresenius Kabi AG	-	1,055,885
Interest income Fresenius Kabi Italia	-	131,986
Amortization of transaction costs on loans to affiliated companies	**3,175,910**	2,879,504
	80,076,048	82,349,351

10 Interest and similar charges

Interest expenses and similar charges can be detailed as follows:

	2015 EUR	2014 EUR
Interest expense Eurobonds	**74,250,000**	76,822,660
Amortization of transaction expenses and (dis)agio Senior Notes	**3,811,748**	3,493,817
Bank expenses	**587**	716
Interest expense income taxes	**2,552**	-
	78,064,887	80,317,193

11 Costs of outsourced work and other external costs

The costs of outsourced work and other external costs are detailed as follows:

	2015 EUR	2014 EUR
Salaries	-	8,359
Charged management and service expenses from Fresenius Kabi NV	**59,400**	59,400
Other expenses related to the bonds	-	68,155
Consulting and other fees	**69,116**	71,832
Tax advisory services KPMG Meijburg & Co	**40,237**	67,923
Rent office building	**33,604**	32,785
Bank fees	**9,766**	43,372
Other	**4,427**	13,924
	216,550	365,750

The audit of the Company has been performed by Ernst & Young Accountants LLP. The fees for the external Dutch auditor, the audit organization and the entire network to which the audit organization belongs charged to the financial year are set out below:

	2015 EUR	2014 EUR
Audit of the financial statements	**40,000**	39,000
Other audit engagements (audit of cash flow statement)	**15,900**	-
	55,900	39,000

Initialed
for identification purposes only
Ernst & Young Accountants LLP
EY Building a better working world

12 Taxation on result

Based on the current tax structure of the company the utilization of the withholding tax related to prior years (2002 – 2011) stated on the balance sheet per 2014 was very uncertain for the near future. Therefore this is valuated at nil as of December 31, 2015. The management of the company does not expect to be able to utilize this withholding tax credit in the future.

The effective tax rate is -/- 10% (2014: -/- 135%) and the applicable tax rate 25% (2014: 25%) in the Netherlands. The difference relates to a reviewed Transfer Price Policy, the assessment of this change by the Dutch tax authorities in 2014 (refer to note 4) and the release of the deferred tax liability in FY 2015 (refer to note 8).

	2015	2014
	EUR	EUR
Taxation on result current year	**-18,182**	-13,600
Taxation on result prior years	-	3,532,810
Change in deferred tax liability	**198,067**	-198,067
	179,885	3,321,143

13 Transactions with related parties

In its normal course of business Fresenius Finance B.V. issues loans to affiliated companies. These transactions are conducted on a commercial basis under comparable conditions that apply to transactions with third parties.

14 Employees

During the year 2015, there were no employees in the company (2014: 0.10 FTE).

15 Emoluments of directors

During 2015 the 2 directors of the company did not receive any emoluments (2014: EUR 9,366).

Zeist, April 25th, 2016

The Board of Directors

J.M. Simons D. De Preter

Initialed
for identification purposes only
Ernst & Young Accountants LLP

EY Building a better working world

Other information

Independent auditor's report

Reference is made to the last pages of this report.

Statutory stipulations concerning the appropriation of results

Article 20 of the Articles of Association contains the following stipulations regarding the appropriation of results:

Sub 1. The result is at the disposal of the General Meeting.
Sub 2. Payments can only be made for at most the payable part of shareholder's equity.
Sub 3. Payment of profit shall only be distributed after adoption of the financial statements proving that profit distribution is allowed.
Sub 4. The company is allowed to make interim profit distributions provided this article's sub 2 is complied with.
Sub 5. The General Meeting is allowed to make payments chargeable to retained earnings provided this article's sub 2 is complied with.
Sub 6. The shareholder's claim on payment becomes barred by lapse of five years.

Proposal for the appropriation of the result 2015

The following appropriation of the result after taxes for the year 2015 is proposed to the General Meeting: to include EUR 1,974,496 (100% of the net result after taxes) in the retained earnings within shareholder's equity.

Subsequent events after balance sheet date

- No subsequent events have taken place in 2016, which do provide additional information on the actual situation at the balance sheet.

Fresenius Finance B.V.

Independent auditor's report

Initialed
for identification purposes only
Ernst & Young Accountants LLP

EY Building a better working world

EY
Building a better working world

Independent auditor's report

To: the shareholders and board of directors of Fresenius Finance B.V.

Report on the audit of the financial statements 2015

Our opinion

We have audited the financial statements 2015 of Fresenius Finance B.V. (the Company), based in 's-Hertogenbosch.

In our opinion the financial statements give a true and fair view of the financial position of Fresenius Finance B.V. as at 31 December 2015, and of its result for 2015 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The balance sheet as at 31 December 2015.
- The profit and loss account for 2015.
- The notes comprising a summary of the significant accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Fresenius Finance B.V. in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€ 769 thousand
Benchmark used	1% of interest revenues.
Additional explanation	We considered an activity based measurement to be the most appropriate benchmark for materiality, since only loans are accounted for in Fresenius Finance B.V. We typically determine a range of 0,5 - 1 % of revenues, where we ended up using the higher end of the range. The main reasons for this were the few number of shareholders and very limited changes in the business environment.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the board of directors that misstatements in excess of € 38 thousand, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matter to board of directors. The key audit matter is not a comprehensive reflection of all matters discussed.

This matter was addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Risk	Our audit response
Valuation of receivables from affiliated companies	
The loans to affiliated companies (long term) and receivables from affiliated companies (short term) are both significant to our audit as these represent approximately 99% of the total assets in the financial statements of the company. The affiliated companies we refer to only consist of Fresenius SE & Co. KGaA, Bad Homburg v.d. Höhe, which is the head of the group where Fresenius Finance B.V. belongs to. The company is dependent on interest income from, or repayments of, the receivables from affiliated companies to meet its financial obligations. The Company's disclosure on the credit risk is included in the financial instruments risk paragraph on page 31 of the financial statements.	We have performed, among others, the following substantive audit procedures with respect to the receivables from affiliated companies: - Inspection of loan agreements and recalculating the amortized cost calculation including the effective interest method. - Evaluation of the credit rating of Fresenius SE & Co. KGaA (the guarantor) from several credit rating agencies. - Taken notice of the audited financial statements 2015 of Fresenius SE & Co. KGaA (the guarantor).

Responsibilities of management and the supervisory board for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements, and for the preparation of the director's report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all errors and fraud.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included, e.g.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause an the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Report on other legal and regulatory requirements

Report on the director's report and the other information

Pursuant to legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the management board report and other information):

- We have no deficiencies to report as a result of our examination whether the director's report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code, and whether the information as required by Part 9 of Book 2 of the Dutch Civil Code has been annexed.
- We report that the director's report, to the extent we can assess, is consistent with the financial statements.

Engagement

We were engaged by the board of directors as auditor of Fresenius Finance B.V. on 20 November 2014, as of the audit for the year 2014 and have operated as statutory auditor since that date.

Zwolle, 25 April 2016

Ernst & Young Accountants LLP

signed by D.L. Groot Zwaaftink