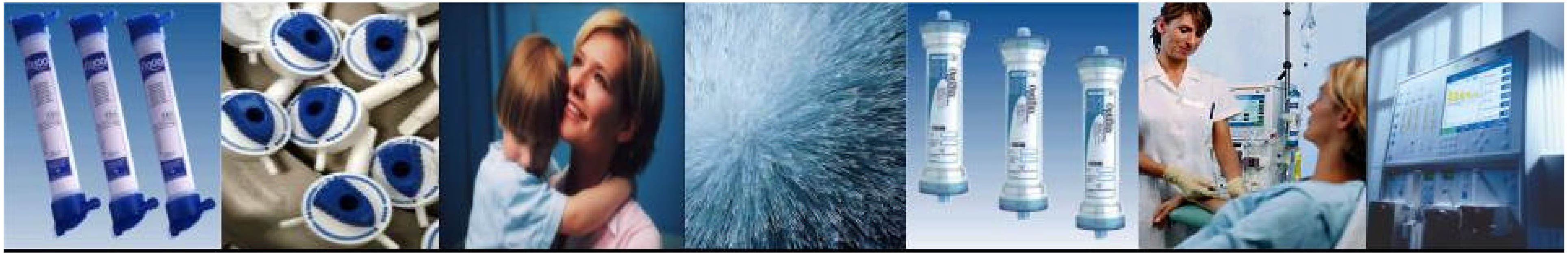
Fresenius Medical Care

The World's Leading Renal Therapy Company



Analyst Meeting, May 4, 2005

Safe harbor statement

This presentation includes certain forward-looking statements. Actual results could differ materially from those included in the forward-looking statements due to various risk factors and uncertainties, including changes in business, economic competitive conditions, regulatory reforms, foreign exchange rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. These and other risks and uncertainties are detailed in the Company’s reports filed with the Securities and Exchange Commission and the German Exchange Commission „Deutsche Börse“.

Agenda

1) First Quarter 2005

2) Summary of Transactions

3) The Acquisition

4) The Conversion and the Transformation

5) Conclusion

1) First Quarter 2005

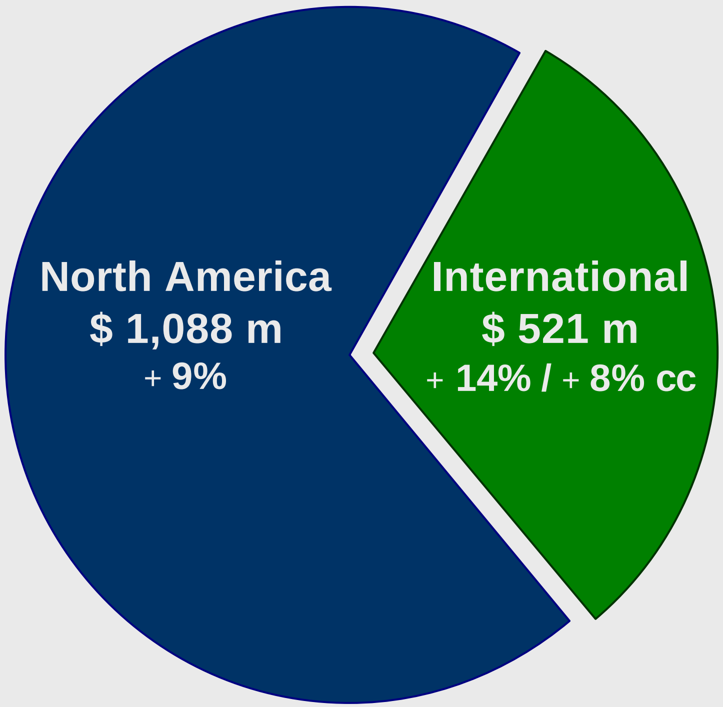
Strong start into the year – Q1 2005

▪ **Net revenue**	**$ 1,609 m**	**+ 10%** 9% cc
▪ **Operating income (EBIT)**	**$ 220 m**	**+ 11%**
Margin		13.7%
▪ **Net income**	**$ 107 m**	**+ 18%**
Margin		6.7%
▪ **Free Cash Flow**	**$ 98 m**	**- 25%**

cc = constant currency

Strong revenue growth by segment in Q1 2005

Total revenue $ 1,609 m + 10% *



North America 68% of total revenue

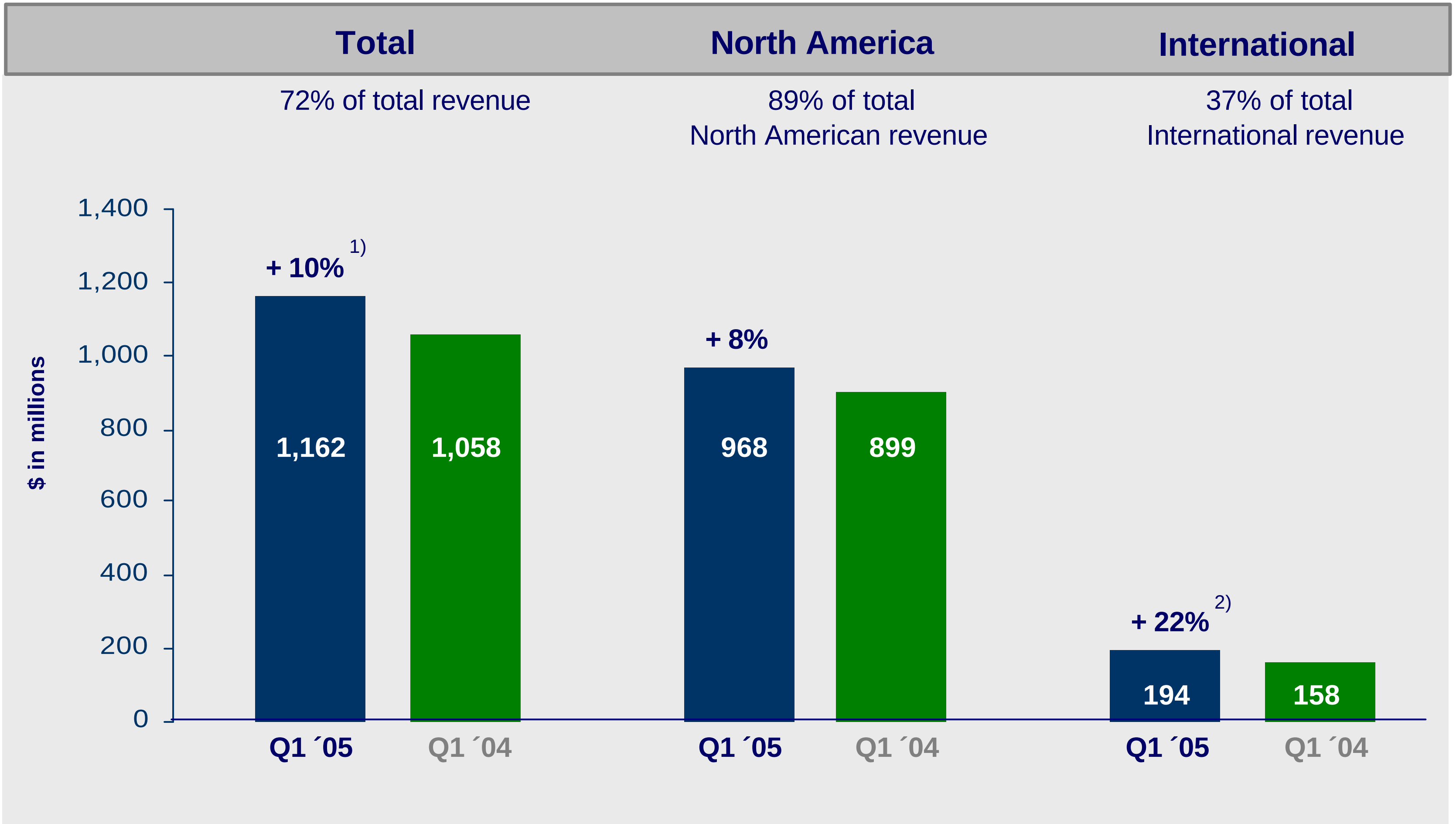
International revenue $ 521 m

- **Europe** **$ 388 m**
  + 15% / + 9% cc
- **Asia - Pacific** **$ 74 m**
  - 3% / - 7% cc
- **Latin America** **$ 59 m**
  + 36% / + 30% cc

International 32% of total revenue

* 9% growth at constant currency (cc)

Dialysis Services Q1 2005



1) 9% growth at constant currency

2) 16% growth at constant currency

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Dialysis Services Q1 2005

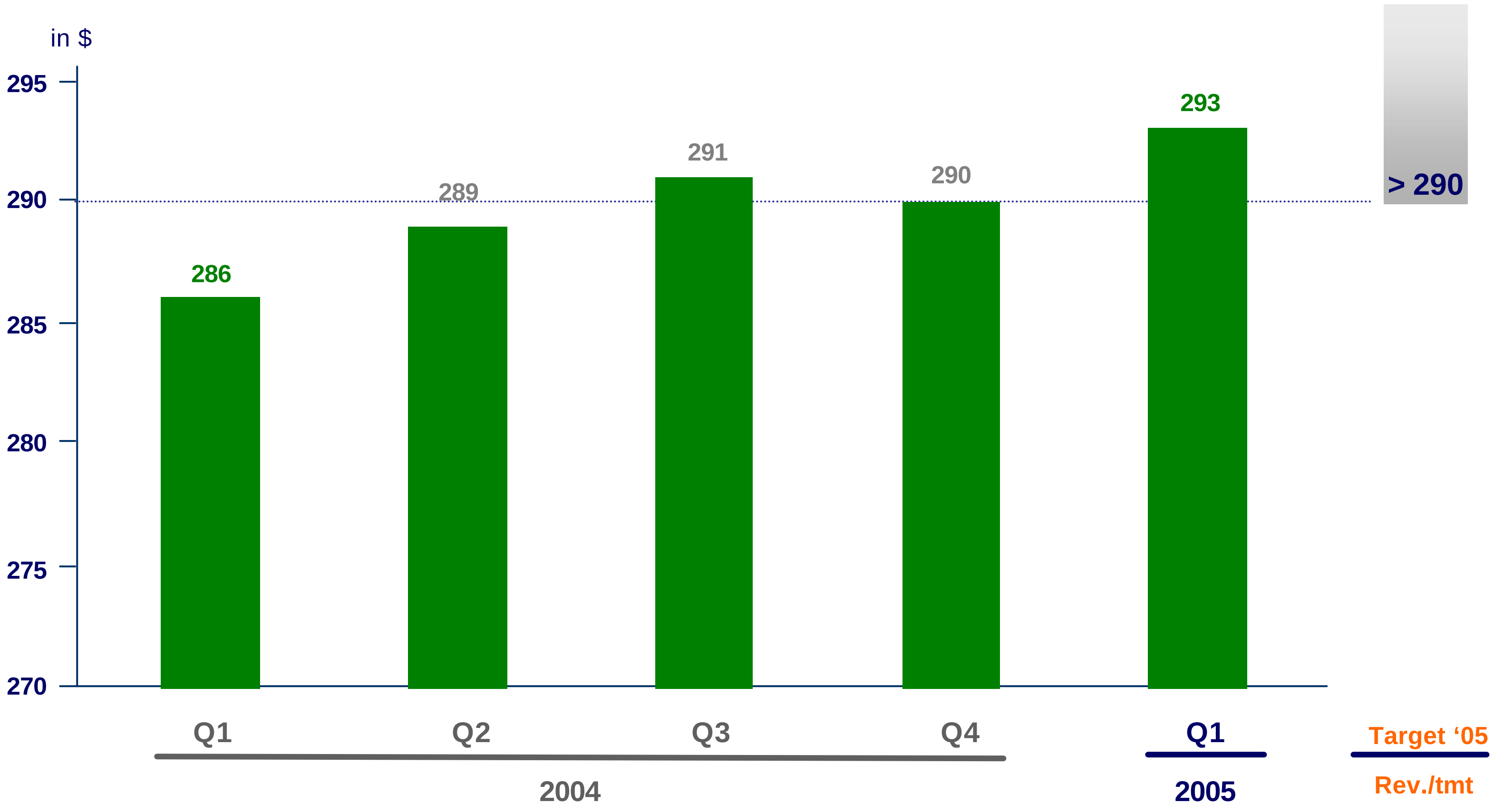
Focus on organic growth and revenue per treatment

	Total	North America	International
Organic revenue growth	+ 6.2%	+ 6.0%	+ 7.7%
Same store treatment growth	+ 4.4%	+ 3.8% [1)]	+ 5.6%
Revenue per treatment (US operations)	$ 246	$ 293	$ 131
Treatments (in million)	4.72	3.25	1.47
Growth	+ 3.2%	+ 2.5%	+ 4.8%

1) In-center growth of ~ 4.1%.

Dialysis Services – US operations

Revenue per treatment ahead of target



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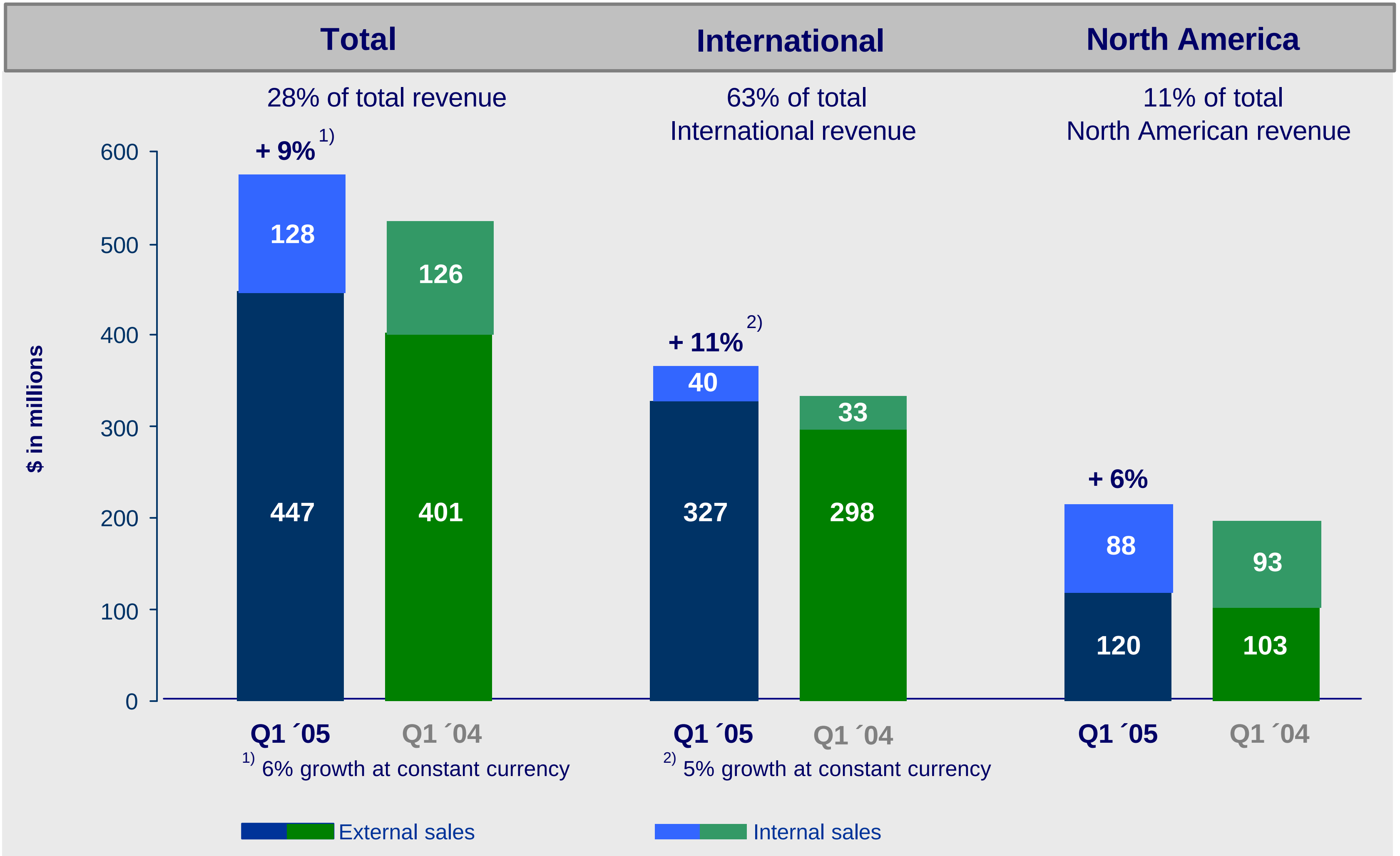
Dialysis Products Q1 2005



1) 6% growth at constant currency

2) 5% growth at constant currency

Achievements – Q1 2005

Strong performance in all key metrics

- Strong operational performance worldwide
- Very good top and bottom line growth
- Good quarterly cash flow generation
- Good revenue per treatment development in North America

Re-iterate full year guidance

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Strong top and bottom line growth

$ in millions	Q1 2005	Q1 2004	%
Net revenue	**1,609**	1,459	+ 10*
Operating income (EBIT)	**220**	198	+ 11
EBIT margin in %	13.7 **	13.6	
Net income	**107**	91	+ 18
EPS per ordinary shares ($)	**1.11**	0.94	+ 18

* 9% growth at constant currency

** EBIT margin excl. FIN46 would have been 13.9%

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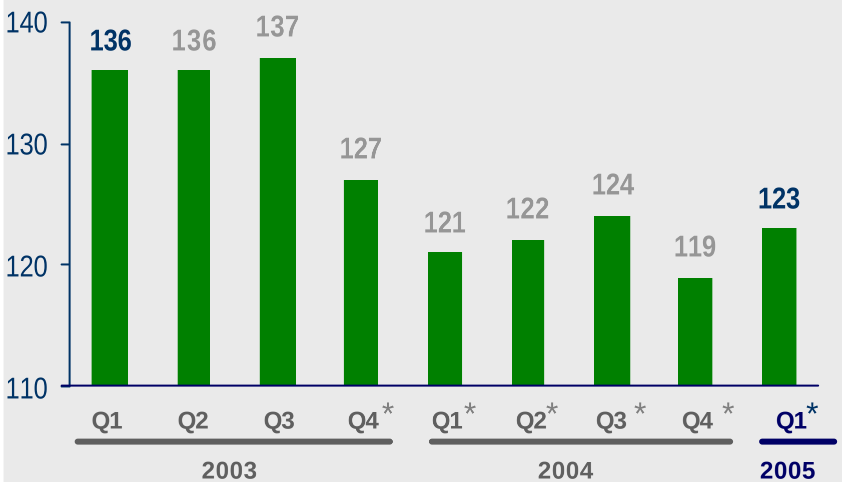
Days Sales Outstanding (DSO) – impressive development

North America

* Restated for Mexico

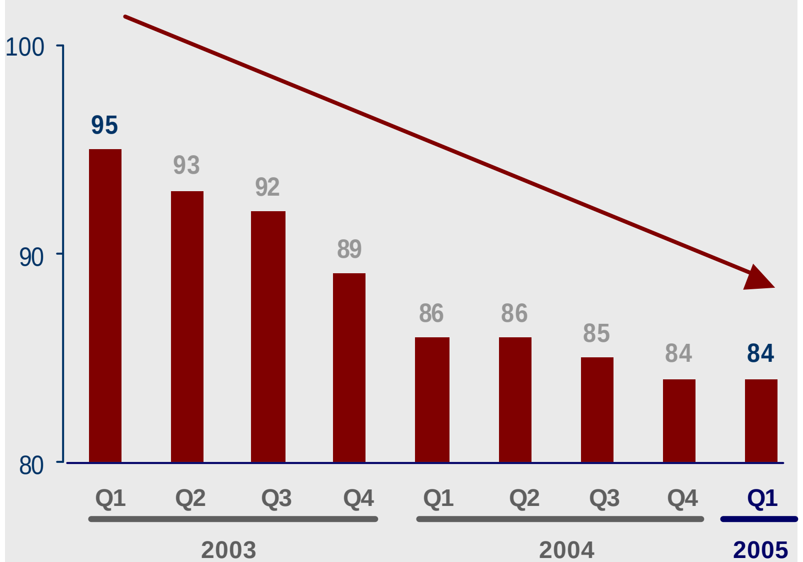
International

* Restated for Mexico



Group

- Reduction of:
  - 11 days in 2 years
  - 2 days vs. Q1 2004



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Cash Flow

$ in millions	Q1 2005	Q1 2004	%
Net cash provided by operating activities	138	171	(19)
Capital expenditures (net) [1)]	(40)	(41)	
Free Cash Flow	98	130	(25)
Acquisitions	(22)	(42)	
Free Cash Flow after acquisitions	76	88	(13)

[1)] A reconciliation to the most directly comparable US-GAAP financial measure is provided in the attachment.

Financial ratio – continued improvement

$ in millions		March 31, 2005	December 31, 2004
EBITDA (annualized)[1)]		1,121	1,098
Dec. 31, 2004 Debt [1)]	2,479		
+ CapEx [1)]	**40**		
+ Acquisitions	**22**		
- FX-debt translation effects	**46**		
- Others	**14**		
- Cash from operating activities	**138**		
Mar. 31, 2005 Debt [1)]		2,343	2,479
Total debt / EBITDA		2.09	2.26

1) A reconciliation to the most directly comparable US-GAAP financial measure is provided in the attachment.

Outlook 2005 – FME pre RCG acquisition

	Original guidance	Q1 2005	Outlook
Net revenue (at constant currency)	6 - 9 %	+ 9%	confirm
Net income	low double digit	+ 18%	confirm

Capital expenditure	~ $ 350 - 400 m	**$ 40 m**	confirm
Acquisition budget	~ $ 200 - 250 m	**$ 22 m**	confirm

2) Summary of Transactions

Overview

The Acquisition

- FME to acquire Renal Care Group, Inc. ('RCG')
  - recognized for profitability and excellent clinical outcomes
  - fourth largest provider of dialysis services in the US
- Respective Boards have approved offer of US$ 48 per share in cash, valuing RCG's equity at US$ 3.5 bn
- The acquisition will be all-debt financed; commitments in place
- RCG shareholders to approve acquisition

The Transactions

The Conversion and the Transformation

- Conversion of FME preference shares into ordinary shares

in combination with

- Transformation of legal form into FME KGaA
- High standard of corporate governance and transparency
- Voluntary conversion of preference into ordinary shares at attractive conditions
- FME shareholders to approve transformation

FME = Fresenius Medical Care

Strategic rationale

The Acquisition

- RCG: fast-growing, highly profitable company providing an excellent geographic fit and clearly enhancing FME’s top-line growth and margins
- Combines the key success factors in the industry - attractive payor mix and cost leadership
- Solidifies FME’s position as the leader in the US dialysis services market, the largest dialysis service market in the world
- Acquisition neutral to slightly accretive to earnings in 2006 and clearly accretive from 2007 onward

FME = Fresenius Medical Care

Strategic rationale

The Conversion and the Transformation

- Create single share class
- Seek to improve trading liquidity in ordinary shares
- DAX ranking expected to benefit from increased index-relevant free float
- Increase financial flexibility to exploit future profitability opportunities
- High corporate governance standards and transparency

Envisaged timeline 2005

May 4	▪ Announcement of transactions ▪ Filing with Securities Exchange Commission (F4-report)
May 24	▪ FME Annual General Meeting
Q3	▪ SEC approval of F4-report expected ▪ FME Invitation to Extraordinary General Meeting ▪ RCG Extraordinary General Meeting to approve acquisition ▪ FME Extraordinary General Meeting - Ordinary shareholders to approve transformation into KGaA and conversion of preference shares into ordinary shares - Preference shareholders to approve conversion of preference shares into ordinary shares
Q4	▪ Antitrust approval, closing of acquisition ▪ Conversion period for preference shares ▪ KGaA transformation and preference share conversion become effective

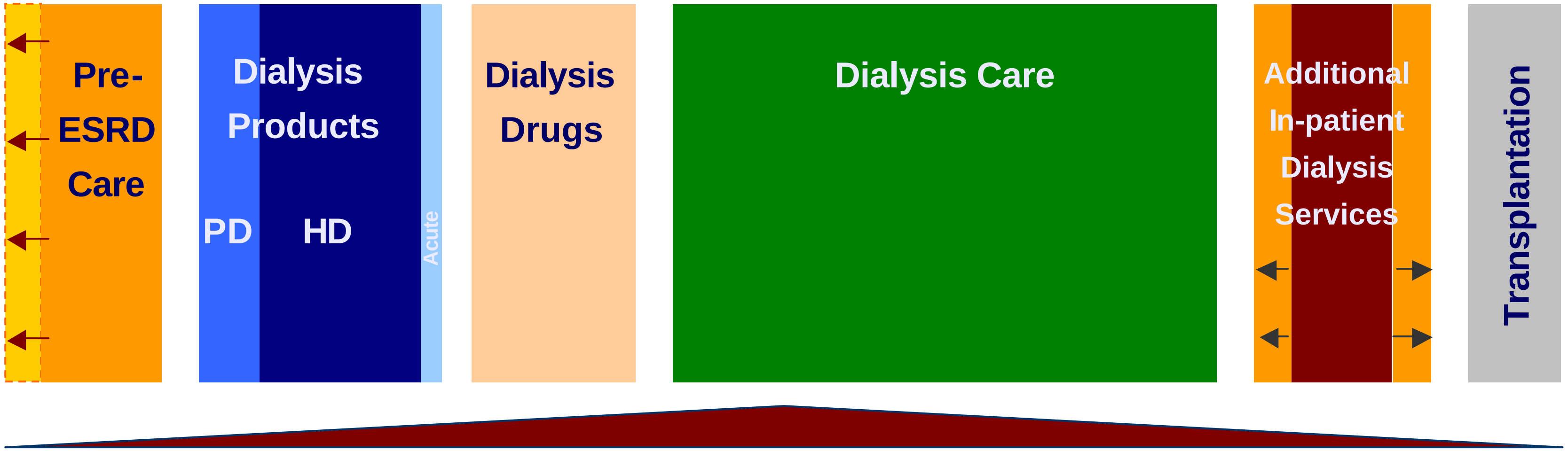
FME = Fresenius Medical Care RCG = Renal Care Group

3) The Acquisition

FME's strategy – GOAL 2010*

Growth **O**pportunities to **A**ssure **L**eadership in **2010**

Total dialysis market to grow from US$50bn today to US$67bn in 2010



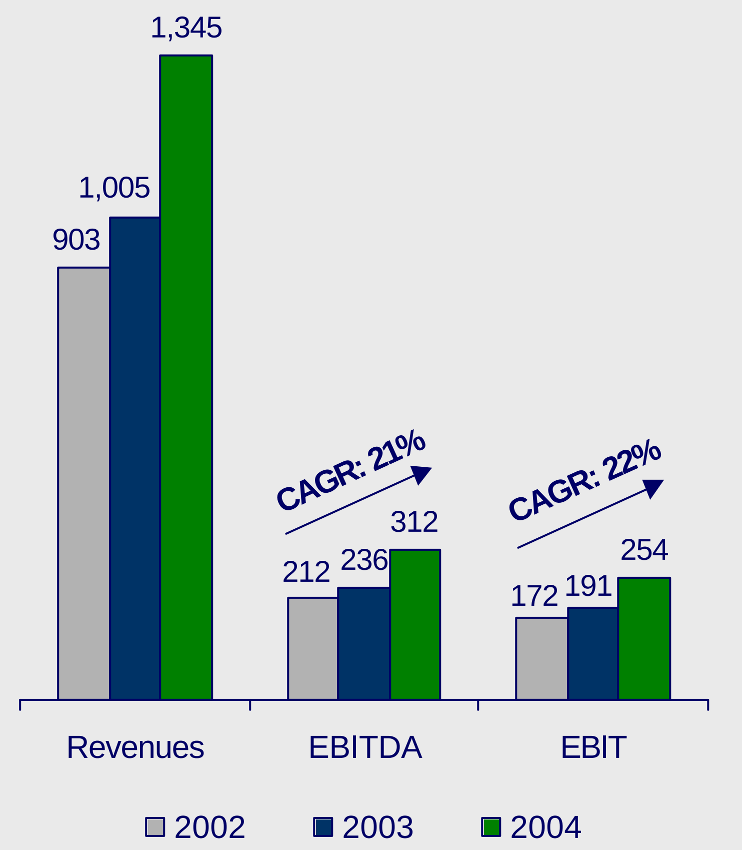
Road 1 – Organic growth	Road 2 – Acquisitions	Road 3 – Horizontal expansions	Road 4 – Home care
	▪ Attractive acquisitions are available ▪ Opportunity to improve the overall facility portfolio	▪ Combine Membrane, Delivery and Laboratory Technology with Generic Dialysis Drugs ▪ Focus: - Anemia Management - Bone/Mineral Management	

* Prior to RCG acquisition

RCG at a glance

- One of the fastest growing companies in the US dialysis market with attractive payor-mix
- Recognized for high profitability and excellent clinical outcomes (pharma-intensity comparable to FME)
- Fourth largest provider of outpatient renal care and ancillary services in the US
- Highly regarded management
- Currently over 30,400 patients; 425 outpatient dialysis clinics in 34 US states
- At closing over 32,000 patients in more than 430 clinics are projected

Performance (US$m)



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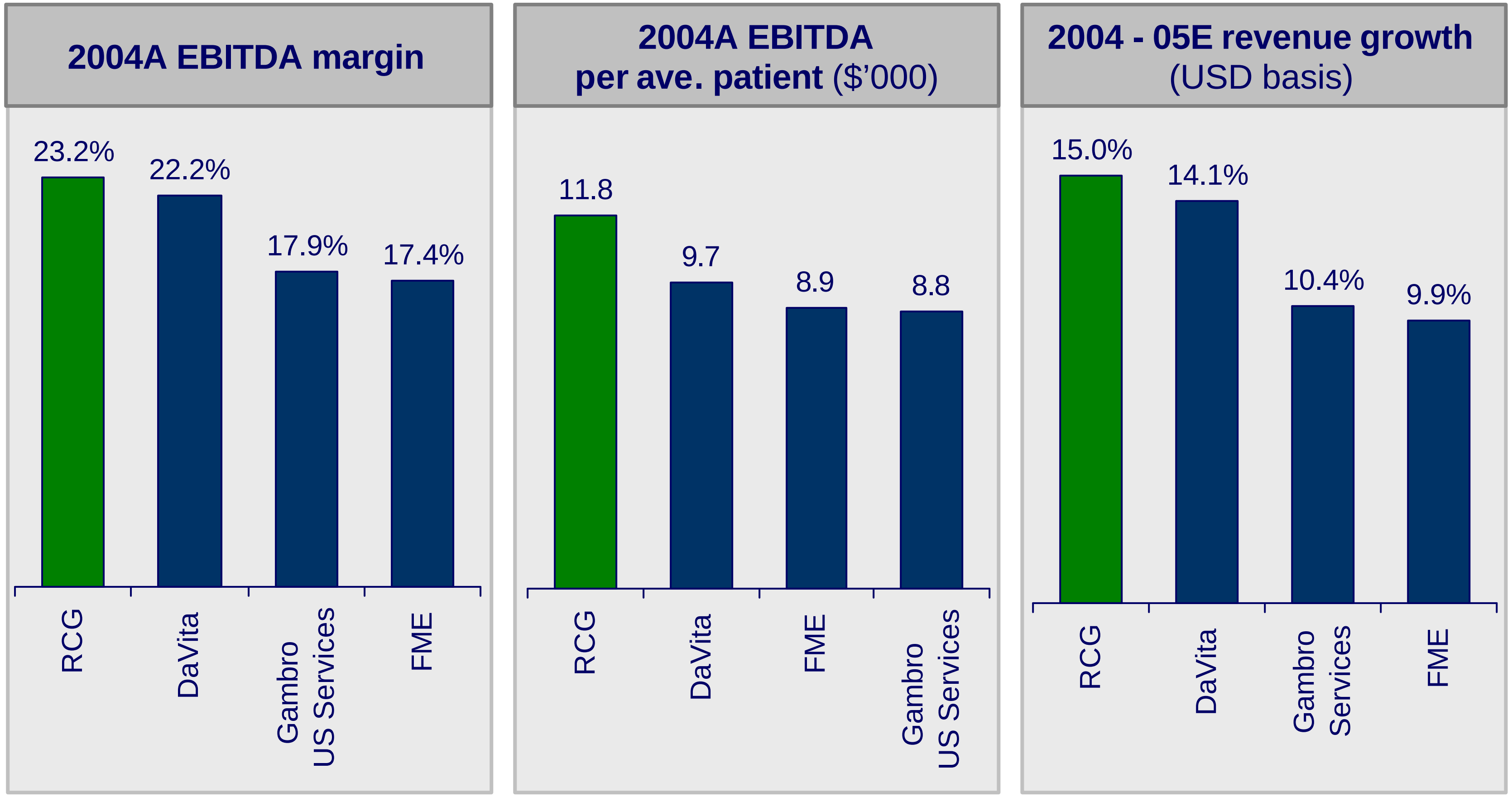
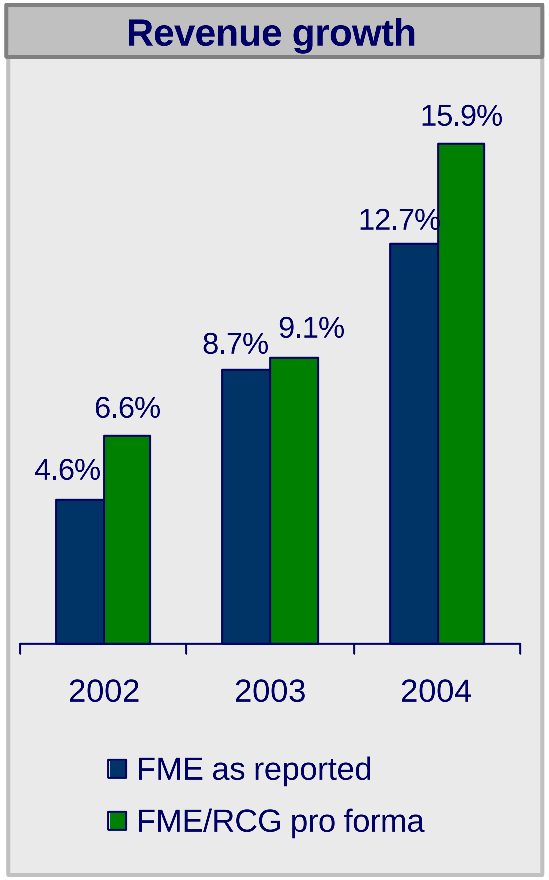
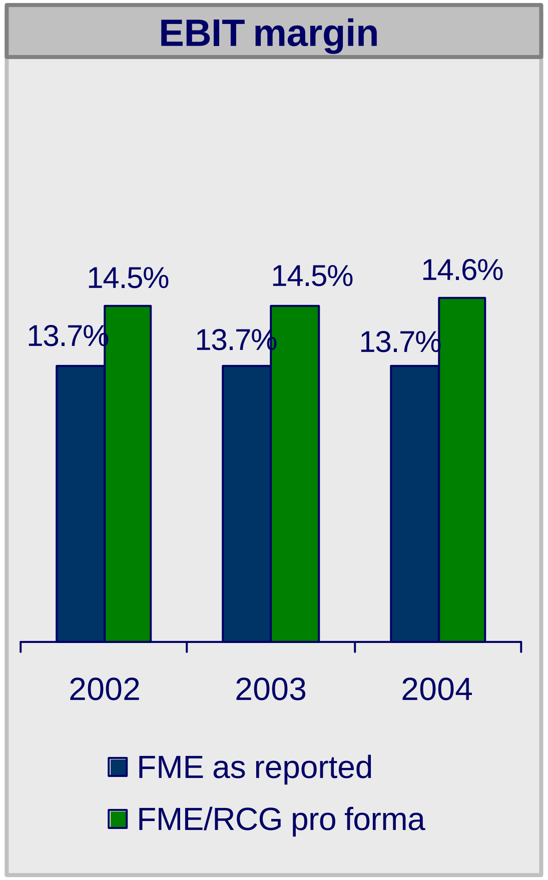
Industry leading profitability and growth



Note: Historical figures as reported
Source: Company reports, broker consensus estimates

Enhancing top-line growth and margins





FME = Fresenius Medical Care RCG = Renal Care Group

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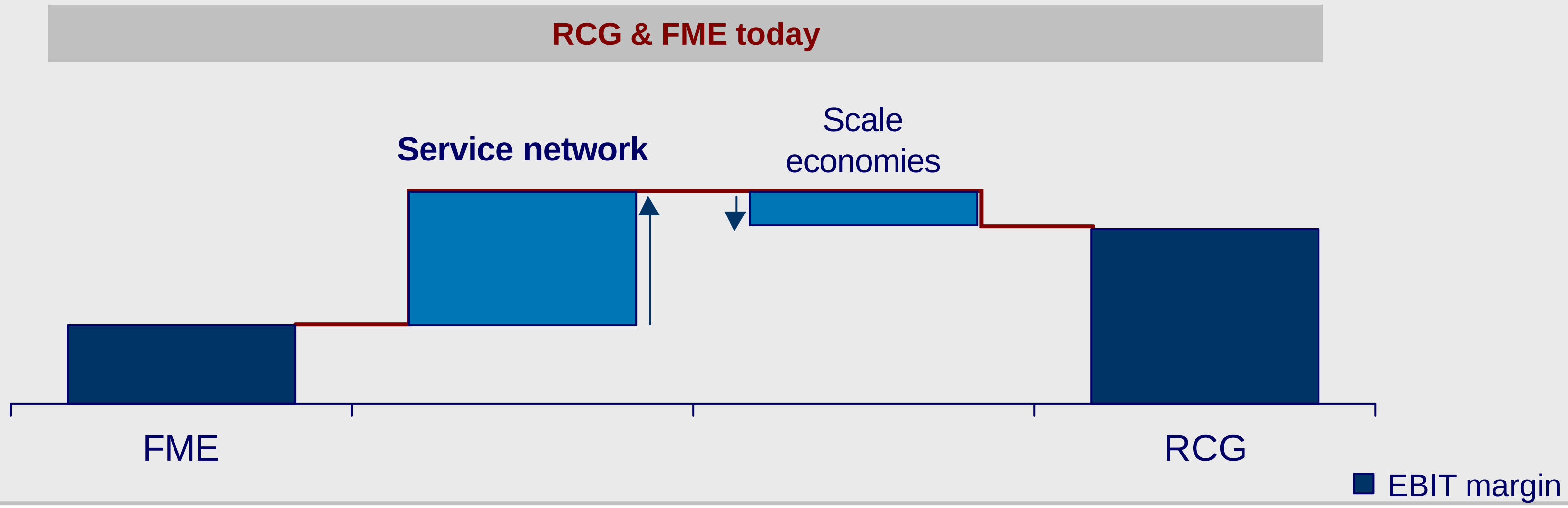
Enhancing top-line growth and margins (continued)

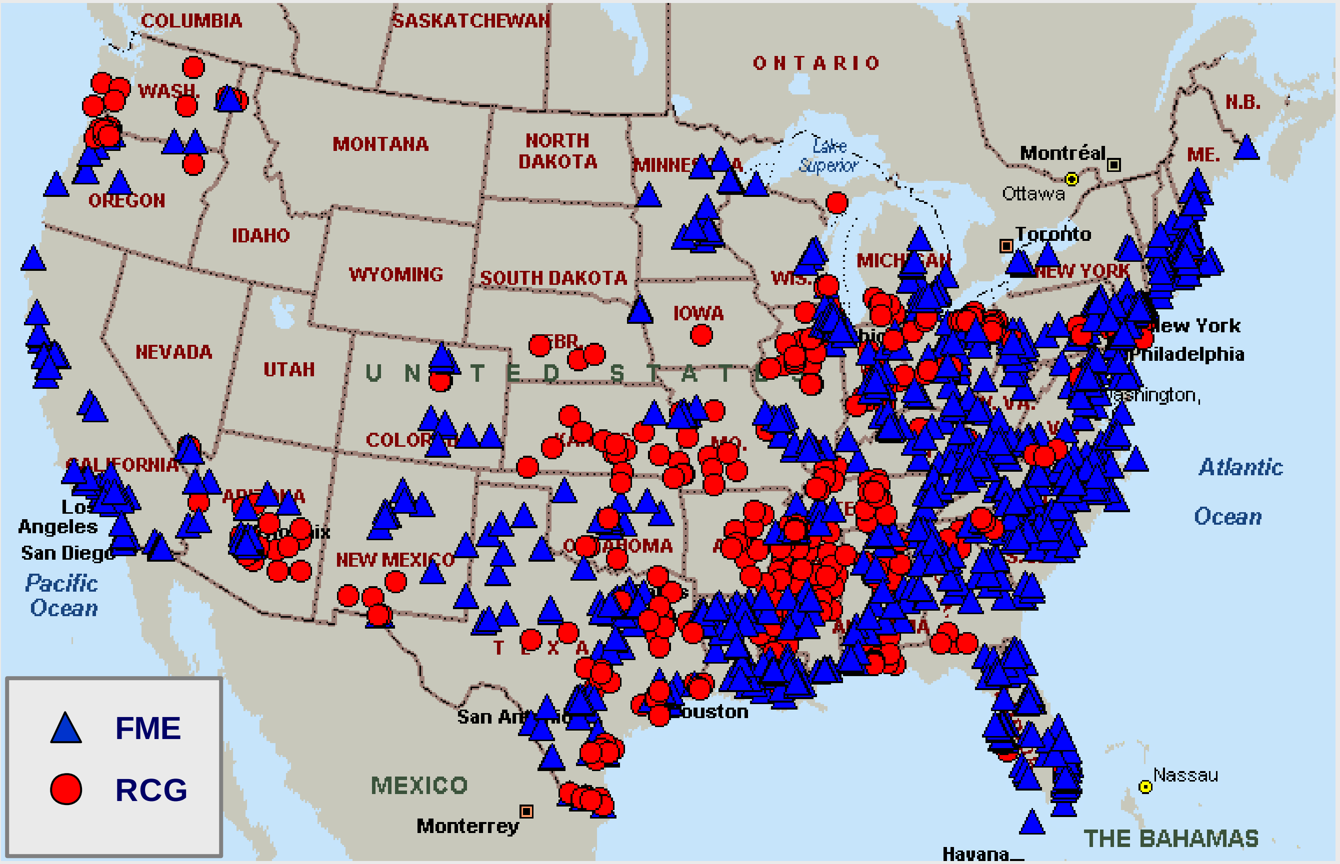
- RCG & FME sustained high quality of care will lead to higher organic growth
- Potential to improve margins through the combination of service network and achieving better economies of scale / synergies



FME = Fresenius Medical Care RCG = Renal Care Group

Complementary service network

Pro forma combined clinics in the US



Clinics:	
FME:	1,140
RCG:	425
Pro forma:	1,565

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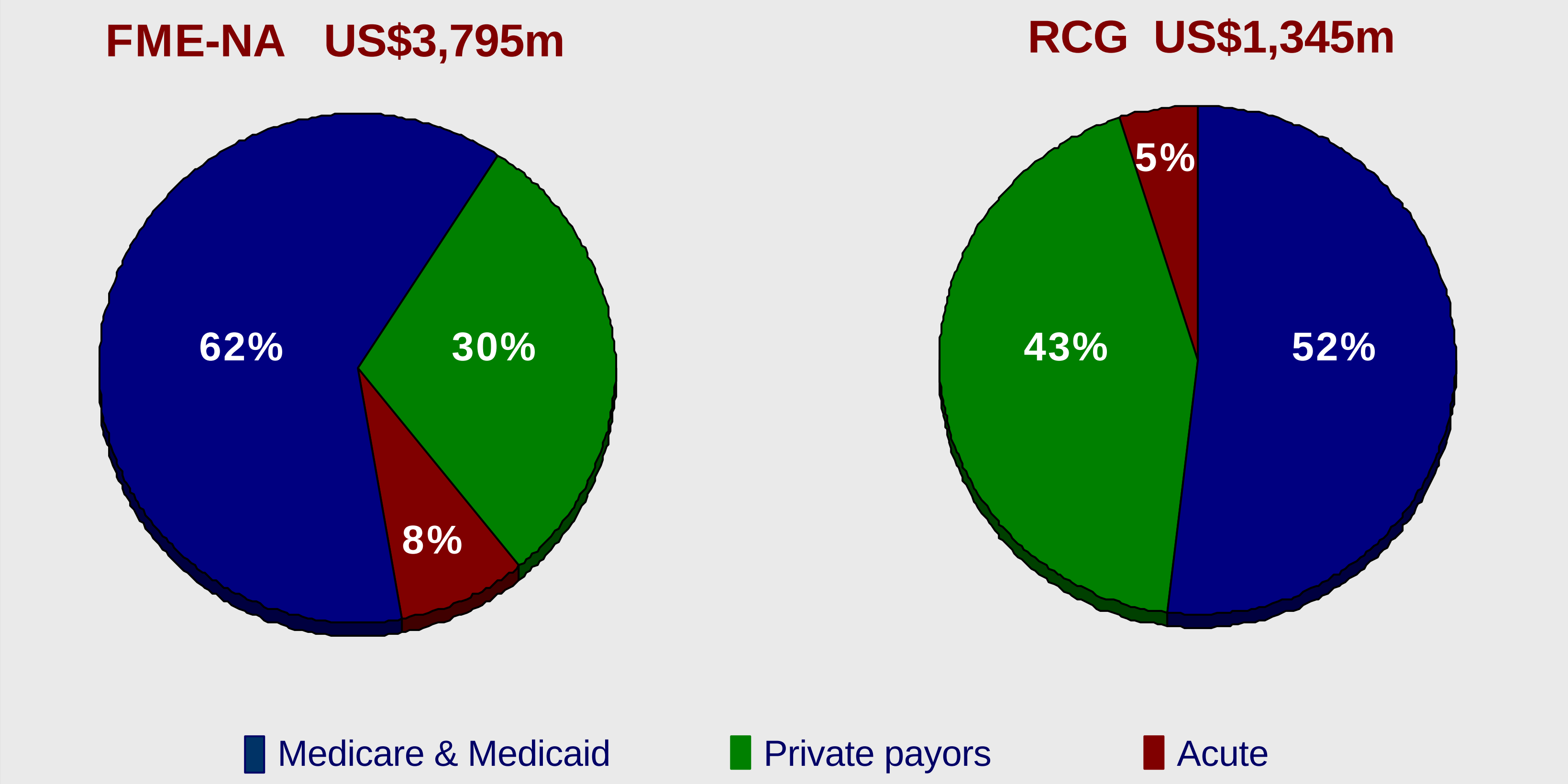
Attractive payor mix

2004 service revenues by customers



FME = Fresenius Medical Care RCG = Renal Care Group

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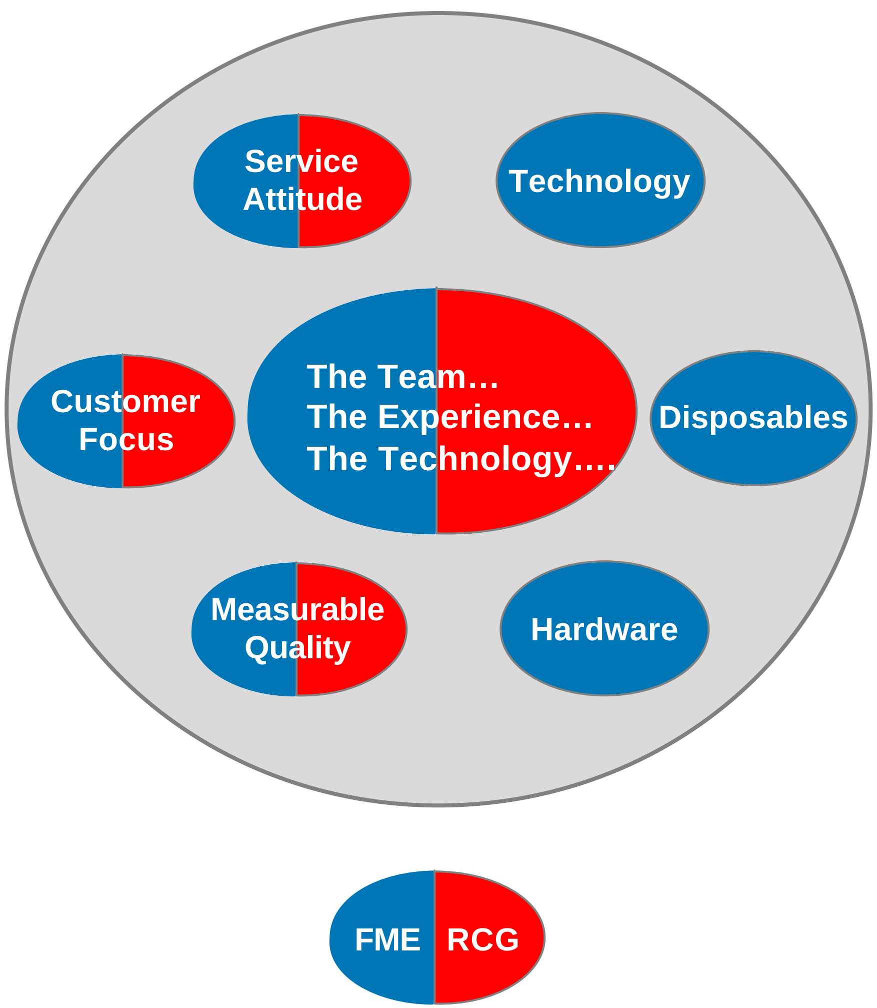
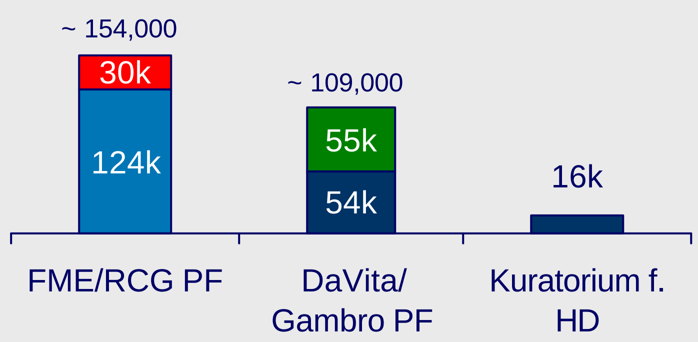
Strengthening leading market position

North America success factors



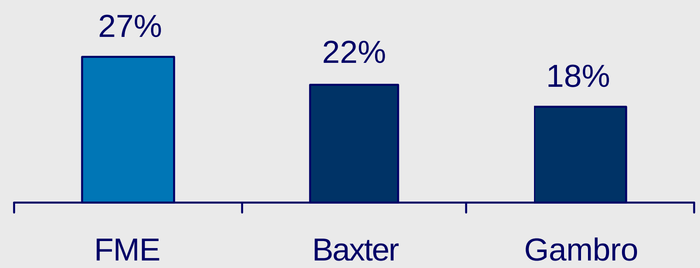
Worldwide position after RCG acquisition

Leading dialysis service providers worldwide



Note: No. of treated patients in 2004

Leading dialysis product providers worldwide



Note: 2004 market shares

FME = Fresenius Medical Care RCG = Renal Care Group PF = pro forma

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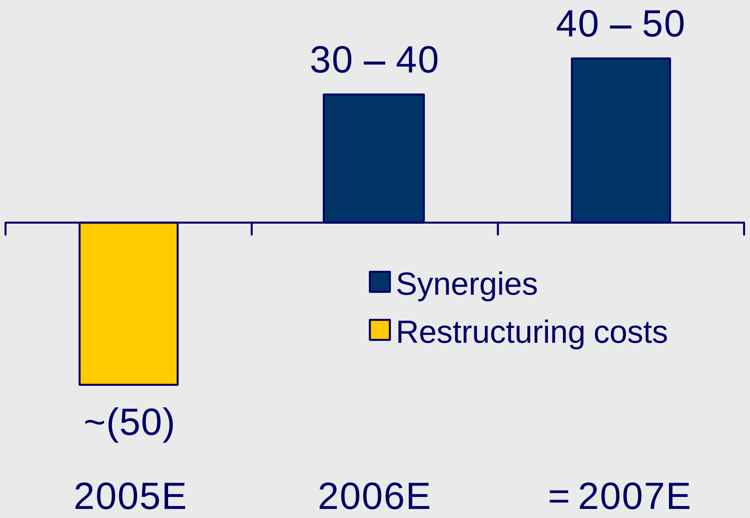
Clearly earnings accretive in Year 2 after acquisition

Expected level of cost synergies and restructuring costs (US$m)



Synergy sources

- **G&A redundancies**
- **Purchasing**
- **Increased product business**

- **Neutral to slightly accretive to earnings in 2006 and clearly accretive from 2007 onward**
- **Attractive Internal Rate of Return**

Key benefits from the acquisition of RCG

1. RCG is a **fast-growing, highly profitable company** which will enhance FME's top-line growth and margins
2. **Combination of two key success factors** – cost leadership and attractive service network – under **common vision** of high quality of care and a shared dedication to innovative treatment models and compliance
3. RCG provides an **excellent strategic and geographic fit** to FME's US operations
4. FME strengthens **global market leadership** with leading position in the US, the largest market in the world
5. Acquisition neutral to slightly accretive to earnings in 2006 and **clearly accretive from 2007** onward

FME = Fresenius Medical Care RCG = Renal Care Group

4) The Conversion and the Transformation

DISCLAIMER

This presentation does not constitute an offer to convert preference shares into ordinary shares or a solicitation of offers to convert preference shares into ordinary shares, or an offer to sell or solicitation of any offer to purchase shares of Fresenius Medical Care KGaA. Such offer may be made only at a later stage and, in certain jurisdictions, by a prospectus. Investors are urged to read the prospectus that we will file with the US Securities and Exchange Commission. As soon as available you can obtain a copy of the prospectus without charge from the Commissions web page, www.sec.gov.

The Conversion and the Transformation

Two key interrelated initiatives

1. Convert preference shares into ordinary shares (Conversion)

in combination with

2. Change Company's legal form from "AG" to "KGaA" (Transformation)

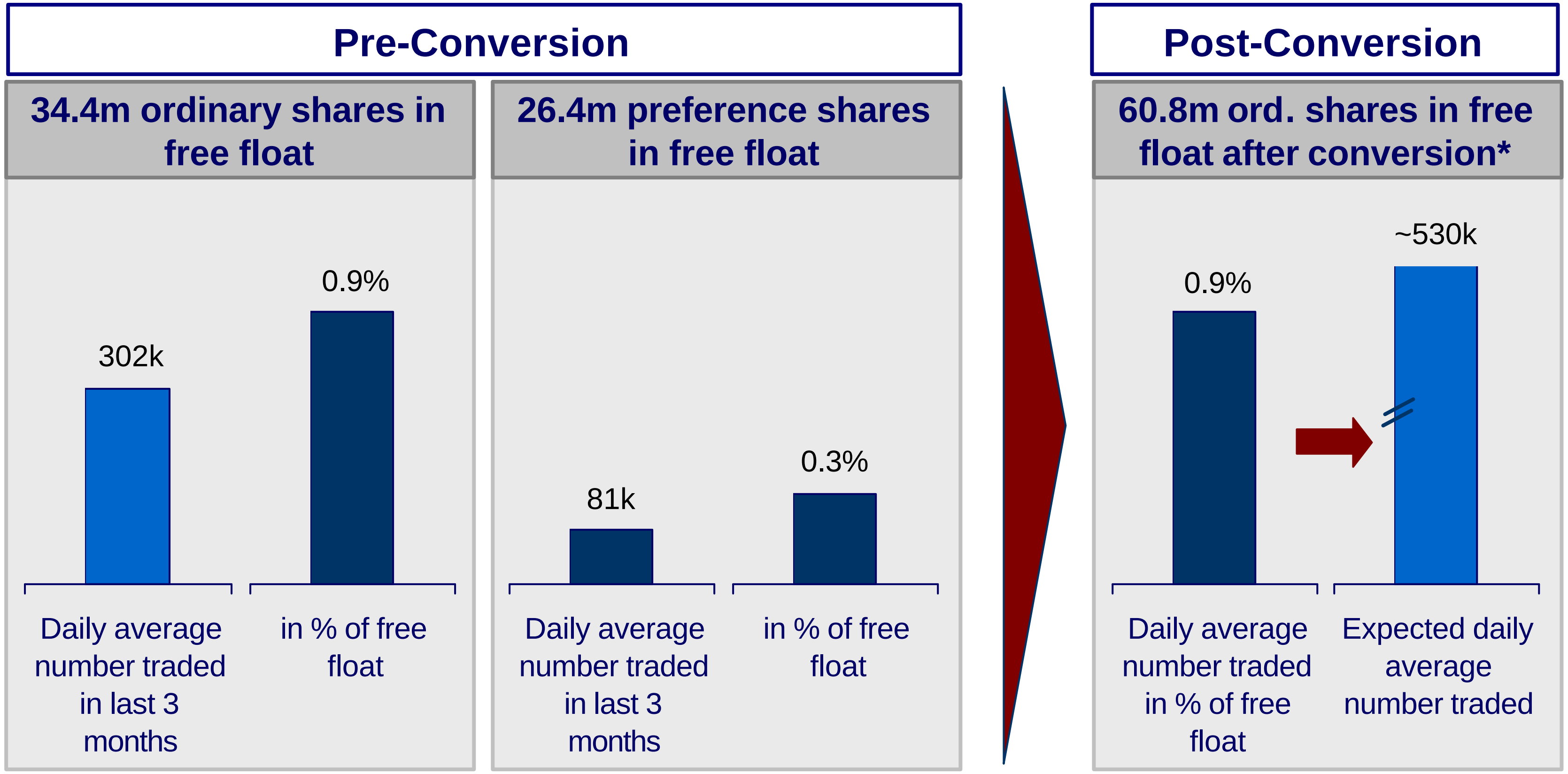
The Conversion of the preference shares

Key benefits

1. **Create one share class**
   - Simplify corporate share structure
   - Substantially improved liquidity
   - Increase index-relevant free float

2. **Increase flexibility to efficiently finance future growth initiatives**
   - Ability to issue ordinary shares
   - No preference share discount

Substantially improved liquidity



Source: Bloomberg

* 100% conversion of preference shares assumed

Substantial increase of liquidity in ordinary shares to be expected following preference share conversion

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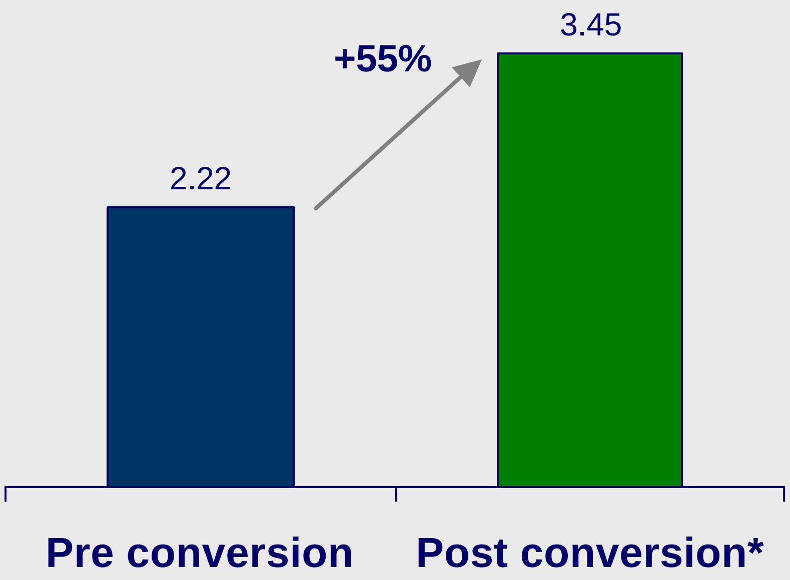
Increased index-relevant free float

FME ordinary free float market cap (€bn)



FME DAX ranking (free float market cap)

Pre conversion	Post conversion
#28 …	#28 …
#29 …	#29 …
#30 …	**#30 FME** (Dax position #28)
#31 …	#31 …
#32 …	#32 …
#33 …	#33 …
#34 FME (Dax position #30)	#34 …
#35 …	#35 …
#36 …	#36 …

* Addition of free float market cap of ordinary and preference shares assuming 100% conversion of preference shares

Note: Based on Deutsche Boerse DAX ranking as of March 31, 2005

Preference shares conversion

Terms

1. Voluntary exchange at ratio 1:1
2. Conversion premium of € 12.25 to be paid per preference share
   - 2/3 of average share price spread in the last 3 months
   - Attractive discount of 10% = € 6.14 for preference shareholders as incentive to convert
   - Proceeds for FME of approx. € 322 million from conversion premium if all preference shares are exchanged
3. Four to six weeks tender period; no follow-up offer planned

Preference shares conversion (continued)

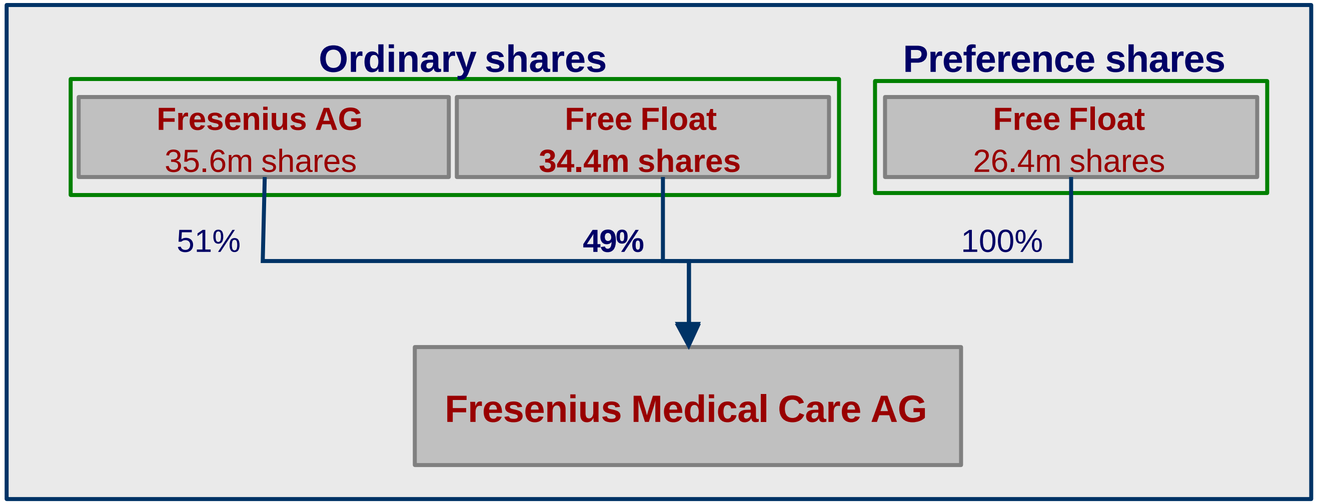
Viewpoint of preference shareholders

Cash Compensation (2/3 of spread)	■ Get a voting right ■ Benefit from increased liquidity ■ Benefit from DAX membership
Incentive (1/3 of spread)	■ Incentive to convert ■ Capital transactions typically done at discount ■ Lose the right for a slightly higher preferred dividend

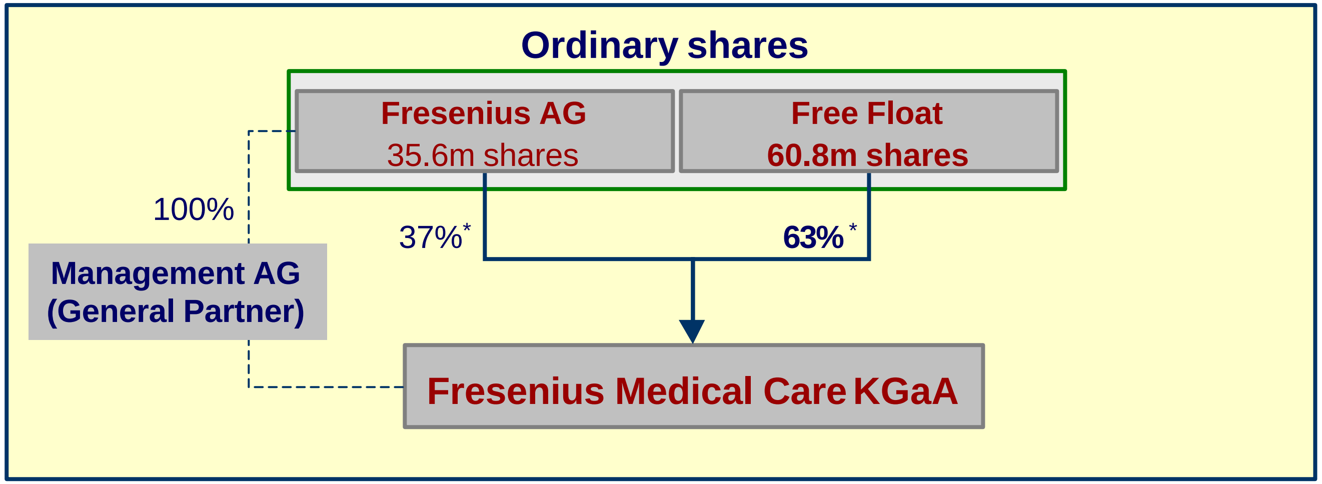
- Successful precedents of Metro and MAN (both with conversion premium of 2/3)
- Discount to the converting preference shareholders of ~ 10% is within the limits for the premium set by the ruling of the court of Cologne (OLG) on the Metro precedent

Corporate shareholding structure – now and then

current structure



new structure proposed



* 100% conversion of preference shares assumed

Corporate governance highlights under FME KGaA

High standard of corporate governance and transparency

- No change of FME Management
- Two independent members at FME Management AG and FME KGaA Supervisory Boards (same as today)
- Fresenius must hold more than 25% in FME KGaA to consolidate and control through the FME Management AG
- In case Fresenius sells a 25% stake or more in FME KGaA including FME Management AG, the acquirer would be required to make a take-over offer to all other shareholders; any control premium would be shared with the ordinary free float shareholders

FME = Fresenius Medical Care

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Basic steps for implementation

KGaA Transformation

1. Ordinary shareholder's approval in EGM (75% of represented capital)
2. Registration of change in corporate form with German Commercial Register
3. New form of KGaA effective on registration

Preference share Conversion

1. Ordinary shareholder's approval in EGM (75% of represented capital)
2. Preference shareholder's approval in EGM (75% of represented capital)

EGM = Extraordinary General shareholder meeting

Key benefits of the conversion and transformation

- Creation of single share class by transformation of Fresenius Medical Care AG into KGaA :
  - Preference shareholders can receive ordinary shares at attractive conditions while FME receives gross proceeds of approximately € 322 million
  - Increased financial flexibility following acquisition of RCG to ensure future profitability opportunities
  - Significantly increase trading liquidity in ordinary shares
  - Improved DAX ranking

FME = Fresenius Medical Care RCG = Renal Care Group

5) Conclusion

Conclusion

Q1 2005	▪ Again, demonstrated profitable above market growth in an attractive industry
RCG Acquisition	▪ Acquisition of the industry leader in profit margins with excellent fit to existing service network while being clearly accretive to earnings from 2007 onward
KGaA transformation & Conversion	▪ KGaA transformation and share class conversion to bolster strategic flexibility while increasing attractiveness of share

FME = Fresenius Medical Care

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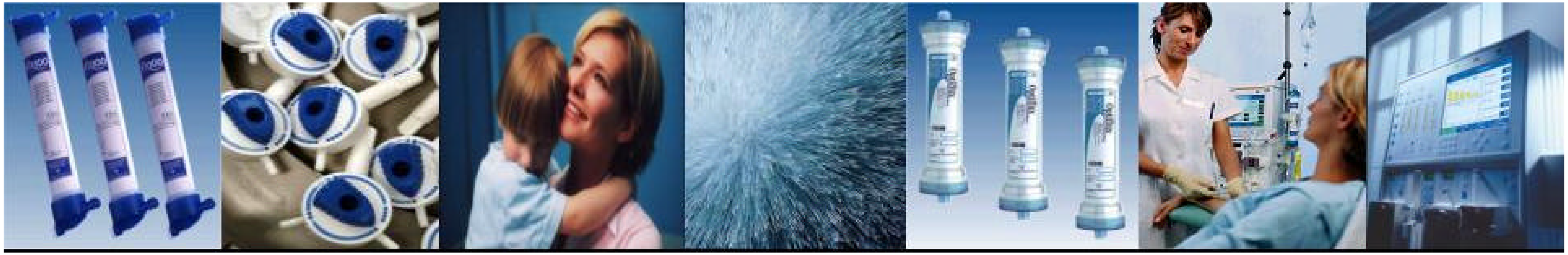
The World's Leading Renal Therapy Company



Analyst Meeting, May 4, 2005

Attachment I

Reconciliation of non US-GAAP financial measures to the most directly comparable US-GAAP financial measure

All numbers are in $ millions

Capital expenditure (net)	Q1 2005	Q1 2004
Purchase of property, plant and equipment	44	43
- Proceeds from sale of property, plant and equipment	(4)	(2)
= Capital expenditure (net)	**40**	**41**

Debt	March 31, 2005	Dec. 31, 2004
Short term borrowings (incl. A/R program)	326	419
+ Short term borrowings from related parties	6	6
+ Current portion of long-term debt and capital lease obligations	241	230
+ Long-term debt and capital lease obligations, less current portion	526	545
+ Trust Preferred Securities	1,244	1,279
Total debt	**2,343**	**2,479**

EBITDA	Q1 2005	Q4 2004
Last twelve months operating income (EBIT)	874	852
+ Last twelve months depreciation and amortization	236	233
+ Non-cash charges	11	13
= EBITDA (annualized)	**1,121**	**1,098**

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Attachment II

Reconciliation of non US-GAAP financial measures to the most directly comparable US-GAAP financial measure

All numbers are in $ millions

External Revenue	Q1 2005	Q1 2004	growth	constant currency
International product revenue	367	331	+11%	+5%
- Internal revenue	(40)	(33)	+22%	+15%
= External revenue	**327**	**298**	**+10%**	**+4%**
North America product revenue	208	196	+6%	
- Internal revenue	(88)	(93)	- 5%	
= External revenue	**120**	**103**	**+16%**	

Fresenius Medical Care

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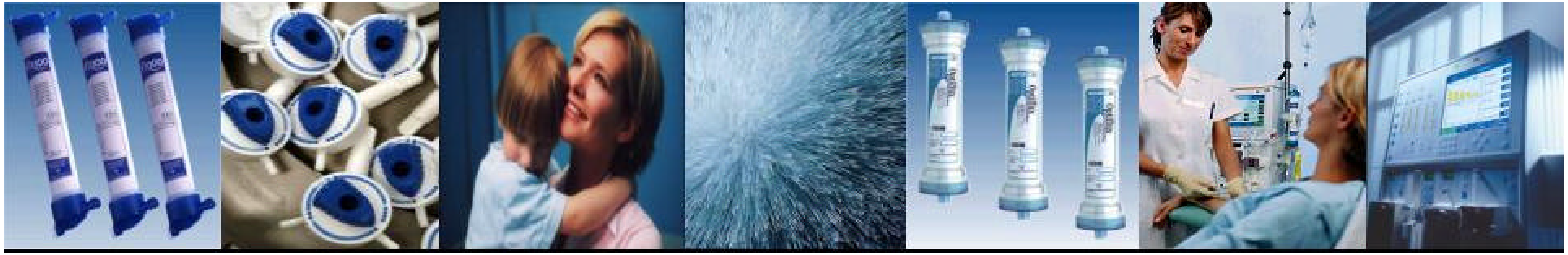

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