



Fresenius Medical Care

The World's Leading Renal Therapy Company

Agenda

- *Business Update*
- *Financial Highlights*
Q3 / 9M 2002



At a Glance

- UltraCare™ 2002 roll-out target achieved early
- Continued strong product growth worldwide
- EBIT margin within targeted range
- Free Cash Flow already exceeds full year target
- No impairment in Latin America



UltraCare™ Therapy Features

● State of Art Dialysis Machine (2008 H/K)



- On Line Quality Measurement
 - Toxin Removal
 - Access Flow
- Automated Controlled Dialysate Usage
- Ultra Pure Dialysate

● Dialyzer – Single-Use

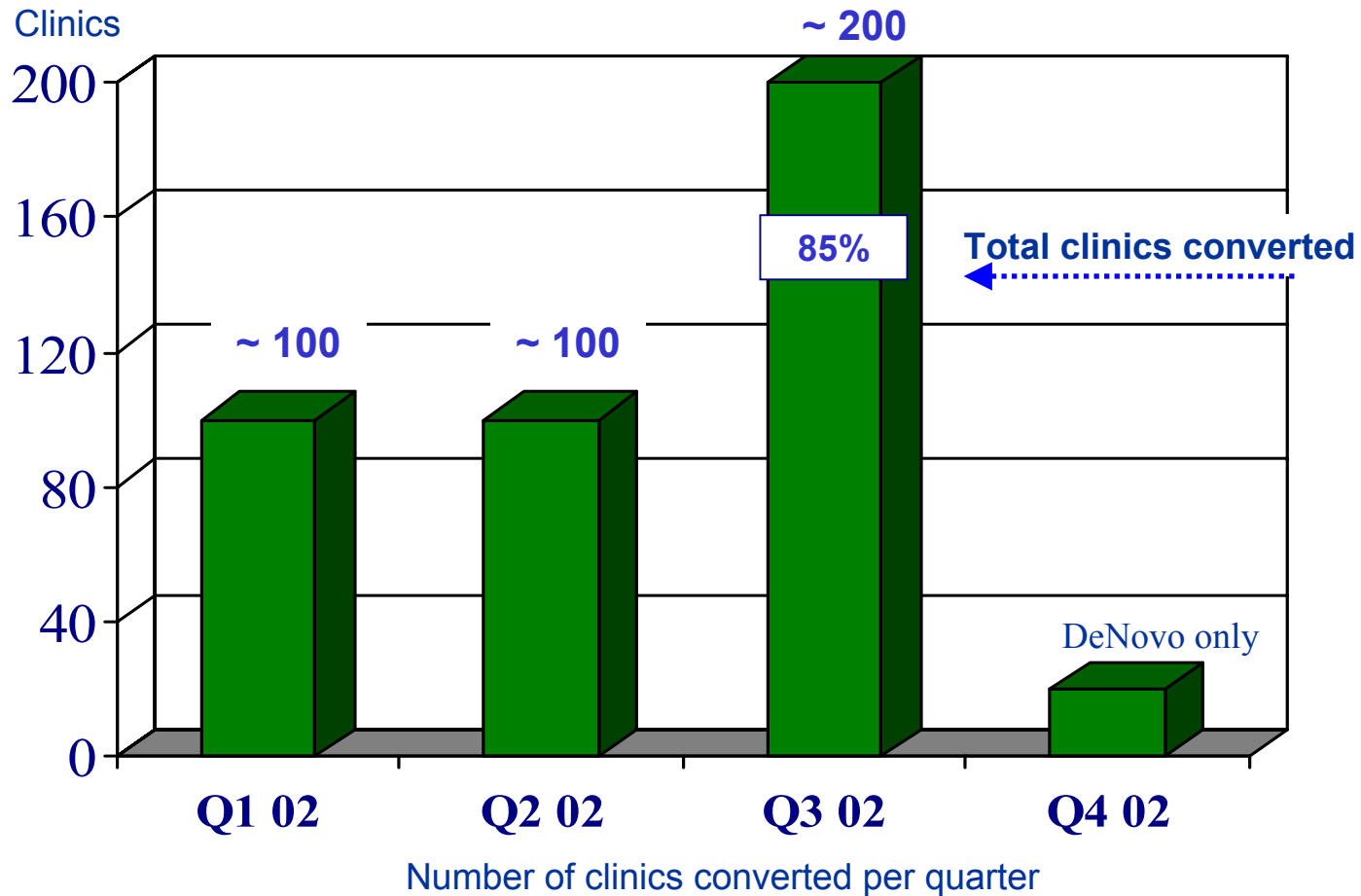


- Fresenius Medical Care High Flux Polysulfone Dialyzer
 - More Consistent – Toxin Removal
 - Improved Clearance of Larger Size Toxin & Phosphate

● New Staffing Model to eliminate imbedded Labor of Reuse



UltraCare™ roll-out target achieved early

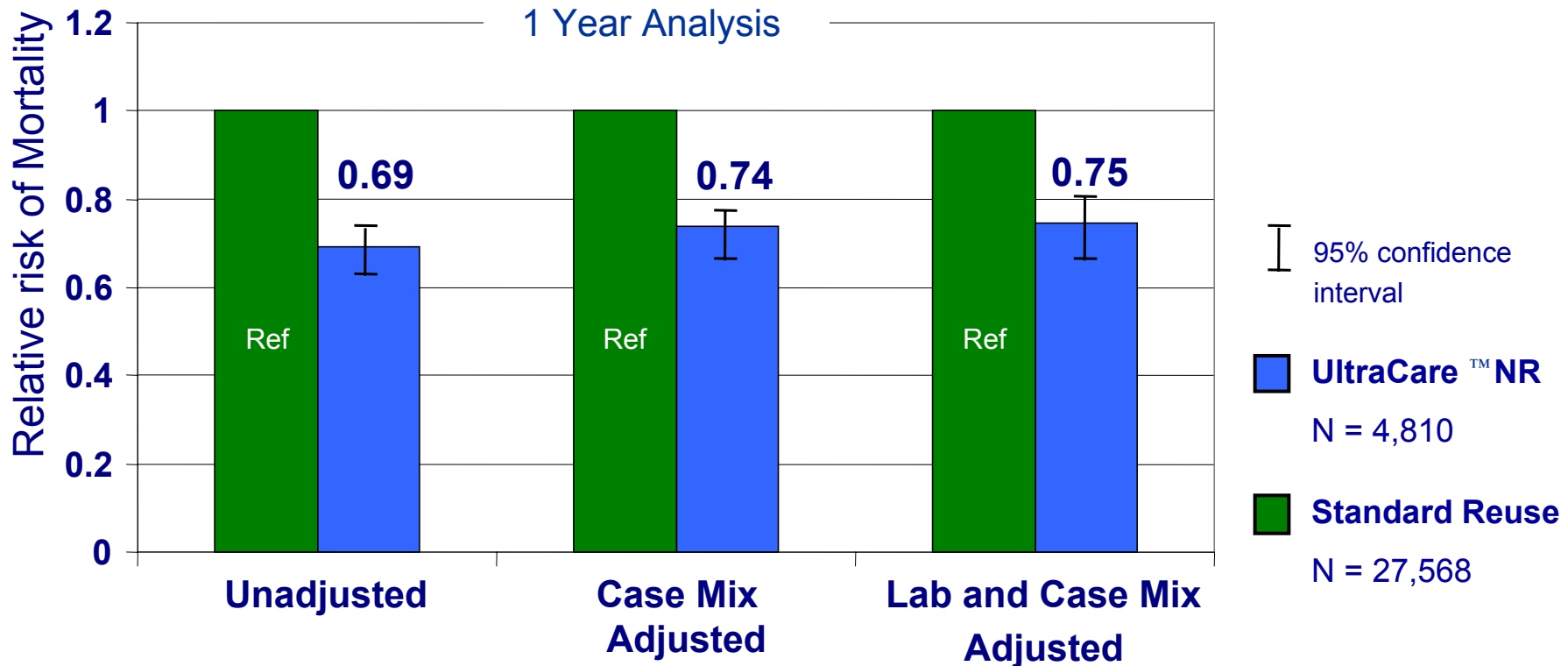


UltraCare™ NR Single-Use High-Flux Polysulfone



UltraCare™ Differentiated Patient Care

Significantly better medical outcomes



Case Mix: age, gender, race, diabetes, years on dialysis

Lab: e.g. albumin, bicarbonate, blood Ph, body surface area, calcium, creatinine, iron, KT, phosphorus, ferritin etc.

Source: Preliminary retrospective analysis of Company data generated from roll-out of UltraCare™ NR program.



UltraCare™ Implementation

TARGET:

Cost Neutral Single Use Treatments

**How to
get there:**

Personnel
Cost Savings

Medical Supply
Cost Savings



Personnel Cost Savings

- Achieved targeted savings
- Personnel costs/treatment below 2001 levels !
- Further savings from Q3 converted clinics expected



Medical Supplies Cost Reduction

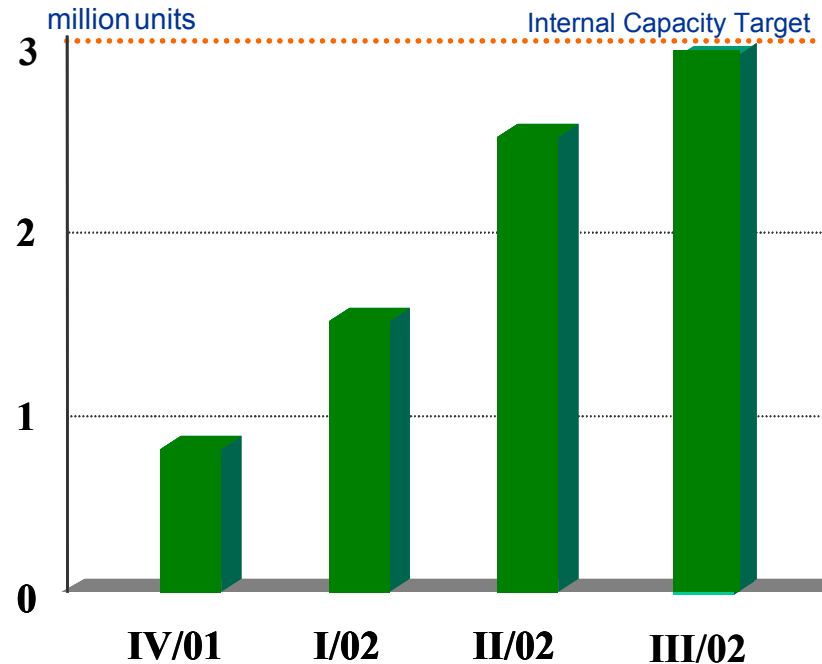
Dialyzer

- Prepare new plant capacity
- Develop single-use dialyzer
- Shift plant capacities to single-use

Ongoing Programs

- Improve manufacturing yields
- Reduce concentrate usage
- Reduce preparation supplies

Optiflux single-use dialyzer production

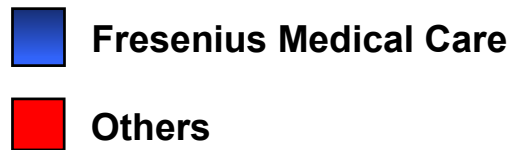
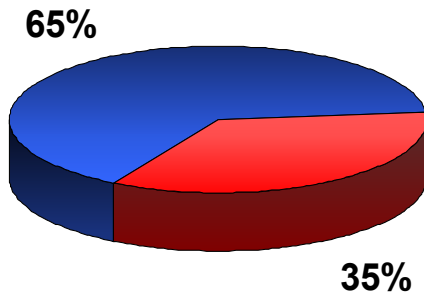


Products Update North America

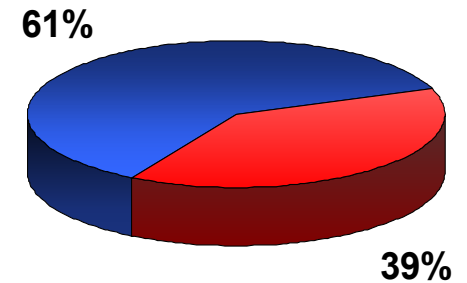
Growth in Net Available External Market Q3 4.5% and YTD 5.0%

Maintaining Leading Market Share

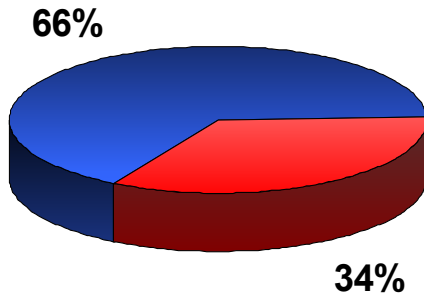
Machines



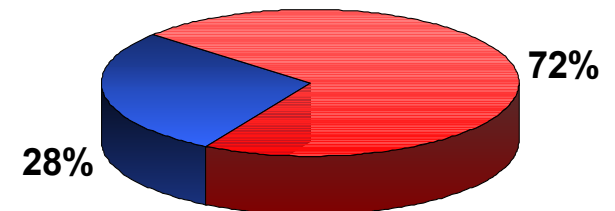
Dialyzers



Bloodlines and Concentrate



Peritonealdialysis



"Net Available External Market" excludes machine sales and Method II revenues involving Dialysis Services Division and sales to other vertically integrated dialysis companies.

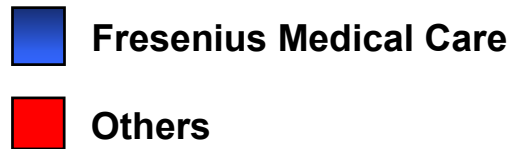
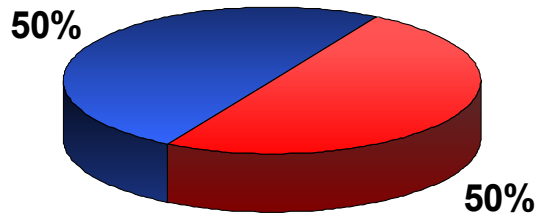


Products Update International

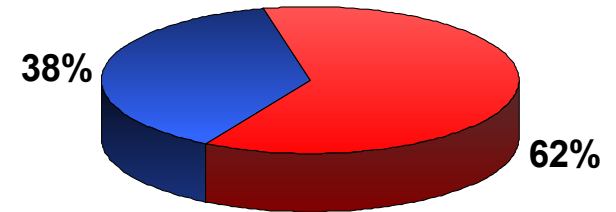
Growing at 2-3 times the market

Expanding Market Share

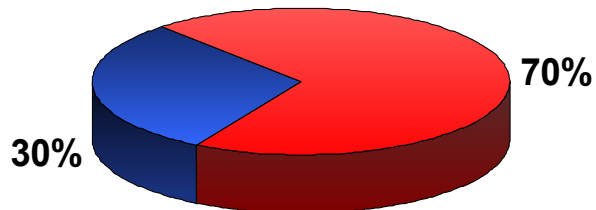
Machines



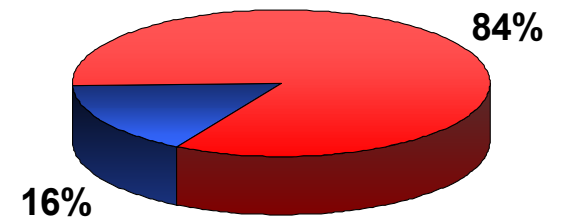
Dialyzers



Bloodlines and Concentrate

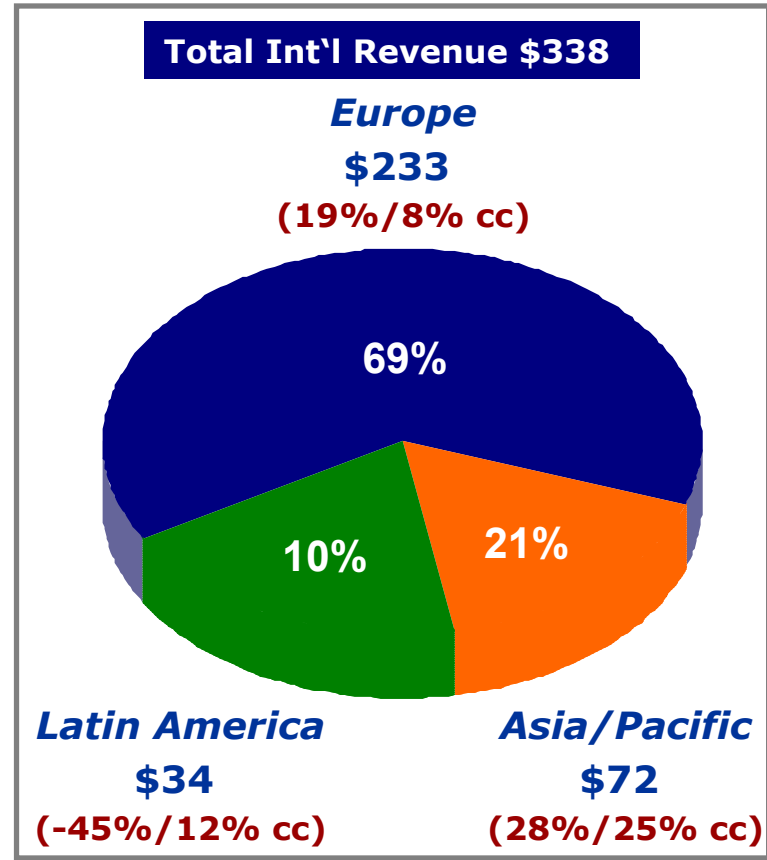
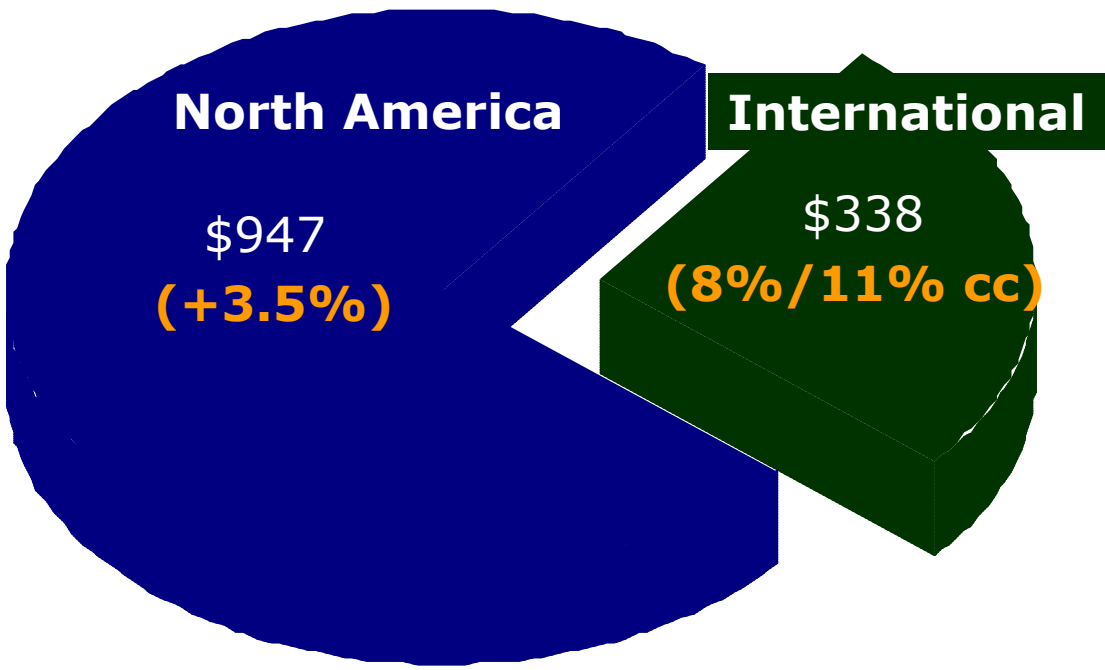


Peritonealdialysis



Q3 2002 Revenue Growth by Segment

Total revenues \$1,285 million +5% (6% constant currency=cc)

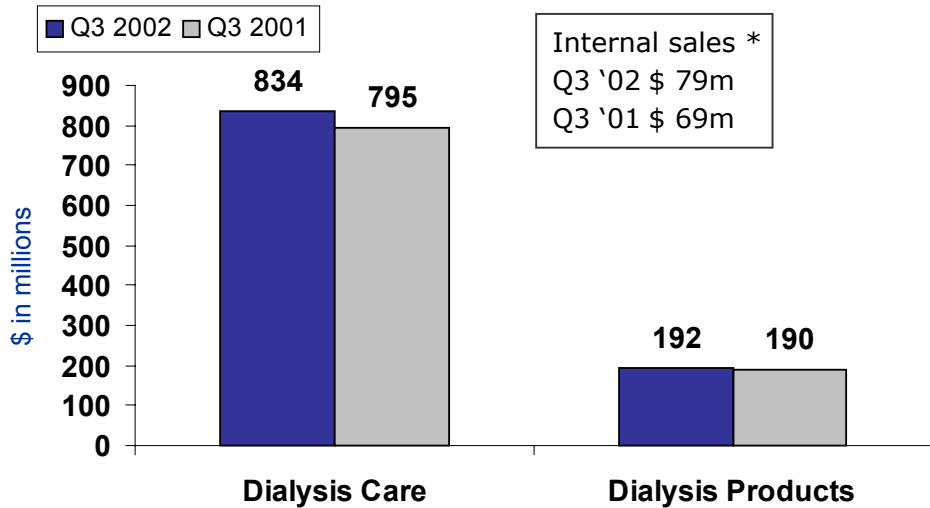


In millions

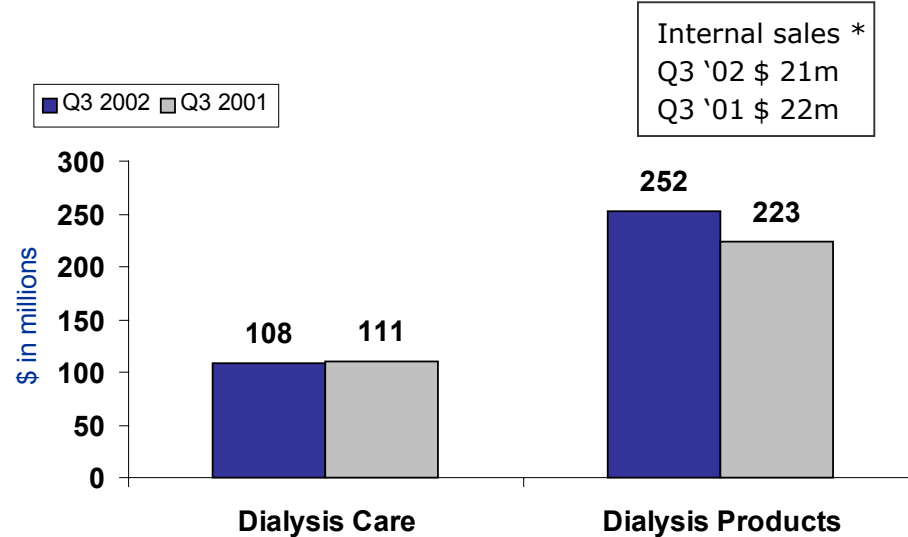


Revenue by Business Unit Q3 2002

North America



International



Growth Q3, 02

+5%

+1%

Growth Q3, 02

-3% (18%cc)

+13% (8%cc)

Growth 9M, 02

+4.5%

+1%

Growth 9M, 02

-2% (19%cc)

+9% (9%cc)

* Internal sales included in Dialysis Products

cc = constant currency



Legal Update

National Medical Care and its subsidiaries did not manufacture or sell asbestos products

Fraudulent Conveyance (case is stayed)

- Legal Standard: Plaintiffs must prove both
 - Fresenius Medical Care did not pay reasonably equivalent value for NMC, and
 - Grace was insolvent in 1996
- Fresenius Medical Care remains confident it will prevail on both points



Legal Update

Fraudulent Conveyance

(continued)

- The Company continues to look forward to an expeditious resolution of the case
- Due to recent court decisions in an unrelated matter, cases are experiencing delays



Agenda

● *Financials Q3 / 9M 2002*

- *Key figures*
- *Update: Financing Activities*
- *Full-year outlook*



Financial Highlights Q3 2002

<i>\$ millions</i>	<i>As reported</i>	<i>As reported</i> ¹	% Growth	% Growth constant currency
	Q3 '02	Q3 '01		
Net revenues	1,285	1,228	5	6
EBIT	167	166	0	(2)
EAT	70	66	6	
EPS per Ord. (\$)	0.72	0.69	5	

¹ Excluding special charge related expenses of \$4 million in 2001 (\$ 2 million, net of taxes)



Financial Highlights (Adjusted) Q3 2002

\$ millions	As reported	Goodwill adjusted ¹		
	Q3 '02	Q3 '01	% Growth	% Growth constant currency
Net revenues	1,285	1,228	5	6
EBIT	167	197	(16)	(18)
EAT	70	92	(24)	
EPS per Ord. (\$)	0.72	0.95	(24)	

¹ Excluding special charge related expenses of \$4 million in 2001 (\$ 2 million, net of taxes)

Financial Highlights 9M 2002

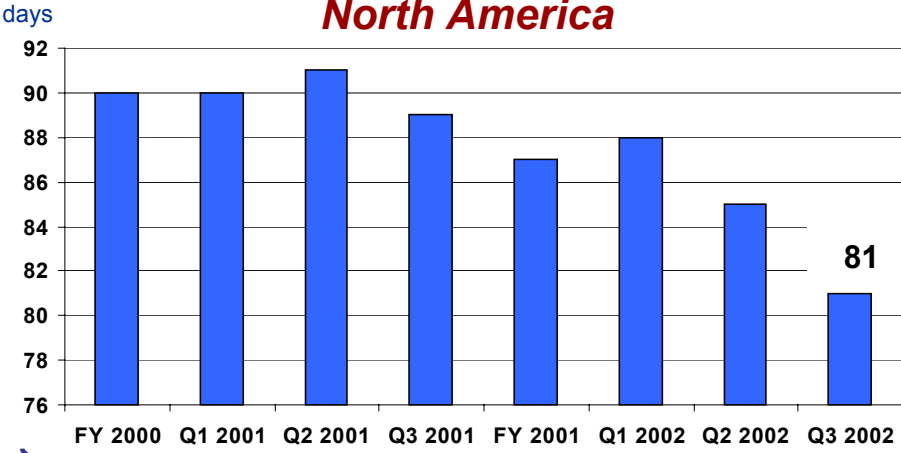
<i>\$ millions</i>	<i>As reported</i>	<i>As reported</i> ¹	% Growth	% Growth constant currency
	9M '02	9M '01		
Net revenues	3,726	3,589	4	6
EBIT	511	492	4	4
EAT	219 ²	184	19	
EPS per Ord. (\$)	2.27	1.91	19	

¹ Excluding special charge related expenses of \$3 million in Q2 2001 (\$ 2 million, net of taxes) and \$4 million in Q3 2001 (\$ 2 million, net of taxes)

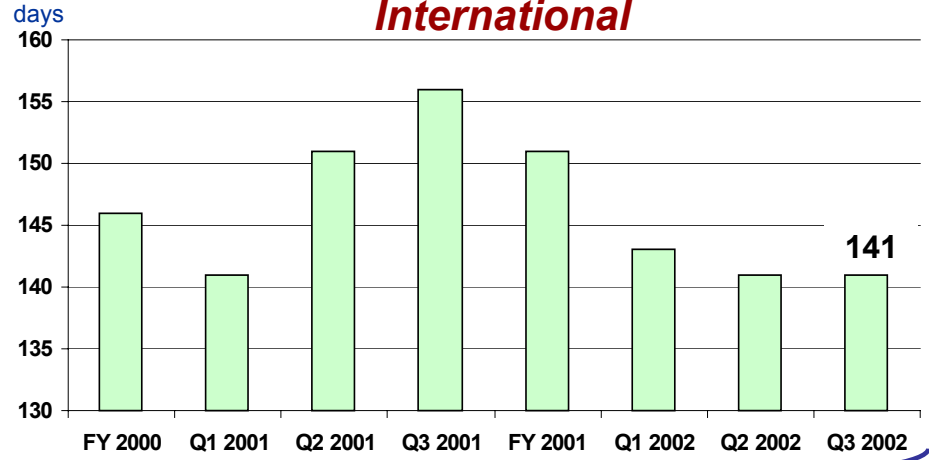
² Before extraordinary charge of \$ 12 m after taxes for the early redemption of Trust Pref. Securities

Days Sales Outstanding (DSO)

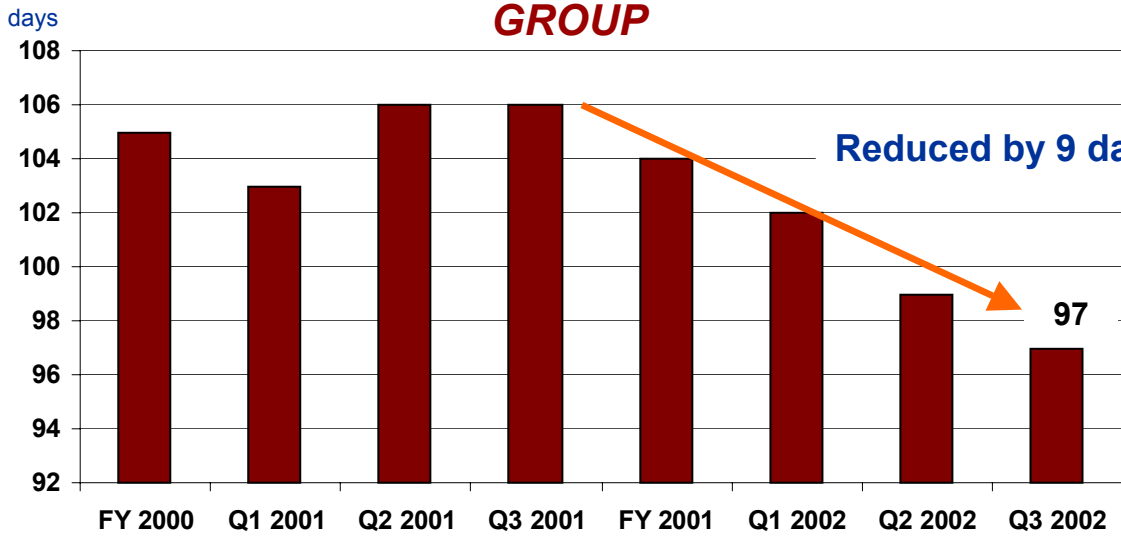
North America



International



GROUP



Reduced by 9 days since Q3 2001



Cash Flow Q3 2002

<i>in \$ millions</i>	Q3 '02	Q3 '01
<i>Net cash provided by operating activities</i>	151	113
<i>Capital expenditure (net)</i>	(67)	(51)
<i>Free Cash Flow</i>	84	62
<i>Acquisitions</i>	(33)	(29)
<i>Free Cash Flow after acquisitions</i>	51	33



Cash Flow 9M 2002

<i>in \$ millions</i>	9M '02	9M '01
<i>Net cash provided by operating activities</i>	395	259
<i>Capital expenditure (net)</i>	(157)	(169)
<i>Free Cash Flow</i>	238	90
<i>Acquisitions</i>	(73)	(183)
<i>Free Cash Flow after acquisitions</i>	166	(93)



Financial Ratio

<i>in \$ millions</i>		Sept. 30, 02
EBITDA <i>(annualized)</i>		913
Debt	<u>June 30, 2002:</u> 2,961	
+ CapEx	67	
+ Acquisitions	33	
- Others	4	
- Cash from Operations	151	2,906
Total debt / EBITDA		3.18



Company Debt Profile

<i>in \$ millions</i>	Maturities	Q3 YTD 2002
<u>Senior debt</u>		
<i>NMC Credit agreement</i>		931
<i>of which:</i>		
<i>Revolver</i>	Sept. 03	616
<i>Term loan A</i>	Sept. 03	315
<i>A/R securitization</i>	Oct. 03	456
<i>Euro Notes</i>	Jul. 05	127
<i>Other debt</i>		276
<u>Subordinated debt</u>		
<i>7 7/8 % TP Securities (US\$)</i>	Feb. 08	450
<i>7 3/8 % TP Securities (€)</i>	Feb. 08	151
<i>7 7/8 % TP Securities (US\$)</i>	Jun. 11	222
<i>7 3/8 % TP Securities (€)</i>	Jun. 11	294
TOTAL DEBT		2,906



Senior Credit Agreement

- ***Syndicated loan facility, expires Sept. 30, 2003***
- ***\$1,000m Revolver and \$315m Term Loan***
- ***Very successful 7-year financing platform***
- ***Re-financing anticipated in Q1, 2003***
- ***Strong interest from banking partners***



Accounts Receivable (AR) Program

- *\$456m in Q3, 2002*
- *Interest rate is currently below 2.4% p.a.*
- *Non-recourse*
- *Annual renewal cycle, renewed Oct. 23, 2002*
- *Debt / EBITDA ratio at 2.68 excl. AR-program*



Latin America

- ***Annual Impairment Test passed in Q3, 2002***
- ***Next Impairment Test in fall 2003 or
in case of Material Adverse Event***
- ***Continued positive DSO Development***
- ***Increased local manufacturing capacity
protects against currency impact***



Financial Outlook 2002

	2002 E announced in July, 2002	9M 2002
Revenue growth (constant currency)	~ 6%	6%
Earnings after tax ¹	~ \$ 300 m	\$ 219 m
CapEx	~ \$ 220 m	\$ 157 m
Free Cash Flow	> \$ 200 m	\$ 238 m
Acquisition spending	~ \$ 100 m	\$ 73 m
Free Cash Flow after acquisitions	> \$ 100 m	\$ 166 m

¹ before extraordinary charge of \$ 12 m after taxes for the early redemption of Trust Pref. Securities

Financial Outlook 2003

Revenue Growth (constant currency)

Mid single digit

Earnings after Tax

High single /
low double digits

..... and continued strong Cash Flow !



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 Securities and Exchange Commission.





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