



Health Care Worldwide



Analysts' Meeting August 4, 2004

Agenda

I. Business Update

- Fresenius Group
- Fresenius Kabi
- Fresenius ProServe
- Fresenius Biotech

II. Fresenius Financials First Half 2004

III. Outlook

Fresenius Group: Accelerating Growth

First half 2004	Sales 3,553 €m	EBIT 412 €m	EAT 80 €m
Growth at constant currency rates	+ 9 %	+ 13 %	+ 21 %
Growth at actual currency rates	+ 3 %	+ 6 %	+ 14 %

- Fresenius Medical Care and Fresenius Kabi with excellent first half results
- Cash flow at record level
- Fresenius raises its 2004 projections

Business Segments: Key Issues First Half 2004

	Fresenius Medical Care	Fresenius Kabi	Fresenius ProServe
Sales Growth	3,011 \$m + 13 %	738 €m + 3 %	383 €m + 14 %
EBIT Growth	411 \$m + 16 %	85 €m + 20 %	0 €m 6 €m before one-time expenses

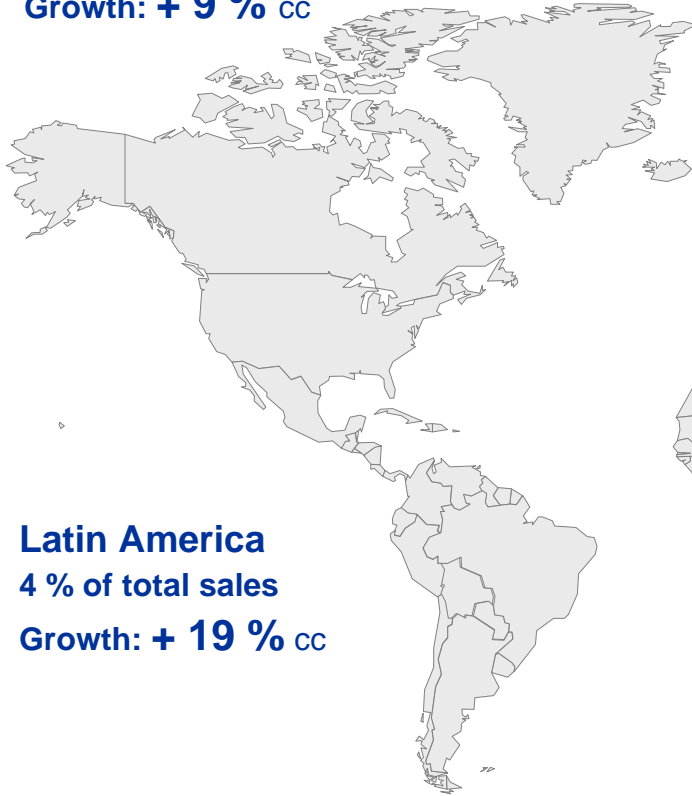
- Fresenius Medical Care - Excellent top-line growth in major markets
- Net income up 28 % from first half 2003
- Fresenius Kabi - Strong revenue growth in international markets
- EBIT margin exceeding target
- Fresenius ProServe - Operational performance in Q2 improved
- Management teams of WKA and Pharmaplan strengthened

Fresenius Group: Regional Sales Distribution

North America

48 % of total sales

Growth: + 9 % cc



Latin America

4 % of total sales

Growth: + 19 % cc

Europe

39 % of total sales

Growth: + 5 % cc



Asia-Pacific

7 % of total sales

Growth: + 19 % cc

cc = at constant currency



Fresenius
Kabi

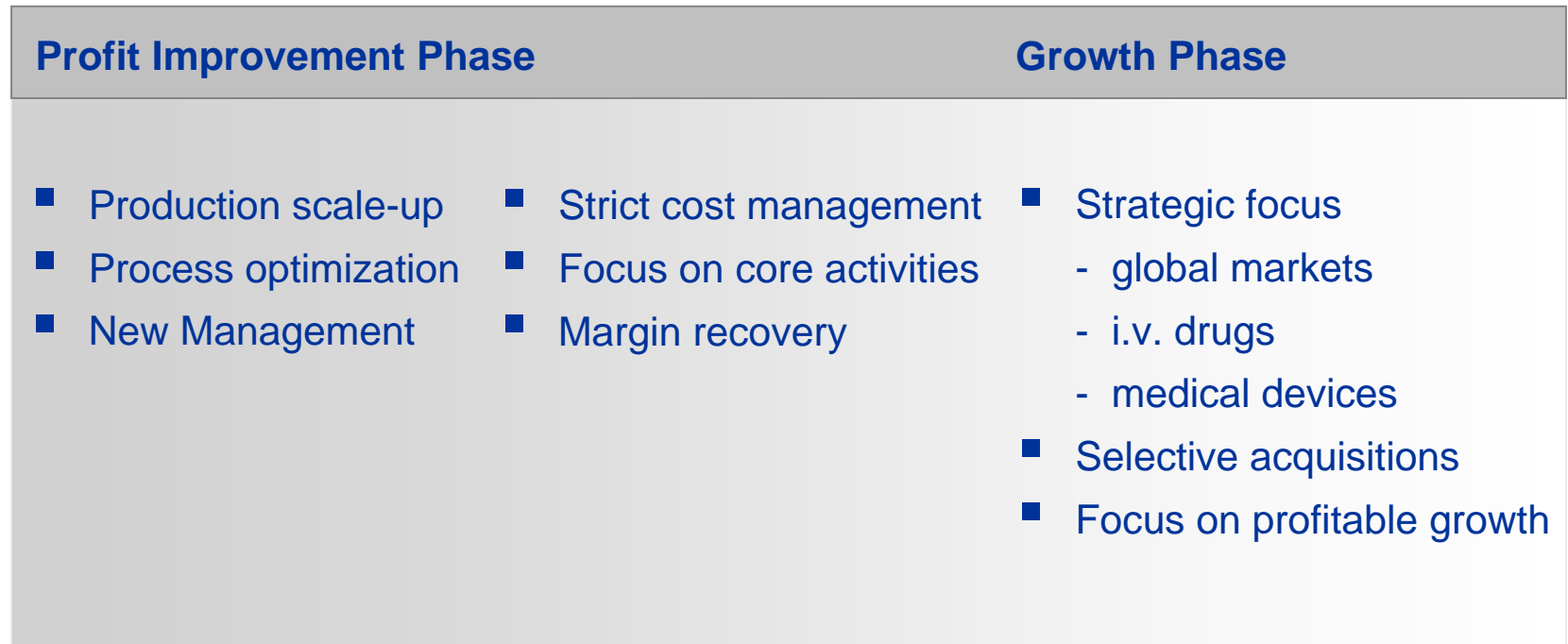
Fresenius Kabi: Key Figures First Half 2004

€m	H1 2004	H1 2003	Change
Sales	738	718	+ 3 %
Hospital Business	606	573	+ 6 %
Ambulatory Care Business	132	145	- 9 %
adjusted for divestiture			- 5 %
EBITDA	126	108	+ 17 %
EBITDA margin	17.1 %	15.0 %	
EBIT	85	71	+ 20 %
EBIT margin	11.5 %	9.9 %	

Fresenius Kabi: Business Highlights

- Selective acquisitions in growth markets to build global leadership position
 - Acquired Isotec, parenteral nutrition business in South Africa
 - Increased stake in Korean parenteral nutrition business to 100 %
 - Additional projects under negotiation
- Further improvements in technology under way to lower production costs
- Outlook 2004:
 - Confirm expected sales growth: mid-single digit rate in constant currency
 - EBIT margin target raised to ~11.5 % based on excellent operational performance in first half 2004

Fresenius Kabi: An Exciting Future Ahead





fresenius  proServe

Fresenius ProServe: Key Figures First Half 2004

€m	H1 2004	H1 2003	Change
Sales	383	336	+ 14 %
Healthcare Business	342	287	+ 19 %
- Service	243	239	+ 2 %
- Projects	99	48	+ 106 %
Pharma Industry Business	41	49	- 16 %
EBITDA	14	22	- 36 %
EBITDA margin	3.7 %	6.5 %	
EBIT before one-time expenses	6	10	- 40 %
EBIT margin	1.6 %	3.0 %	
EBIT after one-time expenses	0	10	

Fresenius ProServe: Business Update

Health Care Business

Hospital Management

Hospital Engineering

Pharma Industry Business

Management

- WKA Management Board expanded; 2 new members
- Successful leadership team with excellent track record
- New CEO to strengthen Management team

Operations

- Headcount reductions at acute and post acute clinics
- On track
- Focus on selected key markets

Markets

- Bed utilization rate in Germany insufficient at 79 % (H1/03: 80 %)
- Focus on German hospital market
- Trend towards smaller projects in Asia-Pacific
- Focus on Non-EU countries in Eastern Europe
- Sales: -16 % due to cyclical downturn; order intake improvement expected

Fresenius ProServe: 2004 Outlook

	New guidance	Original guidance
Revenue growth	~ 10 %	~ 10 %
EBIT before one-time expenses	15 – 20 €m	~ 25 €m
One-time expenses	~ 8 €m	~ 8 €m



Fresenius
Biotech

Fresenius Biotech: Anticipated 2004 Newsflow



Fresenius Biotech – Project Newsflow

HIV project

- Patient recruitment initially delayed, now completed; majority of patients treated
- Patients still in follow-up phase
- Safety: no serious adverse events
- ➔ “Go/no go” decision in January 2005

Fresenius Biotech – Project Newsflow

Oncology projects with trifunctional antibodies

Current studies:

- NSCLC – phase I study
 - Breast cancer – phase I study
 - Peritoneal carcinoma – phase I/II study
 - Ovarian cancer – phase IIa study
- Newsflow: H2/2004
- Newsflow: end of 2005

Studies to start in Q3/2004:

- Pleural effusion phase I/II study
 - Malignant ascites phase II/III study
- Newsflow: Q1/2006
- Newsflow: end of 2006

Fresenius – Strong Fundamentals, Excellent Prospects

- Achieved excellent first half results and raises its 2004 guidance
 - Expands its global presence by entering new markets in growth regions
 - Strengthens its technological leadership and focusses on innovation
 - Builds on entrepreneurship and financial prudence; will exploit divisional synergies
- ➔ **Fresenius is focussed on profitable growth**

Fresenius

Financials First Half 2004

Fresenius Group: Excellent Financial Achievements First Half 2004

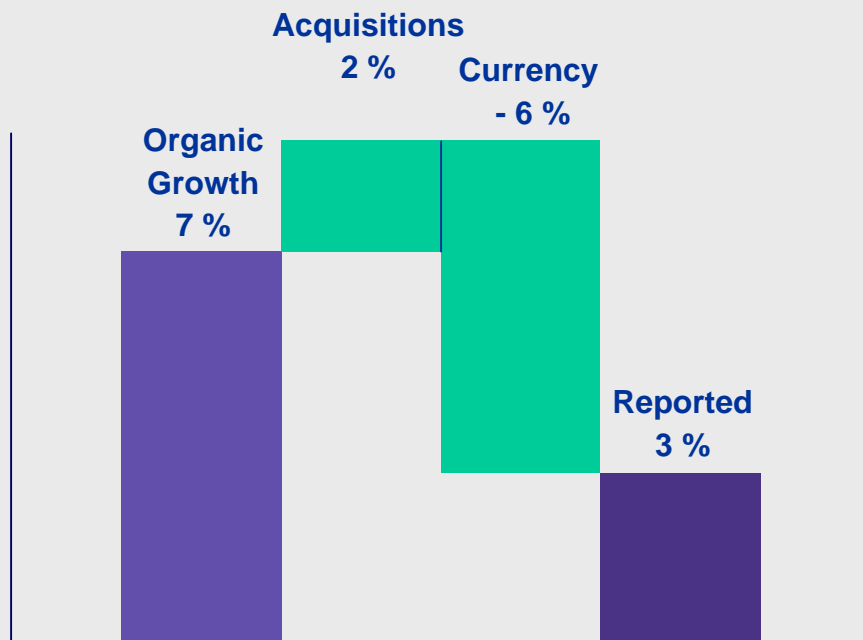
- Strong currency-adjusted sales growth of 9 % and organic growth of 7 %
- Remarkable net income growth of 14 %; currency-adjusted: 21%
- Strong free cash flow (before acquisitions and dividends) of 239 €m (+ 15 %)
- Net debt / EBITDA ratio of 2.7
- On track for 2004

Fresenius Group: Key Figures

		H1 2004	H1 2003	Change actual rates	Change constant rates
Sales	€m	3,553	3,456	+ 3 %	+ 9 %
EBITDA	€m	564	543	+ 4 %	+ 10 %
EBIT	€m	412	390	+ 6 %	+ 13 %
Interest result	€m	- 104	- 125	+ 17 %	+ 12 %
Taxes	€m	- 125	- 104	- 20 %	- 28 %
Minority interests	€m	- 103	- 91	- 13 %	- 22 %
Net income	€m	80	70	+ 14 %	+ 21 %
EPS ordinary share	€m	1.95	1.70	+ 14 %	+ 21 %
EPS preference share	€m	1.97	1.72	+ 14 %	+ 21 %

Fresenius Group: Sales Analysis First Half 2004

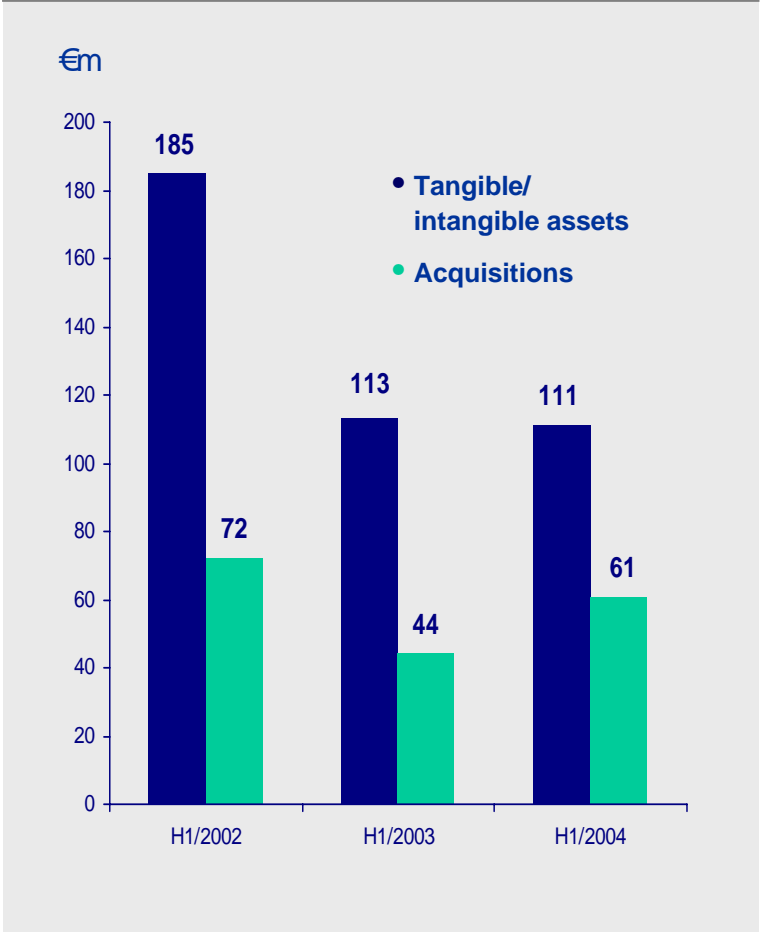
Sales Growth



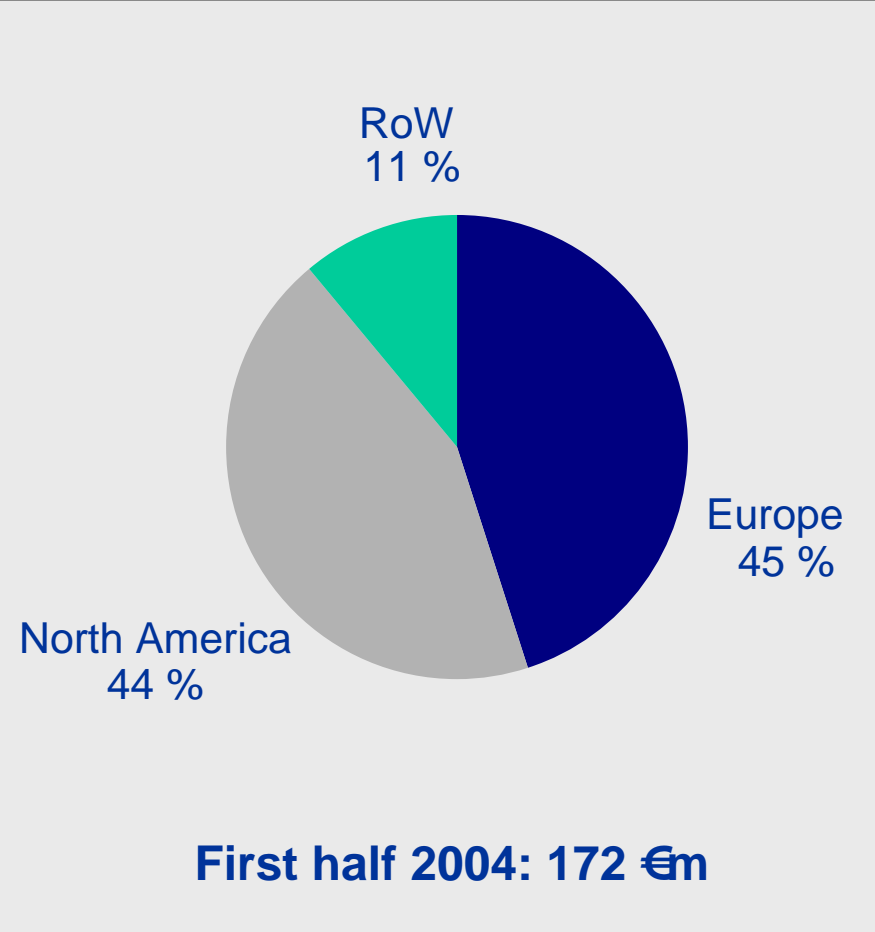
- Organic growth + 7 %
- Acquisitions contributing + 2 %
- Strong currency impact of - 6 %

Fresenius Group: Capital Expenditure and Acquisitions

Capex + acquisitions

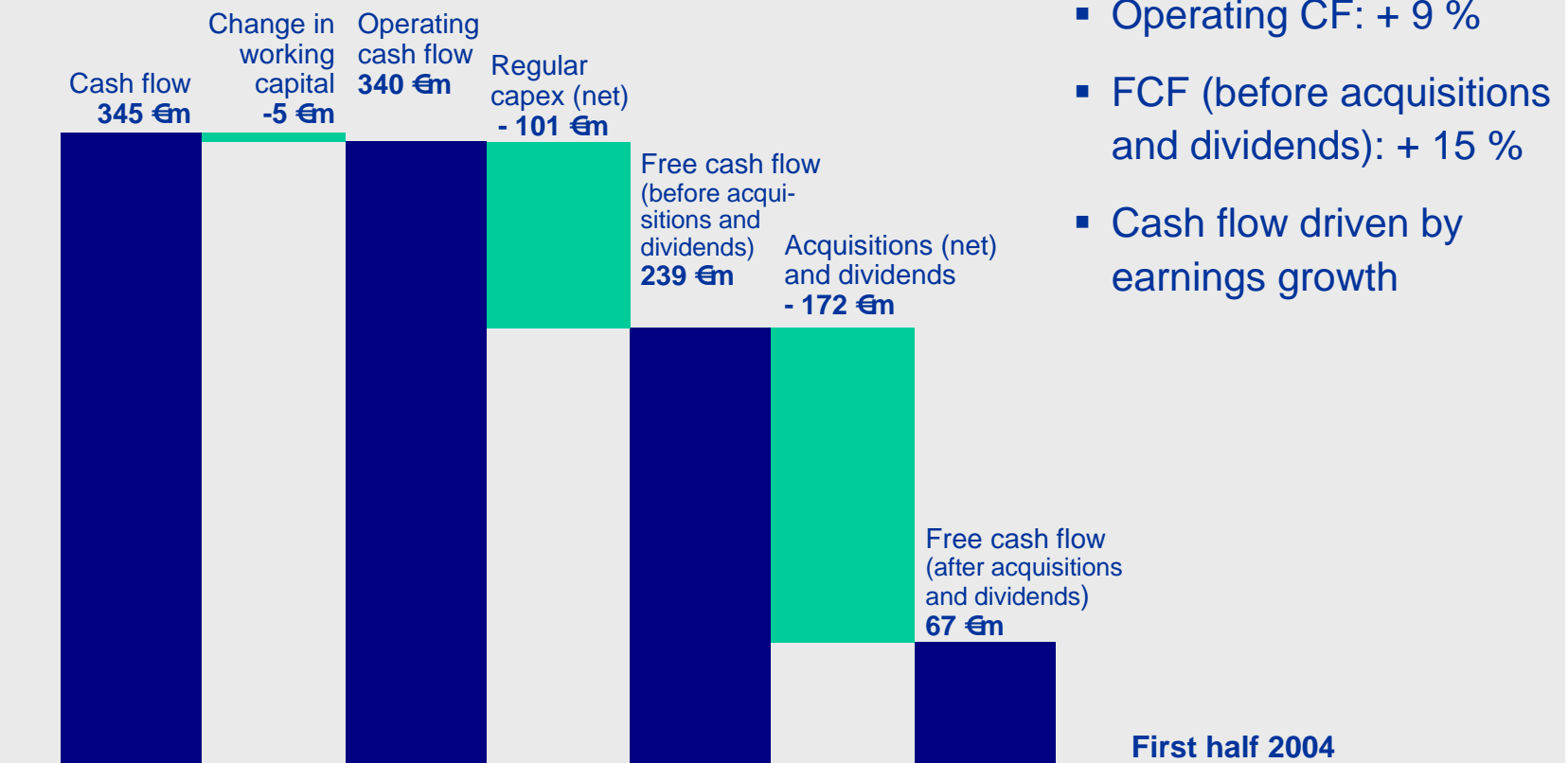


Regional distribution



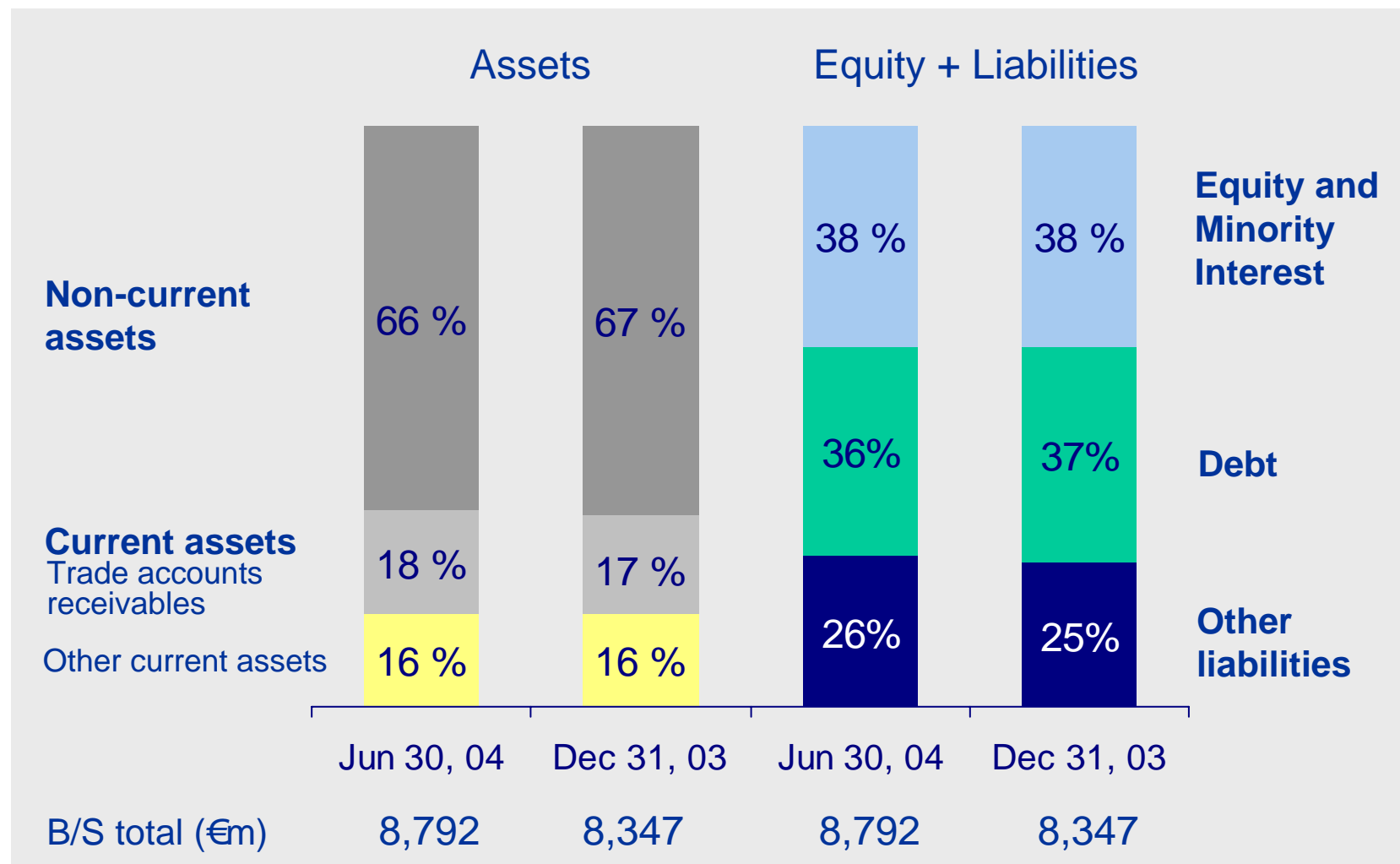
Fresenius Group: Cash Flow Statement

Sustainable strong cash flow performance



- Operating CF: + 9 %
- FCF (before acquisitions and dividends): + 15 %
- Cash flow driven by earnings growth

Fresenius Group: Solid Balance Sheet Structure



Fresenius Group: Debt and Debt Ratios

€m	Jun 30, 2004	Dec 31, 2003
Debt*	3,188	3,148
Net debt	3,034	3,023
Net debt/EBITDA	2.7	2.7

* incl. A/R liabilities

Fresenius Group: 2004 Outlook Raised

	New guidance	Original guidance
Revenue growth at constant currency	High-single digit	Mid-single digit
Net income growth rate at constant currency	~ 30 %	25 - 30 %
Capital expenditure	~ 300 €m	~ 300 €m
Acquisitions	~ 120 €m	~ 120 €m

Fresenius

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