



Health Care Worldwide



Analyst Meeting, October 31, 2006

Agenda

I. Business Update

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

II. Fresenius Financials Q1-3 2006

III. Outlook 2006

Fresenius Group: Highlights

- Strong sales growth in all business segments and regions
- Double-digit EBIT growth in all business segments – Q1-3 EBIT exceeds 1 billion € for the first time
- Growth initiatives continued
 - Acquisition of the phosphate binder business from Nabi Biopharmaceuticals by Fresenius Medical Care
 - Acquisition of Filaxis – an Argentinian generic I.V.drug company by Fresenius Kabi
- Conversion of Fresenius AG into a European Company (SE) and share split

Fresenius Group: Increased Growth in Sales, EBIT and Net Income

Q1-3 2006	Sales 7,843 €m	EBIT 1,060 €m	Net income 233 €m
Growth at constant currency rates	+ 36 %	+ 49 %	+ 43 %
Growth at actual currency rates	+ 37 %	+ 51 %	+ 45 %

Fresenius Group: Double-Digit Earnings Growth in All Business Segments

Q1-3 2006	Fresenius Medical Care	Fresenius Kabi	Fresenius ProServe
Sales Growth	6,147 US\$m + 23 %	1,404 €m + 13 %	1,526 €m + 6 %*
EBIT Growth	964 US\$m + 39 %	213 €m + 25 %	105 €m + 21 %*

* based on Q1-3 2005 incl. HELIOS Kliniken



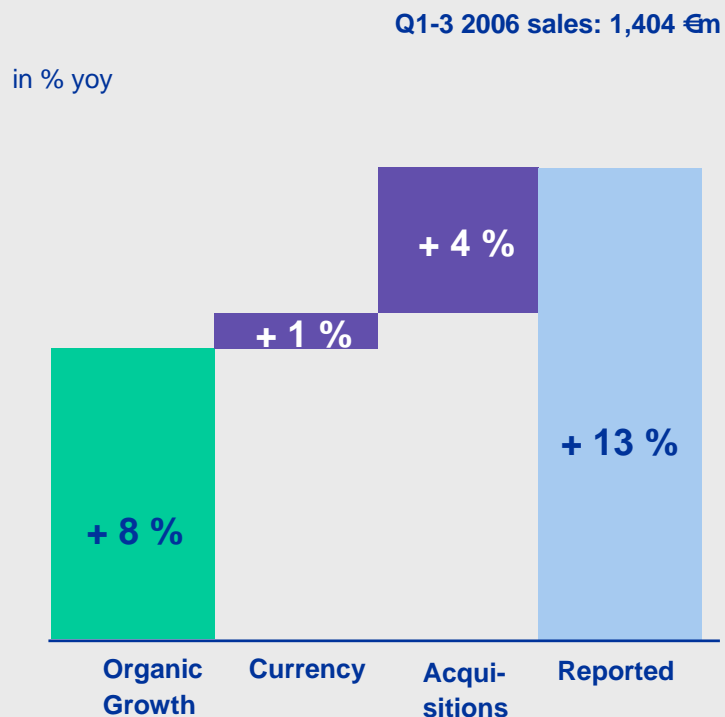
Fresenius
Kabi

Fresenius Kabi: Sales Q1-3 2006

€m	Q1-3 2006	Q1-3 2005	Organic Growth
Total Sales	1,404	1,239	8 %
By Product Segment:			
Infusion Therapy	761	658	7 %
Clinical Nutrition	555	497	10 %
Transfusion Technology	88	84	2 %

Fresenius Kabi: Strong Organic Sales Growth of 8 %

Sales growth analysis



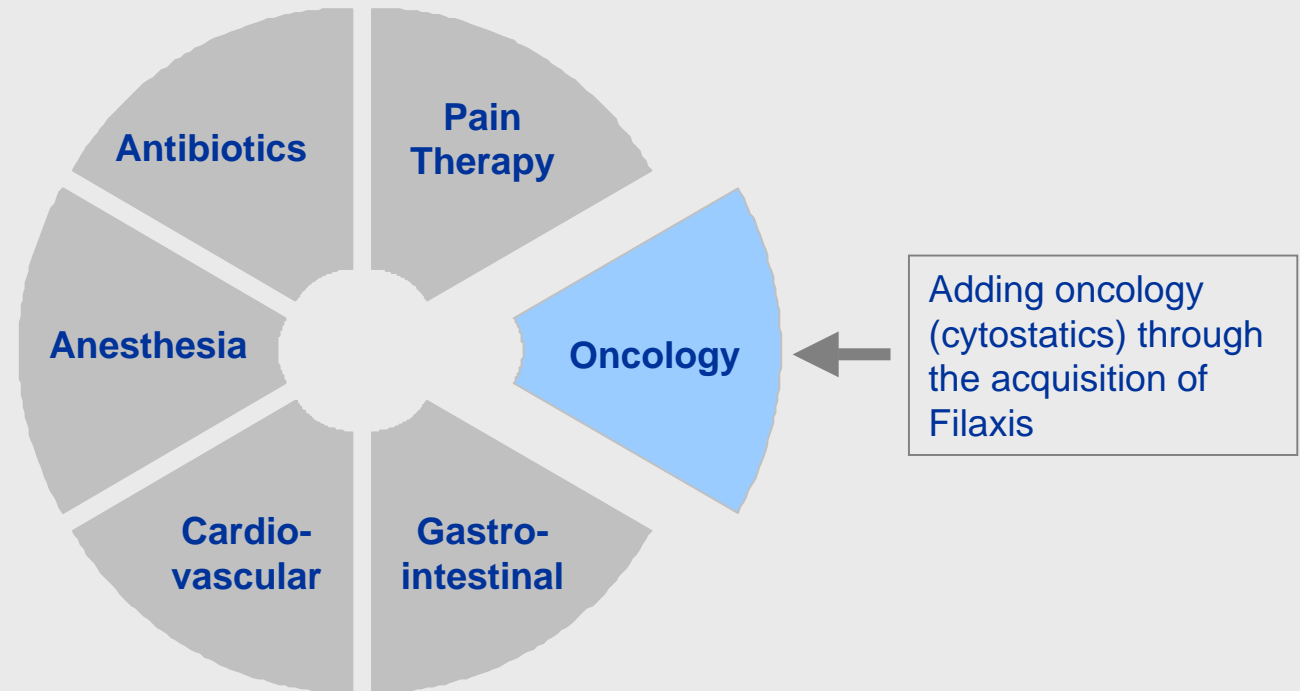
Regional Sales	Q1-3 2006 €m	Q1-3 2005 €m	Growth	Organic Growth
Germany	319	306	4 %	0 %
Europe ex Germany	650	604	8 %	6 %
Asia-Pacific	190	132	44 %	22 %
Latin America	94	72	31 %	17 %
RoW	151	125	21 %	18 %
Total sales	1,404	1,239	13 %	8 %

Fresenius Kabi: Excellent EBIT Growth – Record Margin of 15.8% in Q3/06

€m	Q1-3 2006	Q1-3 2005	Change
EBIT	213	170	25 %
EBIT margin	15.2 %	13.7 %	
EBIT by Region:			
Europe	187	159	18 %
EBIT margin	19.3 %	17.5 %	
International	72	53	36 %
EBIT margin	16.6 %	16.1 %	
Corporate and Corporate R&D	- 46	- 42	

Fresenius Kabi: Enhancing Generic I.V. Drug Portfolio

Therapeutic Areas



■ covered by Fresenius Kabi's I.V. drug portfolio

Fresenius Kabi: 2006 Earnings Outlook Raised

	Previous 2006 guidance	Updated guidance
Revenue growth at constant currency	~ 11 – 12 %	~ 11 – 12 %
EBIT margin	> 15 %	15.0 – 15.5 %



fresenius  proServe

Fresenius ProServe: Sales Development – Fully in Line with Guidance

€m	Q1-3 2006	Q1-3 2005 incl. HELIOS	Organic Growth
Sales	1,526	1,442	3 %
Sales by Division:			
Hospital Operations (HELIOS)	1,204	1,152	2 %
Engineering + services for hospitals and the pharmaceutical industry (VAMED + Pharmaplan)	322	290	11 %
Order intake	291	239	22 %

Fresenius ProServe: Strong EBIT Growth in Both Divisions

€m	Q1-3 2006	Q1-3 2005 incl. HELIOS	Growth
EBIT	105	87	21 %
EBIT margin	6.9 %	6.0 %	
EBIT by Division:			
Hospital operations	94	79	19 %
EBIT margin	7.8 %	6.8 %	
Engineering + services for hospitals and the pharmaceutical industry	14	9	55 %
EBIT margin	4.5 %	3.2 %	
Corporate costs	- 3	- 1	-

Fresenius ProServe: 2006 Outlook – Targeting Top-end of Guidance

Guidance

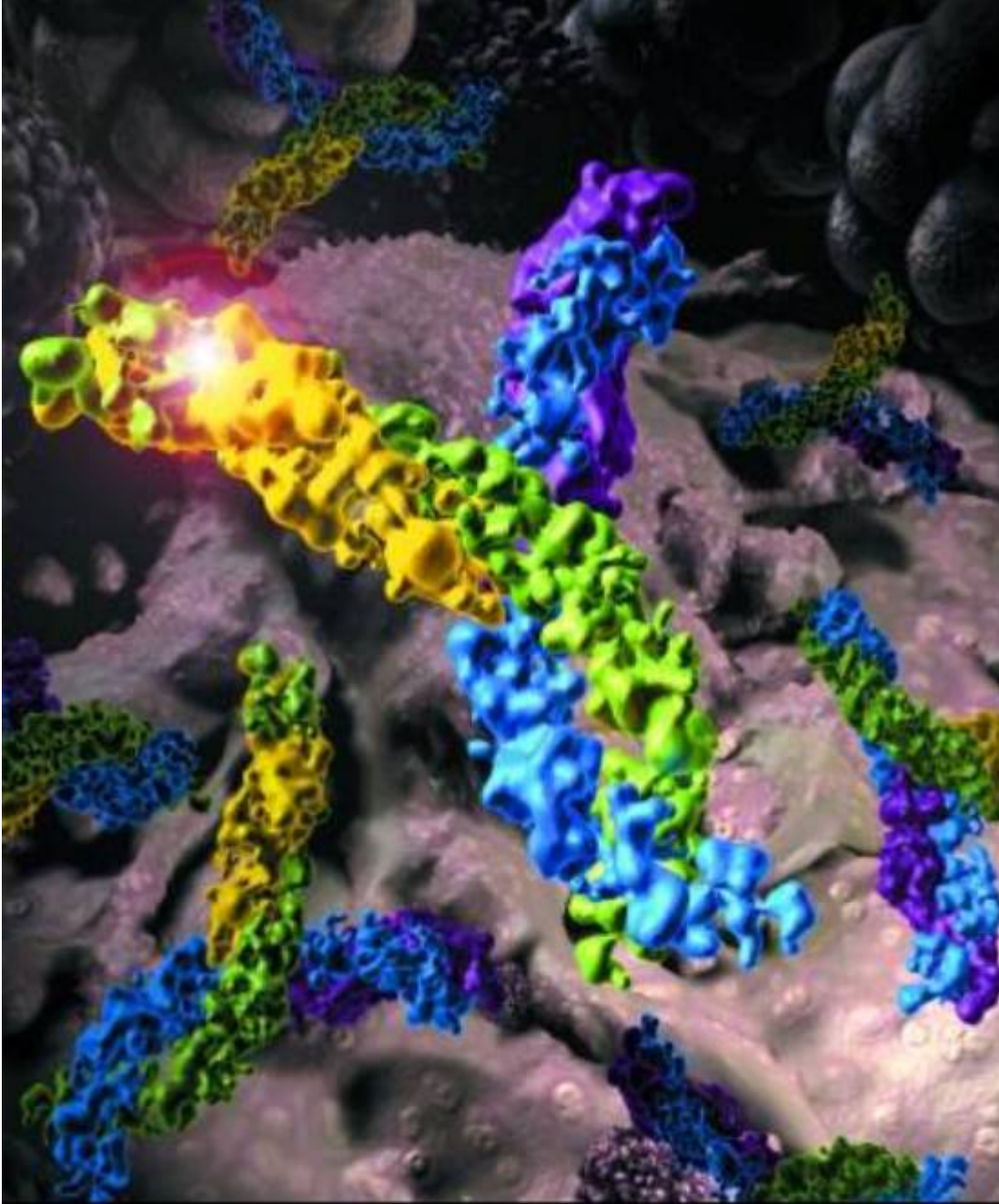
Organic revenue
growth

Based on 2005 sales incl. HELIOS of 2,009 €m

1 – 3 %

EBIT

140 – 150 €m



Fresenius
Biotech

Fresenius Biotech: Update

Project status:

- Antibody therapies:
 - Phase II/III pivotal study malignant ascites – newsflow December 2006
 - Phase II studies breast cancer and gastric cancer – proceeding as planned
 - Phase II ovarian cancer study – start in H1 2007

- HIV
 - Phase I/II report finalized – primary endpoint (safety, tolerability) met, missed secondary endpoint (efficacy)
 - Project discontinued – proof of principle and milestone hurdle not achieved

Q1-3 and outlook 2006:

- EBIT Q1-3 2006: - 30 €m
- EBIT guidance 2006: approx. - 45 €m

Conversion of Fresenius AG into a European Company (SE)

- Rationale for Conversion
 - Continue well-proven and efficient corporate governance
 - Reflect Fresenius' international business footprint
- Two-tier system (Management and Supervisory Boards) will be maintained
- Shareholders' rights will remain unchanged (e.g. voting rights, dividends)
- Statutes of future Fresenius SE will be largely identical with Fresenius AG's statutes

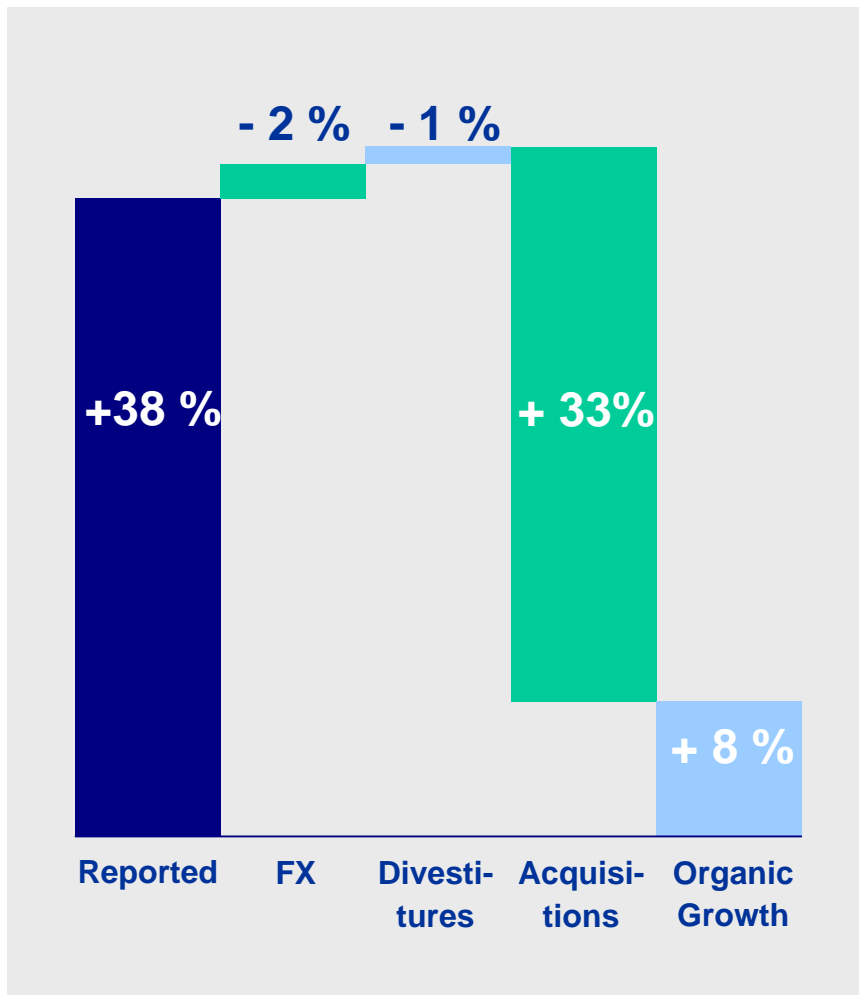


Group Financials Q1-3 2006

Fresenius Group: Profit and Loss Statement

€m	Q3 2006	Q1-3 2006	Q1-3 2006 actual rates	YoY constant rates	Remarks on Q1-3
Sales	2,765	7,843	+ 37 %	+ 36 %	strong 9 % organic growth
EBIT	379	1,060	+ 51 %	+ 49 %	
Interest result	- 101	- 295	- 102 %	- 101 %	
Taxes	- 107	- 313	- 43 %	- 42 %	
Net income	93	233	+ 45 %	+ 43 %	
EPS (prefs) (€)	1.81	4.58	+ 16 %	+ 15 %	

Fresenius Group: Sales Growth Analysis Q3 2006




Organic Growth	Q3	Q2	Q1
Fresenius Medical Care	10 %	9 %	9 %
Fresenius Kabi	7 %	7 %	9 %
Fresenius ProServe*	2 %	12 %	5 %

* excl. HELIOS in 2005

Fresenius Group: Profit and Loss Statement

€m	Q3 2006	Q1-3 2006	Q1-3 2006 actual rates	YoY constant rates	Remarks on Q1-3
Sales	2,765	7,843	+ 37 %	+ 36 %	strong 9 % organic growth
EBIT	379	1,060	+ 51 %	+ 49 %	incl. +12 €m (net) one-time items / SFAS 123R
Interest result	- 101	- 295	- 102 %	- 101 %	incl. 30 €m refinancing costs
Taxes	- 107	- 313	- 43 %	- 42 %	
Net income	93	233	+ 45 %	+ 43 %	
EPS (prefs) (€)	1.81	4.58	+ 16 %	+ 15 %	

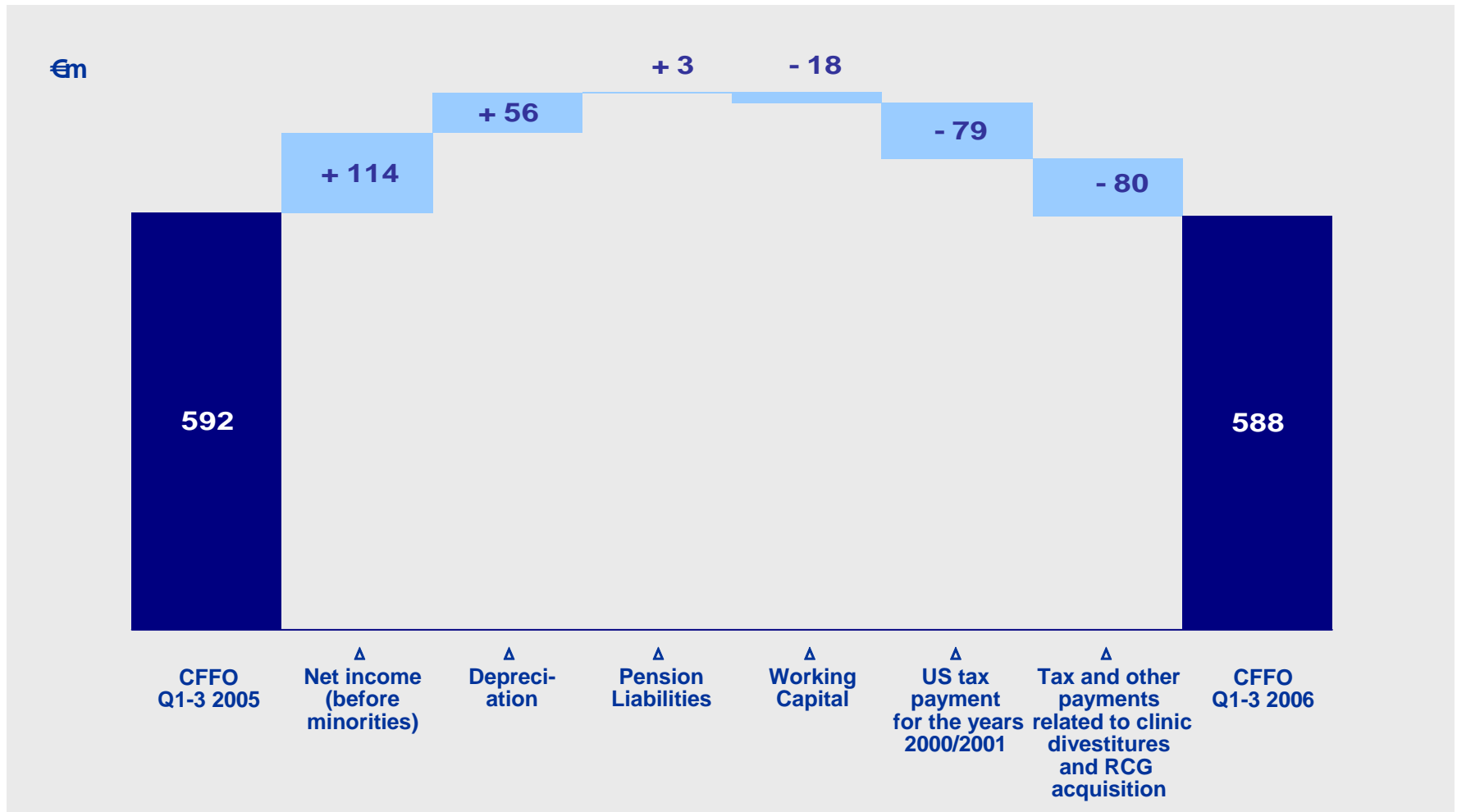
Fresenius Group: Impact of Acquisition / Financing Related One-time Expenses and Accounting Change

€m	FY 2006 Guidance			Q1-3 2006			Status
	EBIT	Interest	Net income	EBIT	Interest	Net income	
FMC – transformation, restructuring costs and in-process R&D	- 26		- 6	- 8		- 1	
Accounting change – stock options	- 16		- 7	- 12		- 6	
FMC – FTC-related clinic divestitures	32		- 1	32		- 1	✓
Early redemption Fresenius 2003 Bond		- 18	- 11		- 18	- 11	✓
FMC – write-off prepaid financing fees		- 12	- 3		- 12	- 3	✓
Total	- 10	- 30	- 28	12	- 30	- 22	

Fresenius Group: Cash Flow

€m	Q3 2006	Q1-3 2006	Q1-3 2006 YoY	Remarks on Q1-3
Cash flow	281	750	+ 30 %	strong earnings growth
Change in Working capital	- 66	- 162	--	incl. 159 €m payments related to RCG acquisition and US tax audit of 2000/01
Operating Cash flow	215	588	- 1 %	
Capex (net)	- 147	- 360	- 100 %	
Cash flow (before acquisitions and dividends)	68	228	- 45 %	
Acquisitions (net)	- 52	- 3,055	--	mainly Renal Care Group
Dividends	- 5	- 159	- 20%	
Free Cash flow (after acquisitions and dividends)	11	- 2,986	--	

Fresenius Group: Operating Cash Flow Development



Fresenius Group: Debt and Interest Ratios

	September 30, 2006	March 31, 2006
Debt (€m)	6,136	6,657
Net debt (€m)	5,881	6,209
Net debt/EBITDA*	3.2	3.5
EBITDA/Interest*	4.4	6.4

* excl. gain and EBITDA from divested dialysis clinics and one-time expenses for refinancing, incl. RCG in Q1



Fresenius Group: 2006 Financial Outlook Raised

	Previous 2006 guidance	Updated guidance
Revenue at constant currency Revenue growth	~ 10.7 €bn ~ 35 %	> 10.7 €bn > 35 %
Net income growth at constant currency	~ 40 %	40 – 45 %

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



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Attachments

Fresenius Group: Key Figures According to IFRS

in €m	Q1-3 2006 US GAAP	Q1-3 2006 IFRS
Sales	7,843	7,843
EBIT	1,060	1,049
Interest result	- 295	- 295
Net income	233	231
Operating Cash flow	588	591
Balance sheet total	15,194	15,204