

# UBS – Best of Germany Conference 2007

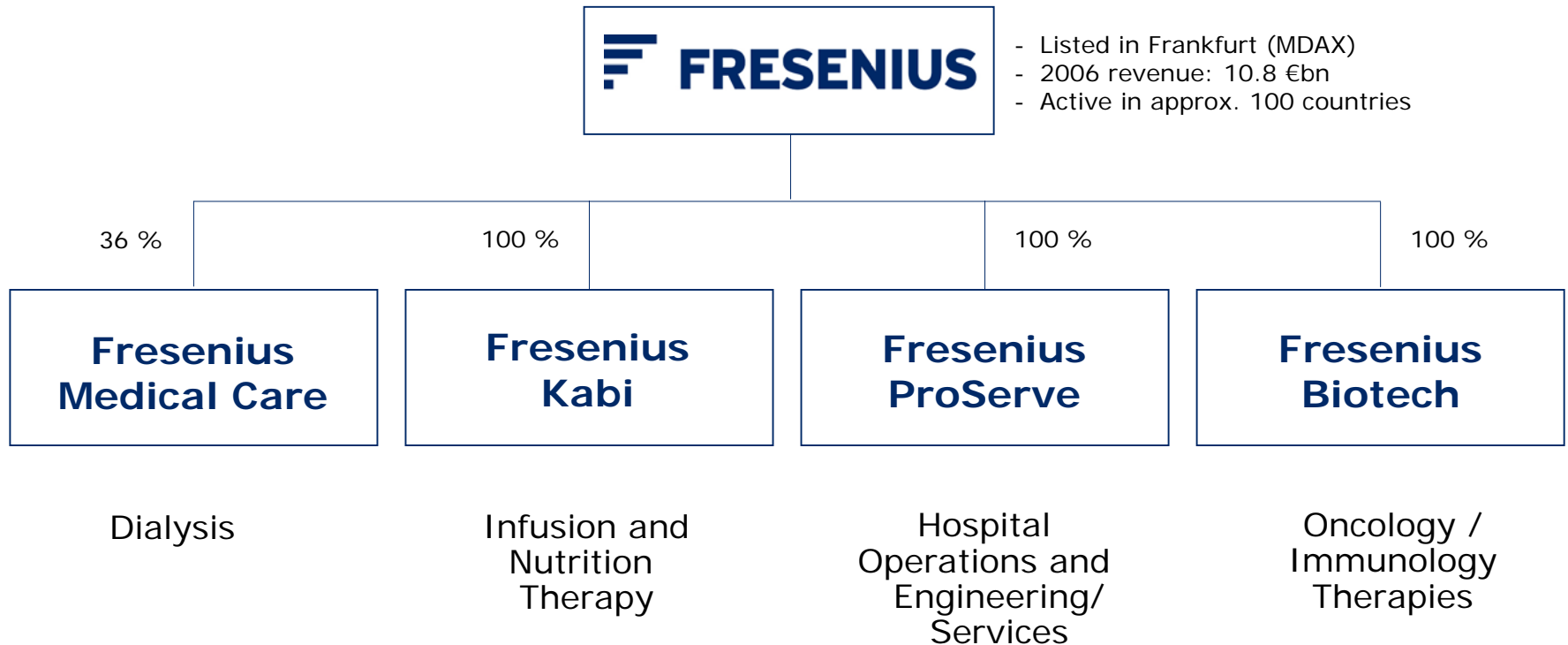
September 12, 2007



## Safe Harbor Statement

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.

# Achieving Profitable Growth in Attractive Health Care Segments



Fresenius Medical Care is fully consolidated in the financial statements of Fresenius SE

## Fresenius Group: Accomplishments H1 2007

- Strong operating performance in all business segments
- Encouraging Biotech clinical trial results
- Conversion into a European Company (SE)
- New management and reporting structure for HELIOS and VAMED
- Increased earnings guidance

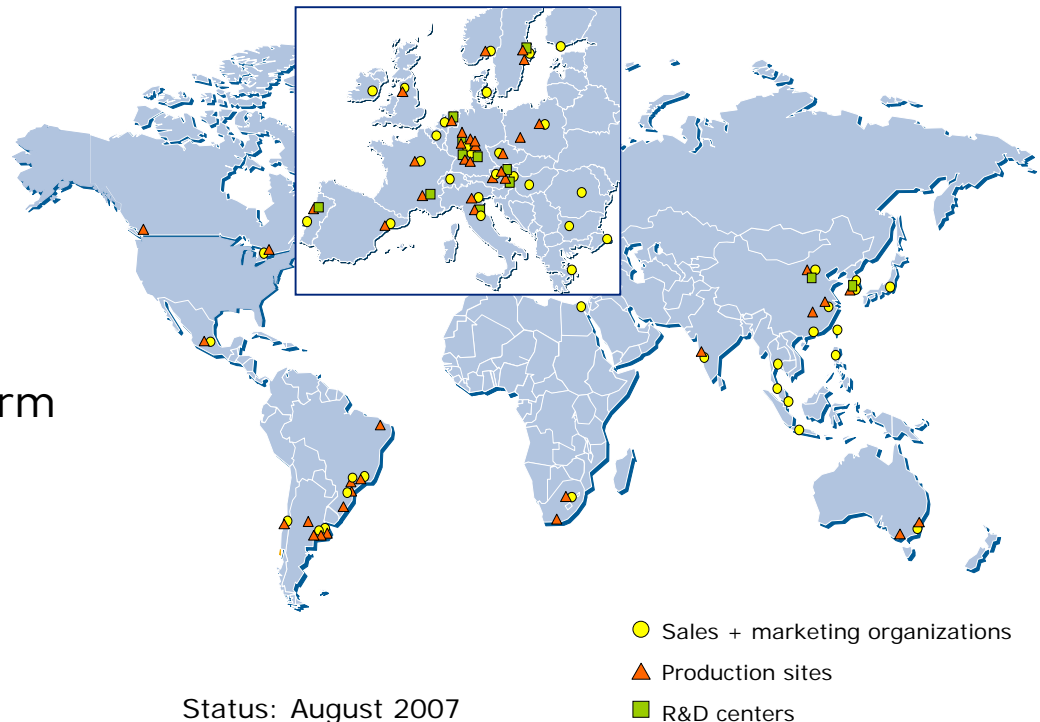
## Fresenius Group: Excellent Financial Results

	Sales	EBIT	Net income
H1 2007	€ 5,592 m	€ 780 m	€ 195 m
Growth at constant currency rates	+15 %	+20 %	+44 %
Growth at actual currency rates	+10 %	+15 %	+39 %

# Fresenius Kabi: Leading Market Positions in Infusion Therapy and Clinical Nutrition

- Growth Drivers
  - Demographic development
  - Demand for innovative therapies and cost effective products
  - Steady increase in health care spending in emerging markets
- Focus on organic growth and on selective acquisitions
- Market dynamics support mid-term 6-8 % organic sales growth and 16-18 % EBIT margin

## Global production and distribution network



## Fresenius Kabi: 130 bps EBIT Margin Improvement Compared to H1 2006

€m	H1 2007	H1 2006	Growth
<b>Sales</b>	<b>986</b>	937	5 % (7 % organic)
<b>EBIT</b>	<b>159</b>	139	14 %
EBIT margin	<b>16.1 %</b>	14.8 %	
<b>Net income</b>	<b>87</b>	60	45 %

## Fresenius Kabi: 2007 Financial Outlook Fully Confirmed

### Guidance

Organic revenue  
growth

6 – 8 %

EBIT margin

16.0 – 16.5 %



# HELIOS Kliniken: Top-Tier Private Hospital Operator in Germany

- Germany is Europe's largest hospital market (> € 60 bn market size)
- Only 11% of German acute hospital beds managed by private operators
- Significant German hospital privatization opportunity
- HELIOS has a strong track record in hospital operations and acquisitions: targeting 15% EBITDA margin within 5 years per individual location



## Fresenius ProServe: 60 bps EBIT Margin Improvement Compared to H1 2006

€m	H1 2007	H1 2006	Change
<b>Sales</b>	<b>1,069</b>	974	10 % (2 % organic)
<b>EBIT</b>	<b>75</b>	62	21 %
EBIT margin	<b>7.0 %</b>	6.4 %	
<b>Net income</b>	<b>31</b>	23	35 %

## Fresenius ProServe: 2007 Earnings Outlook Raised

### Guidance

Organic  
revenue growth

2 – 3 %

EBIT

Raised

~ € 170 m

## Fresenius Biotech: Update

- Secondary endpoints of phase II/III malignant ascites study confirm clear benefits from treatment with removab<sup>®</sup>
- Partnering process for trifunctional antibody removab<sup>®</sup> in North America and Japan ongoing
- Submission of malignant ascites dossier to EMEA end of 2007 expected
- 2007 EBIT outlook of ~ € -50 m confirmed

## Fresenius Group: Unique Opportunities in All Business Segments

### **Fresenius Medical Care**

Market leader in attractive North American market; International segment with superior growth and profitability; Renal drug expansion opportunity

### **Fresenius Kabi**

Superior growth resulting from leading emerging markets position and successful core market product initiatives

### **Fresenius ProServe**

Two-pronged strategy to benefit from significant German hospital privatization opportunity through leading hospital operations and outsourcing project management presence

### **Fresenius Biotech**

Attractive growth option based on proprietary antibody technology

# Fresenius Group: 2007 and Mid-term Outlook

## 2007 outlook

## Guidance

Revenue growth  
at constant currency

8 – 10 %

Net income growth  
at constant currency

**Raised** 

~25 %

## Mid-term outlook

Revenue/EBIT margin

15/15 by 2010

Revenues of € 15 bn, EBIT margin of 15 %

## Attachments



## Fresenius Group: Strong Sales and EBIT Growth in all Business Segments

H1 2007	Fresenius Medical Care	Fresenius Kabi	Fresenius ProServe
Sales Growth	US\$ 4,725 m +21 %	€ 986 m +5 %	€ 1,069 m +10 %
EBIT Growth	US\$ 756 m +23 %	€ 159 m +14 %	€ 75 m +21 %

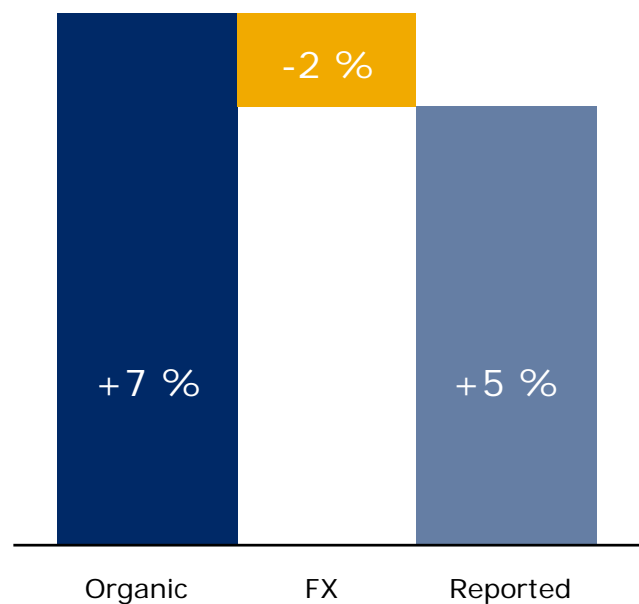


## Fresenius Kabi: Sales H1 2007 – Fully in Line with Guidance

€m	H1 2007	H1 2006	Growth
<b>Total Sales</b>	<b>986</b>	937	7 %
By Product Segment:			
Infusion Therapy	<b>529</b>	513	4 %
Clinical Nutrition	<b>398</b>	365	11 %
Transfusion Technology	<b>59</b>	59	1 %

## Fresenius Kabi: Organic Sales Growth of 7 %

### Sales growth H1 2007 compared to H1 2006



Regional Sales €m	H1 2007	H1 2006	Growth	Organic Growth
Germany	<b>213</b>	214	0 %	0 %
Europe ex Germany	<b>461</b>	440	5 %	5 %
Asia-Pacific	<b>145</b>	122	19 %	22 %
Latin America	<b>66</b>	61	8 %	10 %
RoW	<b>101</b>	100	1 %	11 %
<b>Total sales</b>	<b>986</b>	937	5 %	7 %

# Fresenius Kabi: 130 bps EBIT Margin Improvement Compared to H1 2006

€m	H1 2007	H1 2006	Change
<b>EBIT</b>	<b>159</b>	139	14 %
EBIT margin	<b>16.1 %</b>	14.8 %	
EBIT by Region:			
Europe	<b>145</b>	124	17 %
EBIT margin	<b>21.5 %</b>	19.0 %	
International	<b>50</b>	46	9 %
EBIT margin	<b>16.0 %</b>	16.3 %	
Corporate and Corporate R&D	<b>-36</b>	-31	-16 %
<b>Net income</b>	<b>87</b>	60	45 %

## Fresenius ProServe: Sales Growth Fully in Line with Guidance

€m	H1 2007	H1 2006	Change	Organic
<b>Sales</b>	<b>1,069</b>	974	10 %	2 %
Sales by Division:				
Hospital Operations (HELIOS)	<b>890</b>	767	16 %	3 %
Engineering + Services for hospitals (VAMED + Pharmatec)	<b>179</b>	207*	-14 %	-2 %
<b>Order intake Engineering business</b>	<b>106</b>	185*	-43 %	-35 %

\* Including Pharmaplan

## Fresenius ProServe: 60 bps EBIT Margin Improvement Compared to H1 2006

€m	H1 2007	H1 2006	Growth
<b>EBIT</b>	<b>75</b>	62	21 %
EBIT margin	7.0 %	6.4 %	
EBIT by Division:			
Hospital operations	<b>68</b>	56	21 %
EBIT margin	7.6 %	7.3 %	
Engineering + Services for hospitals	<b>9</b>	9*	-
EBIT margin	5.0 %	4.3 %	
Corporate costs	<b>-2</b>	-3	33 %

\* Including Pharmaplan

## Fresenius Group: Profit and Loss Statement

€m	Q2 2007	H1 2007	H1 2007 actual rates	YoY constant rates	Remarks H1 2007
Sales	2,825	5,592	+10 %	+15 %	7 % organic growth
EBIT	400	780	+15 %	+20 %	Strong 13.9 % EBIT margin
Interest result	-90	-185	+5 %	-1 %	Impact of RCG acquisition from Q2 06
Taxes	-111	-214	-4 %	-9 %	36 % tax rate; at bottom end of 2007 guid.
Net income	102	195	+39 %	+44 %	H1 06: incl. € 16 m one-time expenses
EPS (prefs) (€)	0.67	1.27	+38 %	+42 %	

## Fresenius Group: Cash Flow

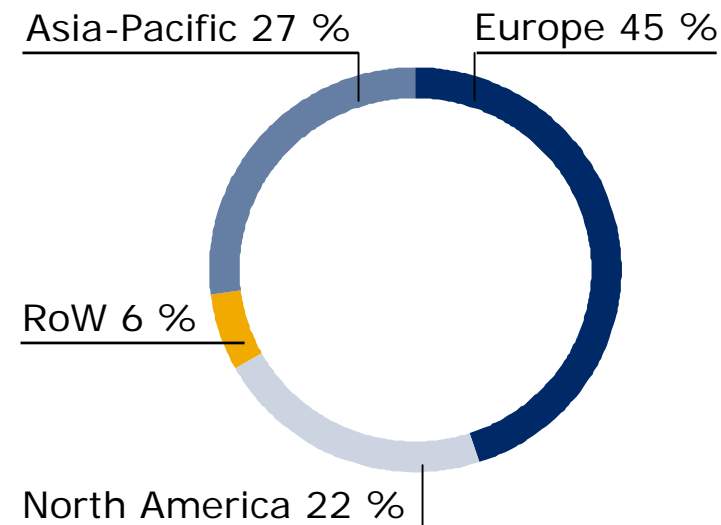
€m	Q2 2007	H1 2007	H1 2007 YoY	Remarks H1 2007
Cash flow	298	582	+24 %	Strong earnings growth
Change in Working capital	-32	-29	+70 %	
Operating Cash flow	266	553	+48 %	Margin: 9.9 %
Capex (net)	-165	-297	-39 %	Investing into growth
Cash flow (before acquisitions and dividends)	101	256	+60 %	
Acquisitions (net)	-99	-162	+95 %	
Dividends	-184	-188	-22 %	
Free Cash flow (after acquisitions and dividends)	-182	-94	+97 %	

# Fresenius Group: Capex and Acquisitions – Investing into Growth

## Capex by Business Segment

	H1 2007 €m	H1 2006 €m	Change %
Fresenius Medical Care	<b>189</b>	141	34
Fresenius Kabi	<b>44</b>	37	19
Fresenius ProServe	<b>70</b>	41	71
Corporate	<b>1</b>	6	-83
<b>Group</b>	<b>304</b>	225	35

## Acquisitions by Region



**Total: € 221 m**



# Fresenius Group: Debt and Interest Ratios

	June 30, 2007	Dec 31, 2006
Debt (€m)	<b>5,909</b>	5,872
Net debt (€m)	<b>5,603</b>	5,611
Net debt/EBITDA	<b>2.9</b>	3.0 <sup>*</sup>
EBITDA/Interest	<b>5.3</b>	4.6 <sup>*</sup>

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

## Net debt/EBITDA



# Financial Calender / Contact / Basic Share Information

## Financial Calender

October 31, 2007

Report on 1<sup>st</sup> - 3<sup>rd</sup> quarters 2007

## Contact

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Further information and current news: <http://www.fresenius.com>

## Basic Share Information

	<b>Ordinary share</b>	<b>Preference share</b>
Securities code no.	578 560	578 563
Ticker symbol	FRE	FRE3
ISIN	DE0005785604	DE0005785638
Bloomberg symbol	FRE GR	FRE3 GR
Reuters symbol	FREG.de	FREG_p.de