



## Health Care Worldwide



**Conference Call – Results H1 2007, August 2, 2007**

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# Fresenius

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.

# Agenda

## **I. Business Update**

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

## **II. Financials H1 and Q2 2007 / Outlook 2007**

# Fresenius Group: Accomplishments

- 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

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

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

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

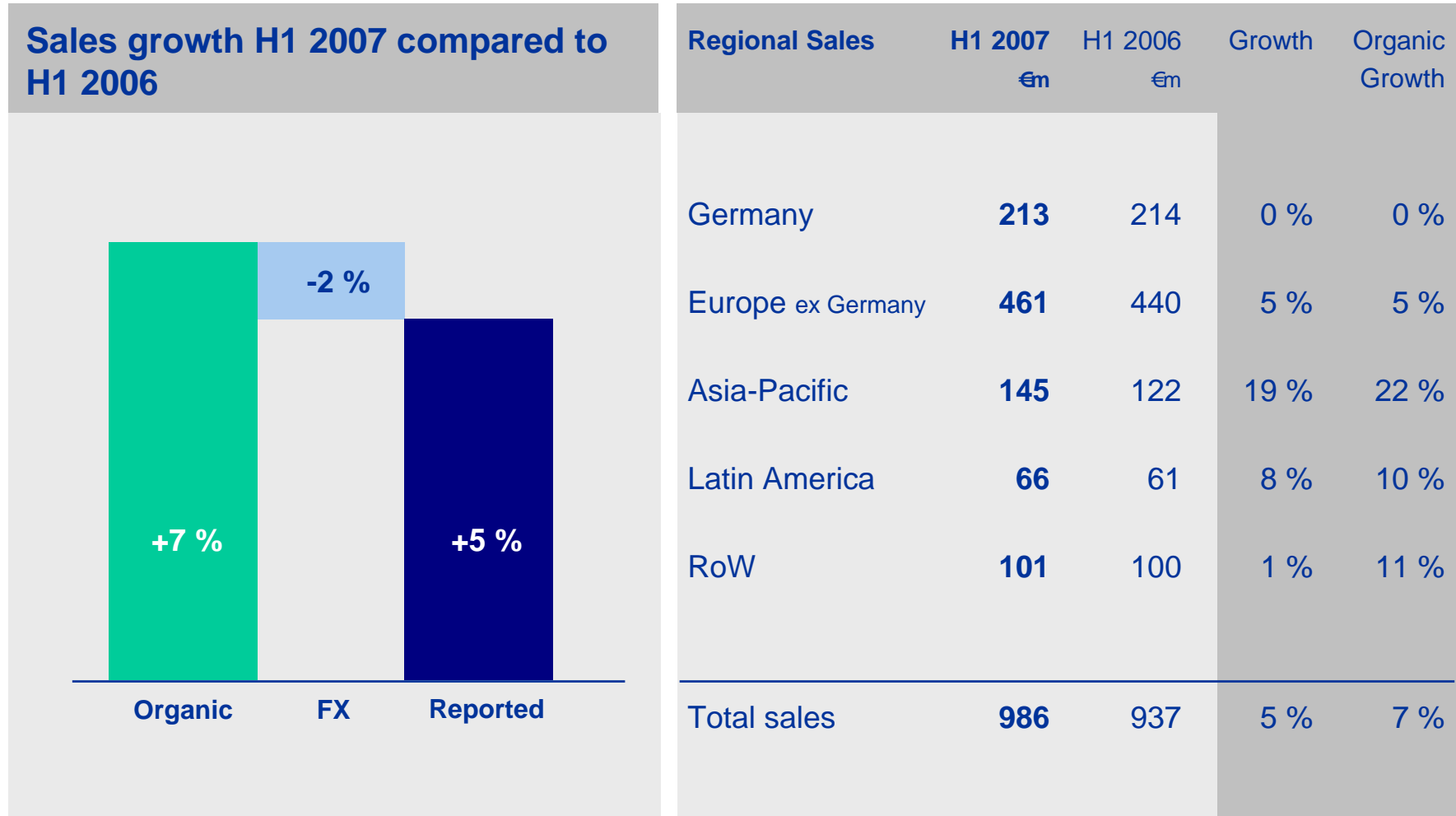


# Fresenius Kabi: Sales H1 2007 – Fully in Line with Guidance

€m	H1 2007	H1 2006	Organic Growth
Total Sales	<b>986</b>	937	7 %
<b>By Product Segment:</b>			
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 %



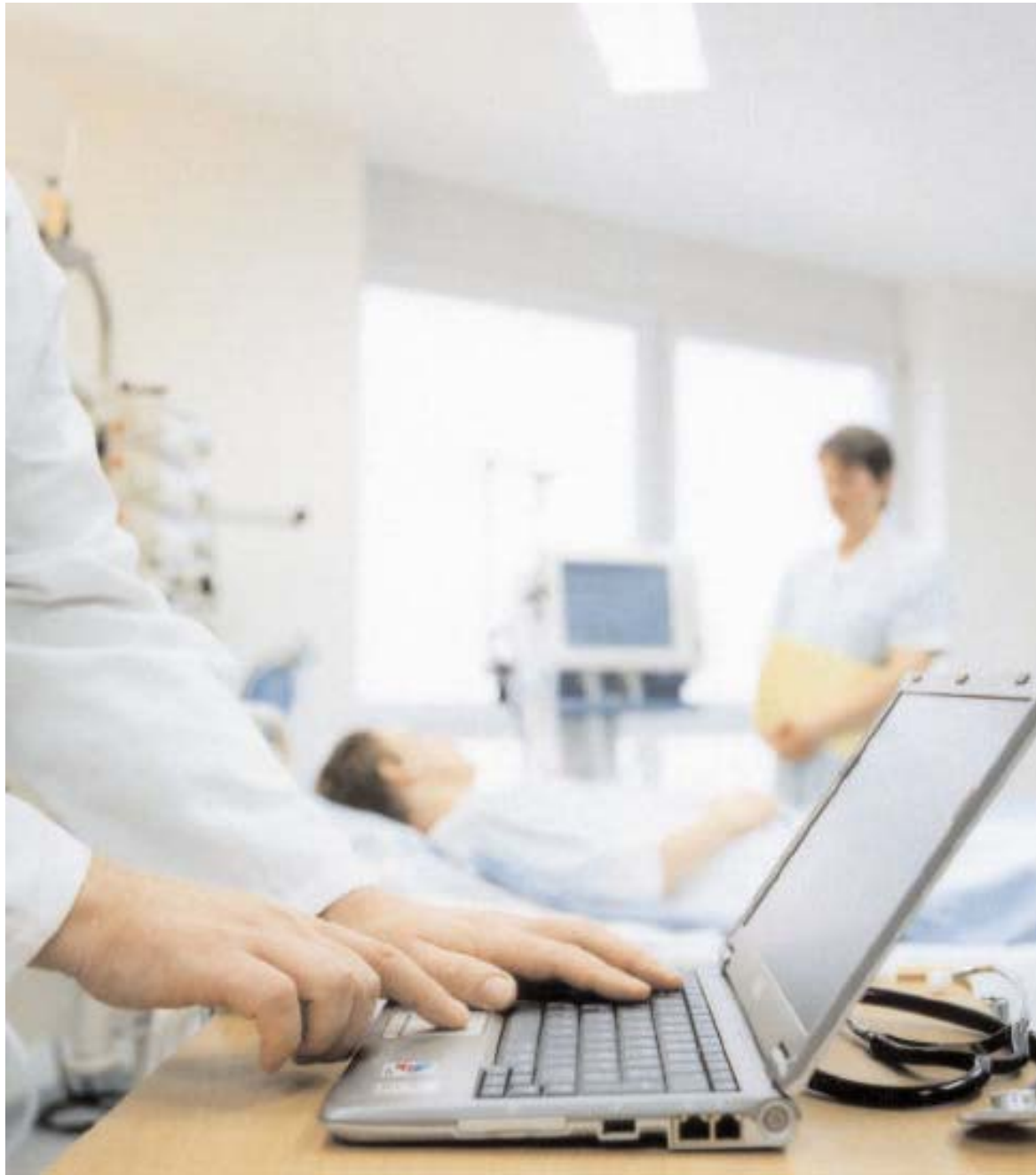
# Fresenius Kabi: 130 bps EBIT Margin Improvement Compared to H1 2006

€m	H1 2007	H1 2006	Change
EBIT	<b>159</b>	139	14 %
EBIT margin	<b>16.1 %</b>	14.8 %	
<b>EBIT by Region:</b>			
▪ 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 %
Net income	<b>87</b>	60	45 %

# Fresenius Kabi: 2007 Financial Outlook Fully Confirmed

## Guidance

Organic revenue growth	6 – 8 %
EBIT margin	16.0 – 16.5 %



fresenius  proServe

# Fresenius ProServe: Accomplishments

- Inauguration of the new maximum care hospital Berlin-Buch



- Acquisition of a 255 bed hospital in Hamburg (sales 2006: ~ 26 €m)
- Divestiture of Pharmatec completed end of June 2007

# Fresenius ProServe: Sales Growth Fully in Line with Guidance

€m	H1 2007	H1 2006	Change	Organic
Sales	<b>1,069</b>	974	10 %	2 %
<b>Sales by Division:</b>				
Hospital Operations (HELIOS)	<b>890</b>	767	16 %	3 %
Engineering + Services for hospitals (VAMED + Pharmatec)	<b>179</b>	207*	-14 %	-2 %
Order intake Engineering business	<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
EBIT	<b>75</b>	62	21 %
EBIT margin	<b>7.0 %</b>	6.4 %	
<b>EBIT by Division:</b>			
▪ Hospital operations	<b>68</b>	56	21 %
EBIT margin	<b>7.6 %</b>	7.3 %	
▪ Engineering + Services for hospitals	<b>9</b>	9*	-
EBIT margin	<b>5.0 %</b>	4.3 %	
▪ Corporate costs	<b>-2</b>	-3	33 %

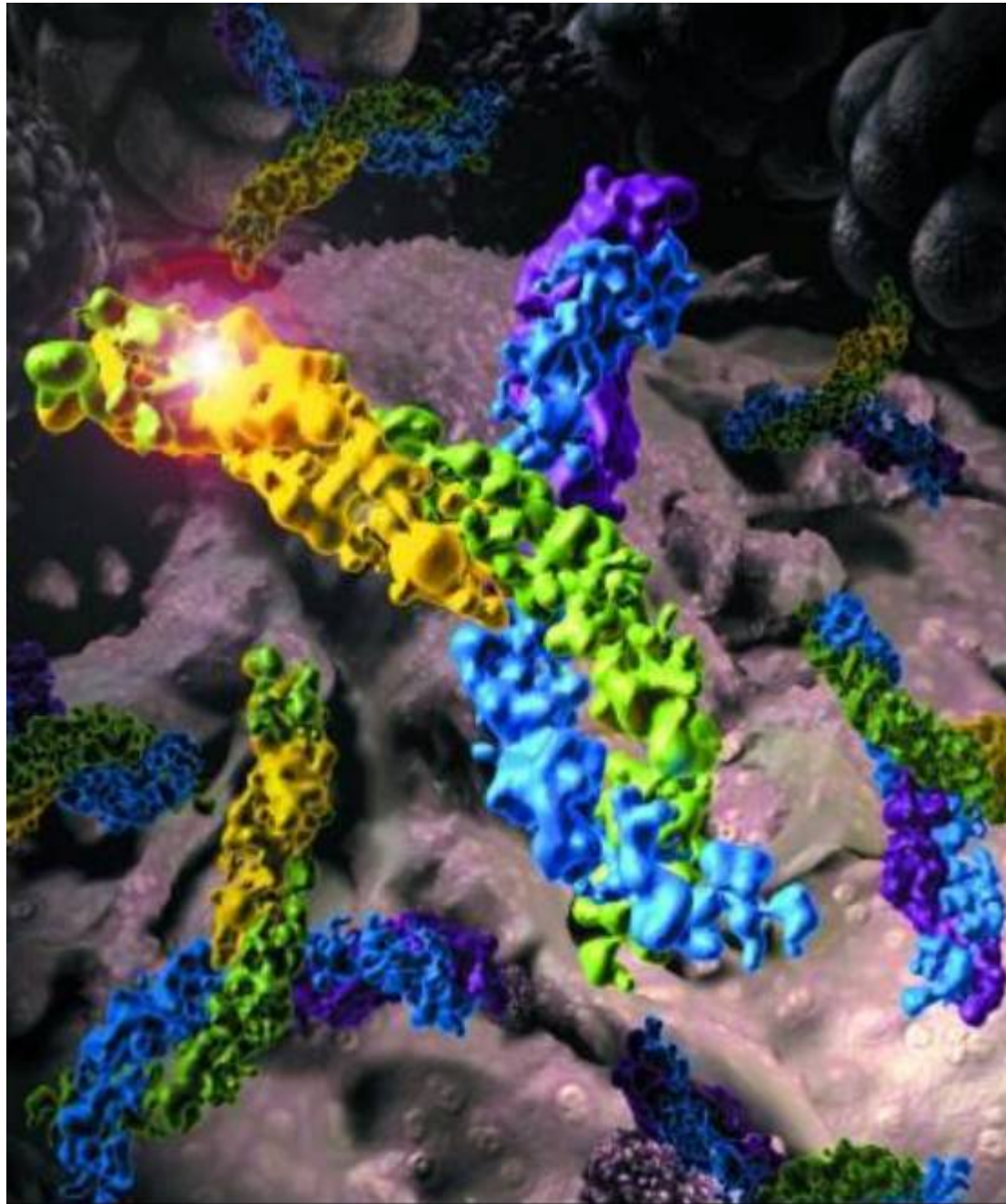
\* Including Pharmaplan

# Fresenius ProServe: 2007 Earnings Outlook Raised

## Guidance

Organic revenue growth		2 – 3 %
EBIT	Raised	~170 €m





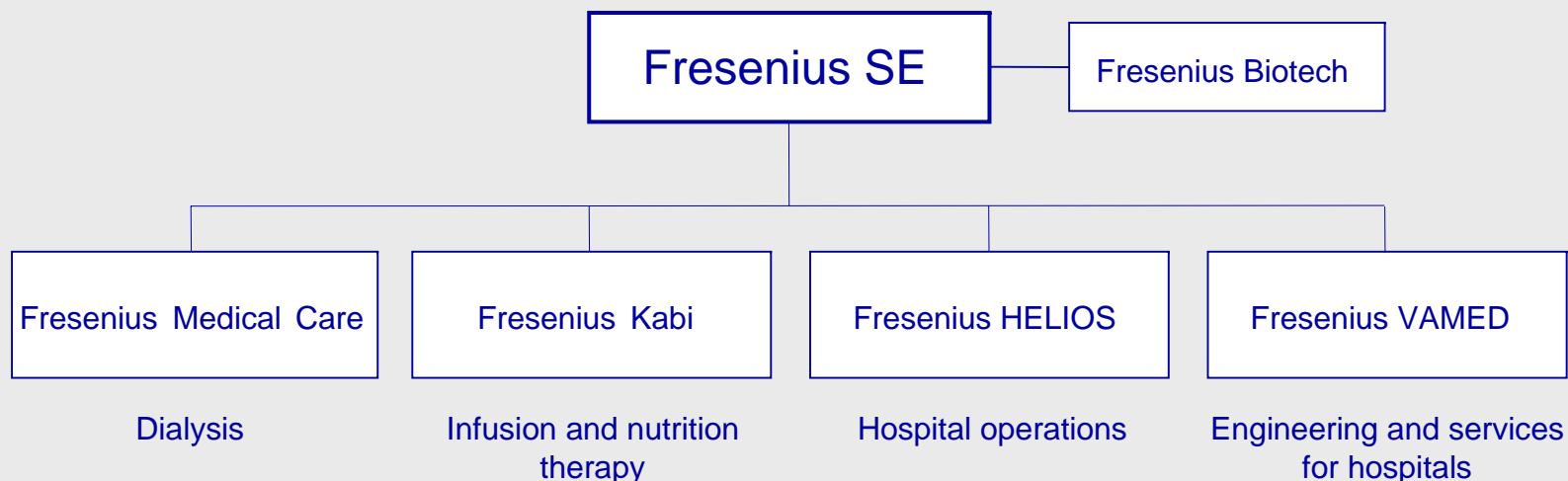
**Fresenius**  
Biotech

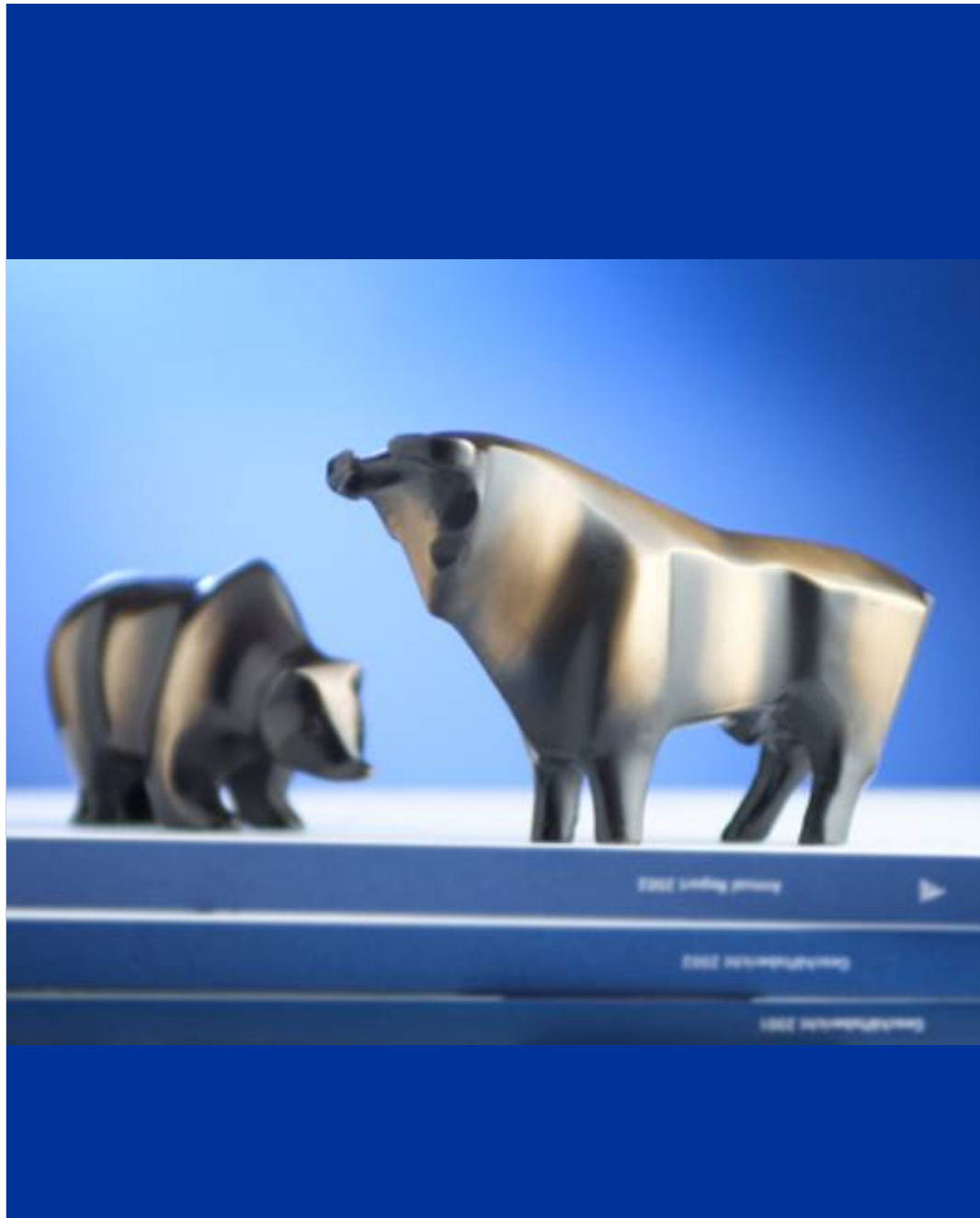
# Fresenius Biotech: Update

- 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: New Management and Reporting Structure for HELIOS and VAMED

- Replace Fresenius ProServe by two new business segments as of 2008 – Fresenius HELIOS and Fresenius VAMED
- Streamline corporate structure – reduce management layers
- Increase transparency of financial reporting



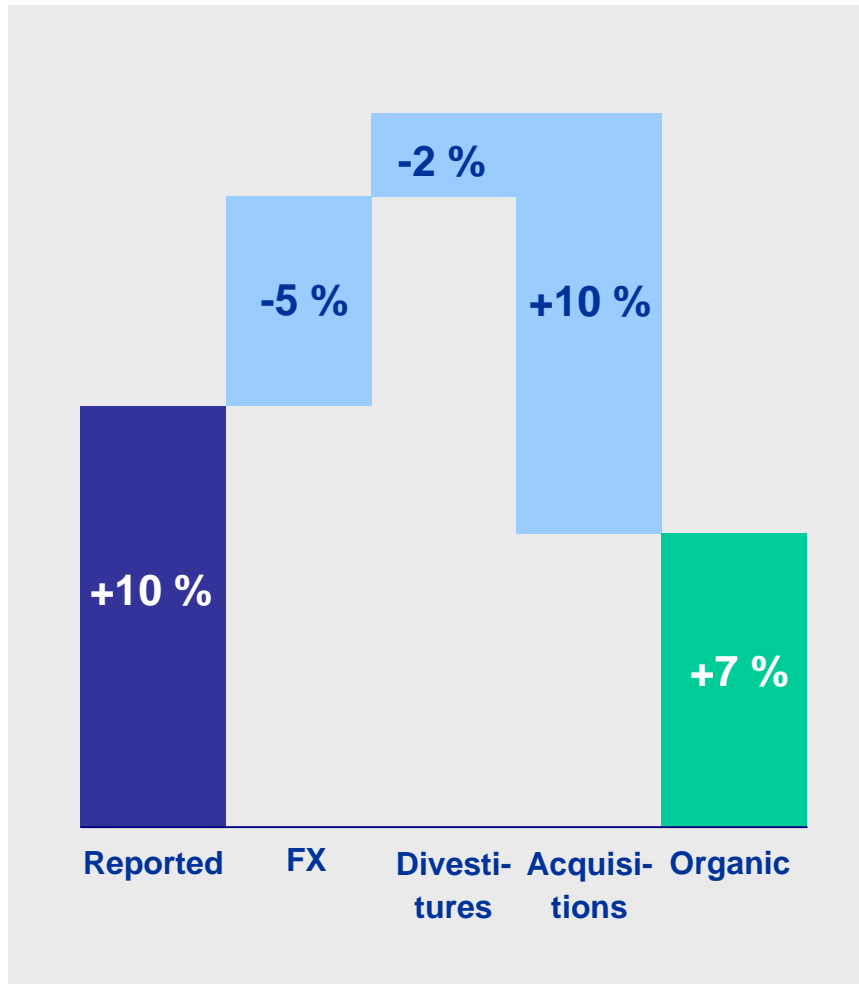


# Group Financials H1 2007 / Outlook 2007

# Fresenius Group: Profit and Loss Statement

€m	Q2 2007	H1 2007	H1 2007 YoY		Remarks H1 2007
			actual rates	constant rates	
Sales	2,825	5,592	+10 %	+15 %	7 % organic growth
EBIT	400	780	+15 %	+20 %	
Interest result	-90	-185	+5 %	-1 %	
Taxes	-111	-214	-4 %	-9 %	
Net income	102	195	+39 %	+44 %	
EPS (prefs) (€)	0.67	1.27	+38 %	+42 %	

# Fresenius Group: Sales Growth Analysis H1 2007



Organic Growth	Q2	Q1
Fresenius Medical Care	8 %	9 %
Fresenius Kabi	8 %	6 %
Fresenius ProServe	1 %	3 %
<b>Group</b>	<b>6 %</b>	<b>7 %</b>

# Fresenius Group: Profit and Loss Statement

€m	Q2 2007	H1 2007	H1 2007 YoY		Remarks H1 2007
			actual rates	constant rates	
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 guidance
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 %	

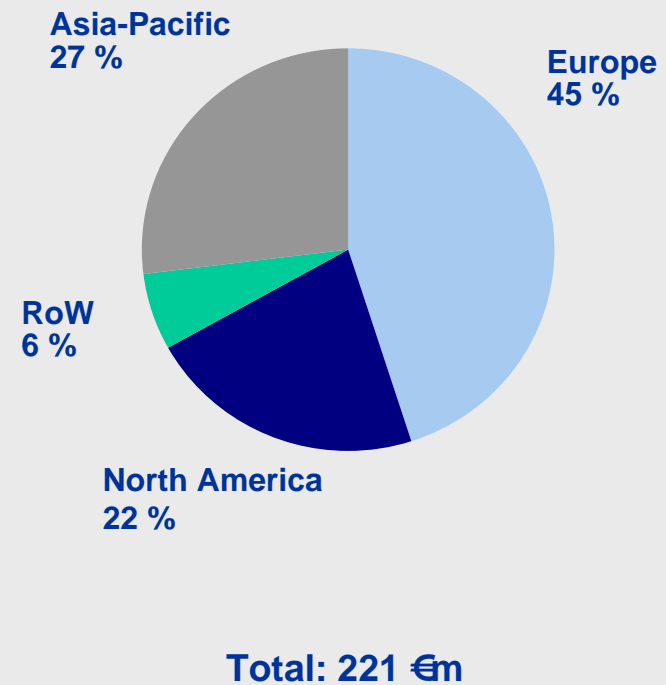


# Fresenius Group: Capex and Acquisitions – Investing into Growth

## Capex by Business Segment

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

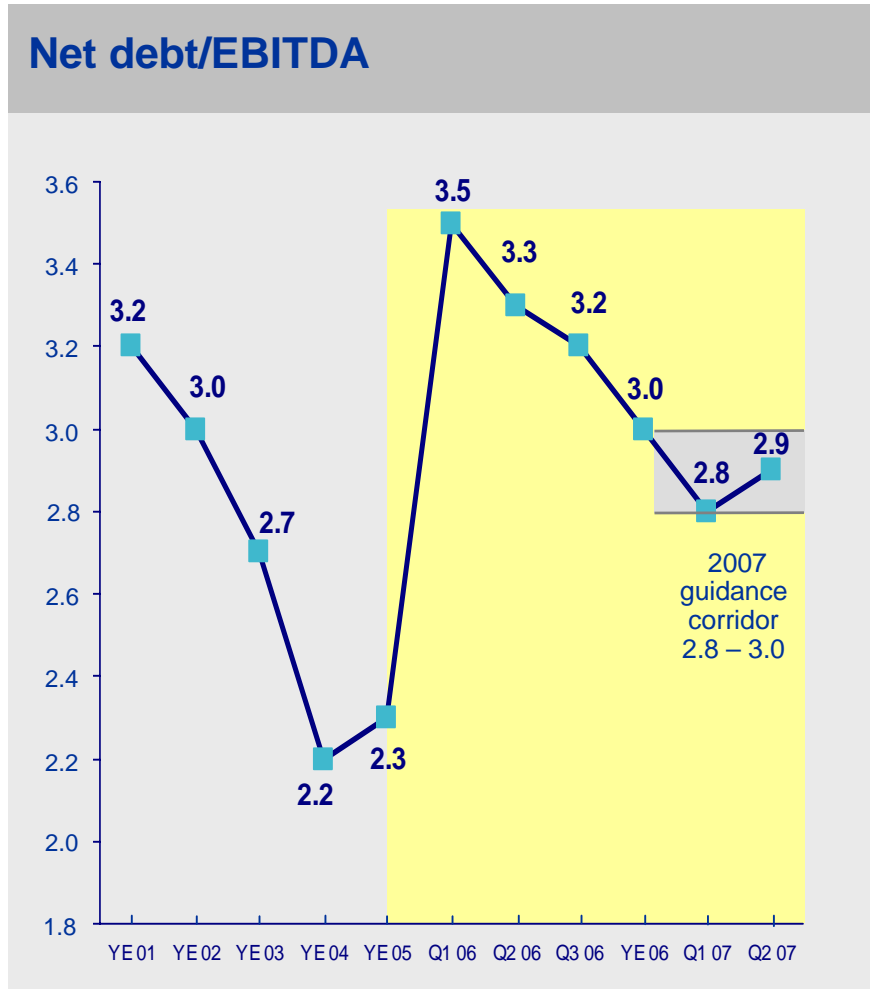
## Acquisitions by Regions



# 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*
EBITDA/Interest	<b>5.3</b>	4.6*

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



# Fresenius Group: Earnings Outlook 2007 Raised

## Guidance

Revenue growth at constant currency	8 – 10 %
Net income growth at constant currency	<b>Raised</b> → ~ 25 %
Capex	600 – 700 €m



## Health Care Worldwide



**Conference Call – Results 1<sup>st</sup> Half 2007, August 2, 2007**

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