



Health Care Worldwide



WestLB Deutschland Conference 2006
“Sustaining Profitable Growth”

Fresenius Group: In a Nutshell



- Listed on Frankfurt Stock Exchange (MDAX)
- Projected 2006 revenue: > 10.7 €bn
- Active in approx. 100 countries
- More than 100,000 employees worldwide

North America
45 % of total sales

Europe
43 % of total sales

Asia-Pacific
6 % of total sales

Latin America
4 % of total sales

Africa
2 % of total sales

36.1 %

100 %

100 %

100 %



Fresenius Medical Care

Dialysis



Fresenius
Kabi

**Infusion and
Nutrition
Therapy**



**Hospital
Management**



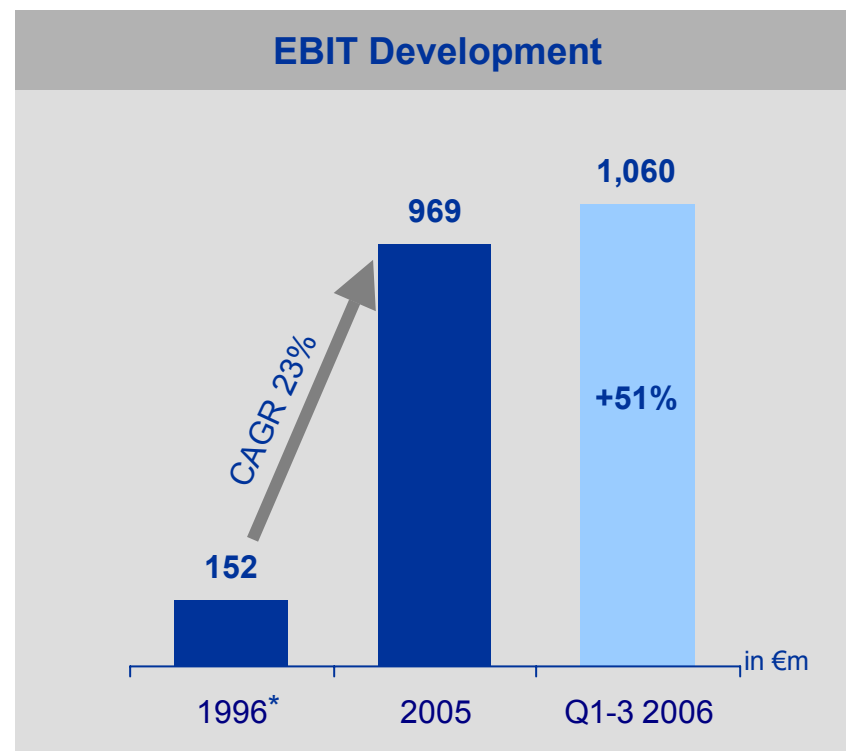
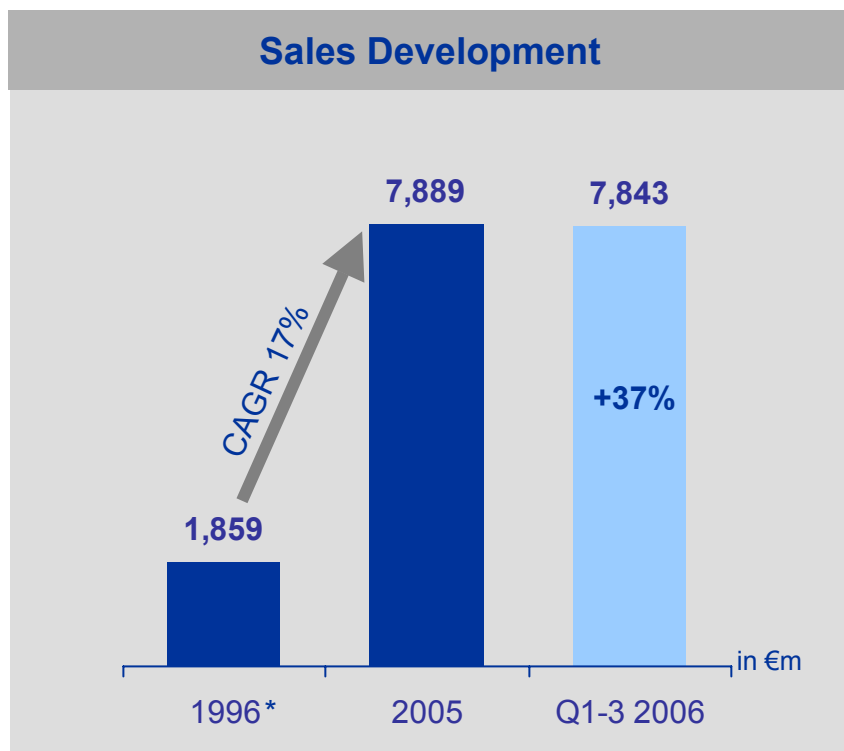
**Oncology /
Immunology
Therapies**

Note: regional sales distribution as of September 30, 2006

Fresenius Group: Key Elements of Our Growth Strategy



Fresenius Group: Sustainable Sales and Earnings Growth

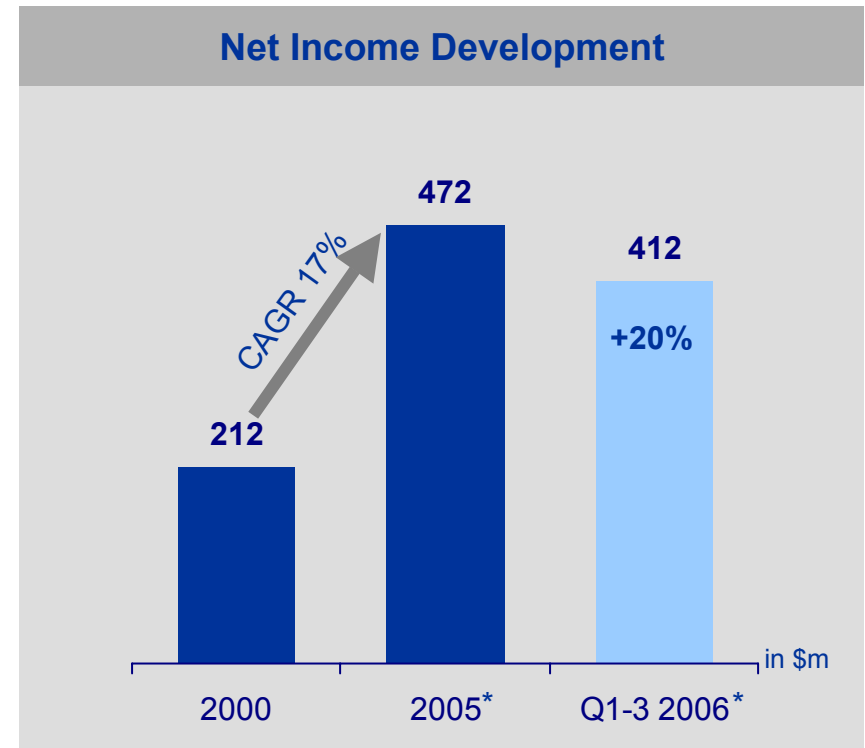
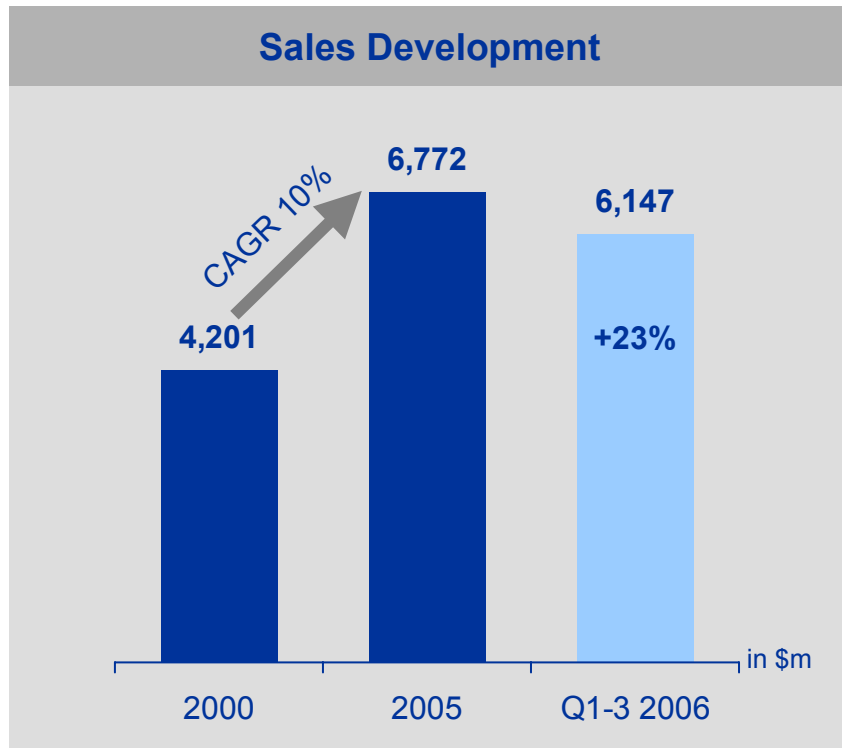


* HGB



Fresenius Medical Care

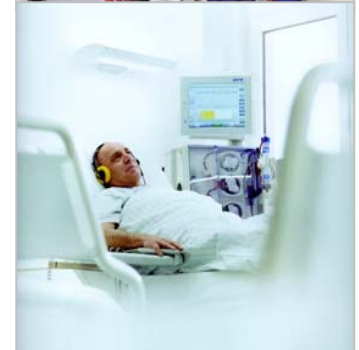
Fresenius Medical Care: Excellent Financial Performance



* before one-time expenses, expenses related to the stock option accounting change and the effect of the FTC-related clinic divestitures in the USA; excluding 2005 one-time expenses

Fresenius Medical Care: Global Leader in Dialysis

- Strong global presence in non-cyclical and growing markets
- 1.5 million patients worldwide; patient growth 5 – 7% p.a
- Growth Drivers
 - Aging population
 - Increase in diabetes / hypertension
 - Improved treatment quality / reduced mortality
 - GDP growth
- Mature technology with negligible replacement risk
- High degree of consolidation in established markets
- Unique positioning due to vertical integration
- Quality leader



Fresenius Medical Care: Upgraded Guidance for FY 2006

	FY 2005 in \$m	Previous Guidance	Updated Guidance ¹⁾
Net revenue (at constant currency)	6,772	~ 8.3 \$bn	~ 8.4 \$bn
Net income (before one-time items)	472	≥ 542 \$m	≥ 557 \$m
Growth		≥ 15%	≥ 18%
Net income (after one-time items)	455	≥ 502 \$m	≥ 513 \$m

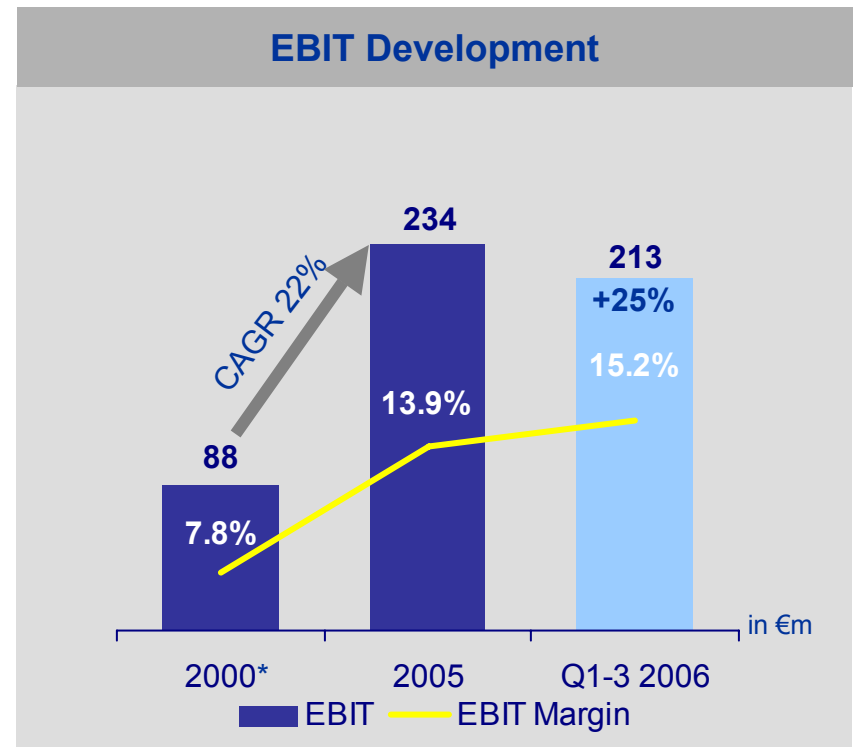
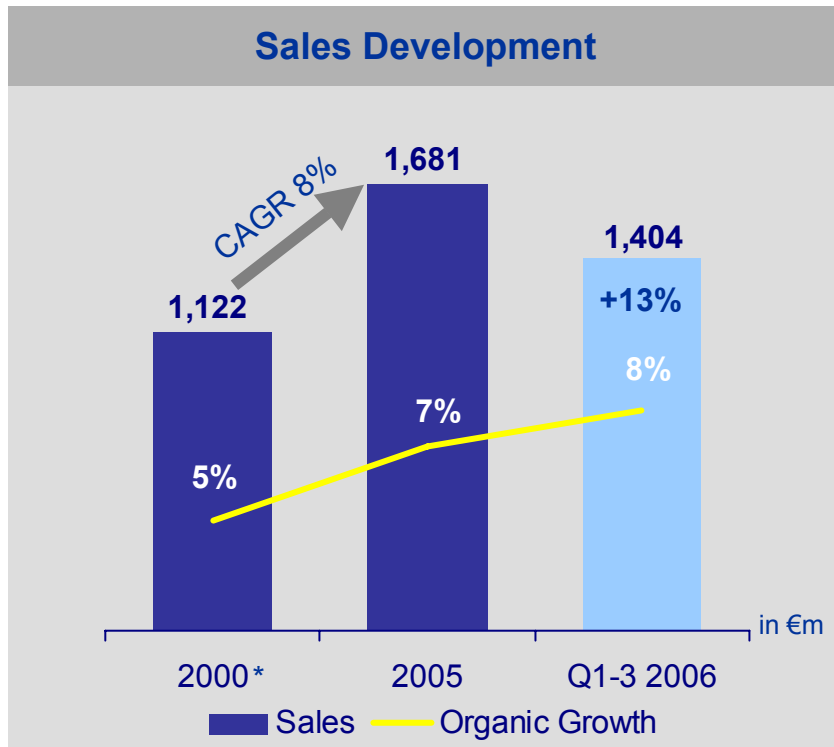
¹⁾ As reported, i.e., excl. one-time items such as Transformation and Settlement costs, Restructuring costs and in-process R&D, write-off FME prepaid financing fees, the after-tax impact of the sale of dialysis clinics, and the change in stock option compensation expense (SFAS 123R) pro-forma and as reported





Fresenius
Kabi

Fresenius Kabi: Progressing Organic Growth Driving Margin Expansion



* HGB

Fresenius Kabi: Europe's Leader 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
- Global production and distribution network
- Market-specific product adaptations with frequent upgrades
- Selective acquisitions to expand regional presence and to leverage strength in distribution
- State-of-the-art production technologies and processes to ensure cost leadership



Fresenius Kabi: 2006 Earnings Outlook Raised

	Previous Guidance	Updated Guidance
Revenue Growth (at constant currency)	~ 11 – 12%	~ 11 – 12%
EBIT Margin	> 15%	15.0 – 15.5%



fresenius  proServe

Fresenius ProServe: A Strong Third Business Segment Within The Group



Hospital Operations
(HELIOS)

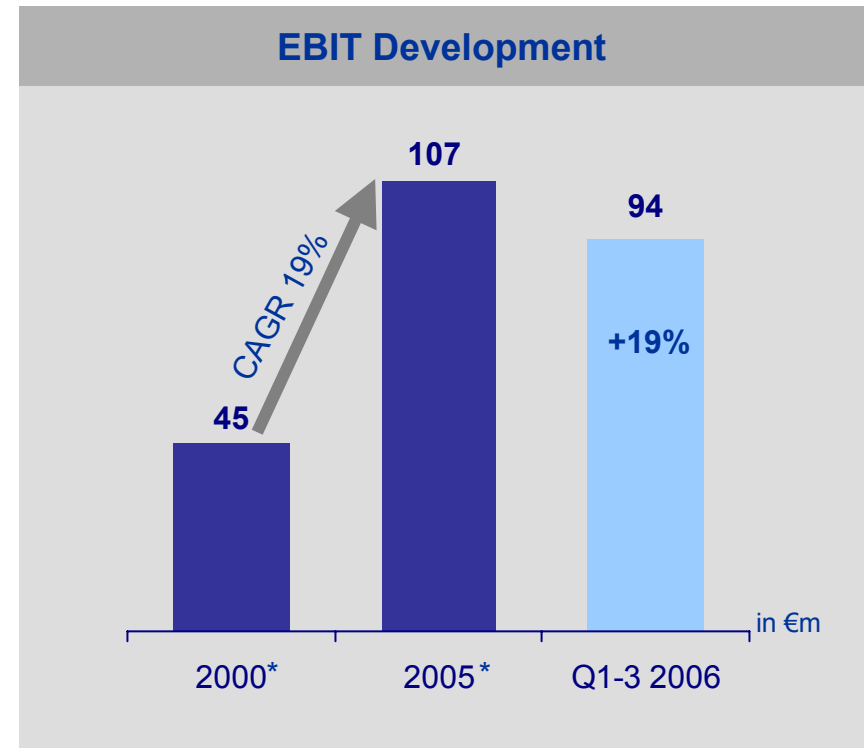
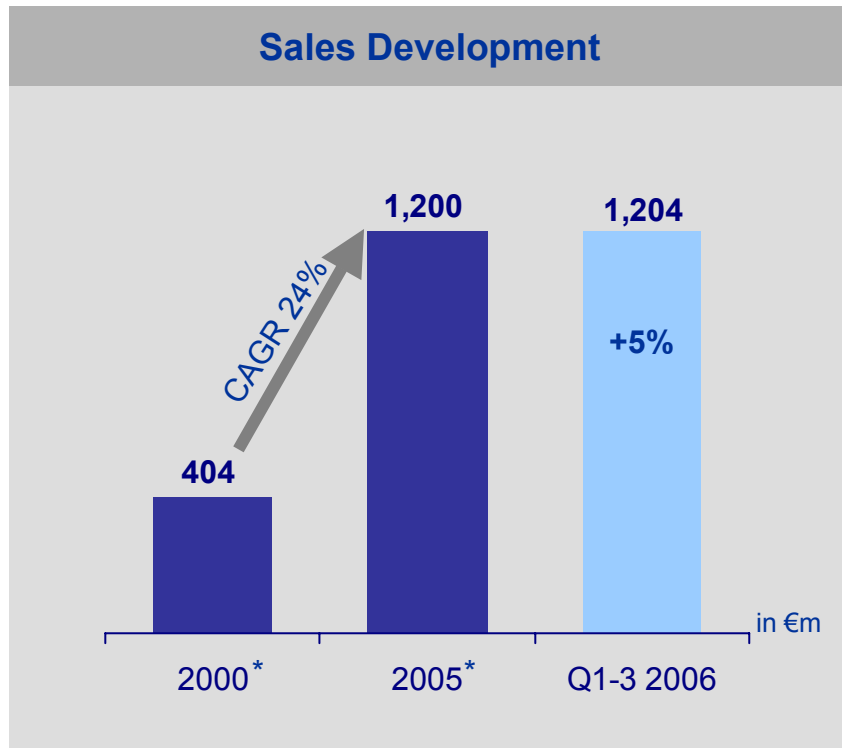
	Q1-3 2006	Q1-3 2005	Organic Growth
Sales	1,204	1,152	2%
EBIT	94	79	
EBIT margin	7.8%	6.8%	



Engineering + Services
for hospitals and
the pharmaceutical industry
(VAMED + Pharmaplan)

Sales	322	290	11%
EBIT	14	9	
EBIT margin	4.5%	3.2%	

HELIOS Kliniken: Exploiting German Hospital Privatization Opportunity



* Excluding WKA, IFRS

HELIOS Kliniken: Top Three 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; privatization trend expected to gain pace
- Value-creation opportunity for efficient players with superior medical quality
- Strong track record in hospital operations and acquisitions: targeting 15% EBITDA margin within 5 years for single hospital

Source:
 DKG – German Hospital Federation (2004)
 Federal Statistical Office Germany (2004) Healthcare expenses adjusted to OECD's definition

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 Group: Unique Opportunities in All Business Segments



Market leader in attractive North American market; International segment with superior growth and profitability – the only public investment opportunity to participate in non-US dialysis service and hemodialysis products business



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



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



Attractive growth option based on proprietary antibody technology

Fresenius Group: 2006 Financial Outlook Raised

	Previous Guidance	Upgraded Guidance
Revenue Growth (at constant currency)	~ 10.7 €bn ~ 35%	> 10.7 €bn > 35%
Net Income Growth (at constant currency)	~ 40%	40 – 45%

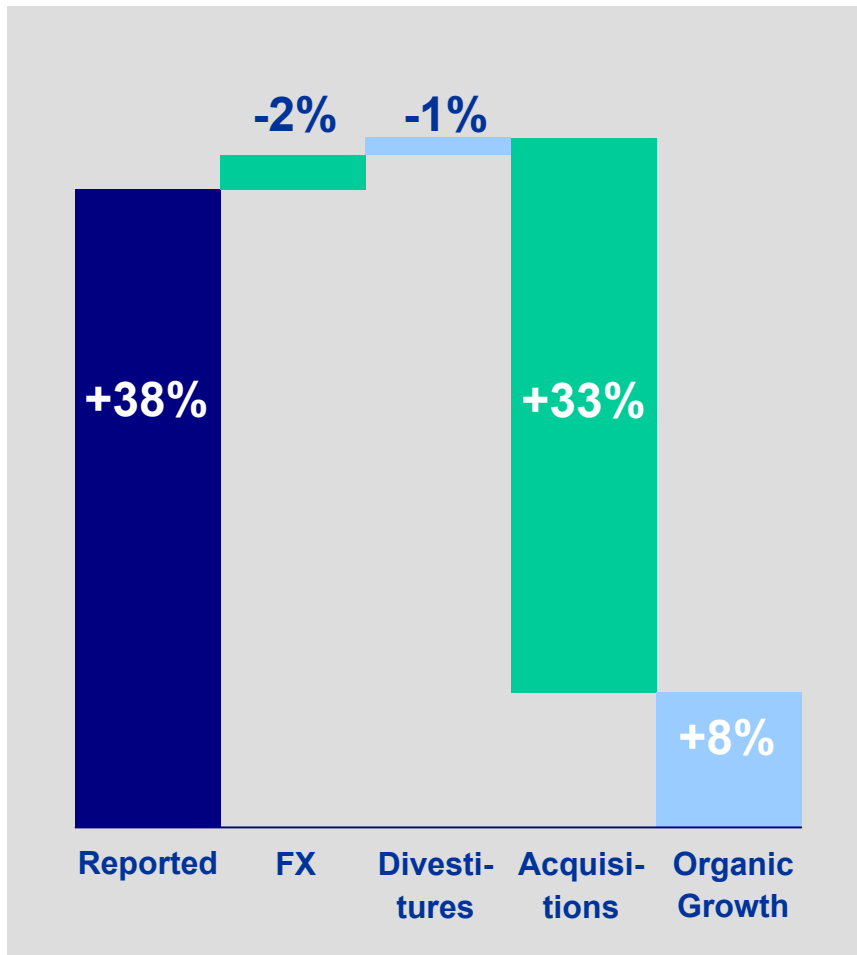


Attachments

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%	

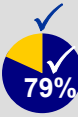
Fresenius Group: Sales Growth Analysis Q3 2006



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: 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	

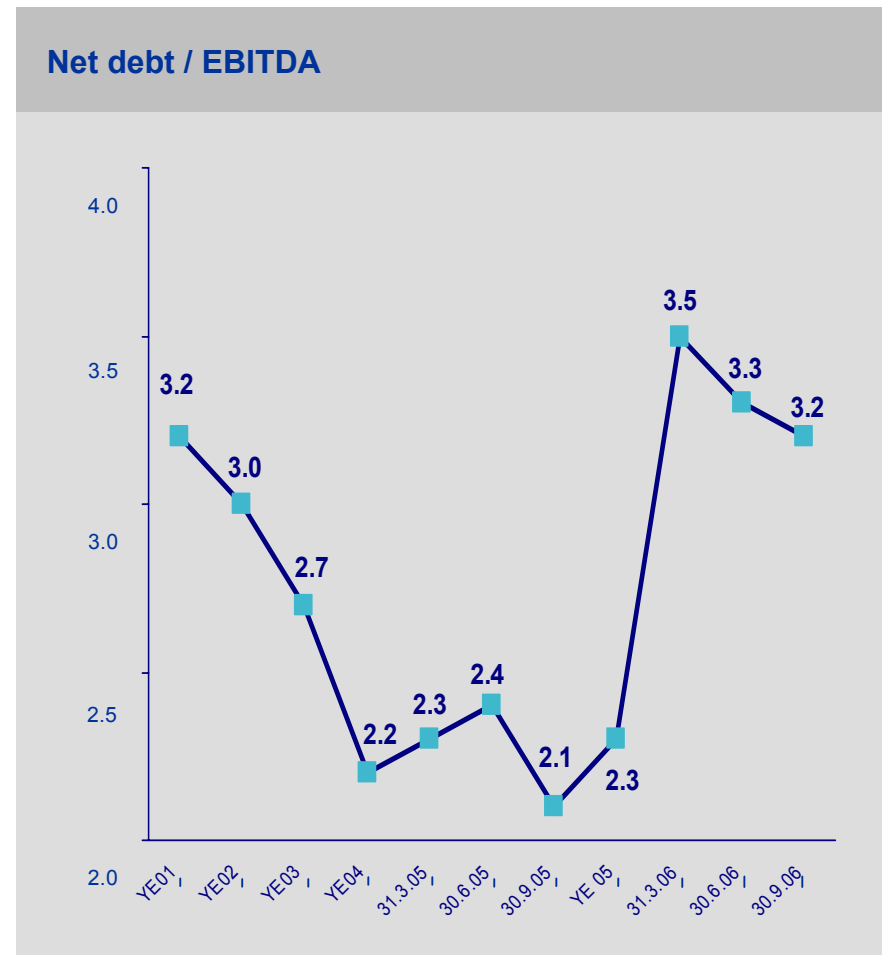
Fresenius Group: Cash Flow

€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: 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 Medical Care: Excellent top and bottom line growth

\$m	Q1-3 2006	Q1-3 2005	Change
Net revenue	6,147	4,999	23%
EBIT	964	695	39%
EBIT margin	15.7%	13.9%	
Net income	385	339	13%
Excluding one-time items and SFAS 123R:			
EBIT	946	703	35%
EBIT margin	15.4%	14.1%	
Net income	412	344	20%

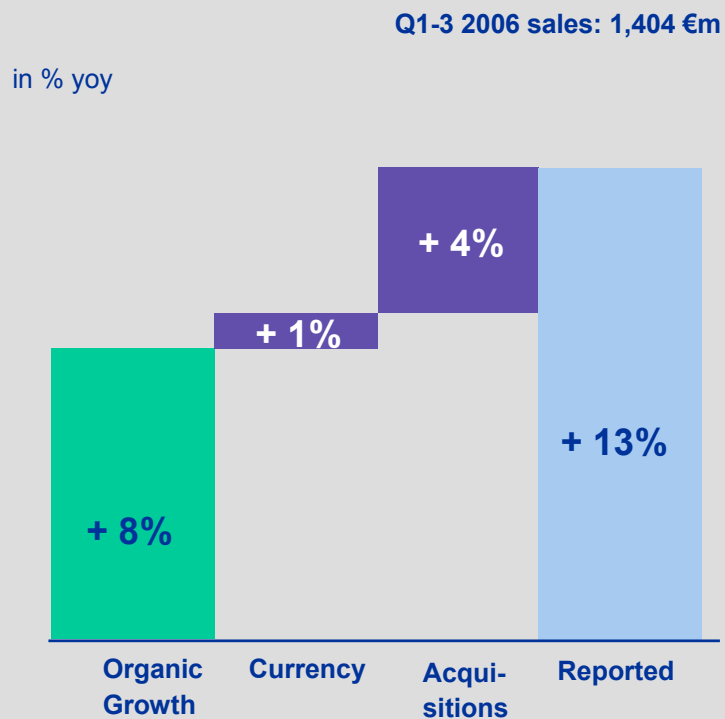


Fresenius Kabi: Sales Q1-3 2006

€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 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	-

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.

Financial Calender

December 4, 2006	Extraordinary General Meeting
February 22, 2007	Report on FY 2006
May 3, 2007	Report on 1 st quarter 2007

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