

# Annual General Meeting Fresenius AG



# Agenda

**I. Share Performance**

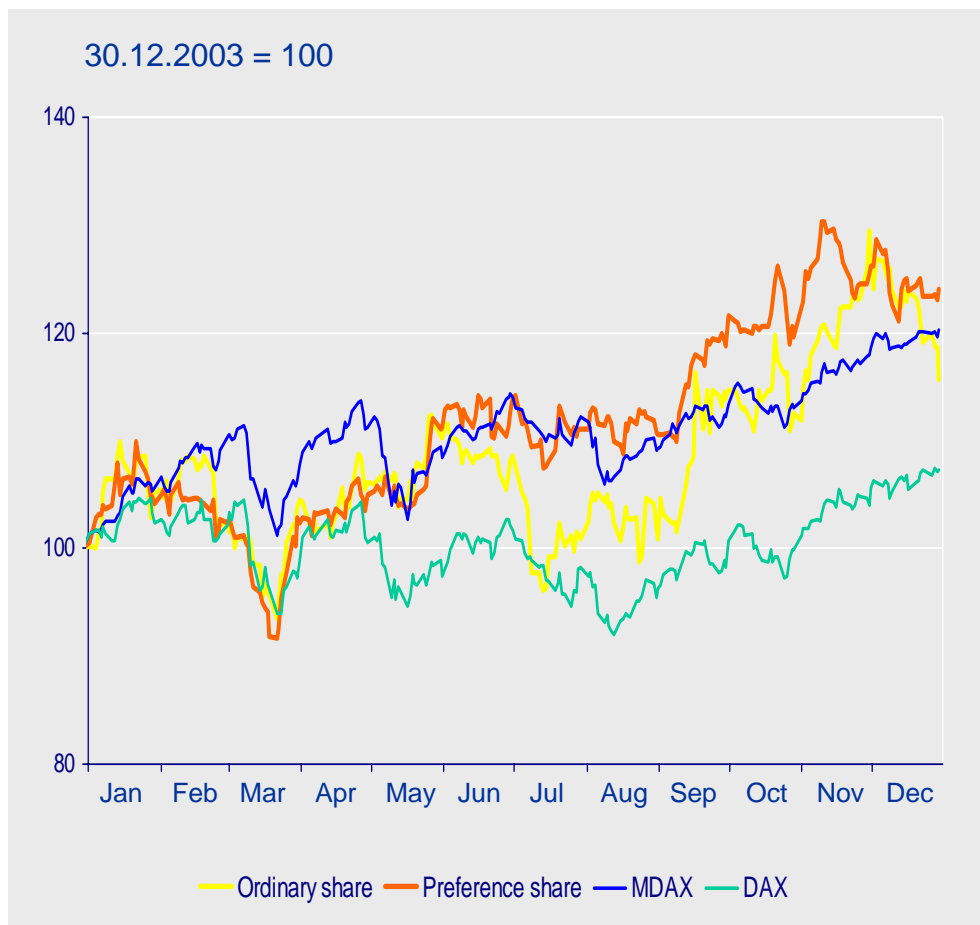
**II. Fiscal Year 2004**

**III. 1<sup>st</sup> Quarter 2005**

**IV. Outlook 2005**

**V. Optimizing Existing Activities, Pursuing Strategic Opportunities**

# Relative Share Price Performance in 2004



## Share price increase:

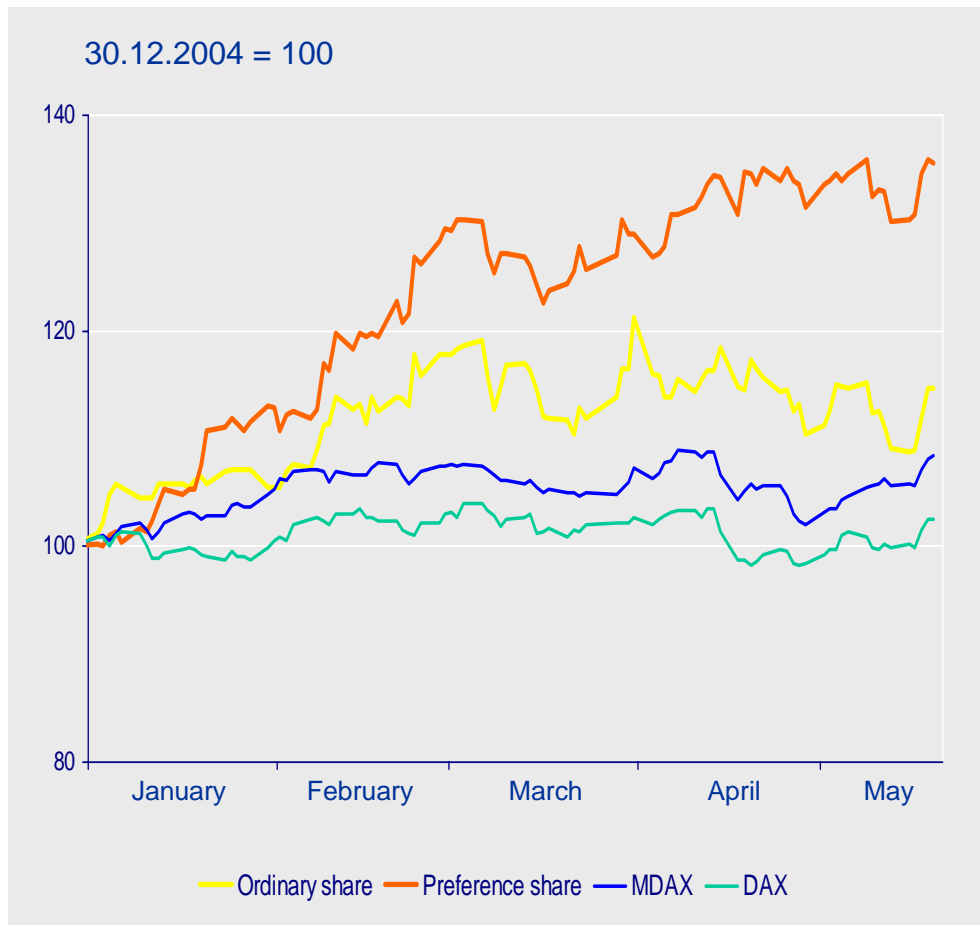
Fresenius  
preference share: + 24 %

Fresenius  
ordinary share: + 16 %

DAX: + 7 %

MDAX: + 20 %

# Relative Share Price Performance in 2005 YTD



## Share price increase:

Fresenius  
preference share: + 36 %

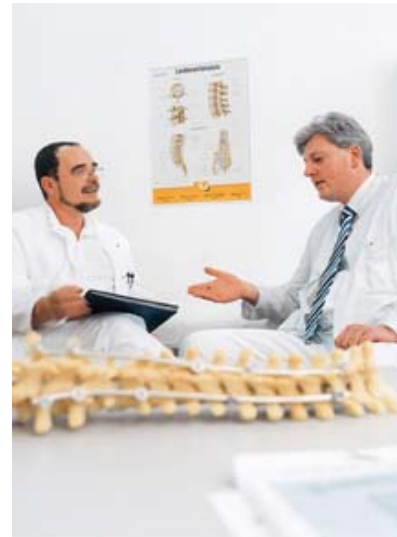
Fresenius  
ordinary share: + 17 %

DAX: + 2 %

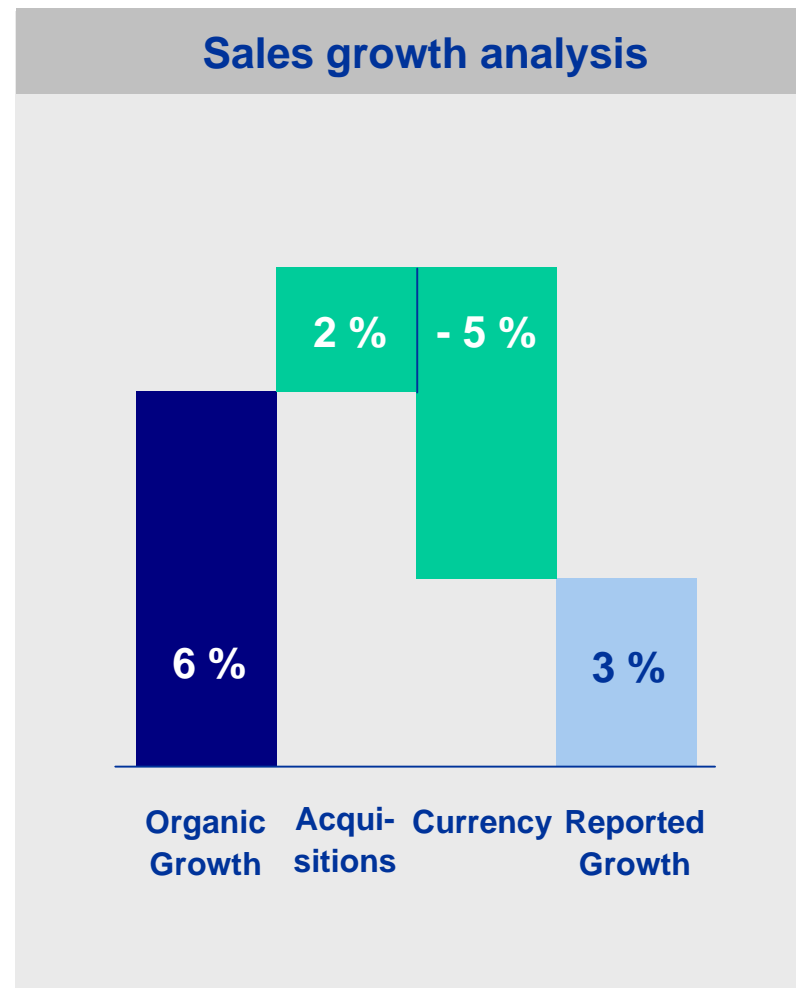
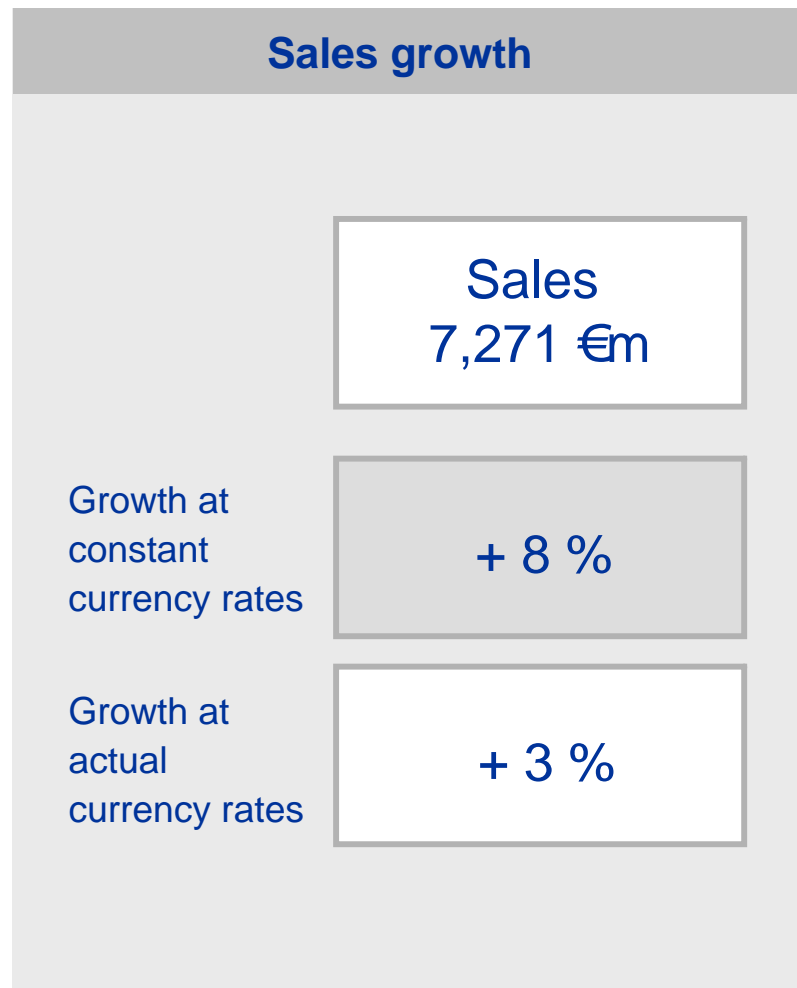
MDAX: + 9 %

# Fresenius Fiscal Year 2004

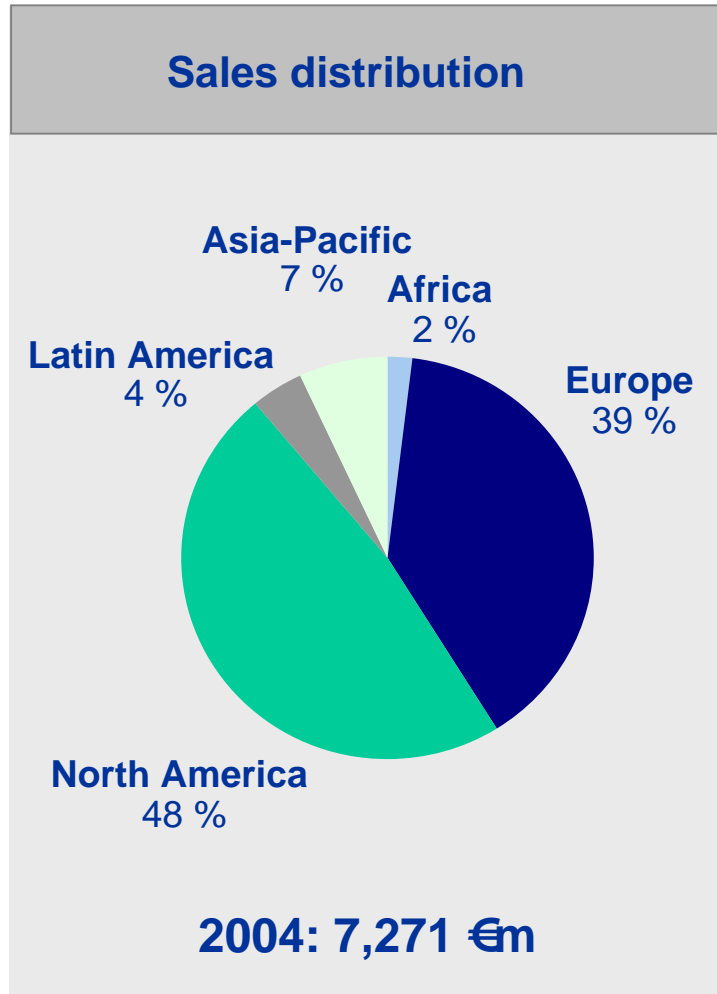
We met our ambitious targets



# Fresenius Group: Sales FY 2004



# Fresenius Group: Strong Sales Growth in All Geographic Areas



	2004 €m	2003 €m	Growth at constant currency
North America	3,478	3,496	9 %
Europe	2,802	2,692	4 %
Asia-Pacific	547	509	12 %
Latin America	272	246	19 %
Africa	172	121	38 %

- Strong growth in our largest market North America
- European growth affected by German health care reform
- Double-digit growth in Asia-Pacific, Latin America and Africa

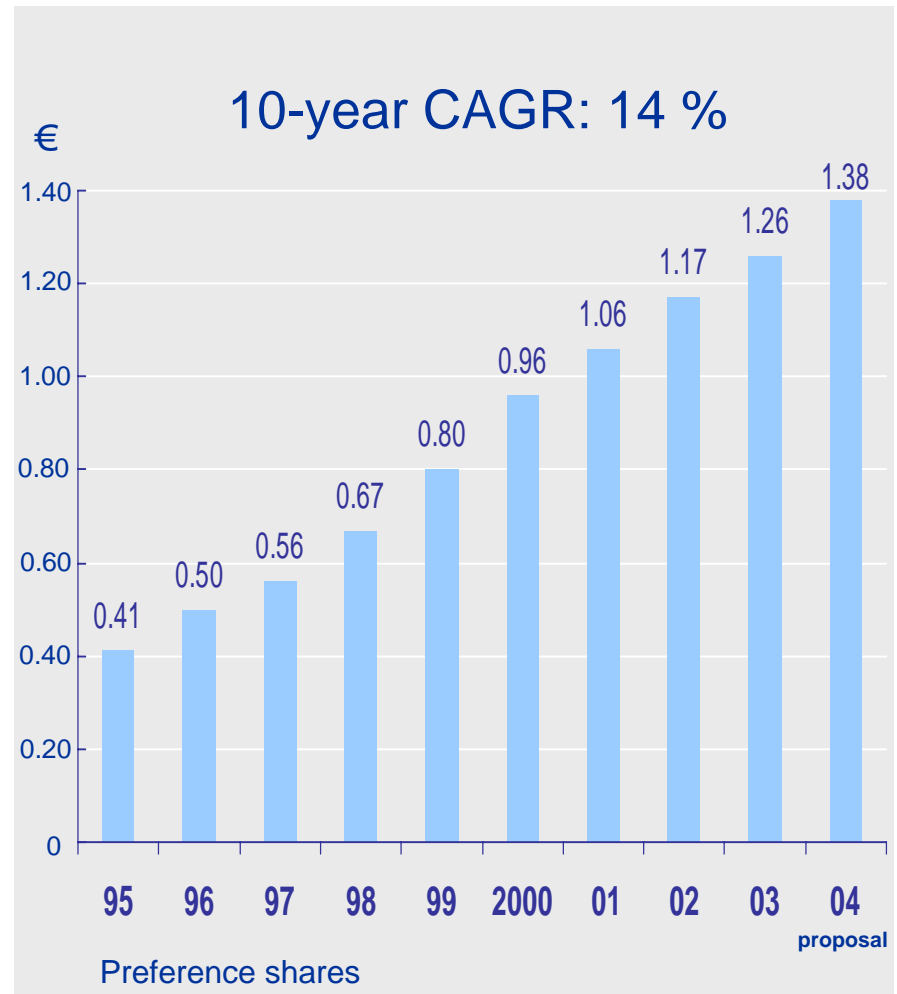
# Fresenius Group: Earnings FY 2004

	EBIT 845 €m	EAT 168 €m
Growth at constant currency rates	+ 15 %	+ 55 %
Growth at actual currency rates	+ 8 %	+ 46 %



# Fresenius AG: 12<sup>th</sup> Consecutive Dividend Increase Proposed

- Proposed dividend:  
  
€ 1.35 per ordinary share  
€ 1.38 per preference share
- 10 % increase per share
- Total distribution: 55.9 €m



# Fresenius Medical Care: Lifesaving Dialysis Treatments for Patients with Kidney Failure

	Sales	Net income
2004	6,228 US\$m	402 US\$m
Change vs. prev. year	+ 13 %	+ 21 %

## Dialysis Care



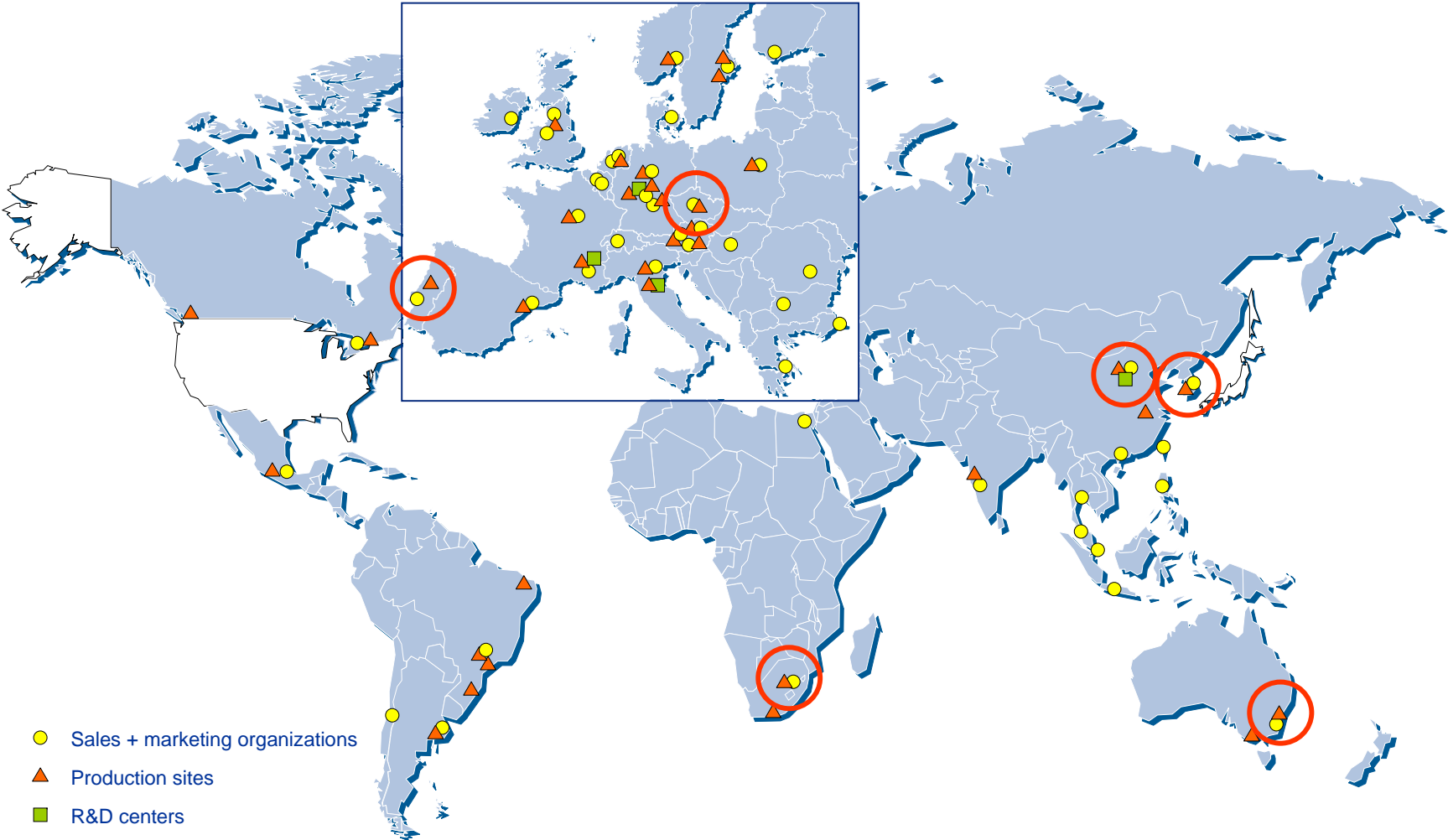
## Dialysis Products



- **Leading position in dialysis worldwide**
- **Fresenius Medical Care treats about 125,900 patients in 1,630 dialysis clinics**



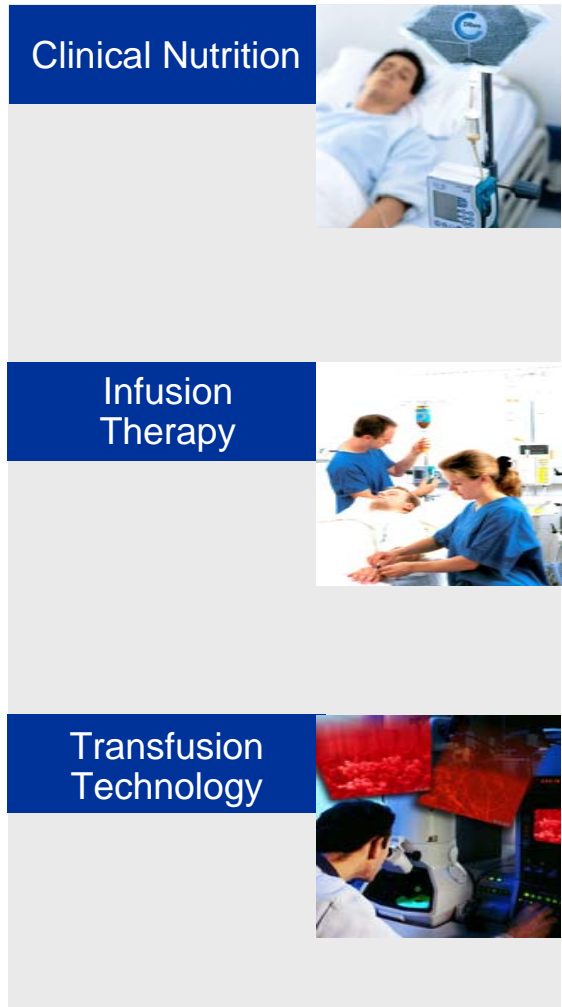
# Fresenius Kabi: Expanded Worldwide Presence



# Fresenius Kabi: Infusion Therapy and Clinical Nutrition for the Hospital and Outpatient Markets

	Sales	EBIT
2004	1,491 €m	176 €m
Change vs. prev. year	+ 2 %	+ 20 %

- **No. 1 in infusion and nutrition therapy in Europe**
- **Significant market positions in emerging markets**



# Fresenius ProServe: Management and Technical Services in Health Care

## Hospital Management

### Wittgensteiner Kliniken

- 13 acute clinics  
1,873 beds
- 20 post acute clinics  
4,714 beds
  
- Focus: Germany,  
Czech Republic

## Hospital Engineering + Services

### VAMED

- Hospital / health facility  
planning and  
engineering
- Planning of medical-  
technical equipment  
and packages
- Technical facility  
management
  
- Focus: Europe; Asia-  
Pacific, Africa, Latin  
America

## Pharmaceutical Engineering + Services

### Pharmaplan

- Engineering and  
plant design for  
pharmaceutical and  
medical-technical  
production
- Services for  
pharmaceutical  
production
  
- Focus: Europe, selected  
overseas markets

as at March 31, 2005

# Fresenius ProServe: Services in Health Care

	<b>Sales</b>	<b>EBIT</b> before one-time expenses
2004	<b>813 €m</b>	<b>17 €m</b>
Change vs. prev. year	<b>+ 10 %</b>	<b>+ 13 %</b>

Management of Hospitals in Germany



Hospital Engineering and Services



Engineering and Services for the Pharmaceutical Industry

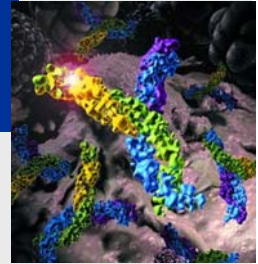


- **Fresenius ProServe is one of the major hospital operators in Germany**
- **Long-standing experience in technical healthcare services worldwide**

# Fresenius Biotech: New Growth Opportunities

- Focussed on:
  - Antibody therapies for the treatment of cancer
  - Cell therapies for the treatment of the immune system
- Clinical study program on track

Antibody therapy



Cell therapy



# Fresenius Group: Excellent Start into 2005

1 <sup>st</sup> quarter 2005	Sales 1,787 €m	EBIT 212 €m	Net income 46 €m
Growth at constant currency rates	+ 6 %	+ 10 %	+ 21 %
Growth at actual currency rates	+ 4 %	+ 8 %	+ 18 %



# Fresenius Medical Care: Key Financial Figures

## 1<sup>st</sup> Quarter 2005

Sales:  
Growth:

1,609 US\$m  
+ 10 %

EBIT:  
Growth:

220 US\$m  
+ 11 %

## Outlook FY 2005\*

Sales:

+ 6-9 %  
at constant currency

Earnings (net income):

> 10 % growth

\* before acquisition of Renal Care Group



# Fresenius Kabi: Key Financial Figures

## 1<sup>st</sup> Quarter 2005

Sales:

398 €m

Growth:

+ 10 %

EBIT:

52 €m

Growth:

+ 27 %

## Outlook FY 2005

Sales:

~ 10 %  
at constant currency

Earnings:

EBIT margin:  
> 13 %

# Fresenius ProServe: Key Financial Figures

## 1<sup>st</sup> Quarter 2005

Sales:

171 €m

Growth:

- 14 %

EBIT:

3 €m

Growth:

+ 200 %

## Outlook FY 2005

Sales:

+ 5-8 %  
organic

Earnings:

EBIT:  
20-25 €m

# Fresenius Group: 2005 Financial Outlook\*

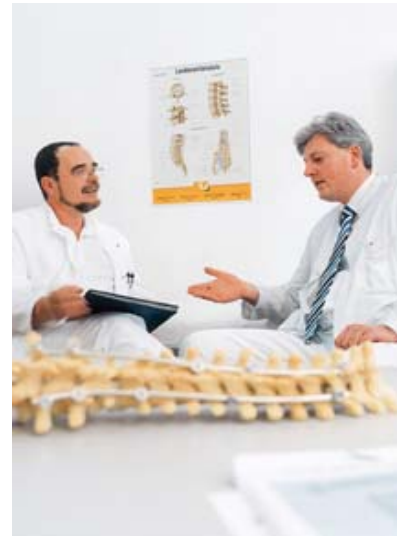
	Target
Revenue growth at constant currency	6 - 9 %
Net income growth at constant currency	15 - 20 %
Capital expenditure	400 - 450 €m

\* before Fresenius Medical Care's acquisition of Renal Care Group

# Fresenius

## Optimizing existing activities

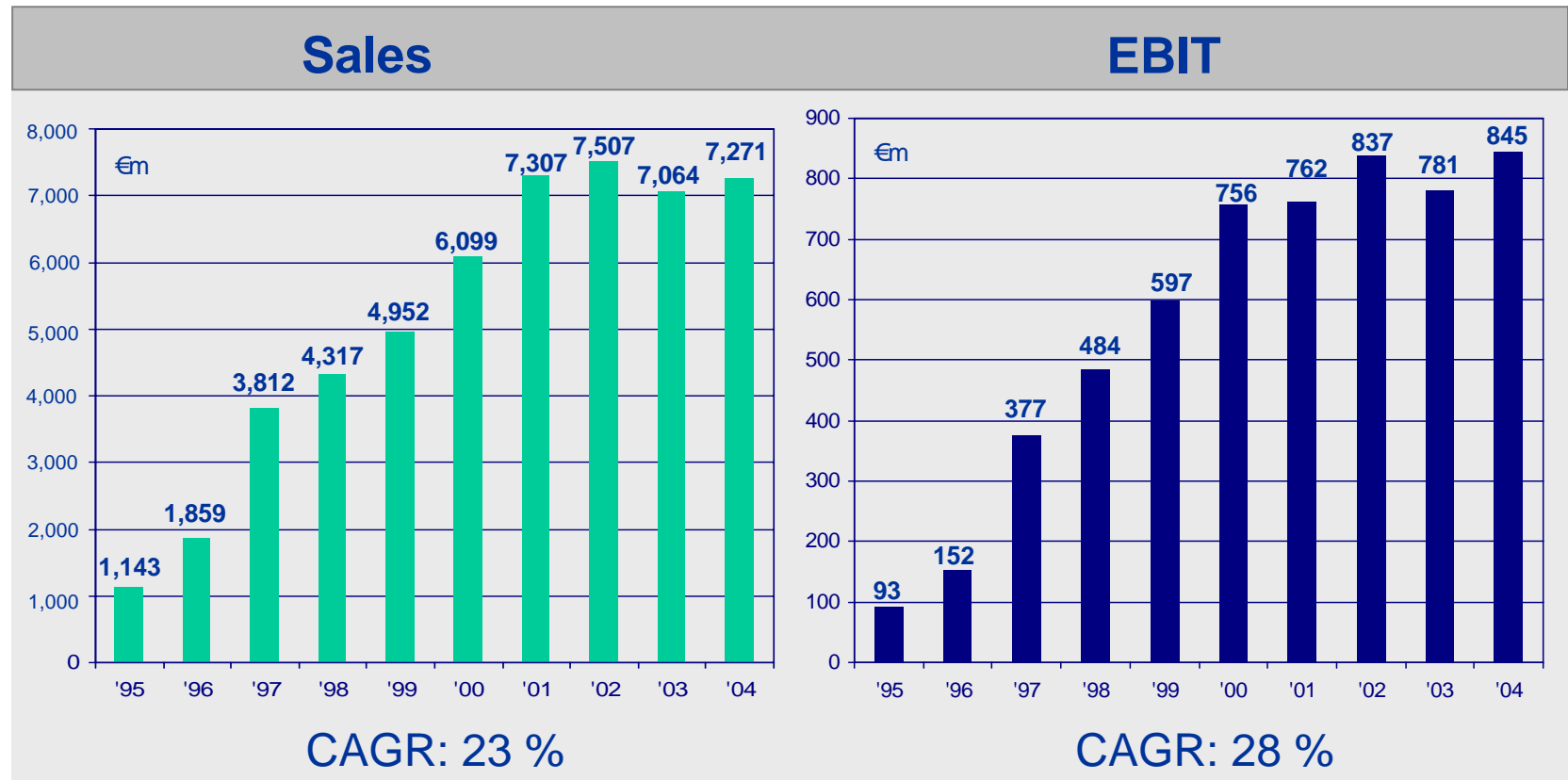
## Pursuing strategic opportunities



# Optimizing Existing Activities

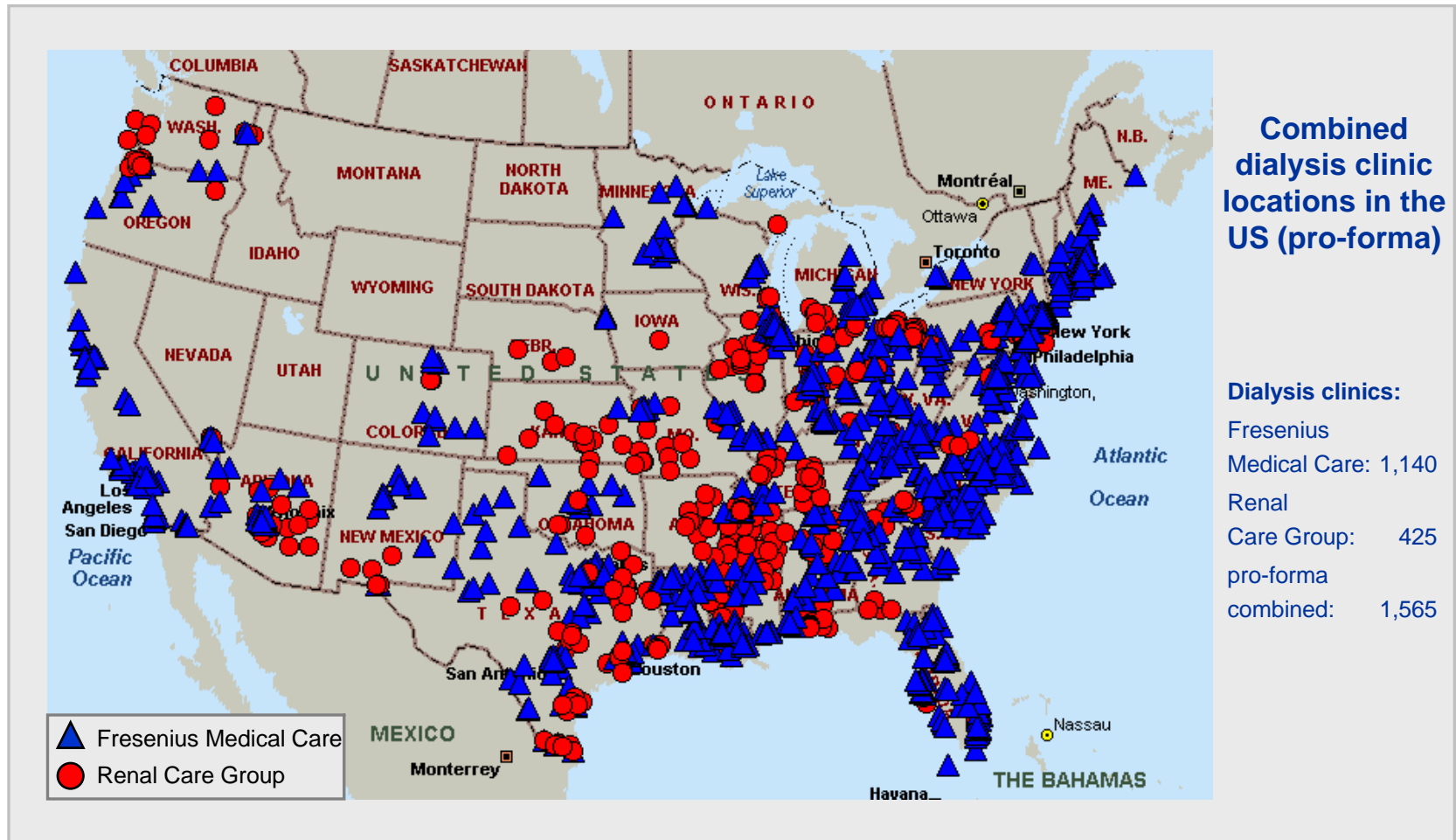
- Margin improvements at Fresenius Medical Care and Fresenius Kabi
- Turnaround at Fresenius ProServe
- Cash flow performance significantly improved

# Pursuing Strategic Opportunities – Sales and Earnings Development Fresenius Group



From 2001 onwards US GAAP, before German GAAP  
EBIT 2001: before special charge for US legal issues of Fresenius Medical Care

# Pursuing Strategic Opportunities – Acquisition of Renal Care Group by Fresenius Medical Care



FME = Fresenius Medical Care    RCG = Renal Care Group



# Pursuing Strategic Opportunities – Expansion of I.V. Drug Business

## Therapeutic Areas

Antibiotics

Pain Therapy

Anesthesia

Cardiovascular  
Diseases

Gastrointestinal  
Diseases

## Regional Expansion

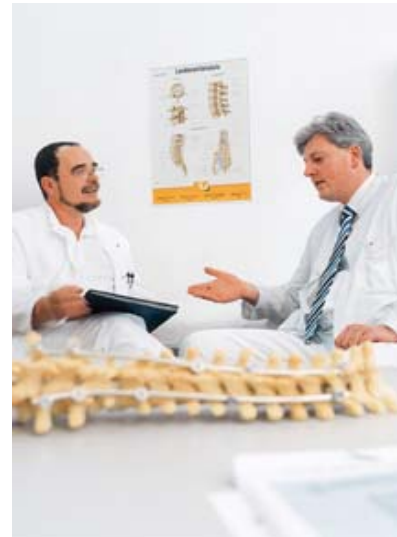


Production Plant Labesfal,  
Campo de Besteiros

# Pursuing Strategic Opportunities – Change of legal form and capital structure at Fresenius Medical Care

- Facilitate more efficient financing
- Reduce number of share classes
- Increase trading liquidity
- Improve position in DAX ranking
- Maintain management control and group structure

# Fresenius Health Care Worldwide



# 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.