



## Fresenius SE & Co KGaA

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**David Adlington:** Good morning everybody. I'm David Adlington. I head up the research group for J.P. Morgan in London for medical devices and services. It's my pleasure this morning to introduce Michael Sen from Fresenius SE. Then we'll follow-up the presentation with some Q&A. Michael, thank you very much.

**Michael Sen:** Good morning, everybody. Thank you, David. Thanks for having us. I think it's a wonderful opportunity to come together at the J.P. Morgan Healthcare Conference. We've been talking about that one that it is the industry gathering. A lot of stuff going also around the conferences, meeting peers.

I would also say there could not be any better time for this conference, and that's why I'm delighted to say we're "Committed to Life," which is our brand claim, and even the title, "Introducing a Healthcare Company," even so it might sound very easy, is exactly what we're talking about. It's about healthcare.

We got everything in our portfolio. We have our own system, as some people say. We have got hospitals, we have pharmaceuticals, we have medical technology, we have a lot of innovative products and services, so we're encompassing the entire spectrum.

Why do I say it's great to come together? Because timing is everything. What do I mean with timing is everything? Timing is everything because the world is changing, as we know, therefore it's great to come together here in the US. I would say there's a new world order.

What really emerges as a theme globally is that healthcare is a key element for resilience, for wealth, and also for security. That being said, after the safe harbor statement, if we look at the great trends which all are known to everybody in that, at that conference, but these trends are emerging and are being magnified as we speak. We dissected it into these three trends.

The longevity trend. Yes, people are getting older, but the chronic disease patterns are rising,

we're getting older, but not healthy getting older. There will be a massive, massive workforce challenge.

Obviously, most systems, especially in westernized country, are inefficient. That is well known. By the same token, a lot of things are happening in science, in regulatory framework, exactly addressing this one.

Fresenius, that's why I said it's a healthcare company, is very well positioned. Why did I say timing is everything? Because the journey we have been embarking on for the last three years is now paying off, that we are in a position to actively seize these trends, and to really contribute solving these challenges.

Let me give you a very concrete example. If you say healthcare systems are so inefficient, if you look in the US, 90% of the drugs prescribed are generics, but it's only roughly 10% of the cost. That means, if you are a generics provider -- and we are a highly specialized IV generics provider -- if we dissect the numbers and the data, we do not seem to be the problem.

On the contrary, we are the solution, for example, in the US, which is in drug shortage, to play a vital role, an essential role to addressing exactly this challenge. From this very big flight height, you can go to very, very concrete examples.

Then, timing, because our company now is a much stronger, a much more focused, and more simple company, and this is the makeup of our business.

On the left side, you see what we call Fresenius Kabi, this is, I sometimes call it the industrial side, the product side. On the right-hand side, it is our services business, our care delivery business, which is the largest European hospital chain, the largest chain in Spain called Quirónsalud, and the largest chain in Germany, Helios.

Then the four businesses, very individual -- pharma and solutions, biopharma, biosimilars. I think a theme which is getting a very positive undercurrent, I would say, currently -- nutrition and MedTech. All in all, this is the focused portfolio we've been working on the last three years, and it has yielded real good outcome, which I'll tell you in a minute.

If we double click, and this is the industrial business, the Kabi business we call it base business and growth vectors, I labeled this at some point in time three plus one. All these businesses, as you can see on the chart, are in very good market positions. All markets are growing, and all

businesses have potential for further incremental organic growth.

You see the sizes depicted on that one, and the pharma business, IV generics and fluids, so solutions, and that is very important because solutions is a very sticky business, which helps us get into the conversation with customers, and then come with our very broad IV generics portfolio.

You see number one in IV drugs, and then number three in fluids, also in this country gaining traction, gaining market share, very stable business. The growth is as it is, two to three percent in the market, but it is highly margin accretive, if you see the 22% EBIT margin, and highly cash generative, which gives us the stability. It's not a cash cow, we keep investing into that business.

This is exactly the business where we, also with the current administration here in the US, are in conversation saying, this is the essential part we cater to this country as in other countries.

Then we have the so-called growth vectors. They grow higher.

Nutrition, 4-6% market growth, and we probably are at the upper end of how the market grows. We have an enteral and a parenteral nutrition business. This is the numbers for the first three quarters. For the full year, it's roughly a two and a half billion business, growing between four to six percent, and highly, highly margin accretive.

A medical technology business, which is primarily infusion therapy and transfusion therapy. On the transfusion side, for example, very novelty fields, like cell and gene therapy.

We disclosed the press release only this morning, how we work together in ecosystem, and on the infusion therapy side, it's obviously a pump and solutions around that, and that very well fits together with the pharma IV generics, pharma and fluids, so customers here can buy an entire bundle, an entire solution.

Biopharma, the latest kid on the block, it's primarily biosimilars. When I was standing at the conference a couple of years back, it was an investment case. It was an investment case where we were only spending R&D. If you only spend R&D, there's no profitability. There was hardly any sales. We didn't enter the market in the US.

Now, we are probably in 2025, a little shy of a billion. In '26, we're going to reach the one billion in sales. It is obviously driving incremental profit. By the way, so are the other growth vector businesses. This one, obviously, at a larger scale when you take the percentage points of the

incremental margin expansion.

I really feel also in these three days, David, that there is a very positive undercurrent with also other companies that the adoption, the diffusion of biosimilars, for example, in the largest market in the US, is picking up.

You see the sign New Target. In December we had an educational session on biosimilars. We said until 2030, we're going to double our revenues on that one. If it's roughly a billion in '26, you know where it's going to go, two billion or more, and it will probably then have the potential to reach a profitability of 20 percent.

Now the key theme has been, is that too conservative? This was based on the current pipeline we have. This is a short glimpse. If we go to hospital business, our own system, Germany, largest player, Spain, largest player. They're very two distinct businesses.

I think, meanwhile, the market also gets closer to these businesses because these are highly regulated businesses, as they are care providing businesses, care delivery businesses.

That highly regulated business is a very stable business. It's a resilient business. It's a stable business, If we manage to keep the margin at the high level where they are margin leading, and grow organically, this will automatically lead to earnings growth. Obviously, the earnings here equal very much cash earnings.

In Germany if one thing stands out is, and we will still drive structural changes there in Germany and increase efficiency, but if you measure our hospital against all quality standards in Germany, by more than 90 percent, we are leading the pack, so this is all about clinical outcome and quality.

Spain, I dare to say also in the US, Quirónsalud is the most innovative hospital chain in Europe.

This is a hospital chain which is building on the digital platform, now it's about the the adoption of AI, we have a lot of agents in action here, and therefore you see also the difference in margin. Spain is really a high-margin care delivery business, and as I said, earnings equal cash earnings. You see the size of those two businesses.

Now, the last three years, and this is just a proxy, we've done a lot. I was asked yesterday, what has changed at Fresenius? We called it future Fresenius because everything changed. Here, this is just a proxy how we cleaned up the portfolio to get to a better performance, to focus ourselves

as in management resources, and create a much simpler company.

This is what we did, we deconsolidated Fresenius Medical Care, went out of a lot of businesses. This is what it did to the financial outcome. Q1 to Q3, 6% growth, EPS growth of 14%, net debt to EBITDA at 3., and you also see where we came from.

At that time, three years ago, net debt to EBITDA was going already towards the four and beyond. Operating margins were going down. You see the operating growth, organic growth grade was going down. There was a focus of not only cleaning up the portfolio and taking out costs, which we did very successfully, but in all these individual business concurrently focusing on innovation.

This is what it has done. If you look at, especially the growth vectors, that's why they were called growth vectors. It was about incremental innovation in MedTech, in nutrition, and then biosimilars. Commercializing this one, launching this one, getting it to the market.

You see the contribution of the growth vectors here. I won't go through the slide in detail. You see that strategy seems to be working out also in numbers.

Obviously, this is what you like, this is what we like, that the share price has developed quite nicely in the last three years, also vis-à-vis the entire sector because we believe this is the individual path we took on the equity story, and now we are ready in this new world, in this new environment to grab even more opportunities.

This is also important because three years ago, we also changed our incentive system. The management board, in their long-term incentive, we are incentivized on the share price. We introduced share ownership guidelines for the management board, so we have to hold equity, a specific amount.

Now we are introducing that for the entire leadership team. Now, you say this is very normal for any high-performing company. Yes it is, but it was not the case in our company, so we introduced this three years ago, that's why we also love that development.

This is what you get when you manage everything. You start from the top line, you saw how organic growth has been going up, then we have been focusing on margin expansion, so operating margin went up.

Concurrently, and we have our IR team with me, but also our CFO, so we were very adamant on asset management, on net working capital, on capex, on cash flow delivery, that's why also cleaning up the portfolio, by then focusing concurrently on the interest rate line item.

You see in '23, this was the first year we took over, even though operating income was going up, EPS growth was going down. The reason was in only in that year, we had year over year a drag of more than 300 million on the interest rate line item. We turned that around.

Last year, it was 14% EPS growth. This year for the first three quarters, it's also 14 percent. Even we don't have the full close yet, we still need a couple of days, but I think it's fair to say that we'll be double digits.

This is significantly how we drove the bottom, bottom line, by concurrently being very disciplined on capital allocation, capital deployment, and that's why returns have been going up, and that's why you see the ROIC without the goodwill being also nice.

Last year when I was standing here, this is our clear plan. This is our clear direction for the entire company, for all managers, leaders. This is not just management consulting BS, this is really something which guides us. Now we are in the rejuvenate phase.

Rejuvenate phase means we can play offense. Rejuvenate phase means the incremental revenue, the incremental margin expansion is driven by new products. Rejuvenate means we have a lot of new leaders and managers who have been coming in in the last two, three years with a lot of industry domain expertise.

Rejuvenate means we want to upgrade the core, we define what the core is, those six businesses, and we say to our team, keep doing what you've been doing, but do it even better. In essence, it means execution.

By the same token, now we are in a position to scale our businesses. When you will look at our balance sheet, in a minute you will see, we now have firepower in the balance sheet. We now have even monetary items by deconsolidating Fresenius Medical Care.

We now have the maturity in the overall organization to scale the platforms. That does not necessarily mean we go immediately into huge M&A endeavors. We will be very focused on capital deployment and capital allocation, but it means we can allocate and deploy incremental capital.

For me, incremental capital deployment means R&D, means capex, means partnering, means in licensing, means maybe also bolt-on M&As to scale the platform and then elevate the performance.

This is what we're going to do. At the industrial business, in order to scale that, it is all about the pipeline. The pipeline on the pharma business, on the biopharma business, and when we talk about nutrition, it's about formularies. We call it the pipeline is the lifeline. This is working endeavors in R&D, in development, but also in licensing.

At Helios, and particularly in Spain, it is all about digitizing and implementing AI. Then, obviously, when you do this one, you can capitalize on all the trends, which we outlined also on the right-hand side.

With that one, we can double down on our mission, which we believe is really, really, really essential these days. It's about cost efficient medicine, innovative therapies, and access to healthcare.

Now I'm open for Q&A.

**David:** Great. Thanks, Michael. Maybe just to kick off here, big picture question. You've been CEO now for what, just over three years. You had a lot to do both strategically and operationally when you joined.

Firstly, on the strategic side, have you now finished with divesting or even closing businesses and then with the balance sheet, you touched on it in the presentation, but with the balance sheet getting back to a healthy position, should we start to think about adding to the business again? If so, what are you thinking about...

[crosstalk]

**Michael:** Yeah. On the big picture, if you say strategy as in portfolio, I think the big, big portfolio moves as in the focus it's done, there may always be smaller things when we exit maybe a country with a factory or exit a hospital or something like that, which we do currently in Germany, that we clean up the structure.

But the bigger portfolio move, this is the focus, this is the core, that's why it is called upgrading

core. And as I said, we are now with a rejuvenate in a much better position.

Last year when we were here, the target on the leverage was three to three and a half, and the company has not been able to get into that target range for seven and a half years.

Last year, we managed to get in there. Concurrently, we tightened that range and said the new range is two and a half to three. Our CFO in the first row, if she's smiling, it will probably look like that '25 we will be in that very target corridors, and that is what I meant.

This gives us room to deploy incremental capital for these core businesses. As I mentioned, the incremental capital is, for me, R&D, it is capex when we talk about, for example, growth capex with new factory lines. This is one example.

The other one is obviously also in licensing when we talk about our pharma business, when we talk about our biosimilars business, you saw on the biosimilars side, we did license last year also vedolizumab, we in licensed Eylea, aflibercept, and concurrently have six molecules in the market. Yes, there is room for incremental capital deployment, which needs to yield returns.

**David:** Perfect. Just to clear up another question, I get asked quite a lot when I'm out on the road seeing investors, maybe you could just point towards the synergies between Kabi and Helios. Could you see a situation where the businesses are further split?

**Michael:** Look, if you look at the business, the group as it is, there's always this, let's say, theoretical question on synergies, or are businesses better off alone. The group is the group and had a balance sheet. That balance sheet, the net debt to EBITDA was, at the height, I think it was 4.2, 4.3.

You need businesses to generate cash flow. The logic of this focus, which we currently have, was to have businesses from a strategic point of view which are in growth areas -- all of these businesses are in growth areas -- have a leading position, have a runway for growth, and have enough barrier for entry, if you so wish. All of these businesses have that.

The second thing is, all of these businesses should have and have the potential for organic growth. If you then come from the hospital business, which is, in revenue, quite sizable, and say the earnings are stable earnings, very stable earnings equal cash earnings, you already get a very stable base as in cash flow.



On top of that, you then have the big IV generics business. It's not a high-growth business, but it's a very resilient business. It's a very essential business. Again, very cash generative, so that already gives you huge bedrock to build on in the balance sheet, and then the growth vectors are the increment.

We are currently, and will be in the next foreseeable future, not in a phase where any of the businesses is holding back the others in terms of outpacing growth. We have, with the new balance sheet, enough room to deploy capital to even further grow revenue, earnings, and returns.

**David:** Perfect. Let's move on to Kabi, which in itself is still a relatively broad business with pharma, nutrition, MedTech, and biopharma. Maybe before we dip into that, I was just wondering in terms of what you're expecting in terms of impact on volumes in the US from the changes we're seeing in Medicare, Medicaid, and the expiration of ACA subsidies this year and into next year?

**Michael:** All these businesses primarily in IV generics and fluids, since we are also highly vertically integrated, is one of our key propositions, that's why we have a cost competitive position, is that we are banking on volume. We will be also banking on volume.

We've got our management team also sitting here in the back from the US, and we will play a vital role. The role we play in the US is that we have a very, very broad portfolio. We know by a fact that the country is still in drug shortage, and we cover roughly 70% of the FDA essential medicine list, which is we sometimes call it drug shortage list, and therefore we play an essential role.

Concurrently, also at this conference, visiting customers, the breadth of our portfolio makes us so relevant that you don't have to always interact with onesies, twosies companies.

Then we have a whole supply chain here in the country. We're manufacturing roughly 70% of what we sell here, here in this country. We call it Make in America, and therefore we will see volume growth in IV fluids particularly. We opened up a plant one and a half years ago in Wilson, North Carolina, and capacity utilization just goes up.

**David:** Perfect. Let's move on to IV drugs and fluids. It's one of the more mature businesses within the Kabi portfolio. Obviously, you've the growth vectors in addition.

It was a business that enjoyed several years of super margins a few years ago because a lot of competition were out. They've now come back, margins have come down, but still pretty healthy.

It is, by definition, a more commoditized area of the business. How do you feel about the balance between not very much growth and some pricing pressure and how you can grow or maintain margins over time?

**Michael:** Yeah. It is a commoditized business, but if you look at the impact it has on the whole clinical workflow, it is a highly relevant business.

Last year when there was the hurricane here in the country and then a competitor had his challenges with one factory, you saw that immediately, almost on the entire planet, there was a shortage on IV fluids. Because capacities were directed towards the US, that meant there was a shortage in Europe, and so on and so forth.

There is almost no surgical procedure you can run without IV fluids. Think about gastroenterosurgical prostate procedures. On average, you need nine liters of fluids for a procedure where in Europe you can charge roughly nine and a half thousand euros per procedure. I don't know what you charge here, probably more.

Therefore it is highly relevant and the players who have in the market are at capacity. Therefore, it is a very important and a very sticky business and helps us to complement the entire portfolio.

**David:** Perfect. Let's move on to the growth factor of Kabi. Maybe firstly on nutrition, you've pointed towards kind of four to seven percent annual growth there. You're already number one market share by a decent chunk. How do you continue to drive that level of growth?

**Michael:** That's why we dissected these businesses into these individual business lines. Nutrition is a innovation-driven business. The generics, it's once it hits the market, the prices only go down. That's the nature of generics. In nutrition, it's all about innovation. It's about new formularies. It's about going into new segments.

We launched a lot of products in 2025. That's why you saw nice growth rates despite the Chinese keto effect. We have been growing very nicely. Actually, without the keto effect on a comparable basis, probably the nutrition business would have grown by eight percent.

That means new formularies hitting the market, new segments. We launched products in the pediatric space. We broadened the portfolio in terms of taste. We broadened the portfolio in terms of clinical use for high calorie usage and dosage forms.

You get more and more clinical and scientific evidence that nutrition plays a key role on the clinical pathway and leads to better clinical outcomes. For example, on oncology treatment, if you get the right nutrition, you get to better outcomes, and that obviously helps the business. Geographically, we can still grow quite nicely in the US, for example.

**David:** Perfect. You mentioned keto there, which has also been a challenge for your Chinese business. Are there any other areas we should be worried about, VBP, or any other Chinese initiatives to take cost out of the system?

**Michael:** I think it would sound like a broken record when I say, look, my stance on China did not change for, I got to say now, almost two years. This is not a short-term market we will be banking on. It is still, let's say, in transition, mid-term, long term.

Obviously, the fundamentals also speak for an attractive market, but VBP is there to stay. This is the way how this country is going to procure and get to cost savings, which doesn't mean you cannot cater other segments.

You can, but, obviously, then you need to differentiate because on the VBP, you don't need a promotion sales force. On the other ones, you need one. You can change your tiering of hospitals. You can drive innovation, which is then only maybe later being a part of VBP.

This is how the market is changing. Therefore, in 2025, we saw primarily by keto contraction. The market is, for us, it's roughly eight percent of the overall kind of thing. In '26, we will expect some growth on the nutrition side because we are opening a factory in Wuxi on three-chamber bags. By and large, fundamentally, I do not change my mind on China.

**David:** Perfect. Then changing gears to MedTech, point towards higher growth, that 8 percent to 10 percent. From the outside, I sometimes think that looks like a more mature business and with some stronger competition. How do you grow at that sort of rate with that sort of backdrop and competition?

**Michael:** Well, this is also by innovation and new products. You know that we have the Ivenix pump out there. This will be, let's say, a meaningful contributor to the incremental growth we expect in 2026. This is a very innovative pump. It's the most innovative pump in the market. It's a smart infusion system on a large volume pump.

By the same token, other functionalities and applications, for example, software. We have, on the

plasma side, the Adaptive Nomogram, which is a software which helps you to optimize plasma collection in plasma collection centers. Q3, Q4, very nice sales and margin on that one. We expect to have the full year contribution in '26.

Again, little steps like this morning where we announced partnering on cell and gene therapy where everybody is working on the whole production and value chain of cell and gene. These are all these little steps, because it's a smaller business, which then yield growth.

**David:** Then, just on Ivenix, that's a business you acquired some years ago. I wonder how the rollouts progressing relative to your expectations, and what's been the biggest challenge you face there?

**Michael:** The rollout is according to our expectation. Also, the challenges are according to the expectation.

Three years ago when we acquired that, that was more or less a start up business. They had a fully registered pump, FDA clearance, but no industrial scale. We decided to industrial scale that. That means we took over the production because the cost per pump at that point in time was way too much.

If you professionalize that, industrialize that, we insource the manufacturing, we build out professional supplier network, and this is all according to plan. In the last three years, the cost per pump came down tremendously and will further go down.

Then, how was the reception in the market? It is actually outstanding because it's an innovative pump.

Now, expectation to the challenges, we always said we do not want to place too many pumps too fast in the market in wanting to build out an installed base because, like with every MedTech product, when it's new, there will be some challenges, there will be some child sickness patterns, and we had some. Then, if you have a too large installed base out there, it is obviously then getting costly.

In our case, you could do that with software patches. We have a very, very demanding customer, which is good, which is Luminare with Mayo Clinic, because their interoperability, their integration into their IT system keeps us on our toes. That means if you can satisfy a customer like that, you can satisfy many other big players in the US.

Everything is going according to plan, including the challenges.

**David:** Perfect. Then on biopharma, you mentioned the educational event just before Christmas. You pointed towards doubling revenues by 2030 and taking margins to 20 percent. Margins in 2025 are going to be mid-teens-ish, up from just about positive in '24.

You're getting a lot of operating leverage in that business as your fixed costs and your revenues are growing very fast. The 20% on the margins in 2030 doesn't seem particularly stretching given that high level of operating leverage. Is that just you being conservative again? Or should we be thinking about either some cost or some mix impacts?

**Michael:** No, in this case we really need to differentiate. Unfortunately, that industry and that business is not a financial model. That industry is still in early innings, as I call it. I sometimes call it, it's at the beginning of the S-curve.

In the US, biosimilars have only picked up in the last two to three years. EU had a little bit of head start of six, seven years.

Only picked up here, and only look at what we've been learning in the last two years, how to commercialize this in this country. Two years ago, there was only one molecule, adalimumab for Humira, a 22 billion market, a lot of players going in there, and everybody thought if you're not on the national formularies of the three PBMs, you're dead.

Then we said let's try other sales channels. We managed to contract directly with health plans, the Evio deal with Blue Cross Blue Shield California.

Now meanwhile, we have six molecules in the market, with Tyenne, a totally different molecule. Tyenne, peak sales, originated sales, three and a half billion, but we are first to market. The incremental sales, obviously, is driving the profitability.

Now we have ustekinumab and denosumab in the market. On ustekinumab we have that, we call it, special distribution deal with Civica. Civica has more than a 100 million lives under management and a lot of health plans, so this was, again, a totally different commercial model.

Then on the regulatory front, the US is probably going to get rid of the Phase III clinical study, which is a positive signal for me. We will expect more dynamics in the coming years, and

therefore it's very hard to have a crystal ball.

The second argument would still be, next to the operating leverage, you need R&D. Because one thing, also to be a sustainable, we want to be a biopharma powerhouse player, that means full vertical integration, you need a pipeline. For the pipeline, you need R&D development or in licensing, which is also then an investment, but also keeps other players maybe out of that space.

**David:** You mentioned there the change in the regulatory environment in the US. That could potentially reduce your costs and time to markets, but at the same time it does the same for potential competition. How are feeling about the balance there between time to market but also the impact on the longer-term market dynamics?

**Michael:** I am not so worried about the competitive dynamics. For me, this is just the positive sign, the regulatory environment, that this new modality, the biosimilar, which is an innovative therapeutic modality for oncology and autoimmune, for example, that the regulatory environment goes into the right direction.

I wouldn't overemphasize that this already has such an impact on on the competitive dynamics. It's still, if you want to go into that space, it already starts with a patent litigation on the originator, and that already costs you, roughly on average, \$30 to \$40 million per molecule, so this is already the first barrier of entry.

The second thing is, even though you don't have a Phase III clinical study, your data in your clinical studies beforehand need to be robust. The capability of developing molecules, because this is not generic, this is biologic, right, developing molecules needs to be there. We believe only a few player can do that, and we want to be a powerhouse.

**David:** Perfect. Then switching gears just to Helios, I just want to touch on Germany given the time we've got. 2025, you had some margin headwinds as the energy subsidies support rolled off.

We actually got some tailwinds going into 2026, particularly the surcharge. I think it's €4 billion surcharge across the industry. How should we be thinking about those top line tailwinds into '26? How much of that is likely to drop through into the margin?

**Michael:** Let me take still opportunity to reflect a little bit on '25, even though you don't know the numbers yet, but probably you have the consensus, or your report, or what have you.

Going into 2025, we were facing a lot of headwinds. There was the energy relief on the German hospital, which you just mentioned. We always said it's in the neighborhood of roughly 150 million headwind.

The key to effect, the VBP in China, headwind. We said roughly 80 basis points. Then on top, even some tariffs and FX, and then look at where probably the number will come out. It doesn't look too bad.

Now going into '26, on Helios Germany, I would not go fully overboard with the surcharge and everything. I can make it short because of time. I would say it's a wash.

There is a 12-month surcharge. By the same token, the Ministry of Health has taken €2 billion out of the system again, which she wants to save in the hospital system.

Basically, it's in a wash. I would just take the normal DRG inflator, which is more at the lower end, and then we have to work on on the case mix and still on our efficiency program. Not going overboard as in volume and price and and then revenue and drop through.

**David:** Don't get too excited on the margins, David," I think is what you're saying.

**Michael:** Nope.

**David:** [laughs]

**David:** Perfect. All right. Then finally, we had, obviously, Helen here yesterday giving a more cautious outlook for Fresenius Medical. Obviously, you still retain your stake there. Any latest thoughts in terms of your thoughts of the stake?

**Michael:** No. We are a shareholder, nothing more. It's an investment company.

I think it's more important to look at the history of what we've been doing with Medical Care. When we started three years ago, it was almost unthinkable beforehand that Fresenius would be there without Medical Care, then we deconsolidated that one. After deconsolidation, it was only March that we already reduced our stake.

Then Medical Care said they're going to do a share buyback. We said we're going go in lockstep to keep the reduction. Then I said it's an investment company, and I even said this is a monetary

item for our scaling our core business.

By the same token, management has a clear plan. I obviously saw the reaction of the market the last two days. It is clear that the volume, where's the volume growth? I think this is what you've been asking, this is what we've been asking.

By the same token, innovation is being coming up with HVHDF, and so on and so forth. There's value creation potential there.

This is always the trade-off, how much value creation is there opposed to immediately selling off for something like that, which we didn't do, we didn't do three years ago. That's why we could if you look at the exchangeable, the exchangeable was locked in at a, I think, €53 price per share.

**David:** Great. That takes us to time. Thanks very much.

**Michael:** Thank you.

[applause]



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