



Health Care Worldwide



Conference Call November 4, 2003

Agenda

- I. Business Update**
 - Group Key Issues
 - Fresenius Kabi
 - Fresenius ProServe
 - Fresenius Biotech
 - Group Summary

- II. Financials Q1-3/2003**

- III. Outlook**

Fresenius Group: Key Issues Q1-3/2003

	Sales 5,254 €m	EBIT 590 €m	EAT 105 €m
Growth at constant currency rates	+ 6 %	+ 8 %	+ 38 %
Growth at actual currency rates	- 5 %	- 4 %	+ 24 %

- Excellent performance of Fresenius Medical Care and Fresenius Kabi driving significant earnings improvement
- Strong currency translation impact
- Continued growth in all regions based on innovative products and therapies

Business Segments: Key Issues Q1-3/2003

	Fresenius Medical Care	Fresenius Kabi	Fresenius ProServe
Sales Growth	4,075 \$m + 9 %	1,082 €m + 1 % / + 7 % <small>organic</small>	526 €m + 11 %
EBIT Growth	550 \$m + 8 %	107 €m + 65 %	5 €m - 69 %

- Fresenius Medical Care
 - Continued margin improvement
 - Record operating and free cash flow
- Fresenius Kabi
 - Strong 7 % organic sales growth
 - Margin target confirmed
- Fresenius ProServe
 - WKA profit improvement program on plan
 - Reorganization of health care project and pharma industry businesses initiated



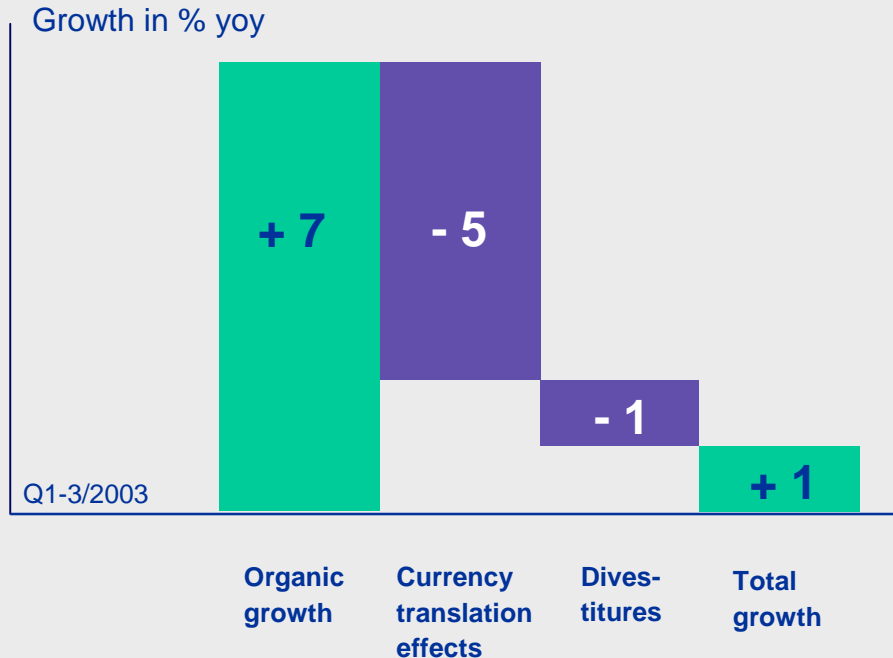
Fresenius Kabi: Key Figures Q1-3/2003

€m	Q1-3/2003	Q1-3/2002*	Change
Sales	1,082	1,068	+ 1 %
Hospital Business	865	843	+ 3 %
Ambulatory Care Business	217	225	- 4 %
EBITDA	164	125	+ 31 %
EBITDA margin	15.2 %	11.7 %	
EBIT	107	65	+ 65 %
EBIT margin	9.9 %	6.1 %	

* incl. Transfusion and Infusion Technology

Fresenius Kabi: Revenue Growth Development

Strong organic growth



Sources of currency impact:

- LAM currencies - 2 %
- Asian currencies - 2 %
- US-dollar/others - 1 %

Fresenius Kabi: Business Development and Market Conditions in Europe

- Europe
- Q1-3/2003: 831 €m sales
 - Organic growth: + 4 %
 - Market leader in infusion and nutrition therapy

Market conditions:

- Market growth: low single digit rate
- Ongoing pressure from health care reforms
- Shift from hospital to ambulatory treatment
- Aging population requires more and longer medical care
- Demand for new therapy concepts

Fresenius Kabi's Growth Drivers:

- Strong market presence
- Products for emergency cases and seriously-ill patients
- Products for patients in hospital and ambulatory environments
- Product excellence

Fresenius Kabi: Business Development and Market Conditions in Asia-Pacific and Latin America

- Asia-Pacific
 - Q1-3/03: 104 €m
 - Organic growth: + 13 %
- Latin America
 - Q1-3/03: 60 €m
 - Organic growth: + 27 %

Market conditions:

- Market growth: mid single to double digit rate
- Health care spending significantly higher than GDP growth
- Specialized product segments developing
- Hospital focus

Fresenius Kabi's Growth Drivers:

- Unique expertise in nutrition and volume therapies
- Established manufacturing and sales organizations
- Introduction of full Fresenius Kabi product portfolio

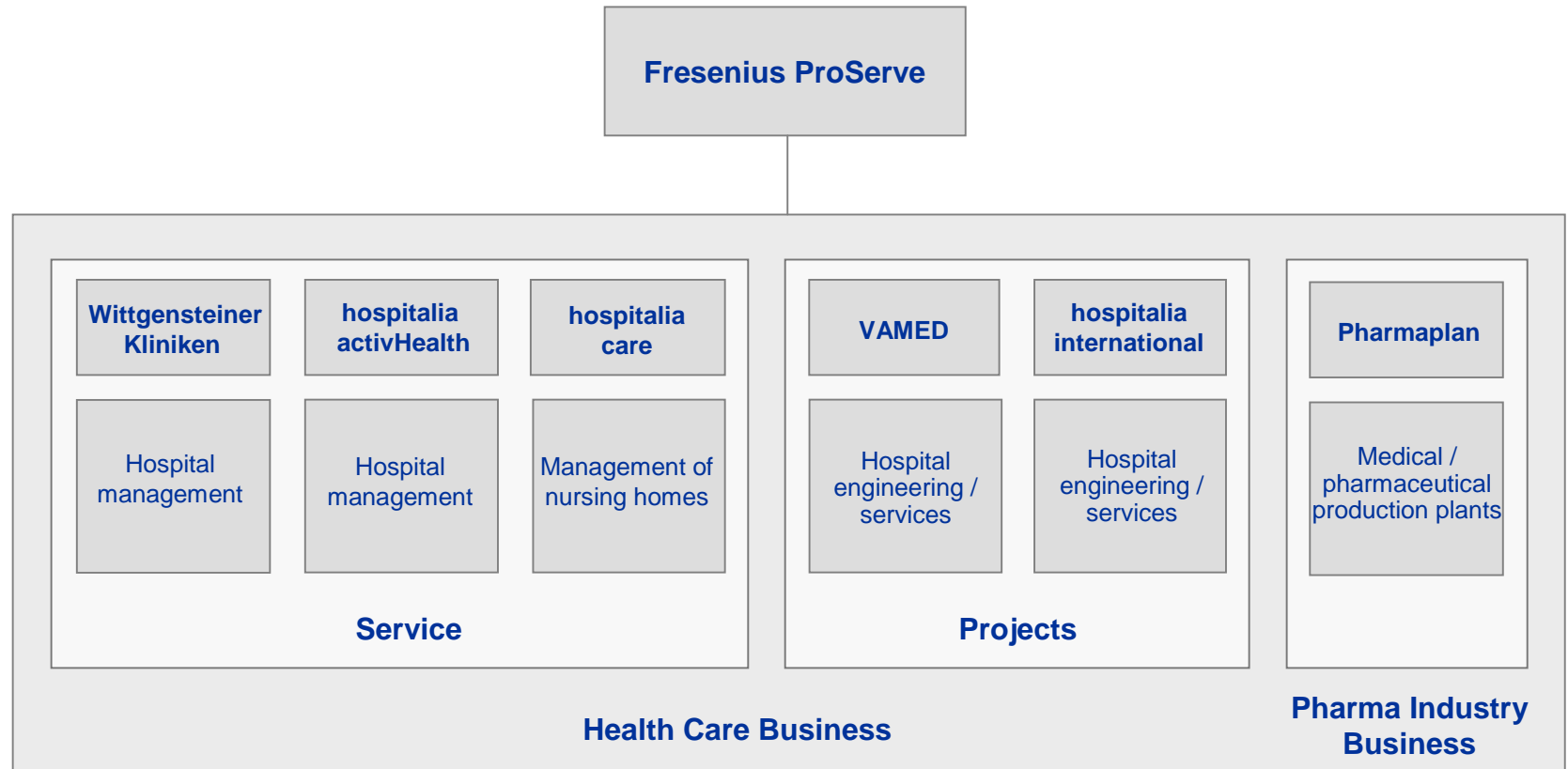


fresenius  proServe

Fresenius ProServe: Key Figures Q1-3/2003

€m	Q1-3/2003	Q1-3/2002	Change
Sales	526	475	+ 11 %
Healthcare Business	452	377	+ 20 %
- Projects	91	100	- 10 %
- Service	361	277	+ 30 %
Pharma Industry Business	74	98	- 24 %
EBITDA	27	34	- 21 %
EBITDA margin	5.1 %	7.2 %	
EBIT before one-time expenses	13	16	- 19 %
EBIT margin	2.5 %	3.4 %	
One-time expenses	- 8	-	na
EBIT after one-time expenses	5	16	- 69 %

Fresenius ProServe: Business Segments



Fresenius ProServe: WKA – Profit Improvement Program on Track

Update

- Headcount reduction: ca. 200 employees so far
- Closure of Neurologische Fachklinik, Bad Homburg
- Material cost saving program initiated
- About 2/3 of the 25 €m one-time expenses expected in 2003

Fresenius ProServe: Reorganization of Health Care Project and Pharma Industry Businesses

Focus business operations

- hospitalia international projects managed by VAMED
- Pharma Industry Business: closure of non-profitable subsidiaries

Financial impact

- Reorganization costs of ca. 15 €m - to be fully booked in 2003

Time schedule

- Rapid reorganization, to be completed in Q4/03 - Q1/04

Fresenius ProServe: Outlook

2003:

- EBIT expectation in the range of 15 €m before one-time expenses
- After 2003 one-time expenses a negative EBIT in the range of 20 €m is expected

2004 / 2005:

- 2004: EBIT expectation in the range of 25 €m before WKA's 2004 one-time expenses including first positive outcomes of the program
- 2005: Accomplish full payback of WKA program; recurring annual cost reduction of 20 - 25 €m compared to 2003 levels

Fresenius Biotech: Results of Phase I/II Clinical Study with Trifunctional Antibodies

- Excellent results of the clinical study with the trifunctional antibody removab[®] for the treatment of ovarian cancer patients with symptomatic ascites
- Treatment is safe and well tolerated
- Promising signs that removab[®] treatment is efficacious
- In all patients, number of tumor cells decreased significantly
- 22 out of 23 patients were ascites-free after therapy
- Improved quality of life
- Target for rapid approval

Fresenius Group: Growth Agenda

- Fresenius Medical Care + Fresenius Kabi: Fully exploit synergy potential
- Fresenius Kabi: Well positioned for global leadership in infusion and nutrition therapy
- Fresenius ProServe: Rapid implementation of the WKA profit improvement program and the reorganization of health care project and pharma industry businesses
- Fresenius Biotech: Address the cancer market with a dual-track clinical study program

Fresenius Group: Focus on profitable growth in core markets

Fresenius

Financials Q1-3/2003

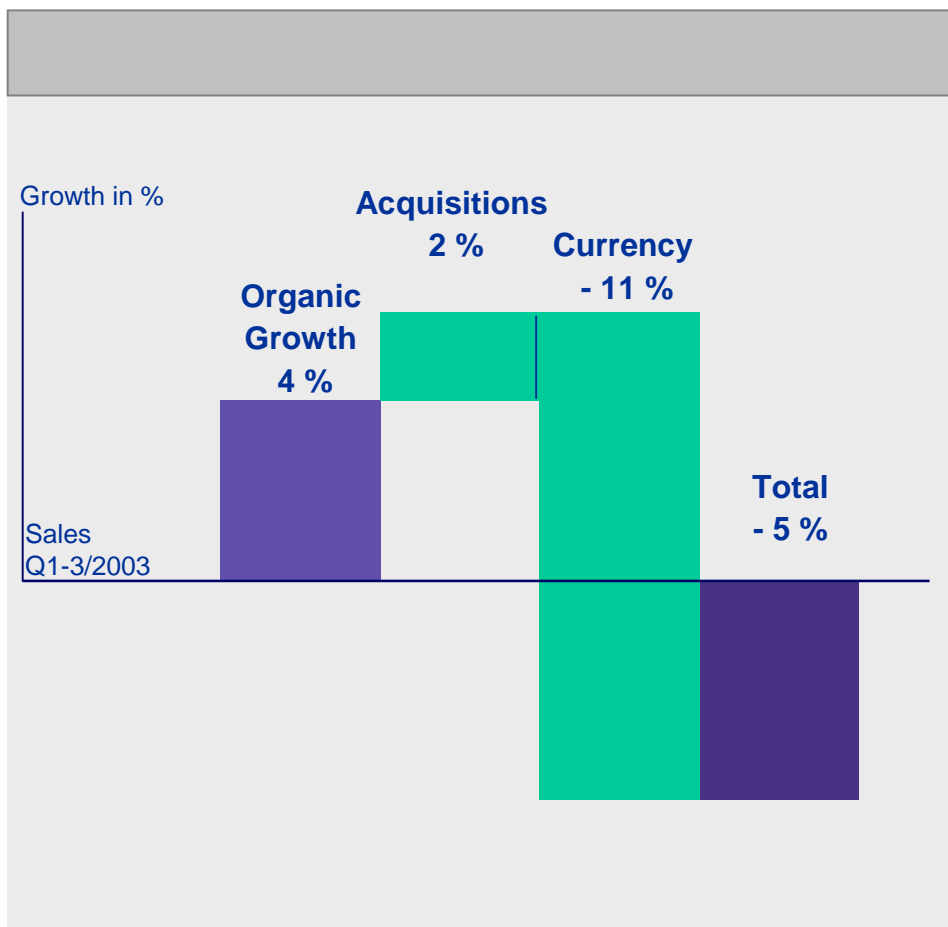
Fresenius Group: Financial Achievements Q1-3/2003

- Solid currency-adjusted sales growth of 6 %
- Strong currency-adjusted EAT performance of 38 %
- Record cash flow
- Solid capital and balance sheet structures

Fresenius Group: Key Figures Q1-3/2003

		Q1-3/2003	Q1-3/2002	Change actual rates	Change constant rates
Sales	€m	5,254	5,552	- 5 %	+ 6 %
EBITDA	€m	825	874	- 6 %	+ 5 %
EBIT	€m	590	617	- 4 %	+ 8 %
Interest result	€m	- 186	- 230	+ 19 %	+ 9 %
EBT	€m	404	387	+ 4 %	+ 18 %
Taxes	€m	- 158	- 149	- 6 %	- 19 %
Tax rate	%	39.1	38.5		
Share of profit allocated to minority interest holders	€m	141	153	- 8 %	+ 7 %
Net income	€m	105	85	+ 24 %	+ 38 %
EPS preference share	€	2.57	2.08	+ 24 %	+ 38 %

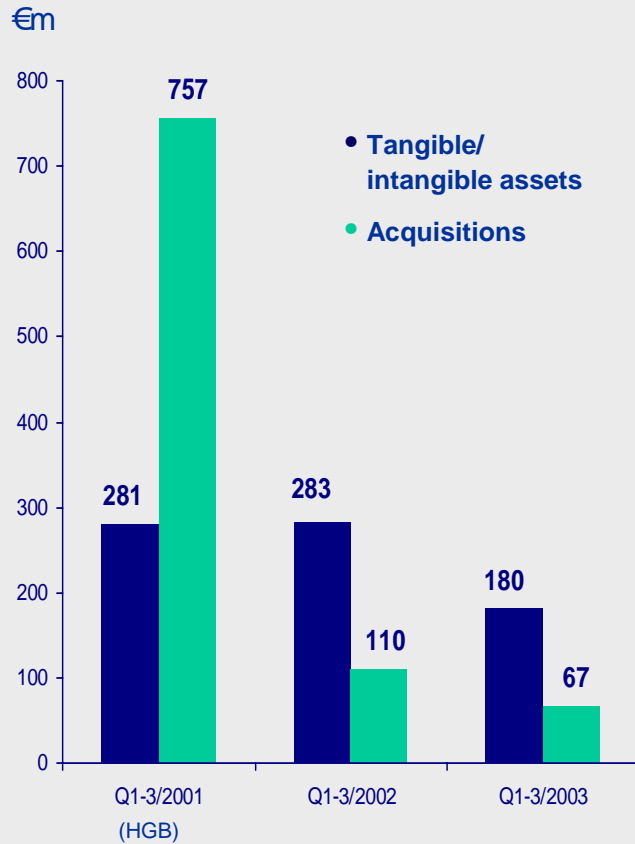
Fresenius Group: Sales Analysis Q1-3/2003



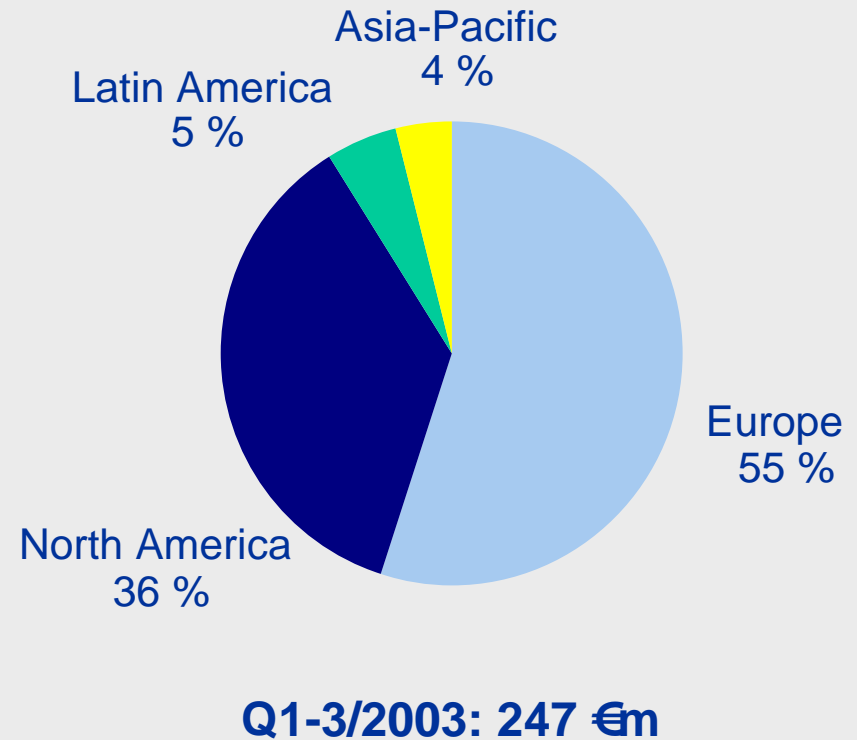
- Organic growth + 4 % points
- Acquisitions contributing + 2 % points
- Strong currency impact of -11 % points

Fresenius Group: Capital Expenditure and Acquisitions

Distribution by capex + acquisitions

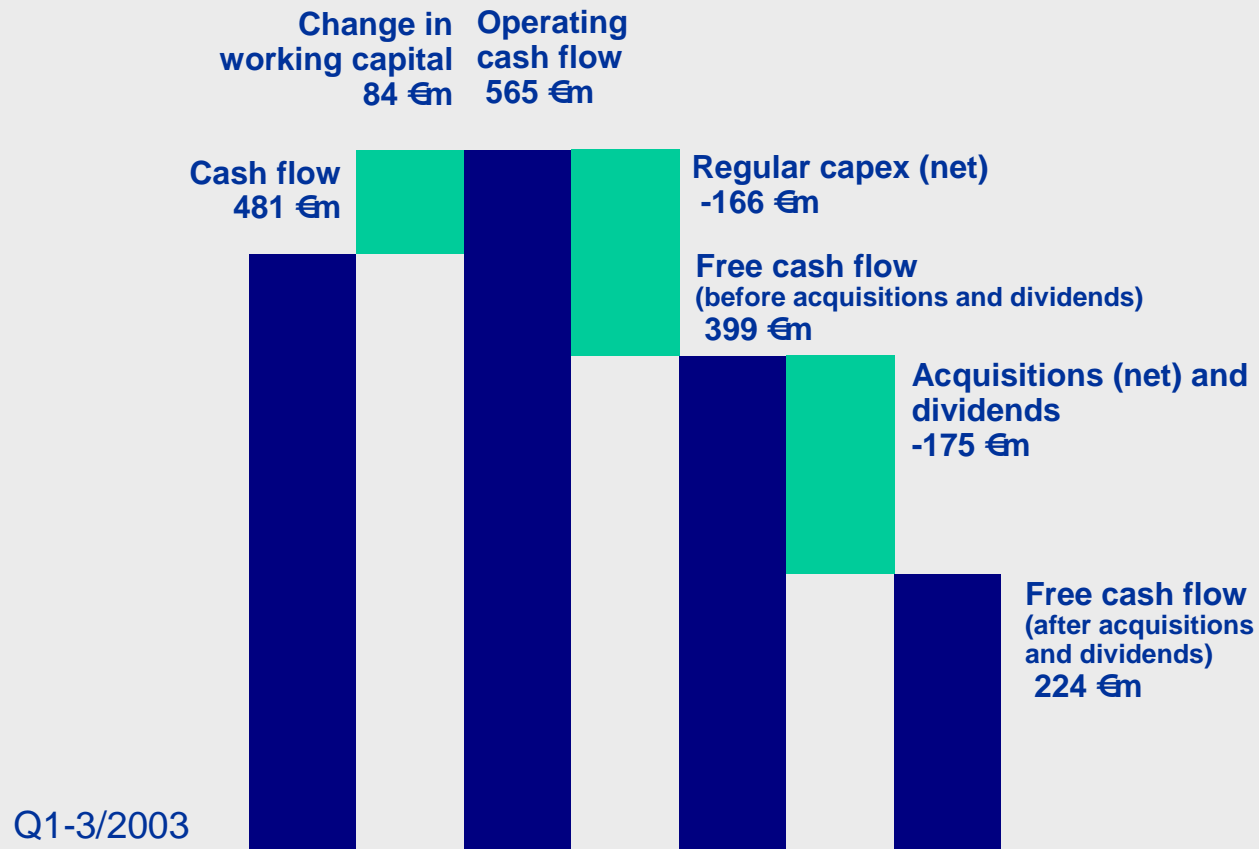


Distribution by region

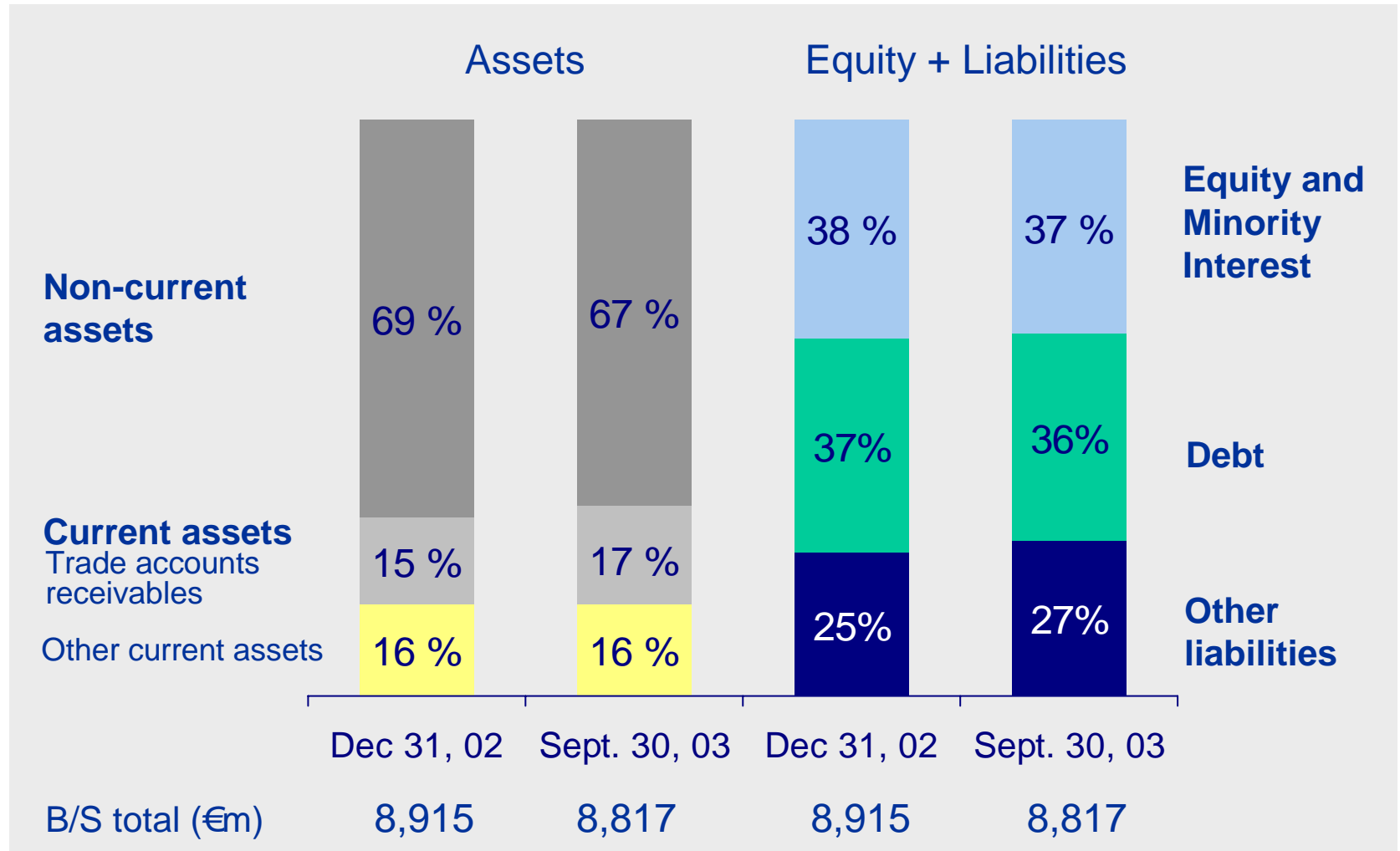


Fresenius Group: Cash Flow Statement

Free cash flow after acquisitions and dividends tripled



Fresenius Group: Solid Balance Sheet Structure



Fresenius Group: Debt and Debt Ratios

€m	30.09.2003	31.12.2002
Debt (incl. A/R program)	3,335	3,707
Net debt	3,187	3,544
Net debt/EBITDA	2.8	3.0

Fresenius Group: Financial Outlook

2003:

- Sales:
(at constant currency) Mid single digit growth rate

- Net income:
(at constant currency)
 - Double digit growth rate **before** Fresenius ProServe's one-time expenses

 - At a high single to low double digit rate below previous year's level **after** Fresenius ProServe's one-time expenses

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