

OUR GOAL: ACHIEVE SUSTAINABLE AND PROFITABLE GROWTH

1998 ● **MARKET LEADER IN INFUSION THERAPY AND CLINICAL NUTRITION IN EUROPE**
Acquisition of the international infusion solution business of Pharmacia & Upjohn

2000 ● **MARKET POSITION IN ASIA-PACIFIC, LATIN AMERICA AND SOUTH AFRICA STRENGTHENED**
Expanded market presence through acquisitions

2005 ● **PRODUCT PORTFOLIO OF I.V. DRUGS AND MEDICAL DEVICES EXPANDED**
Acquisitions of Labesfal and Clinico

2006/2007 ● **INTERNATIONALIZE NEW PRODUCT PORTFOLIO**
Distribute Clinico's products in Europe, Asia-Pacific and Latin America, in 2007 introduce Labesfal's products to Europe

Following years ● **EXPAND MARKET LEADERSHIP**
Profitable growth – organically and through selected acquisitions



Intravenously administered drugs and medical devices in an intensive care unit.

OUR MILESTONES: ACQUISITIONS OF LABESFAL AND CLINICO

Fresenius Kabi provides infusion therapies and clinical nutrition for critically and chronically ill patients. As the market leader in Europe, and with leading positions in Asia-Pacific and Latin America, our strategy is to offer products for all core segments of infusion therapy and clinical nutrition. These products include generic intravenously administered drugs and medical devices, two areas in which we reached significant milestones in 2005.

A strategically important step was the acquisition of Labesfal, which produces generic intravenously administered drugs for the domestic Portuguese market. The acquisition substantially expands our portfolio in this product area. We will market Labesfal's products to hospitals throughout Europe, where the market is currently worth €2.5 to 3.0 billion. Our today's portfolio addresses a market volume of €1.2 billion. We are striving to expand our product portfolio.

Another milestone was the acquisition of Clinico, a manufacturer of medical devices. Clinico's products ideally complement Fresenius Kabi's existing portfolio. This acquisition enhances our market position and offers exceptional opportunities for international growth.

Both acquisitions strengthen our market position. Fresenius Kabi already is one of the five largest hospital suppliers in Europe.

Innovative medical devices increase safety during drug infusion.



OUR WAY FORWARD: BENEFIT FROM AN INTERNATIONAL SALES AND PRODUCTION NETWORK

Fresenius Kabi's strong position in the hospital market is an excellent platform for profitable growth. We will take advantage of our European sales network of more than 20 subsidiaries for the introduction of the Labesfal products. The documentation for regulatory approval of the first eight drugs was submitted early in 2006 – market launch in Europe is planned to start early in 2007. We have offered infusion devices as well as products to administer infusion therapies and clinical nutrition for many years. With Clinico's product portfolio we add a comprehensive range of disposables to our devices and application systems. We have already taken the necessary initial steps to market these products internationally via our sales organizations in Europe as well as in Asia-Pacific and Latin America. In this way, not only do we immediately access these markets, but by using existing sales and marketing channels we also improve our returns on invested capital.

To create sustainable and profitable growth, we employ the strategy to extend our value-added chain. Both acquisitions broaden our global development and production network and expand our value-added chain. This has a positive effect on the quality of our products as well as on production costs. Labesfal has a high-tech production plant in Portugal. Its state-of-the-art technology and vast production capacity will make it our competence center for the production of intravenously administered drugs. Clinico has a development center and a tool-making site in Germany, as well as plants with advanced production technologies in Poland and China.

Clinco's and Labesfal's modern technologies ensure top-quality products.





The production of intravenously administered drugs requires a maximum level of technological know-how.