

Investor News

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Q1-3 2007: Excellent sales and earnings growth in all business segments – Strong third quarter – Outlook raised

- Sales € 8.4 billion,
+ 7 % at actual rates, + 11 % in constant currency
- EBIT € 1.2 billion,
+ 12 % at actual rates, + 17 % in constant currency
- Net income € 298 million,
+ 28 % at actual rates, + 32 % in constant currency

Outlook raised

Based on the Group's excellent financial results in the third quarter, Fresenius now expects net income to increase by more than 25 % in constant currency. Group sales are expected to grow by 9 to 10 % in constant currency. Previously, the Company expected net income to increase by ~25 % in constant currency and sales to grow by 8 to 10 % in constant currency.

Substantial growth: Group sales up 11 % in constant currency

In the first three quarters Group sales increased by 11 % in constant currency and by 7 % at actual rates to € 8,390 million (Q1-3 2006: € 7,843 million). Organic sales growth was 6 %. Acquisitions contributed a further 6 %. Divestitures reduced sales growth by 1 %. Currency translation had a negative impact of 4 %.

In North America sales grew by 14 % in constant currency due to the Renal Care Group consolidation and an organic growth rate of 6 %. In Europe sales grew by 7 % in constant currency with organic sales growth contributing 4 %. Strong growth rates were achieved

in the emerging markets with organic growth of 9 % in Asia-Pacific, 11 % in Latin America and 18 % in Africa.

in million €	Q1-3/ 2007	Q1-3/ 2006	Change at actual rates	Currency translation effects	Change at constant rates	Organic growth	Acquisitions/ Divestitures	% of total sales
Europe	3,528	3,297	7 %	0 %	7 %	4 %	3 %	42 %
North America	3,741	3,556	5 %	-9 %	14 %	6 %	8 %	45 %
Asia-Pacific	585	506	16 %	-4 %	20 %	9 %	11 %	7 %
Latin America	358	327	9 %	-3 %	12 %	11 %	1 %	4 %
Africa	178	157	13 %	-6 %	19 %	18 %	1 %	2 %
Total	8,390	7,843	7 %	-4 %	11 %	6 %	5 %	100 %

Excellent earnings growth: net income up 32 % in constant currency

Group EBITDA increased by 15 % in constant currency and by 10 % at actual rates to € 1,485 million (Q1-3 2006: € 1,350 million). Group operating income (EBIT) grew by 17 % in constant currency and by 12 % at actual rates to € 1,184 million (Q1-3 2006: € 1,060 million; adjusted for the gain from the divestiture of US dialysis clinics and one-time expenses related to the Renal Care Group acquisition: € 1,036 million). The Group's EBIT margin improved to 14.1 % (Q1-3 2006: 13.5 %).

Group net interest was € -279 million (Q1-3 2006: € -295 million, including one-time expenses of € 30 million for the early refinancing of Group debt).

The tax rate was 36.0 % (Q1-3 2006: 40.9 %; adjusted for the tax expense related to the divestiture of US dialysis clinics: 37.8 %).

Minority interest increased to € 281 million (Q1-3 2006: € 219 million), of which 93 % was attributable to the minority interest in Fresenius Medical Care.

Group net income grew strongly by 32 % in constant currency and by 28 % at actual rates to € 298 million (Q1-3 2006: € 233 million, including one-time expenses of € 16 million).

Earnings per ordinary share were € 1.92 and earnings per preference share were € 1.93 (Q1-3 2006 adjusted for the February 2007 share split: ordinary share € 1.52, preference share € 1.53). This represents an increase of 26 % for both share classes.

Investments at a high level of € 727 million

Fresenius Group spent € 485 million for property, plant and equipment and intangible assets (Q1-3 2006: € 374 million). Acquisitions were € 242 million (Q1-3 2006: € 3,537 million).

Strong cash flow

Operating cash flow increased by 55 % to € 912 million (Q1-3 2006: € 588 million), driven by the strong earnings increase. In 2006, tax payments associated with the divestiture of US dialysis clinics had a negative effect. The cash flow margin was 10.9 % (Q1-3 2006: 7.5 %). Cash flow before acquisitions and dividends nearly doubled to € 447 million (Q1-3 2006: € 228 million). Free cash flow after acquisitions (€ 182 million) and dividends (€ 191 million) was € 74 million (Q1-3 2006: € -2,986 million).

Balance sheet structure: Net debt/EBITDA ratio improved

Fresenius Group's total assets increased by 4 % in constant currency and just slightly at actual rates to € 15,054 million (December 31, 2006: € 15,024 million). Current assets increased by 4 % to € 4,266 million (December 31, 2006: € 4,106 million). Non-current assets were € 10,788 million (December 31, 2006: € 10,918 million).

Shareholders' equity including minority interest grew by 4 % to € 5,946 million (December 31, 2006: € 5,728 million). The equity ratio (including minority interest) was 39.5 % (December 31, 2006: 38.1 %).

Group debt decreased by 5 % at actual rates and 1 % in constant currency to € 5,596 million (December 31, 2006: € 5,872 million). The net debt/EBITDA ratio improved to 2.7 as of September 30, 2007, well below the level of 3.0 as of December 31, 2006.

Number of employees increased

As of September 30, 2007, Fresenius increased the number of its employees by 5 % to 110,379 (December 31, 2006: 104,872).

Fresenius Biotech

Fresenius Biotech develops innovative therapies with trifunctional antibodies for the treatment of cancer as well as cell therapies for the treatment of the immune system. In the field of polyclonal antibodies, Fresenius Biotech has successfully marketed ATG-Fresenius S for many years. ATG-Fresenius S is an immunosuppressive agent used to prevent and treat graft rejection following organ transplantation.

After successful completion of the phase II/III study with removab[®] in patients with malignant ascites, submission for marketing authorization with the European Medicines Agency (EMA) is expected for late 2007.

For the future marketing of removab in the USA and Japan, Fresenius Biotech is in discussions with potential partners.

Fresenius Biotech and Nabi Biopharmaceuticals agreed to terminate the agreement for the clinical development and marketing of ATG-Fresenius S in North America. Fresenius Biotech will assume responsibility for the clinical development and registration of ATG-Fresenius S in the US and continue with the ongoing phase III study.

In the first three quarters of 2007, Fresenius Biotech's operating income (EBIT) was € -33 million. For the full year 2007, Fresenius Biotech continues to expect EBIT of approximately € -50 million (2006: € -45 million).

The Business Segments

Fresenius Medical Care

Fresenius Medical Care is the world's leading provider of services and products for patients with chronic kidney failure. As of September 30, 2007, Fresenius Medical Care was serving 172,227 patients in 2,221 dialysis clinics.

in million US\$	Q1-3/2007	Q1-3/2006 as reported	Change
Sales	7,151	6,147	16 %
EBITDA	1,412	1,186	19 %
EBIT	1,152	964	19 %
Net Income	520	385	35 %
Employees	63,902 (30.9.2007)	59,996 (31.12.2006)	7 %

- **Strong organic sales growth of 7 %**
- **EBIT margin improved**
- **Earnings outlook now confirmed at upper end**

Fresenius Medical Care achieved strong sales growth of 16 % to US\$ 7,151 million (Q1-3 2006: US\$ 6,147 million). This was mainly driven by the strong organic growth of 7 % and by the consolidation of Renal Care Group (RCG). Sales in dialysis care increased by 16 % to US\$ 5,357 million (Q1-3 2006: US\$ 4,628 million). In dialysis products, sales grew by 18 % to US\$ 1,794 million (Q1-3 2006: US\$ 1,519 million).

In North America, sales growth was 14 % to US\$ 4,957 million (Q1-3 2006: US\$ 4,367 million). Sales outside North America ("International" segment) grew by 23 % (in constant currency: 15 %) to US\$ 2,194 million (Q1-3 2006: US\$ 1,780 million). This was driven by positive operating performance in Europe, the Asia-Pacific region and in Latin America.

EBIT rose by 19 % to US\$ 1,152 million (Q1-3 2006: US\$ 964 million; adjusted for the gain from the divestiture of US dialysis clinics and one-time expenses related to the RCG acquisition: US\$ 936 million). The EBIT margin was 16.1 % (Q1-3 2006: 15.7 %; adjusted 15.2 %). Net income increased by 35 % to US\$ 520 million (Q1-3 2006: US\$ 385 million, including one-time expenses of US\$ 20 million).

Fresenius Medical Care confirms its outlook for the full year 2007 and expects to achieve revenue of more than US\$ 9.5 billion. This represents an increase of at least 12 %. Net income was projected to be in the range of US\$ 685 million to US\$ 705 million in 2007. Based on the strong performance in the third quarter, Fresenius Medical Care now expects the net income to be at the upper end of this guidance.

For further information, please see Fresenius Medical Care's Investor News at www.fmc-ag.com.

Fresenius Kabi

Fresenius Kabi offers infusion therapies and clinical nutrition for seriously and chronically ill patients in the hospital and out-patient environments. The company is also a leading provider of transfusion technology products.

in million €	Q1-3/2007	Q1-3/2006	Change
Sales	1,494	1,404	6 %
EBITDA	299	270	11 %
EBIT	242	213	14 %
Net Income	132	101	31 %
Employees	16,852 (30.9.2007)	15,591 (31.12.2006)	8 %

- **Strong organic sales growth of 7 %**
- **EBIT margin improves by 100 basis points to 16.2 %**
- **2007 outlook fully confirmed**

Fresenius Kabi increased sales by 6 % to € 1,494 million (Q1-3 2006: € 1,404 million). Currency translation effects had a negative impact of 2 %. This was mainly due to the depreciation of currencies in South Africa, China and Canada. Organic growth was 7 %. In the third quarter of 2007, Fresenius Kabi achieved an excellent organic growth of 8 %.

In Europe (excluding Germany) organic sales growth was 5 %. In Germany organic sales growth was 1 %. In the Asia-Pacific region Fresenius Kabi achieved significant organic sales growth of 22 %. Organic sales growth in Latin America was 10 % and in other regions 10 %.

Fresenius Kabi continued its excellent earnings growth. EBIT grew by 14 % to € 242 million (Q1-3 2006: € 213 million). The EBIT margin improved to 16.2 % (Q1-3 2006: 15.2 %). Fresenius Kabi reported strong growth in net income of 31 % to € 132 million (Q1-3 2006: € 101 million, including one-time expenses for early debt refinancing of € 11 million).

Fresenius Kabi fully confirms its outlook for the full year 2007. Organic sales growth is projected to be well into the 6 to 8 % range. Continued very strong sales growth is anticipated in particular from the regions outside Europe. Based on the positive sales projection and further manufacturing and logistics improvements Fresenius Kabi expects an EBIT margin of 16.0 to 16.5 % in 2007.

Fresenius ProServe

Fresenius ProServe is a leading German hospital operator with 58 facilities. Moreover, the company offers engineering and services for hospitals and other health care facilities.

in million €	Q1-3/2007	Q1-3/2006	Change
Sales	1,601	1,526	5 %
EBITDA	165	153	8 %
EBIT	122	105	16 %
Net Income	53	44	20 %
Employees	28,889 (30.9.2007)	28,615 (31.12.2006)	1 %

- **HELIOS achieves further operating margin improvement**
- **VAMED wins contract worth more than € 100 million**
- **Sales guidance for 2007 fully confirmed, EBIT guidance increased**

Fresenius ProServe achieved sales growth of 5 % to € 1,601 million (Q1-3 2006: € 1,526 million). Organic growth was 1 %, held back by delayed project revenues at VAMED. Acquisitions contributed 9 % whereas divestitures, primarily Pharmaplan and Pharmatec, had a negative impact of 5 %.

EBIT increased by 16 % to € 122 million (Q1-3 2006: € 105 million).

Sales in hospital operations (HELIOS Kliniken Group) increased by 12 % to € 1,348 million (Q1-3 2006: € 1,204 million). HELIOS achieved strong organic growth of 3 %. EBIT increased by 18 % to € 111 million (Q1-3 2006: € 94 million). The EBIT margin improved by 40 basis points to 8.2 %. In the third quarter of 2007, HELIOS reached an excellent EBIT margin of 9.4 % (Q3 2006: 8.7 %).

In July 2007, HELIOS agreed to acquire the Mariahilf hospital in Hamburg. The completion of the transaction is currently delayed by a legal proceeding against the seller of the hospital.

Sales in the engineering and services business were € 253 million (Q1-3 2006: € 322 million). The decrease is mainly due to the divestitures of Pharmaplan and Pharmatec, which were deconsolidated as of January 1, 2007, and June 30, 2007, respectively. Organic growth in the first three quarters was -7 % due to project delays at VAMED. EBIT was € 13 million (Q1-3 2006: € 14 million).

Order intake in the engineering business was € 245 million (Q1-3 2006: € 291 million). The decrease was due to the deconsolidation of the above-mentioned companies and the postponement of orders. In the third quarter of 2007, order intake increased by 31 % compared to the prior-year figure. This was mainly attributable to a contract worth more

than € 100 million. The project includes the construction of a health and spa resort in Vienna/Austria. VAMED continues to expect an increase in its order intake in 2007 over 2006.

Due to its substantial order backlog of € 476 million (December 31, 2006: € 428 million) and its current view on the fourth quarter, VAMED remains confident to increase its sales in 2007 over 2006.

Based on the excellent financial results in 2007 to date, Fresenius ProServe raises its 2007 EBIT outlook from previously € ~170 million to more than € 170 million. The outlook for organic sales growth is confirmed at 2 to 3 %.

Analyst Meeting

As part of the publication of the results for the first three quarters of 2007, an analyst meeting will be held at the Fresenius headquarters in Bad Homburg on October 31, 2007 at 1:30 p.m. CET (8.30 a.m. EDT). All investors are cordially invited to follow the conference in a live broadcast over the Internet at www.fresenius.com / Investor Relations / Presentations. Following the meeting, a recording of the conference will be available as video-on-demand.

Quarterly financial report

The report for the third quarter and the first three quarters of 2007 will be available from November 14, 2007 at www.fresenius.com, see Investor Relations/Financial reports.

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Fresenius is a health care group with international operations, providing products and services for dialysis, hospital and outpatient medical care. In 2006 group sales were approx. € 10.8 billion. On September 30, 2007 the Fresenius Group had 110,379 employees worldwide.

For more information visit the Company's website www.fresenius.com.

This release 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 in this release.

Board of Management: Dr. Ulf M. Schneider (President and CEO), Rainer Baule, Andreas Gaddum, Dr. Jürgen Götz, Dr. Ben Lipps, Stephan Sturm
Supervisory Board: Dr. Gerd Krick (Chairman)
Registered Office: Bad Homburg, Germany
Commercial Register No. HRB 10660

Fresenius Group in Figures

Consolidated statement of income (US GAAP) (unaudited)

in million €	Q3/2007	Q3/2006	Q1-3/2007	Q1-3/2006
Sales	2,798	2,765	8,390	7,843
Cost of goods sold	-1,874	-1,890	-5,642	-5,386
Gross Profit	924	875	2,748	2,457
Selling, general and administrative expenses	-474	-456	-1,434	-1,283
Research and development expenses	-46	-40	-130	-114
Operating income (EBIT)	404	379	1,184	1,060
Net interest	-94	-101	-279	-295
Earnings before income taxes and minority interest	310	278	905	765
Income taxes	-112	-107	-326	-313
Minority interest	-95	-78	-281	-219
Net income	103	93	298	233
Basic earnings per ordinary share (in €) *	0.66	0.61	1.92	1.52
Fully diluted earnings per ordinary share (in €) *	0.66	0.60	1.90	1.50
Basic earnings per preference share (in €) *	0.66	0.61	1.93	1.53
Fully diluted earnings per preference share (in €) *	0.66	0.60	1.91	1.51
Average number of shares *				
Ordinary shares	77,471,861	76,491,856	77,338,119	76,349,607
Preference shares	77,471,861	76,491,856	77,338,119	76,349,607
EBITDA in million €	508	483	1,485	1,350
Depreciation and amortization (in million €)	104	104	301	290
EBIT in million €	404	379	1,184	1,060
EBITDA margin	18.2 %	17.5 %	17.7 %	17.2 %
EBIT margin	14.4 %	13.7 %	14.1 %	13.5 %

* Previous year's numbers adjusted for share split

Key figures of the balance sheet (US GAAP) (unaudited)

in million €	September 30, 2007	December 31, 2006	Change
Assets			
Current assets	4,266	4,106	4 %
thereof trade accounts receivable	2,110	2,088	1 %
thereof inventories	887	761	17 %
thereof cash and cash equivalents	319	261	22 %
Non-current assets	10,788	10,918	-1 %
thereof property, plant and equipment	2,854	2,712	5 %
thereof goodwill and other intangible assets	7,463	7,655	-3 %
Total assets	15,054	15,024	0 %
Liabilities and shareholders' equity			
Liabilities	9,108	9,296	-2 %
thereof trade accounts payable	432	464	-7 %
thereof accruals and other short-term liabilities	2,575	2,383	8 %
thereof debt	5,596	5,872	-5 %
Minority interest	2,631	2,560	3 %
Shareholders' equity	3,315	3,168	5 %
Total liabilities and shareholders' equity	15,054	15,024	0 %

Cash flow statement (US GAAP) (unaudited)

in million €	Q1-3/2007	Q1-3/2006	Change
Net income before minority interest	579	452	28 %
Depreciation and amortization	301	290	4 %
Change in accruals for pensions	12	8	50 %
Cash flow	892	750	19 %
Change in working capital	20	-162	112 %
Operating cash flow	912	588	55 %
Capital expenditure, net	-465	-360	-29 %
Cash flow before acquisitions and dividends	447	228	96 %
Cash used for acquisitions, net	-182	-3.055	94 %
Dividends paid	-191	-159	-20 %
Free cash flow after acquisitions and dividends	74	-2.986	102 %
Cash provided by/used for financing activities	-5	2.998	-100 %
Effect of exchange rates on change in cash and cash equivalents	-11	-9	-22 %
Net increase in cash and cash equivalents	58	3	

Segment reporting by business segment Q1-3 (US GAAP) (unaudited)

in million €	Fresenius Medical Care			Fresenius Kabi			Fresenius ProServe			Corporate/Other			Fresenius Group		
	Q1-3/ 2007	Q1-3/ 2006	Change	Q1-3/ 2007	Q1-3/ 2006	Change	Q1-3/ 2007	Q1-3/ 2006	Change	Q1-3/ 2007	Q1-3/ 2006	Change	Q1-3/ 2007	Q1-3/ 2006	Change
Sales	5,320	4,939	8%	1,494	1,404	6%	1,601	1,526	5%	-25	-26	4%	8,390	7,843	7%
thereof contribution to consolidated sales	5,318	4,935	8%	1,461	1,376	6%	1,597	1,521	5%	14	11	27%	8,390	7,843	7%
thereof intercompany sales	2	4	-50%	33	28	18%	4	5	-20%	-39	-37	-5%	0	0	
contribution to consolidated sales	63%	63%		18%	18%		19%	19%		0%	0%		100%	100%	
EBITDA	1,051	953	10%	299	270	11%	165	153	8%	-30	-26	-15%	1,485	1,350	10%
Depreciation and amortization	194	178	9%	57	57	0%	43	48	-10%	7	7	0%	301	290	4%
EBIT	857	775	11%	242	213	14%	122	105	16%	-37	-33	-12%	1,184	1,060	12%
Net interest	-209	-205	-2%	-37	-55	33%	-33	-31	-6%	0	-4	100%	-279	-295	5%
Net income	387	309	25%	132	101	31%	53	44	20%	-274	-221	-24%	298	233	28%
Operating cash flow	662	374	77%	119	156	-24%	177	115	54%	-46	-57	19%	912	588	55%
Cash flow before acquisitions and dividends	391	155	152%	33	91	-64%	74	46	61%	-51	-64	20%	447	228	96%
Debt¹⁾	3,888	4,236	-8%	968	880	10%	951	932	2%	-211	-176	-20%	5,596	5,872	-5%
Total assets¹⁾	9,706	9,905	-2%	2,136	1,965	9%	3,098	3,108	0%	114	46	148%	15,054	15,024	0%
Capital expenditure	287	232	24%	76	66	15%	116	69	68%	6	7	-14%	485	374	30%
Acquisitions	110	3,410	-97%	41	8	--	84	119	-29%	7	0	0%	242	3,537	-93%
Research and development expenses	32	30	7%	61	51	20%	1	--	--	36	33	9%	130	114	14%
Employees (per capita on balance sheet date)¹⁾	63,902	59,996	7%	16,852	15,591	8%	28,889	28,615	1%	736	670	10%	110,379	104,872	5%
Key figures															
EBITDA margin	19.7%	19.3%		20.0%	19.2%		10.3%	10.0%					17.7%	17.2%	
EBIT margin	16.1%	15.7%		16.2%	15.2%		7.6%	6.9%					14.1%	13.5%	
ROOA ¹⁾	12.3%	11.3% ²⁾		17.8%	17.3%		6.1%	6.9%					11.3%	10.4% ²⁾	
Depreciation and amortization in % of sales	3.6%	3.6%		3.8%	4.1%		2.7%	3.1%					3.6%	3.7%	
Operating cash flow in % of sales	12.4%	7.6%		8.0%	11.1%		11.1%	7.5%					10.9%	7.5%	

¹⁾ 2006: December 31

²⁾ Calculation is based on the pro forma EBIT which does not include the gain on the sale of Fresenius Medical Care dialysis clinics

Segment reporting by business segment Q3 (US GAAP) (unaudited)

in million €	Fresenius Medical Care			Fresenius Kabi			Fresenius ProServe			Corporate/Other			Fresenius Group		
	Q3/2007	Q3/2006	Change	Q3/2007	Q3/2006	Change	Q3/2007	Q3/2006	Change	Q3/2007	Q3/2006	Change	Q3/2007	Q3/2006	Change
Sales	1,766	1,757	1%	508	467	9%	532	552	-4%	-8	-11	27%	2,798	2,765	1%
thereof contributing to consolidated sales	1,765	1,755	1%	497	457	9%	531	550	-3%	5	3	67%	2,798	2,765	1%
thereof intercompany sales	1	2	-50%	11	10	10%	1	2	-50%	-13	-14	7%	0	0	
contribution to consolidated sales	63%	63%		18%	17%		19%	20%		0%	0%		100%	100%	
EBITDA	354	337	5%	102	93	10%	64	63	2%	-12	-10	-20%	508	483	5%
Depreciation and amortization	65	63	3%	19	19	0%	17	20	-15%	3	2	50%	104	104	0%
EBIT	289	274	5%	83	74	12%	47	43	9%	-15	-12	-25%	404	379	7%
Net interest	-69	-78	12%	-13	-12	-8%	-12	-10	-20%	-	-1	100%	-94	-101	7%
Net income	132	109	21%	45	41	10%	22	21	5%	-96	-78	-23%	103	93	11%
Operating cash flow	280	120	133%	57	76	-25%	45	47	-4%	-23	-28	18%	359	215	67%
Cash flow before acquisitions and dividends	189	31	--	25	47	-47%	3	19	-84%	-26	-29	10%	191	68	--
Capital expenditure	98	91	8%	32	29	10%	46	28	64%	5	1	--	181	149	21%
Acquisitions	20	5	--	3	0	0%	0	119	-100%	-2	0	--	21	124	-83%
Research and development expenses	11	9	22%	21	19	11%	-	-	--	14	12	17%	46	40	15%
Key figures															
EBITDA margin	20.0%	19.2%		20.1%	19.9%		12.0%	11.4%					18.2%	17.5%	
EBIT margin	16.4%	15.6%		16.3%	15.8%		8.8%	7.8%					14.4%	13.7%	
Depreciation and amortization in % of sales	3.7%	3.6%		3.7%	4.1%		3.2%	3.6%					3.7%	3.8%	
Operating cash flow in % in sales	15.9%	6.8%		11.2%	16.3%		8.5%	8.5%					12.8%	7.8%	