



P R E S S R E L E A S E

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Fresenius Kabi recognized by Frost & Sullivan for Competitive Strategy Leadership in Clinical Nutrition

The global growth consulting company, Frost & Sullivan, has presented Fresenius Kabi with the 2005 Competitive Strategy Leadership of the Year Award. In San Francisco, California, the company received the award for the successful implementation and execution of its growth strategy in the field of clinical nutrition.

Fresenius Kabi is the leader in infusion therapy and clinical nutrition in Europe as well as in its key countries in Asia Pacific and Latin America.

“The company has developed very successfully within the Fresenius Group over the past years. Between 2002 and 2004, the company’s contribution to the Fresenius Group’s net income climbed from 22 % to 47 %”, says Frost & Sullivan research analyst Vanita Khetan. Between 2002 and 2004, the net income of Fresenius Kabi more than doubled from € 30 million to € 79 million.

Vanita Khetan: “The company has successfully positioned itself in clinical nutrition. This is a particularly important and growing area as patients in hospitals are frequently malnourished.” A European Council’s report confirms that approximately 30 % of patients in European hospitals are malnourished.

Nutrition program sets international standards

For therapeutic efficacy, sufficient and high quality clinical nutrition is essential. Malnourishment can lead to longer rehabilitation times and increased mortality rates.

Frost & Sullivan stated: "Fresenius Kabi has taken the initiative in the field of clinical nutrition. With its program "Good Nutrition Practice" the company sets new international standards in nutrition therapy. In collaboration with an international team of experts, Fresenius Kabi develops a series of measures aimed at identifying patients at risk, determining their nutritional needs and monitoring their nutritional status."

Since the 1960's, Fresenius Kabi has significantly influenced the development of clinical nutrition therapies and products. Today, Fresenius Kabi is the only company that offers infusion solutions for parenteral nutrition (nutrition via the vein) as well as products for enteral nutrition (via the gastro-intestinal tract) and the respective medical devices for their application on an international level.

A network of highly automated regional and supra-regional production plants enables the company to quickly fulfil customers' needs.

Growth strategy successfully executed

Fresenius Kabi's growth strategy is comprised of strong organic growth as well as growth via selective acquisitions selected to expand both its core business portfolio and its regional presence.

At the beginning of this year, the acquisition of the Portuguese company, Labesfal opened up further growth opportunities in the attractive intravenously administered drugs field. Also, Fresenius Kabi will further expand its position in China by increasing its 65 % stake in the Beijing Fresenius Kabi Pharmaceutical Co., Ltd. (BFP) joint venture to 100 %. "Fresenius Kabi has adopted a strong growth strategy to compete with other major companies. Overall, Fresenius Kabi has demonstrated

excellent applications of competitive strategy leadership for market shares”, says Frost & Sullivan. “This makes the company a worthy recipient of the 2005 World Clinical Nutrition Competitive Leadership of the Year Award.”

Frost & Sullivan presents this Award each year to a company who has executed an innovative strategy to capture or solidify its market presence.

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Fresenius Kabi is the leader in Infusion Therapy and Clinical Nutrition in Europe and in its most important countries of Latin America and Asia Pacific. Fresenius Kabi’s core product range includes infusion solutions for fluid substitution, blood volume replacement, intravenously administered drugs as well as parenteral and enteral nutrition. Furthermore, the company offers medical devices for the application of Infusion Therapy and Clinical Nutrition and Infusion Management. In addition, Fresenius Kabi is active in the field of Transfusion Technology, supplying blood processing systems as well as blood bags and filters. Fresenius Kabi is focused on the therapy and care of critically and chronically ill patients in and outside the hospital.

The company has more than 11,500 employees worldwide and has a global network of 50 sales organizations and 35 production sites. Fresenius Kabi achieved sales of € 1,491 million and an operating profit of € 176 million in 2004. Fresenius Kabi AG is a 100% subsidiary of the health care group Fresenius AG.

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 AG does not undertake any responsibility to update the forward-looking statements in this release.