

**Analysts Meeting and
Live video webcast today**

**Fresenius Medical Care
at 2.30 p.m. CET / 8.30 a.m. EDT**

**Fresenius AG
at 4.30 p.m. CET / 10.30 a.m. EDT**



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Contact:

Birgit Grund

Fresenius AG

Investor Relations

Tel. ++49 - 6172 - 608 2485

Fax ++49 - 6172 - 608 2488

e-mail: ir-fre@fresenius.de

Internet: www.fresenius-ag.com

Fresenius Investor News

First quarter 2005:

Excellent start for Fresenius Group into fiscal year 2005 (see p. 2)

- Sales € 1.79 billion, + 6 % in constant currency, + 4 % at actual rates
- EBIT € 212 million, + 10 % in constant currency, + 8 % at actual rates
- Net income € 46 million, + 21 % in constant currency, + 18 % at actual rates

- Strong sales and earnings growth at Fresenius Medical Care, in particular in North America and Europe
- Significant EBIT margin increase at Fresenius Kabi; return to positive sales growth in Germany accomplished
- Earnings improvement at Fresenius ProServe

Fresenius Medical Care to acquire Renal Care Group, Inc. (see p. 8)

- Excellent strategic and geographic fit to Fresenius Medical Care's US operations
- On a combined basis more than 156,000 patients in over 2,000 dialysis clinics worldwide
- Anticipated neutral to slightly earnings accretive in 2006 and clearly accretive in 2007 and thereafter

Fresenius Medical Care to propose conversion of preference shares into ordinary shares in combination with a change of the company's legal form into a KGaA (see p. 8)

- Strategic step that increases the financial flexibility of Fresenius Medical Care to exploit future growth opportunities
- Move toward a single share class will improve trading liquidity and the overall attractiveness of the ordinary shares
- Fresenius AG retains management control and continues to fully consolidate Fresenius Medical Care in its financial statements

First quarter 2005: Excellent start for Fresenius Group into fiscal year 2005

2005 Group outlook confirmed

Based on the excellent business performance in the first quarter, Fresenius confirms its positive 2005 full-year outlook before the impact of the Renal Care Group acquisition. Fresenius expects a constant-currency sales increase of 6 to 9 %. Net income is projected to grow by 15 to 20 % in constant currency. All business segments are expected to contribute to this increase.

Sustained sales growth

In the first quarter of 2005, group sales increased 6 % in constant currency. Organic growth contributed 4 % and acquisitions 3 % to this increase. Currency translation effects had a -2 % and disinvestments a -1 % effect on sales. At actual rates, sales were € 1,787 million, an increase of 4 % (Q1 2004: € 1,720 million).

Excellent constant-currency sales growth was achieved in North America (+8 %), in Latin America (+22 %) and in Africa (+53 %). Asia-Pacific had excellent sales growth for Fresenius Kabi offset by Fresenius ProServe's low project volume in this region compared to 2004.

in million €	Q1/05	Q1/04	Change	Change at constant rates	Organic growth	Currency translation effects	Acquisitions/Divestitures	% of total sales
Europe	711	687	3%	3%	1%	0%	2%	40%
North America	847	819	3%	8%	7%	-5%	1%	47%
Asia-Pacific	116	129	-10%	-9%	-8%	-1%	-1%	7%
Latin America	72	59	22%	22%	10%	0%	12%	4%
Africa	41	26	58%	53%	48%	5%	5%	2%
Total	1,787	1,720	4%	6%	4%	-2%	2%	100%

Sales contribution of the three business segments:

	Q1/2005	Q1/2004
Fresenius Medical Care	68%	68%
Fresenius Kabi	22%	21%
Fresenius ProServe	10%	11%

Strong earnings growth

Fresenius achieved excellent growth rates in earnings: EBITDA rose 8 % in constant currency and 6 % at actual rates to € 284 million (Q1 2004: € 269 million). EBIT rose 10 % in constant currency and 8 % at actual rates to € 212 million (Q1 2004: € 197 million). The EBIT margin further improved to 11.9 % in the first quarter 2005 (Q1 2004: 11.5 %).

Net interest expense improved to € -47 million (Q1 2004: € -52 million) due to a lower debt level compared to the first quarter of 2004 in combination with lower interest rates and minor currency translation effects.

The tax rate for the first quarter of 2005 was 39.4 % (Q1 2004: 40.0 %), in line with the full-year expectation of 39 to 40 %.

Minority interest increased to € 54 million (Q1 2004: € 48 million). Minority shareholders in Fresenius Medical Care accounted for 96 % of minority interests.

Net income rose 21 % in constant currency and 18 % at actual rates to € 46 million (Q1 2004: € 39 million). EBIT growth at Fresenius Medical Care and Fresenius Kabi as well as lower interest expenses were key drivers for this increase.

Earnings per ordinary share were € 1.11 (Q1 2004: € 0.94). Earnings per preference share were € 1.12 (Q1 2004: € 0.95). EPS increased by 18 % for both share classes.

Investments on target

Group investments in the first quarter of 2005 were € 229 million. As expected, this was a significant increase from the same period of the previous year (Q1 2004: € 89 million). € 48 million was spent for property, plant and equipment and intangible assets (Q1 2004: € 48 million) and € 181 million for acquisitions (Q1 2004: € 41 million).

Solid cash flow performance

Operating cash flow decreased 8 % to € 168 million (Q1 2004: € 182 million) despite the excellent quarterly earnings. This was mainly due to higher income tax payments of Fresenius Medical Care in North America. Free cash flow before acquisitions was € 126 million (Q1 2005: € 136 million). Free cash flow after acquisitions and dividends was € -9 million (Q1 2004: € 98 million).

Solid balance sheet structure

Total assets increased 5 % to € 8,625 million (December 31, 2004: € 8,188 million). In constant currency, total assets grew by 3 %. Current assets increased 7 % to € 2,939 million, mainly due to acquisitions (December 31, 2004: € 2,755 million). In constant currency current assets rose 5 %.

Group debt rose 3 % to € 2,813 million as of March 31, 2005, primarily as a result of acquisitions. (December 31, 2004: € 2,735 million). In constant currency the increase was 1 %.

Based on the positive EBITDA development, the ratio net debt/EBITDA remained almost unchanged at 2.3 as of March 31, 2005 despite the increased debt level (December 31, 2004: 2.2).

Shareholders' equity including minority interests rose 7 % to € 3,565 million compared to € 3,347 million on December 31, 2004. The equity ratio including minority interest improved to 41.3 % (December 31, 2004: 40.9 %).

Employee numbers continue to grow

As of March 31, 2005, the Group had 69,874 employees worldwide, an increase of 2 % (December 31, 2004: 68,494).

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 suppress graft rejection following an organ transplantation.

In the field of cancer treatment, the final results of two Phase I studies will be presented on May 17, 2005 during the 41st Annual Meeting of the American Society of Clinical Oncology (ASCO):

- the use of the antibody removab[®] in peritoneal carcinomatosis and
- the use of the antibody rexomun[®] in breast cancer.

A Phase II study for the treatment of breast cancer and a phase II study for the treatment of gastric cancer are now in preparation following the encouraging results. The studies are scheduled to commence at the end of 2005.

For 2005, Fresenius Biotech continues to expect an EBIT in the range of € -35 to € -40 million, largely due to the expanded clinical study program.

The Business Segments

Fresenius Medical Care

Fresenius Medical Care is the world's leading provider of products and services for patients with chronic kidney failure. As of March 31, 2005, Fresenius Medical Care treated about 125,900 patients (+5 %) in 1,630 dialysis clinics (+4 %).

in million US\$	Q1/2005	Q1/2004	Change
Sales	1,609	1,459	10%
EBITDA	280	255	10%
EBIT	220	198	11%
Net income	107	91	18%
Employees	47,591 (Mar 31, 2005)	46,949 (Dec 31, 2004)	1%

- Excellent growth in sales and earnings continued
- Successful business performance in North America and Europe
- 2005 outlook confirmed

Fresenius Medical Care achieved excellent sales growth of 10 % to US\$ 1,609 million in the first quarter of 2005 (Q1 2004: US\$ 1,459 million). In constant currency, sales rose 9 %. Organic sales growth was 7 %.

In North America Fresenius Medical Care increased revenues by 9 % to US\$ 1,088 million (Q1 2004: US\$ 1,003 million). Sales outside North America (the "International" segment) rose 14 % (in constant currency: 8 %) to US\$ 521 million (Q1 2004: US\$ 456 million) mainly due to the very positive business performance in Europe.

Sales in dialysis care rose 10 % to US\$ 1,162 million (Q1 2004: US\$ 1,058 million). In the first quarter of 2005, Fresenius Medical Care performed about 4.72 million dialysis treatments, an increase of 3 %. This includes 3.25 million treatments in North America (+3 %) and 1.47 million outside North America (+5 %). In dialysis products, Fresenius Medical Care achieved sales growth of 11 % to US\$ 447 million (Q1 2004: US\$ 401 million).

Fresenius Medical Care's EBIT increased by 11 % to US\$ 220 million (Q1 2004: US\$ 198 million), the EBIT margin was 13.7 %. Net income increased 18 % to US\$ 107 million in the first quarter of 2005.

For the year 2005, Fresenius Medical Care confirms its outlook before the impact of the Renal Care Group acquisition. The company expects a revenue growth at constant currency between 6 and 9 % and net income growth in the low double-digit range.

For more information, see Fresenius Medical Care 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 environment. The company is also a leading provider of transfusion technology products.

in million €	Q1/2005	Q1/2004	Change
Sales	398	362	10%
EBITDA	71	58	22%
EBIT	52	41	27%
Net income	24	18	33%
Employees	12,355 (Mar 31, 2005)	11,577 (Dec 31, 2004)	7%

- Profitability significantly increased; EBIT margin of 13.1 % achieved
- Positive sales performance in Germany
- 2005 outlook confirmed

The acquisition of the Portuguese company Labesfal announced in early January was successfully closed in the first quarter of 2005. Labesfal manufactures and markets intravenously administered drugs (I.V. drugs). The company is consolidated in the financial statements of Fresenius Kabi as of January 1, 2005.

Sales at Fresenius Kabi rose 10 % in the first quarter of 2005 to € 398 million (Q1 2004: € 362 million). The company achieved good organic growth of 5 %. Acquisitions, mainly Labesfal, contributed 5 % to sales. Currency translation effects increased sales by 1 %, divestitures had a -1 % effect.

The development in the German market was positive. Fresenius Kabi was able to increase sales by 2 % after a decrease of 5 % in the first quarter 2004 which was a result of health care reform. Sales in the rest of Europe rose 12 %, mainly due to acquisitions. The Asian-Pacific region posted strong organic growth of 14 %.

Earnings developed positively in the first quarter of 2005. EBIT rose 27 % to € 52 million (Q1 2004: € 41 million). The EBIT margin was 13.1 % in the first quarter of 2005, an increase of 180 basis points compared to the first quarter of 2004 (11.3 %) and 90 basis points compared to the fourth quarter of 2004 (12.2 %).

Fresenius Kabi confirms its outlook for 2005. Including the Labesfal acquisition, constant-currency sales are expected to increase by about 10 % and the EBIT margin is projected to increase to >13 %.

Fresenius ProServe

Fresenius ProServe offers services for international health care systems, including hospital management, the planning and construction of hospitals and pharmaceutical and medical-technical production plants.

in million €	Q1/2005	Q1/2004	Change
Sales	171	199	-14%
EBITDA	9	8	13%
EBIT	3	1	200%
Net income	-1	-4	75%
Employees	9,355 (Mar 31, 2005)	9,398 (Dec 31, 2004)	0%

- Earnings improvement accomplished
- Decline in sales due to restrained order situation in project business
- 2005 outlook confirmed

Fresenius ProServe achieved sales in the first quarter of 2005 of € 171 million (Q1 2004: € 199 million). On a comparable basis (excluding the nursing home business sold in 2004 and the discontinued international hospital management business), the sales decrease would have been 10 %. This decrease mainly resulted from the delayed closing of projects in the hospital engineering and services business (VAMED). Continued investment caution of the pharmaceutical industry led to lower sales in pharmaceutical engineering and services (Pharmaplan). Sales in the hospital management business met expectations (Wittgensteiner Kliniken).

In the first quarter of 2005, Fresenius ProServe increased EBIT to € 3 million (Q1 2004: € 1 million; before one-time expenses: € 2 million).

Order intake in the first quarter of 2005 was € 47 million (Q1 2004: € 70 million). For the full year 2005, Fresenius ProServe expects order intake to increase compared to 2004. The bulk of new orders is expected to be acquired in the third and fourth quarters of 2005.

Fresenius ProServe confirms its outlook for 2005 and expects an EBIT between € 20 and € 25 million. Organic sales growth is expected to be in the range of 5 to 8 %.

Fresenius Medical Care to acquire Renal Care Group, Inc.

Fresenius Medical Care today announced that it has entered into a definitive agreement to acquire Renal Care Group, Inc., (NYSE: RCI), Nashville, Tennessee, for a price of US\$ 48.00 per share in cash. The total net consideration for the acquisition of all outstanding shares of Renal Care Group is US\$ 3.5 billion, which will be all-debt financed. The acquisition is anticipated to be neutral to slightly accretive to earnings in 2006 and clearly accretive to earnings in 2007 and thereafter.

Renal Care Group is a fast-growing, highly profitable dialysis service provider that will be an attractive complement to Fresenius Medical Care's US business. In 2004, Renal Care Group's revenue was approx. US\$ 1.35 billion with an EBIT of US\$ 254 million, net income was US\$ 122 million. As of March 31, 2005, Renal Care Group owned more than 425 dialysis clinics and served over 30,400 patients. Through the combination with Renal Care Group, Fresenius Medical Care will be well positioned to create additional growth potential for its dialysis product business and will provide opportunities to successfully leverage its cost leadership position in dialysis products and services.

Fresenius Medical Care plans to finance the acquisition primarily through an extension of its senior credit agreement. The existing US\$ 1.2 billion credit agreement will be replaced by a US\$ 5.0 billion senior credit facility. Financing commitments have been received from Bank of America and Deutsche Bank, and are subject to customary conditions.

The transaction is subject to the approval of Renal Care Group's shareholders and other customary closing conditions, including the expiration of the waiting period under the Hart-Scott Rodino Antitrust Improvements Act.

For further details please see separate Investor News of Fresenius Medical Care at www.fmc-ag.com

Fresenius Medical Care to propose conversion of preference shares into ordinary shares in combination with a change of the company's legal form into a KGaA

Fresenius Medical Care further announced its intention to offer the holders of the company's approx. 26.4 million preference shares the opportunity to convert these into ordinary shares. The preference shareholders who participate in this program pay a "premium" of € 12.25 per share for the conversion. Furthermore, the company will ask its ordinary shareholders to approve a change of the legal form from an "Aktiengesellschaft" (AG) to a "Kommanditgesellschaft auf Aktien" (KGaA).

As part of the transformation of legal form, a subsidiary of Fresenius AG in the legal form of an "Aktiengesellschaft" (stock corporation under German law) will be established as general partner of the Fresenius Medical Care AG & Co. KGaA. The Management Board of the general partner – which will be identical with the current Management Board of Fresenius Medical Care – will assume the management of Fresenius Medical Care. As long as Fresenius AG maintains ownership of more than 25 % of the share capital of the company, Fresenius AG will retain its current controlling position and fully consolidate the company in its financial statements.

The proposed change in the legal form of Fresenius Medical Care will allow to continue the high standards of corporate governance and transparency as today.

For further details please see separate Investor News of Fresenius Medical Care at www.fmc-ag.com

Live video webcast of the Analyst Meeting

Instead of a Conference Call only, Fresenius AG and Fresenius Medical Care will host an Analyst Meeting on May 04, 2005 at the headquarters in Bad Homburg, Germany.

The Fresenius Medical Care Analyst Meeting will be at 2.30pm CET / 8.30am EDT. The live video webcast of the meeting at Fresenius Medical Care's website can be followed at www.fmc-ag.com in the "Investor Relations" section.

The Fresenius AG Analyst Meeting will be at 4.30pm CET / 10.30am EDT. The live video webcast of the meeting at Fresenius AG's website can be followed at www.fresenius-ag.com in the "Investor Relations / Presentations" section.

A replay of both webcasts will be available shortly after each meeting.

Quarterly report

The complete quarterly report from the first quarter 2005 will be available beginning on May 13, 2005 on the Internet at www.fresenius-ag.com / Investor Relations / Publications.

This release contains forward-looking statements that are subject to certain risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to various factors, e.g., changes in the business, economic and competitive environment, 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.

Fresenius Group in Figures

Consolidated statement of income (unaudited)

in million €	Q1/2005	Q1/2004
Sales	1,787	1,720
Cost of goods sold	-1,188	-1,167
Gross profit	599	553
Selling, general and administrative expenses	-354	-325
Research and development expenses	-33	-31
Operating income (EBIT)	212	197
Net interest	-47	-52
Earnings before income taxes and minority interest	165	145
Income taxes	-65	-58
Minority interest	-54	-48
Net income	46	39
Basic earnings per ordinary share (in €)	1.11	0.94
Fully diluted earnings per ordinary share (in €)	1.10	0.94
Basic earnings per preference share (in €)	1.12	0.95
Fully diluted earnings per preference share (in €)	1.11	0.95

Average number of shares		
Ordinary shares	20,491,423	20,484,842
Preference shares	20,491,423	20,484,842
EBIT (in million €)	212	197
Depreciation and amortization (in million €)	72	72
EBITDA (in million €)	284	269
EBIT margin	11.9%	11.5%
EBITDA margin	15.9%	15.6%

Key figures of the balance sheet (unaudited)

in million €	Mar 31, 2005	Dec 31, 2004	Change
Assets			
Current assets	2,939	2,755	7%
thereof trade accounts receivable	1,620	1,528	6%
thereof inventories	669	619	8%
thereof cash and cash equivalents	146	140	4%
Non-current assets	5,686	5,433	5%
thereof property, plant and equipment	1,725	1,696	2%
thereof goodwill and other intangible assets	3,641	3,385	8%
Total assets	8,625	8,188	5%
Liabilities and shareholders' equity			
Liabilities	5,060	4,841	5%
thereof trade accounts payable	282	273	3%
thereof accruals and other short-term liabilities	1,532	1,427	7%
thereof debt	2,813	2,735	3%
Minority interest	1,874	1,744	7%
Shareholders' equity	1,691	1,603	5%
Total liabilities and shareholder's equity	8,625	8,188	5%

Cash flow statement (unaudited)

in million €	Q1/2005	Q1/2004	Change
Net income before minority interest	100	87	15%
Depreciation and amortization	72	72	0%
Change in accruals for pensions	4	6	
Cash flow	176	165	7%
Change in working capital	-8	17	
Operating cash flow	168	182	-8%
Capital expenditure, net	-42	-46	9%
Free cash flow before acquisitions and dividends	126	136	-7%
Cash used for acquisitions, net	-135	-37	-265%
Dividends paid	0	-1	100%
Free cash flow after acquisitions and dividends	-9	98	-109%
Cash provided by/used for financing activities	13	-73	116%
Effect of exchange rates on change in cash and cash equivalents	2	2	0%
Net increase in cash and cash equivalents	6	27	

Segment reporting

in million €	Fresenius Medical Care			Fresenius Kabi			Fresenius ProServe			Corporate/Other			Group		
	Q1/2005	Q1/2004	Change	Q1/2005	Q1/2004	Change	Q1/2005	Q1/2004	Change	Q1/2005	Q1/2004	Change	Q1/2005	Q1/2004	Change
Sales	1,228	1,168	5%	398	362	10%	171	199	-14%	-10	-9	-11%	1,787	1,720	4%
thereof contribution to consolidated sales	1,222	1,161	5%	391	356	10%	170	199	-15%	4	4	0%	1,787	1,720	4%
thereof intercompany sales	6	7	-14%	7	6	17%	1	0		-14	-13	-8%	0	0	
contribution to consolidated sales	68%	68%		22%	21%		10%	11%		0%	0%		100%	100%	
EBITDA	213	204	4%	71	58	22%	9	8	13%	-9	-1	--	284	269	6%
Depreciation and amortization	45	45	0%	19	17	12%	6	7	-14%	2	3	-33%	72	72	0%
EBIT	168	159	6%	52	41	27%	3	1	200%	-11	-4	-175%	212	197	8%
Net interest	-32	-37	14%	-12	-11	-9%	-3	-2	-50%	0	-2	100%	-47	-52	10%
Net income	82	73	12%	24	18	33%	-1	-4	75%	-59	-48	-23%	46	39	18%
Operating cash flow	105	137	-23%	38	36	6%	18	12	50%	7	-3	--	168	182	-8%
Free cash flow before acquisitions and dividends	75	104	-28%	31	30	3%	16	6	167%	4	-4	200%	126	136	-7%
Debt*	1,807	1,820	-1%	844	709	19%	211	222	-5%	-49	-16	--	2,813	2,735	3%
Total assets*	6,089	5,845	4%	1,726	1,518	14%	753	742	1%	57	83	-31%	8,625	8,188	5%
Capital expenditure	33	34	-3%	11	6	83%	2	6	-67%	2	2	0%	48	48	0%
Acquisitions	17	38	-55%	163	0		1	3	-67%	0	0		181	41	--
Research and development expenses	10	10	0%	14	13	8%	0	0		9	8	13%	33	31	6%
Employees (per capita on balance sheet date)*	47,591	46,949	1%	12,355	11,577	7%	9,355	9,398	0%	573	570	1%	69,874	68,494	2%
Key figures															
EBITDA margin	17.4%	17.5%		17.8%	16.0%		5.3%	4.0%					15.9%	15.6%	
EBIT margin	13.7%	13.6%		13.1%	11.3%		1.8%	0.5%					11.9%	11.5%	
ROOA*	12.1%	11.8%		14.7%	13.4%		1.9%	1.5%					11.0%	11.1%	
Depreciation and amortization as % of sales	3.7%	3.9%		4.8%	4.7%		3.5%	3.5%					4.0%	4.2%	

* 2004: December 31