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Calea Nederland N.V.

Financial statements for
publication purposes 2007

Adopted by the General Meeting of

Shareholders dated. *20/01/2008*



Calea Nederland N.V.

Report on the 2007 financial
statements

KPMG Accountants N.V.
Eindhoven, 18 August 2008
This report contains 15 pages
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To the management of
Calea Nederland N.V.
's-Hertogenbosch

Eindhoven, 18 August 2008

Dear Sirs,

We are pleased to submit our report concerning the compilation of the financial statements for the year 2007 of your company.

Compilation report

Introduction

On the basis of information provided by the company's management, we have compiled the financial statements of Calea Nederland N.V., 's-Hertogenbosch, for the year 2007. The accuracy and completeness of the information provided and the financial statements based thereon are the responsibility of the company's management. Our responsibility is to issue a compilation report on these financial statements.

Scope

We have compiled the financial statements in accordance with Dutch law, including Standard 4410 'Engagements to compile financial statements'. Our procedures were limited primarily to gathering, processing, classifying and summarising financial information. These procedures do not provide the same level of assurance about whether the financial statements are free of material misstatement as that provided by an audit or a review.

Confirmation

Based on the information provided to us, we have compiled the financial statements in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Should you require any additional information, please do not hesitate to contact us.

Yours faithfully,

KPMG ACCOUNTANTS N.V.



M.J.A. Verhoeven RA

Balance sheet as at 31 December 2007*(before profit appropriation)*

		2007		2006	
		EUR	EUR	EUR	EUR
Fixed assets					
Tangible fixed assets	1	32,543		46,068	
			32,543		46,068
Current assets					
Inventories		258,564		282,880	
Trade and other receivables	2	2,453,351		1,910,892	
Cash and cash equivalents	3	5,265		82,792	
			2,717,180		2,276,564
			2,749,723		2,322,632
Shareholder's equity					
Issued capital	4	45,378		45,378	
Share premium reserve	5	4,356,290		4,356,290	
Accumulated deficit	6	-2,672,495		-2,905,502	
Retained earnings	7	567,524		233,007	
			2,296,697		1,729,173
Current liabilities					
	8		453,026		593,459
			2,749,723		2,322,632

Profit and loss account for the year ended 31 December 2007

	2007		2006	
	EUR	EUR	EUR	EUR
Net turnover		2,907,959		2,593,224
Costs of raw materials and consumables	1,649,680		1,332,580	
Costs of outsourced work and other external costs	226,594		623,549	
Wages and salaries	268,451		270,028	
Social security charges	9 39,980		45,508	
Depreciation on tangible fixed assets	13,525		17,023	
Total operating expenses		2,198,230		2,288,688
Operating result		709,729		304,536
Interest receivable and similar income	49,959		26,321	
Interest payable and similar charges	696		1,202	
		49,263		25,119
Result before taxation		758,992		329,655
Taxation on result		191,468		96,648
Net result		567,524		233,007

Notes to the 2007 financial statements

General

Relationship with parent company and principal activities

The company, statutory seated in 's-Hertogenbosch, is a public limited company. The ultimate parent company is Fresenius SE, Bad Homburg, Germany.

The principal activities of the company consist of the sale of products and services on homecare.

Basis of preparation

The financial statements are prepared on the basis of the legal requirements as set out in part 9 of Book 2 of the Netherlands Civil Code.

The principles applied for the valuation of assets and liabilities and determination of the result are based on the historical cost convention.

Principles for the valuation of assets and liabilities and the determination of result

Accounting policies

If not stated otherwise, assets and liabilities are shown at nominal value.

An asset is disclosed in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be reliably measured. A liability is disclosed in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

If a transaction results in a transfer of future economic benefits and or when all risks relating to assets or liabilities transfer to a third party, the asset or liability is no longer included in the balance sheet. Assets and liabilities are not included in the balance sheet if economic benefits are not probable or cannot be measured with sufficient reliability.

The income and expenses are accounted for in the period to which they relate. Revenue is recognised when the company has transferred to the buyer the significant risks and rewards of ownership of the goods.

The preparation of the financial statements requires the management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

Principles for the translation of foreign currencies

The reporting currency in the financial statements of Calea Nederland N.V. is the euro (EUR).

The costs and income arising from transactions in foreign currencies and non-monetary balance sheet items or monetary receivables and debts are translated at the exchange rate applicable on the transaction date or balance sheet date respectively.

Exchange rate differences are added or charged to the profit and loss account.

Tangible fixed assets

Tangible fixed assets are stated at cost of acquisition or manufacture, less accumulated depreciation. Depreciation is calculated as a percentage of the purchase price according to the straight-line method on the basis of the estimated useful life.

Impairment or disposal of fixed assets

The company states tangible fixed assets in accordance with accounting principles generally accepted for financial reporting in the Netherlands. Pursuant to these principles, assets with a long life should be reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists the assets' recoverable amount is estimated. The recoverable amount is calculated as the present value of estimated future cash flows, discounted at the effective interest rate.

If the book value of an asset exceeds the recoverable amount, an impairment is charged to the result equal to the difference between the carrying amount and the recoverable amount. Assets for sale are stated at the carrying amount or lower market value, less selling costs.

Inventories

Inventories are stated at the actual purchase prices on the basis of the "first-in, first-out" (FIFO) principle or lower market value, where lower market value refers to the realisable value. Where necessary, inventories are stated after deduction of a provision for obsolescence.

Trade and other receivables

Trade and other receivables are stated at nominal value less a provision for bad debts. Provisions are designated on basis of individual assessment of collectability of the receivables.

Shareholder's equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity a part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognised in the profit and loss as financial income or expense.

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Revenue accounting

The company records the revenue from sales to the net turnover if there is convincing evidence of a sales agreement, when delivery has taken place, the price has been agreed or can be determined, and there is reasonable certainty that the selling price is collectable. Normally, these criteria are satisfied at the moment the product or the service is delivered and acceptance has been obtained, if required.

Net turnover concerns the proceeds from the sale and delivery of goods and services after deducting discounts and bonuses as well as taxes on sales.

Dispatch and transport costs charged to clients are recognised as turnover. Dispatch and transport costs related to the internal transfer of goods are incorporated in the cost of sales. Income from services is recognised as turnover as the service is provided.

Cost of outsourced work and other external costs

This concerns costs that are directly attributable to net turnover.

Taxation on result

The taxation on result comprises both taxes payable in the short term and deferred taxes, taking account of tax facilities and non-deductible costs. No taxes are deducted from profits if and insofar as said profits can be offset against losses from previous years.

Taxes are deducted from losses if these can be offset against profits in previous years and this results in a tax rebate. In addition, taxes may be deducted if and insofar as may be reasonably expected that losses can be offset against future profits.

Taxes are calculated on the results, taking into account the tax facilities.

1 Tangible fixed assets

Movements in the tangible fixed assets can be shown as follows:

	EUR
Balance as at 1 January 2007:	
• Historical cost price	219,718
• Accumulated depreciation	173,650
Book value	<u>46,068</u>
Movements in book value:	
• Depreciation	13,525
	<u>13,525</u>
Balance as at 31 December 2007:	
• Historical cost price	219,718
• Accumulated depreciation	187,175
Book value	<u>32,543</u>

The following rates of depreciation are applied:

- Warehouse fittings : 10;
- furniture, fixture, computers: 20 - 33.33.

2 Trade and other receivables

The trade and other receivables can be specified as follows:

	2007	2006
	EUR	EUR
Trade debtors	405,441	369,360
Accounts receivable from affiliated companies	1,943,357	1,198,024
Taxes and social security contributions	55,715	92,343
Prepaid pension costs	17,445	-
Other receivables and prepaid expenses and accrued income	31,393	251,165
	<u>2,453,351</u>	<u>1,910,892</u>

All receivables are falling due within one year.

Trade debtors

	2007 EUR	2006 EUR
Nominal value	739,069	783,394
Less: Provision for bad debts	333,628	414,034
	<u>405,441</u>	<u>369,360</u>

Accounts receivable from affiliated companies

	2007 EUR	2006 EUR
Fresenius SE	<u>1,943,357</u>	<u>1,198,024</u>

The current account with Fresenius SE represents the cash pool account. The interest on this cash pool is variable during the year. For 2007 the interest rate varied from 2.91% to 4.39%.

3 Cash and cash equivalents

Cash at banks and in hand are payable on demand.

4 Issued capital

	2007 EUR	2006 EUR
Issued capital	<u>45,378</u>	<u>45,378</u>

Referring to subsection 1 of section 178c, part 9, Book 2 of the Netherlands Civil Code is mentioned that the subscribed capital consists of 500 shares with a nominal value of EUR 453,78. According to the articles of association the shares are valued NLG 1,000 per share. 100 common shares have been issued, fully called up and paid in.

5 Share premium reserve

An amount of EUR 408,402 was contributed by the shareholders during the financial year ended 31 December 1993. In 1999 Fresenius SE made an additional premium payment on the shares to an amount of EUR 3,947,888.

6 Accumulated deficit

Movements in the accumulated deficit can be shown as follows:

	2007 EUR	2006 EUR
Balance as at 1 January	-2,905,502	-3,381,619
Appropriation of result previous year	233,007	476,117
Balance as at 31 December	<u>-2,672,495</u>	<u>-2,905,502</u>

7 Retained earnings

	2007 EUR	2006 EUR
Balance as at 1 January	233,007	476,117
Appropriation of result previous year	-233,007	-476,117
Result for the year	567,524	233,007
Balance as at 31 December	<u>567,524</u>	<u>233,007</u>

The following appropriation of the result after taxes for the year 2007 is proposed to the General Meeting of Shareholders: to retain an amount of EUR 567,524 in the accumulated deficit.

8 Current liabilities

The current liabilities can be specified as follows:

	2007 EUR	2006 EUR
Trade creditors	99,642	196,615
Accounts payable to affiliated companies	58,585	5,120
Wage tax	6,178	3,565
Other current and accrued liabilities	288,621	388,159
	<u>453,026</u>	<u>593,459</u>

All current liabilities are due within one year.

Other current and accrued liabilities

	2007 EUR	2006 EUR
Invoices to receive	222,463	336,662
Liabilities for commissions	22,504	17,500
Accrued salaries and wages	43,654	33,997
	<u>288,621</u>	<u>388,159</u>

Off-balance sheet commitments

Long-term financial liabilities

Liabilities concerning operational leased cars amount to EUR 45,809 (expiration date within one year EUR 19,500). These long-term commitments are due within five years.

9 Social security charges

Social security charges include EUR 17,076 pension costs (2006: EUR 19,795).

Employees

The average number of employees, converted into full person-years, during 2007 was 4 (2006: 5).

The breakdown of the average number of employees is as follows:

	2007	2006
Sales & Marketing	<u>4</u>	<u>5</u>

's-Hertogenbosch, 18 August 2008

The management:

Other information

Provisions in the articles of association governing the appropriation of results

Article 24 of the articles of association includes the following stipulations regarding the appropriation of results:

- Sub 1. The result is at the disposal of the General Meeting of Shareholders.
- Sub 2. Payments can only be made for at most the payable part of shareholder's equity.
- Sub 3. Payment of profit shall only be distributed after adoption of the financial statements proving that profit distribution is allowed.
- Sub 4. The company is allowed to make interim profit distributions provided this article's sub 2 is complied with.

Proposal for profit appropriation

The following appropriation of the result after taxes for the year 2007 is proposed to the General Meeting of Shareholders: to retain an amount of EUR 567,524 in the accumulated deficit. The result after taxes for the year 2007 is included under the retained earnings item in the shareholder's equity.

Subsequent events

On 2 June 2008 the company sold its business and related assets and liabilities.

Section 396, Book 2 of the Netherlands Civil Code

In accordance with section 396, Book 2 of the Netherlands Civil Code this financial report has not been audited.