



Press Release

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## 100 Years of Fresenius – From a Local Pharmacy to a Global Corporation

From its origins in the laboratory of a Frankfurt pharmacy, Fresenius has grown over the past 100 years into a global health care group. As the company celebrates its centennial on October 1, 2012, Fresenius products and services are improving lives around the world.

A century after Dr. Eduard Fresenius established the pharmaceutical business that took his name, his entrepreneurial values and commitment to quality and innovation in the service of patients continue to shape Fresenius.

Dr. Fresenius started the pharmaceutical company on October 1, 1912, when he expanded the lab of his historic "Hirsch Pharmacy" into a small manufacturing operation specializing in infusion solutions and other products. Following the devastation of World War II, Dr. Fresenius was working to reorganize the businesses when he died suddenly in 1946, leaving the business to his 21-year-old foster daughter, Else Fernau. She later married Hans Kröner, and over the following decades the couple together developed the manufacturing operations into an international health care group.

A momentous step came in 1966, when the company started selling imported dialysis machines and dialyzers. Fresenius then launched its own dialysis machine in 1979 – the A2008, which became the world's top seller. Its market-leading position has since been expanded with successor models. In the early 1980s,

Fresenius developed the first dialysis filters out of polysulfone, opening up a new era in the treatment of kidney disease, and in 1996 the company took the decisive step of becoming an integrated provider: Merging Fresenius' dialysis business segment with the U.S. dialysis provider National Medical Care created Fresenius Medical Care, the world's leading dialysis company, with a strong footprint in the U.S. In 2011, the company treated more than 140,000 dialysis patients in North America, and over 85 percent of all dialysis machines installed in U.S. dialysis clinics and centers were made by Fresenius Medical Care.

Major milestones have been achieved by the Group's other business segments, as well. In 1999, the merger of Pharmacia & Upjohn's international infusions business with Fresenius' pharmaceutical business segment created Fresenius Kabi, a leading global provider of infusion therapy, clinical nutrition, and I.V. generic drugs. Since the mid-1990s, Fresenius has offered planning, construction and management services for hospitals and other health care facilities. And, since its 2005 acquisition of HELIOS Kliniken, Fresenius has also been one of Germany's leading private hospital operators.

Fresenius, listed on the Frankfurt stock exchange since 1986, exceeded the level of 1 billion German marks ( $\sim \in 500$  million) in sales in 1990. By the end of the 1990s, sales had again grown dramatically, to over  $\in 6$  billion. Fresenius has in fact grown steadily since the 1990s, and successfully strengthened its global presence.

Over the last decade, few companies have matched Fresenius' dynamic, consistent growth: Between 2002 and 2011, sales more than doubled, operating profit (EBIT) more than tripled, and net income rose more than five-fold. During this period, the company expanded in established markets and in emerging market countries. In China, for example, Fresenius is among the leading providers of clinical nutrition, infusion therapy, and dialysis products.

## All signs point to continued growth

With 2011 sales of about €16.5 billion, net income of some €770 million and more than 160,000 employees, about the half of them in Europe and a third in North America, Fresenius is one of the world's leading health care companies. Fresenius and Fresenius Medical Care shares are listed in Germany's benchmark DAX30 stock index.

Looking ahead, Fresenius is well positioned to benefit from demographic change, which will lead more patients in the industrialized nations to seek innovative treatments, and from increasing access to high-quality health care in developing countries. Both of these major global health care trends promise to significantly boost long-term demand for the company's products and services.

With its 100 years of experience and a century-long commitment to human health, Fresenius is excellently positioned to provide a steadily increasing number of patients around the world with high-quality, integrated health care.

Note to the media: An electronic press kit with texts, images and audio and video footage related to this press release can be found at <u>www.fresenius.com/f100</u>.

## Milestones

1462	The "Hirsch Pharmacy" opens in Frankfurt am Main. The Fresenius family assumes ownership in the 18th century.
1912	The pharmacist and proprietor of the "Hirsch Pharmacy," Dr. Eduard Fresenius, establishes the pharmaceutical company Dr. E. Fresenius. Expanding the pharmacy lab into a small manufacturing operation, he lays the foundation of today's Fresenius health care group. In the early years the company specializes in infusion solutions and other medicinal products.
1934	The manufacturing operations are separated from the "Hirsch Pharmacy" and move to Bad Homburg, near Frankfurt. The company grows to around 400 employees.
1946	The unexpected death of Dr. Eduard Fresenius endangers the further existence of the pharmacy and manufacturing operations, now reduced to only 30 employees.
1951	Else Fernau, later Else Kröner, takes over responsibility for the pharmacy and company after obtaining a degree in pharmacy studies.
1966	Fresenius starts to sell dialysis machines and dialyzers manufactured by various foreign companies, and gains substantial market share.
1974	Fresenius begins manufacturing infusion solutions and medical disposables in St. Wendel, Germany. Today, Fresenius produces highly innovative polysulfone dialyzers there.
1979	Production of the A2008 dialysis machine begins in a newly acquired factory in Schweinfurt, Germany. It becomes the world's best- selling dialysis machine, a world-leading position that Fresenius Medical Care's successor models have enabled the company to maintain until this day.

1982	Fresenius is converted into a joint stock company.
1983	The company begins production of synthetic polysulfone fiber membranes for dialysis, which are extremely effective in filtering the blood of patients. These membranes still set the quality standards for dialyzers.
1986	Fresenius launches preference shares on the stock exchange.
1990	Fresenius employs 5,200 people; total sales exceed 1 billion German marks.
1996	Fresenius Medical Care is founded. In 2012, Fresenius Medical Care is the world's largest provider of dialysis products and dialysis services for individuals with chronic kidney failure.
1997	As sales reach some 7.5 billion German marks, Fresenius' new infusion solutions factory in Friedberg, Germany, the most modern in Europe, goes into operation.
1998	Fresenius acquires the international infusions business of Pharmacia & Upjohn. Through its merger with the Fresenius Pharma business segment, a new company specializing in nutrition and infusion therapy, Fresenius Kabi, is created in 1999. Fresenius moves into a new head office in Bad Homburg. The
	company has nearly 40,000 employees around the world.
1999	Fresenius Kabi (formerly Fresenius Pharma) and Fresenius ProServe (formerly Projects & Services) become legally independent business segments.
	At Fresenius Medical Care, the 100,000th dialysis machine comes off the production line.
	Fresenius Medical Care common stock is admitted to the DAX30, Germany's blue-chip share index. As the decade ends, Fresenius sales exceed 6 billion euros.

2001	Fresenius acquires Wittgensteiner Kliniken AG, one of the major nationwide operators of private hospitals in Germany.
	As a health care group with worldwide operations and over 60,000 employees, Fresenius achieves sales of around 7.3 billion euros.
2003	Fresenius Medical Care produces more than 50 million dialyzers per year at plants in Europe, Asia and the USA.
2005	Fresenius acquires HELIOS Kliniken Gruppe, whose more than 17,000 employees and pro-forma sales of about 1.2 billion euros in 2004 make it one of Germany's leading private hospital operators.
2006	Fresenius Medical Care takes over U.S. dialysis care provider Renal Care Group. Through its network of approximately 2,000 dialysis clinics in North America, Europe, Latin America, Asia-Pacific and Africa, Fresenius Medical Care provides dialysis treatment to approximately 157,000 patients around the globe.
2007	Fresenius becomes a European Company (SE).
2008	Fresenius Kabi strengthens its business with intravenously administered generic drugs (I.V. generics) and expands into oncology drugs with the acquisition of the Indian company Dabur Pharma.
	Fresenius Kabi enters into the North American pharmaceutical market and becomes a global leader in the field of I.V. generics via the acquisition of the U.S. based APP Pharmaceuticals.
2009	Fresenius SE's preference shares are admitted into Germany's benchmark stock index, the DAX30.
2011	Conversion of all preference shares into ordinary shares in combination with a change of the company's legal form into a partnership limited by shares, known as a Kommanditgesellschaft auf Aktien (KGaA). Fresenius SE becomes Fresenius SE & Co. KGaA.

2012 As Fresenius turns 100, the company is active in some 100 countries and has more than 160,000 employees. In Germany, 72 HELIOS hospitals provide treatment to over 2.7 million patients annually, more than a quarter of them inpatients. Fresenius Medical Care, with its network of over 3,000 dialysis clinics, provides care for more than 250,000 dialysis patients around the world.

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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 2011, Group sales were €16.5 billion. On June 30, 2012, the Fresenius Group had 161,685 employees worldwide.

For more information visit the company's website at <u>www.fresenius.com</u>.

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.

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