

FRESENIUS MEDICAL CARE CORP

Form F-4

October 07, 2005

**Table of Contents**

**As filed with the Securities and Exchange Commission on October 7, 2005**

**Registration No. 333-\_\_\_\_\_**

**SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**Form F-4**

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

**Fresenius Medical Care Aktiengesellschaft**  
*(Exact Name of Registrant as Specified in Its Charter)*  
**Fresenius Medical Care Corporation**  
*(Translation of Registrant's Name into English)*

**Germany**  
*(Jurisdiction of  
incorporation or organization)*

**3841**  
*(Primary Standard Industrial  
Classification Code Number)*

**Not applicable**  
*(I.R.S. Employer  
Identification Number)*

**Else-Kröner-Strasse 1**  
**61352 Bad Homburg v.d.H., Germany**  
**Telephone: 011-49-6172-609-0**  
*(Address, Including Zip Code, and Telephone Number,  
Including Area Code, of Registrant's Principal Executive  
Offices)*

**Dr. Ben J. Lipps**  
**Fresenius Medical Care Holdings, Inc.**  
**95 Hayden Avenue**  
**Lexington, MA 02420**  
**781-402-9000**  
*(Name, Address, Including Zip Code, and Telephone  
Number,  
Including Area Code, of Agent For Service)*

**Copy to:**  
**Charles F. Niemeth, Esq.**  
**Baker & McKenzie LLP**  
**805 Third Avenue**  
**New York, NY 10022**  
**212-751-5700**

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this Registration Statement becomes effective and all other conditions to the consummation of the transaction described herein have been satisfied or waived.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

**CALCULATION OF REGISTRATION FEE**

| Title Of Each Class<br>Of Securities To Be Registered(1)(2) | Amount To Be<br>Registered(3) | Proposed Maximum<br>Offering Price<br>Per Unit(4) | Proposed Maximum<br>Aggregate Offering<br>Price(3)(4) | Amount Of<br>Registration Fee |
|---|-------------------------------|---|---|-------------------------------|
| Ordinary Shares   | 6,954,322                     | \$89.77   | \$624,289,485.94                                      | \$73,482                      |

- (1) American Depositary Receipts evidencing American Depositary Shares ( ADSs ) issuable upon deposit of the securities registered hereby will be registered under a separate registration statement on Form F-6.
- (2) This registration statement is being filed by Fresenius Medical Care Aktiengesellschaft ( Fresenius Medical Care AG ) to register the ordinary shares of Fresenius Medical Care AG & Co. KGaA ( Fresenius Medical Care KGaA ) in connection with the conversion of the preference shares of Fresenius Medical Care AG into ordinary shares of Fresenius Medical Care AG, and the ensuing transformation of Fresenius Medical Care AG from a stock corporation under German law into a partnership limited by shares under German law. Fresenius Medical Care KGaA will not be formed as a separate entity but will be established by registering a transformation resolution with the commercial register Hof an der Saale, Germany. The transformation will be registered as soon as practicable following completion of the conversion offer and, accordingly, no shares of Fresenius Medical Care AG will be issued in the offer. Upon registration of the transformation, the share capital of Fresenius Medical Care AG will be transformed into the share capital of Fresenius Medical Care KGaA. Upon completion of the transformation, Fresenius Medical Care KGaA will be the successor to Fresenius Medical Care AG within the meaning of General Instruction I.A.4 to Form F-3.
- (3) Includes the maximum number of ordinary shares expected to be issued or delivered to U.S. security holders pursuant to the conversion. This number is based on an estimated 7,421,000 preference shares, including preference shares in the form of ADSs, held by U.S. persons that are eligible to be converted into ordinary shares in the exchange offer and transformed in the transformation.
- (4) The Proposed Maximum Aggregate Offering Price (estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(f)(1) and (f)(3) under the Securities Act) is based on the sum of (i) a price of 65.45 per preference share of Fresenius Medical Care AG plus (ii) the conversion premium of 9.75 per preference share. The price per preference share is based on a market value of 65.45 per preference share, calculated pursuant to Rule 457(c) by taking the average of the high and low prices of preference shares as reported on the Frankfurt Stock Exchange on October 4, 2005. The price per preference share was converted into U.S. dollars based on an exchange rate of 1.00 equals U.S. \$1.1938, the Noon Buying Rate on October 4, 2005.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

**Table of Contents**

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.

**SUBJECT TO COMPLETION, DATED October 7, 2005**

PRELIMINARY PROSPECTUS

U.S. CONVERSION OFFER

**Conversion Offer**

**To U.S. holders of the non-voting preference shares  
without par value, including preference shares represented by  
American Depositary Shares, of Fresenius Medical Care AG**

We are offering holders of our non-voting preference shares, including preference shares represented by American Depositary Shares, the opportunity to convert their preference shares into voting ordinary shares in the ratio of: one preference share without par value for one ordinary share without par value of Fresenius Medical Care AG; and

one preference American Depositary Share ( ADS ) (each preference share ADS representing one-third of a preference share of Fresenius Medical Care AG) for one ordinary share ADS of Fresenius Medical Care AG (each ordinary share ADS representing one-third of an ordinary share of Fresenius Medical Care AG).

Preference shares tendered for conversion must be accompanied by payment of a conversion premium of 9.75 per preference share, or 3.25 per preference share ADS. *Holder of preference share ADSs must pay the conversion premium in U.S. dollars. Each preference share ADS tendered for conversion of the underlying preference shares must be accompanied by payment of a conversion premium of \$\_\_\_\_\_ per preference share ADS.* That amount equals approximately 110% of the U.S. dollar equivalent of 3.25, based on an exchange rate of 1 equals \$\_\_\_\_\_ at \_\_\_\_\_, 2005 (the day before the date of this prospectus). The additional 10% U.S. dollar premium payment is required to cover possible currency exchange rate fluctuations, and any excess premium payment of more than \$10.00 will be returned to converting preference share ADS holders. Holders of preference share ADSs will not be charged any depositary fees for the surrender of their preference ADSs for conversion or for the issuance of ADSs representing the ordinary shares held upon consummation of the conversion.

The U.S. offer will expire at \_\_\_ p.m., New York City time, on \_\_\_\_\_, 2005, unless it is extended prior to that time. You may withdraw any preference shares or preference shares ADSs tendered in the U.S. offer at any time prior to the expiration time.

On August 30, 2005, the shareholders of Fresenius Medical Care AG approved a resolution for the transformation of Fresenius Medical Care AG from a stock corporation (*Aktiengesellschaft*) under German law into a partnership limited by shares (*Kommanditgesellschaft auf Aktien*) under German law to be called Fresenius Medical Care AG & Co. KGaA ( Fresenius Medical Care KGaA ). Upon registration of the transformation, the share capital of Fresenius Medical Care AG will become the share capital of Fresenius Medical Care KGaA, and shareholders in Fresenius Medical Care AG will become shareholders of Fresenius Medical Care KGaA. We intend to arrange for the registration of the transformation immediately following completion of the conversion offer, and we will not register the conversion of preference shares into ordinary shares pursuant to the conversion offer unless we are satisfied that the transformation of legal form will occur. Upon registration of the transformation of legal form, the ordinary shares of Fresenius Medical Care AG offered in this conversion offer will be transformed into ordinary shares of Fresenius Medical Care KGaA. Accordingly, holders of Fresenius Medical Care AG preference shares (including preference shares represented by ADSs) who elect to convert their shares in the conversion offer will receive ordinary shares of Fresenius Medical Care KGaA. Holders of Fresenius Medical Care AG preference shares (including preference shares represented by ADSs) who do not elect to convert their shares in the conversion offer will become preference shareholders of Fresenius Medical Care KGaA.

Fresenius Medical Care AG is making the conversion offer to all holders of its outstanding preference shares through two separate offers. See The U.S. Offer The U.S. Offer and the German Offer. Together, these offers are

being made for the conversion of all issued and outstanding preference shares, including preference shares represented by preference share ADSs, and all preference shares that are or may become issuable prior to the expiration of the offers due to the exercise of outstanding preference share options or the conversion of outstanding convertible bonds issued under our employee participation programs. Depending on the level of acceptance of the offers, up to approximately 27,225,324 preference shares (including preference shares represented by ADSs) will be converted into ordinary shares pursuant to the offers. The completion of the offers is subject to certain conditions, as described under **The U.S. Offer** **Conditions to the U.S. Offer**. Subject to applicable law and regulations, we reserve the right to modify or waive any of such conditions in our discretion.

**For a discussion of the risk factors that you should consider carefully in evaluating the U.S. offer, see Risk Factors beginning on page 20.**

Fresenius Medical Care AG ordinary shares are listed on the Frankfurt Stock Exchange and trade on the Xetra system under the symbol FME and Fresenius Medical Care AG ordinary share ADSs are listed on the New York Stock Exchange, or NYSE, and trade under the symbol FMS. Fresenius Medical Care AG preference shares are listed on the Frankfurt Stock Exchange and trade on the Xetra system under the symbol FME3 and Fresenius Medical Care AG preference share ADSs are listed on the New York Stock Exchange, and trade under the symbol FMS p. We intend to list both the ordinary shares and preference shares of Fresenius Medical Care KGaA on the Frankfurt Stock Exchange, and we expect the shares to be traded on the Xetra system, under the symbols 1 and 1, respectively. American Depositary Shares representing Fresenius Medical Care KGaA ordinary shares and preference shares have been approved for listing on the New York Stock Exchange, subject to official notice of issuance and, in the case of preference share ADSs, satisfaction of New York Stock Exchange distribution criteria. However, we cannot assure holders of Fresenius Medical Care AG preference ADSs that, after the conversion and the transformation, the preference ADSs of Fresenius Medical Care KGaA will be eligible for listing on the New York Stock Exchange or that we will be able to maintain an American Depositary Receipt facility for the preference shares of Fresenius Medical Care KGaA. See **Stock Exchange Listing and Trading**.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the securities to be issued under this prospectus or determined if this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.**

**The Information Agent for the U.S. Offer is:**

**D.F. King & Co., Inc.**

This prospectus is dated \_\_\_\_\_, 2005.

---

**Table of Contents**

**INFORMATION INCORPORATED BY REFERENCE**

This prospectus incorporates important information about Fresenius Medical Care AG by reference and, as a result, this information is not included in or delivered with this prospectus. For a list of those documents that are incorporated by reference into this prospectus, see *Where You Can Find More Information* on page 1.

Documents incorporated by reference are available from us upon oral or written request without charge. You may also obtain documents incorporated by reference into this prospectus from the Internet site of the Securities and Exchange Commission, or SEC, at the URL (or uniform resource locator) *http://www.sec.gov* or by requesting them in writing or by telephone from the information agent for these offers:

**D.F. King & Co., Inc.**  
48 Wall Street, 22nd Floor  
New York, NY 10005  
212-269-5550

or

**Call Toll-Free (888) 542-7446**  
Email: [webmaster@dfking.com](mailto:webmaster@dfking.com)

**To obtain timely delivery of these documents, you must request them by no later than \_\_\_\_\_, 2005.**

**In deciding whether to convert your preference shares in the conversion offer described in this prospectus, you should rely only on the information contained or incorporated by reference into this prospectus and the ADS letter of transmittal (collectively referred to herein as the related U.S. offer documents ). Fresenius Medical Care AG has not authorized any person to provide you with any information that is different from, or in addition to, the information that is contained in this prospectus or in the related offer documents.**

**The information contained in this prospectus speaks only as of the date indicated on the cover of this prospectus unless the information specifically indicates that another date applies.**

**Table of Contents**

**REGULATORY STATEMENT**

The conversion offer described in this prospectus is subject to the applicable laws and regulations of the Federal Republic of Germany, including the Securities Prospectus Act (*Wertpapierprospektgesetz*) and of the United States, including the tender offer rules applicable to equity securities registered under Section 12 of the United States Securities Exchange Act of 1934, as amended, or the Exchange Act. This U.S. offer document constitutes a prospectus under Section 5 of the United States Securities Act of 1933, as amended, or the Securities Act, with respect to the ordinary shares offered in connection with the U.S. offer.

**This prospectus does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this prospectus in any jurisdiction in which such offer, solicitation or sale is not permitted or would be unlawful prior to registration or qualification under the laws of any such jurisdiction.**

**This prospectus has not been reviewed by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, or BaFin*). Accordingly, this prospectus may not be used to make offers or sales in Germany in connection with any offer described herein.**

**Table of Contents****TABLE OF CONTENTS**

|  |    |
|--|----|
| <b><u>WHERE YOU CAN FIND MORE INFORMATION</u></b>  | 1  |
| <b><u>QUESTIONS AND ANSWERS ABOUT THE U.S. OFFER</u></b>                                       | 4  |
| <b><u>SUMMARY</u></b>  | 7  |
| <b><u>RISK FACTORS</u></b>   | 20 |
| <u>Risks Relating to Litigation and Regulatory Matters in the U.S.</u>                         | 20 |
| <u>Risks Relating to our Business</u>  | 23 |
| <u>Risks Relating to our Securities</u>  | 26 |
| <b><u>ACQUISITION OF RENAL CARE GROUP, INC.</u></b>  | 28 |
| <u>The Acquisition</u>   | 28 |
| <u>The New Senior Credit Facilities</u>  | 28 |
| <b><u>CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS</u></b>                       | 29 |
| <b><u>USE OF PROCEEDS</u></b>  | 30 |
| <b><u>CAPITALIZATION AND INDEBTEDNESS</u></b>  | 31 |
| <b><u>THE U.S. OFFER</u></b>   | 32 |
| <u>The U.S. Offer and the German Offer</u>   | 32 |
| <u>Terms of the U.S. Offer: Conversion Premium</u>   | 33 |
| <u>No Fractional Shares</u>  | 33 |
| <u>Loss of Preferred Share Dividends</u>   | 33 |
| <u>Conditions to the U.S. Offer</u>  | 34 |
| <u>Expiration Date: Extension of the Offer</u>   | 34 |
| <u>Procedures for Tendering Preference Share ADSs</u>  | 34 |
| <u>Procedures for Tendering Preference Shares for Conversion</u>                               | 36 |
| <u>Effects of Tender</u>   | 37 |
| <u>Other Requirements</u>  | 37 |
| <u>Determination of Validity</u>   | 37 |
| <u>Withdrawal Rights</u>   | 38 |
| <u>Acceptance and Return of Preference Shares</u>  | 39 |
| <u>Delivery of our Ordinary Shares and our Ordinary Share ADSs: Settlement Date</u>            | 39 |
| <u>Fees and Expenses</u>   | 39 |
| <u>Listing of our Ordinary Shares and our Ordinary Share ADSs</u>                              | 40 |
| <u>Effect of the Offers on the Market for our Preference Shares and Preference Shares ADSs</u> | 40 |
| <u>Treatment of Preference Share Options and Convertible Bonds</u>                             | 41 |
| <u>Appraisal Rights</u>  | 41 |
| <b><u>THE CONVERSION AND TRANSFORMATION; EFFECTS</u></b>                                       | 42 |
| <u>Structure of the Conversion and Transformation</u>  | 42 |
| <u>Reasons for the Conversion and Transformation</u>   | 44 |
| <u>The Legal Structure of Fresenius Medical Care KGaA</u>                                      | 47 |
| <u>Accounting Treatment</u>  | 53 |
| <u>United States Federal Securities Law Consequences</u>                                       | 54 |
| <b><u>INTERESTS OF CERTAIN PERSONS IN THE CONVERSION AND TRANSFORMATION</u></b>                | 54 |
| <u>Interest of Fresenius AG</u>  | 54 |
| <u>Interest of the Management Board and the Supervisory Board</u>                              | 55 |



**Table of Contents**

|   |     |
|---|-----|
| <b><u>CERTAIN TAX CONSEQUENCES</u></b>  | 56  |
| <u>German Tax Consequences of the Conversion</u>  | 56  |
| <u>U.S. Tax Consequences of the Conversion</u>  | 57  |
| <u>U.S. and German Tax Consequences of Holding ADSs</u>                                       | 57  |
| <b><u>DESCRIPTION OF THE SHARES OF THE COMPANY</u></b>  | 59  |
| <u>General</u>  | 60  |
| <u>Capital Increases in the Past Three Years</u>  | 60  |
| <u>Authorized Capital</u>   | 60  |
| <u>Conditional Capital</u>  | 61  |
| <u>Voting Rights</u>  | 62  |
| <u>Dividend Rights</u>  | 62  |
| <u>Liquidation Rights</u>   | 63  |
| <u>Pre-emption Rights</u>   | 63  |
| <u>General Meeting</u>  | 63  |
| <b><u>DESCRIPTIONS OF AMERICAN DEPOSITARY RECEIPTS</u></b>                                    | 63  |
| <u>General</u>  | 63  |
| <u>Share Dividends and Other distributions</u>  | 64  |
| <u>Deposit, Withdrawal and Cancellation</u>   | 65  |
| <u>Voting Rights</u>  | 66  |
| <u>Fees and Expenses</u>  | 67  |
| <u>Payment of Taxes</u>   | 67  |
| <b><u>DESCRIPTION OF THE PROPOSED POOLING ARRANGEMENTS</u></b>                                | 68  |
| <u>General</u>  | 68  |
| <u>Independent Directors</u>  | 68  |
| <u>Extraordinary Transactions</u>   | 68  |
| <u>Interested Transactions</u>  | 69  |
| <u>Listing of American Depositary Shares; SEC Filings</u>                                     | 69  |
| <u>Term</u>   | 70  |
| <u>Amendment</u>  | 70  |
| <u>Enforcement; Governing Law</u>   | 70  |
| <u>Directors and Officers Insurance</u>   | 70  |
| <b><u>STOCK EXCHANGE LISTING AND TRADING</u></b>  | 70  |
| <u>Effect of the Conversion of the Preference Shares into Ordinary Shares</u>                 | 70  |
| <u>Stock Exchange Listing of the Shares of Fresenius Medical Care KGaA</u>                    | 71  |
| <u>German Corporate Governance Code</u>   | 72  |
| <b><u>SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES</u></b>                         | 72  |
| <b><u>EXPERTS</u></b>   | 72  |
| <b><u>LEGAL MATTERS</u></b>   | 72  |
| <b><u>APPENDIX A-1</u></b> <i>Pro Forma</i> Financial Statements of Fresenius Medical Care AG | A-1 |
| <b><u>APPENDIX A-2</u></b> Consolidated Financial Statements of Renal Care Group, Inc.        | A-2 |
| <b><u>EX-23.2: CONSENT OF KPMG DEUTSCHE TREUHAND-GESELLSCHAFT AKTIENGESELLSCHAFT</u></b>      |     |
| <b><u>WIRTSCHAFTSPRUFUNDSGESELLSCHAFT</u></b>   |     |
| <b><u>EX-23.3: CONSENT OF ERNST &amp; YOUNG LLP</u></b>                                       |     |
| <b><u>EX-99.3: CONSENT OF GARY A. BRUKARDT PURSUANT TO RULE 438</u></b>                       |     |

**Table of Contents**

**WHERE YOU CAN FIND MORE INFORMATION**

We file annual reports on Form 20-F and furnish periodic reports on Form 6-K to the United States Securities and Exchange Commission (the SEC). You may read and copy any of these reports at the SEC's public reference room at 100 F Street, N.W., Washington, D.C., 20549, U.S.A., and its public reference rooms in New York, New York, U.S.A. and Chicago, Illinois, U.S.A. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. The reports may also be obtained from the website maintained by the SEC at <http://www.sec.gov>, which contains reports and other information regarding registrants that file electronically with the SEC. The New York Stock Exchange currently lists American Depositary Shares representing our ordinary shares and American Depositary Shares representing our preference shares. Our periodic reports, registration statements and other information that we file with the SEC are also available for inspection and copying at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005, U.S.A. Our SEC filings are also available to the public from commercial document retrieval services.

We prepare annual and quarterly reports, which are then distributed to our shareholders. Our annual reports contain financial statements examined and reported upon, with opinions expressed by, our independent auditors. The consolidated financial statements of Fresenius Medical Care AG included in these annual reports are prepared in conformity with U.S. generally accepted accounting principles. Our annual and quarterly reports to our shareholders are posted on our website at [www.fmc-ag.com](http://www.fmc-ag.com). In furnishing our website address in this prospectus, however, we do not intend to incorporate any information on our website into this prospectus, and you should not consider any information on our website to be part of this prospectus.

We will also furnish JP Morgan Chase Bank, N.A., the depository for our American Depositary Receipts, with all notices of general meetings of shareholders and other reports and communications that are made generally to our shareholders. Such documents will be available for inspection by appointment by registered holders of American Depositary Receipts at the principal office of the depository, presently located at 4 New York Plaza, New York, New York, 10004 U.S.A.

This prospectus is a part of a registration statement on Form F-4 that we are filing with the SEC to register the offer of ordinary shares in connection with the conversion of our preference shares in the conversion offer. As allowed by SEC rules, this prospectus does not contain all the information included in the registration statement or the exhibits to the registration statement.

The SEC allows us to incorporate by reference information into this prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, except for any information superseded by information in, or incorporated by reference in, this prospectus. This prospectus incorporates by

**Table of Contents**

reference the documents set forth below that we have previously filed with or furnished to the SEC. These documents contain important information about our company and its finances.

| <b>SEC Filings (File No. 001-14444)</b> | <b>Period/Filing Date</b>  |
|---|--|
| Annual Report on Form 20-F              | Fiscal Year ended December 31, 2004 (filing date March 1, 2005)  |
| Form 6-K Report                         | January 2005 (furnished to the SEC January 14, 2005)   |
| Form 6-K Report                         | January 2005 (furnished to the SEC January 25, 2005)   |
| Form 6-K Report                         | April 2005 (furnished to the SEC April 12, 2005)   |
| Form 6-K Report                         | April 2005 (furnished to the SEC April 21, 2005)   |
| Form 6-K Report                         | June 2005 (furnished to the SEC June 7, 2005)  |
| Form 6-K Report                         | July 2005 (furnished to the SEC July 5, 2005)  |
| Amended Annual Report on Form 20-F      | Fiscal year ended December 31, 2004 (filing date July 13, 2005)  |
| Form 6-K Report                         | August 2005 (furnished to the SEC August 5, 2005 and containing the Company's financial statements as of and for the six months ended June 30, 2005) |
| Form 6-K Report                         | August 2005 (furnished to the SEC August 31, 2005).  |

We may also incorporate by reference some of the reports on Form 6-K that we furnish to the SEC between the date of this prospectus and the expiration of the conversion offer.

If you are a shareholder, we may have sent you some of the documents incorporated by reference, but you can obtain any of them through us or the SEC. Documents incorporated by reference are available from us without charge, excluding all exhibits unless we have specifically incorporated by reference an exhibit in this prospectus.

**Shareholders may obtain documents incorporated by reference in this prospectus by requesting them in writing or by telephone from the appropriate party at the following address:**

**In North America**

Fresenius Medical Care North America  
 Investor Relations  
 95 Hayden Avenue  
 Lexington, MA 02420  
 Attn: Heinz Schmidt  
 Toll Free: 1(800)662-1237

D.F. King & Co., Inc.  
 48 Wall Street  
 New York, NY 10005  
 Toll Free: 1 (888) 542-7446  
 Banks and Brokers 1(212) 269-5550

**Elsewhere**

Fresenius Medical Care AG  
 Investor Relations  
 Else-Kröner-Strasse 1  
 D. 61352 Bad Homburg, Germany  
 Attn: Oliver Maier  
 ++ 49 6172 609-2601

D.F. King & Co., Inc.  
 No. 2 London Wall Buildings  
 London Wall, London EC2M 5PP  
 Toll Free, Germany 0 [ ]  
 Toll Free, U.K.: 0 800 917 8414  
 Call Collect: +(44) 20 7920 9700

**IF YOU WOULD LIKE TO REQUEST DOCUMENTS, INCLUDING ANY DOCUMENTS WE MAY SUBSEQUENTLY FILE WITH THE SEC BEFORE THE CONVERSION OFFER EXPIRES, PLEASE DO SO BY , 2005 SO THAT YOU WILL RECEIVE THEM BEFORE THE CONVERSION OFFER EXPIRES.**

In addition, the articles of association of Fresenius Medical Care AG, the proposed articles of association of Fresenius Medical Care KGaA and the historical financial information of Fresenius Medical Care AG and its subsidiaries for each of the two financial years prior to the date of this prospectus are available for inspection for the duration of the offers during normal business hours at the above address of Fresenius Medical Care AG in Bad

Homburg, Germany. Future annual reports and interim reports issued by the Company will also be available at that office.

**Table of Contents**

This prospectus does not constitute an offer to sell, or a solicitation of an offer to purchase, the securities offered by this prospectus in any jurisdiction to or from any person to whom or from whom it is unlawful to make such offer or solicitation of an offer in such jurisdiction.

You should rely only on the information contained or incorporated by reference in this prospectus or in the related U.S. offer documents. We have not authorized anyone to provide you with information that is different from what is contained in this prospectus or in the related U.S. offer documents.

This prospectus is dated \_\_\_\_\_, 2005. You should not assume that the information contained in this prospectus is accurate as of any date other than this date. Neither the delivery of this prospectus nor any distribution of securities pursuant to this prospectus will, under any circumstances, create any implication that there has been no change in the information set forth or incorporated into this prospectus by reference or in our affairs since the date of this prospectus.

**Table of Contents**

**QUESTIONS AND ANSWERS ABOUT THE U.S. OFFER**

**Q: Why is Fresenius Medical Care AG making the U.S. Offer? (See page 44)**

A: We are making the U.S. offer and the concurrent German offer because we believe that the conversion of our outstanding preference shares into ordinary shares, in addition to the transformation of the legal form of our company from an AG to a KGaA, will increase our financial and operative flexibility by increasing the number of publicly held ordinary shares (which we refer to as our free float). We expect that this increase in free float will increase the liquidity of our ordinary shares and strengthen our position on the DAX, the index of 30 major German stocks, while enabling us to substantially maintain our existing corporate governance.

We also believe that increased liquidity for our ordinary shares will allow us to attract equity financing so that we may pursue our long-term growth objectives and strategies, which will help us maintain and improve our position as a leading global integrated provider of dialysis products and services. There can be no assurance, however, that the anticipated benefits will be realized. For a discussion of the risk factors that you should consider carefully in evaluating the U.S. offer, see Risk Factors.

**Q: Why are there two offers? (See page 32)**

A: We are making two offers for legal reasons in order to satisfy regulatory requirements.

**Q: What are the differences between the German offer and the U.S. offer? (See page 32)**

A: Subject to statutory requirements, the German offer and the U.S. offer are being made on substantially similar terms and completion of the offers is subject to the same conditions. The U.S. offer is open to all holders of preference shares who are residents of the United States, to other U.S. persons, as defined in the rules of the SEC and to all holders of preference share ADSs, wherever located. The German offer is a public offer in Germany addressed to all holders of our preference shares who are residents of Germany and, subject to applicable local laws and regulations, is open to all holders of our preference shares who reside outside of Germany and the United States.

**Q: May I participate in the German offer? (See page 32)**

A: No. Holders of preference shares who are United States residents, or other U.S. persons, as defined in the rules of the SEC and all holders of preference share ADSs, wherever located, do not have the right to tender their preference shares in the German offer. You must follow the procedures set forth in this prospectus to tender your preference shares or preference share ADSs pursuant to the U.S. offer.

**Q: Must I pay a premium in order to convert my preference shares to ordinary shares?**

A: Yes. Conversion of preference shares requires payment of a premium of 9.75 per preference share or 3.25 per preference share ADS. The premium must be paid at the time you tender your preference shares or preference share ADS. *If you hold ADSs (each ADS representing one-third of one preference share), you must pay the conversion premium in U.S. dollars and your preference share ADSs must be accompanied by payment of \$ per ADS.* That amount is approximately 110% of the U.S. dollar equivalent of 3.25, based on an exchange rate of 1 equals \$ on , 2005 (the day before the date of this prospectus). The additional 10% U.S. dollar conversion premium payment is required to cover possible currency exchange rate fluctuations between the date of your payment and the date on which the depositary converts your payment into Euro for payment to Fresenius Medical Care. Your payment and 10% deposit will be held in a separate

non-interest bearing account pending completion of the offer period and converted into Euro upon expiration of the U.S. offer. At the end of the offer period, after payment of your aggregate conversion premium in Euro, any deposit amount remaining of more than ten U.S. dollars (\$10.00) will be returned to you without interest. If, however, the offering is not completed, both your payment and deposit will be returned to you without interest. Any amount returned to you will be paid in U.S. dollars and will depend on the prevailing exchange rate at the time funds in the possession of the depositary are converted from Euro to U.S. dollars.

**Table of Contents**

**Q: How was the amount of the premium I must pay to convert my preference shares to ordinary shares determined?**

A: The amount of the conversion premium corresponds to approximately one-half of the difference between the weighted average German stock exchange price of our ordinary shares and the weighted average German stock exchange price of our preference shares for the three months through and including May 3, 2005, the last trading day before our first announcement of the proposed conversion and transformation, determined by using the stock exchange prices reported on the official website of the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, or *BaFin*). See The Conversion and Transformation; Effects Structure of the Conversion and Transformation.

**Q: If my preference shares are represented by American Depositary Shares, are there additional depositary fees that I must pay in connection with the conversion of any preference shares?**

A: No. Holders of preference American Depositary Shares who elect to convert the preference shares represented by their American Depositary Shares will not be required to pay any depositary fees for the surrender of their preference American Depositary Shares of Fresenius Medical Care AG for conversion or for the issuance of ADSs representing the ordinary shares held upon consummation of the conversion.

**Q: What will I receive in the U.S. offer? (See page 33)**

A: For each preference share validly tendered, not withdrawn and accompanied by payment of \$ 9.75 in cash, you will receive one ordinary share. For each preference share ADS (each representing one-third of a preference share) validly tendered, not withdrawn and accompanied by the conversion premium payment of \$ in cash, you will receive one ordinary share ADS (each representing one-third of an ordinary share).

**Q: How long will the U.S. offer be open? (See page 34)**

A: Unless we extend the U.S. offer, it will expire at p.m., New York City time, on , 2005.

**Q: Under what circumstances will you extend the U.S. offer? (See page 34)**

A: We do not currently plan to extend the conversion offer. However, if we believe that for specific reasons an extension of the conversion period would be beneficial for us or if SEC rules require us to extend the conversion offer, we may extend such period. In any event, we expect that the conversion period will not be longer than six weeks.

**Q: How will you let me know if you extend the U.S. offer? (See page 34)**

A: If we extend the U.S. offer we will issue a press release. Our press release will set forth the expiration date and time of the extended U.S. offer and inform holders of our preference shares that they may tender, or withdraw their tendered, preference shares at any time until the expiration of the offer period, as extended.

**Q: Are there any conditions to your obligation to accept the preference shares that I tender? (See page 34)**

A: Yes. Our obligation to complete the offers is subject to the conditions that:

we are satisfied that the transformation of legal form will be registered immediately following registration of the conversion; and



we have entered into amendments to our senior credit facility to reflect the transformation and our accounts receivable facility to eliminate requirements that Fresenius AG own a majority of our voting shares.

**Q: After I tender my preference shares in the U.S. offer, may I change my mind and withdraw them? (See page 38)**

A: Yes. You may withdraw your preference shares tendered in the U.S. offer at any time until the expiration date. However, you will be required to pay the depositary's fee of five cents (5¢) per ADS (\$5.00 per 100 ADSs) for the reissuance of your withdrawn preference share ADSs. Your withdrawn preference share ADSs will be returned to you upon withdrawal. However, your conversion premium less the requisite depositary fees will be returned to you only upon completion or termination of the U.S. offer.

**Table of Contents**

**Q: I hold American Depositary Receipts for preference share ADSs or my ADSs are held through the Direct Registration System maintained by the Depository. How do I accept the U.S. offer? (See page 34)**

A: If you hold American Depositary Receipts, or ADRs, for preference share ADSs, complete and sign the ADS letter of transmittal included with this document and send it, together with your ADRs and any other required documents, to the U.S. ADS exchange agent before the expiration of the U.S. offer. *Do not send your certificates to Fresenius Medical Care AG or the Information Agent.*

**Q: I hold preference share ADSs through a bank, broker or other nominee. How do I accept this U.S. offer? (See page 35)**

A: If you hold preference share ADSs in book-entry form through a bank, broker or other nominee, instruct such bank, broker or other nominee to complete the confirmation of a book-entry transfer of your preference share ADSs into the account of the U.S. ADS exchange agent at The Depository Trust Company, commonly known as DTC, and send either an agent's message or an ADS letter of transmittal and any other required documents to the U.S. ADS exchange agent before the expiration of the U.S. offer.

**Q: I hold preference shares through a U.S. custodian, such as a broker, bank or trust company. How do I accept this U.S. offer? (See page 37)**

A: If you hold your preference shares through a U.S. custodian, you do not need to complete the ADS letter of transmittal. Instead, your U.S. custodian should either forward to you the transmittal materials and instructions sent by the German financial intermediary that holds the shares on behalf of the U.S. custodian as record owner or send you a separate form prepared by the U.S. custodian. If you have not yet received instructions from your U.S. custodian, please contact your U.S. custodian directly.

**Q: I hold preference shares through a German financial intermediary, such as a German broker or bank. How do I accept this U.S. offer? (See page 36)**

A: If you hold preference shares through a German financial intermediary, you do not need to complete the ADS letter of transmittal. Instead, your German financial intermediary should send you transmittal materials and instructions for accepting the U.S. offer before the last day of the offer. If you have not yet received instructions from your German financial intermediary, please contact your German financial intermediary directly.

**Q: What will happen to my preference share options and convertible bonds if these offers are completed? (See page 41)**

A: Holders of convertible bonds or stock options entitling them to preference shares under our employee participation programs will be offered the opportunity to receive convertible bonds or stock options entitling them to receive ordinary shares. The number of convertible bonds or options and the conversion or exercise prices will be adjusted to take the conversion into account. No conversion premium will be payable in connection with such adjustments.

**Q: Do I need to do anything if I want to retain my preference shares? (See page 43)**

A: No. If you want to retain your preference shares, you do not need to take any action. Upon registration of the transformation, whether or not the conversion is consummated, your preference shares will become preference shares of Fresenius Medical Care KGaA.

**Q: When will I know the outcome of the offers?**

A: We will issue a press release regarding the results of the offers promptly after they expire. We intend to file those press releases with the SEC under Form 6-K. We will also file an amendment to our Schedule TO with the SEC setting forth the final results of the offers.

**Q: Is Fresenius Medical Care making any recommendation with respect to the conversion offer?**

A: We believe that the conversion offer is in the best interest of the Company and its shareholders. However, preference shareholders should determine for themselves, in consultation with their tax and financial advisors, whether to accept the conversion offer with respect to all or any part of their preference shares or to retain their preference shares.

**Table of Contents**

**SUMMARY**

*The following summary does not contain all the information that may be important to investors. As an investor, you should base your investment decision on the entire prospectus, including the incorporated documents.*

*In this prospectus, (1) the Company refers to both Fresenius Medical Care AG prior to the transformation and Fresenius Medical Care KGaA after the transformation; (2) we and our refers either to the Company or the Company and its subsidiaries on a consolidated basis both before and after the transformation, as the context requires; and (3) Management AG refers to a newly formed entity that will serve as the general partner of Fresenius Medical Care KGaA and that is wholly owned by Fresenius AG.*

**General Information on the Company and its Business**

Fresenius Medical Care AG has operated as a stock corporation (*Aktiengesellschaft*) organized under the laws of Germany since August 5, 1996. On August 30, 2005, our shareholders approved the transformation of the Company's legal form from an AG, to a KGaA, which is a German partnership limited by shares. Fresenius Medical Care AG is registered with the commercial register of the local court (*Amtsgericht*) of Hof an der Saale, Germany, under HRB 2460. Our registered office (*Sitz*) is Hof an der Saale, Germany.

Our business address is Else-Kröner-Strasse 1, 61352 Bad Homburg v.d.H., Germany, telephone ++49-6172-609-0.

We are the world's largest kidney dialysis company engaged in both providing dialysis care and manufacturing dialysis products, based on publicly reported revenues and patients treated. At June 30, 2005, we provided dialysis treatment to approximately 128,200 patients in 1,645 clinics worldwide located in 26 countries. In the U.S. we also perform clinical laboratory testing and provide inpatient dialysis services, therapeutic aphaeresis, hemoperfusion and other services under contract to hospitals. We also develop and manufacture a complete range of equipment, systems and disposable products, which we sell to customers in over 100 countries. For the year ended December 31, 2004, we had net revenues of \$6.2 billion, an increase of 13% over 2003 revenues. We derived 68% of our revenues in 2004 from our North America operations and 32% from our international operations.

Dialysis is the artificial means of removing toxic metabolic end products and excess liquid from the body. Hemodialysis and peritoneal dialyses are the most widespread methods to treat chronic renal failure, which is also called end-stage renal disease or ESRD. ESRD is the stage of progressed chronic renal disease characterized by the irreversible loss of the renal function. Keeping the patient alive requires regular dialysis treatment or kidney transplantation. The number of possible transplantations is restricted by the lack of suitable donor kidneys. For these reasons, the majority of ESRD patients depend on dialysis.

***Competitive Strengths, the Renal Care Industry and Our Strategy***

We believe that our size, our activities in both dialysis care and dialysis products and our concentration in specific geographic areas allow us to operate more cost-effectively than many of our competitors.

We use the insight we gain when treating patients in developing new and improved products.

***Comprehensive renal therapy solutions***

***Dialysis treatment.*** Measured against the number of patients treated worldwide, we are the leading provider of dialysis services for the treatment of ESRD. Fresenius Medical Care offers dialysis services for outpatient treatment in its own centers as well as inpatient treatment in hospitals on a contractual basis.

Due to our large number of patients, we are able to compile our own databases with patient statistics which enable us to improve the results of our dialysis treatment as well as the quality and efficiency of our dialysis products and thus to decrease mortality rates. We believe that in addition to our patient databases

## **Table of Contents**

physicians in private practices, hospitals and managed care organizations determine to have their ESRD patients treated in our centers for the following reasons:

Our reputation for high quality treatment and support of patients;

Our extensive network of dialysis centers, which enables medical specialists to refer their patients to a conveniently located center; and

Our reputation as a provider of technically advanced dialysis products.

We treat approximately 27% of all dialysis patients in the USA. Based on publicly available reports, we believe that our closest competitor treats approximately 17% of all dialysis patients in the USA. For the year 2004, dialysis services accounted for 72% of our total revenue.

*Dialysis products.* Based on publicly reported revenues, we are the world's largest manufacturer and provider of equipment and accessories for hemodialysis as well as the second largest manufacturer of products for peritoneal dialysis. We sell our dialysis products directly or through sales partners in approximately 100 countries. The majority of our customers are dialysis centers. Fresenius Medical Care produces a wide range of equipment and accessories for hemodialysis and peritoneal dialysis. These products include hemodialysis equipment, peritoneal dialysis cyclers, dialyzers, solutions for peritoneal dialysis in flexible plastic bags, hemodialysis concentrates and solutions, blood lines and disposable tubes as well as systems for water treatment in dialysis centers. For the year 2004, dialysis products accounted for 28% of our total revenue.

### *The dialysis market*

According to the 2002 published data of the *Center for Medicare and Medicaid Services* of the U.S. Department of Health (formerly the *Health Care Financing Administration*), the number of long-term dialysis patients in the U.S. with ESRD increased from approximately 66,000 in 1982 to 297,928 at December 31, 2002. This corresponds to an annual increase of approximately 8.0%. We believe that the global growth will continue at a rate of 6% per year. At the end of 2002, there were approximately 1.3 million dialysis patients. At the end of 2002 based on data published by the Japanese Society for Dialysis Therapy approximately 230,000 dialysis patients were treated in Japan. According to market studies of Fresenius Medical Care, Japan is the second-largest dialysis market worldwide. For the rest of the world, we estimate approximately 310,000 dialysis patients in Europe, approximately 175,000 in Asia (without Japan) and approximately 160,000 in Latin America at the end of 2003.

### *Strategy*

Our objective is generating revenue growth that exceeds market growth of the dialysis industry, measured by growth in the patient population, while maintaining our leading position in the market and increasing earnings at a faster pace than revenues. In the past five years revenues from dialysis services and products have increased more rapidly than the total market and we believe that we are well positioned to meet our objectives by focusing on the following strategies:

Maintenance of high-quality dialysis treatment;

Patient care programs which distinguish themselves from those of our competitors; in particular, in single-use high flux polysulfone dialyzers and related services;

Worldwide strengthening of the presence in attractive growth markets;

Expansion of the range of dialysis services that we offer;

Continuing to offer a complete product range for dialysis, ensuring a constant flow of revenues from disposable products; and

Strengthening our position as an innovator in product and process technologies.

*Acquisition of Renal Care Group, Inc.*

On May 3, 2005, we entered into a definitive merger agreement with Renal Care Group, Inc. ( RCG ) to acquire RCG for an all cash purchase price of approximately \$3.5 billion. RCG is a Delaware corporation

**Table of Contents**

that provides dialysis services to patients with ESRD. As of June 30, 2005, RCG provided dialysis and ancillary services to over 31,000 patients through 445 outpatient dialysis centers in 34 states in the United States, in addition to providing acute dialysis services to more than 210 hospitals. RCG was formed in 1996 by leading nephrologists with the objective of creating a com