



December 15<sup>th</sup>, 2004

***Announcement:  
Agreement on Peritoneal Dialysis Home Care Business***

Fresenius Medical Care Japan K.K., (President: Ray Tsunoda, hereinafter referred to as Fresenius Medical Care Japan) and Fujisawa Pharmaceutical Co., Ltd. (President: Hatsuo Aoki, hereinafter referred to as Fujisawa Pharmaceutical) have announced that both companies reached an agreement for peritoneal dialysis business and start the marketing cooperation for Fresenius Medical Care Peritoneal Dialysis (PD) products from the next April, 2005 in Japan.

Under this agreement, Fresenius Medical Care Japan supplies its PD products to Fujisawa Pharmaceutical. Fujisawa Pharmaceutical promotes in the Japanese market through its Home Care Division in cooperation with Fresenius Medical Care Japan. At the same time, Fresenius Medical Care Japan will continue to market the PD products through its direct channels to customers in Japan.

Peritoneal Dialysis is a treatment method, which is one of the treatments for chronic renal insufficiency including also such as hemodialysis and renal transplant, using the patient's peritoneum, the tissue which covers the inner surface of the abdominal cavity and the abdominal organs, as the dialyzing membrane for the purification of the blood. The treatments can be self administered by the patient at one's home or workplace several times a day or during the night (whilst using the support of a machine). This allows the patient more freedom and choice. In Japan, about 10,000 patients out of a total of approx. 241,000 (approx. 231,000 patients under hemodialysis) dialysis patients are conducting this kind of treatment at home. In 1983, Peritoneal Dialysis took the coverage of reimbursement in Japan.

Fresenius Medical Care Japan is a subsidiary of Fresenius Medical Care AG (Headquarters: Bad Homburg, Germany), which is the world's largest, integrated provider of products and services for individuals undergoing dialysis because of chronic kidney failure. In Japan, Fresenius Medical Care Japan started to market PD solutions and related products in 2000.

Fujisawa Pharmaceutical has founded the Home Care Division with the policy “Aims at development of home medical care in Japan and contribute to improvements in quality of life of the patients” and started the rental business of oxygen concentrator for HOT (Home Oxygen Therapy) in 1995. The Company has further expanded its business field with Home Infusion Therapy(HIT), Continuous Positive Airway Pressure(CPAP) for Sleep Apnea Syndrome(SAS), and Non-invasive Intermittent Positive Pressure Ventilation(NPPV) for Home Mechanical Ventilation(HMV) system.

The key product related to this agreement is *stay.safe balance*, a peritoneal dialysis system of the latest generation, with biocompatible neutral pH solution. It’s presented in a bag for an improved treatment safety and comfort for patients. All components of the *stay.safe balance* product are made of PVC-free material so as to take care of also our environmental issues.

By the agreement, Fresenius Medical Care Japan is able to extend its peritoneal dialysis activities in Japan, in cooperation with Fujisawa Pharmaceutical through its expertise in the home care business.

At the same time, Fujisawa Pharmaceutical can expect to enforce its home care platform with adding the Peritoneal Dialysis portfolio to existing home care business.

For the future, both companies hope that more patients can be treated at home, whilst the professionals at the dialysis clinics and hospitals get an excellent service and support on their therapy scheme.

Mr. Ray Tsunoda, President of Fresenius Medical Care Japan said: “We are very pleased to have Fujisawa Pharmaceutical as our partner for the peritoneal dialysis business and to be able to generate new opportunities in promoting our excellent product portfolio *stay.safe balance* and the related services.” Mr. Shinichi Shimizu, Corporate Vice President, Home Care, of Fujisawa Pharmaceutical stated: “We are delighted to be partnering with Fresenius Medical Care as the global leader in dialysis products and services. Together with our strong position in the home care and pharmaceutical business in Japan, this will allow the patients at home and the professionals at the dialysis clinics and hospitals to get an excellent service and support on their therapy.”

The outline of both company are as follows:

**Fresenius Medical Care Japan K.K**

Address: 3-15-1, Minami -Ohi, Shinagawa-ku, Tokyo 140-0013

Establishment: October 1993

President and Representative Director: Ray Tsunoda

Business range: Import, export, manufacturing, sales and lease of medical devices, pharmaceuticals related to dialysis, and their related issues.

**Fujisawa Pharmaceutical Co., Ltd.**

Address: 3-4-7, Dosho-machi, Chuo-ku, Osaka 541-8514

Establishment: December 1930

President and CEO: Hatsuo Aoki, Ph.D.

Business range: Manufacturing, marketing and import/export of pharmaceuticals, medical supplies and system, and home care business, etc.

**Contact:**

**Fresenius Medical Care Japan K.K**

Marketing & Clinical Department

Ms. Hideko Komatsu

3-15-1, Minami -Ohi, Shinagawa-ku, Tokyo 140-0013

TEL: 03-5762-7133 / FAX: 03-5762-7131

URL: <http://www.fresenius.co.jp>

E-mail: [hideko.komatsu@fresenius.co.jp](mailto:hideko.komatsu@fresenius.co.jp)

\* Please do not hesitate to call us for the product photo and further information.

**Fujisawa Pharmaceutical Co., Ltd.**

Corporate Communications

Address: 3-4-7, Dosho-machi, Chuo-ku, Osaka 541-8514

TEL:06-6206-7857 / FAX:06-6206-5016

URL: <http://www.fujisawa.co.jp/>

**Reference:**

**Fresenius Medical Care AG**

Fresenius Medical Care AG is the world's largest, integrated provider of products and services for individuals undergoing dialysis because of chronic kidney failure, a condition that affects more than 1,300,000 individuals worldwide. Through its network of approximately 1,595 dialysis clinics in North America, Europe, Latin America and Asia-Pacific, Fresenius Medical Care provides Dialysis Treatment to approximately 123,000 patients around the globe. Fresenius Medical Care is also the world's leading provider of Dialysis Products such as hemodialysis machines, dialyzers and related disposable products.

Address: Bad Homburg, Germany

Foundation: 1996 \* Fresenius Worldwide Dialysis and National Medical Care merge to Fresenius Medical Care AG.

Business range: Development, manufacturing and supply of hemodialysis and peritoneal dialysis products, and provider of dialysis services.

\* For the details about Fresenius Medical Care AG, please visit the following website.

<http://www.fmc-ag.com>

**Home Care Business of Fujisawa Pharmaceutical Co., Ltd.**

Start of operation: April, 1995 \*

Nationwide development : 1996

Business range: Home Oxygen Therapy(HOT), Home Infusion Therapy(HIT), Continuous Positive Airway Pressure Therapy(CPAP) for Sleep Apnea Syndrome(SAS), and Non-invasive Intermittent Positive Pressure Ventilation(NPPV) for Home Mechanical Ventilation(HMV) system.

Business style: Fujisawa Pharmaceutical promotes, sells and lease home care related products to medical facilities. Fujisawa Home Care, its wholly owned subsidiary, takes care of setting-up and maintenance of the products for patients.

Total sales: JPY 7,100 million (Fiscal year March of 2004)

Employees: approx. 300 (Incl. Fujisawa Home Care)

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