

Profit and Loss Transfer Agreement

Between

Fresenius Medical Care Aktiengesellschaft,
with registered offices in Hof an der Saale

- the “**Controlling Entity**” -

and

Fresenius Beteiligungs GmbH,
with registered offices in Oberursel

- the “**Controlled Entity**”

the following

Profit and Loss Transfer Agreement

is entered into with effect as of the 1998 financial year.

§ 1

Transfer of profits and losses

1. The Controlled Entity undertakes to transfer to the Controlling Entity all profits as determined in line with applicable provisions of commercial law which arise, the following specifications being taken into account.
2. The Controlled Entity may appropriate any amounts of the net profit into the free reserves only to the extent that the latter are justified in economic terms from a reasonable commercial perspective.
3. Any transfer of income resulting from the release of pre-contractual free reserves is excluded.
4. The compensation of losses occurs pursuant to section 302 of the German Stock Corporation Act.
5. The amount to be transferred falls due on the day following the adoption of the annual accounts and accrues interest, starting from the balance sheet date, at a rate of 3% p.a. above the discount interest rate of the German Federal Bank. Until the due date, the Controlling Entity may demand, without formal requirements, that reasonable advance payments be made as regards the profit to be transferred. In the event of a loss looming, the Controlled Entity may demand, in return, that reasonable advance payments be made by the Controlling Entity as regards the transfer of losses.

§ 2

Term of the Agreement, miscellaneous

1. The Agreement takes effect on 1 January 1998 and is entered into for an indefinite period of time. It may be terminated on giving three months' notice with effect at the end of each calendar year, however, for the first time with effect on 31 December 2002. The right to extraordinary termination for good cause remains unaffected. Good cause means in particular a change of the shareholder of the Controlled Entity.
2. The Parties will submit the Agreement to their respective bodies of shareholder representation (General Meeting/Supervisory Board) for the purpose of approval (consent within the meaning of section 184 of the German Civil Code).

§ 3

Severability

Should a provision of this Agreement be or become null or void for any other reasons, in whole or in part, the remaining provisions will remain unaffected. In such case, the Parties are obliged to replace such invalid provision by a legitimate one, which as far as possible meets the economic objectives.

Oberursel, 23 December 1997

[signature]

Dr G. Krick

Fresenius Medical Care AG

[signature]

by virtue of a
statutory power of
attorney Dr Runte

[signature]

G. Jakobi

Fresenius Beteiligungs GmbH