

Investment in the future

Investment projects of B. Braun



Dear employees,

B. Braun has set ambitious goals for itself in the next three years: to expand our (production) capacities, we plan to invest €1.4 billion, 50% of which is earmarked for Germany. This step has become necessary and been made possible as a result of the strong demand for our products. To continue to achieve our current high rate of growth in the future, we must expand our capacities. We can certainly leverage the results of our intensive research and development work in recent years.

As a family-owned company, we are committed to financing these investments from our own pocket as much as possible. Our strong cost awareness and wise spending policies will help us achieve these goals.

We are counting on you, our employees, in all these activities. Your ideas and commitment are what have made B. Braun so successful in its nearly 170 years of existence. The investment projects offer interesting perspectives for you, for instance through the employment of new production technologies. This brochure has been created to provide you with an overview of the planned investment projects in Germany, to explain the opportunities these investments represent, and perhaps most importantly: to urge you to support these changes to help secure the long-range viability of our German sites and assist us in shaping a successful future for the family company of B. Braun.

Your support and input are vital to the success of these projects.

With kind regards,



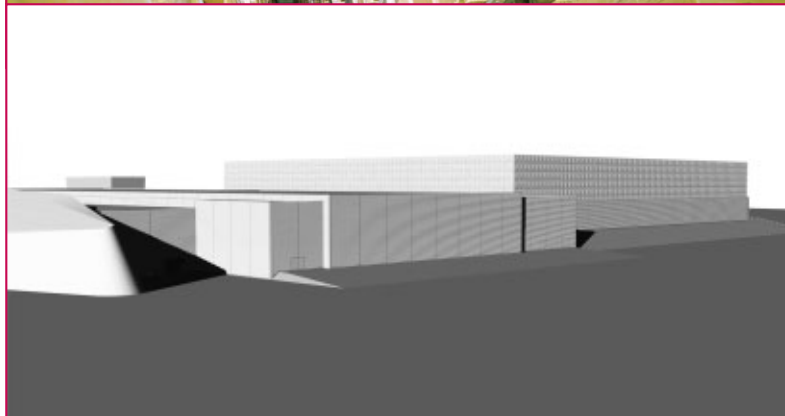
Prof. Dr. h. c. Ludwig Georg Braun

Melsungen, January 2008

Expansion of the European goods distribution center, Melsungen

Project objective:

The expansion of the goods distribution center in Melsungen will increase high-volume logistics for Europe, with respect to both storage and order picking. From a European perspective, Melsungen is ideally located in terms of distribution logistics, enabling us to centralize stocks as much as possible and thus reduce logistics costs. The ongoing positive development in business and the successful production start of LIFE also make additional storage space necessary.



Key figures:

Construction costs/equipment costs:	€13.2 million / €15.3 million
Capacity of supply warehouse:	increase of 50% to reach 60,000 pallets
Capacity of picking warehouse:	increase of 40% to reach 5,400 pallets
Area of supply warehouse:	3,850 m ²
Area of picking warehouse:	3,455 m ²
Number of employees:	280
Groundbreaking:	May 2007
Duration of construction:	supply warehouse 12 months, picking warehouse 18 months
Scheduled completion of supply warehouse:	April 2008
Operational start-up of picking warehouse:	October 2008

For additional information about the project, please contact:

Heinz Ruediger, Head of Logistics

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Expansion of IV set manufacturing, Melsungen

Project objective:

By expanding the existing manufacturing plant for IV administration sets, capacity is expected to increase from 107 million units in 2007 to 200 million in 2011, which would be a major step towards our goal of becoming the international market and cost leader for these products. The new "DIVA" assembly technology developed by B. Braun's in-house special mechanical engineering department will make it possible to double output and achieve this goal.

Product group:

Together with IV solutions, infusion pumps, and IV catheters, IV sets represent the main components of infusion therapy. They allow precise, hygienic administration of intravenous solutions, medications, and parenteral nutrition. IV sets consist of a spike



to puncture the solution container, a drip chamber, tubing, a roller clamp to regulate drip rate, and a needle connector.

Key figures:

Construction costs/equipment costs:	€26 million / €50.6 million
Capacity:	will double from 107 million to 200 million sets/year
Production area after expansion:	5,600 m ²
Number of employees:	300
Groundbreaking:	September 20, 2007
Duration of construction:	16 months
Scheduled completion of the building:	late 2008
Target capacity to be reached by:	mid-2011

For additional information about the project, please contact:

Hans-Dieter Fröhlich, Medical plant management
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Construction of a new LIFE Nutrition production plant/central laboratory, Melsungen

Project objective:

The purpose of the new manufacturing building is to expand production capacities to meet strongly growing demand in the field of clinical nutrition, especially in the US. To capitalize on synergies, the laboratory functions of the Pharmaceuticals Center of Excellence will be concentrated in Plant P. These functions are currently distributed over various locations in Melsungen.

Product group:

When "normal" (oral) patient nutrition is no longer possible, nutritional solutions can be used instead. There are two main types of nutritional solutions: enteral (administered via feeding tube directly to the stomach or intestines) and parenteral (essential nutrients are administered intravenously). B. Braun offers products for both types of clinical nutrition.

Key figures:

Construction costs/equipment costs:	€105 million including lab / €70 million
Production volume:	43 million units/year
Total area:	50,000 m ²
Number of employees, manufacturing/lab:	400
Groundbreaking:	March 2008
Duration of construction:	18 months
Start of manufacturing:	October 1, 2010
Commissioning of the laboratory center:	January 1, 2010

For additional information about the project, please contact:

Thomas Gaebler, Global Process Engineering, Pharmaceuticals CoE
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Construction of a new production plant for dialysis machines and infusion pumps, Melsungen

Project objective:

The purpose of the planned new building is to provide additional production capacity in the Hospital Care and B. Braun Avitum divisions; increased demand for infusion pumps, syringe pumps, and dialysis machines can no longer be met by the current facility.

Product group:

Infusion and syringe pumps are used to administer a precise amount of medication or infusion solution to a patient over a certain period of time.

Approximately one million patients with compromised renal functions or kidney failure rely on regular dialysis treatments to survive. B. Braun offers a comprehensive portfolio of products and services in this therapy field, tailored to suit individual patients' needs.

Key figures:

Construction costs/equipment costs:	€60 million / €15 million
Production volumes:	after start-up, 10,000 dialysis machines and 135,000 pumps per year
Production area / logistics:	11,600 m ²
Office space:	9,300 m ²
Number of employees:	more than 500 in production alone
Groundbreaking:	mid-2008
Duration of construction:	20 months
Scheduled completion:	mid-2010

For additional information about the project, please contact:

Manfred Herres, Director of Production, B. Braun Avitum
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Strong growth in demand has led to production bottlenecks.

This plant will manufacture "B. Braun Space," an especially small, flexible infusion pump for intensive care units, and the Dialog+ dialysis machine, which can be individually configured to offer maximum flexibility in treatment.

Construction of a new training center, Melsungen

Project objective:

B. Braun is committed to continuing to increase the number of apprentices it employs in the coming years. The new training center will provide not only much-needed space but also an effective learning environment with high-tech equipment. Overall, B. Braun anticipates a 40% increase in the number of apprentice positions in the coming years. In 2007, the company already increased its number of apprentices by 9% compared to the previous year, reaching a record figure of 108. B. Braun in Melsungen provides vocational training to a total of 328 apprentices in 17 different occupations. The following technical apprenticeships are available at B. Braun: electronics technician for devices and systems, industrial mechanic, process mechanic, mechatronics specialist, machine and equipment operator, pharmaceuticals technician, chemical production specialist, "dual degree" (vocational training combined with university studies in mechanical engineering, electrical engineering, mechatronics, or computer science).

Key figures:

Construction costs/equipment costs:	€4 million / €1 million
Area:	3,400 m ²
Groundbreaking:	mid-2008
Duration of construction:	20 months
Scheduled completion:	mid-2010

For additional information about the project, please contact:

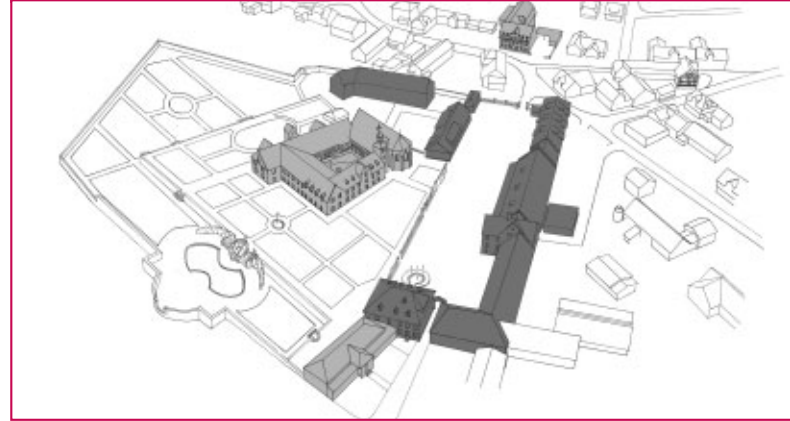
Sven Thiel, Head of Technical Training
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Construction of a new seminar and conference center Morschen, Altmorschen

Project objective:

The service building of the former Haydau estate and the manor house are to be transformed into a seminar and conference center for B. Braun. The company already uses some of these buildings as a conference venue. This center will serve as a meeting place for employees from around the globe, a location that offers an experience of the corporate identity and culture of B. Braun. The setting of the historic landmark of Haydau Convent provides an especially attractive venue for a conference and seminar center unrivalled throughout Germany.



Key figures:

Construction costs/equipment costs:	€15 million / €5 million
Area:	some 30 seminar rooms, overnight accommodations with 130 rooms
Start of construction:	summer 2008
Duration of construction:	3 years
Scheduled completion:	will be completed in stages, from early 2009 to May 2011

For additional information about the project, please contact:

Stephan Kowalski, Travel Manager

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Expansion of the production facility for dialyzers and hollow-fiber membranes, Radeberg



Project objective:

The existing production facility will be expanded to meet increasing demand for dialysis products. B. Braun already produces the so-called dialyzers, the filters for dialysis treatment, at its site in Radeberg in the German state of Saxony. The expansion will allow the company to increase production capacity, update equipment, improve quality assurance, and modernize the working environment. New cleanrooms will be installed, while logistics and quality assurance will be expanded.

Products:

The dialyzer is the key component in dialysis treatment. It acts as an "artificial kidney" to filter toxic metabolic wastes from the blood. During treatment, the entire blood volume of the patient passes through the dialyzer 8 to 12 times. The individual parts of the dialyzer are assembled in a series of automated manufacturing steps under cleanroom conditions, after which they undergo quality and functional testing.



Key figures:

Construction costs/equipment costs:	€3 million / €5 million
Production volume:	9 million dialyzers/year
Total area:	15,000 m ²
Number of employees:	310
Groundbreaking:	September 2008
Duration of construction:	18 months
Operational start-up:	April 2010

For additional information about the project, please contact:

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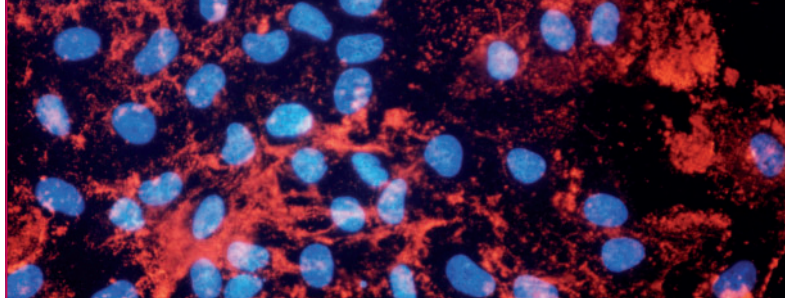
Construction of a new cartilage graft production plant (TETEC), Reutlingen

Project objective:

To meet the growing demand for products in the field of regenerative medicine, the B. Braun subsidiary TETEC is building a new production facility for cartilage grafts. The new building will house cleanrooms for production and research laboratories to improve existing products and further extend the product range.

Products:

The field of regenerative medicine provides millions of patients with the opportunity to successfully treat damaged joints. In case of cartilage damage e.g. due to a sports accident, a patient's own cartilage cells can be sampled from the knee, cultivated externally, and then re-implanted. The operation takes about 40 minutes. A cell layer is initially formed in the joint, which serves as a basis from which the cartilage grows again.



In just 10 weeks, the knee has regained complete mobility and is able to withstand normal loads; this technique allows joint replacement to be avoided (for the time being).

Key figures:

Construction costs/equipment costs:	€4.6 million / €2 million
Production volume:	2,000 cell implants/year
Total area:	2,000 m ²
Number of employees:	currently 26, planned to increase to 40
Construction start:	November 19, 2007
Duration of construction:	8 months
Scheduled completion:	fall 2008, operational start-up January 2009

For additional information about the project, please contact:

Dr. Jürgen Fritz, Member of the TETEC AG Managing Board
Phone: +49 7121/514-8760, info@tetec-ag.de

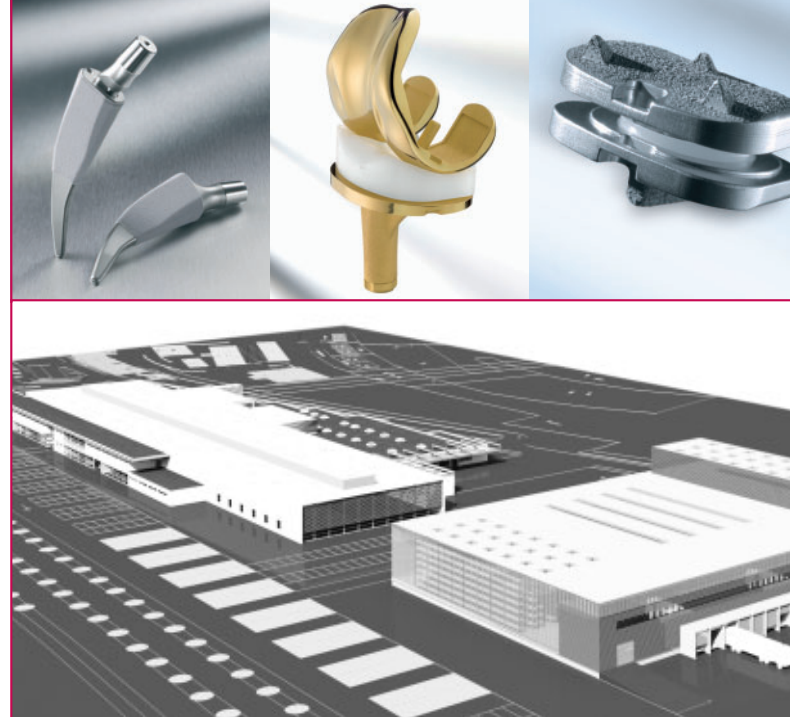
Expansion of the Benchmark Factory, Tuttlingen

Project objective:

Completed in 2001, the Aesculap Benchmark Factory (BMF) in Tuttlingen is one of the most modern, environmentally-friendly implant manufacturing facilities in Europe. The site produces knee, hip, and spine implants for the orthopedic sector – a market with promising potential for growth. Expanding the existing plant will increase production capacity by 10-30% in the next 5-8 years, depending on the product group. This will be achieved by improving existing production processes, material flows, and organization, comprehensively networking all processes, and further developing manufacturing technology. This will in turn improve delivery capabilities and reduce cycle times.

Products:

Aesculap implant systems for minimally invasive, bone-conserving surgery techniques combined with the CT-free OrthoPilot® navigation system allow precise, clinically proven surgeries on



knee and hip joints – for a better quality of life. Aesculap also offers a complete range of spine implants. The focus on minimally invasive, endoscopic techniques allows rapid, conserving surgery to stabilize the spine and preserve mobility.

Key figures:

Construction costs:	€7.26 million
Production volumes:	hip stems: 93,100 units, knee endoprotheses: 56,000 units, spine implants: 162,743 units
Total area (new):	18,200 m ²
Number of employees:	380
Construction start:	April 2007
Duration of construction:	18 months
Operational start-up:	November 2008

For additional information about the project, please contact:

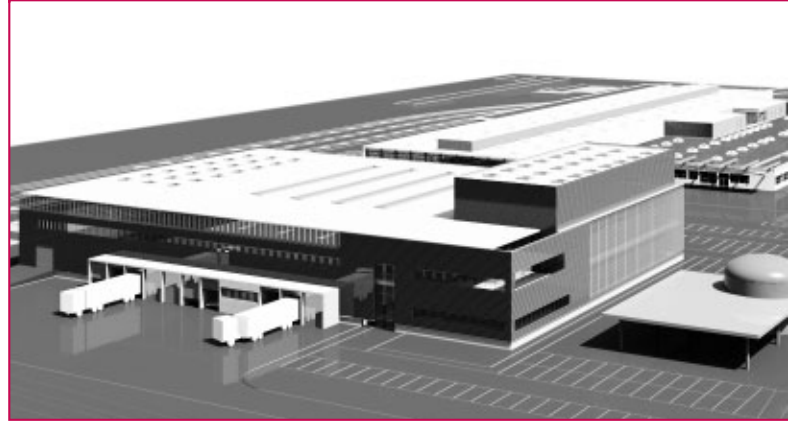
Dr. Joachim Schulz, Head of Production in the Aesculap division
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Construction of a new logistics center, Tuttlingen

Project objective:

Currently, 2,000 shipments leave the Tuttlingen site of the Aesculap division every day. To help them reach our customers faster, the new logistics center will feature more ramps for delivery vehicles to pick up packages.

A 33% increase in warehouse space, more modern warehouse and transport technologies, and an optimized flow of goods will make Aesculap products unique in terms of logistics as well. The new center will make it possible to merge various departments and process several large-scale projects in parallel. The newly constructed building will also include room to expand in the future.



Key figures:

Construction costs/equipment costs:	€8.5 million / €4.5 million
Capacity:	automated small-parts warehouse with 50,000 storage containers plus a pallet bay with 2,400 spaces
Area:	10,000 m ²
Number of employees:	120
Construction start:	April 2007
Duration of construction:	16 months
Operational start-up:	August 2008

For additional information about the project, please contact:

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Investment in the future – around the globe

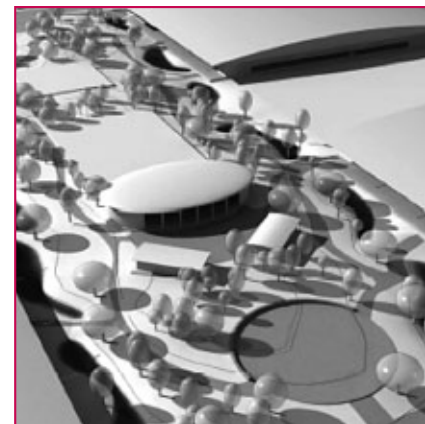
B. Braun's plans for investing in the future are not limited to Germany. New capacities will also be created in other countries in order to supply the respective markets with B. Braun products as quickly and directly as possible. The following projects are currently being planned or carried out:

Hanoi, Vietnam

- Construction of a new manufacturing facility for IV sets
- Increase in production capacity from 35 million to 100 million IV sets/year

Key figures:

Construction costs/equipment costs:	€14 million / €14.5 million
Groundbreaking:	January 2008
Production start:	QII 2009
Jobs:	700



São Gonçalo, Brazil

- Expansion of production facility for IV solutions (Ecoflac)
- Increase output from 20 million to 60 million units/year
- 20% market share in Brazil

Key figures:

Construction costs/equipment costs:	€3.4 million / €22.1 million
Groundbreaking:	April 2006
Scheduled completion:	January 2008: production start of 500-ml filling line April 2008: production start of 100-ml filling line QII 2008: operational start-up of 250-ml filling line

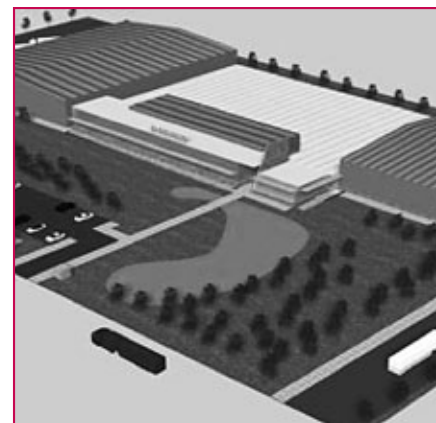


Lima, Peru

- Construction of a new Pharmaceutical and Medical production plant
- Replacement of open IV solution systems with closed systems (Ecoflac Plus) and expansion of capacity

Key figures:

Construction start:	June 2008
Scheduled completion:	late 2009

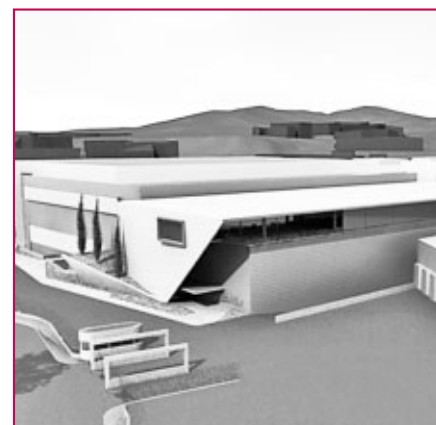


Rubí, Spain

- Expansion of IV solution production (Ecoflac)

Key figures:

Investment costs:	€50 million
Groundbreaking:	February 2008
Scheduled completion:	2010
Jobs:	63 full-time
Production volume:	approx. 50 million Ecoflac Plus/year
Area:	2 levels with 11,000 m ² each





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