

Technology for Life

Conference call

Quarterly report

January 1 to March 31, 2010

Lübeck, May 5, 2010

Disclaimer



This presentation does not constitute an offer of securities for sale or a solicitation of an offer to purchase any securities. No money, securities or other consideration is being solicited by this presentation.

This presentation contains forward-looking statements regarding the future development of the Dräger Group. These forward-looking statements are based on the current expectations, presumptions, and forecasts of the Executive Board as well as the information available to it to date, and have been made to the best of its knowledge and belief. No guarantee or liability for the occurrence of the future developments and results specified can be assumed in respect of such forward-looking statements. Rather, the future developments and results are dependent on a number of factors; they entail risks and uncertainties beyond our control and are based on assumptions which could prove to be incorrect. Notwithstanding any legal requirements to adjust forecasts, we assume no obligation to update the forward-looking statements contained in this presentation.

Interim financial reports as well as preliminaries are not audited.

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Medical division

Overview Q1 2010

- Order intake and net sales clearly above the same period in the previous year
- Orders on hand overall 28.8 percent* above the same period in the previous year, amongst other factors due to strong growth in the Americas (+67.8 percent*)
- Net sales benefited from strong order intake in Q4 2009
- EBIT significantly increased due to savings from the turnaround program, better product mix and positive currency effects
- Innovations initiative continued
 - Ongoing high investments for the future (R&D: EUR 23.7 million, 7.7 percent of net sales)
 - Market launch of the new ›Babylog VN500‹ ventilator for premature babies and infants, another component of the Infinity series

* Currency adjusted

Medical division

Product Highlight: "Babylog VN500" for neonatal ventilation



Wide range of therapy options in one device:

- Combines several types of ventilation, such as conventional ventilation, high frequency oscillation, nasal CPAP and oxygen therapy in a single ventilator

Simplified operation and monitoring via touch screen:

- Detachable control panel with 17" touch screen
- Customizable user interface
- Integrated user help texts, hyperlinks and graphical applications (e.g. Smart Pulmonary View) support the work of the Neonatal Intensive Care Unit (NICU)-team

Ready for intra-hospital transports:

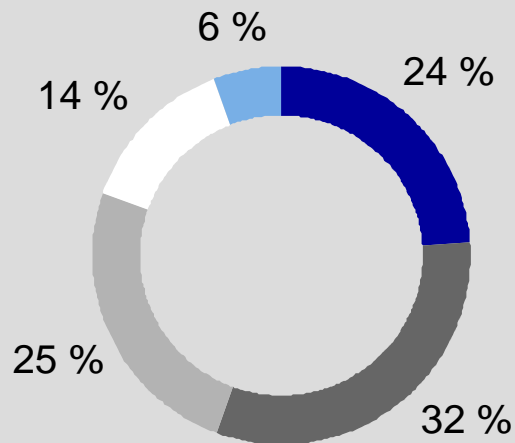
- The internal battery allows 30 minutes of operation independent from central power supply



Medical division

Regional split of order intake and net sales

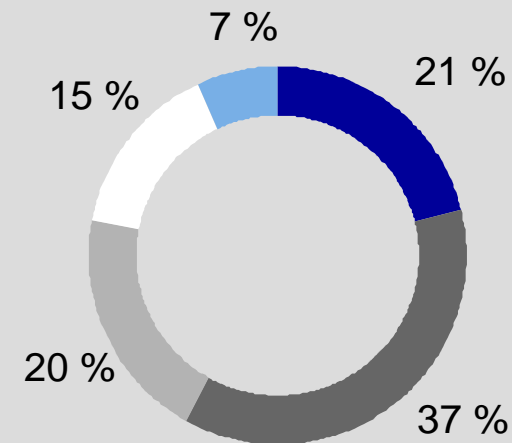
Order intake
First quarter 2010



	€ million	△ vs. PY*
■ Germany	76.3	+8.5 %
■ Rest of Europe	103.2	-3.5 %
■ Americas	79.6	+49.0 %
■ Asia/Pacific	46.0	+10.1 %
■ Other	18.5	-26.4 %
Total	323.6	+8.9 %

* Currency adjusted

Net sales
First quarter 2010



	€ million	△ vs. PY*
■ Germany	63.6	+8.3 %
■ Rest of Europe	112.6	+16.1 %
■ Americas	60.4	+10.8 %
■ Asien/Pazifik	46.4	+27.3 %
■ Other	23.3	-2.6 %
Total	306.3	+13.2 %

* Currency adjusted

Medical division

Business development



	Q1 2009	Q1 2010	Change
	€ million	€ million	%
Order intake	295.2	323.6	+9.6*
Net sales	268.3	306.3	+14.2*
EBITDA	9.4	45.8	+387.2
EBIT	2.7	40.3	
<i>EBIT margin</i>	<i>1.0 %</i>	<i>13.2 %</i>	
Net profit	1.7	27.8	

* Currency adjusted: order intake +8.9 percent, net sales +13.2 percent

Medical division

Key figures



	Q1 2009	Q1 2010	Change
	€ million	€ million	%
Cash flow (operating activities)	24.2	39.1	+61.6
Net financial debt	-106.2	-230.7	+117.2
Investments	5.5	3.9	-29.1
Capital employed	631.2	540.7	-14.3
<i>ROCE</i>	<i>10.6 %</i>	<i>19.4 %</i>	
Net working capital	346.5	276.5	-20.2



Safety division

Overview 2009

- Order intake and net sales above the same period in the previous year
- Orders on hand 19.0 percent* below the same period in the previous year due to a cancelled order for a deep-sea diving system in 2009 and delivery of large orders after Q1 2009
- EBIT clearly above the same period in the previous year due to a better product mix and positive currency effects
- Innovations continue to strengthen the competitive position
 - Ongoing investments into the future (R&D: EUR 9.8 million, 5.9 percent of net sales)
 - Market launch of the “Dräger DSF” system designed for the safe filling of cylinders with breathable air

* Currency adjusted

Safety division

Product highlight: “Dräger DSF”



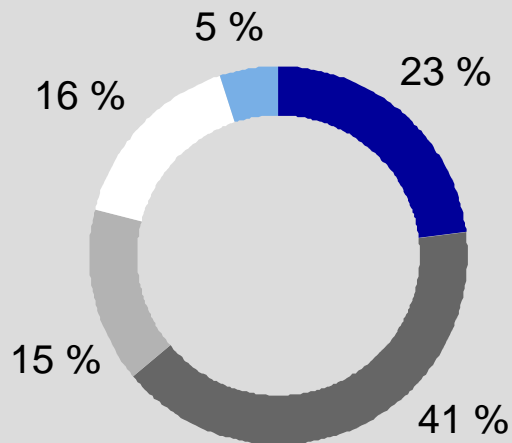
- The Dräger Safety Filling System is designed for the safe filling of cylinders with breathable air
- With its extremely sturdy steel safety cells, the system offers protection from bursting cylinders or detached filling hose connections
- Easy to use and to steer
- Portable for mobile use, including use in vehicles

Safety division

Regional split of order intake and net sales



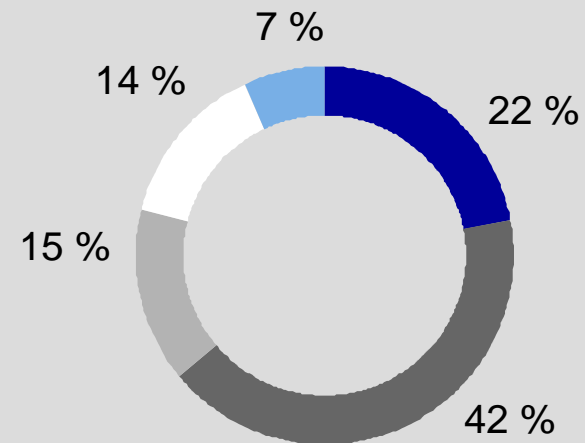
Order intake
First quarter 2010



	€ million	△ vs. PY*
Germany	39.7	+11.2 %
Rest of Europe	70.0	+1.2 %
Americas	25.2	+2.9 %
Asia/Pacific	27.3	+5.1 %
Other	10.1	+11.9 %
Total	172.3	+4.8 %

* Currency adjusted

Net sales
First quarter 2010



	€ million	△ vs. PY*
Germany	36.8	+1.1 %
Rest of Europe	70.8	-1.4 %
Americas	25.0	-3.1 %
Asia/Pacific	23.3	+1.9 %
Other	11.1	+12.8 %
Total	167.0	+0.1 %

* Currency adjusted

Safety division

Business development



	Q1 2009	Q1 2010	Change
	€ million	€ million	%
Order intake	160.1	172.3	+7.6*
Net sales	163.0	167.0	+2.5*
EBITDA	16.0	17.9	+11.9
EBIT	10.5	12.7	+21.0
<i>EBIT margin</i>	<i>6.4 %</i>	<i>7.6 %</i>	
Net profit (before profit/loss transfer)	6.7	8.5	+26.9

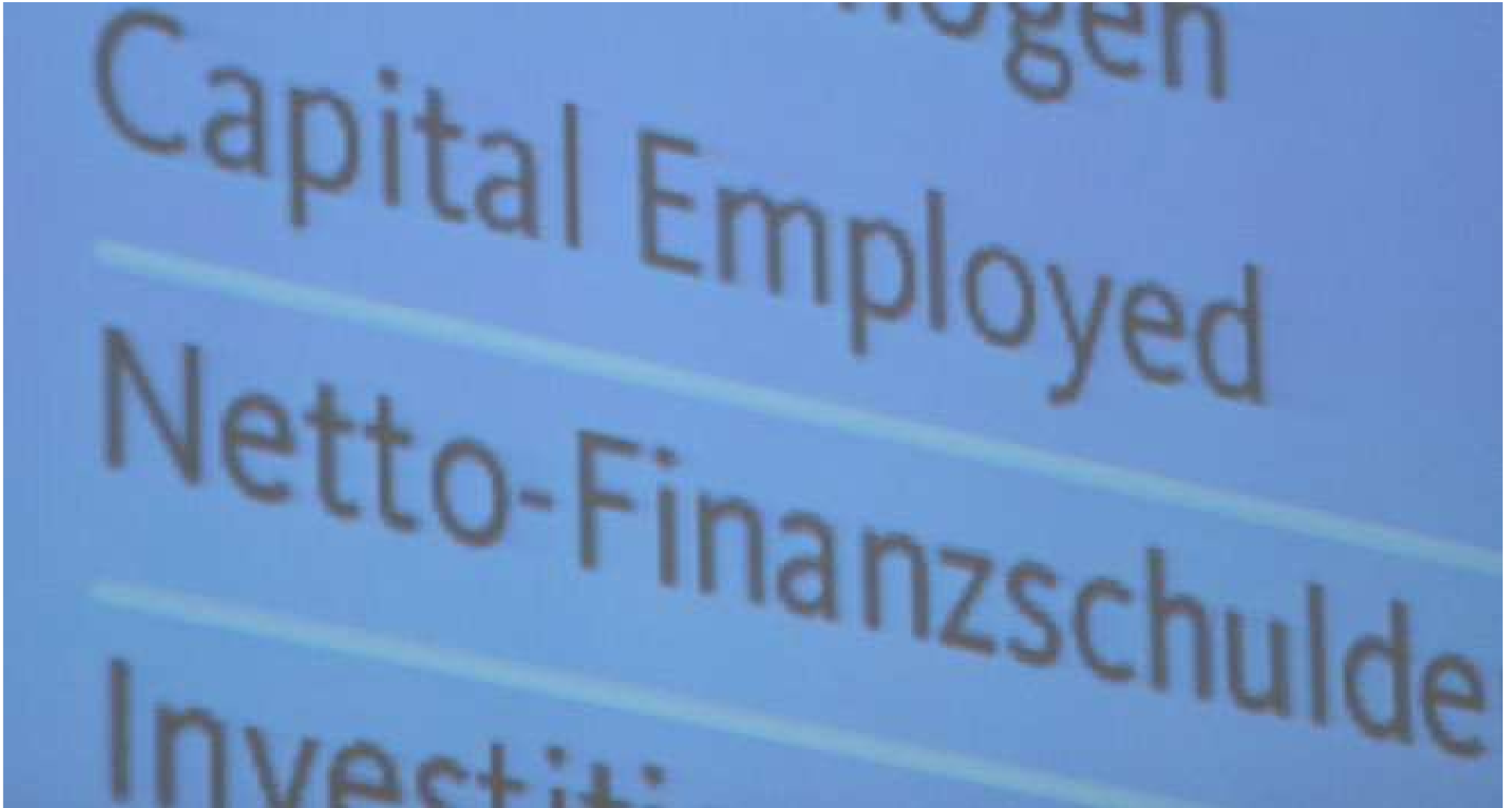
* Currency adjusted: order intake +4.8 percent, net sales +0.1 percent

Safety division

Key figures



	Q1 2009	Q1 2010	Change
	€ million	€ million	%
Cash flow (operating activities)	-2.8	11.1	
Net financial debt	69.6	3.0	-95.7
Investments	4.5	3.3	-26.7
Capital employed	240.6	193.1	-19.7
<i>ROCE</i>	<i>27.9 %</i>	<i>16.8 %</i>	
Net working capital	162.3	117.3	-27.7



Dräger Group

Business development



	Q1 2009	Q1 2010	Change
	€ million	€ million	%
Order intake	448.6	488.2	+8.8 *
Net sales	425.2	465.9	+9.6 *
<i>Gross margin</i>	<i>45.4 %</i>	<i>48.9 %</i>	
EBIT	6.5	36.8	+466.2
<i>EBIT margin</i>	<i>1.5 %</i>	<i>7.9 %</i>	
Income taxes	0.0	10.3	
<i>Tax rate</i>	<i>0.0 %</i>	<i>35.6 %</i>	
Net profit	-0.1	18.7	
Minority interests in net profit	0.6	0.5	-16.7
Earnings attributable to participation certificates**	0.7	0.8	+14.3
Earnings per preferred share (in €)	-0.10	1.38	

* Currency adjusted: order intake +7.4 percent, net sales +8.1 percent

** Excluding minimum dividend

Dräger Group

Consolidated balance sheet



Assets	31.12.2009	31.03.2010	Change
	€ million	€ million	%
Intangible assets	278.9	278.5	-0.1
Property, plant and equipment	245.9	244.7	-0.5
Other non-current assets	132.9	131.1	-1.4
Non-current assets	657.7	654.3	-0.5
Inventories	299.9	354.9	+18.3
Trade receivables	511.4	486.1	-4.9
Other current assets	72.7	99.8	+37.3
Cash and cash equivalents	344.1	373.6	+8.6
Current assets	1,228.1	1,314.4	+7.0
Total assets	1,885.8	1,968.7	+4.4

Dräger Group

Consolidated balance sheet



Equity and liabilities	31.12.2009	31.03.2010	Change
	€ million	€ million	%
Equity	393.8	429.9	+9.2
Liabilities from participation certificates	28.7	29.0	+1.0
Provisions for pensions and similar obligations	170.2	170.3	+0.1
Non-current interest-bearing loans	382.3	380.8	-0.4
Other non-current liabilities	133.7	138.7	+3.7
Non-current liabilities	714.9	718.8	+0.5
Current provisions	186.5	206.6	+10.8
Current loans and liabilities to banks	83.6	87.1	+4.2
Trade payables	127.1	135.7	+6.8
Other current liabilities	379.9	390.6	+2.8
Current liabilities	777.1	820.0	+5.5
Total equity and liabilities	1,885.8	1,968.7	+4.4

Dräger Group

Key figures



	Q1 2009	Q1 2010	Change
	€ million	€ million	%
Cash flow (operating activities)	5.9	26.2	+344.1
Net financial debt	265.0	353.3	+33.3
Investments	10.9	7.7	-29.4
Capital employed	969.9	715.6	-26.2
<i>ROCE</i>	<i>10.5 %</i>	<i>15.4 %</i>	
Net working capital	502.8	208.0	-58.6

Dräger Group

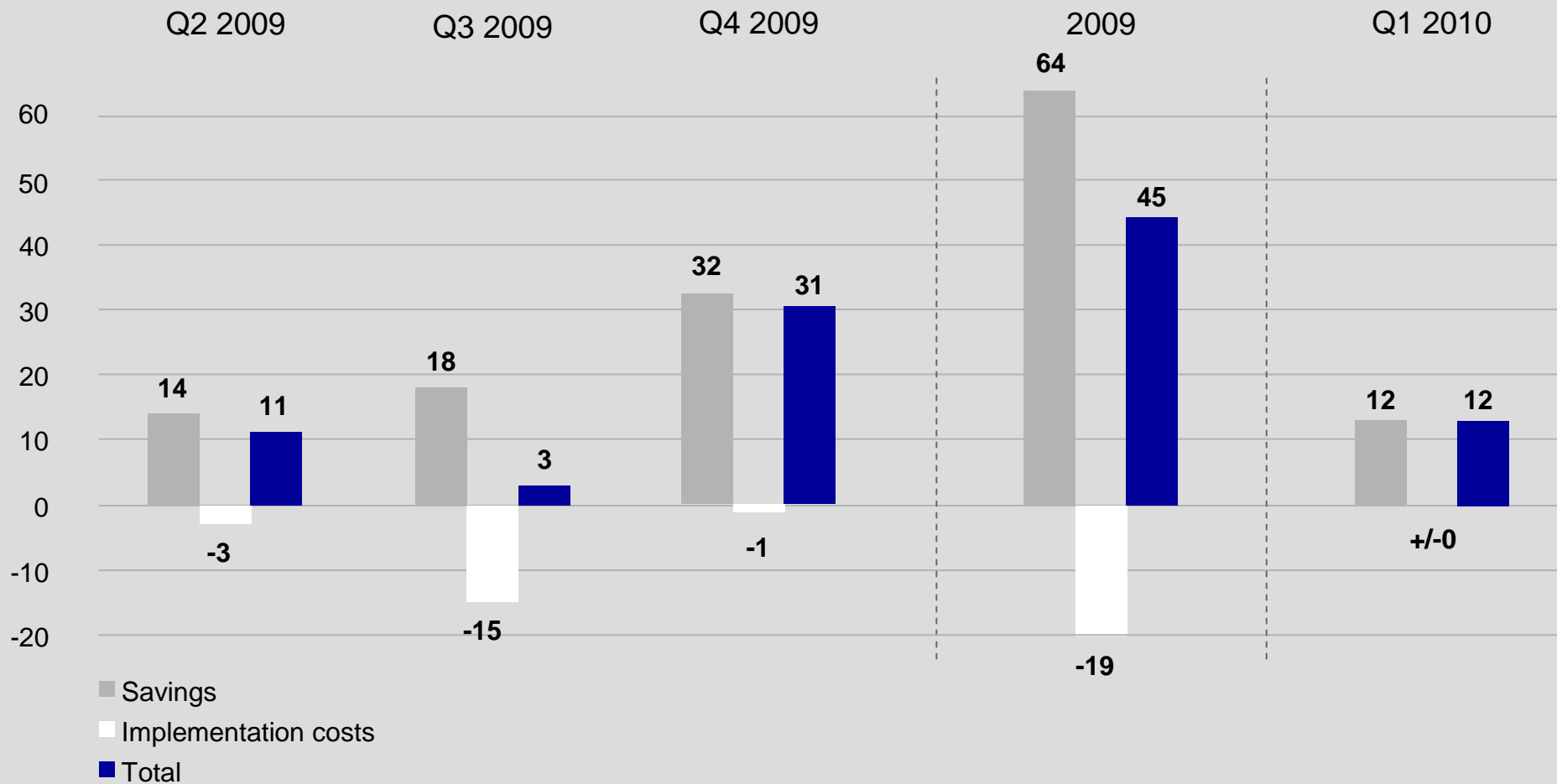
Cash Flow Statement



* Without effects of exchange rates on cash and cash equivalents

■ Q1 2009 ■ Q1 2010

Quarterly view in € million





Targets 2010

- Net sales expected to grow in the low single-digits
- After an excellent first quarter EBIT margin at the upper end of the originally anticipated range of 5 to 6 percent without consideration of valuation changes of the cash settled option* aspired
- Positive EBIT effect of around EUR 80 million and implementation costs of around EUR 10 million from the turnaround activities aspired (against net sales, cost structure and exchange rates in 2008)

Targets 2011

- From 2011 onwards full impact of turnaround measures with an EBIT effect amounting to about EUR 100 million aspired (against net sales, cost structure and exchange rates in 2008)

* Assuming a steady and positive development in Dräger's relevant markets and a continued successful implementation of the turnaround program

Technology for Life

Appendix

Management

Finance Calendar

Contact

Executive Board of Drägerwerk Verwaltungs AG



Stefan Dräger
CEO



Dr. Ulrich Thibaut
CTO
(up to June 30, 2010)



Gert-Hartwig Lescow
CFO



Dr. Herbert Fehrecke
COO



Dr. Dieter Pruss
Marketing and Sales,
Safety division

Finance Calendar



- 18.02.2010** - Preliminaries 2009
- 17.03.2010** - Accounts press conference, Hamburg
- Analysts' meeting, Frankfurt
- 05.05.2010** - Report for the first three months 2010
- Conference call, Lübeck
- 07.05.2010** - Annual shareholders' meeting, Lübeck
- 05.08.2010** - Report for the first six months 2010
- Conference call, Lübeck
- 04.11.2010** - Report for the first nine months 2010
- Conference call, Lübeck

Burkard Dillig

Spokesman

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