

Technology for Life



**Drägerwerk AG & Co. KGaA
Analysts' Meeting**

Frankfurt, March 19, 2009

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.

1. Dräger Group - Basics

2. Medical Division

3. Safety Division

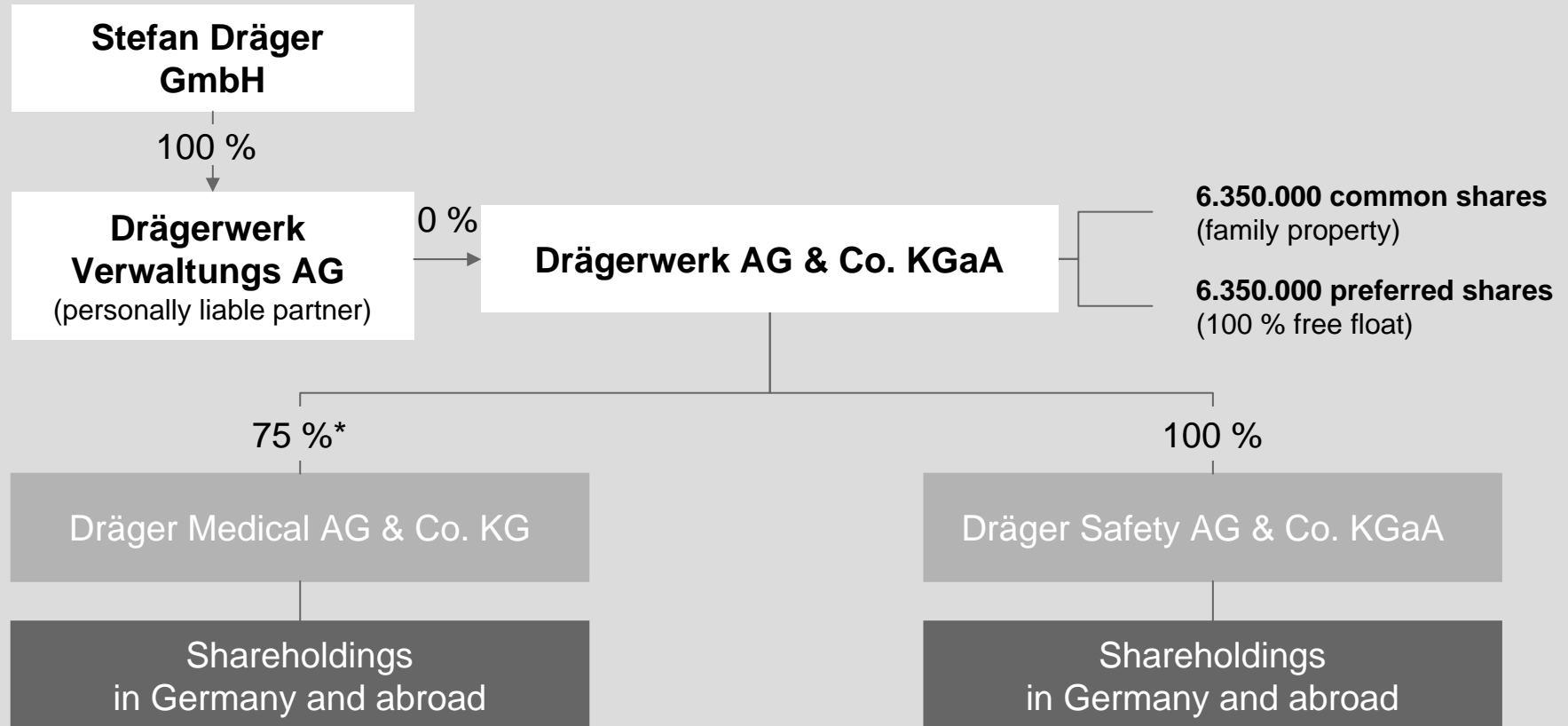
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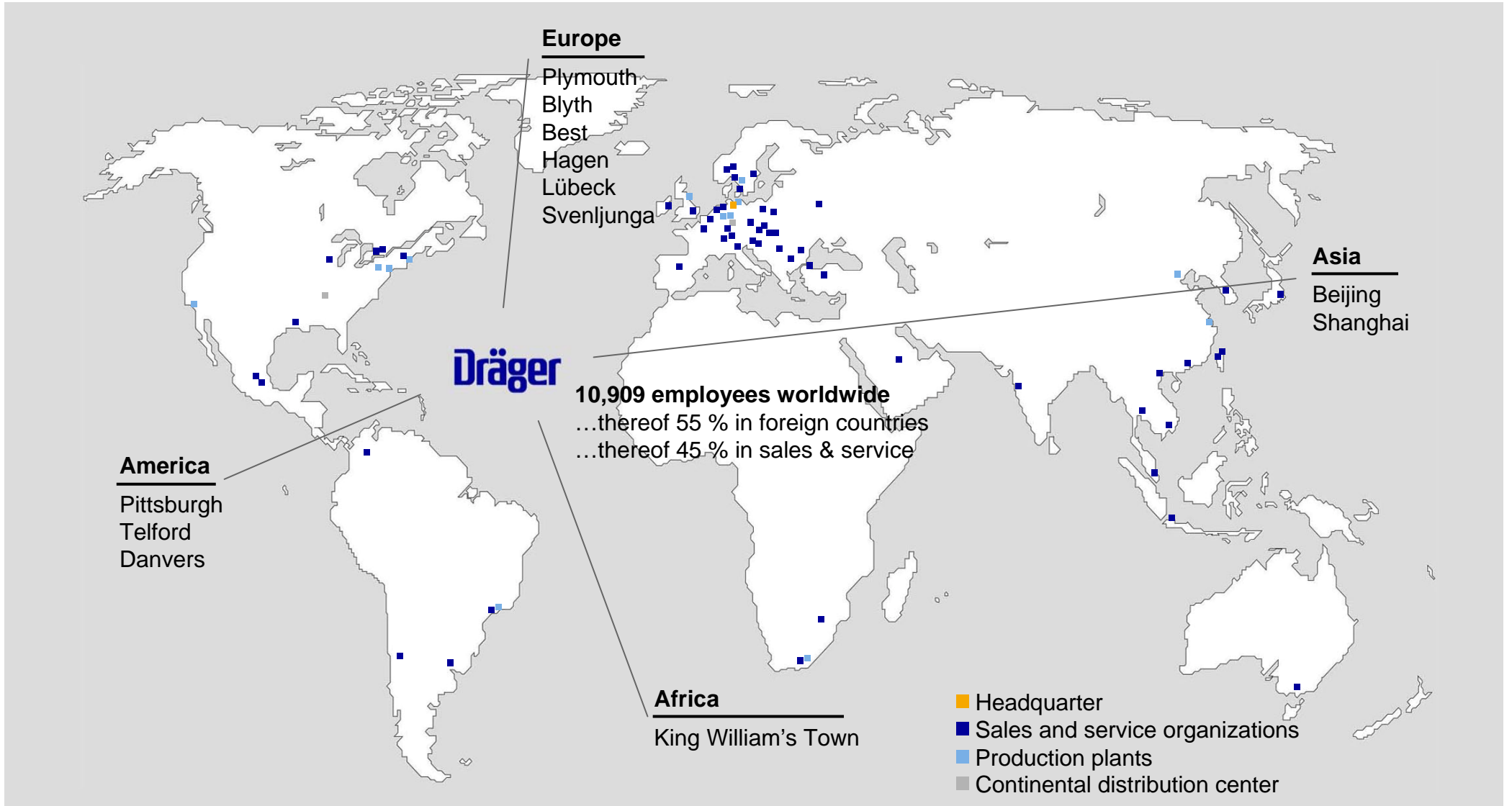
Dräger Group Company structure



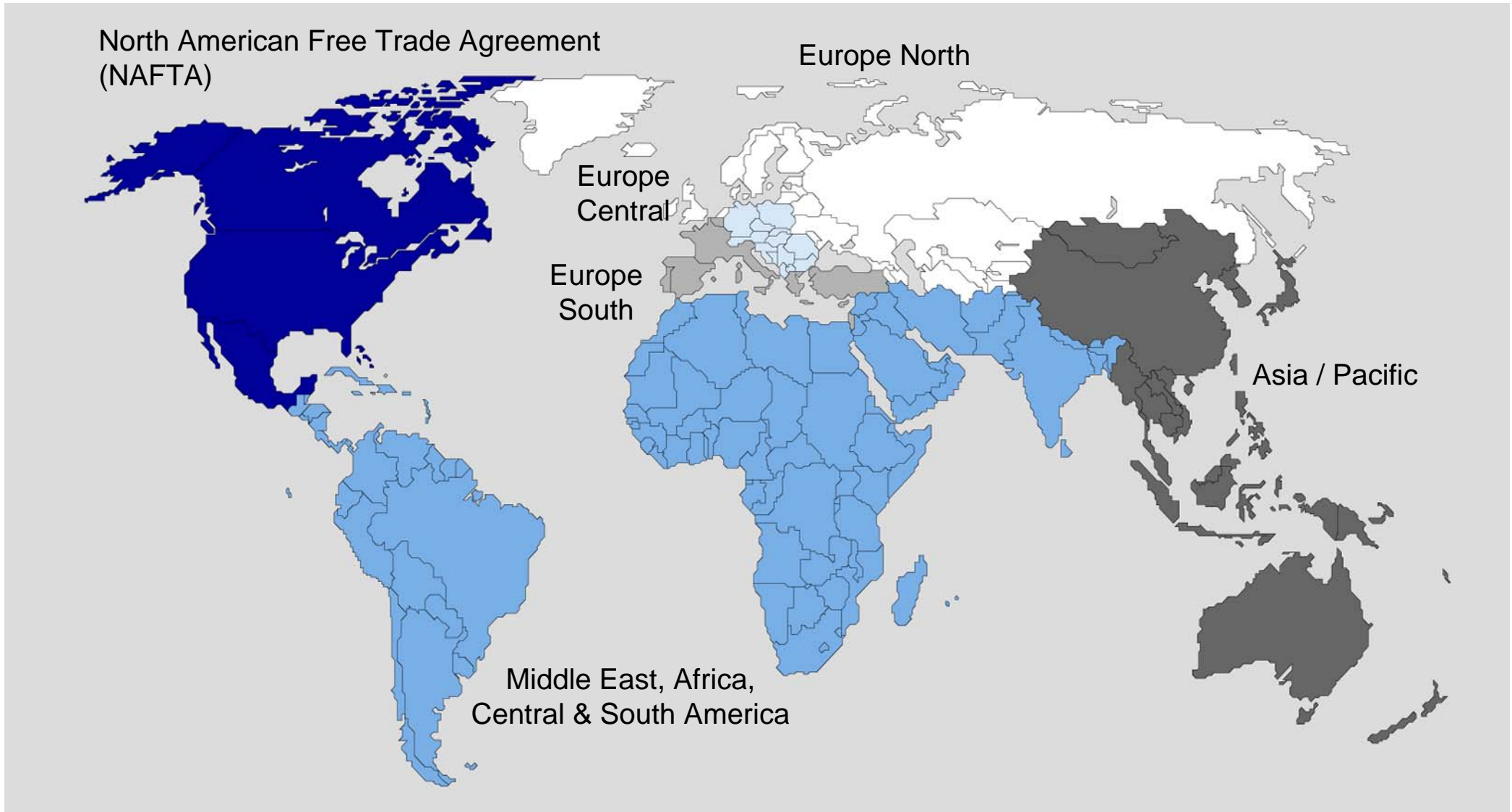
* 25% Siemens

**Expansion of the financial and operative flexibility of the company
while safeguarding its independence by KGaA**

Dräger Group Global Presence



Dräger Group New Regions



Dräger Group

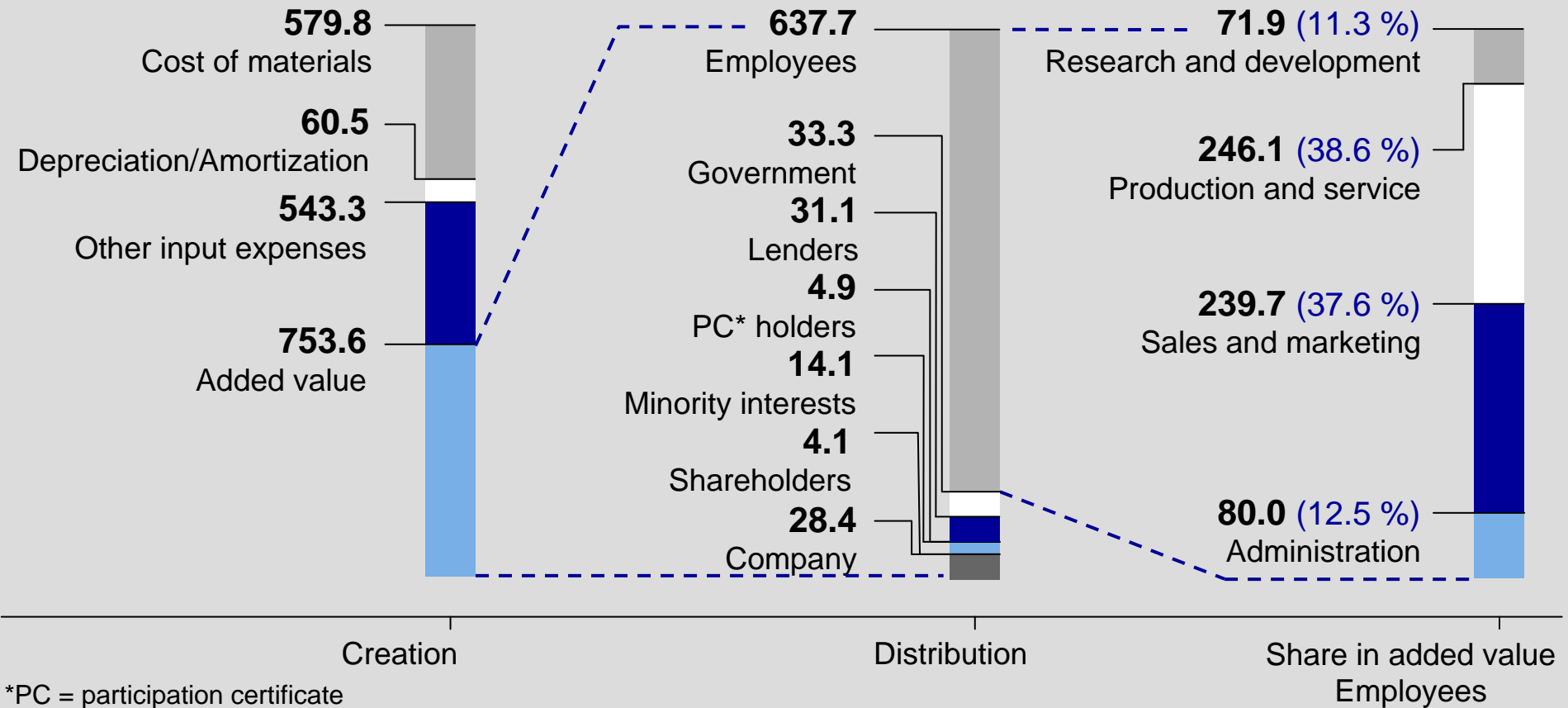
Added Value Statement



Total operating performance
1,937.2 € million

Added value
753.6 € million

Employees
637.7 € million





Medical division

Overview 2008

- Order intake and net sales above previous year
- Operating EBIT due to the relatively strong euro, growth in product segments with lower margins and intense competition below prior-year figure
- Innovations initiative continued
 - Ongoing high investments for the future (R&D: € 97.6 million, 7.8 % of net sales)
 - Presentation of the ventilation component of the Infinity Acute Care System ›Evita Infinity V500‹ at Medica in November 2008
 - High market acceptance for the ambulatory telemetry system ›Infinity M300‹
 - International market launch of the enhanced ›Evita XL‹ ventilator
 - Anesthesia device ›Fabius MRI‹ approved by the FDA
 - Expansion of the accessories and consumables business

Medical division

When lungs go on strike and breath is short

Breathe in, breathe out, breathe in, breathe out:
when the human respiratory system requires
support, Dräger's modern ventilation
technology takes over and gently supports
its regeneration and recovery.
Together with the patient.



New in Dräger's range of ventilation units:
"Evita Infinity V500"

Medical division

Functionality even under extreme conditions

The fundamental rule:
whatever happens, the anesthetist
must be in a position to provide the
patient with oxygen and maintain
the anesthesia.

Quality in the operating room.



Dräger's "Primus" anesthesia device can be relied upon during anesthesia in the operating room.

Medical division

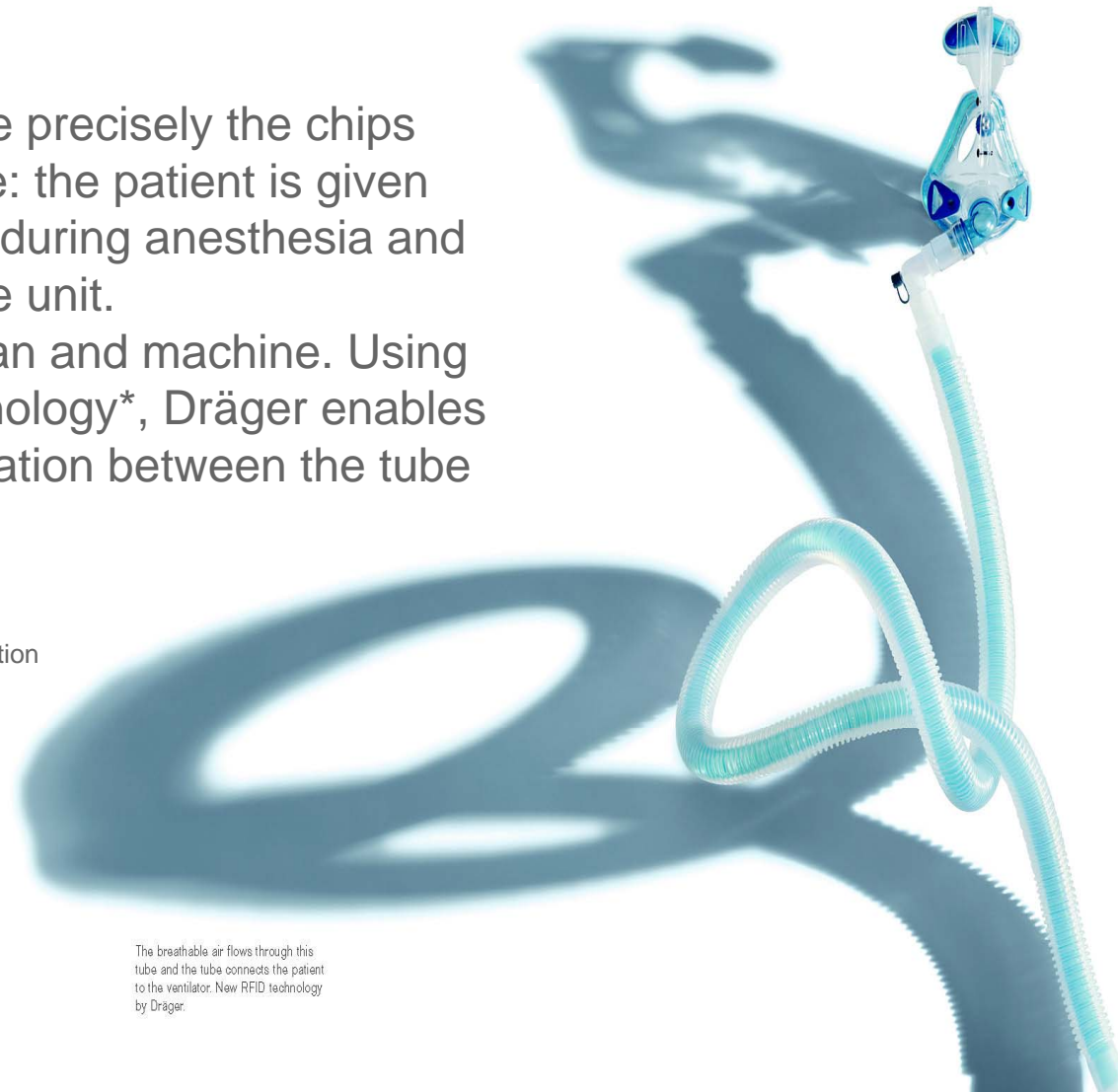
A tube reveals its identity

The details or, more precisely the chips make the difference: the patient is given artificial respiration during anesthesia and in the intensive care unit.

A tube connects man and machine. Using modern RFID technology*, Dräger enables wireless communication between the tube and the ventilator.

For more safety.

* RFID: Radio Frequency Identification



The breathable air flows through this tube and the tube connects the patient to the ventilator. New RFID technology by Dräger.

Medical division

Business development

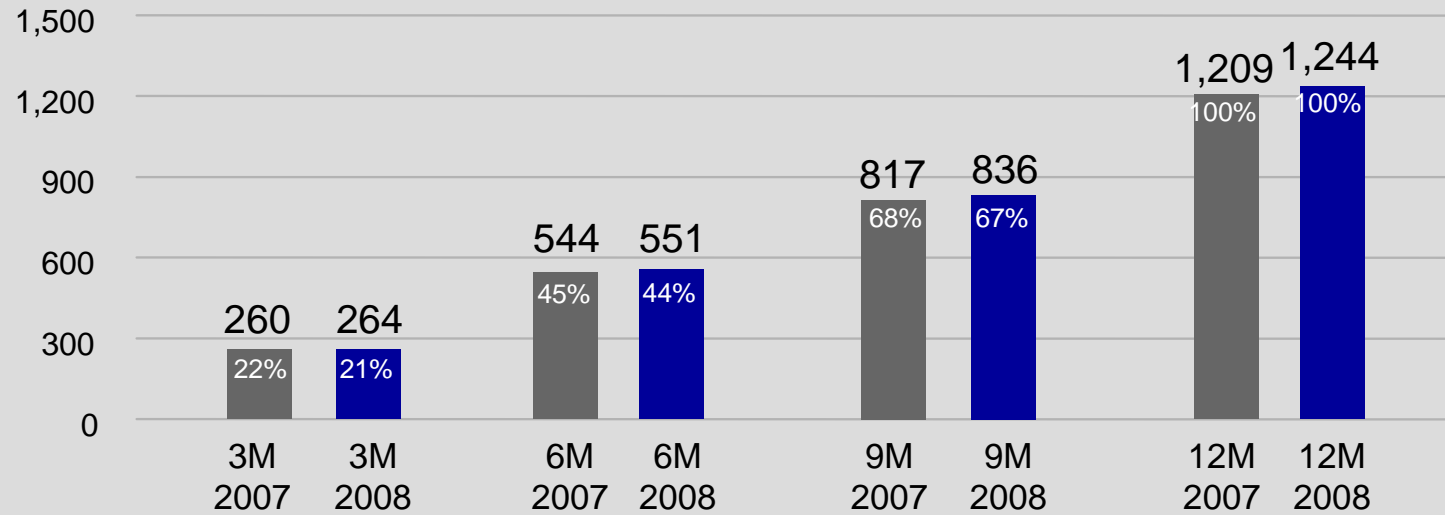


	2007	2008	Change
	€ million	€ million	%
Order intake	1,223.5	1,276.9	+4.4
Net sales	1,209.4	1,243.8	+2.8
EBITDA before non-recurring expenses	129.6	114.5	-11.7
EBIT before non-recurring expenses	104.3	88.4	-15.2
<i>EBIT margin</i>	<i>8.6 %</i>	<i>7.1 %</i>	
Non-recurring expenses	23.2	12.9	
EBIT	81.1	75.5	-6.9
<i>EBIT margin</i>	<i>6.7 %</i>	<i>6.1 %</i>	
Net profit	58.0	55.0	-5.2

Medical division

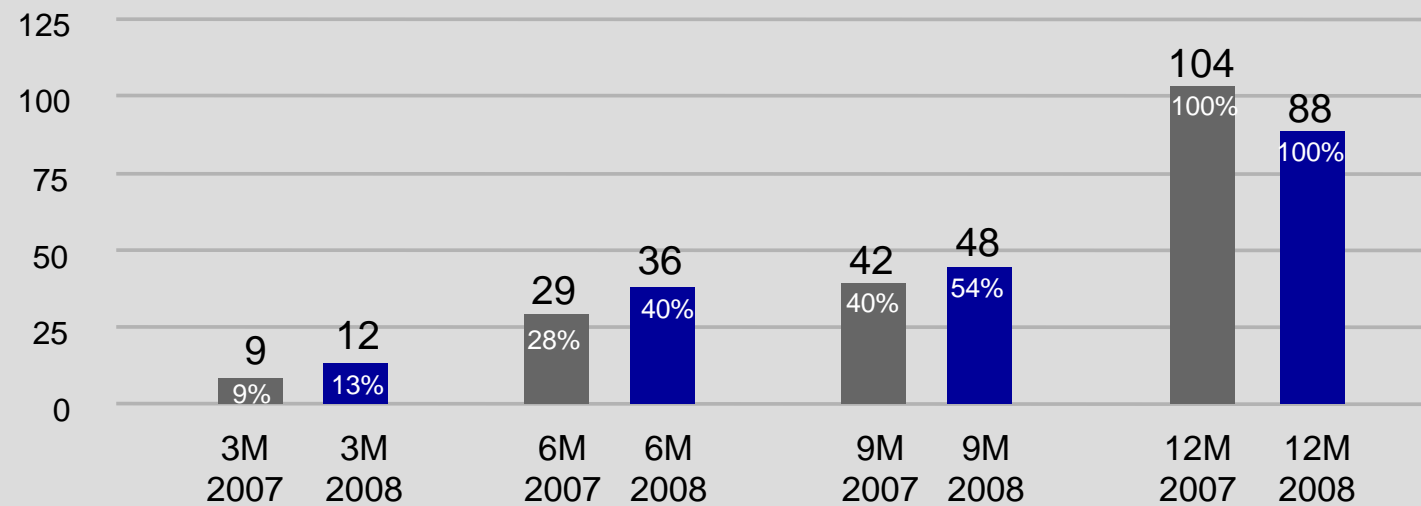
Key figures

Net sales in € million



EBIT in € million

before non-recurring expenses

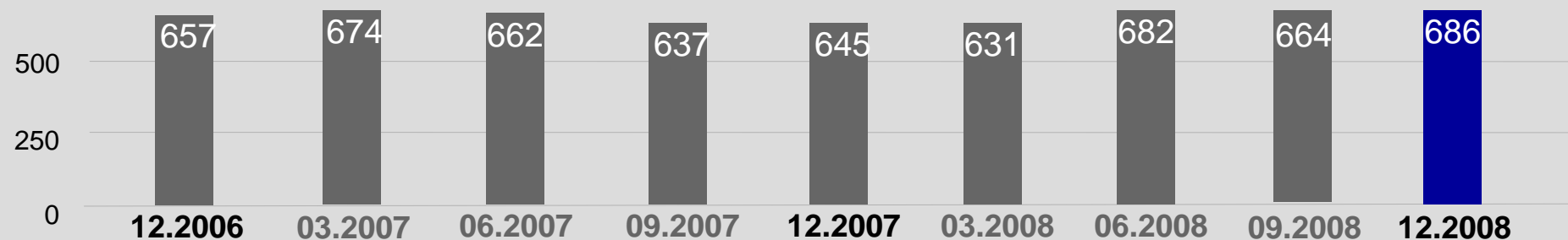


Medical division

Key figures

	2007	2008	Change
	€ million	€ million	%
Cash flow (operating activities)	138.9	107.2	-22.8
Net financial debt	-124.2	-135.6	+9.2
Investments	68.1	85.5	+25.6
Capital employed	644.8	685.6	+6.3
<i>ROCE</i>	16.2 %	12.9 %	
Net working capital	372.8	357.2	-4.2

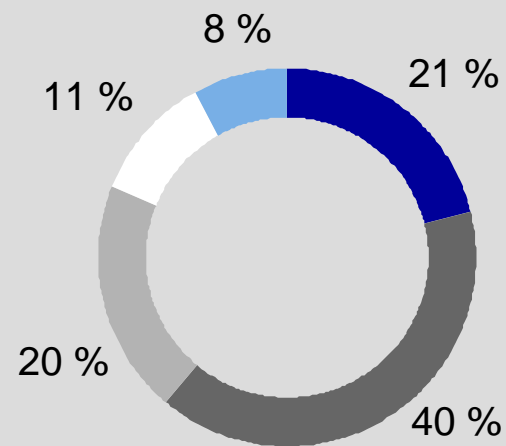
Capital employed in € million



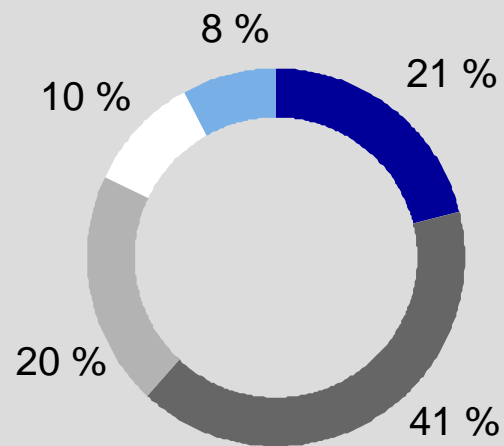
Medical division

Regional sales split and world market

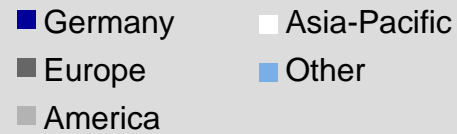
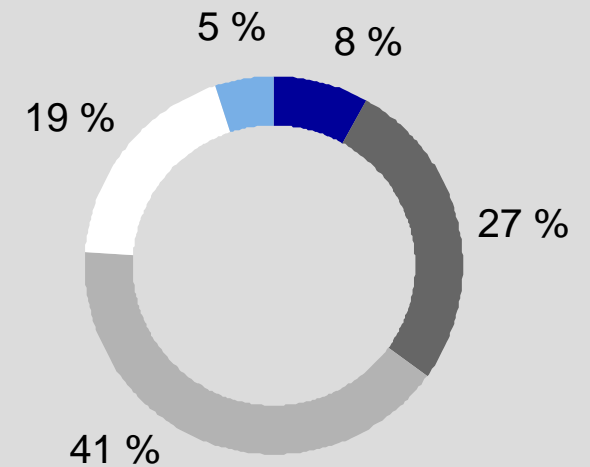
Medical division:
Sales Split 2007



Medical division:
Sales Split 2008



World market:
Sales Split 2008





Safety division

Overview 2008

- Growing order intake in core business, however below previous year due to three deep sea diving systems in 2007
- Strong growth in net sales
- Operating EBIT on the same level as the prior year
- Innovations strengthen the competitive position
 - Investments into the future (R&D: €34.6 million, 4.9 % of revenues)
 - Entering new fields with the electronic modules of the ›PSS 7000‹ self-contained air breathing apparatus ›Bodyguard 7000‹ and ›Sentinel 7000‹
 - Development of a more cost-effective alcohol testing device for the Swedish market based on the ›Alcotest 6510‹
 - Expansion of the customer base in ›Shutdown & Rental Management‹

Safety division

Always senses the danger

Proven track record, millions used all over the world: the Dräger tubes have been a top seller for over seventy years, detecting pollutants in the air, ground and in the water. Over 250 different Dräger tubes measure around 500 substances.



Compact, reliable and proven: the Dräger gas detection pump's simultaneous test set measures up to five different gases at the same time.

Safety division

Unerring and safe on-site analysis

Rapid, simple and precise:
drug detection by means of a saliva test.
A new detection process from Dräger
offers support in addiction therapy and
drugs control – because there are
always newer and more dangerous
substances that endanger human lives.

Internationally high in demand:
Dräger's new "DrugTest 5000".



Safety division

Protects against thick smoke and poisonous gases

Safe, protect, rescue:
on-duty firefighters take great risks and push their limits when they save lives, rescue people from dangerous situations and secure buildings and installations. They have to be able to rely one hundred percent on their equipment. A clear view and a sufficient air supply are prerequisites for action. Worldwide.



Forward-looking personal protection systems for firefighters: in combination with the "FPS 7000" full respiratory protection mask and the "HPS 6200" helmet, the self-contained breathing apparatus becomes a life-saver.

Safety division

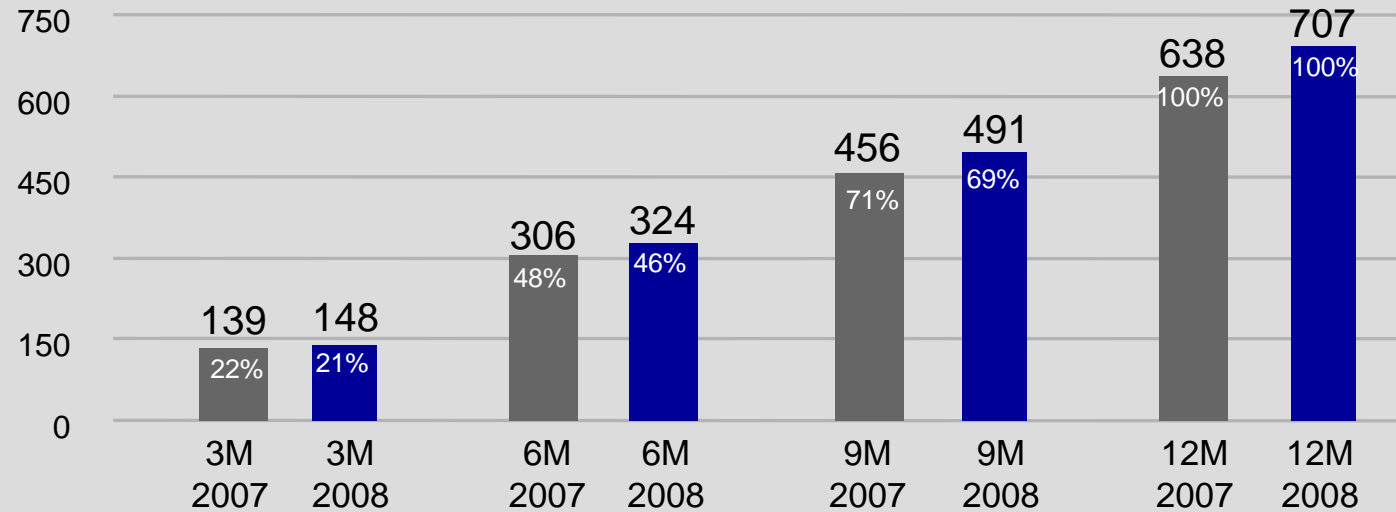
Business development



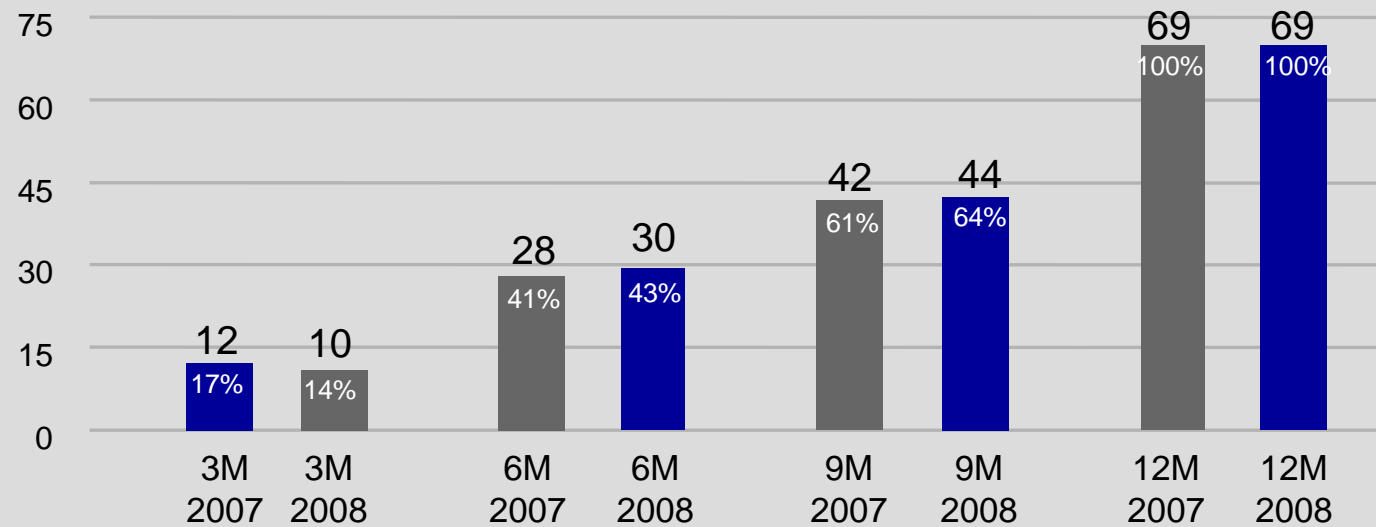
	2007	2008	Change
	€ million	€ million	%
Order intake	735.8	679.6	-7.6
Net sales	637.5	706.8	+10.9
EBITDA before non-recurring expenses	90.4	91.3	+1.0
EBIT before non-recurring expenses	69.4	69.1	-0.4
<i>EBIT margin</i>	<i>10.9 %</i>	<i>9.8 %</i>	
Non-recurring expenses	0.0	8.1	
EBIT	69.4	61.0	-12.1
<i>EBIT margin</i>	<i>10.9 %</i>	<i>8.6 %</i>	
Net profit before profit/loss transfer	46.0	39.3	-14.6

Safety division Key figures

Net sales in € million



EBIT in € million
before non-recurring expenses



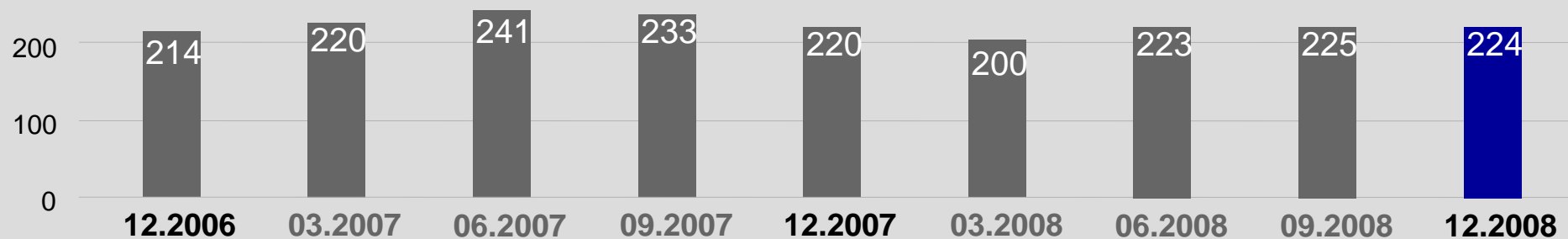
Safety division

Key figures



	2007	2008	Change
	€ million	€ million	%
Cash flow (operating activities)	62.7	49.9	-20.4
Net financial debt	50.5	57.5	+13.9
Investments	26.5	23.1	-12.8
Capital employed	220.1	223.8	+1.7
<i>ROCE</i>	<i>31.5 %</i>	<i>30.9 %</i>	
Net working capital	140.1	145.5	+3.9

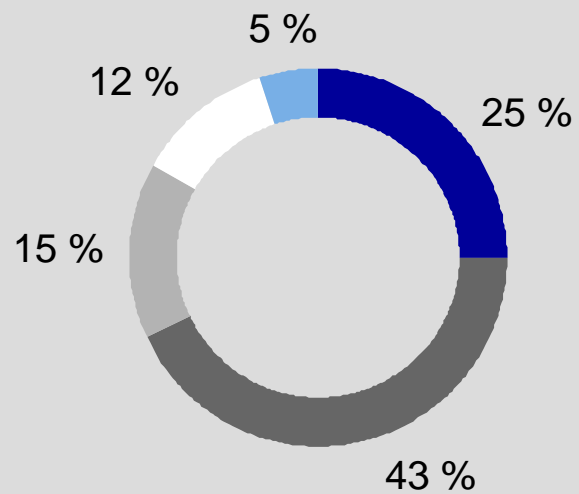
Capital employed in € million



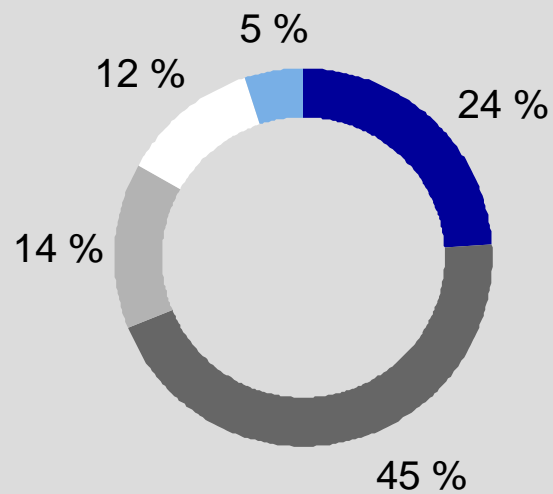
Safety division

Regional sales split and world market

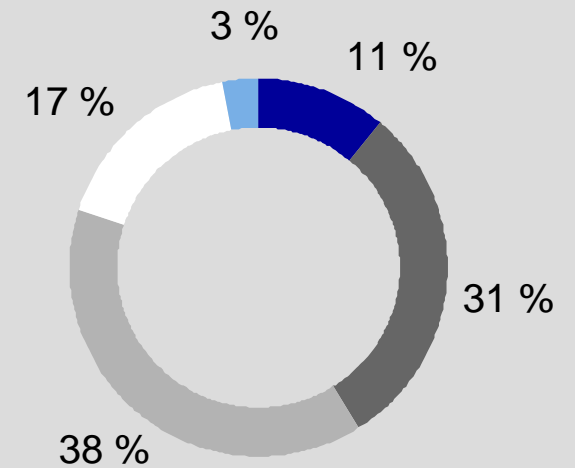
Safety division:
Sales Split 2007

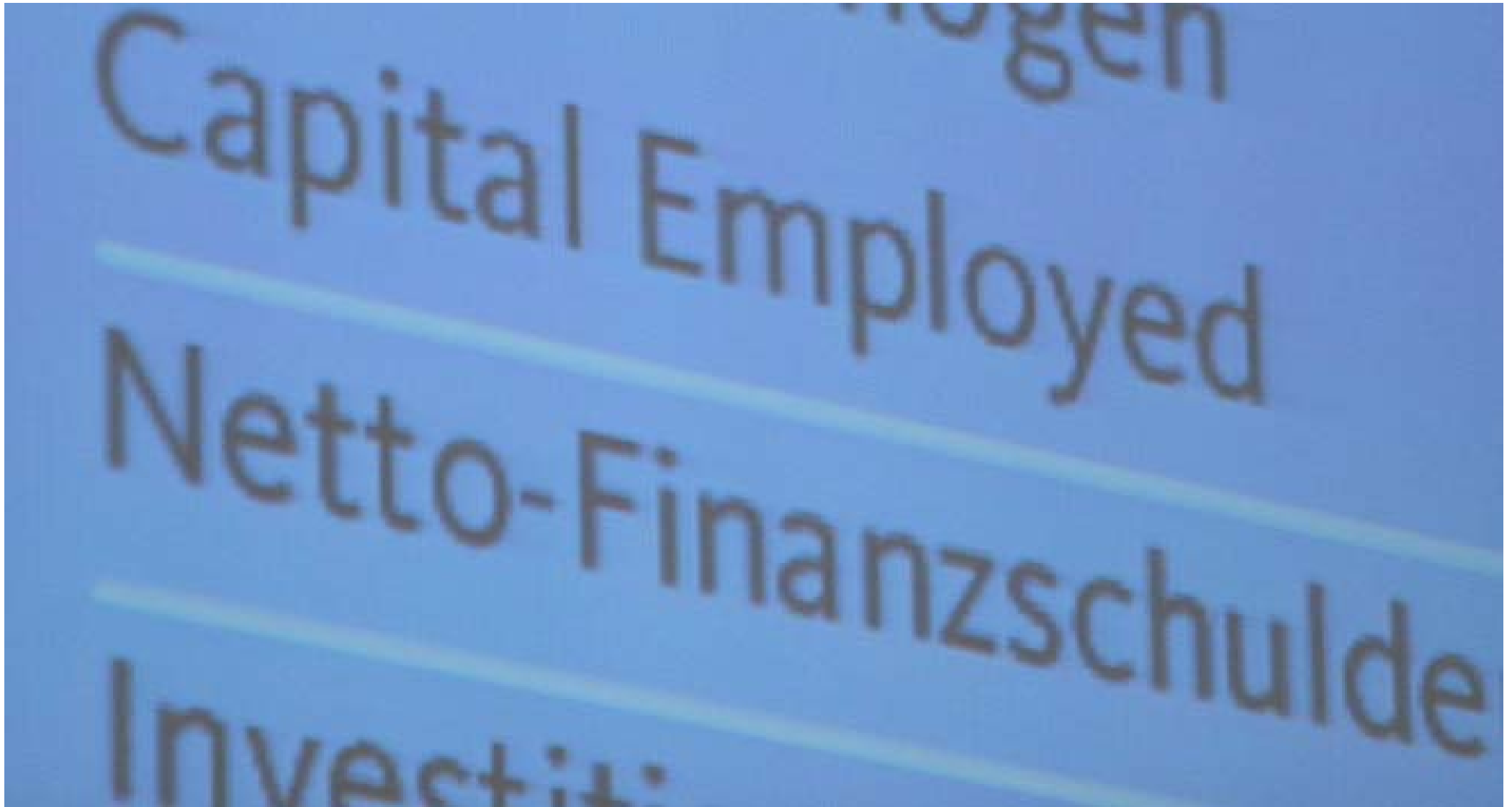


Safety division:
Sales Split 2008



World market:
Sales Split 2008





	2007	2008	Change
	€ million	€ million	%
Order intake	1,933.9	1,930.4	-0.2
Net sales	1,819.5	1,924.5	+5.8
<i>Gross margin</i>	<i>47.6 %</i>	<i>46.3 %</i>	
EBIT before non-recurring expenses	151.9	130.5	-14.1
<i>EBIT margin</i>	<i>8.3 %</i>	<i>6.8 %</i>	
Non-recurring expenses	27.6	24.7	
EBIT	124.3	105.8	-14.9
<i>EBIT margin</i>	<i>6.8 %</i>	<i>5.5 %</i>	
Income taxes	30.6	28.1	-8.2
<i>Tax rate</i>	<i>33.5 %</i>	<i>37.6 %</i>	
Net profit	60.8	46.6	-23.4
Minority interests	14.6	14.1	-3.4
Earnings per preferred share in €	3.66	2.59	-29.2

Dräger Group

Non-recurring expenses



	2008
	€ million
Personnel measures	2.9
Restructuring IT	4.8
Relocation to new building	2.1
Write-downs on patents	3.1
Total Medical	12.9
Personnel measures	5.2
Restructuring IT	2.9
Total Safety	8.1
Personnel measures	1.5
Restructuring IT	2.2
Total DWAG & Co. KGaA	3.7
Total Group	24.7

Dräger Group

Consolidated balance sheet



Assets	31.12.2007	31.12.2008	Change
	€ million	€ million	%
Intangible assets	223.7	211.6	-5.4
Property, plant and equipment	240.6	260.5	+8.3
Other non-current assets	102.1	105.3	+3.1
Non-current assets	566.4	577.4	+1.9
Inventories	308.2	329.0	+6.7
Trade receivables	550.0	542.8	-1.3
Other current assets	52.2	80.4	+54.0
Cash and cash equivalents	160.7	125.2	-22.1
Current assets	1,071.1	1,077.4	+0.6
Total assets	1,637.5	1,654.8	+1.1

Dräger Group

Consolidated balance sheet



Equity and liabilities	31.12.2007	31.12.2008	Change
	€ million	€ million	%
Equity	505.5	517.6	+2.4
Participation capital	74.8	74.8	+0.0
Provisions for pensions and similar obligations	169.9	167.6	-1.4
Non-current interest-bearing loans	300.7	292.1	-2.9
Other non-current liabilities	39.3	44.7	+13.7
Non-current liabilities	584.7	579.2	-0.9
Current provisions	148.9	159.9	+7.4
Current loans and liabilities to banks	107.3	88.0	-18.0
Trade payables	113.8	134.2	+17.9
Other current liabilities	177.3	175.9	-0.8
Current liabilities	547.3	558.0	+2.0
Total equity and liabilities	1,637.5	1,654.8	+1.1

Dräger Group

Key figures



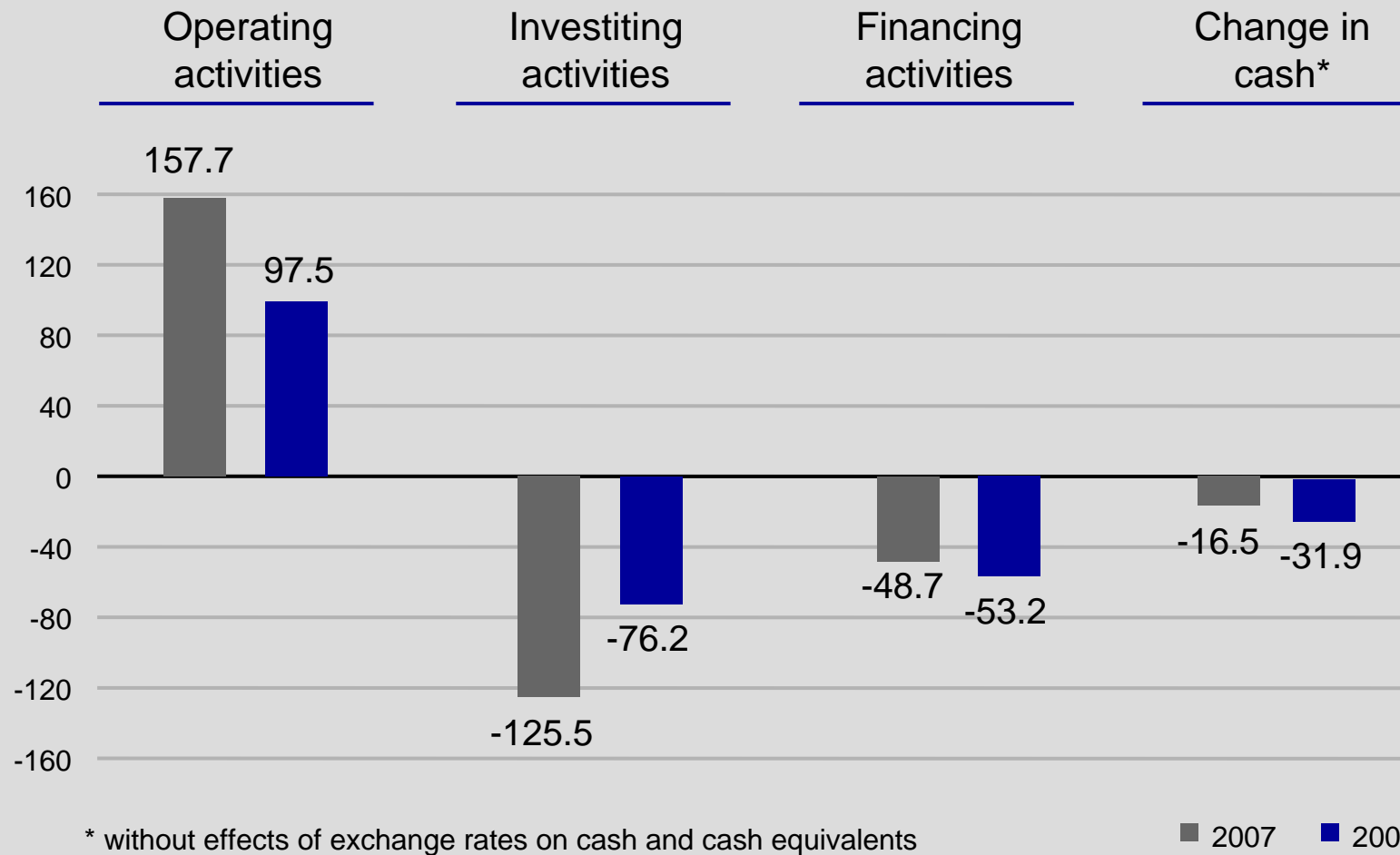
	2007	2008	Change
	€ million	€ million	%
Cash flow (operating activities)	157.7	97.5	-38.2
Net financial debt	322.0	329.8	+2.4
Investments	128.7	74.8	-41.9
Capital employed	933.9	952.4	+2.0
<i>ROCE</i>	<i>16.3 %</i>	<i>13.7 %</i>	
Net working capital	471.6	483.4	+2.5

Capital employed in € million



Dräger Group

Cash Flow Statement



Dräger Group
Forecast



- No specific forecast for net sales and EBIT development of the Dräger Group possible due to the current economic environment and the related uncertainties

- Net sales decrease for the Dräger Group of up to 5 % expected

- Medium-term goals:
 - at least net sales development in line with the market
 - EBIT margin of 10 %
 - ROCE of 20 %

Technology for Life

Appendix

Management

Finance Calendar

Contact

Executive Board of Drägerwerk AG & Co. KGaA



Stefan Dräger
CEO



Dr. Ulrich Thibaut
CTO



Gert-Hartwig Lescow
CFO



Dr. Herbert Fehrecke
COO



Dr. Dieter Pruss
Marketing and Sales,
Safety division

Finance Calendar



- | | |
|-------------------|---|
| 24.02.2009 | - Preliminaries 2008 |
| 19.03.2009 | - Accounts press conference, Lübeck
- Analysts' meeting, Frankfurt |
| 06.05.2009 | - Q1/2009 report
- Conference call, Lübeck |
| 08.05.2009 | - Annual shareholders' meeting , Lübeck |
| 06.08.2009 | - Q2/2009 report
- Conference call, Lübeck |
| 05.11.2009 | - Q3/2009 report
- Conference call, Lübeck |

Burkard Dillig

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