



**Conference call**  
Interim report  
January 1 to March 31, 2019

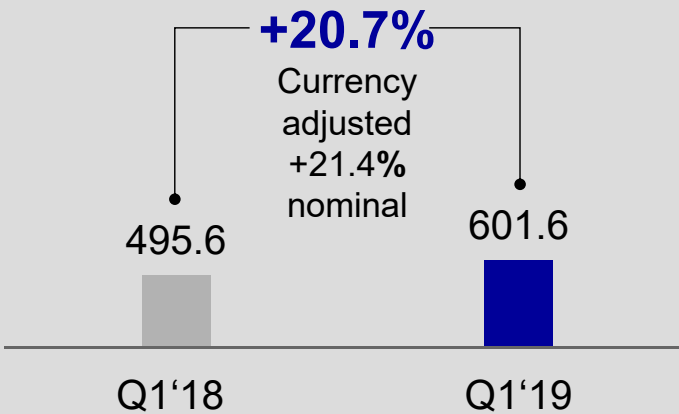
Lübeck, April 25, 2019

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.

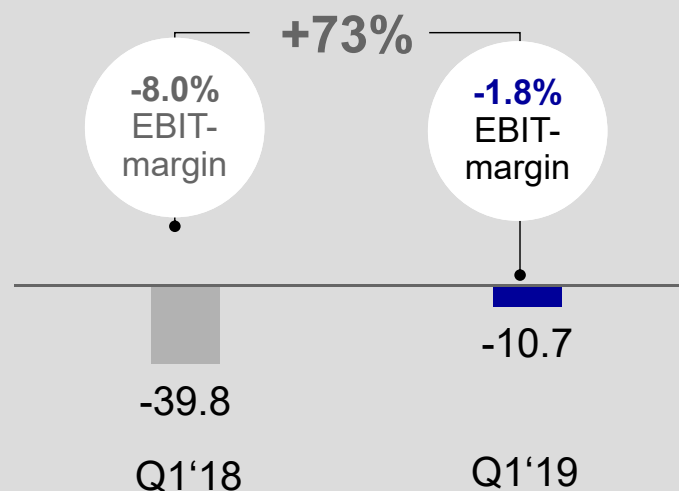
This presentation contains forward-looking statements regarding the future development of the Dräger Group. These forward-looking statements are based on the current expectations, presumptions, and forecasts of the Executive Board as well as the information available to it to date, and have been made 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.

## Net Sales



## EBIT



- Positive cc order intake in Q1: +3.4% (nominal: +4.2%).
- Book to bill 1.08.
- Undemanding comparable net sales volume in Q1/18.
- Higher quarterly gross margin (+0.9 pp), mainly due to higher net sales volume.
- Functional expenses increased as planned (cc +7.3%).
- No significant one-offs during the quarter.
- FY Guidance: top-line and EBIT guidance unchanged.

# Order development in Q1



## Order entry (€ million)

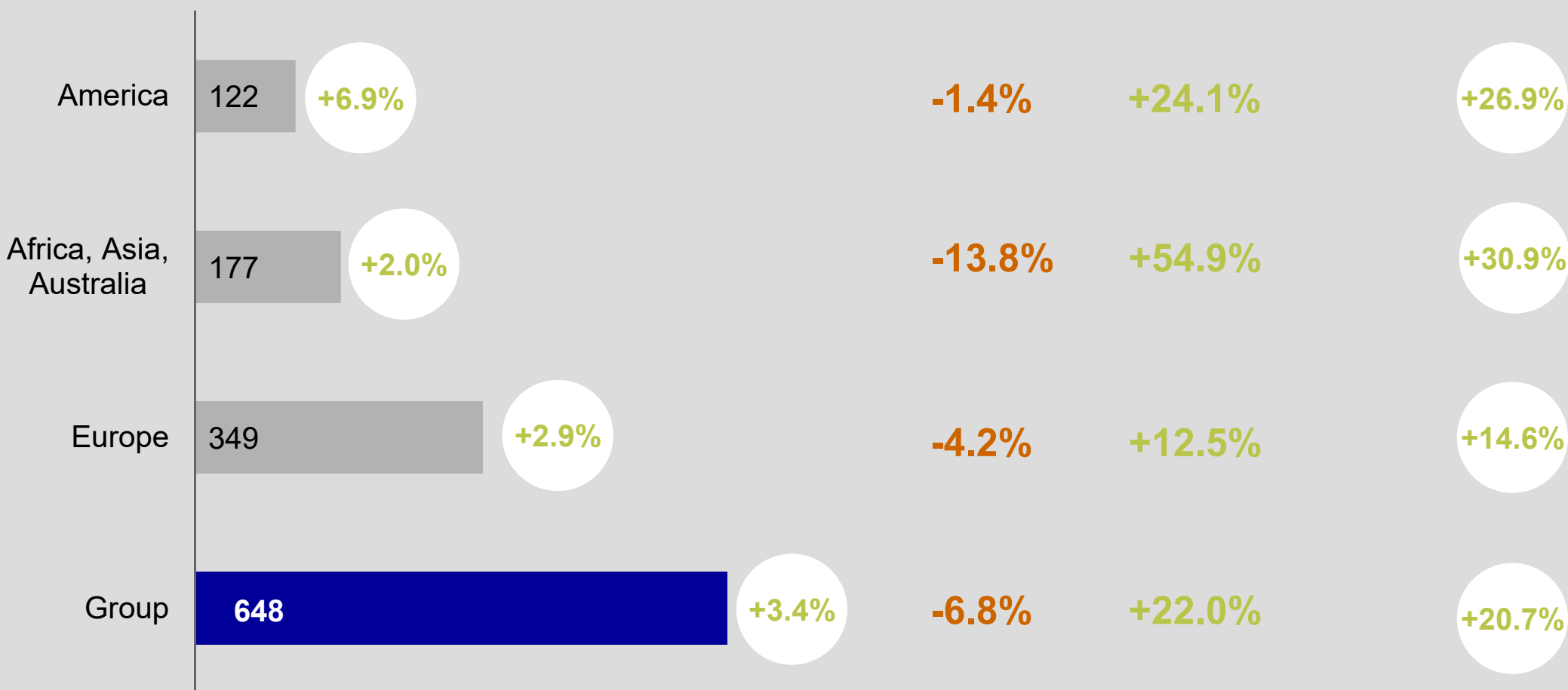
Group

Medical

Safety

## Net Sales

Group



Growth rates are net of currency effects

# IFRS 16 (Leases) – Impact on Balance sheet and P&L

(on the basis of rental agreements as of January 1, 2019)

## Effects fiscal year 2019:

- Balance sheet extension by EUR 101 mn
- Equity ratio decreases by -1.8%
- EBITDA increases by EUR 37.9 mn
- EBIT increases by EUR 1.9 mn
- EBT decreases by EUR -1.5 mn

**The total costs of the rental contracts do not change over the term of the agreements.**

<b>Balance sheet</b> (EUR mn)	<b>IAS 17</b>	<b>IFRS 16</b>	<b>Impact</b>
Balance sheet total	2,410	2,511	101
<b>Equity-ratio</b>	<b>44.8%</b>	<b>43.0%</b>	<b>-1.8%</b>

<b>P&amp;L</b> (EUR mn)	<b>IAS 17</b>	<b>IFRS 16</b>	<b>Impact</b>
Rental expense	-37.9	0.0	
<b>EBITDA</b>	<b>-37.9</b>	<b>0.0</b>	<b>37.9</b>
Amortization	0	-36.0	
<b>EBIT</b>	<b>-37.9</b>	<b>-36.0</b>	<b>1.9</b>
Interest	0	-3.4	
<b>EBT</b>	<b>-37.9</b>	<b>-39.4</b>	<b>-1.5</b>

## IFRS 16 (Leases) – Impact on cash flow

(on the basis of rental agreements as of January 1, 2019)

### Effects fiscal year 2019:

- Operational CF increases by EUR 34.5 mn
- No effect on Investing CF
- Free CF increases by EUR 34.5 mn
- Financing CF decreases by EUR -34.5 mn

**No effect on total CF or liquidity.**

<b>Cashflow</b> (EUR mn)	<b>IAS 17</b>	<b>IFRS 16</b>	<b>Impact</b>
<b>EBIT</b>	<b>-37.9</b>	<b>-36.0</b>	<b>1.9</b>
Amortization	0	36.0	
Interest	0	-3.4	
<b>Operational CF</b>	<b>-37.9</b>	<b>-3.4</b>	<b>34.5</b>
<b>Investing CF</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Free CF</i>	-37.9	-3.4	34.5
Repayment leases		-34.5	
<b>Financing CF</b>	<b>0</b>	<b>-34.5</b>	<b>-34.5</b>
<b>Liquidity effect</b>	<b>-37.9</b>	<b>-37.9</b>	<b>0</b>

# Business development Q1 Group



	3M 2018	3M 2019	Change
	€ million	€ million	%
Order Intake	621.4	647.6	4.2
<i>% growth (FX adjusted)</i>	2.6%	3.4%	
<b>Net Sales</b>	<b>495.6</b>	<b>601.6</b>	<b>21.4</b>
<i>% growth (FX adjusted)</i>	-2.5%	20.7%	
Gross Profit	205.1	254.3	24.0
<i>Gross margin</i>	41.4%	42.3%	
Functional Expenses	-244.0	-264.0	8.2
<i>% of Net Sales</i>	-49.2%	-43.9%	
<b>EBIT</b>	<b>-39.8</b>	<b>-10.7</b>	<b>73.2</b>
<i>EBIT Margin</i>	-8.0%	-1.8%	
Net Profit	-29.0	-10.1	-65.2
<b>DVA</b>	<b>28.6</b>	<b>-0.6</b>	<b>&gt;-100</b>

# Functional Expenses



	3M 2018	3M 2019	Change	Change net of FX
	€ million	€ million	%	%
<i>R&amp;D</i> <i>% of Net Sales</i>	-62.0 <i>-12.5%</i>	-63.2 <i>-10.5%</i>	1.9	0.2
<i>Sales &amp; Marketing</i> <i>% of Net Sales</i>	-137.8 <i>-27.8%</i>	-151.2 <i>-25.1%</i>	9.7	8.6
<i>Administration</i> <i>% of Net Sales</i>	-45.7 <i>-9.2%</i>	-49.5 <i>-8.2%</i>	8.4	7.6
<i>SG&amp;A</i> <i>% of Net Sales</i>	-183.5 <i>-37.0%</i>	-200.7 <i>-33.4%</i>	9.4	8.3
Other operating income	1.5	0.1		
<i>Functional Expenses total</i> <i>% of Net Sales</i>	-244.0 <i>-49.2%</i>	-264.0 <i>-43.9%</i>	8.2	7.3
Headcount <sup>1</sup>	13,866	14,603	5.3	

<sup>1</sup> Values as of reporting date



## Key Figures



	3M 2018	3M 2019	Change
	€ million	€ million	%
Cashflow from operating activities	-24.9	23.3	>100
Investments	20.7	19.3	-7.1
Cash and cash equivalents <sup>1</sup>	204.2	158.6	-22.3
Net financial debt <sup>1</sup>	12.4	136.6	>100
<i>Net financial debt<sup>1</sup> / EBITDA<sup>2</sup></i>	<i>0.06</i>	<i>0.74</i>	
<i>Capital employed<sup>1</sup></i>	1,245.8	1,429.4	14.7
<i>ROCE (EBIT<sup>2</sup> / Capital employed<sup>1</sup>)</i>	<i>9.1%</i>	<i>6.4%</i>	
Net Working Capital <sup>1</sup>	567.7	658.8	16.0

<sup>1</sup> Values as of reporting date

<sup>2</sup> EBITDA and accordingly EBIT of the last twelve months

## EXPECTATIONS FOR FISCAL YEAR 2019

	2018	2019e	Current forecast
Net sales	3.9% (net of currency effects)	+1.0 - +4.0 % (net of currency effects)	Confirmed
EBIT margin	2.4%	1.0 - 3.0 % <sup>1</sup>	Confirmed <sup>1</sup>
Dräger Value Added	EUR -26.5 million	in the range EUR -60 to -10 million	Confirmed

<sup>1</sup> Based on exchange rates at the start of the year 2019 and excluding restructuring charges

### Assumptions for FY 2019 Guidance

- Increasing economic uncertainties will slightly slow down demand.
- Improving net sales development in North America will partly be off-set by softer demand in Central- / South America. Growth in the Europe Region expected to be slightly softer. Continuously strong top-line development in AAA Region.
- Positive growth in both product areas, with a stronger top-line growth for safety offerings.
- Higher functional expenses due to investments to support future growth. Increase of R&D budget to EUR 260 – 275 million.
- No meaningful FX impact on nominal net sales growth and EBIT-margin<sup>1</sup>



## IFRS 16 (Leases): Q1 impact

<b>Balance sheet</b> (EUR mn)	<b>Q1</b>
Balance sheet total	95
Net financial debt	99
Capital Employed	95
Equity-ratio	-1.8%
<b>P&amp;L</b> (EUR mn)	<b>Q1</b>
EBITDA	9.9
Amortization	-9.9
EBIT	1.0
Interest	-1.0
EBT	0.0
<b>Cashflow</b> (EUR mn)	<b>Q1</b>
Operational CF	9.9
Financing CF	-9.9

# Business development

## Segments



	Europe		Americas		Africa, Asia, Australia		Dräger Group	
	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Order entry	341.5	348.9	110.5	121.8	169.4	176.9	621.4	647.6
Net Sales	287.6	326.7	93.5	122.2	114.5	152.7	495.6	601.6
EBITDA	1.5	13.0	-12.5	-1.6	-7.9	7.6	-18.8	18.9
EBIT	-8.7	-2.0	-17.8	-8.3	-13.2	-0.4	-39.8	-10.7
EBIT-margin	-3.0	-0.6	-19.0	-6.8	-11.6	-0.2	-8.0	-1.8
Capital Employed <sup>1</sup>	580.2	654.7	290.4	331.3	375.2	443.3	1,245.8	1,429.4
ROCE <sup>1,2</sup>	16.3	13.6	-3.1	-6.2	7.6	5.3	9.1	6.4
DVA	54.8	46.8	-29.5	-42.8	3.3	-4.6	28.6	-0.6

<sup>1</sup> Values at due date

<sup>2</sup> EBIT of the last twelve months

# Business development

## Medical



	Q1 2018	Q1 2019	Change	Change
	€ million	€ million	%	% (FX adj.)
Order entry	401.5	378.5	-5.7	-6.8
Europe	196.4	187.3	-4.6	-4.2
America	74.7	75.8	1.5	-1.4
Africa, Asia, Australia	130.4	115.4	-11.5	-13.8
Net Sales	309.9	368.4	18.9	17.9
Europe	167.2	183.2	9.6	10.7
America	62.1	81.8	31.8	27.5
Africa, Asia, Australia	80.6	103.4	28.2	25.5
EBIT	-36.7	-17.2	53.0	
EBIT-margin (%)	-11.8	-4.7		

# Business development

## Safety



	Q1 2018	Q1 2019	Change	Change
	€ million	€ million	%	% (FX adj.)
Order entry	220.0	269.0	22.3	22.0
Europe	145.1	161.6	11.3	12.5
America	35.8	46.0	28.4	24.1
Africa, Asia, Australia	39.0	61.5	57.5	54.9
Net Sales	185.7	233.2	25.6	25.4
Europe	120.4	143.5	19.2	20.1
America	31.4	40.4	28.8	25.6
Africa, Asia, Australia	33.9	49.3	45.6	43.8
EBIT	-3.1	6.6	> +100	
EBIT-margin (%)	-1.7	2.8		

# Cash-flow statement



	3M 2018	3M 2019	Change
	€ million	€ million	%
<b>Group net profit</b>	<b>-29.0</b>	<b>-10.1</b>	<b>65.2</b>
Change in inventories	-68.7	-42.8	37.7
Change in receivables	104.5	82.1	-21.4
Change in payables	-33.9	-20.0	41.1
Depreciation and amortization	21.0	29.6	41.0
Other operating cash flow items	-18.8	-15.5	17.4
<b>Operating cash flow</b>	<b>-24.9</b>	<b>23.3</b>	<b>&gt;100</b>
Investing cash flow	-16.0	-13.1	17.7
<b>Free cash flow</b>	<b>-40.9</b>	<b>10.2</b>	<b>&gt;100</b>
Financing cash flow	-1.9	-34.4	>-100
<b>Change in cash<sup>1</sup></b>	<b>-42.7</b>	<b>-24.2</b>	<b>43.3</b>
<b>Cash and cash equivalents<sup>2</sup></b>	<b>204.2</b>	<b>158.6</b>	<b>-22.3</b>

<sup>1</sup> Change in cash and cash equivalents, i.e. without any effect of exchange rates

<sup>2</sup> Values as of reporting date



March 7, 2019	- Final 2018 figures Conference call
April 25, 2019	- Report for the first three months 2019 Conference call
May 10, 2019	- Annual shareholders' meeting, Lübeck, Germany
August 8, 2019	- Report for the first six months 2019 Conference call
October 30, 2019	- Report for the first nine months 2019 Conference call

## **Melanie Kamann**

Corporate Communications

---

Drägerwerk AG & Co. KGaA  
Moislinger Allee 53–55  
23558 Lübeck, Germany

Tel +49 451 882-3998

Fax +49 451 882-3944

Mobile +49 170 8558152

[melanie.kamann@draeger.com](mailto:melanie.kamann@draeger.com)

[www.draeger.com](http://www.draeger.com)

## **Thomas Fischler**

Investor Relations

---

Drägerwerk AG & Co. KGaA  
Moislinger Allee 53–55  
23558 Lübeck, Germany

Tel +49 451 882-2685

Fax +49 451 882-3296

Mobile +49 151 12245295

[thomas.fischler@draeger.com](mailto:thomas.fischler@draeger.com)

[www.draeger.com](http://www.draeger.com)