



# Q1 Conference Call Drägerwerk AG & Co. KGaA

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Lübeck, April 30, 2020

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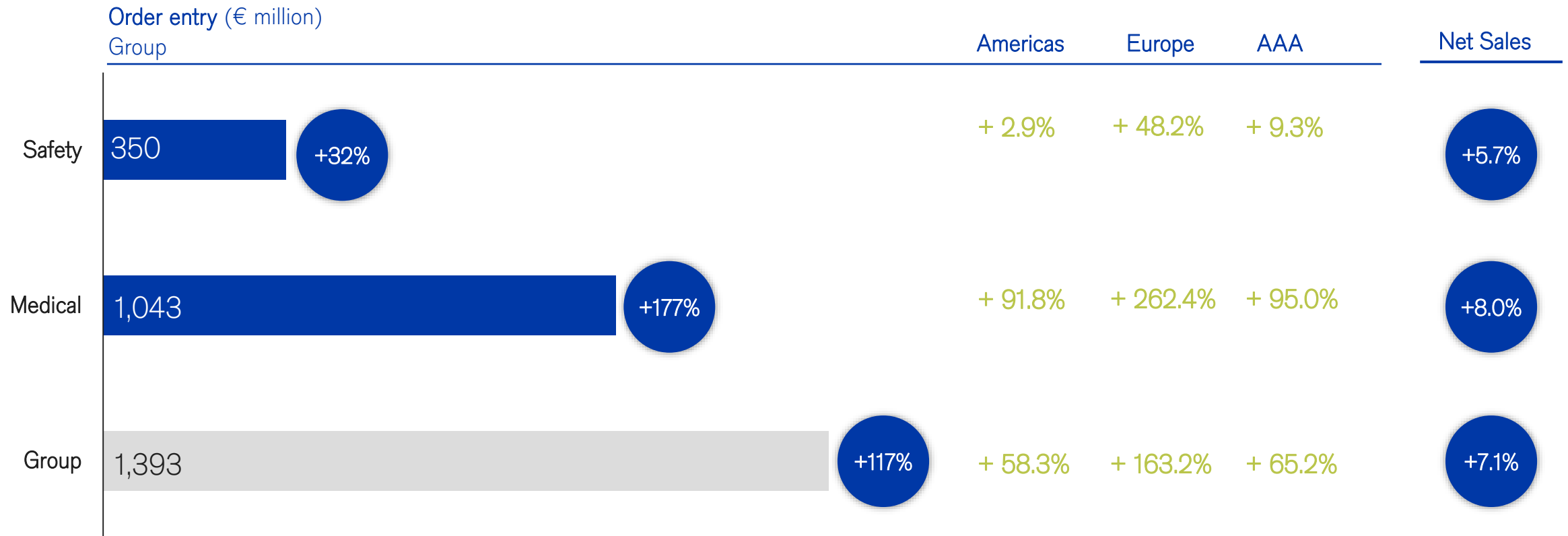
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Interim financial reports as well as preliminaries are not audited.

# Business Highlights Q1

- Corona pandemic boosts order entry for intensive care medical products as well as light breathing protection
- Production ramp-up to meet increased Corona demand
- Launch of new Evita ventilators
- FDA Warning Letter – work in progress
- Termination of the participation certificates
- Capital increase of 1 million preference shares in April

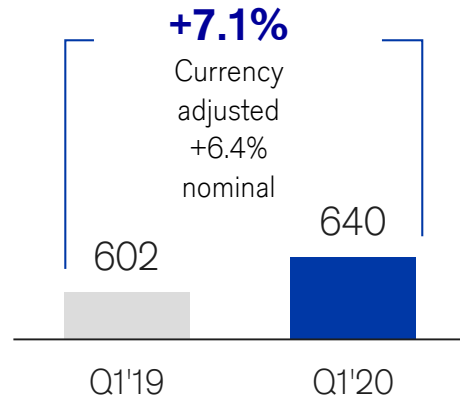
# Order Development in Q1



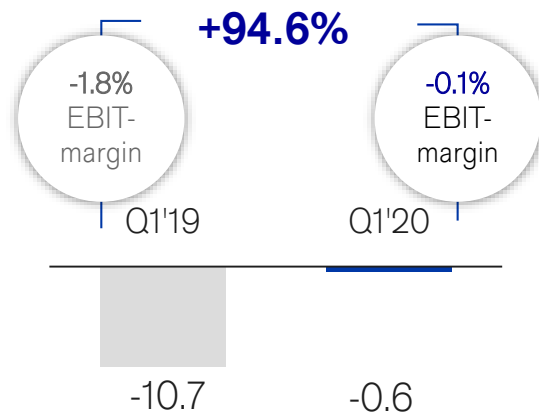
Growth rates are net of currency effects

# Business development Group

## Net Sales



## EBIT

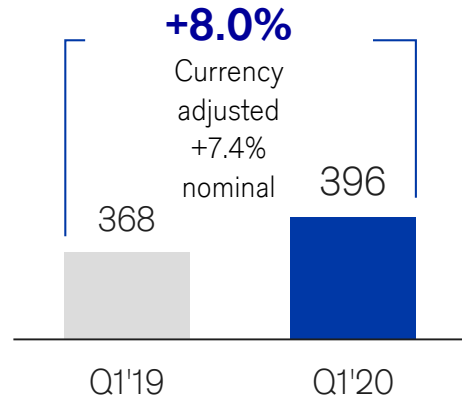


Order entry	Q1 2019	Q1 2020	fx-adj.
Europa	348.9	915.6	+163.2
Americas	121.8	189.7	+58.3
AAA	176.9	287.4	+65.2
Group	647.6	1,392.7	+116.7

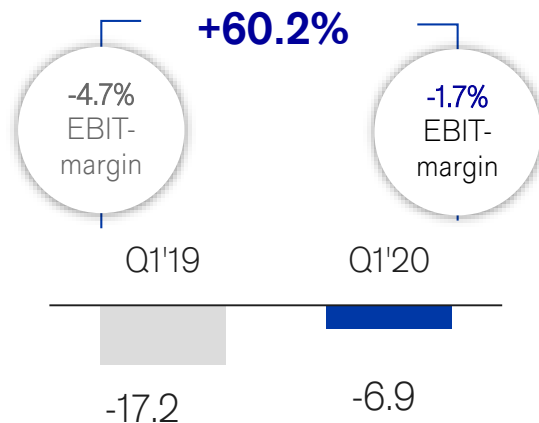
- Very strong order entry in Q1: +116.7% (nominal: +115.1%)
- Higher quarterly gross margin (44.2%), mainly due to higher net sales volume and positive mix-effects
- Functional expenses increased as planned (FX adjusted: +6.8%; nominal: +6.6%)
- No significant one-offs during the quarter
- Negative impact from FX on EBIT-margin (~ -2pp.)
- FY Guidance will be revised and updated with Q2 figures

# Business development Medical

## Net Sales



## EBIT

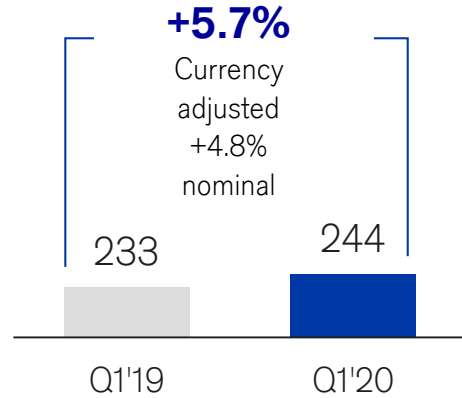


Order entry	Q1 2019	Q1 2020	fx-adj.
Europa	187.3	678.0	+262.4
Americas	75.8	143.0	+91.8
AAA	115.4	222.1	+95.0
<b>Medical</b>	<b>378.5</b>	<b>1043.1</b>	<b>+177.2</b>

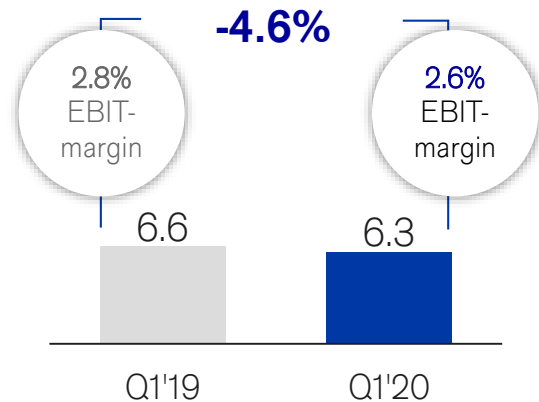
- COVID 19 drives exceptional high demand for ventilators. Strong demand for Consumables and Patient monitoring
- Large order from the German Government for 10,000 ventilators included in Q1 order entry.
- Higher quarterly gross margin (increase +0,8pp.) mainly due to a better product mix and a higher net sales volume
- Strong negative impact from FX on EBIT-margin (~ -3pp.)

# Business development Safety

## Net Sales



## EBIT



Order entry	Q1 2019	Q1 2020	fx-adj.
Europa	161.6	237.6	+48.2
Americas	46.0	46.7	+2.9
AAA	61.5	65.3	+9.3
<b>Safety</b>	<b>269.0</b>	<b>349.6</b>	<b>+31.6</b>

- The demand for light breathing protection (FFP masks) has risen sharply, orders in the range of safety accessories have therefore almost tripled
- Economic downturn did not yet lead to lower demand for Dräger Safety products in Q1. Oil price development possible headwind going forward.
- Higher quarterly gross margin (increase +3,8%) mainly due to a positive product mix and a higher net sales volume
- Only slight negative impact from FX on EBIT-margin (~ -0.5pp.)

# Key figures

	Q1 2019	Q1 2020	Change
	€ million	€ million	%
Cashflow from operating activities	23.3	49.4	> +100.0
Investments	19.3	27.0	40.3
Cash and cash equivalents <sup>1</sup>	158.6	216.1	36.2
Net financial debt <sup>1</sup>	136.6	358.7	> +100.0
<i>Net financial debt<sup>1</sup> / EBITDA<sup>2</sup></i>	<i>0.74</i>	<i>1.75</i>	
<i>Capital employed<sup>1</sup></i>	1,424.9	1,377.0	-3.4
<i>ROCE (EBIT<sup>2</sup> / Capital employed<sup>1</sup>)</i>	<i>6.4%</i>	<i>5.6%</i>	
Net Working Capital <sup>1</sup>	633.5	604.0	-4.7
Equity ratio	42.9	32.0	

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

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



# Termination of the participation certificates and equity increase

## March:

- Cancellation of PC series D
  - # 566,819 pc @ termination price EUR 546.20
  - Termination value EUR 310 million, due Jan. 2023

## April:

- Cancellation of PC series A
  - # 195,245 pc @ termination price EUR 596.00
  - Termination value EUR 116 million, due Jan. 2021
- Cancellation of PC series K
  - # 69,887 pc @ termination price EUR 596.00
  - Termination value EUR 42 million, due Jan. 2021
- Capital increase
  - # 1,000,000 preferred shares
  - Price EUR 76.50
  - Equity raised EUR 76.5 million

**Equity ratio ~29%**

(pro forma as of March, 2020 and incl. termination series A / K and capital increase)

**Net debt / EBITDA ~2.1%**

(pro forma as of March, 2020 and incl. termination series A / K and capital increase)

**EPS + ~27%**

(pro forma as of Dec. 2019, full distribution and incl. dilution of the capital increase)

# Outlook 2020

**Guidance withdrawn:**  
 The former guidance does not include the business impact from COVID 19.  
 The forecast will be renewed in Q2 2020!

## EXPECTATIONS FOR FISCAL YEAR 2020

	2019	2020e
Net sales	+ 5.9% (net of currency effects)	+1.0 - +4.0 % (net of currency effects)
EBIT margin	2.4%	1.0 - 4.0 % <sup>1</sup>
Dräger Value Added	EUR -32.7 million	in the range EUR -70 to +20 million



# Questions & Answers

# Financial calendar

Dräger publishes preliminary results approximately 2 weeks before the dates of the quarterly reports. Preliminary results for the full year are published in January.

- |                      |   |
|----------------------|---|
| - March 5, 2020      | Final 2019 figures<br>Conference call   |
| - April 30, 2020     | Report for the first three months 2020<br>Conference call                       |
| - August 13, 2020    | Report for the first six months 2020<br>Conference call                         |
| - September 30, 2020 | (Virtual) Annual shareholders' meeting, Lübeck, Germany 2020<br>Conference call |
| - October 29, 2020   | Report for the first nine months 2020<br>Conference call                        |

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# Thank you

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