



Conference call
Interim report
January 1 to June 30, 2018

Lübeck, July 26, 2018

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.

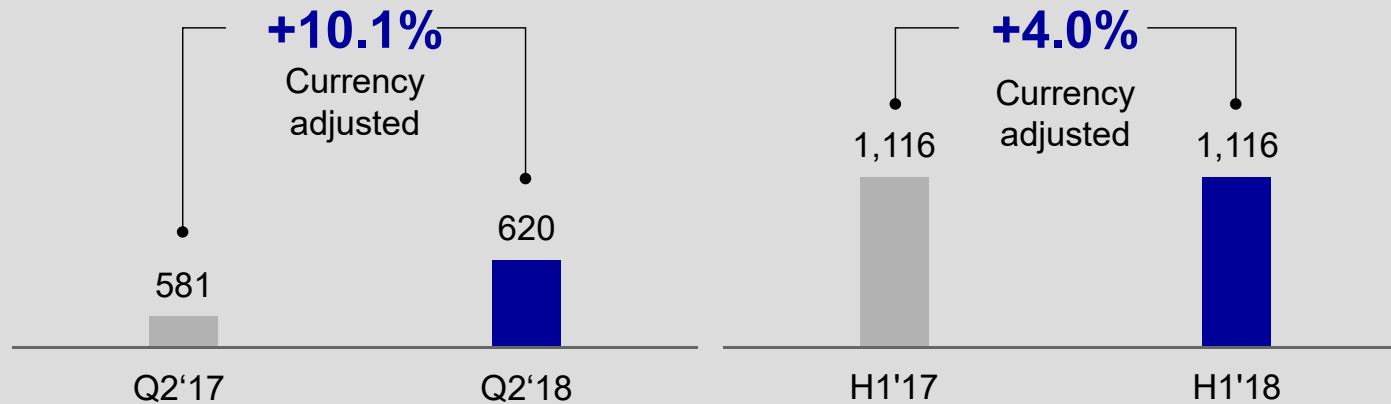
This presentation contains forward-looking statements regarding the future development of the Dräger Group. These forward-looking statements are based on the current expectations, presumptions, and forecasts of the Executive Board as well as the information available to it to date, and have been made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

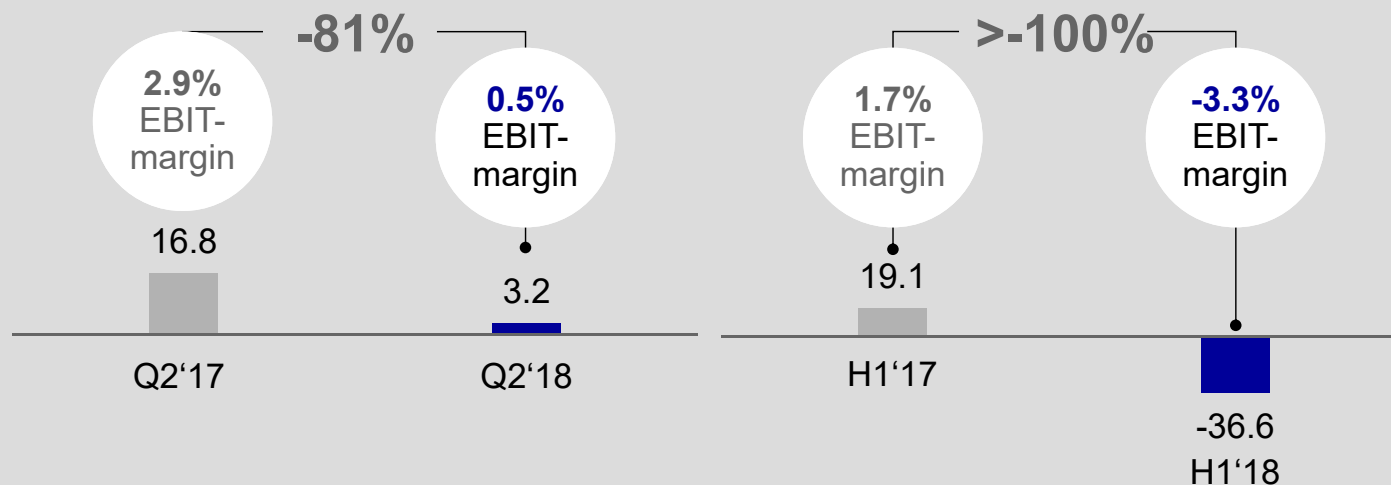
Business Highlights H1



Net Sales



EBIT



- CC order intake continued to be positive. Orders on hand remain above prior year's level.
- Order intake (currency adjusted):
Q2 +1.4% yoy
H1 +2.0% yoy
- Strong catch up of net sales on the back of very weak Q1.
- Gross profit margin:
Q2 43.3% (-1.1pp yoy)
H1 42.5% (-2.1pp yoy)
- Decline of Q2 margin due to FX and mix and margin effects.
- In line with investment plan 2018/2019, functional expenses increased by 9.5% mainly in R&D (excluding FX).
- Negative FX impact of ~1.5pp on H1 EBIT-margin.

Order development in H1



Order entry (€ million)

Group			Medical	Safety	Net Sales Group
America	228	-2.2%	-5.8%	+6.3%	-2.1%
Africa, Asia, Australia	339	+6.2%	+7.1%	+3.9%	+5.2%
Europe	707	+1.5%	+0.8%	+2.6%	+5.8%
Group	1,274	+2.0%	+1.2%	+3.5%	+4.0%

Growth rates are net of currency effects

Business development H1



	Q2 2017	Q2 2018	Change	6M 2017	6M 2018	Change
	€ million	€ million	%	€ million	€ million	%
Order Intake	662.7	652.3	-1.6	1,302.0	1,273.8	-2.2
<i>% growth (FX adjusted)</i>	7.0%	1.4%		6.2%	2.0%	
Net Sales	581.0	620.2	6.7	1,116.0	1,115.8	0.0
<i>% growth (FX adjusted)</i>	1.0%	10.1%		0.0%	4.0%	
Gross Profit	257.7	268.5	4.2	498.2	473.7	-4.9
<i>Gross margin</i>	44.4%	43.3%	-1.1pp	44.6%	42.5%	-2.1pp
Functional Expenses	-239.6	-264.8	10.5	-476.9	-508.8	6.7
<i>% of Net Sales</i>	-41.2%	-42.7%		-42.7%	-45.6%	
EBIT	16.8	3.2	-81.1	19.1	-36.6	>-100
<i>EBIT Margin</i>	2.9%	0.5%	-2.4pp	1.7%	-3.3%	-5.0pp
DVA				64.5	13.8	-78.5

Functional Expenses H1



	6M 2017	6M 2018	Change	Change net of FX
	€ million	€ million	%	%
<i>R&D</i>	-111.9	-127.9	14.3	16.9
<i>% of Net Sales</i>	<i>-10.0%</i>	<i>-11.5%</i>		
<i>Sales & Marketing</i>	-272.0	-284.6	4.6	8.5
<i>% of Net Sales</i>	<i>-24.4%</i>	<i>-25.5%</i>		
<i>Administration</i>	-91.1	-99.9	9.6	12.6
<i>% of Net Sales</i>	<i>-8.2%</i>	<i>-9.0%</i>		
<i>SG&A</i>	-363.1	-384.5	5.9	9.5
<i>% of Net Sales</i>	<i>-32.5%</i>	<i>-34.5%</i>		
Other operating income	-1.9	3.6		
<i>Functional Expenses total</i>	-476.9	-508.8	6.7	9.5
<i>% of Net Sales</i>	<i>-42.7%</i>	<i>-45.6%</i>		
Headcount ¹	13,484	14,042	4.1	

¹ Values as of reporting date

Key Figures H1



	6M 2017	6M 2018	Change
	€ million	€ million	%
Cashflow from operating activities	31.2	-66.7	>-100
Investments	42.1	34.8	-17.3
Cash and cash equivalents ¹	175.7	139.4	-20.7
Net financial debt ¹	41.8	78.8	88.8
<i>Net financial debt¹ / EBITDA²</i>	<i>0.18</i>	<i>0.42</i>	
<i>Capital employed¹</i>	<i>1,229.9</i>	<i>1,299.0</i>	<i>5.6</i>
<i>ROCE (EBIT² / Capital employed¹)</i>	<i>12.2%</i>	<i>7.7%</i>	
Net Working Capital ¹	552.5	626.8	13.4

¹ Values as of reporting date

² EBITDA and accordingly EBIT of the last twelve months

EXPECTATIONS FOR FISCAL YEAR 2018

	2017	2018e	Current forecast
Net sales	3.3% (net of currency effects)	+2.0 - +5.0 % (net of currency effects)	Confirmed
EBIT margin	6.1%	4.0 - 6.0%*	Confirmed*

* based on exchange rates at the start of the year 2018;

Due to the earnings performance in the first half of the year and currency effects, the EBIT margin will probably be at the lower end of the forecast range.



	2017	2018e
Net sales	3.3% (net of currency effects)	+2.0 - +5.0 % (net of currency effects)
EBIT margin	6.1%	4.0 - 6.0%*
Dräger Value Added	EUR 70.7 million	EUR 15 - 65 million*
Other forecast figures:		
Gross margin	44.8 %	44.0 - 46.0 %*
Research and development co	EUR 234.7 million	EUR 245 - 260 million
Interest result	EUR -12.8 million	Slight improvement
Days wokring capital (DWC)	111.7 days	on prior year's level
Investment volume	EUR 106.2 million	EUR 85 - 100 million
Net financial debt	EUR -29.2 million	Slight improvement

1 Based on exchange rates at the start of the year 2018

2 excluding company acquisitions

* Due to the restrained business development in H1 and currency effects, the EBIT margin, DVA and gross margin are likely to come out in the lower range of the guidance.

Business development Q2

Segments



	Europe		Americas		Africa, Asia, Australia		Dräger Group	
	Q2 2017	Q2 2018	Q2 2017	Q2 2018	Q2 2017	Q2 2018	Q2 2017	Q2 2018
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Order entry	359.2	365.1	134.4	117.5	169.1	169.7	662.7	652.3
Net Sales	319.5	357.1	120.2	107.6	141.4	155.5	581.0	620.2
EBITDA	24.1	31.8	6.1	-9.9	7.2	2.8	37.3	24.7
EBIT	14.2	21.2	0.8	-15.4	1.7	-2.7	16.8	3.2
EBIT-margin	4.5	5.9	0.6	-14.3	1.2	-1.7	2.9	0.5
Capital Employed ¹	584.7	597.9	293.5	305.3	351.6	395.8	1,229.9	1,299.0
ROCE ^{1,2}	16.0	16.9	5.2	-8.3	11.8	6.1	12.2	7.7
DVA	54.1	61.2	-5.7	-45.6	16.1	-1.7	64.5	13.8

¹ Values at due date

² EBIT of the last twelve months

Business development H1

Segments



	Europe		Americas		Africa, Asia, Australia		Dräger Group	
	6M 2017	6M 2018	6M 2017	6M 2018	6M 2017	6M 2018	6M 2017	6M 2018
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Order entry	706.8	706.6	259.1	228.0	336.2	339.1	1,302.0	1,273.8
Net Sales	618.3	644.7	227.7	201.0	270.0	270.0	1,116.0	1,115.8
EBITDA	39.0	33.3	6.7	-22.3	14.4	-5.1	60.1	5.9
EBIT	19.3	12.5	-3.9	-33.2	3.7	-15.9	19.1	-36.6
EBIT-margin	3.1	1.9	-1.7	-16.5	1.4	-5.9	1.7	-3.3
Capital Employed ¹	584.7	597.9	293.5	305.3	351.6	395.8	1,229.9	1,299.0
ROCE ^{1,2}	16.0	16.9	5.2	-8.3	11.8	6.1	12.2	7.7
DVA	54.1	61.2	-5.7	-45.6	16.1	-1.7	64.5	13.8

¹ Values at due date

² EBIT of the last twelve months

Business development

Medical



	Q2 2017	Q2 2018	Change	Change	6M 2017	6M 2018	Change	Change
	€ million	€ million	%	% (FX adj.)	€ million	€ million	%	% (FX adj.)
Order entry	435.7	413.6	-5.1	-2.3	841.0	815.1	-3.1	1.2
Europe	216.8	216.1	-0.3	1.1	414.7	412.5	-0.5	0.8
America	97.7	78.8	-19.3	-12.7	181.4	153.5	-15.4	-5.8
Africa, Asia, Australia	121.2	118.7	-2.1	0.1	244.8	249.1	1.8	7.1
Net Sales	370.0	394.3	6.6	9.9	706.4	704.2	-0.3	3.8
Europe	187.1	209.6	12.0	13.5	361.8	376.8	4.1	5.4
America	81.4	73.6	-9.6	-2.1	150.2	135.7	-9.7	0.2
Africa, Asia, Australia	101.5	111.1	9.4	12.6	194.3	191.7	-1.4	3.7
EBIT	2.7	-5.4	> -100,0		-4.4	-42.1	> -100,0	
EBIT-margin	0.7	-1.4			-0.6	-6.0		

Business development

Safety



	Q2 2017	Q2 2018	Change	Change	6M 2017	6M 2018	Change	Change
	€ million	€ million	%	% (FX adj.)	€ million	€ million	%	% (FX adj.)
Order entry	226.9	238.7	5.2	8.5	461.1	458.7	-0.5	3.5
Europe	142.4	149.0	4.7	6.6	292.0	294.1	0.7	2.6
America	36.7	38.7	5.5	12.8	77.7	74.5	-4.0	6.3
Africa, Asia, Australia	47.9	51.0	6.5	10.8	91.4	90.0	-1.5	3.9
Net Sales	211.0	226.0	7.1	10.4	409.6	411.6	0.5	4.4
Europe	132.3	147.5	11.5	13.4	256.5	267.9	4.5	6.2
America	38.8	34.0	-12.4	-6.0	77.4	65.4	-15.6	-6.6
Africa, Asia, Australia	39.9	44.4	11.5	16.3	75.7	78.3	3.5	9.2
EBIT	14.1	8.6	-38.8		23.5	5.5	-76.5	
EBIT-margin	6.7	3.8			5.7	1.3		

Cash-flow statement



	6M 2017	6M 2018	Change
	€ million	€ million	%
Group net profit	8.2	-29.3	>-100
Change in inventories	-59.0	-86.1	-46.0
Change in receivables	133.8	82.1	-38.6
Change in payables	-23.7	-28.3	-19.3
Depreciation and amortization	41.0	42.5	3.5
Other operating cash flow items	-69.2	-47.6	31.2
Operating cash flow	31.2	-66.7	>-100
Investing cash flow	-29.5	-29.4	0.5
Free cash flow	1.7	-96.1	>-100
Financing cash flow	-41.9	-11.2	73.4
Change in cash¹	-40.2	-107.2	>-100
Cash and cash equivalents²	175.7	139.4	-20.6

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

² Values as of reporting date

- | | |
|-------------------------|---|
| March 8, 2018 | - Analysts' meeting |
| April 26, 2018 | - Report for the first three months 2018
Conference call |
| May 4, 2018 | - Annual shareholders' meeting, Lübeck, Germany |
| July 26, 2018 | - Report for the first six months 2018
Conference call |
| October 30, 2018 | - Report for the first nine months 2018
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

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

www.draeger.com