

Ad-hoc notification in accordance with Sec. 17 of the MAR

Dräger increases investments to support mid-term growth

The executive board of the Drägerwerk Verwaltungs AG as the general partner of the Drägerwerk AG & Co. KGaA decided today to increase investments in order to support growth in the midterm.

In 2016, a year of consolidation, with successful execution of a cost-cutting program, net sales fell 1.5 percent (net of currency effects). In 2017, net sales are set to grow by 0 to 3 percent (net of currency effects), with an EBIT margin between 5 and 7 percent.

For 2018, the company expects to see stronger net sales growth (net of currency effects) of 2 to 5 percent. With the decision to increase investments, this development is also expected to continue in the medium term. To make this growth possible, the company is focusing on continued strict cost management while making even greater targeted investments in R&D and IT projects, as well as specific expertise in sales, especially in the US. These targeted expenditures will slightly reduce profitability on a temporary basis. The company anticipates an EBIT margin between 4 and 6 percent in 2018 and probably also in 2019.