

## Press release

No. 28 / May 6, 2011

Page 1 / 3

# Common shareholders vote against issuing participation certificates

- Dräger pays cash compensation

Lübeck – The annual shareholders' meeting of Drägerwerk AG & Co. KGaA today voted against issuing any additional participation certificates. Pursuant to the terms and conditions of participation certificates, the annual shareholders' meeting had to make a decision with regard to issuing new participation certificates at terms and conditions similar to the capital increase. As the annual shareholders' meeting disapproved the issuance of new participation certificates, Dräger will pay cash compensation of EUR 5.48 for each series A participation certificate, EUR 5.51 each for series K and EUR 5.53 each for series D plus EUR 0.25 each in interest on top of the distribution for participation certificates on May 9, 2011.

Dräger participation certificate holders are generally entitled to receive subscription rights for new participation certificates during a capital increase with subscription rights if the annual shareholders' meeting approves such issuance of new participation certificates. As the annual shareholders' meeting voted against issuing new participation certificates, Dräger will pay cash compensation to participation certificate holders for the disadvantage they incurred from the capital increase. Dräger calculated the value of this disadvantage on the basis of the value of subscription rights for shareholders. Based on the average stock market price of preferred shares at Frankfurt Stock Exchange (XETRA) on the five trading days prior to June 16, 2010 of around EUR 51, Dräger determined a market price of EUR 41 for common shares, which was roughly 20 percent below the market value of preferred shares, by carrying out a preplacement during an accelerated bookbuilt offering (ABO) to institutional investors. At EUR 27.50, the subscription price for common shares was about 33 percent down on this value, approximately 46 percent in total below the market price of preferred shares. The resulting difference amounts to EUR 13.50. As a result of the previous offer to existing shareholders of buying the new common shares at a ratio

### Contact

Corporate Communications:  
Burkard Dillig  
Phone: +49 451 882-2185  
burkard.dillig@draeger.com

Investor Relations:  
Vanina Hoffmann  
Phone: +49 451 882-2685  
vanina.hoffmann@draeger.com

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

## Press release

No. 28 / May 6, 2011

Page 2 / 3

of 10:3, the value of one subscription right per share was EUR 4.05. The Executive Board applied the same logic when calculating the value of subscription rights which participation certificate holders would stand to lose if no new participation certificates are being issued. On the basis of the average stock market price of the various participation certificate series on the Hamburg Stock Exchange on the five trading days prior to June 16, 2010 of around EUR 70 each, the Executive Board used the same discounts for fictitious new “common” participation certificates. For participation certificates, the difference came to around EUR 18, somewhere between the theoretical price and theoretical issue price of “common participation certificates”. With an identical subscription ratio of 10:3, cash compensation for each series A participation certificate is EUR 5.48, EUR 5.51 for series K and EUR 5.53 for series D. Total compensation entitlements for the approximate 1.4 million participation certificates therefore amount to roughly EUR 7.8 million before taxes plus interest of EUR 0.25 per participation certificate accrued since June 16, 2010. The auditing firm KPMG agreed that this amount of compensation is appropriate.

### **Stefan Dräger: “We don’t need any additional equity from participation certificates”**

“We are pleased with our capital structure and only wish to tap into additional equity if we can use this money for boosting the value of our Company in the long term. We would not have any appropriate use for money generated from issuing more participation certificates,” explained Stefan Dräger. The Executive Board already gave up its right of repaying the buyback value of participation certificates in the case of termination of contract by the Company in common or preferred shares in addition to the cash payment option.

#### **Contact**

Corporate Communications:  
Burkard Dillig  
Phone: +49 451 882-2185  
[burkard.dillig@draeger.com](mailto:burkard.dillig@draeger.com)

Investor Relations:  
Vanina Hoffmann  
Phone: +49 451 882-2685  
[vanina.hoffmann@draeger.com](mailto:vanina.hoffmann@draeger.com)

Drägerwerk AG & Co. KGaA  
Moislinger Allee 53–55  
23558 Lübeck, Germany  
[www.draeger.com](http://www.draeger.com)

## Press release

---

No. 28 / May 6, 2011

Page 3 / 3

### Disclaimer

This press release 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 prepared 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 the Company's 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 report. You will find all other financial dates on our website at [www.draeger.com](http://www.draeger.com) under Investor Center/Financial Calendar.

### Contact

Corporate Communications:  
Burkard Dillig  
Phone: +49 451 882-2185  
[burkard.dillig@draeger.com](mailto:burkard.dillig@draeger.com)

Investor Relations:  
Vanina Hoffmann  
Phone: +49 451 882-2685  
[vanina.hoffmann@draeger.com](mailto:vanina.hoffmann@draeger.com)

Drägerwerk AG & Co. KGaA  
Moislinger Allee 53–55  
23558 Lübeck, Germany  
[www.draeger.com](http://www.draeger.com)