

**Detailed explanations of shareholder rights pursuant to Secs. 122 (2), 126 (1), 127, 131
(1) AktG (Aktiengesetz: German Stock Corporation Act)**

Annual shareholders' meeting of Drägerwerk AG & Co. KGaA, Lübeck, May 6, 2011

Motions to amend the agenda pursuant to Sec. 122 (2) AktG

Shareholders whose combined interests amount to one-twentieth of the capital stock or a EUR 500,000 share in capital stock (this represents “quorum” rounded up to the next full number of shares – 195,313 shares) can demand that items be placed on the agenda and disclosed pursuant to Sec. 122 (2) AktG. Each new item must be substantiated and include an attached draft resolution. The request is to be directed in writing to the general partner as the representative body of the company (Drägerwerk Verwaltungs AG as general partner of Drägerwerk AG & Co. KGaA, Executive Board, Moislinger Allee 53 – 55, 23558 Lübeck) and must be received by the company at least 30 days prior to the annual shareholders' meeting (this excludes the day of the annual shareholders' meeting and the day of receiving the request). The deadline for receipt is therefore:

Tuesday, April 5, 2011, 24:00 hours (midnight).

Those submitting a motion must demonstrate that they have held the shares for at least three months before the day of the annual shareholders' meeting, that means since at least February 6, 2011, 00:00 hours. Pursuant to Sec. 70 AktG, there are certain possibilities for taking these motions into account.

Additions and amendments to the agenda which were not disclosed with the meeting notice are published without delay in the electronic Federal Gazette (Bundesanzeiger) and forwarded to those media for publication which are presumed to distribute the information throughout the entire European Union. They are also disclosed to the shareholders and made available at the following website: www.draeger.com/GC/de/investoren/hauptversammlung/.

The provisions AktG underlying these shareholder rights are as follows:

Sec. 122 (1) AktG:

“A shareholders' meeting is called if shareholders, jointly representing at least one-twentieth of the capital stock request such meeting in writing, stating the purpose and the grounds for such a meeting; this request is to be addressed to the Executive Board. The articles of association may provide the right to request an annual shareholders' meeting in another form or when holding a lower proportion of the capital stock. Sec. 142 (2) Sentence 2 applies *mutatis mutandis*.”

Sec. 122 (2) AktG:

“In the same way, shareholders jointly representing at least one-twentieth of the capital stock or a proportionate ownership of at least EUR 500,000 can request that items be placed on the agenda and published. Each new item must be substantiated and include an attached draft resolution. The request in line with Sentence 1 must be received by the company at least 24 days prior to the meeting, excluding the day of receipt. In the case of stock exchange listed companies, this must happen at least 30 days prior to the meeting.”

Sec. 142 (2) Sentence 2 AktG:

“The parties requesting a motion must demonstrate that they have held the shares for at least three months before the day of the annual shareholders’ meeting and that they will hold said shares until the decision on the motion has been made.”

Sec. 70 AktG:

“If exercising share rights requires that the shareholder has held the shares for a certain period of time, the right to demand transfer of title from a credit institution, a financial services institution or a company operating pursuant to Sec. 53 (1) Sentence 1 or Sec. 53b (1) Sentence 1 or (7) of the Banking Act is deemed equivalent to ownership. The period during which the share was owned by a predecessor in title is attributed to the shareholder, if he or she acquired the share without consideration, from his or her fiduciary as a successor in title by operation of law, in connection with the liquidation of a community interest or as a result of a transfer of assets pursuant to Sec. 14 of the Insurance Provision Act or Sec. 14 of the Building and Loan Association Act.”

Shareholder countermotions and nominations pursuant to Secs. 126 (1), 127 AktG

Shareholders can submit countermotions to draft resolutions proposed by the general partner and/or Supervisory Board regarding specific items on the agenda. Shareholders can also make nominations for elections to the appointment of auditors. Countermotions and nominations pursuant to Secs. 126 (1), 127 AktG must be sent to the following address:

Drägerwerk AG & Co. KGaA
Gegenanträge zur Hauptversammlung
Moislinger Allee 53 – 55
23558 Lübeck, Germany
Fax: +49 (0) 451 – 882 -75245
Email: hauptversammlung@draeger.com

Pursuant to Sec. 126 (1) AktG, the company will publish countermotions, including the name of the shareholder, the substantiation as well as any comment from management on the

company website at www.draeger.com/GC/de/investoren/hauptversammlung/ provided that countermotions with a substantiation are received at least 14 days prior to the date of the annual shareholders' meeting (this excludes the day of the annual shareholders' meeting and the day of receiving the request), in other words no later than:

Thursday, April 21, 2011, 24:00 hours (midnight)

at the aforementioned address. Countermotions addressed otherwise will not be considered.

The company can refrain from publishing a countermotion as stipulated by Sec. 126 (2) AktG, if it would lead to a resolution at the annual shareholders' meeting that is either illegal or contrary to the articles of association. If the countermotion's substantiation exceeds 5,000 characters, it does not need to be published.

The procedures stated above apply to nominations for elections to the appointment of auditors based on Sec. 127 AktG. Nominations by shareholders do not need to be substantiated or published except in the instances covered in Sec. 126 (2) AktG or if the name, profession and residence of the nominee is not stated.

The provisions AktG underlying these shareholder rights are as follows:

Sec. 126 AktG:

- “(1) Motions by shareholders, which include the shareholders' names, substantiation and the possible position taken by the management, are to be made available to the eligible people referred to in Sec. 125 (1) to (3) under the conditions specified therein, provided that the shareholders submitted a countermotion to a proposal of the Executive Board and Supervisory Board regarding a specific item on the agenda at least 14 days prior to the meeting with substantiation and to the address designated for this purpose in the annual shareholder's meeting notice. The date of receipt is not counted. In the case of stock exchange listed companies, the required information is made available on the company's website. Sec. 125 (3) applies *mutatis mutandis*.
- (2) A countermotion and its substantiation do need not be made available, if:
1. the Executive Board would be rendered criminally liable by publishing the information,
 2. the countermotion would result in a resolution at the annual shareholders' meeting that would be illegal or would violate the articles of association,
 3. the substantiation includes statements which are obviously false or misleading in material respects or are libelous,

4. a countermotion of a shareholder based on the same facts has already been disclosed with respect to one of the company's annual shareholders' meetings pursuant to Sec. 125,
5. the same countermotion from a shareholder based on materially identical substantiation has already been made available pursuant to Sec. 125 to at least two of the company's annual shareholders' meetings within the past five years and at which less than one-twentieth of the capital stock represented voted in favor of such a countermotion,
6. the shareholder states that he or she will not attend or be represented at the annual shareholders' meeting, or
7. the shareholder has failed to make a countermotion, or have one made on his or her behalf, after communicating one, within the past two years at the annual shareholders' meetings.

If the substantiation exceeds 5,000 characters, it does not need to be published.

- (3) If several shareholders make countermotions for resolution on the same subject matter, the Executive Board can combine these countermotions and their respective substantiation.”

Sec. 127 AktG:

“Sec. 126 applies analogously to a nomination by a shareholder for the election of a member of the Supervisory Board or the external auditor. Such nominations do not need to be substantiated. The Executive Board does not need to communicate this nomination if it fails to contain the particulars required by Sec. 124 (3) Sentence 3¹ and Sec. 125 (1) Sentence 5.”

Sec. 124 (3) Sentence 4 AktG:

“Nominations for the election of Supervisory Board members or auditors are required to state their name, profession and place of residence.”

Sec. 125 (1) Sentence 5 AktG:

“In the case of publically listed companies, details on the nominee's membership in other statutory Supervisory Boards must be included with any nomination for the election of Supervisory Board members. Details on their membership in comparable domestic and foreign controlling bodies of business should also be attached.”

¹ The company considers this a legislative error. The company assumes that this reference applies to Sec. 124 (3) Sentence 4 AktG.

Right to information pursuant to Sec. 131 (1) AktG:

Pursuant to Sec. 131 (1) AktG, every shareholder is to be given information regarding company matters and matters regarding the general partner upon request at the annual shareholders' meeting to the extent necessary for an appropriate judgment of an agenda item. The duty to supply information applies to all legal and business relationships of the company with affiliated companies as well as the state of the group and the companies included in the group financial statements, since the group financial statements and group management report on the Group will be presented under item 1 of the agenda for the annual shareholders' meeting.

The general partner can refrain from answering certain questions for reasons stated in Sec. 131 (3) AktG, e.g. if the information, based on sound business judgment, might negatively impact the company or one of its group companies. In line with Sec. 29 (3) of the articles of association, the chairperson of the annual shareholders' meeting can limit the time allowed for shareholders to ask questions and make statements. The chairperson can also set time restraints for the entire annual shareholders' meeting, certain points on the agenda as well as for individual speakers or petitioners at the start of the annual shareholders' meeting or during the course of the meeting.

The provisions AktG and the company's articles of association underlying these shareholder rights are listed below:

Sec. 131 AktG:

- “(1) Each shareholder will be provided with information at the annual shareholders' meeting by the Executive Board regarding the company's affairs upon request, to the extent that this information is necessary to clarify an item on the agenda. The obligation to provide information shall also extend to the company's legal and business relations with any affiliated companies. If a company employs the simplified procedure pursuant to Sec. 266 (1) Sentence 2, Sec. 276 or Sec. 288 of the Commercial Code, each shareholder may request that the financial statements be presented to him or her at the annual shareholders' meeting that considers the financial statements in the form which would be used if such provisions on simplified procedure were not applied. The obligation of a parent company's (Sec. 290 (1) and (2) of the Commercial Code) Executive Board to provide information at the annual shareholders' meeting, which will consider the group financial statements and group management report, extends to the position of the group and the companies included in the group financial statements.
- (2) The information provided is to comply with the principles of conscientious and accurate accounting. The articles of association or the rules of procedure pursuant to Sec. 129 can authorize the chairperson of the meeting to limit the time allowed for shareholders to ask questions and make statements as appropriate and provide relevant details on this.

- (3) The Executive Board is permitted to refuse to provide information:
1. to the extent that providing this information could, according to sound business judgment, negatively impact the company or one of its group companies,
 2. to the extent that such information relates to tax valuations or the amount of certain taxes,
 3. with regard to the difference between the value at which items are shown on the annual balance sheet and the higher market value of such items, unless the annual shareholders' meeting is to approve the annual financial statements,
 4. with regard to the methods of classification and valuation, if disclosure of these methods in the notes suffices to provide a clear view of the actual condition of the company's net assets, financial position and results of operations pursuant to Sec. 264 (2) of the Commercial Code; this does not apply if the annual shareholders' meeting is to approve the financial statements,
 5. if this would render the Executive Board criminally liable,
 6. if, in the case of a credit institution or financial services institution, information about the applied balance sheet and valuation methods or calculations made in the financial statements, the management report, the group financial statements or the group management report need not be provided,
 7. if the information is continuously available on the company's internet page seven or more days prior to the annual shareholders' meeting as well as during the meeting.

The provision of information may not be denied for other reasons.

- (4) If information has been provided outside an annual shareholders' meeting to a shareholder due to his or her status as a shareholder, such information is to be provided to any other shareholder at the annual shareholders' meeting upon request, even if this information is not necessary to clarify an item on the agenda. The Executive Board may not refuse to provide this information on the grounds of (3) Sentence 1 Nos. 1 to 4. Sentences 1 and 2 do not apply if a subsidiary (Sec. 290 (1), (2) of the Commercial Code), a joint venture (Sec. 310 (1) of the Commercial Code) or an affiliate (Sec. 311 (1) of the Commercial Code) provides the information to a parent company (Sec. 290 (1), (2) of the Commercial Code) for the purpose of inclusion in the group financial statements of the parent company and the information is required for this purpose.
- (5) A shareholder who has been denied information can request that his or her question and the reason for denying the information be recorded in the minutes of the meeting."

Sec. 29 (3) of the articles of association:

“The chairperson of the annual shareholders’ meeting can limit the time allowed for shareholders to ask questions and make statements as appropriate. The chairperson can also set time restraints for the entire annual shareholders’ meeting, certain points on the agenda as well as for individual speakers or petitioners at the start of the annual shareholders’ meeting or during the course of the meeting.”

Lübeck, Germany, March 2011

Drägerwerk AG & Co. KGaA

The general partner

Drägerwerk Verwaltungs AG

The Executive Board