

**Detailed explanations of shareholder rights  
pursuant to Secs. 138 Sentence 2, 122 (2), 126 (1), 131 (1) AktG (Aktengesetz: German  
Stock Corporation Act)**

**Separate meeting of preferred shareholders of Drägerwerk AG & Co. KGaA, Lübeck,  
on May 6, 2011**

**Motions to amend the agenda pursuant to Secs. 122 (2), 138 Sentence 2 AktG**

Shareholders holding common or preferred shares, 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 tabled on the agenda and disclosed, pursuant to Sec. 138 Sentence 2 in conjunction with Sec. 122 (2) AktG. Pursuant to Sec. 138 Sentence 3 AktG, the same right is extended to a minority of shareholders who can participate in voting on special resolutions, if their shares taken together amount to one tenth of the shares that can exercise their voting rights for special resolutions (“quorum”) (the represents 635,000 preferred shares). Each new item must be substantiated or include an attached draft resolution. The request is to be directed in writing to the general partner as the representative body for the company (Drägerwerk Verwaltungs 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 before the separate meeting (this excludes the day of the separate 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 separate meeting of preferred shareholders, 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/](http://www.draeger.com/GC/de/investoren/hauptversammlung/).

The provisions of the German Stock Corporation Act 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 portion 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 or 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. 138 AktG:

“Where this Act or the articles of association allow special resolutions of certain shareholders, these resolutions are to be adopted either at a separate meeting of these shareholders or by a separate vote, unless the law stipulates otherwise. The provisions governing annual shareholders’ meetings also apply to calling a separate meeting, attending such a meeting and the right to information. The provisions governing resolutions at annual shareholders’ meetings also apply to resolutions at these separate meetings. If shareholders who are entitled to vote on a special resolution request a separate meeting or the disclosure of a proposal to be voted on separately, it suffices if the shares which allow them to take part in the voting on the special resolution equal or exceed one-tenth of the shares entitled to vote on such special resolution in total.”

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), 138 Sentence 2 AktG:**

Shareholders holding common and/or preferred shares can submit countermotions to draft resolutions proposed by the general partner and/or Supervisory Board regarding specific items on the agenda at the separate meeting of preferred shareholders. Counter motions pursuant to Sec. 138 Sentence 2 in conjunction with Sec. 126 (1) 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](mailto:hauptversammlung@draeger.com)

Pursuant to Sec. 138 Sentence 2 in conjunction with Sec. 126 (1) AktG, the company will publish counter motions 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/](http://www.draeger.com/GC/de/investoren/hauptversammlung/) provided that counter motions with a substantiation are received at least 14 days prior to the date of the separate meeting (this excludes the day of 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. Counter motions addressed otherwise will not be considered.

The company can refrain from publishing a counter motion as stipulated by Sec. 138 Sentence 2 in conjunction with Sec. 126 (2) AktG, if it would lead to a resolution at the separate meeting that is either illegal or contrary to the articles of association. If the counter motion's substantiation exceeds 5,000 characters, it does not need to be published.

The provisions of the German Stock Corporation Act underlying these shareholder rights are listed below:

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 counter motion 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 day 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 not need to 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. 138 AktG

"Where this Act or the articles of association allow special resolutions of certain shareholders, these resolutions are to be adopted either at a separate meeting of these shareholders or by a separate vote, unless the law stipulates otherwise. The provisions governing annual shareholders' meetings also apply to calling a separate meeting, attending such a meeting and the right to information. The provisions governing resolutions at annual shareholders' meetings also apply to resolutions at these separate meetings. If shareholders who are entitled to vote on a special resolution request a separate meeting or the disclosure of a proposal to be voted on separately, it suffices if the shares which allow them to take part in the voting on the special resolution equal or exceed one-tenth of the shares entitled to vote on such special resolution in total."

## **Right to information pursuant to Sec. 131 (1) AktG**

Pursuant to Sec. 138 Sentence 2 in conjunction with Sec. 131 (1) AktG, every preferred shareholder is permitted to request information from the general partner during the separate meetings on issues relating to the company, insofar as the information serves to clarify an item on the agenda of the separate meeting of preferred shareholders. The general partner can refrain from answering certain questions for reasons stated in Sec. 131 (3) No. 1, 2 and 5 until 7 AktG, e.g. if the information, based on sound business judgment, might negatively impact the company or one of its group companies. Pursuant to Sec. 29 (3) of the articles of association, the chairperson of the separate 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 or during the course of the separate meeting.

The provisions of the German Stock Corporation Act 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