

Declaration of conformity

“The Executive and Supervisory Boards declare that Drägerwerk AG, from the date of the issuance of its previous declaration of conformity on December 20, 2004 until July 20, 2005, acted on the recommendations of the German Corporate Governance Code Government Commission, as amended on May 21, 2003, and that since July 21, 2005, it has acted on the recommendations as amended on June 2, 2005; however, the following exceptions apply:

1. The Company will not appoint any corporate voting proxy for exercising the voting right of shareholders on their instructions at the annual shareholders’ meeting (2.3.3 clause 3 of the Code). The voting common stock is solely owned directly or indirectly by the Dräger family and, therefore, it would be redundant to appoint any such proxy for Drägerwerk AG’s shareholders.
2. The salaries of Executive Board members and remuneration of Supervisory Board members have not been, and will not be, disclosed for individual members in the notes to the consolidated financial statements or the corporate governance report (4.2.4 and 5.4.5, former version, and 5.4.7, as amended, of the Code). While the remuneration of the Executive Board consists of fixed and variable components, it does not include any longterm incentives or risk elements (4.2.3 of the Code).
3. The age limit specified in the Supervisory Board’s rules of procedure was not observed in the first half of 2005 in that the Chairman of the Executive Board, Theo Dräger, exceeded said limit (5.1.2 (2) of the Code). No age limit has been specified for Supervisory Board members, nor will it be (5.4.1 of the Code). In view of the knowledge, abilities and expert experience required in 5.4.1 clause 1 of the Code, the specification of an age limit does not appear recommendable.
4. The consolidated financial statements were made public within the statutory time limit, but not within the period recommended by 7.1.2 of the Code. Interim reports were, and will be, made public in accordance with the recommendations of the Code (7.1.2 of the Code). Compliance with the time limit for the publication of the consolidated financial statements has been planned for a later date.”

The reasons for the aforesaid exceptions from certain recommendations of the Code have largely been explained in the declaration of conformity. For reasons of privacy, the Executive and Supervisory Board members jointly voted against the disclosure of the remuneration paid to each individual Executive Board member.