



Dover Corporation Second Quarter 2010 Conference Call

July 23, 2010
9:00 am



Forward Looking Statements

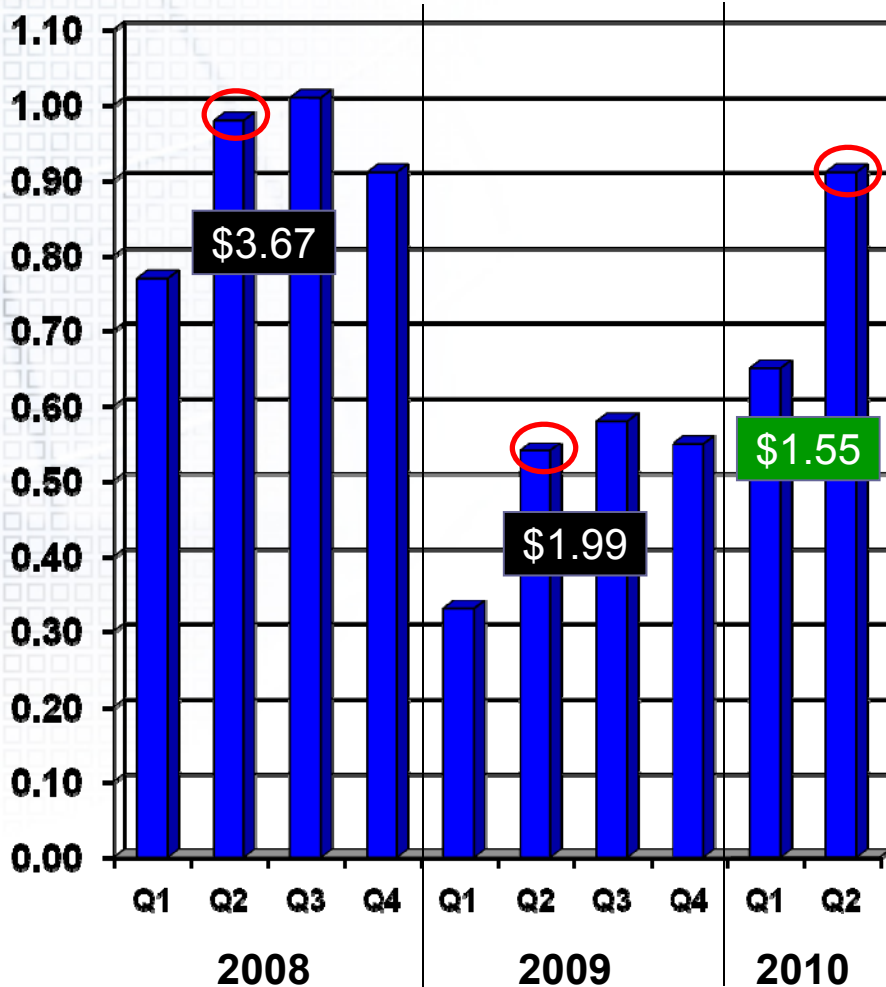
We want to remind everyone that our comments may contain forward-looking statements that are inherently subject to uncertainties. We caution everyone to be guided in their analysis of Dover Corporation by referring to our Form 10-K for a list of factors that could cause our results to differ from those anticipated in any such forward looking statements.

We would also direct your attention to our internet site, www.dovercorporation.com, where considerably more information can be found.



Dover's Q2 2010 Performance

Continuing Earnings Per Share



	Q2	Q2/Q2	1H	1H/1H
Revenue	\$ 1.8B	↑ 29%	\$ 3.4B	↑ 22%
EPS (cont.)	\$0.91	↑ 69%	\$1.55	↑ 80%
Segment Margins	16.9%	↑ 560 bps	16.0%	↑ 530 bps
Organic Rev. Growth		↑ 24%		↑ 15%
Net Acq. Growth		↑ 4%		↑ 5%
FCF	\$184M	↑ 12%	\$232M	↓ 7%

- Quarterly revenue and earnings increases reflect improving end-markets, share gains and benefits of productivity, including restructuring and supply chain
- Sequential and year-over-year bookings improvement is broad-based; book-to-bill of 1.08
- Segment operating margin of 16.9%; strong sequential improvement vs. Q1 2010
- Organic revenue growth of 24% driven by Electronic Technologies, Energy, Refrigeration Equipment & Product Identification



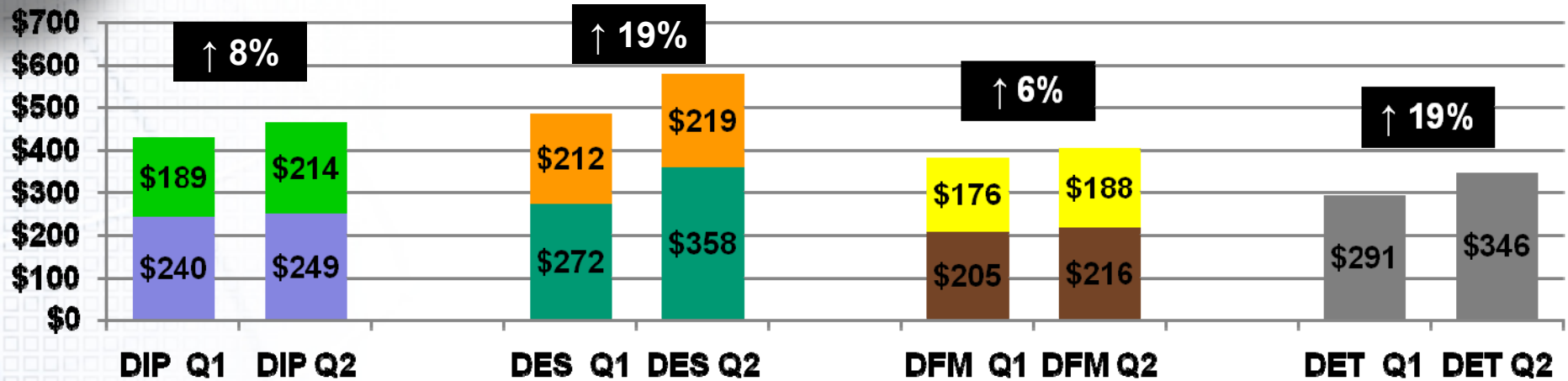
Revenue

Q2 2010	Industrial Products	Engineered Systems	Fluid Management	Electronic Technologies	Total Dover
Organic	21%	14%	32%	37%	24%
Net Acquisitions	-	9%	4%	1%	4%
Currency	-	-	1%	3%	1%
Total	21%	23%	37%	41%	29%

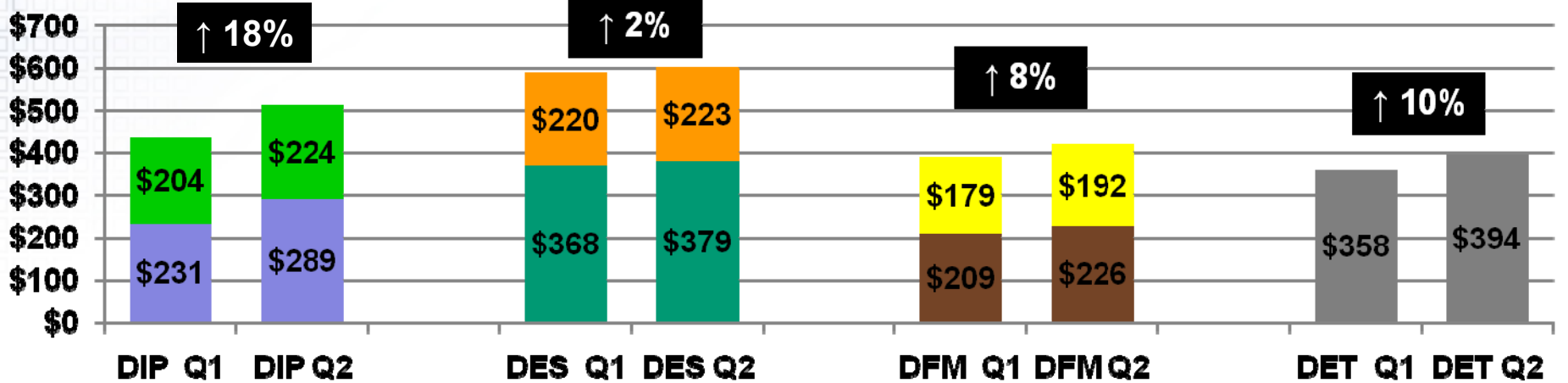


Sequential Results – Q2 10 / Q1 10

Revenue



Bookings



- Material Handling
- Mobile Equipment
- Product Identification
- Engineered Products
- Fluid Solutions
- Energy
- Electronic Technologies



Industrial Products

Quarterly Comments

\$ in millions

- Revenue growth in Material Handling partially offset by softness in dry-bulk trailers and commercial aerospace
- Margin improvements driven by volume increases, prior restructuring and one-time gains of \$4.1M
- Quarterly bookings up 38% driven by better non-residential construction markets and military orders
- Book-to-bill solid at 1.11

	Q2 2010	Q2 2009	% Change
Revenue	\$462	\$383	+21%
Earnings	\$ 62	\$ 25	+142%
Margin	13.3%	6.6%	↑ 670 bps
Bookings	\$512	\$372	+38%

	1H 2010	1H 2009	% Change
Revenue	\$891	\$818	+9%
Earnings	\$113	\$ 60	+88%
Margin	12.6%	7.3%	↑ 530 bps
Bookings	\$947	\$701	+35%



Engineered Systems

\$ in millions

Quarterly Comments

- Revenue gains from Product ID and Hill Phoenix (including 2009 acquisitions)
- Improved operating margin driven by volume increases at Hill Phoenix, partially offset by net material costs at SWEP
- Markem-Imaje business trends remain solid; Hill Phoenix continues to benefit from active remodel programs by key customers
- Bookings up 29% year-over-year reflecting strong seasonal demand at Hill Phoenix; book-to-bill is 1.04

	Q2 2010	Q2 2009	% Change
Revenue	\$577	\$467	+23%
Earnings	\$ 85	\$ 57	+47%
Margin	14.7%	12.3%	↑ 240 bps
Bookings	\$602	\$466	+29%

	1H 2010	1H 2009	% Change
Revenue	\$1,061	\$868	+22%
Earnings	\$ 139	\$101	+38%
Margin	13.1%	11.6%	↑ 150 bps
Bookings	\$1,191	\$878	+36%



Fluid Management

Quarterly Comments

\$ in millions

- Revenue growth driven by NA rig count growth, continued penetration of horizontal drilling and solid pump demand
- Operating margin improved to 23.8% on volume gains and favorable mix
- Fluid Solutions markets showing broad-based recovery in end-market demand
- Bookings growth solid across the segment; book-to-bill 1.04

	Q2 2010	Q2 2009	% Change
Revenue	\$404	\$295	+37%
Earnings	\$ 96	\$ 56	+73%
Margin	23.8%	18.8%	↑ 500 bps
Bookings	\$418	\$292	+43%

	1H 2010	1H 2009	% Change
Revenue	\$784	\$626	+25%
Earnings	\$183	\$131	+40%
Margin	23.3%	20.9%	↑ 240 bps
Bookings	\$805	\$585	+38%



Electronic Technologies

Quarterly Comments

- Year-over-year revenue growth driven by strong demand for electronic assembly equipment, solar equipment and MEMS microphones
- Operating margin of 17.2% resulting from strong leverage on higher volume and improved cost base
- Product innovation driving results at Knowles and DEK
- Year-over-year bookings remain strong across the segment resulting in book-to-bill of 1.14

\$ in millions

	Q2 2010	Q2 2009	% Change
Revenue	\$346	\$246	+41%
Earnings	\$ 60	\$ 18	+231%
Margin	17.2%	7.3%	↑ 990 bps
Bookings	\$394	\$243	+62%

	1H 2010	1H 2009	% Change
Revenue	\$637	\$460	+38%
Earnings	\$104	\$ 6	↑↑
Margin	16.4%	1.3%	↑↑
Bookings	\$753	\$467	+61%



Q2 2010 Overview

	Q2 2010
Free Cash Flow	\$184.3 million, 12% of revenue
Net Interest Expense	\$26.9 million, up \$3 million from prior year reflecting lower yield on investments
Net Debt to Capital	18.1%, largely unchanged from year-end 2009
Effective Tax Rate (ETR)	29.2%, in-line with full-year expectations
Corporate Expense	\$32.4 million, up \$3 million reflecting costs associated with relocation and deal related expenses



2010 Guidance – Update

- Revenue:
 - Core revenue: $\approx 13\% - 15\%$
 - 2009 Acquisitions: $\approx 3\%$
 - Total revenue: $\approx 16\% - 18\%$
- Corporate expense: $\approx \$130$ million
- Interest expense: $\approx \$110$ million
- Full-year tax rate: $29\% - 30\%$
- Capital expenditures: $\approx 2.5\%$ of revenue
- Free cash flow for full year: $> 10\%$ of revenue
- Full year EPS: $\$3.05 - \3.25



2010 EPS Guidance Bridge - Cont. Ops

• 2009 EPS – Continuing Ops	\$1.99
– Volume, mix, price (inc. FX):	\$0.98 - \$1.15
– 2009 acquisitions:	\$0.12
– Net benefits of restructuring/productivity:	\$0.51 - \$0.58
– Compensation & benefits:	(\$0.20 - \$0.28)
– Corporate expense:	(\$0.04)
– Interest:	(\$0.03)
– Tax rate / other:	<u>(\$0.28 - \$0.24)</u>
• 2010 EPS – Continuing Ops	<u><u>\$3.05 - \$3.25</u></u>