

INVESTOR SUPPLEMENT - FOURTH QUARTER 2011

DOVER CORPORATION CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited) (in thousands, except per share figures)

	<u>Three Months Ended December 31,</u>		<u>Year Ended Ended December 31,</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenue	\$ 2,004,486	\$ 1,737,436	\$ 7,950,140	\$ 6,640,191
Cost of goods and services	1,247,091	1,050,664	4,898,716	4,023,586
Gross profit	757,395	686,772	3,051,424	2,616,605
Selling and administrative expenses	462,143	427,198	1,840,609	1,607,327
Operating earnings	295,252	259,574	1,210,815	1,009,278
Interest expense, net	29,060	25,930	115,596	106,422
Other (income) expense, net	(2,658)	(237)	55	3,652
Earnings before provision for income taxes and discontinued operations	268,850	233,881	1,095,164	899,204
Provision for income taxes	59,912	48,975	248,799	208,453
Earnings from continuing operations	208,938	184,906	846,365	690,751
Earnings from discontinued operations, net	69,351	13,442	48,878	9,353
Net earnings	<u>\$ 278,289</u>	<u>\$ 198,348</u>	<u>\$ 895,243</u>	<u>\$ 700,104</u>
Basic earnings per common share:				
Earnings from continuing operations	\$ 1.13	\$ 0.99	\$ 4.55	\$ 3.70
Earnings from discontinued operations, net	0.38	0.07	0.26	0.05
Net earnings	1.51	1.06	4.82	3.75
Weighted average shares outstanding	<u>184,686</u>	<u>186,923</u>	<u>185,882</u>	<u>186,897</u>
Diluted earnings per common share:				
Earnings from continuing operations	\$ 1.12	\$ 0.97	\$ 4.48	\$ 3.65
Earnings from discontinued operations, net	0.37	0.07	0.26	0.05
Net earnings	1.49	1.04	4.74	3.70
Weighted average shares outstanding	<u>187,208</u>	<u>189,863</u>	<u>188,887</u>	<u>189,170</u>
Dividends paid per common share	<u>\$ 0.315</u>	<u>\$ 0.275</u>	<u>\$ 1.18</u>	<u>\$ 1.07</u>

DOVER CORPORATION
QUARTERLY SEGMENT INFORMATION
(unaudited) (in thousands)

	2011					2010				
	Q1	Q2	Q3	Q4	FY 2011	Q1	Q2	Q3	Q4	FY 2010
REVENUE										
Communication Technologies	\$ 269,582	\$ 288,843	\$ 405,357	\$ 396,295	\$ 1,360,077	\$ 246,531	\$ 269,107	\$ 280,031	\$ 280,343	\$ 1,076,012
Energy	425,424	454,327	510,608	510,390	1,900,749	296,792	319,305	326,149	361,261	1,303,507
Engineered Systems										
Fluid Solutions	163,196	178,031	173,804	162,590	677,621	134,542	139,218	150,302	143,852	567,914
Refrigeration & Industrial	560,453	645,573	649,768	568,844	2,424,638	487,588	581,187	620,030	531,039	2,219,844
Eliminations	(382)	(424)	(431)	(287)	(1,524)	(252)	(365)	(354)	(345)	(1,316)
	723,267	823,180	823,141	731,147	3,100,735	621,878	720,040	769,978	674,546	2,786,442
Printing & Identification	394,627	429,497	400,515	368,325	1,592,964	316,472	356,732	381,636	421,990	1,476,830
Intra-segment eliminations	(822)	(877)	(1,015)	(1,671)	(4,385)	(618)	(737)	(541)	(704)	(2,600)
Total consolidated revenue	\$ 1,812,078	\$ 1,994,970	\$ 2,138,606	\$ 2,004,486	\$ 7,950,140	\$ 1,481,055	\$ 1,664,447	\$ 1,757,253	\$ 1,737,436	\$ 6,640,191
NET EARNINGS										
Segment Earnings:										
Communication Technologies	\$ 47,325	\$ 54,527	\$ 53,433	\$ 71,097	\$ 226,382	\$ 46,125	\$ 52,593	\$ 55,852	\$ 50,645	\$ 205,215
Energy	93,051	110,447	125,268	121,871	450,637	68,277	81,552	78,959	87,325	316,113
Engineered Systems	98,235	128,570	125,529	92,852	445,186	81,038	106,590	115,878	79,138	382,644
Printing & Identification	54,637	67,967	59,447	44,483	226,534	42,043	54,759	62,471	78,095	237,368
Total Segments	293,248	361,511	363,677	330,303	1,348,739	237,483	295,494	313,160	295,203	1,141,340
Corporate expense / other	36,112	35,391	34,083	32,393	137,979	33,325	32,444	34,553	35,392	135,714
Net interest expense	28,318	28,157	30,061	29,060	115,596	27,188	26,955	26,349	25,930	106,422
Earnings from continuing operations before provision for income taxes	228,818	297,963	299,533	268,850	1,095,164	176,970	236,095	252,258	233,881	899,204
Provision for income taxes	54,027	58,765	76,095	59,912	248,799	54,682	68,869	35,927	48,975	208,453
Earnings from continuing operations	174,791	239,198	223,438	208,938	846,365	122,288	167,226	216,331	184,906	690,751
Earnings (loss) from discontinued operations, net	20,114	10,571	(51,158)	69,351	48,878	(14,161)	2,644	7,428	13,442	9,353
Net earnings	\$ 194,905	\$ 249,769	\$ 172,280	\$ 278,289	\$ 895,243	\$ 108,127	\$ 169,870	\$ 223,759	\$ 198,348	\$ 700,104
SEGMENT OPERATING MARGIN										
Communication Technologies	17.6%	18.9%	13.2%	17.9%	16.6%	18.7%	19.5%	19.9%	18.1%	19.1%
Energy	21.9%	24.3%	24.5%	23.9%	23.7%	23.0%	25.5%	24.2%	24.2%	24.3%
Engineered Systems	13.6%	15.6%	15.2%	12.7%	14.4%	13.0%	14.8%	15.0%	11.7%	13.7%
Printing & Identification	13.8%	15.8%	14.8%	12.1%	14.2%	13.3%	15.4%	16.4%	18.5%	16.1%
Total Segment	16.2%	18.1%	17.0%	16.5%	17.0%	16.0%	17.8%	17.8%	17.0%	17.2%
DEPRECIATION AND AMORTIZATION EXPENSE										
Communication Technologies	\$ 18,685	\$ 18,533	\$ 34,360	\$ 30,261	\$ 101,839	\$ 17,345	\$ 17,494	\$ 18,081	\$ 19,342	\$ 72,262
Energy	18,573	18,765	19,399	21,082	77,819	11,511	12,349	11,942	13,040	48,842
Engineered Systems	18,415	18,816	18,332	19,213	74,776	18,194	17,775	18,434	18,123	72,526
Printing & Identification	11,372	11,685	11,548	11,543	46,148	11,857	11,556	11,322	11,567	46,302
Corporate	586	626	636	713	2,561	369	336	658	674	2,037
	\$ 67,631	\$ 68,425	\$ 84,275	\$ 82,812	\$ 303,143	\$ 59,276	\$ 59,510	\$ 60,437	\$ 62,746	\$ 241,969

DOVER CORPORATION
QUARTERLY SEGMENT INFORMATION
(unaudited) (in thousands)

	2011					2010				
	Q1	Q2	Q3	Q4	FY 2011	Q1	Q2	Q3	Q4	FY 2010
BOOKINGS										
Communication Technologies	\$ 274,611	\$ 309,734	\$ 410,616	\$ 349,579	\$ 1,344,540	\$ 257,767	\$ 304,026	\$ 278,686	\$ 287,786	\$ 1,128,265
Energy	495,125	472,543	498,212	519,525	1,985,405	300,441	326,217	326,080	366,277	1,319,015
Engineered Systems										
Fluids	173,626	175,539	174,772	158,895	682,832	136,459	147,215	145,823	144,389	573,886
Refrigeration & Industrial	660,449	623,929	602,488	625,840	2,512,706	596,293	605,034	527,269	563,300	2,291,896
Eliminations	(733)	(884)	179	(1,378)	(2,816)	(486)	(638)	(640)	(648)	(2,412)
	833,342	798,584	777,439	783,357	3,192,722	732,266	751,611	672,452	707,041	2,863,370
Printing & Identification	438,526	386,259	384,085	353,849	1,562,719	370,598	404,088	399,788	398,570	1,573,044
Intra-segment eliminations	(2,736)	(3,370)	(2,452)	(3,153)	(11,711)	(1,641)	(2,317)	(2,396)	(2,689)	(9,043)
Total consolidated bookings	\$ 2,038,868	\$ 1,963,750	\$ 2,067,900	\$ 2,003,157	\$ 8,073,675	\$ 1,659,431	\$ 1,783,625	\$ 1,674,610	\$ 1,756,985	\$ 6,874,651
BACKLOG										
Communication Technologies	\$ 410,843	\$ 431,558	\$ 483,512	\$ 437,320		\$ 347,980	\$ 381,828	\$ 396,581	\$ 404,374	
Energy	240,198	255,889	243,401	246,351		123,456	128,058	136,374	152,183	
Engineered Systems										
Fluids	57,357	54,945	55,230	54,194		42,882	50,346	46,556	47,123	
Refrigeration & Industrial	544,995	523,011	469,876	528,118		480,604	502,479	413,318	446,267	
Eliminations	(339)	(526)	(94)	(177)		(189)	(324)	(267)	(315)	
	602,013	577,430	525,012	582,135		523,297	552,501	459,607	493,075	
Printing & Identification	262,629	220,619	197,792	180,871		166,439	209,178	235,360	213,589	
Intra-segment eliminations	(704)	(1,178)	(891)	(193)		(362)	(569)	(483)	(729)	
Total consolidated backlog	\$ 1,514,979	\$ 1,484,318	\$ 1,448,826	\$ 1,446,484		\$ 1,160,810	\$ 1,270,996	\$ 1,227,439	\$ 1,262,492	

DOVER CORPORATION
QUARTERLY EARNINGS PER SHARE
(unaudited)

	2011					2010					
	Q1	Q2	Q3	Q4	FY 2011	Q1	Q2	Q3	Q4	FY 2010	
Basic earnings (loss) per common share:											
Continuing operations	\$ 0.94	\$ 1.28	\$ 1.20	\$ 1.13	\$ 4.55	\$ 0.65	\$ 0.90	\$ 1.16	\$ 0.99	\$ 3.70	
Discontinued operations	0.11	0.06	(0.28)	0.38	0.26	(0.08)	0.01	0.04	0.07	0.05	
Net earnings	1.04	1.34	0.93	1.51	4.82	0.58	0.91	1.20	1.06	3.75	
Diluted earnings (loss) per common share:											
Continuing operations	\$ 0.92	\$ 1.26	\$ 1.19	\$ 1.12	\$ 4.48	\$ 0.65	\$ 0.89	\$ 1.15	\$ 0.97	\$ 3.65	
Discontinued operations	0.11	0.06	(0.27)	0.37	0.26	(0.08)	0.01	0.04	0.07	0.05	
Net earnings	1.03	1.32	0.91	1.49	4.74	0.58	0.90	1.19	1.04	3.70	
Adjusted diluted earnings per common share (calculated below):											
Continuing operations	\$ 0.88	\$ 1.14	\$ 1.18	\$ 1.07	\$ 4.26	\$ 0.65	\$ 0.89	\$ 0.95	\$ 0.90	\$ 3.38	
Net earnings (loss) and average shares used in calculated earnings (loss) per share amounts are as follows:											
Net earnings (loss) :											
Continuing operations	\$ 174,791	\$ 239,198	\$ 223,438	\$ 208,938	\$ 846,365	\$ 122,288	\$ 167,226	\$ 216,331	\$ 184,906	\$ 690,751	
Discontinued operations	20,114	10,571	(51,158)	69,351	48,878	(14,161)	2,644	7,428	13,442	9,353	
Net earnings	194,905	249,769	172,280	278,289	895,243	108,127	169,870	223,759	198,348	700,104	
Average shares outstanding:											
Basic	186,659	186,443	185,770	184,686	185,882	187,093	186,823	186,721	186,923	186,897	
Diluted	190,090	189,705	188,436	187,208	188,887	187,886	188,720	188,565	189,863	189,170	

NOTE:

Earnings from continuing operations are adjusted by discrete and other tax items to derive adjusted earnings from continuing operations and adjusted diluted earnings per common share as follows:

	2011					2010				
	Q1	Q2	Q3	Q4	FY 2011	Q1	Q2	Q3	Q4	FY 2010
Adjusted earnings from continuing operations:										
Earnings from continuing operations	\$ 174,791	\$ 239,198	\$ 223,438	\$ 208,938	\$ 846,365	\$ 122,288	\$ 167,226	\$ 216,331	\$ 184,906	\$ 690,751
Gains from discrete and other tax items	8,016	22,338	2,390	8,590	41,334	-	-	36,956	13,296	50,252
Adjusted earnings from continuing operations	\$ 166,775	\$ 216,860	\$ 221,048	\$ 200,348	\$ 805,031	\$ 122,288	\$ 167,226	\$ 179,375	\$ 171,610	\$ 640,499
Adjusted diluted earnings per common share:										
Earnings from continuing operations	\$ 0.92	\$ 1.26	\$ 1.19	\$ 1.12	\$ 4.48	\$ 0.65	\$ 0.89	\$ 1.15	\$ 0.97	\$ 3.65
Gains from discrete and other tax items	0.04	0.12	0.01	0.05	0.22	-	-	0.20	0.07	0.27
Adjusted earnings from continuing operations	\$ 0.88	\$ 1.14	\$ 1.18	\$ 1.07	\$ 4.26	\$ 0.65	\$ 0.89	\$ 0.95	\$ 0.90	\$ 3.38

DOVER CORPORATION
QUARTERLY FREE CASH FLOW
(unaudited)(in thousands)

	2011					2010				
	Q1	Q2	Q3	Q4	FY 2011	Q1	Q2	Q3	Q4	FY 2010
Cash from operations	\$ 117,503	\$ 205,260	\$ 376,614	\$ 358,852	\$ 1,058,229	\$ 77,127	\$ 221,561	\$ 183,444	\$ 419,730	\$ 901,862
Less: Additions to property, plant and equipment	(51,379)	(72,338)	(65,000)	(83,092)	(271,809)	(38,467)	(45,642)	(39,718)	(51,018)	(174,845)
Free cash flow	\$ 66,124	\$ 132,922	\$ 311,614	\$ 275,760	\$ 786,420	\$ 38,660	\$ 175,919	\$ 143,726	\$ 368,712	\$ 727,017
Free cash flow as a percentage of earnings from continuing operations	37.8%	55.6%	139.5%	132.0%	92.9%	31.6%	105.2%	66.4%	199.4%	105.3%
Free cash flow as a percentage of revenue	3.6%	6.7%	14.6%	13.8%	9.9%	2.6%	10.6%	8.2%	21.2%	10.9%

DOVER CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET AND STATEMENT OF CASH FLOWS
(unaudited) (in thousands)

BALANCE SHEET

	At December 31, 2011	At December 31, 2010
Assets:		
Cash and cash equivalents	\$ 1,206,755	\$ 1,189,079
Short-term investments	-	121,734
Receivables, net of allowances	1,190,265	1,023,099
Inventories, net	803,346	657,962
Deferred tax and other current assets	196,764	139,751
Property, plant and equipment, net	1,000,870	785,624
Goodwill	3,787,117	3,107,478
Intangible assets, net	1,207,084	799,281
Other assets	104,808	107,642
Assets of discontinued operations	4,441	627,093
	\$ 9,501,450	\$ 8,558,743
Liabilities and Stockholders' Equity		
Notes payable and current maturities of long-term debt	\$ 1,022	\$ 16,590
Payables and accrued expenses	1,201,959	1,128,458
Deferred taxes and other noncurrent liabilities	1,061,767	866,720
Long-term debt	2,186,230	1,790,886
Liabilities of discontinued operations	119,917	229,527
Stockholders' equity	4,930,555	4,526,562
	\$ 9,501,450	\$ 8,558,743

CASH FLOWS

	Year Ended December 31,	
	2011	2010
Operating activities:		
Net earnings	\$ 895,243	\$ 700,104
Gain from discontinued operations, net of tax	(48,878)	(9,353)
Depreciation and amortization	303,143	241,969
Stock-based compensation	25,991	21,207
Contributions to employee benefit plans	(63,567)	(58,201)
Net change in assets and liabilities	(53,703)	6,136
Net cash provided by operating activities of continuing operations	1,058,229	901,862
Investing activities:		
Proceeds from sale of short-term investments	124,410	553,466
Purchase of short-term investments	-	(466,881)
Proceeds from the sale of property and equipment	9,986	16,660
Additions to property, plant and equipment	(271,809)	(174,845)
Proceeds from sale of businesses	516,901	4,500
Settlement of net investment hedge	(18,211)	-
Acquisitions (net of cash acquired)	(1,382,217)	(104,418)
Net cash used in investing activities of continuing operations	(1,020,940)	(171,518)
Financing activities:		
Increase (decrease) in debt, net	371,315	(60,855)
Purchase of common stock	(242,488)	(123,555)
Proceeds from exercise of stock options, including tax benefits	39,826	79,721
Dividends to stockholders	(219,154)	(200,099)
Net cash used in financing activities of continuing operations	(50,501)	(304,788)
Net cash provided by discontinued operations	14,898	37,079
Effect of exchange rate changes on cash	15,990	10,008
Net increase in cash and cash equivalents	17,676	472,643
Cash and cash equivalents at beginning of period	1,189,079	716,436
Cash and cash equivalents at end of period	\$ 1,206,755	\$ 1,189,079

DOVER CORPORATION
QUARTERLY INFORMATION
(unaudited)(in thousands)

Free Cash Flow <i>(in thousands)</i>	Three Months Ended December 31,		Year Ended December 31,	
	2011	2010	2011	2010
Cash flow provided by operating activities	\$ 358,852	\$ 419,730	\$ 1,058,229	\$ 901,862
Less: Additions to property, plant and equipment	(83,092)	(51,018)	(271,809)	(174,845)
Free cash flow	<u>\$ 275,760</u>	<u>\$ 368,712</u>	<u>\$ 786,420</u>	<u>\$ 727,017</u>
Free cash flow as a percentage of revenue	<u>13.8%</u>	<u>21.2%</u>	<u>9.9%</u>	<u>10.9%</u>
Free cash flow as a percentage of earnings from continuing operations			<u>92.9%</u>	<u>105.3%</u>

	2011				
	Q1	Q2	Q3	Q4	Full Year
Organic	17.5%	13.2%	9.7%	5.9%	11.3%
Acquisitions	4.1%	3.9%	9.2%	9.4%	6.8%
Currency translation	0.8%	2.8%	2.8%	0.1%	1.6%
	<u>22.4%</u>	<u>19.9%</u>	<u>21.7%</u>	<u>15.4%</u>	<u>19.7%</u>

Net Debt to Net Capitalization Ratio <i>(in thousands)</i>	At December 31, 2011	At December 31, 2010
Current maturities of long-term debt	\$ 1,022	\$ 1,590
Commercial paper	-	15,000
Long-term debt	2,186,230	1,790,886
Total debt	<u>2,187,252</u>	<u>1,807,476</u>
Less: Cash, cash equivalents and short-term investments	<u>(1,206,755)</u>	<u>(1,310,813)</u>
Net debt	980,497	496,663
Add: Stockholders' equity	4,930,555	4,526,562
Net capitalization	<u>\$ 5,911,052</u>	<u>\$ 5,023,225</u>
Net debt to net capitalization	<u>16.6%</u>	<u>9.9%</u>