



Dover Corporation Fourth Quarter 2010 Conference Call

January 28, 2011

9:00 am ET



Forward Looking Statements

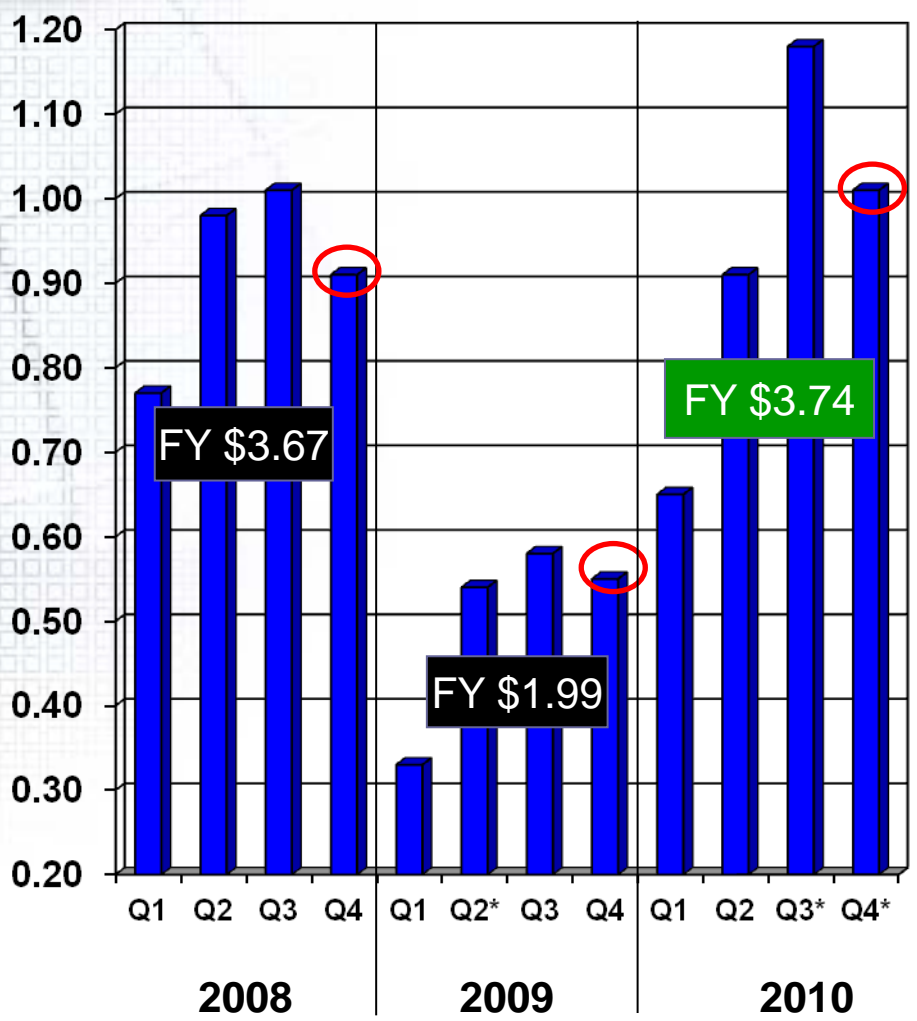
We want to remind everyone that our comments may contain forward-looking statements that are inherently subject to uncertainties. We caution everyone to be guided in their analysis of Dover Corporation by referring to our Form 10-K for a list of factors that could cause our results to differ from those 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 Q4 2010 Performance

Continuing Earnings Per Share



	Q4	Q4/Q4	FY	FY/FY
Revenue	\$ 1.9B	↑ 24%	\$ 7.1B	↑ 23%
EPS (cont.)	\$1.01	↑ 85%	\$3.74	↑ 88%
Bookings	\$1.9B	↑ 23%	\$7.4B	↑ 32%
Segment Margins	16.3%	↑ 320 bps	16.4%	↑ 410 bps
Organic Rev. Growth		↑ 23%		↑ 20%
Acq. Growth		↑ 2%		↑ 4%
FCF (a)	\$378M	↑ 79%	\$767M	↑ 12%

(a) See Dover's website for a reconciliation to GAAP.

- Quarterly revenue and earnings increases reflect solid end-markets and benefits of productivity
- Quarterly organic revenue growth of 23% is broad based, with significant strength seen in Electronic Technologies, Energy and Material Handling
- Quarterly segment operating margin improvement in all segments: 16.4% full-year segment margin is all-time high
- Book-to bill ends at 1.03; Strong cash flow performance in Q4

* Includes discrete tax benefits of \$0.15 EPS in Q2 2009, \$0.20 EPS in Q3 2010 and \$0.07 in Q4 2010



Revenue

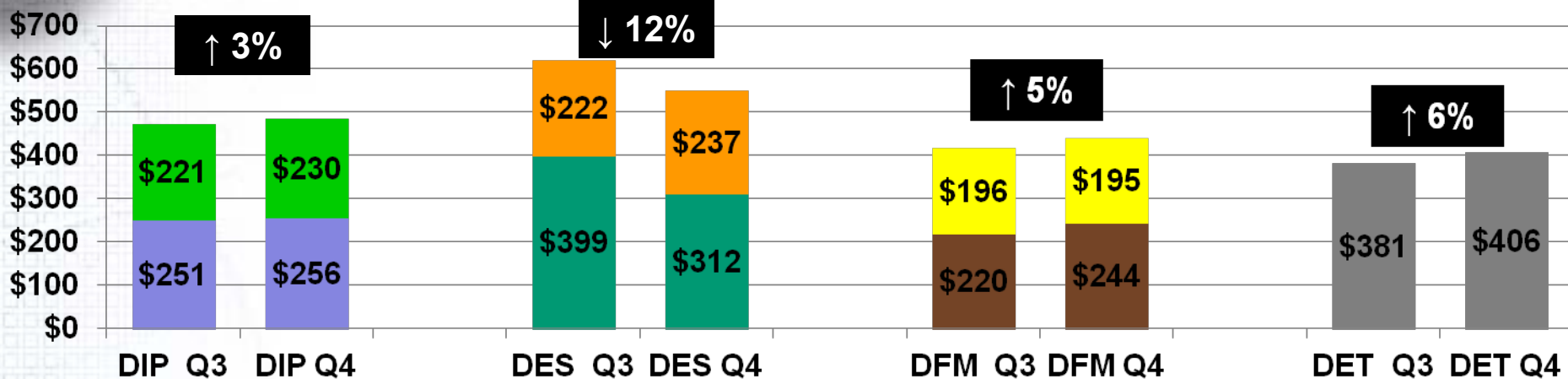
Q4 2010	Industrial Products	Engineered Systems	Fluid Management	Electronic Technologies	Total Dover
Organic	18%	14%	28%	41%	23%
Acquisitions	1%	4%	4%	1%	2%
Currency	-	(2%)	(1%)	(3%)	(1%)
Total	19%	16%	31%	39%	24%

FY 2010	Industrial Products	Engineered Systems	Fluid Management	Electronic Technologies	Total Dover
Organic	14%	12%	25%	39%	20%
Acquisitions	-	8%	3%	1%	4%
Currency	-	-	1%	(1%)	-
Total	14%	20%	29%	39%	24%

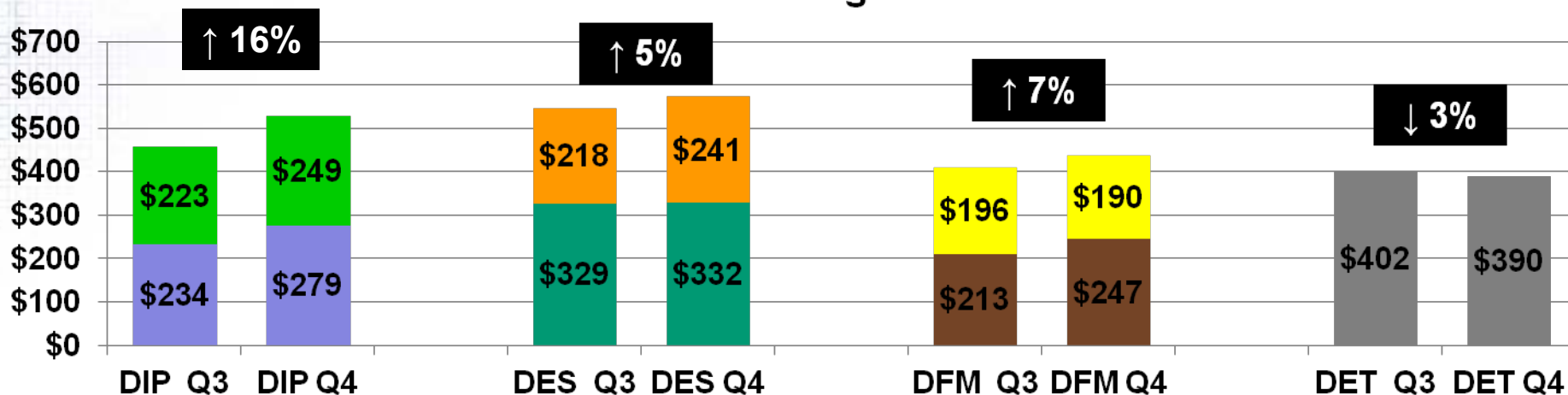


Sequential Results – Q4 10 / Q3 10

Revenue



Bookings



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



Industrial Products

\$ in millions

Quarterly Comments

- Broad-based revenue growth in Material Handling driven by infrastructure and energy activity
- Margin improvements driven by volume increases and leverage on productivity initiatives
- Quarterly bookings up 22% were broad-based, including recovering trailer markets
- Recovering markets resulted in book-to-bill of 1.09

	Q4 2010	Q4 2009	% Change
Revenue	\$485	\$408	+19%
Earnings	\$ 54	\$ 42	+30%
Margin	11.2%	10.2%	↑ 100 bps
Bookings	\$527	\$433	+22%

	FY 2010	FY 2009	% Change
Revenue	\$1,848	\$1,622	+14%
Earnings	\$ 226	\$ 140	+61%
Margin	12.3%	8.6%	↑ 370 bps
Bookings	\$1,931	\$1,488	+30%



Engineered Systems

Quarterly Comments

- Revenue gains driven by Hill Phoenix, Product ID and Belvac
- Operating margin reflects improved conversion at both platforms, partially offset by material cost increases at SWEP
- Product ID continues to perform well in developing economies; while Hill Phoenix did experience anticipated seasonality
- Hill Phoenix order rates accelerated through the fourth quarter; segment book-to-bill is 1.05

\$ in millions

	Q4 2010	Q4 2009	% Change
Revenue	\$548	\$473	+16%
Earnings	\$ 71	\$ 48	+47%
Margin	13.0%	10.2%	↑280 bps
Bookings	\$573	\$487	+18%

	FY 2010	FY 2009	% Change
Revenue	\$2,230	\$1,862	+20%
Earnings	\$ 302	\$ 227	+33%
Margin	13.5%	12.2%	↑130 bps
Bookings	\$2,311	\$1,835	+26%



Fluid Management

Quarterly Comments

\$ in millions

- Revenue growth driven by NA rig count growth, gains in oil prices, horizontal drilling activity and strong international pump sales
- Operating margin improved to 23.6% on volume gains and favorable mix
- Fluid Solutions markets, such as chemical, sanitary and retail refueling continue exhibiting broad-based recovery
- Book-to-bill of 1.00 reflects steady demand in most served markets; business fundamentals remain strong

	Q4 2010	Q4 2009	% Change
Revenue	\$439	\$336	+31%
Earnings	\$103	\$ 68	+53%
Margin	23.6%	20.1%	↑ 350 bps
Bookings	\$437	\$346	+26%

	FY 2010	FY 2009	% Change
Revenue	\$1,640	\$1,271	+29%
Earnings	\$ 388	\$ 259	+50%
Margin	23.7%	20.4%	↑ 330 bps
Bookings	\$1,652	\$1,255	+32%



Electronic Technologies

Quarterly Comments

- Revenue growth driven by strong demand for electronic assembly equipment, MEMS microphones, and Solar equipment
- Operating margin of 18.8% resulting from strong leverage on higher volume and improved cost base
- Continued interest in Solar offering and active mobile communications market provide healthy environment
- Year-over-year bookings in equipment companies show normal seasonality, resulting in overall book-to-bill of 0.96

\$ in millions

	Q4 2010	Q4 2009	% Change
Revenue	\$406	\$292	+39%
Earnings	\$ 76	\$ 40	+92%
Margin	18.8%	13.6%	↑ 520 bps
Bookings	\$390	\$305	+28%

	FY 2010	FY 2009	% Change
Revenue	\$1,424	\$1,027	+38%
Earnings	\$ 250	\$ 84	↑199%
Margin	17.6%	8.1%	↑950 bps
Bookings	\$1,545	\$1,055	+46%



Q4 2010 Overview

	Q4 2010	FY 2010
Net Interest Expense	\$26 million, essentially flat with last year	\$106 million, up \$6 million from last year driven by lower yields on cash investments
Corporate Expense	\$35 million, up \$6 million from prior year, reflecting higher accruals	\$136 million, up \$17 million from last year. Reflects relocation expense, comp. & benefits and higher accruals
Effective Tax Rate (ETR)	Rate was 21.4%. Reflects \$0.05 EPS benefit on resolution of certain domestic tax matters, and \$0.02 EPS benefit related to enactment of legislation	Rate of 23.5% impacted by tax benefits of \$0.20 EPS in Q3, Q4 tax benefits of \$0.07 and favorable mix of foreign earnings



2011 Guidance

- Revenue:
 - Core revenue: $\approx 6\% - 8\%$
 - Acquisitions: $\approx 3\%$
 - Total revenue: $\approx 9\% - 11\%$
- Corporate expense: $\approx \$135$ million
- Interest expense: $\approx \$106$ million
- Full-year tax rate: $\approx 28\% - 29\%$
- Capital expenditures: $\approx 2.8\% - 3.0\%$ of rev.
- Free cash flow for full year: $\approx 10\% - 11\%$ of rev.



2011 EPS Guidance Bridge - Cont. Ops

• 2010 EPS – Continuing Ops	\$3.74
– Less 2010 tax benefits:	(\$0.27)
• 2010 Adjusted EPS – Continuing Ops	<u>\$3.47</u>
– Volume, mix, price (inc. FX):	\$0.40 - \$0.58
– Acquisitions:	\$0.08 - \$0.09
– Net benefits of productivity:	\$0.23 - \$0.28
– Investment / Compensation:	(\$0.14 - \$0.18)
– Corporate expense	-
– Interest:	-
– Other (inc. Shares & Tax):	≈ \$0.01
• 2011 EPS – Continuing Ops	<u><u>\$4.05 - \$4.25</u></u>

2011 EPS increases 17% - 22% over adjusted 2010 EPS