



**Conference with DVFA Analysts**

**Frankfurt/Main, March 24, 2004**

# Index

- Fiscal year 2003
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- Additional Information

**Fiscal year 2003**

**vossloh**

# Vossloh Group



# Indicators

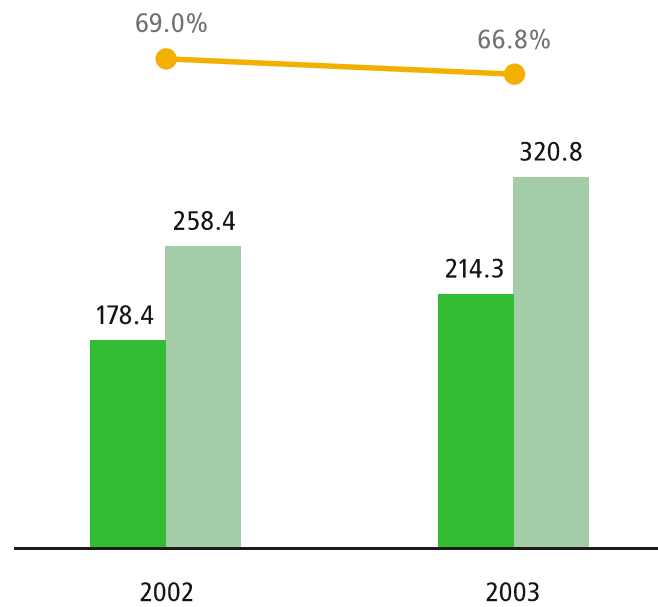
		2002	2003	± PY %
Net sales	(€ mill.)	744.5	919.8	23.5
Operating result	(€ mill.)	49.7	88.6	78.2
EBIT	(€ mill.)	78.4	101.7	29.7
EBIT margin	(%)	10.5	11.1	5.7
Group earnings	(€ mill.)	52.4	55.0	5.0
RoS after taxes	(%)	7.0	6.0	-14.3
EpS <sup>1</sup>	(€)	3.85	3.87	0.5

<sup>1</sup> 2002: 13,592,983 shares, 2003: 14,238,612 shares

# Key data

		2002	2003	± PY (%)
Working capital	(€ mill.)	175.5	243.0	38.5
Capital employed	(€ mill.)	590.0	618.1	4.8
ROCE	(%)	13.3	16.4	23.3
Equity ratio	(%)	25.2	32.3	28.2
Pretax ROE	(%)	26.7	29.2	9.4
Net financial debt	(€ mill.)	227.0	183.1	-19.3
Net leverage	(%)	95.1	61.5	-35.3

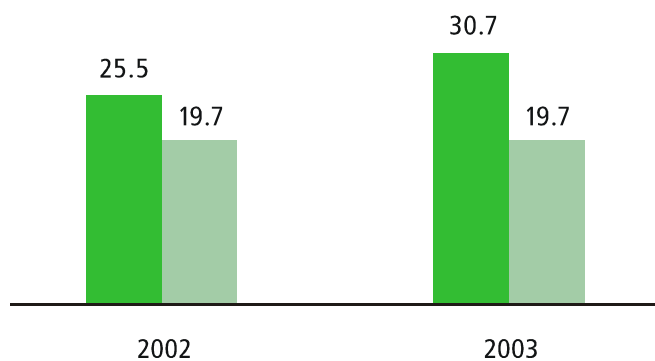
# Employees



■ Personnel expenses in € mill.  
■ Net value added in € mill.  
— Payroll-to-value added ratio in %

Annual average headcount	2002	2003
Rail Infrastructure	3,178	2,941
Motive Power	727	1,175
Information Technologies	262	276
Vossloh AG	23	30
<b>Group</b>	<b>4,190</b>	<b>4,422</b>

# Capital expenditure volume



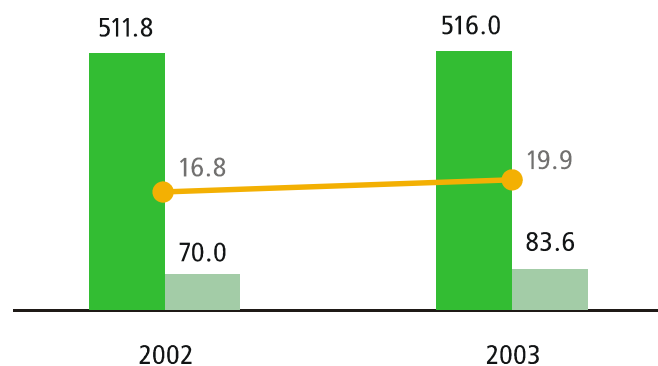
■ Capital expenditures in € mill.  
■ Amortization/depreciation in € mill.

Capital expenditures		2002	2003
Rail Infrastructure	(€ mill.)	16.6	22.9
Motive Power	(€ mill.)	6.7	6.0
Information Technologies	(€ mill.)	1.7	1.6
Vossloh AG	(€ mill.)	0.4	0.7
<b>Group</b>	<b>(€ mill.)</b>	<b>25.5</b>	<b>30.7</b>
Amort./deprec. Group	(€ mill.)	19.7	19.7

# Rail Infrastructure Division

**vossloh**

# Rail Infrastructure



■ Sales in € mill.  
■ EBIT in € mill.  
— ROCE in %

## Vossloh Fastening Systems

Sales 2002: €122.4 mill.  
Sales 2003: €160.6 mill.

## Vossloh Switch Systems

Sales 2002: €291.1 mill. (VAE)  
€57.0 mill. (Cogifer: Q4/2002)  
Sales 2003: €208.9 mill.

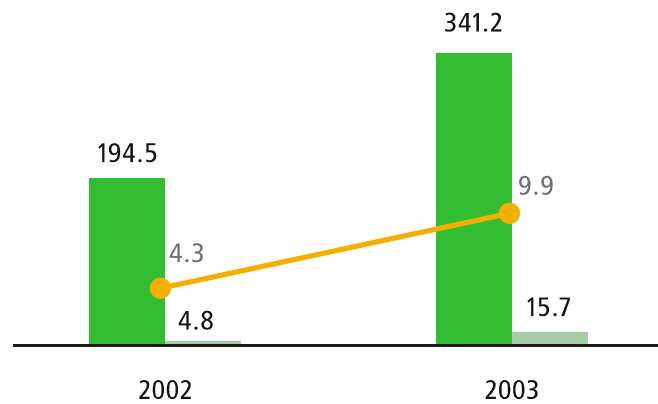
## Vossloh Infrastructure Services

Sales 2002: €46.3 mill. (Q4/2002)  
Sales 2003: €156.1 mill.

# Motive Power Division

**vossloh**

# Motive Power



■ Sales in € mill.  
■ EBIT in € mill.  
— ROCE in %

## Vossloh Locomotives

Sales 2002: €172.5 mill.

Sales 2003: €233.5 mill.

## Vossloh Electrical Systems

Sales 2002: €19.3 mill. (Nov./Dec.)

Sales 2003: €103.9 mill.

# Information Technologies Division

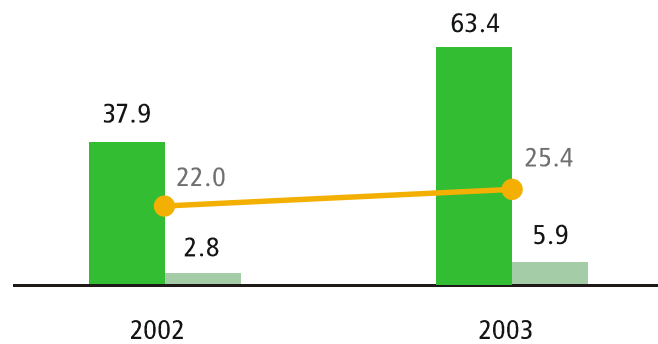
**vossloh**

# Information Technologies

## Vossloh Information Technologies

Sales 2002: €37.9 mill.

Sales 2003: €63.4 mill.



■ Sales in € mill.  
■ EBIT in € mill.  
— ROCE in %

# Vossloh stock



# Vossloh stock data

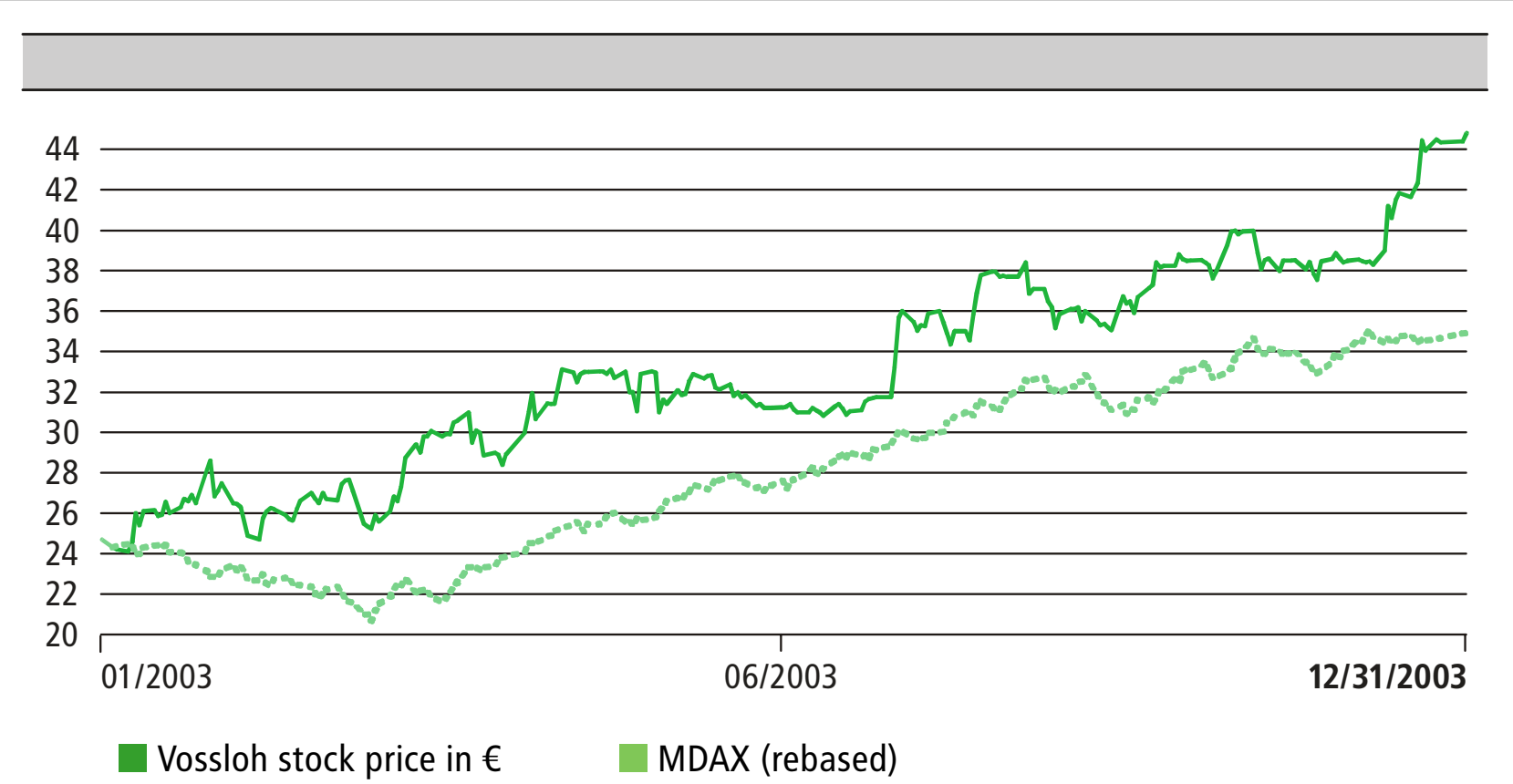
		2002	2003
Market capitalization <sup>1</sup>	(€ mill.)	338.1	654.2
Book value per share	(€)	17.10	20.02
EpS <sup>2</sup>	(€)	3.85	3.87
CFpS <sup>2,3</sup>	(€)	5.30	5.25
PER		6.4	11.6
Dividend (actual/proposed)	(€)	1.20	1.30

<sup>1</sup> At year-end

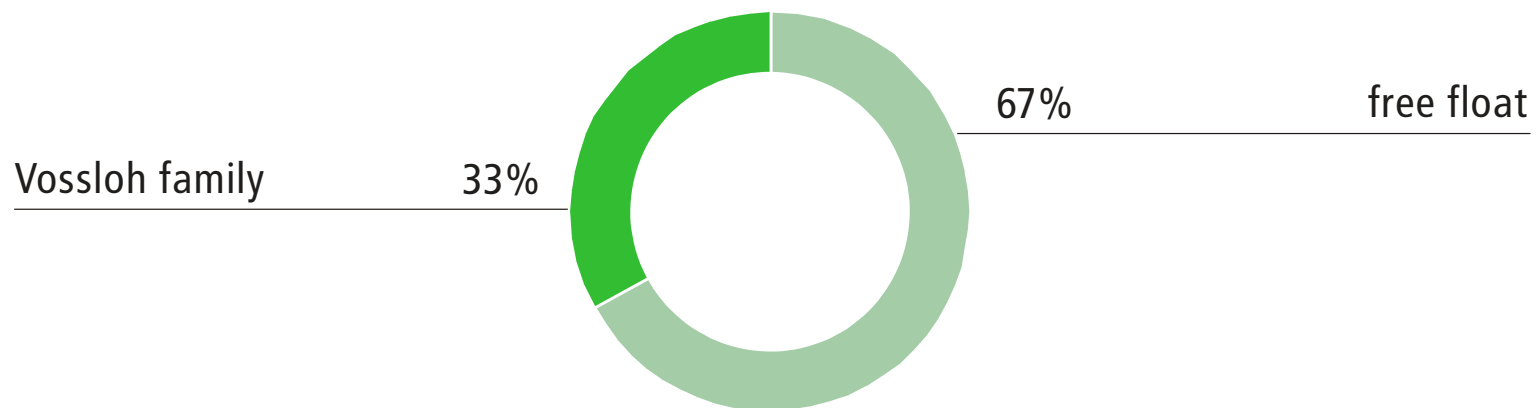
<sup>2</sup> In 2002, an average 13,592,983 shares were issued and outstanding. In 2003, an average 14,238,612 shares were issued and outstanding.

<sup>3</sup> Cash flow = Group earnings + amortization/depreciation/write-down

# Vossloh stock price trend



# Ownership structure



# Prospects 2004

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# Vossloh Group



# Indicators

		2003	2004p	± PY (%)
Net sales	(€ mill.)	919.8	960.0	4.4
Operating result	(€ mill.)	88.6	104.3	17.9
EBIT	(€ mill.)	101.7	106.3	4.6
EBIT margin	(%)	11.1	11.0	-0.9
Group earnings	(€ mill.)	55.0	56.9	3.5
RoS after taxes	(%)	6.0	5.9	-1.7
EpS <sup>1</sup>	(€)	3.87	3.90	0.8

<sup>1</sup> 2003: 14,238,612 shares and 2004p: 14.6 mill. shares

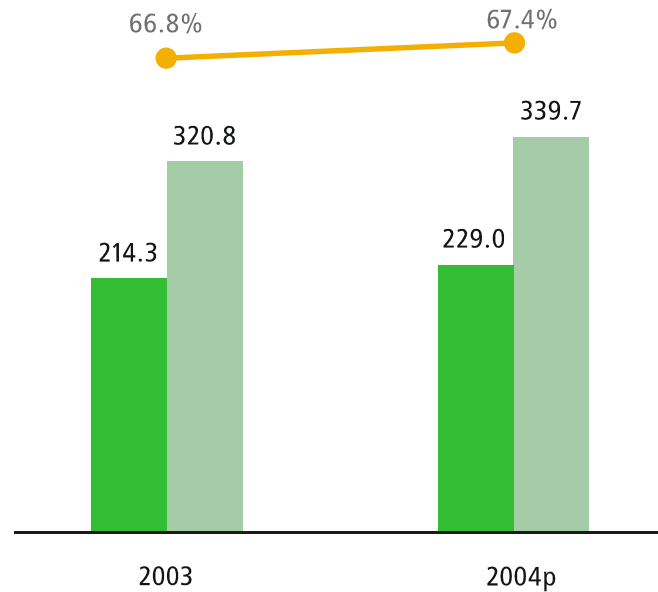
p = current projection

# Key data

		2003	2004p	± PY (%)
Working capital	(€ mill.)	243.0	261.6	7.7
Capital employed	(€ mill.)	618.1	666.5	7.8
ROCE	(%)	16.4	15.9	-3.0
Equity ratio	(%)	32.3	34.5	6.8
Pretax ROE	(%)	29.2	27.4	-6.2
Net financial debt	(€ mill.)	183.1	214.3	17.0
Net leverage	(%)	61.5	63.6	3.4

p = current projection

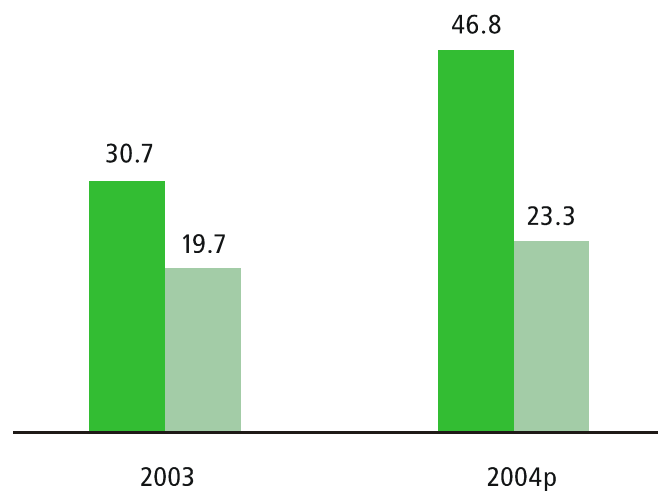
# Employees



■ Personnel expenses in € mill.  
■ Net value added in € mill.  
— Payroll-to-value added ratio in %  
 p = current projection

Annual average headcount	2003	2004p
Rail Infrastructure	2,941	3,037
Motive Power	1,175	1,226
Information Technologies	276	292
Vossloh AG	30	34
<b>Group</b>	<b>4,422</b>	<b>4,590</b>

# Capital expenditure volume



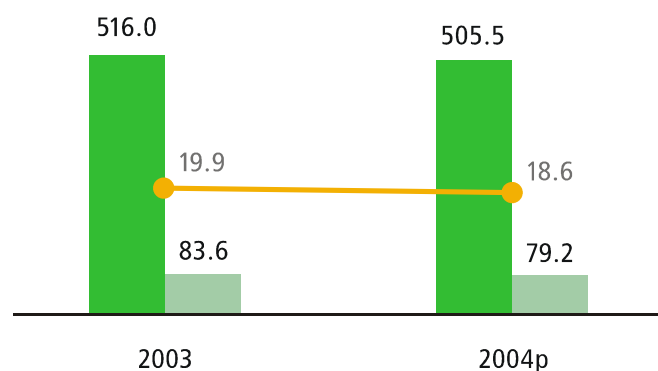
■ Capital expenditures in € mill.  
■ Amortization/depreciation in € mill.  
 p = current projection

Capital expenditures		2003	2004p
Rail Infrastructure	(€ mill.)	22.9	26.4
Motive Power	(€ mill.)	6.0	17.6
Information Technologies	(€ mill.)	1.6	1.9
Vossloh AG	(€ mill.)	0.7	0.9
<b>Group</b>	<b>(€ mill.)</b>	<b>30.7</b>	<b>46.8</b>
Amort./deprec. Group	(€ mill.)	19.7	23.3

# Rail Infrastructure Division

**vossloh**

# Rail Infrastructure



■ Sales in € mill.  
■ EBIT in € mill.  
—●— ROCE in %  
 p = current projection

## Vossloh Fastening Systems

Sales 2003: €160.6 mill.  
 Sales 2004p: €133.2 mill.

## Vossloh Switch Systems

Sales 2003: €208.9 mill.  
 Sales 2004p: €204.8 mill.

## Vossloh Infrastructure Services

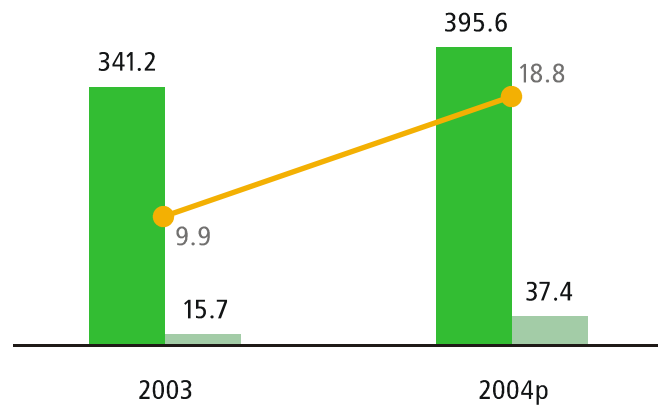
Sales 2003: €156.1 mill.  
 Sales 2004p: €172.7 mill.



# Motive Power Division

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# Motive Power



■ Sales in € mill.  
■ EBIT in € mill.  
— ROCE in %  
p = current projection

## Vossloh Locomotives

Sales 2003: €233.5 mill.

Sales 2004p: €283.6 mill.

## Vossloh Electrical Systems

Sales 2003: €103.9 mill.

Sales 2004p: €106.4 mill.

# Information Technologies Division

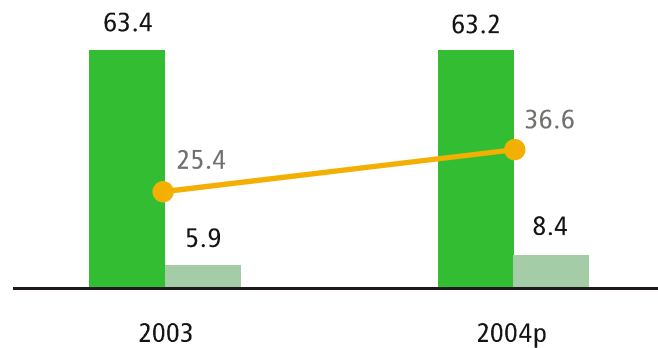
**vossloh**

# Information Technologies

## Vossloh Information Technologies

Sales 2003: €63.4 mill.

Sales 2004p: €63.2 mill.



■ Sales in € mill.  
■ EBIT in € mill.  
— ROCE in %  
p = current projection

**Additional  
information**

**vossloh**

# The divisions

# Rail Infrastructure Fastening Systems



## Businesses

- Elastic rail fastening systems for ballast and slabbed tracks on mainline and urban services
- Bolted rail fastening systems for all load profiles, from heavy to high speed
- Boltless rail fasteners and spikes (Skamo)

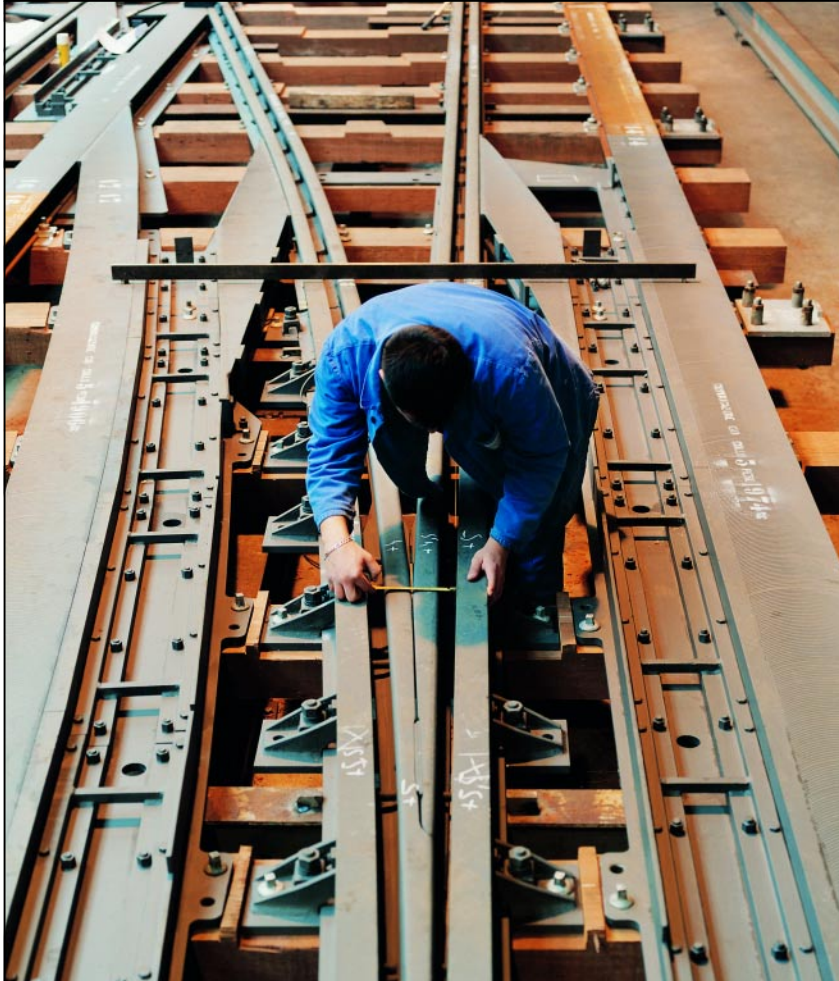
## Positioning

- World market share: around 35%, European market share about 65%, rail fastening systems used in over 65 countries
- Sales outside of Germany: 60%

## Competitor

- Pandrol, UK

# Rail Infrastructure Switch Systems



## Businesses

- Standard, high-speed, and specialty switches according to all worldwide standards
- Signal components such as point drives and detection relays (10% of sales)

## Positioning

- World's second biggest switch supplier
- 1,250 employees, production plants in 12 countries

## Competitor

- VAE

# Rail Infrastructure Infrastructure Service



## **Businesses**

- Track construction (25% sales) and track maintenance (75% sales)
- State-owned and industrial rail networks
- Trams/urban rail systems
- Overhead lines

## **Positioning**

- Track maintenance: market leader in France, Belgium, Luxembourg
- Industrial rail networks: market leader in France
- 1,250 employees

## **Competitors**

- Wayss & Freytag, Germany; Colas SA, France; Balfour Beatty, UK; Spie Drouard, France, subsidiary of the British AMEC Group

# Rail Infrastructure



## Strategy plans

- Share in infrastructure expenditures in the wake of the EU's eastward enlargement
- Access Asian and Latin American markets
- Harness synergy potentials
- Grow further market shares in Western Europe (UK, Scandinavia, Italy)

# Motive Power Locomotives



## Businesses

- Diesel-hydraulic locomotives
- Locomotive maintenance (also for third parties) and leasing
- Locomotive components (bogies)

## Positioning

- Western European market volume up to around 260 locomotives annually
- Western European market share: around 50%
- Growing significance through proliferating cross-border freight traffic within Europe

## Competitors

- Siemens
- Bombardier
- Alstom
- General Electric
- General Motors

# Motive Power Electrical Systems



## Businesses

- Electrical systems for buses/trolleybuses
- Electrical systems for light rail vehicles (urban rail)
- Parts, modernization, servicing, maintenance, assembly
- Components

## Positioning

- First in the world market for trolleybuses
- Niche supplier of technically advanced urban rail systems

## Competitors

- Siemens, Bombardier, Alstom

# Motive Power



## Strategy plans

- Access higher-output vehicles and new forms of power transmission (for locomotives); tap new markets
- Expand the leasing business
- Expand services

# Information Technologies



## Businesses

- Passenger information systems
- Operations management
- Planning systems, simulation systems, consulting
- Signals and interlock engineering

## Positioning

- Leading IT specialist for urban and mainline rail traffic

## Competitors

- IT rail technology companies

# Information Technologies



## Strategy plans

- Expand position in the European market
- Market Alister for regional services on a pan-European scale
- Apply operations control systems to subway and regional rail networks

# Executive Board Financial diary

# Executive Board

**Burkhard Schuchmann**

**Chairman (CEO)**

**Werner Andree**

**CFO, responsible for Finance, Investor**

**Relations, Controlling, Group Accounting, Taxes**

**Milagros Caiña-Lindemann**

**Responsible for Human Resources & Social Affairs,  
Organization, Insurance**

**IR contact:**

**Christiane Konrad**

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# Financial diary 2004

**Annual stockholders' meeting:**

**June 03, 2004**

**Q1 report:**

**April 27, 2004**

**Q2 report:**

**July 27, 2004**

**Q3 report:**

**October 26, 2004**

**Publication of projected financial information 2004  
and budget 2005, press conference, conference  
with DVFA analysts:**

**December 09, 2004**