

vossloh

**Conference with DVFA Analysts
Frankfurt/Main, March 18, 2005**

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Fiscal year 2004

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Vossloh Group

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Indicators

		2003 ²	2004	± PY (%)
Net sales	(€ mill.)	912.5	922.2	1.1
Operating result	(€ mill.)	100.8	102.7	1.8
EBIT	(€ mill.)	100.9	105.8	4.9
EBIT margin	(%)	11.1	11.5	
Group earnings	(€ mill.)	55.5	57.2	3.1
Earnings per share ¹	(€)	3.90	3.91	0.3

¹ 2003: 14,238,612 shares, 2004: 14,604,813 shares

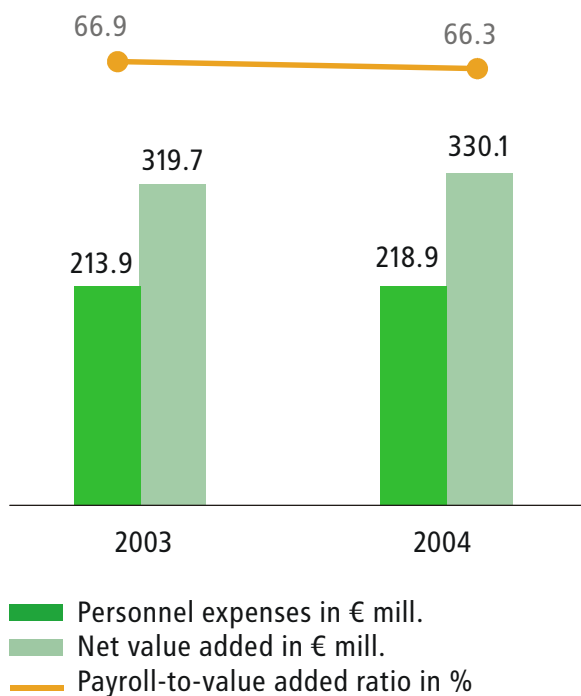
² 2003 adjusted to IFRS

Key data

		2003 ¹	2004	± PY (%)
Working capital	(€ mill.)	242.7	303.2	24.9
Capital employed	(€ mill.)	620.4	690.2	11.3
ROCE	(%)	16.3	15.3	
Equity ratio	(%)	33.8	32.4	
Pretax ROE	(%)	29.0	27.1	
Net financial debt	(€ mill.)	183.1	171.1	(6.6)
Net leverage	(%)	61.5	51.7	

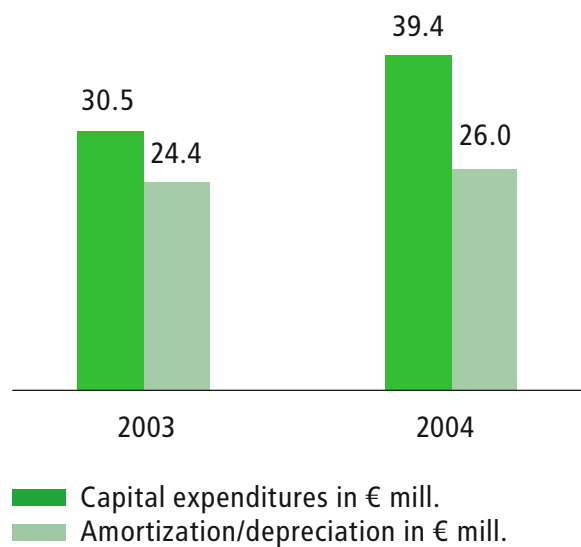
¹ 2003 adjusted to IFRS

Workforce



	Annual average headcount	2003	2004
Rail Infrastructure		2,941	3,050
Motive Power		1,175	1,175
Information Technologies		276	283
Vossloh AG		30	32
Group		4,422	4,540
Group (Dec. 31)		4,295	4,481

Capital expenditure



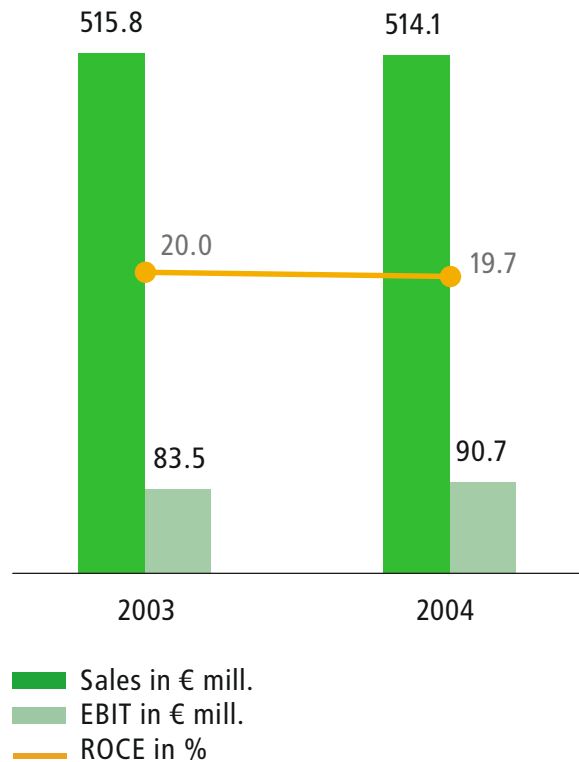
Capital expenditures ¹		2003	2004
Rail Infrastructure	(€ mill.)	19.6	19.6
Motive Power	(€ mill.)	8.9	14.4
Information Technologies	(€ mill.)	1.3	4.3
Vossloh AG	(€ mill.)	0.7	1.7
Group	(€ mill.)	30.5	39.4
Amort./deprec. Group	(€ mill.)	24.4	26.0

¹ excl. financial assets

Rail Infrastructure division

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Rail Infrastructure



Vossloh Fastening Systems

Sales 2003¹: €160.4 mill.

Sales 2004: €150.2 mill.

Vossloh Switch Systems

Sales 2003¹: €208.9 mill.

Sales 2004: €227.0 mill.

Vossloh Infrastructure Services

Sales 2003¹: €156.1 mill.

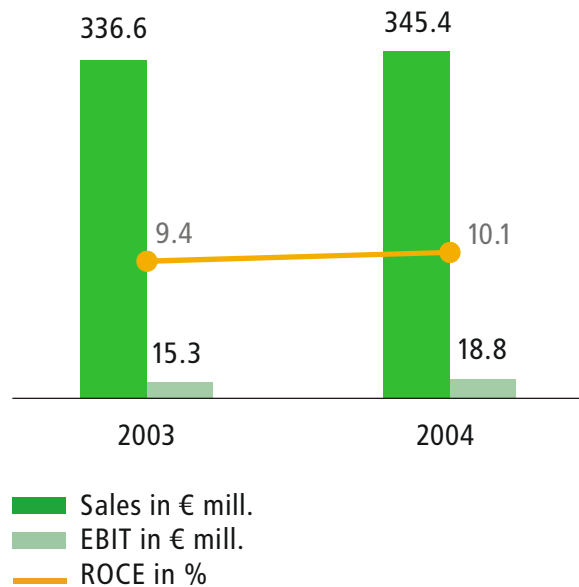
Sales 2004: €150.4 mill.

¹ adjusted to IFRS

Motive Power division

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Motive Power



Vossloh Locomotives

Sales 2003¹: €238.6 mill.

Sales 2004: €257.6 mill.

Vossloh Electrical Systems

Sales 2003¹: €94.2 mill.

Sales 2004: €83.4 mill.

Vossloh Services

Sales 2003¹: €3.9 mill.

Sales 2004: €4.6 mill.

¹ adjusted to IFRS

Information Technologies division

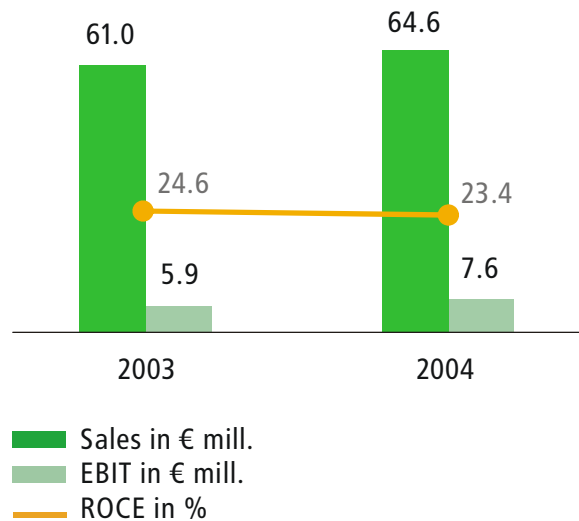
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Information Technologies

Vossloh Information Technologies

Sales 2003¹: €61.0 mill.

Sales 2004: €64.6 mill.

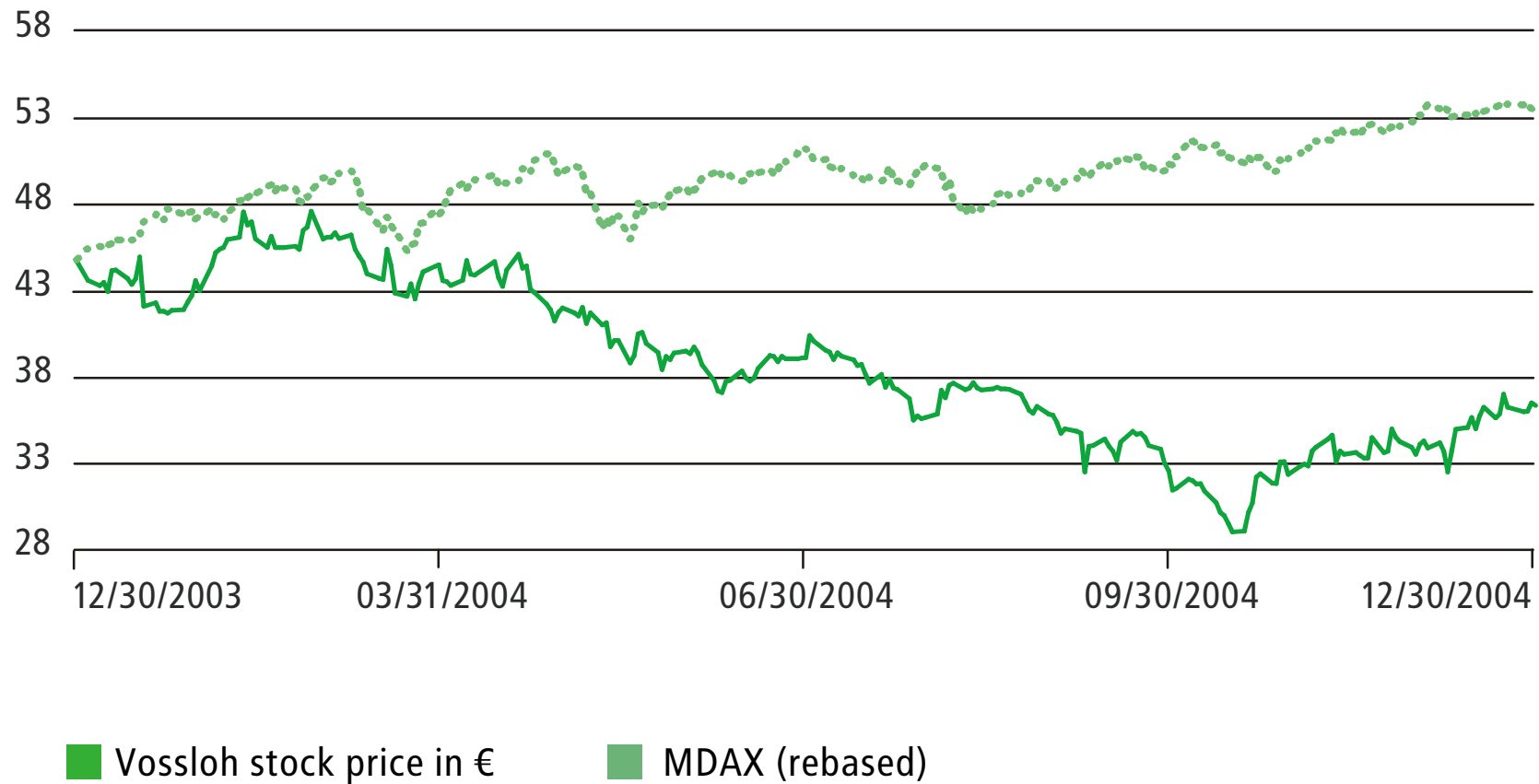


¹ 2003 adjusted to IFRS

Vossloh stock

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Vossloh stock price trend



Vossloh stock data

		2003 ⁵	2004
Market capitalization ^{1/2}	(€ mill.)	654.2	530.9
Book value per share	(€)	19.99	22.28
Earnings per share ²	(€)	3.90	3.91
Cash flow per share ^{2/3}	(€)	5.61	5.70
Price-earnings ratio		11.5	9.3
Dividend (actual/proposed)	(€)	1.30	1.30 ⁴

¹ At year-end

² In 2003, an average 14,238,612 shares were issued, at year-end 14,603,687.

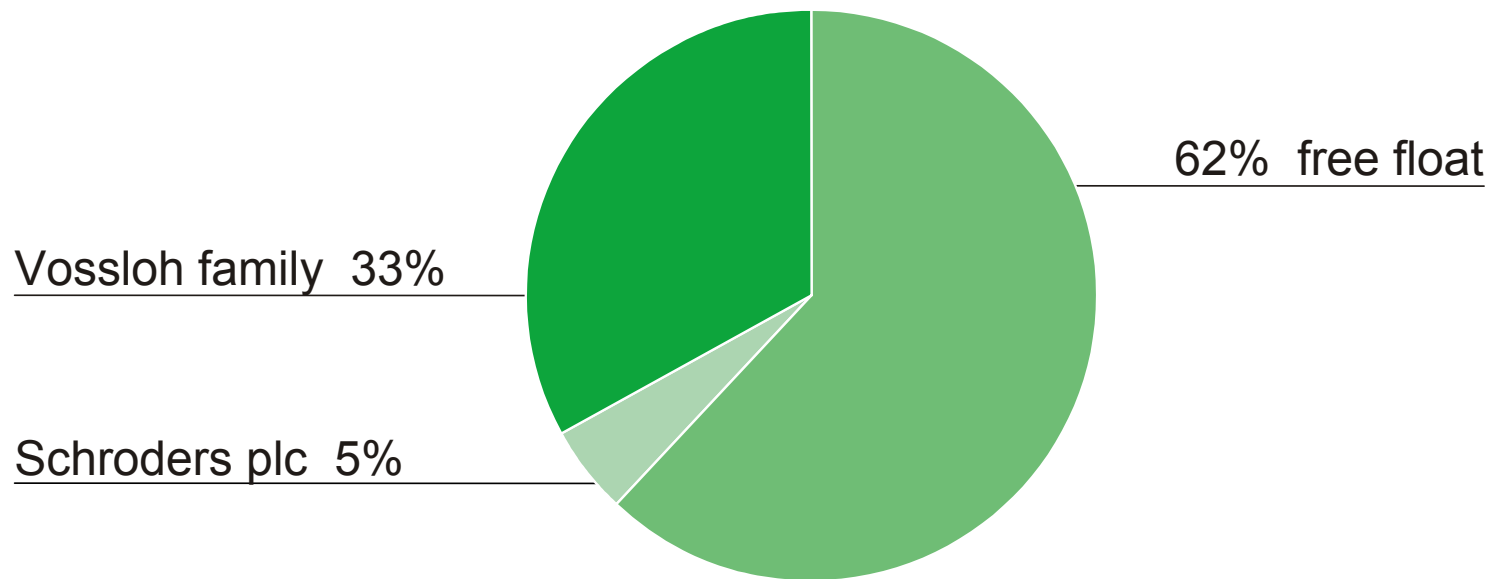
In 2004, an average 14,604,813 shares were issued, at year-end 14,605,574.

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

⁴ Dividend proposed

⁵ 2003 adjusted to IFRS

Ownership structure



Prospects 2005

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Vossloh Group

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Indicators

		2004	2005p	± PY (%)
Net sales	(€ mill.)	922.2	1,097.2	19.0
Operating result	(€ mill.)	102.7	91.7	(10.7)
EBIT	(€ mill.)	105.8	93.4	(11.7)
EBIT margin	(%)	11.5	8.5	
Group earnings	(€ mill.)	57.2	47.4	(17.1)
Earnings per share ¹	(€)	3.91	3.25	(16.9)

¹ 2004: 14,604,813 shares, 2005p: 14.6 mill. shares

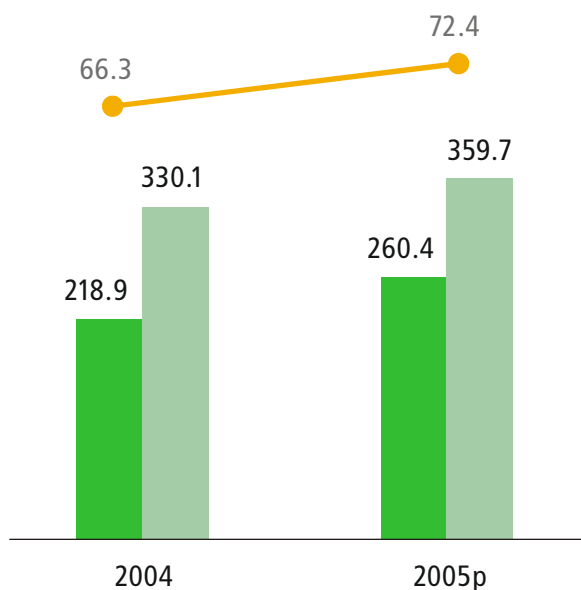
p = current projection

Key data

		2004	2005p	± PY (%)
Working capital	(€ mill.)	303.2	198.2	(34.6)
Capital employed	(€ mill.)	690.2	645.0	(6.5)
ROCE	(%)	15.3	14.5	
Equity ratio	(%)	32.4	35.2	
Pretax ROE	(%)	27.1	20.3	
Net financial debt	(€ mill.)	171.1	131.6	(23.1)
Net leverage	(%)	51.7	36.7	

p = current projection

Workforce



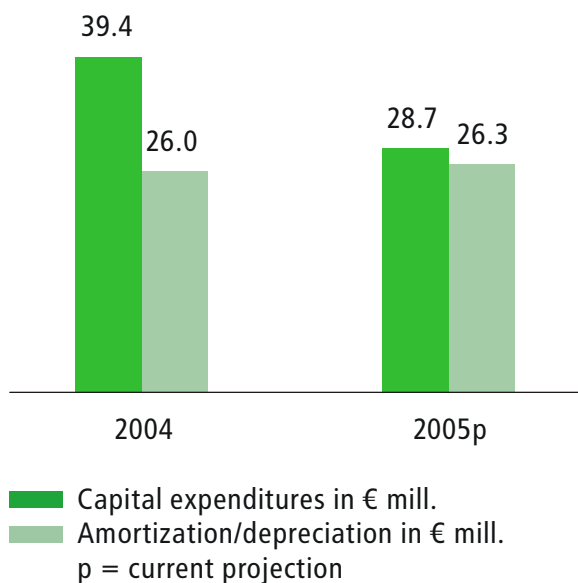
■ Personnel expenses in € mill.
■ Net value added in € mill.
— Payroll-to-value added ratio in %
 p = current projection

	Annual average headcount	2004	2005p
Rail Infrastructure		3,050	3,265
Motive Power		1,175	1,563
Information Technologies		283	295
Vossloh AG		32	35
Group		4,540	5,158

p = current projection

Capital expenditure

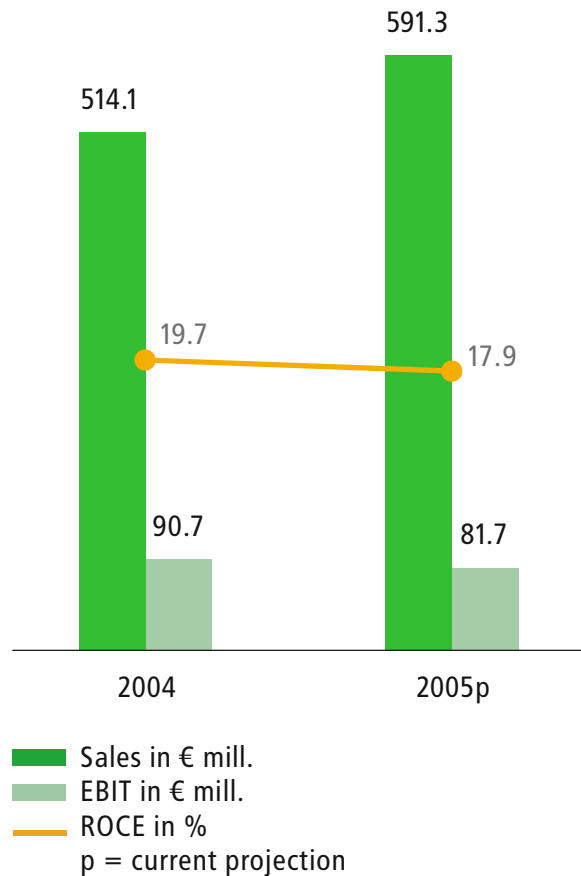
	Capital expenditures ¹		2004	2005p
	Rail Infrastructure	(€ mill.)	19.6	18.0
	Motive Power	(€ mill.)	14.4	7.8
	Information Technologies	(€ mill.)	4.3	1.7
	Vossloh AG	(€ mill.)	1.7	1.1
	Group	(€ mill.)	39.4	28.7
	Amort./deprec. Group	(€ mill.)	26.0	26.3
<p>¹excl. financial assets p = current projection</p>				



Rail Infrastructure division

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Rail Infrastructure



Vossloh Fastening Systems

Sales 2004: €150.2 mill.

Sales 2005p: €139.7 mill.

Vossloh Switch Systems

Sales 2004: €227.0 mill.

Sales 2005p: €251.1 mill.

Vossloh Infrastructure Services

Sales 2004: €150.4 mill.

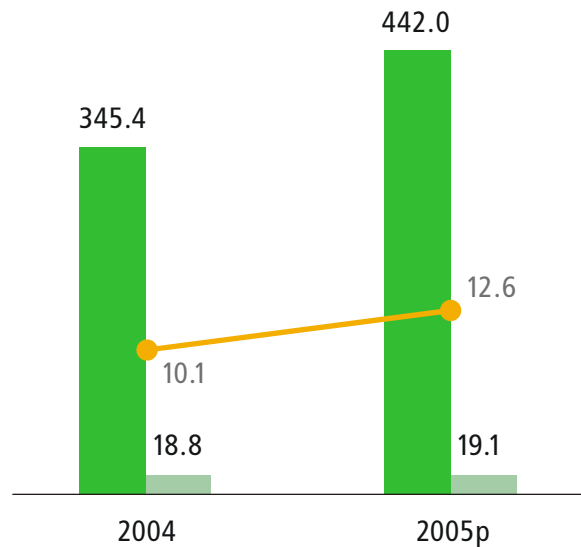
Sales 2005p: €208.0 mill.

p = current projection

Motive Power division

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Motive Power



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

Vossloh Locomotives

Sales 2004: €257.6 mill.

Sales 2005p: €342.1 mill.

Vossloh Electrical Systems

Sales 2004: €83.4 mill.

Sales 2005p: €95.2 mill.

p = current projection

Information Technologies division

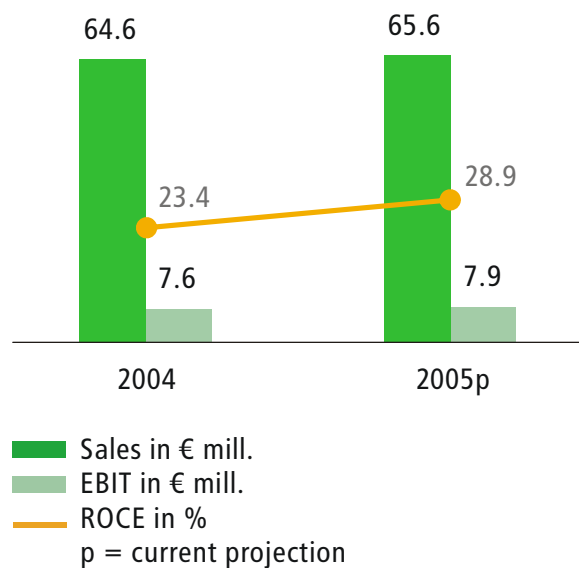
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Information Technologies

Vossloh Information Technologies

Sales 2004: €64.6 mill.

Sales 2005p: €65.6 mill.



p = current projection

Additional information

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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: about 65%

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
- 1,500 employees, production plants in 12 countries

Competitor

- VAE

Rail Infrastructure

Infrastructure Services



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 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

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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**

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Financial diary 2005

Annual stockholders' meeting:	May 25, 2005
Q1 report:	April 26, 2005
Q2 report:	July 26, 2005
Q3 report:	October 25, 2005
Publication of projected financial information 2005 and budget 2006, press conference, meeting with DVFA analysts:	December 09, 2005