



Conference with DVFA analysts

Frankfurt/Main, December 7, 2007

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Vossloh Group, 2007e–2009p

Above-average growth and high profitability

- ▶ Group sales targeted to outpace the market, growth to further increase in 2009
- ▶ EBIT margin and ROCE to again improve in 2008 and stay at that high level in 2009
- ▶ All business units plan to once more increase both sales and earnings over the period compared to the already high level of 2007

Vossloh Group

Budget 2007e–2009p: key figures (1)

		2006	2007e	2008p	Δ/%	2009p	Δ/%
Net sales	(€ mill.)	1,015.2	1,200	1,340	+12	1,402	+5
Operating result	(€ mill.)	80.9	117	141	+21	148	+5
EBIT	(€ mill.)	82.7	118	142	+20	149	+5
EBIT margin	(%)	8.1	9.8	10.6		10.6	
Group earnings	(€ mill.)	20.3	67	91	+35	93	+2
Average headcount		4,765	5,519	6,126	+11	6,184	+1
Earnings per share	(€)	1.38	4.54	6.15	+35	6.28	+2
PER (price-earnings ratio)		41.4	14.4 ¹	10.6 ¹		10.4 ¹	

¹ Based on the closing price of €65.25 on November 26, 2007

2006 data adjusted for the Information Technologies division's contributions

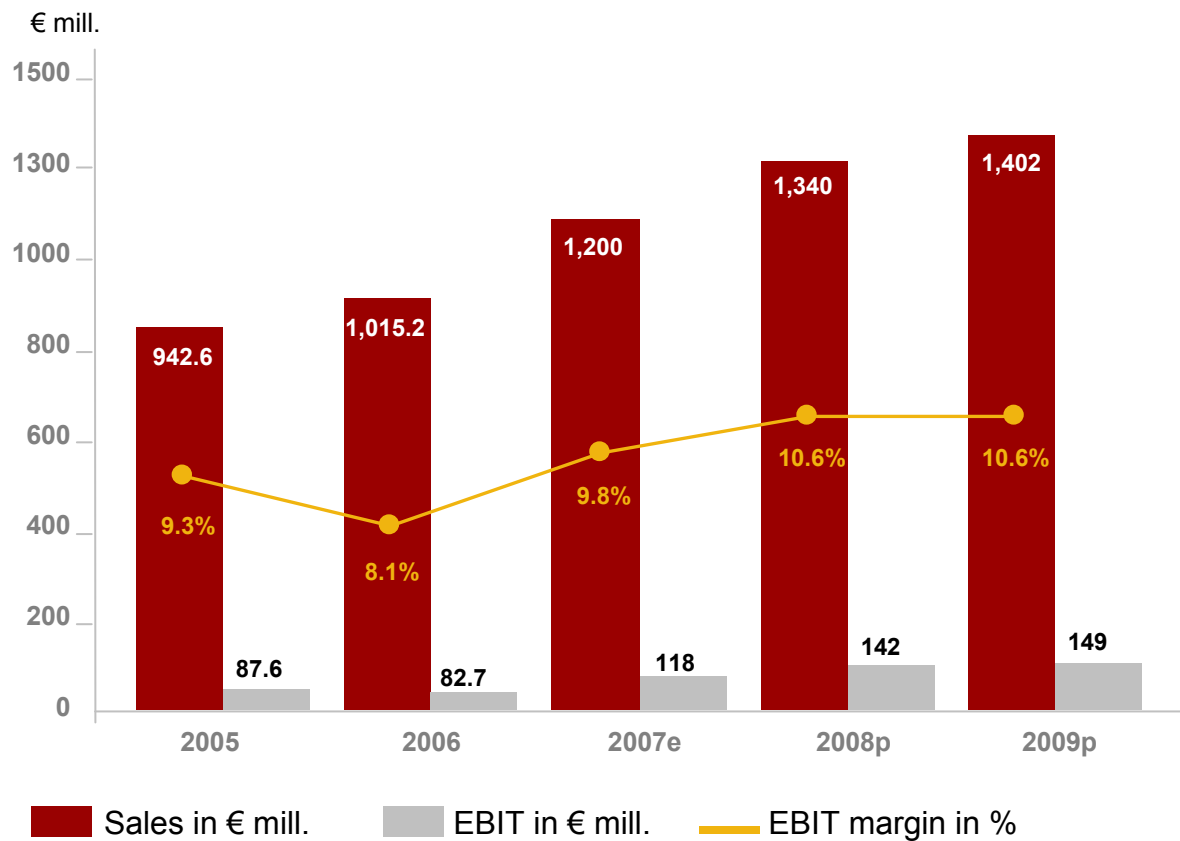
Vossloh Group

Budget 2007e–2009p: key figures (2)

		2006	2007e	2008p	Δ/%	2009p	Δ/%
Working capital	(€ mill.)	216.6	284	265	-7	269	+2
Capital employed	(€ mill.)	640.1	795	792	+/-0	802	+1
ROCE	(%)	12.9	14.9	17.9		18.5	
Net financial debt	(€ mill.)	62.3	161	87	-46	32	-63

Vossloh Group, 2005–2009p

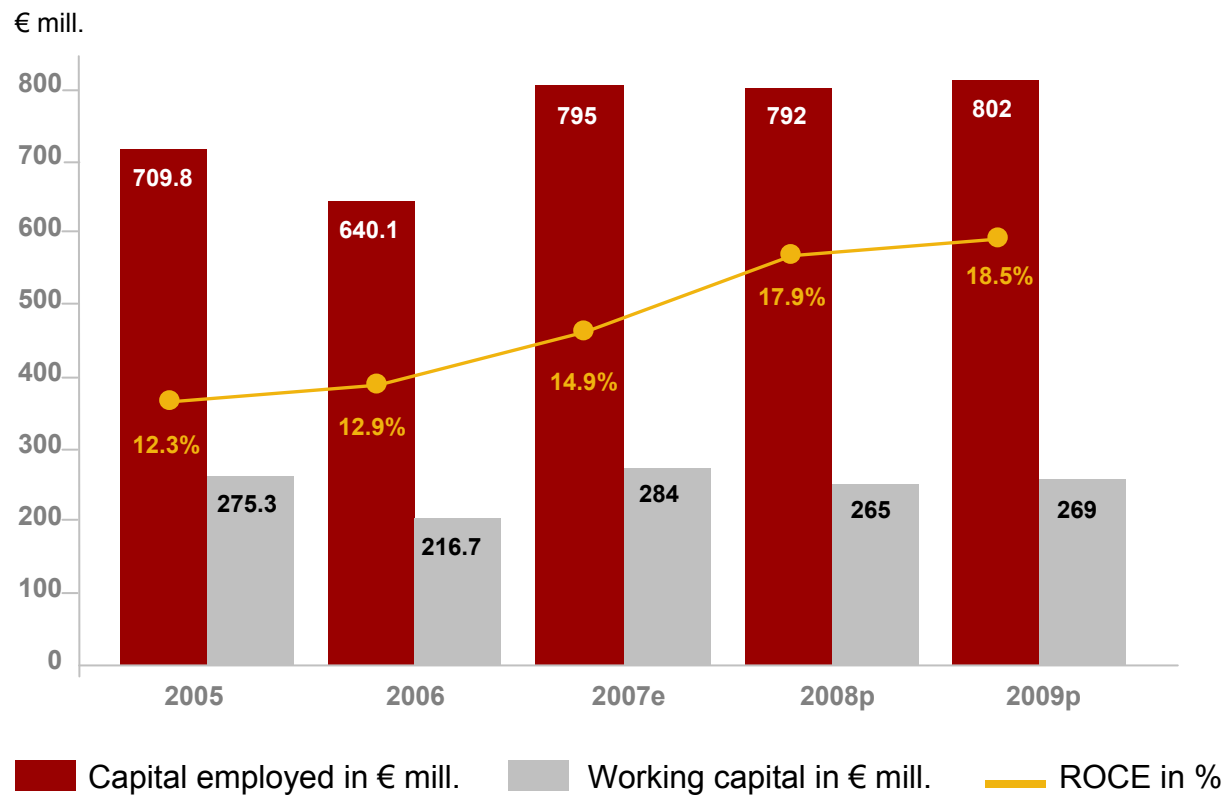
Sustainable, profitable growth



► Regionally, China, USA, Australia and India are the main sales growth drivers

Vossloh Group, 2005–2009p

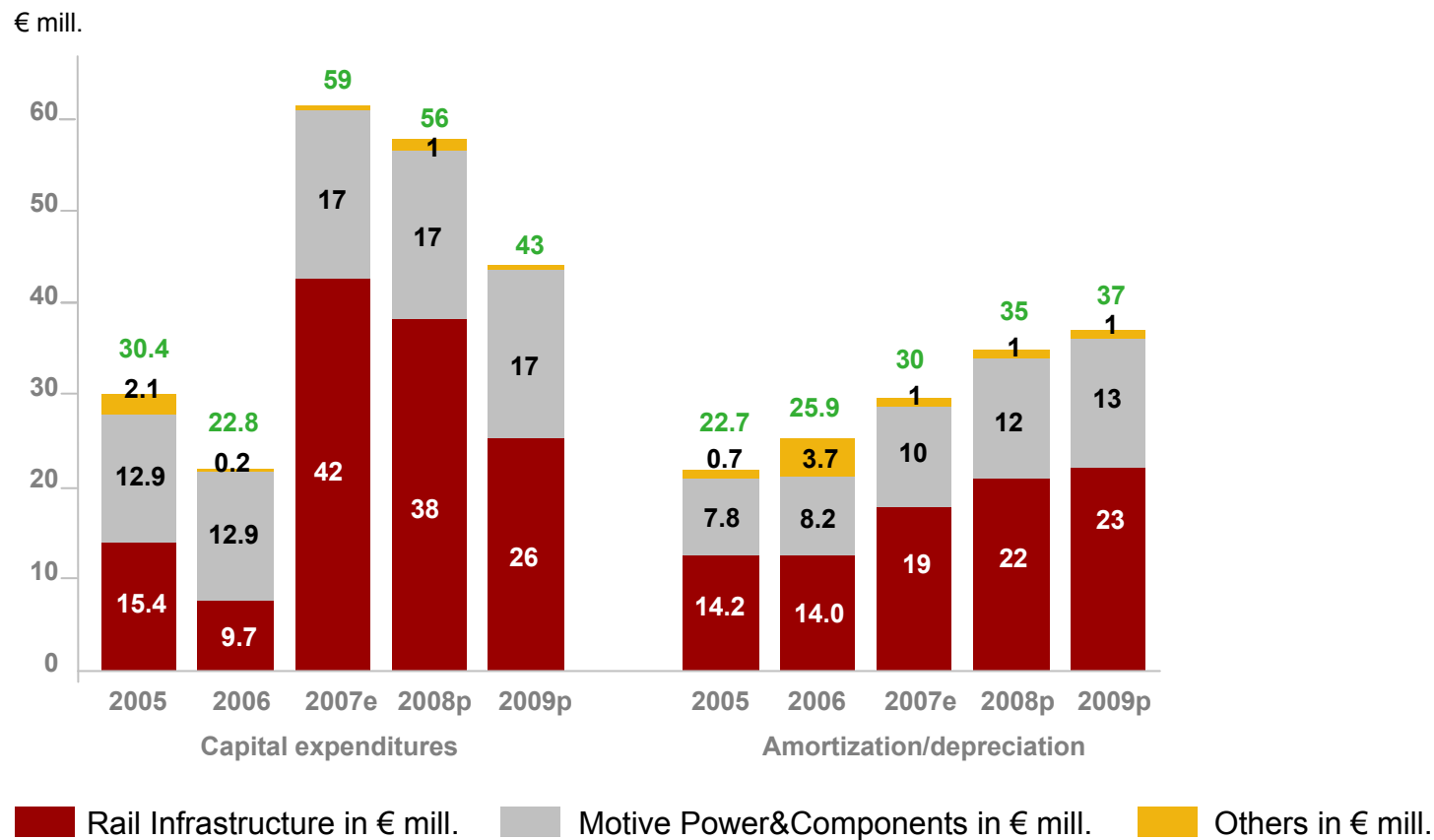
ROCE attains and surpasses target of 15%



- ▶ Improvement of ROCE resulting from better product mix and increased productivity
- ▶ Working capital intensity should not exceed 20%
- ▶ Strict working capital management is a major goal for 2008 and 2009

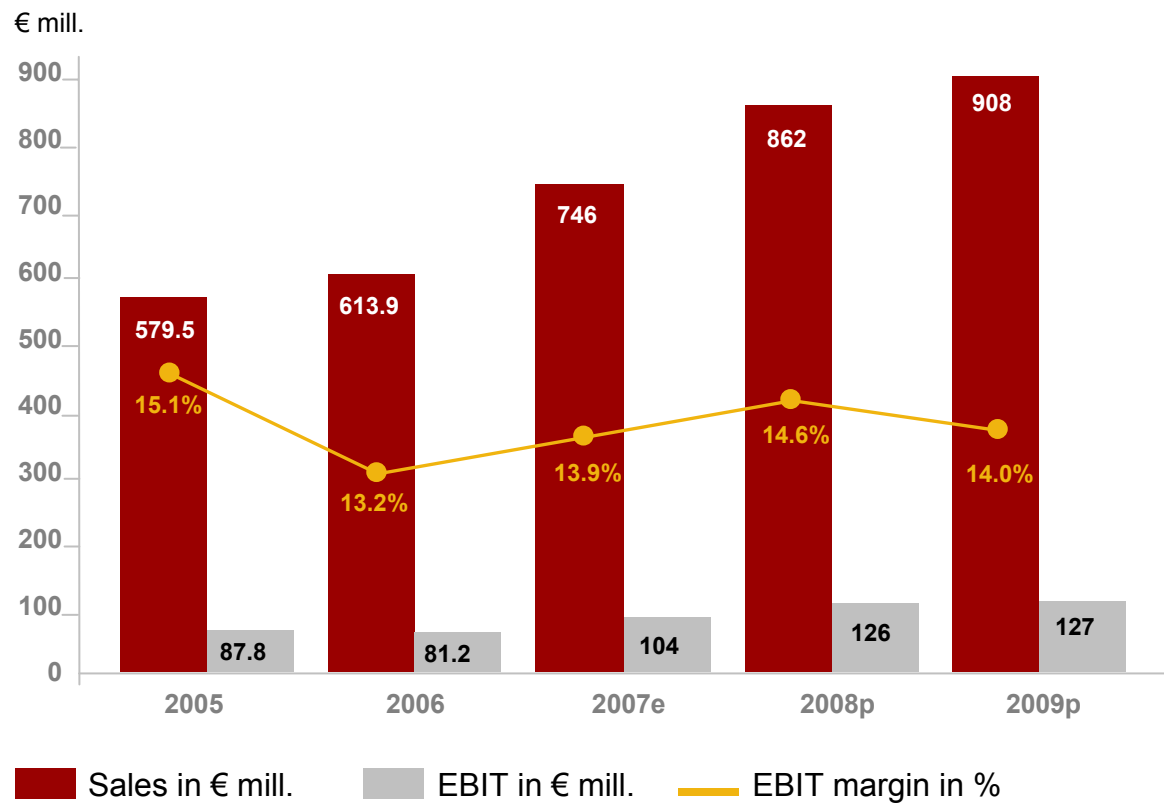
Vossloh Group, 2005–2009p

Capex increases in 2007 due to investment in China; thereafter, level of expenditures supports business expansion



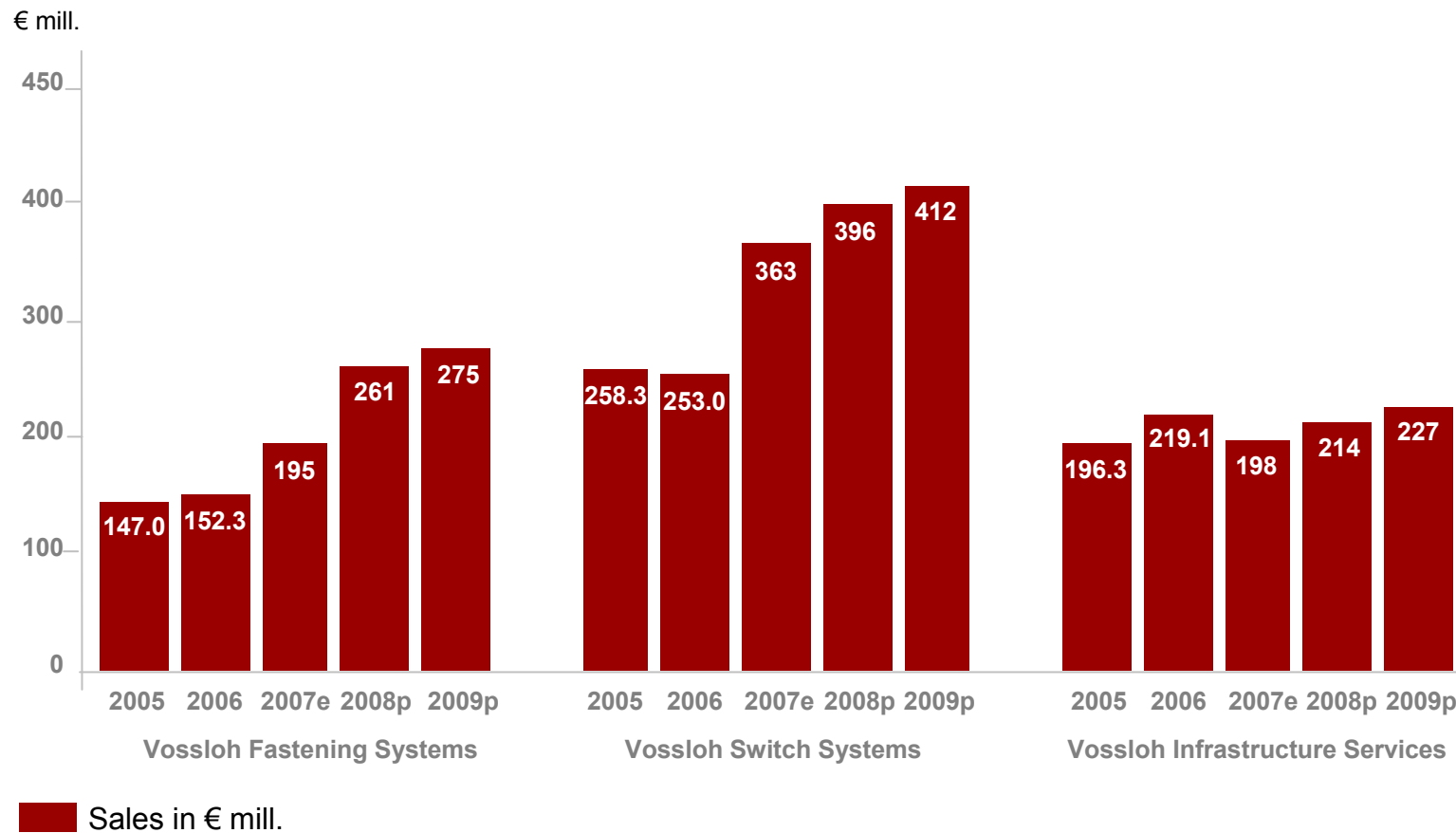
Rail Infrastructure, 2005–2009p

Successful international expansion and high-level margin consolidation



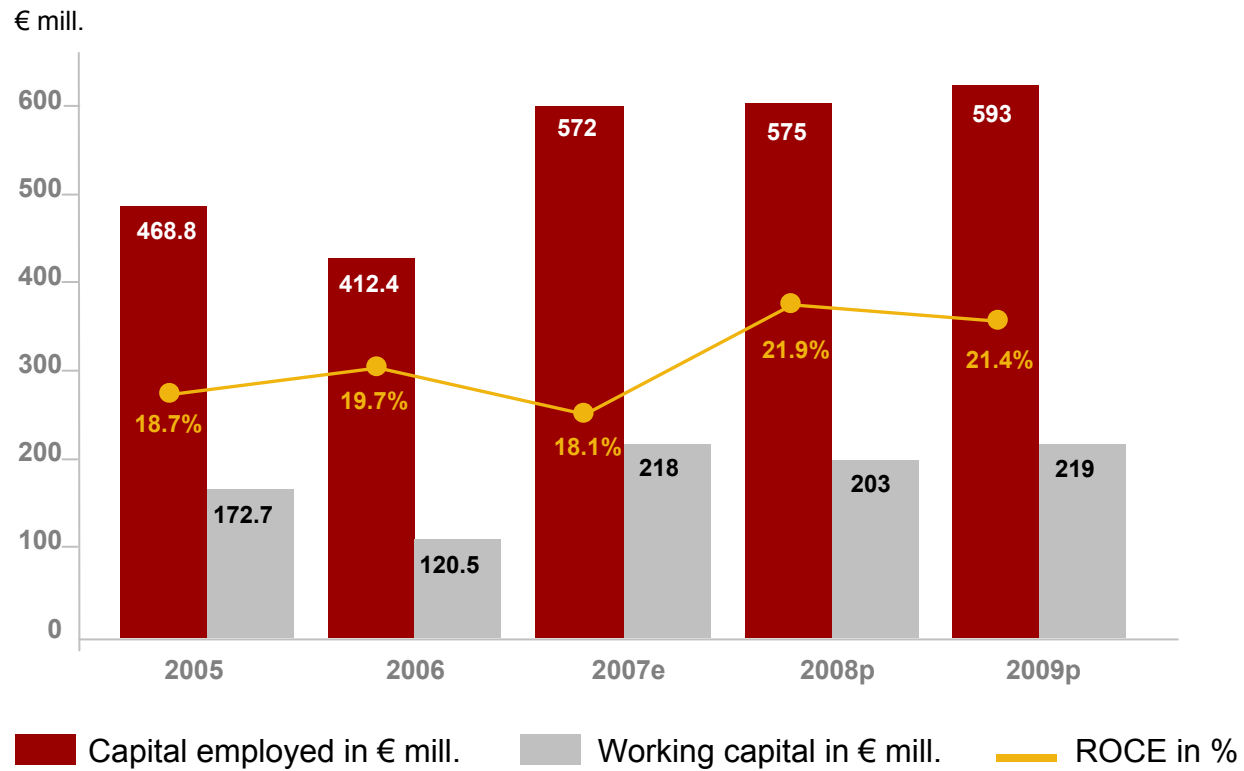
Rail Infrastructure, 2005–2009p

Switch Systems and Fastening Systems driving growth



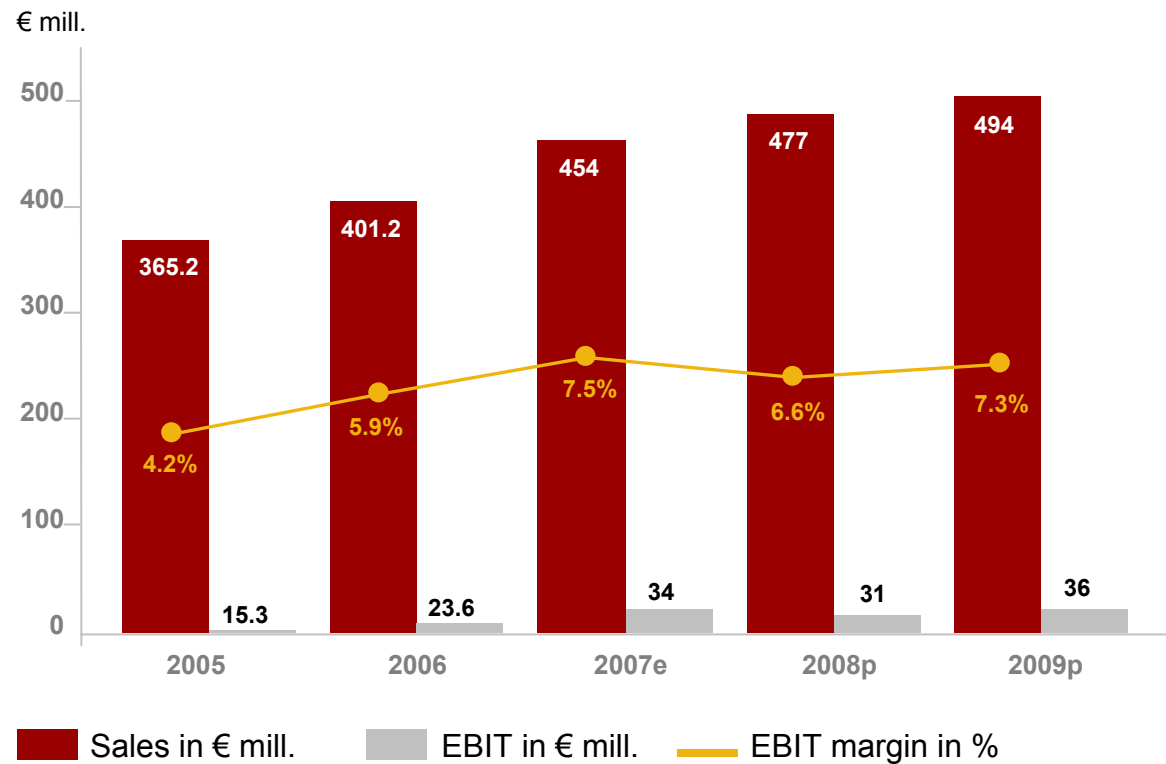
Rail Infrastructure, 2005–2009p

Sustainable improvement of ROCE



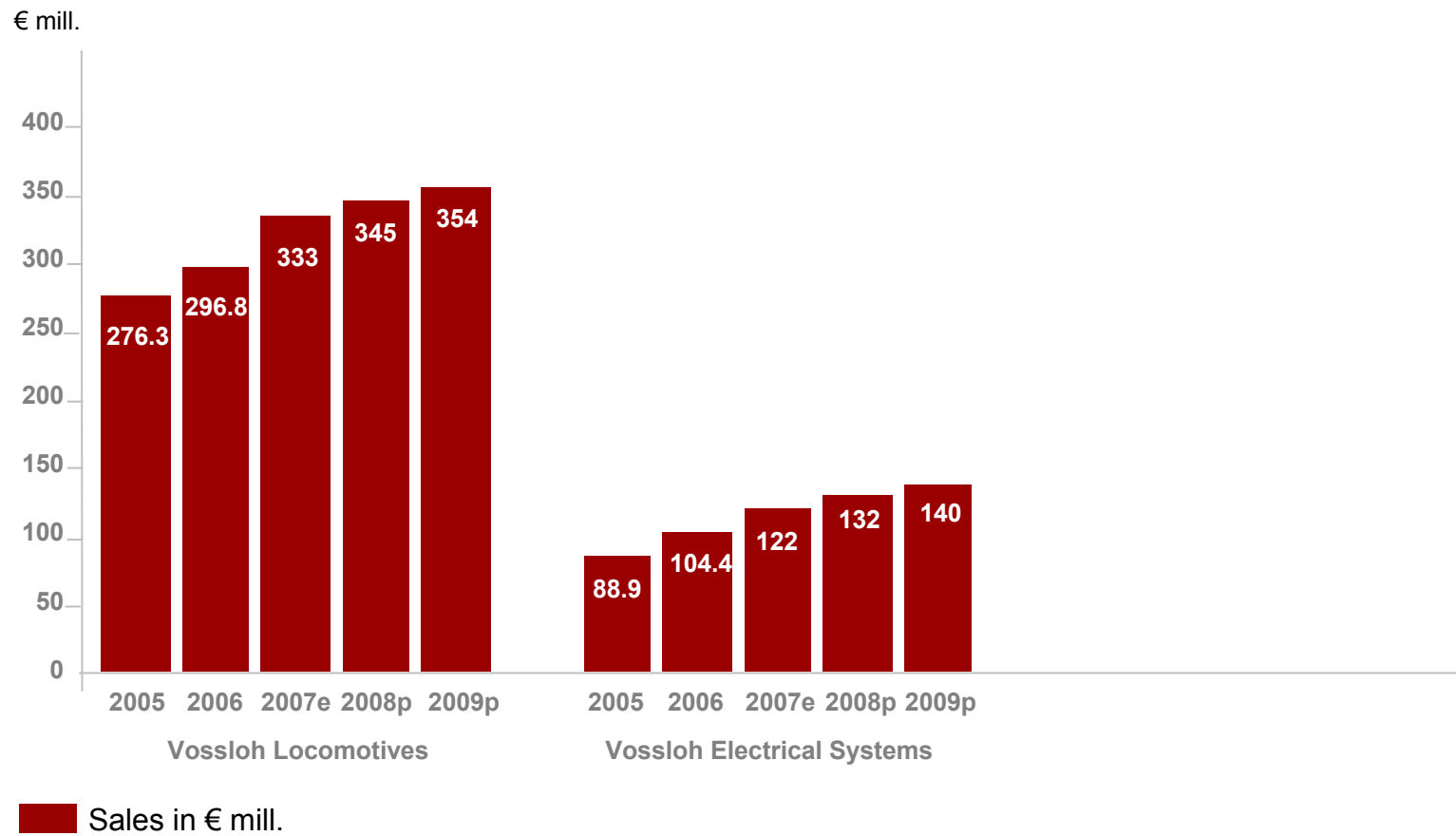
Motive Power&Components, 2005–2009p

High capacity utilization, margin continuing commendable



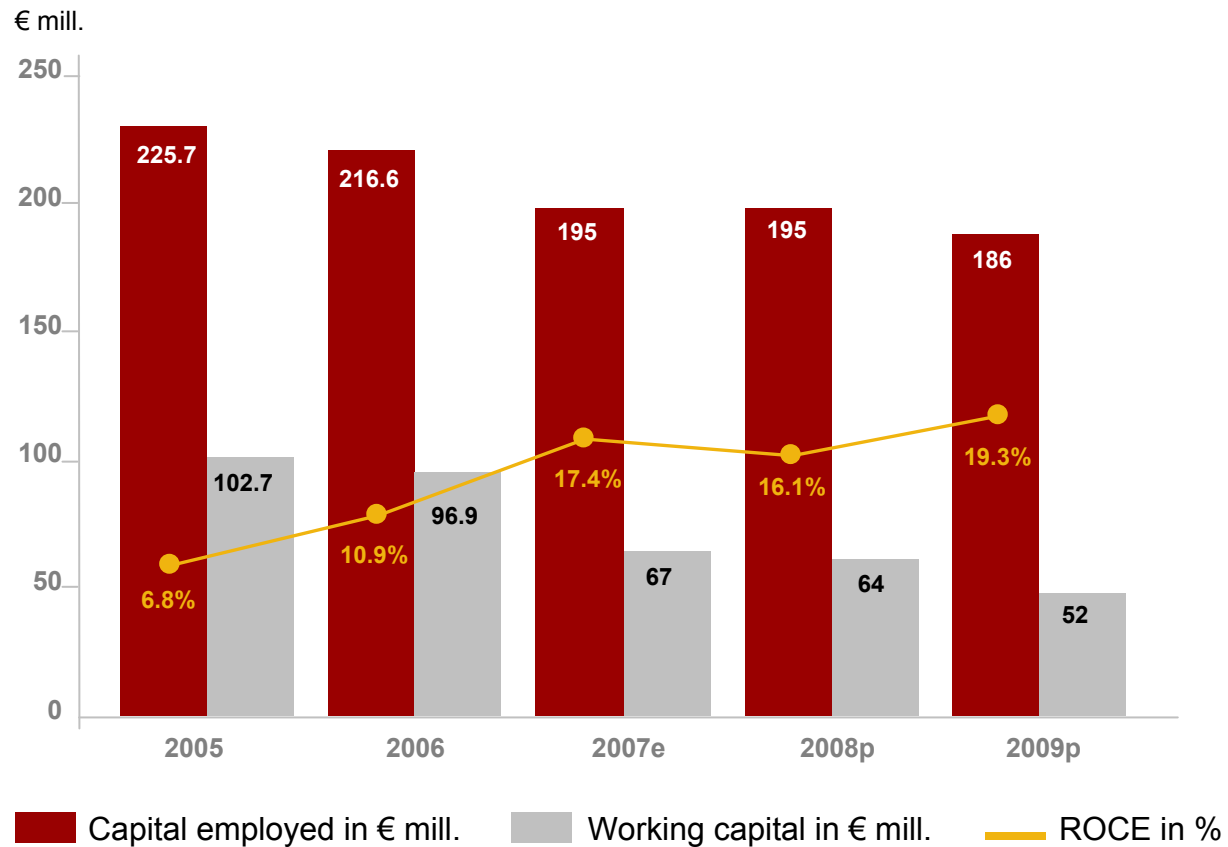
Motive Power&Components, 2005–2009p

Ongoing sales growth



Motive Power&Components, 2005–2009p

ROCE well above 15% benchmark



Vossloh Group

Status quo und outlook: growth trend continuing

- ▶ Group sales are mainly driven by demand from projects outside Europe
- ▶ Earnings are benefiting from economies of scale and increasingly intensified cost containment
- ▶ Acquisitions in Switch Systems and Components—both for Rail Infrastructure and for Rail Vehicles—still targeted; only economically viable projects will be realized
- ▶ Strategic partnership for Vossloh Locomotives on 2008 agenda
- ▶ Sales and earnings target forecasts for 2007 are confirmed and revised upward for 2008. For 2009, sales are envisaged to grow further while margins should remain on a high level



Appendix

Vossloh Group

Core competence: Rail Infrastructure and Rail Technology

Group sales 2006: €1,015 million

Rail Infrastructure

Sales: €614 million



Fastening Systems

€152 mill.



Switch Systems

€253 mill.



Infrastructure Services

€219 mill.

Motive Power&Components

Sales: €401 million



Locomotives

€297 mill.



Electrical Systems

€104 mill.

Rail Infrastructure

Fastening Systems profile



▶ Business

- Elastic rail fasteners for ballast and slabbed main-line and (sub)urban rail networks
- Bolted rail fastening systems for all load profiles: from heavy-load to high-speed lines

▶ Market position

- Supplied to over 65 countries worldwide: export sales around two-thirds of total
- Worldwide foremost position

▶ Main competitors

- Pandrol (Delachaux, FR) (UK)

Rail Infrastructure

Switch Systems profile



► Business

- Standard, high-speed and specialty rail switches to all standards worldwide
- Signaling components such as switch actuating mechanisms and switch monitoring systems

► Market position

- Production plants in 14 countries (including USA since March 2007)
- Worldwide #2

► Main competitor

- VAE (voestalpine AG) (AT)

Rail Infrastructure

Infrastructure Services profile



► Business

- Track construction and maintenance for state and industrial rail networks, for tram and (sub)urban rail systems
- Overhead line construction

► Market position

- Track maintenance: market leader in France, Belgium, Luxembourg
- Track construction: market leader in France

► Main competitors

- Wayss & Freytag (DE), Colas SA (FR), TSO (FR), Balfour Beatty (UK), Heitkamp (DE), Vías y Construcciones (ES)

Motive Power&Components

Locomotives profile



▶ Business

- Diesel-electric and diesel-hydraulic locomotives for passenger and freight transport; rising share of (sub)urban service locomotives
- Locomotive components—bogies—locomotive maintenance and leasing

▶ Market position

- Biggest and Europe-wide leading manufacturer of diesel locomotives

▶ Main competitors

- Siemens (DE), Bombardier (CA), Alstom (FR), General Electric (US), EMD (US)

Motive Power&Components

Electrical Systems profile



► Business

- Electrical systems for (trolley)buses and LRV
- Manufacture of parts and components, revamping, upkeep, maintenance, installation and assembly

► Market position

- Worldwide leading supplier of electrical systems for trolleybuses
- Specialist in advanced-engineering (sub)urban rail systems

► Main competitors

- Siemens (DE), Bombardier (CA), Alstom (FR)

Vossloh Group: 3Q/2007

Sales and EBIT surging

		2006	3Q/2006	3Q/2007	Δ/%
Net sales	(€ mill.)	1,015.2	689.6	885.4	+28.4
Operating result	(€ mill.)	80.9	48.2	81.4	+68.9
EBIT	(€ mill.)	82.7	50.1	82.7	+65.1
EBIT margin	(%)	8.1	7.3	9.3	–
EBT	(€ mill.)	68.6	40.1	74.1	+84.8
Loss of discontinued operation ¹	(€ mill.)	(23.6)	(5.7)	0.0	–
Group earnings	(€ mill.)	20.3	19.6	45.9	+134.2
Average headcount in the period		4,765	4,730	5,328	+12.6
Earnings per share	(€)	1.38	1.33	3.11	+133.8

Vossloh Group: 3Q/2007

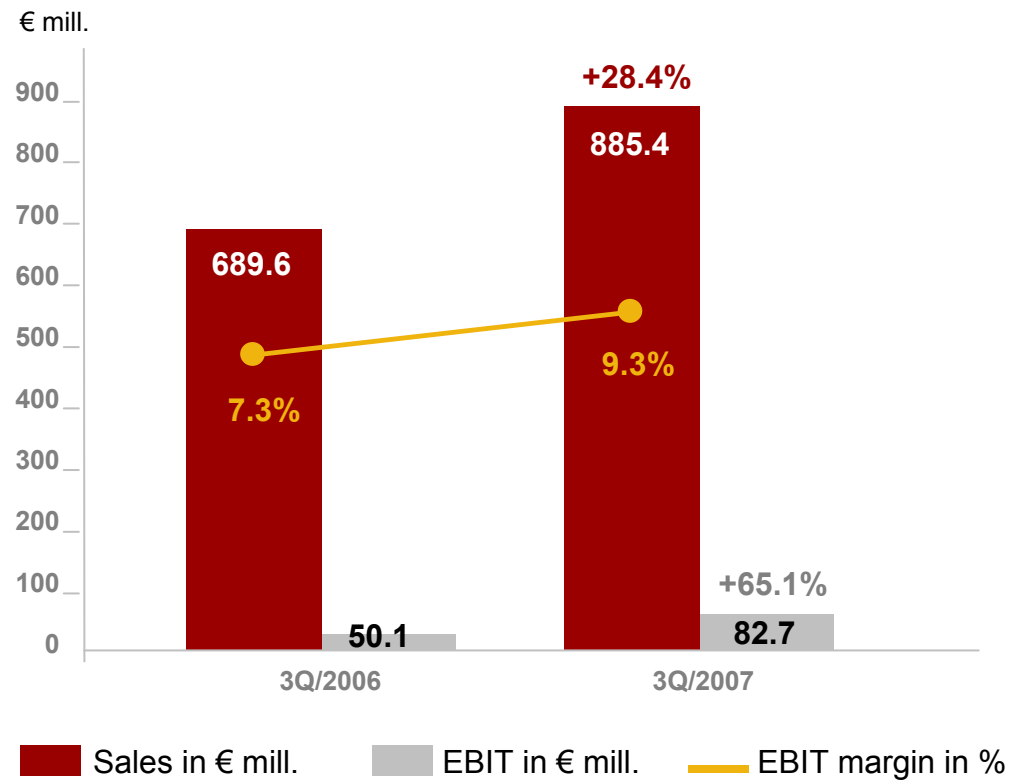
Sales rising in all regions;

18% of sales generated outside Europe

	2006	% share	3Q/2006	3Q/2007	Δ/%
Germany	128.4	12.7	88.9	113.0	+27.1
France	316.9	31.2	234.3	235.5	+0.5
Other Euroland	333.4	32.8	207.6	260.5	+25.5
Other Europe	143.5	14.1	97.7	119.3	+22.1
Europe	922.2	90.8	628.5	728.3	+15.9
North America	26.3	2.6	16.4	61.3	+273.8
Latin America	4.4	0.4	3.7	33.6	+808.1
Americas	30.7	3.0	20.1	94.9	+372.1
Asia	42.5	4.2	26.4	37.3	+41.3
Other countries	19.8	2.0	14.6	24.9	+70.6
Total	1,015.2	100.0	689.6	885.4	+28.4

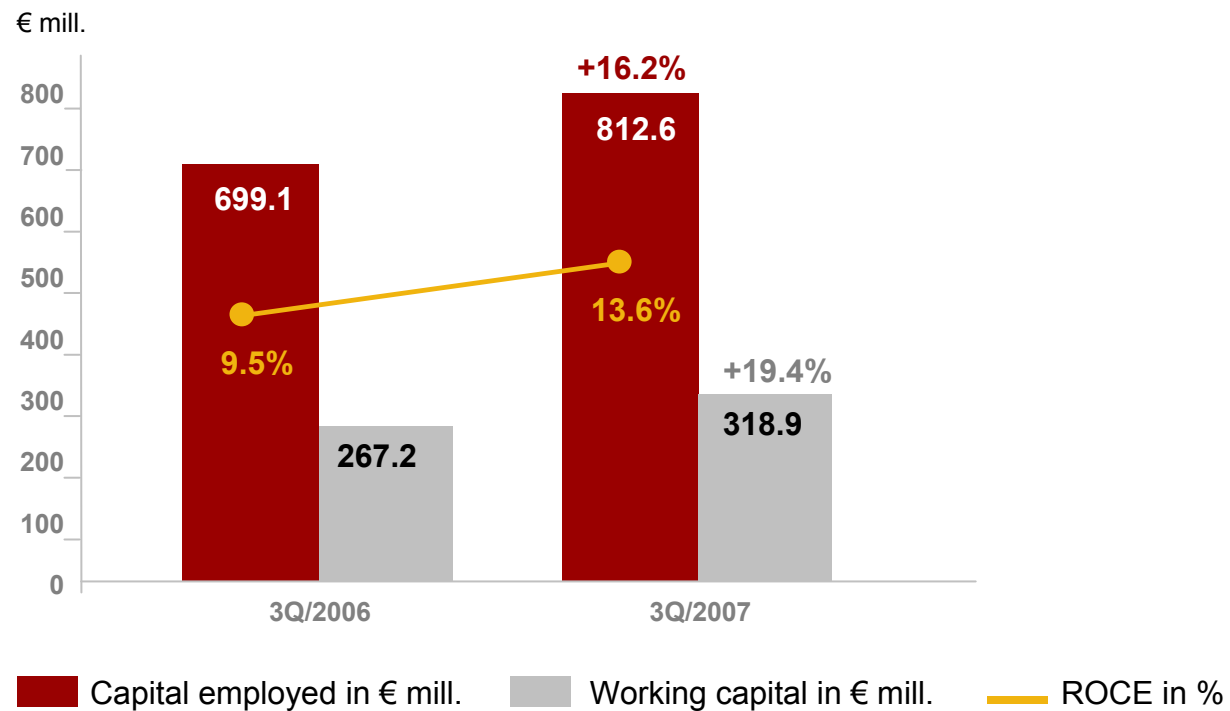
Vossloh Group: 3Q/2007

Like-for-like sales up 21.6%, EBIT margin at 9.3%



Vossloh Group: 3Q/2007

ROCE just below target, working capital in line with sales trend



Vossloh Group: 3Q/2007

Net financial debt and net leverage on a low level, despite acquisitions

		12/31/2006	9/30/2006	9/30/2007
Total assets	(€ mill.)	1,198.5	1,151.3	1,347.8
Equity	(€ mill.)	371.1	365.2	401.1
Equity ratio	(%)	31.0	31.7	29.8
Working capital	(€ mill.)	216.7	267.2	318.9
Working capital ratio	(%)	21.3	29.1	27.1
Net financial debt	(€ mill.)	62.3	170.4	128.1
Net leverage	(%)	16.8	46.7	32.0

Vossloh Group: 3Q/2007

High cash flow from operating activities

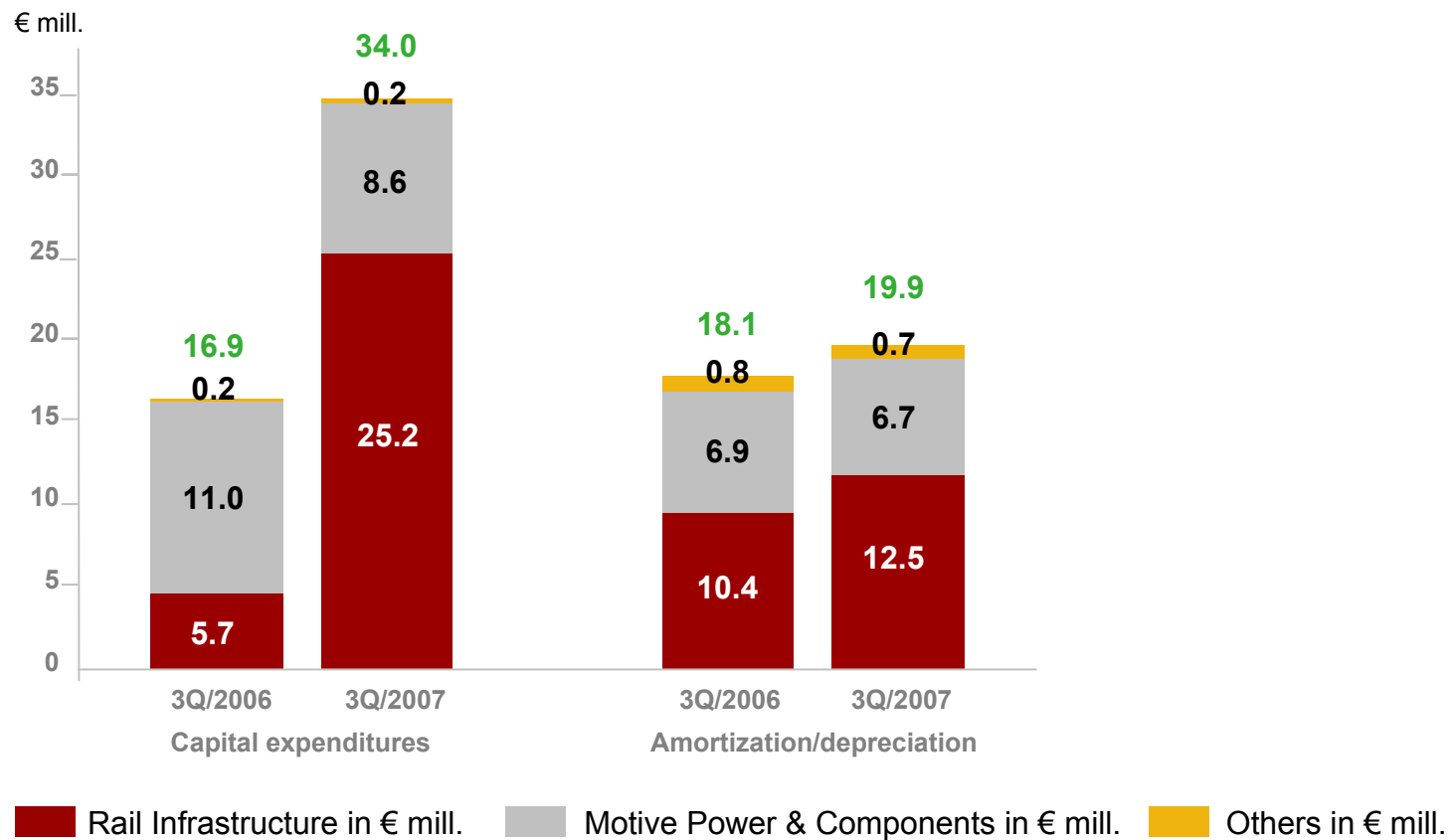
(€ mill.)	2006	3Q/2006	3Q/2007
Group earnings incl. minority interests	22.6	50.1	82.7
Amortization/depreciation/write-down/write-up of fixed assets	36.2	18.1	19.9
Other noncash income/expenses, net	1.4	1.4	0.2
Net book (gain)/loss from the disposal of fixed assets	1.1	1.0	0.0
Cash outflow for the purchase of short-term securities	(23.0)	(8.7)	(5.6)
Change in assets/liabilities from operating activities (incl. working capital), net	133.8 ²	6.7	(46.9)
Cash flow from operating activities	172.1	68.6	50.3
Cash (outflow for additions to)/inflow from the disposal of intangible and tangible assets	(15.3)	(16.4)	(33.1)
Freely available cash flow¹⁾	156.8	52.2	17.2

¹ Before financial investments (incl. M&A) and dividend payout

² Incl. a €58.6 million change in working capital (excl. VIT data) due to higher customer prepayments (up €35.7 million) and a €41.7 million provision (such as for taxes, invoices outstanding, etc.)

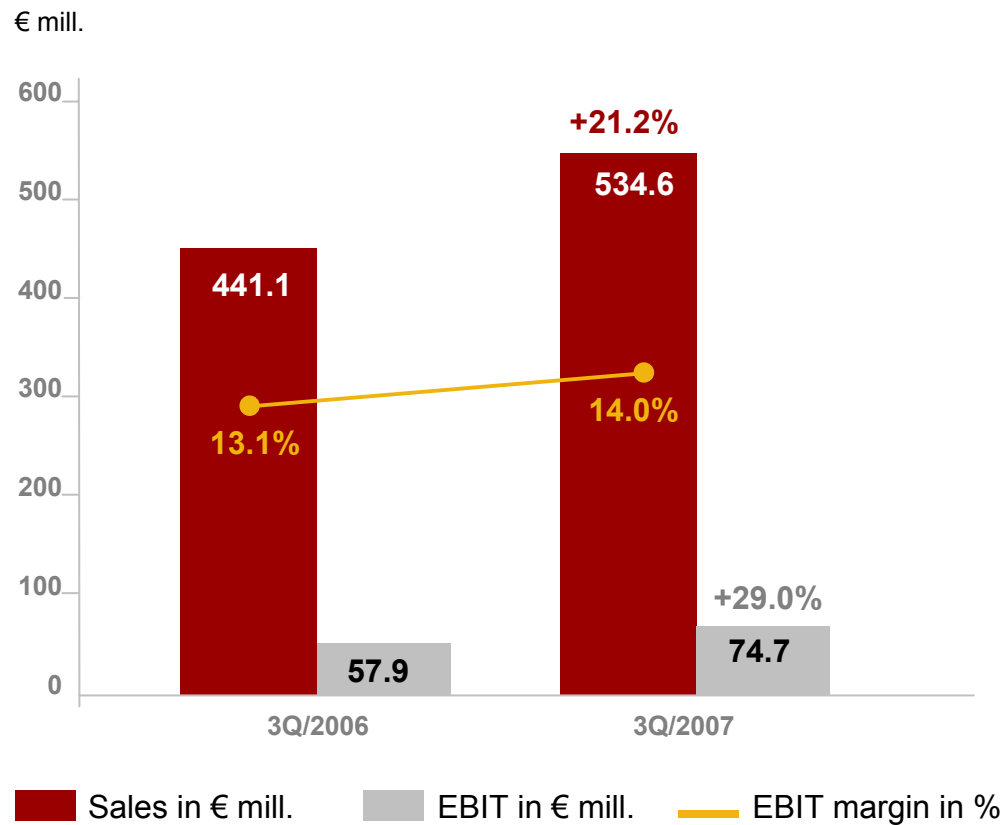
Vossloh Group: 3Q/2007

China boosting capital expenditures



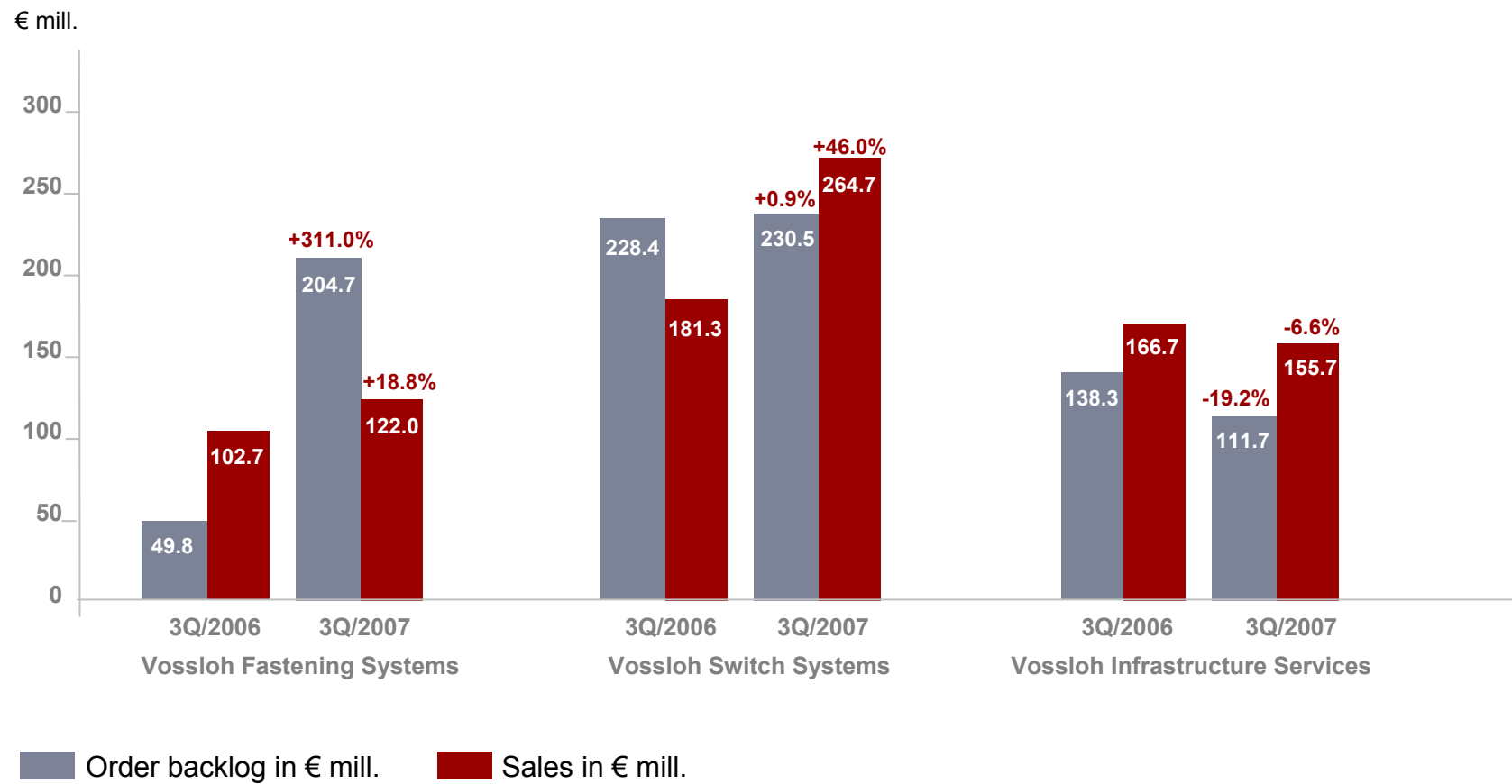
Rail Infrastructure: 3Q/2007

LFL sales up 11%, EBIT rise even steeper



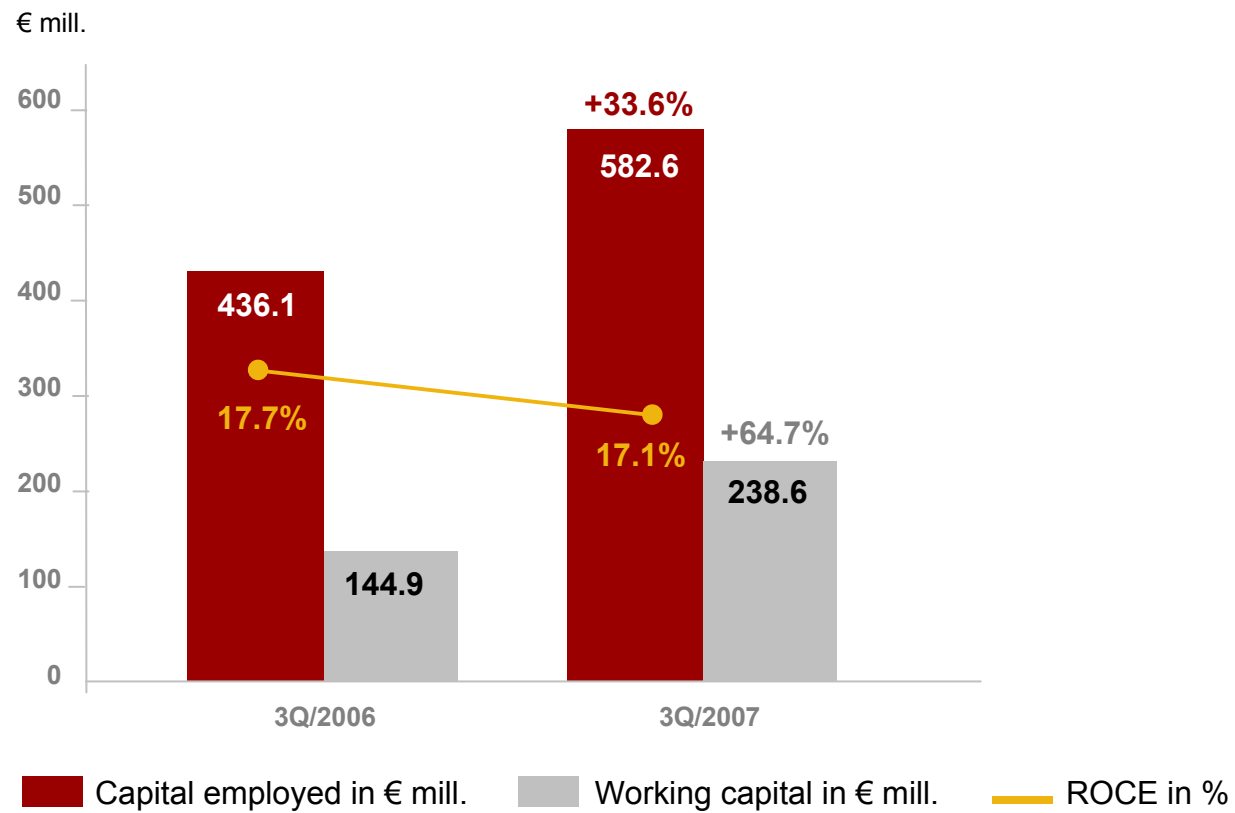
Rail Infrastructure: 3Q/2007

All business units at a very high level



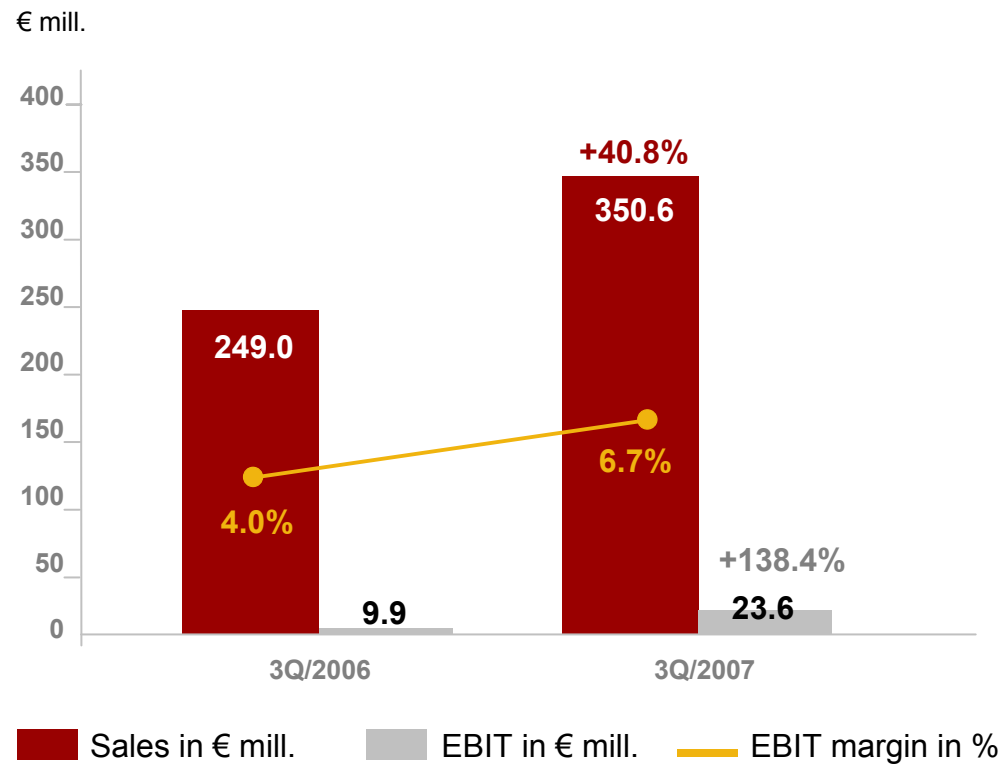
Rail Infrastructure: 3Q/2007

ROCE remaining high



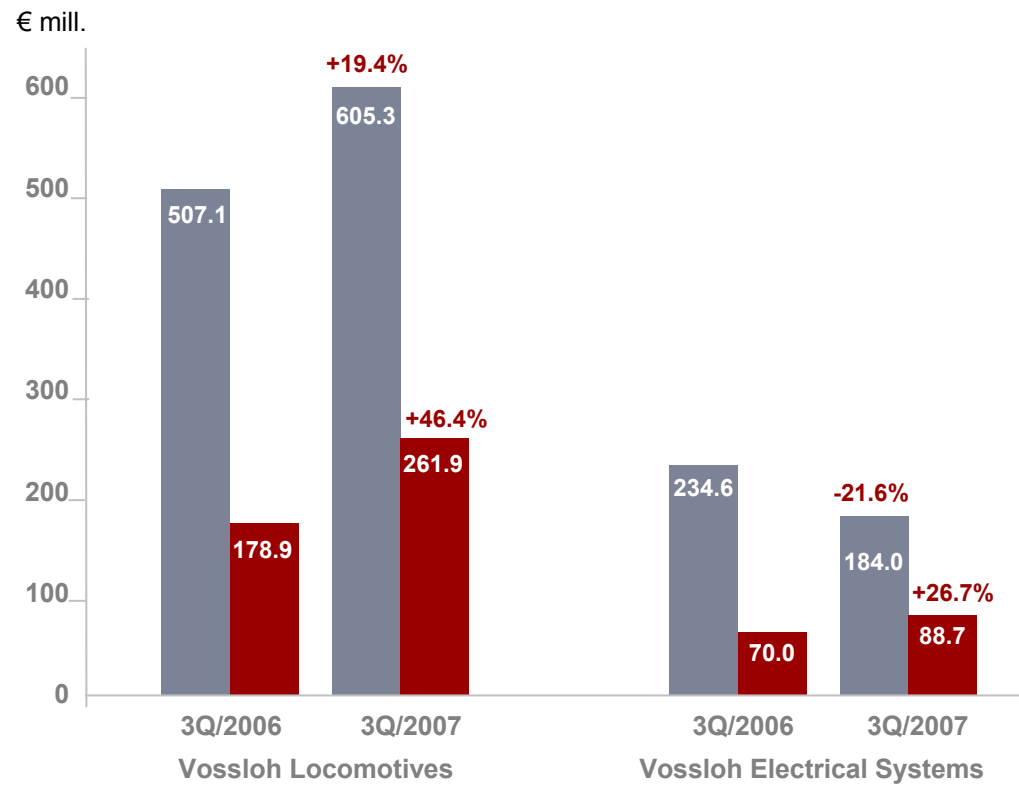
Motive Power&Components: 3Q/2007

High capacity utilization, steady margin uptrend



Motive Power&Components: 3Q/2007

Comfortable order backlog

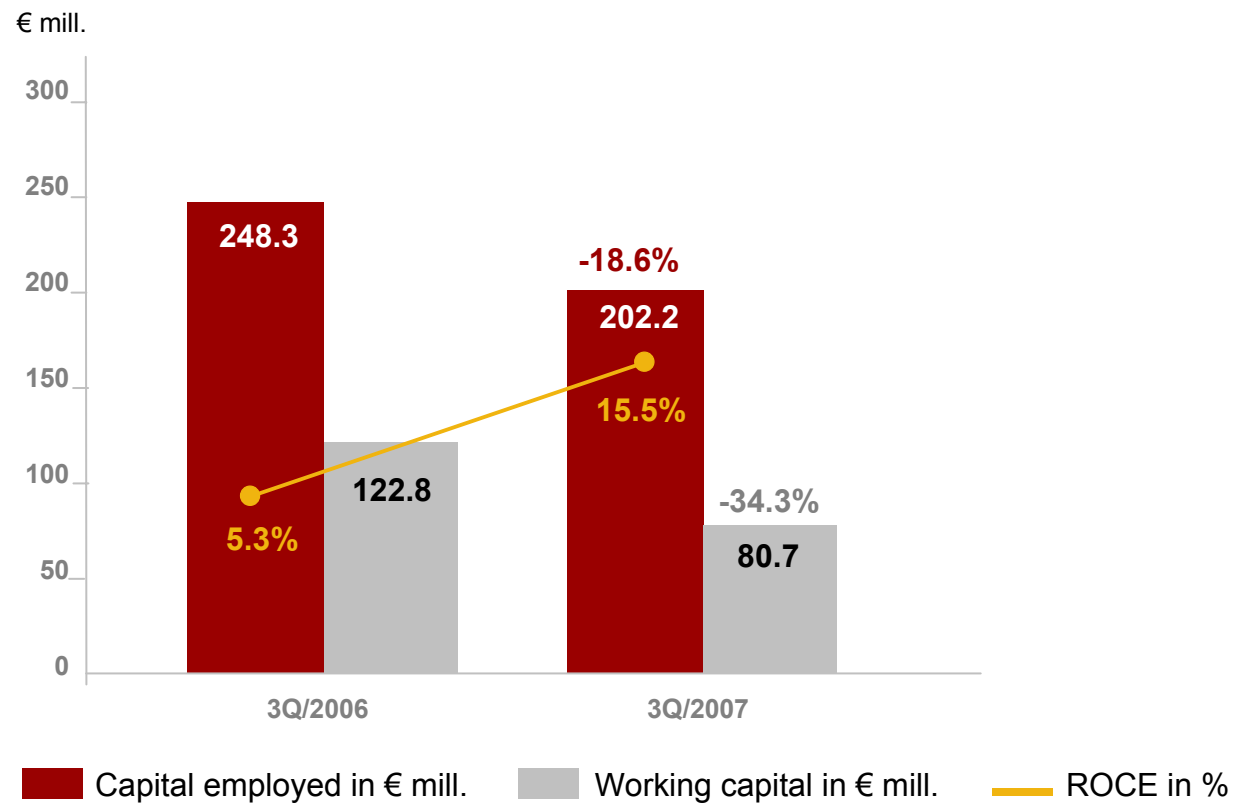


Order backlog in € mill.

Sales in € mill.

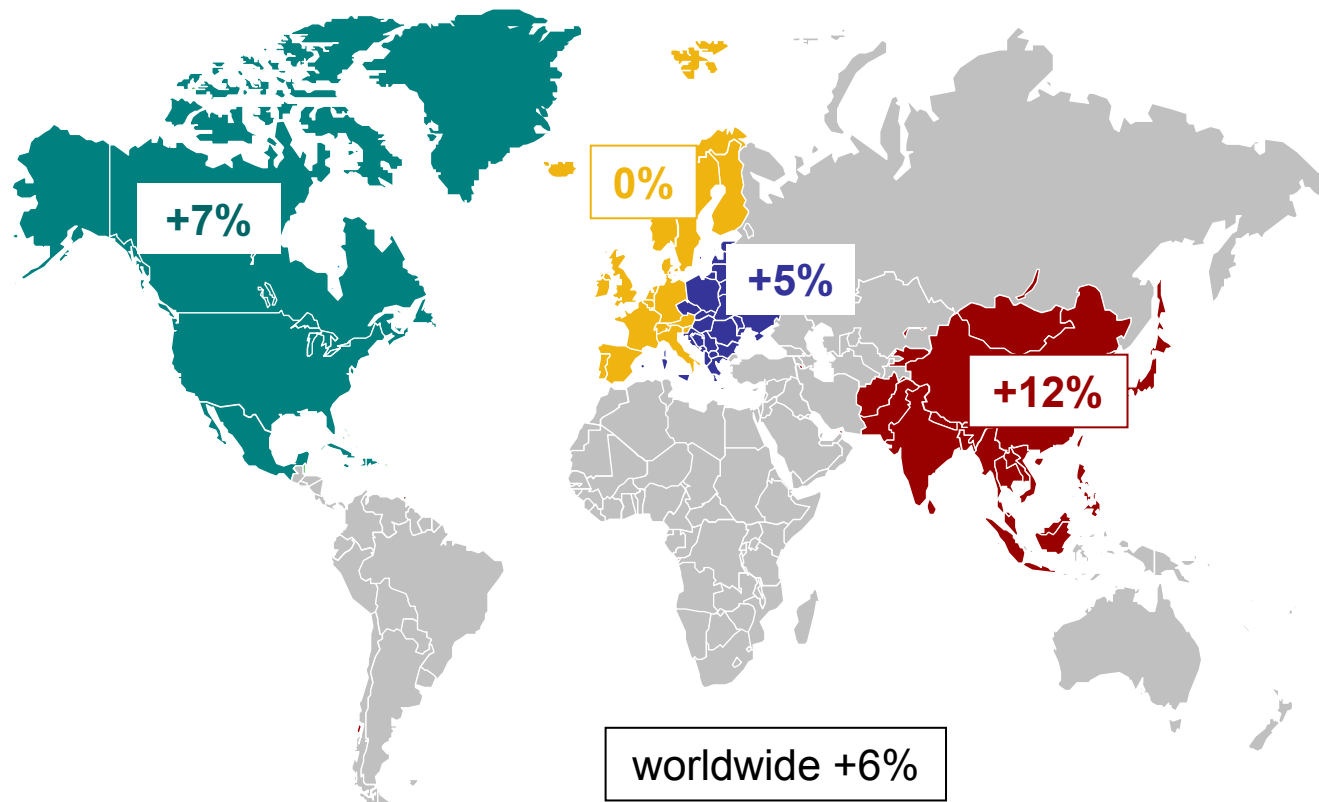
Motive Power&Components: 3Q/2007

ROCE topping 15% mark



The Vossloh Group

Rail infrastructure market growth

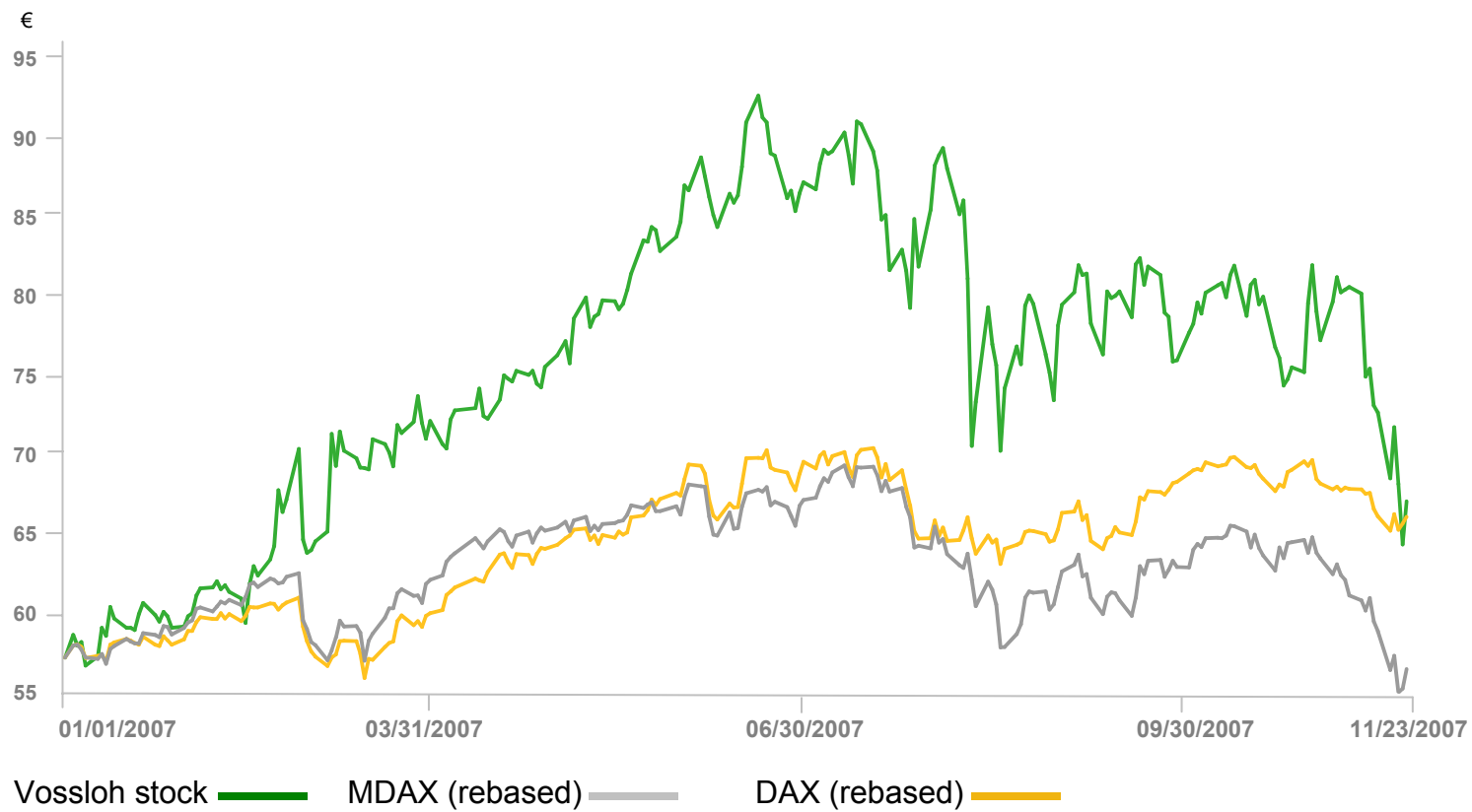


Notes:

- I. Figures refer to accessible market volumes
- II. Forecasted compound annual growth rates (CAGR) for the period 2006 to 2011
- III. Only those rail infrastructure markets of relevance to Vossloh are addressed

Vossloh share price from January 1 to November 23, 2007¹

Share price gain maintained



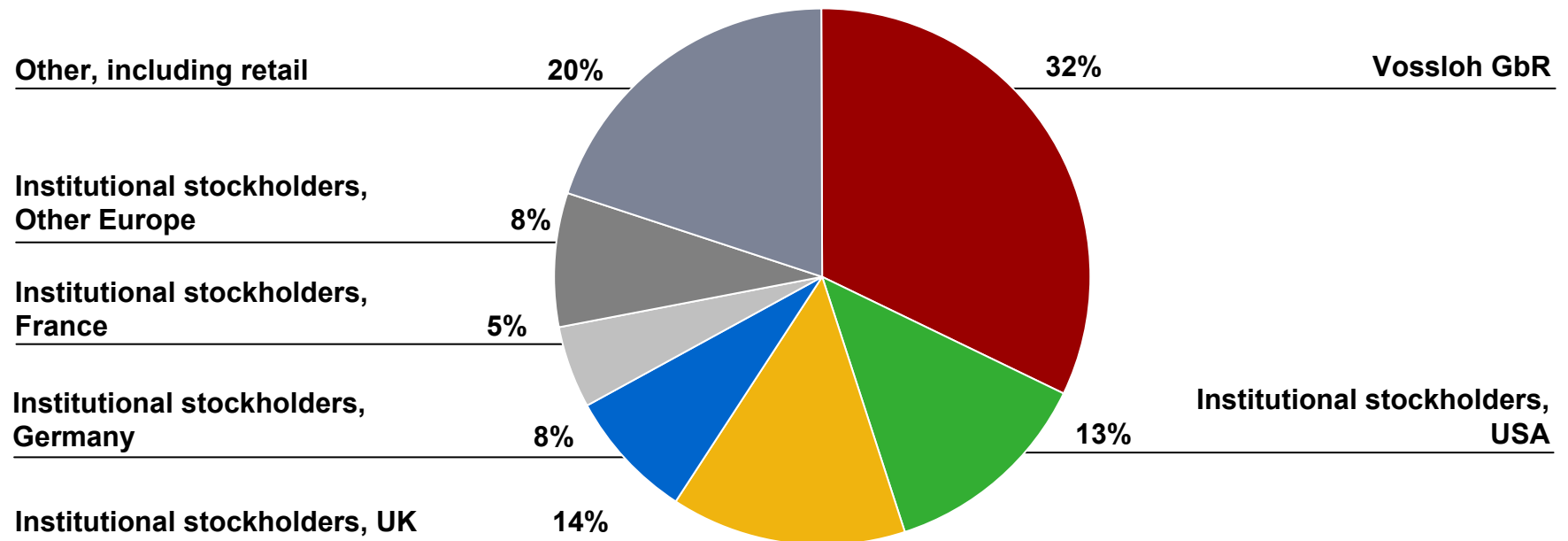
Vossloh stock

Market capitalization roughly €1 billion

		12/31/2005	12/31/2006	9/30/2007
Number of shares outstanding	(1,000)	14,735	14,736	14,761
Earnings per share	(€)	3.07	1.38	3.11
Dividend per share	(€)	1.30	1.30	-
Closing price	(€)	41.10	57.14	75.70
Annual high	(€)	48.58	59.20	94.47
Annual low	(€)	36.11	34.90	56.21
Market capitalization	(€ mill.)	605.6	842.0	1,117.4

Vossloh stock

High proportion of free float in the US and UK



The Vossloh Group

Clearly defined strategic targets

- ▶ Accelerated internationalization
- ▶ Sustainable cost reductions
- ▶ Stepped-up cash management
- ▶ Portfolio fine-tuning
- ▶ Expand core business: infrastructure and components

- ▶ Core business ROCE: >15% (pretax WACC: around 11%)
- ▶ EBIT growth > sales growth
- ▶ EBIT margin: sustainable >10%
- ▶ Accelerated cash flow generation
- ▶ Available funds enable external growth—
medium-term goal: conservative net
financial debt
- ▶ Sustainable growth in EpS
- ▶ Rising dividends

The Vossloh Group

Focus on shareholder value

- ▶ Sustainable growth in international infrastructure market
- ▶ Foremost market positions with growing international presence
- ▶ Clearly improved performance
- ▶ International product references and solid product reputation
- ▶ Sound balance sheet ratios for growth
- ▶ High cash flow
- ▶ Earnings growth enjoying priority over sales growth
- ▶ Rising, profit-oriented dividends
- ▶ Transparent, forthright communication policy

Financial diary

Financial diary 2008

- ▶ April 3, 2008 Publication of financial information 2007¹
- ▶ April 3, 2008 Press conference
- ▶ April 3, 2008 Meeting with DVFA analysts¹
- ▶ April 29, 2008 Publication of interim report as of March 31¹
- ▶ May 21, 2008 Annual stockholders' meeting
- ▶ July 30, 2008 Publication of interim report as of June 30¹
- ▶ October 30, 2008 Publication of interim report as of September 30¹
- ▶ December 4, 2008 Meeting with DVFA analysts¹

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