



Dividend Notice

Vossloh AG, Werdohl, Germany

- ISIN: DE0007667107 -

The annual stockholders' meeting of our company resolved on May 24, 2006, to distribute out of the net earnings of €39,652,045.83 for fiscal 2005 a cash dividend of €1.30 for each no-par share of stock ranking for dividend.

The dividend will be paid out starting from May 25, 2006, after deducting a total 21.1% which breaks down into 20% capital yield tax, plus 5.5% solidarity surtax thereon, as follows:

For no-par shares held under collective securities accounts, the depositary banks will pay the dividend through Clearstream Banking AG.

Stockholders who still own old Vossloh shares with par values will receive the dividend against presentation of coupon #19 but are requested to take this opportunity to present their physical share certificates plus coupon sheet to their depositary bank for credit, as published back in 1998 for the no-par share exchange program. However, dividend payout is not conditional on this deposit of share certificates.

Apart from the Company's Cashier, paying agent is Deutsche Bank AG.

The dividend payout is subject to German split-income taxation. The deferred corporation income tax credit under the terms of Art. 37 German Corporation Income Tax Act ("KStG") is reduced by €0.001579457 per eligible share.

The taxes withheld (capital yields tax and solidarity surtax thereon) are creditable against the (corporation) income tax debt of non-exempted German resident stockholders.

German resident stockholders who have submitted to their depositary bank a nonassessment certificate of their local tax office will be paid the full gross amount without any capital yields tax or solidarity surtax being withheld. The same applies to stockholders who have filed an exemption application with their depositary bank, provided that the exemption volume stated in the application has not been utilized by any other investment income.

Werdohl, May 2006

Vossloh AG
The Executive Board