



Welcome to the Annual General Meeting

May 25, 2011



Vossloh Group Disclaimer

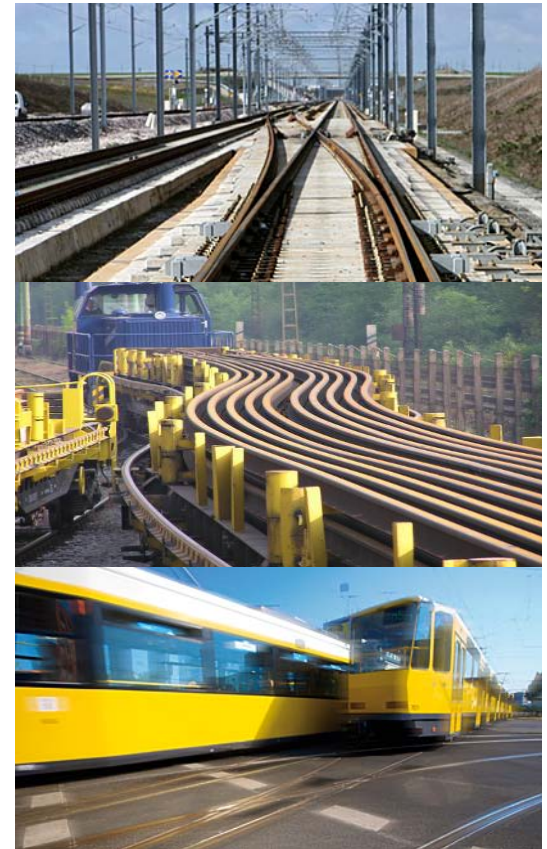
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Vossloh Group, fiscal 2010

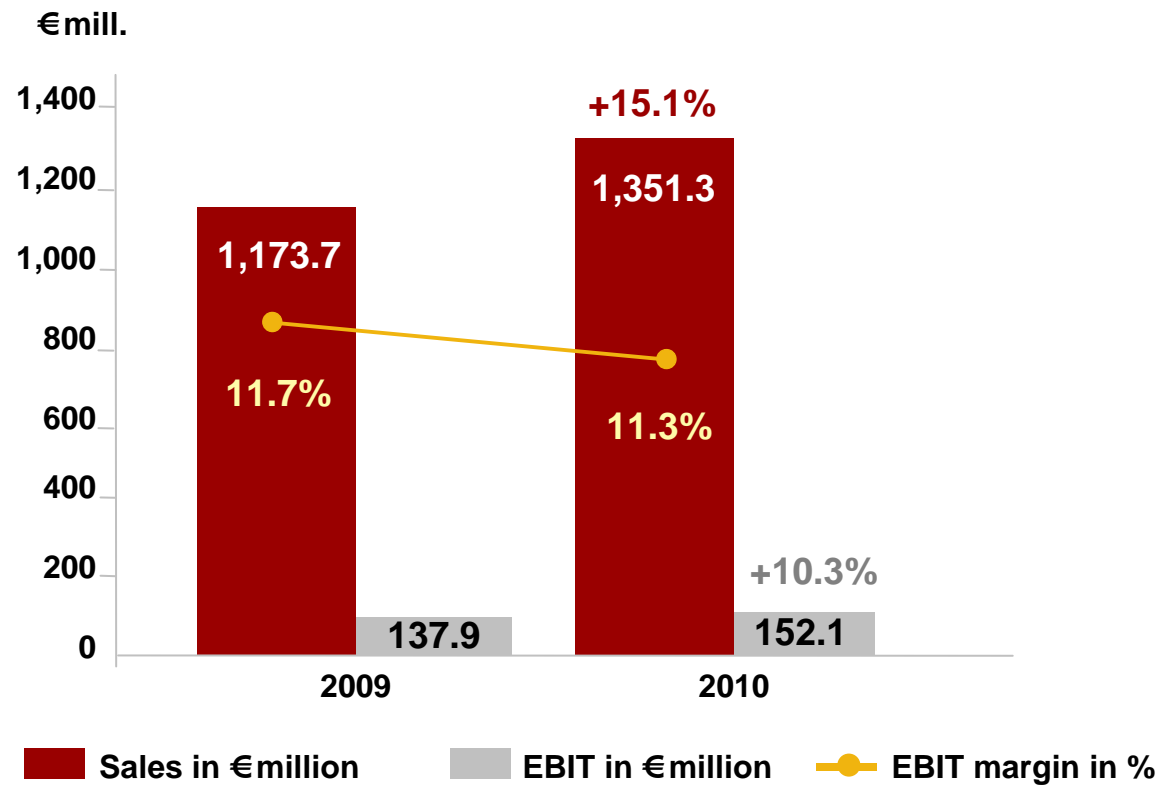
Highlights

- ▶ Most successful year in Vossloh's corporate history
- ▶ New Rail Services business unit smoothly integrated
- ▶ Further globalization efforts boosted, some 30% of sales outside of Europe
- ▶ Order intake easily above prior year, Vossloh Locomotives Kiel downturn bottomed out



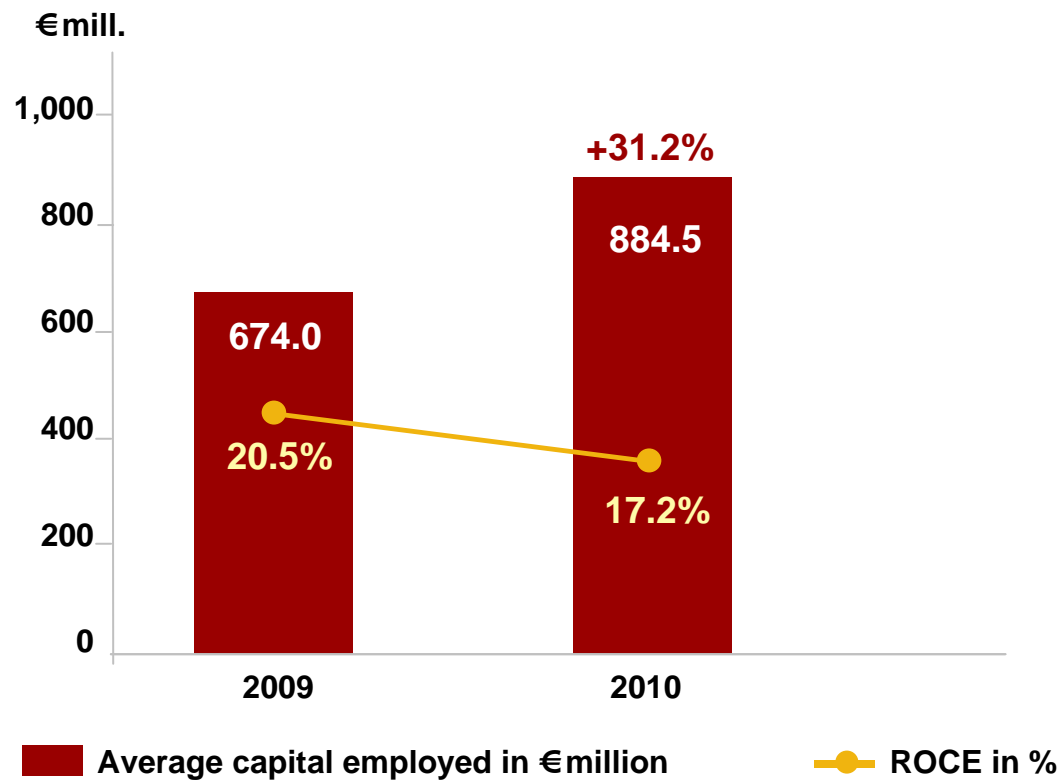
Vossloh Group, fiscal 2010

Sales and EBIT at new all-time highs



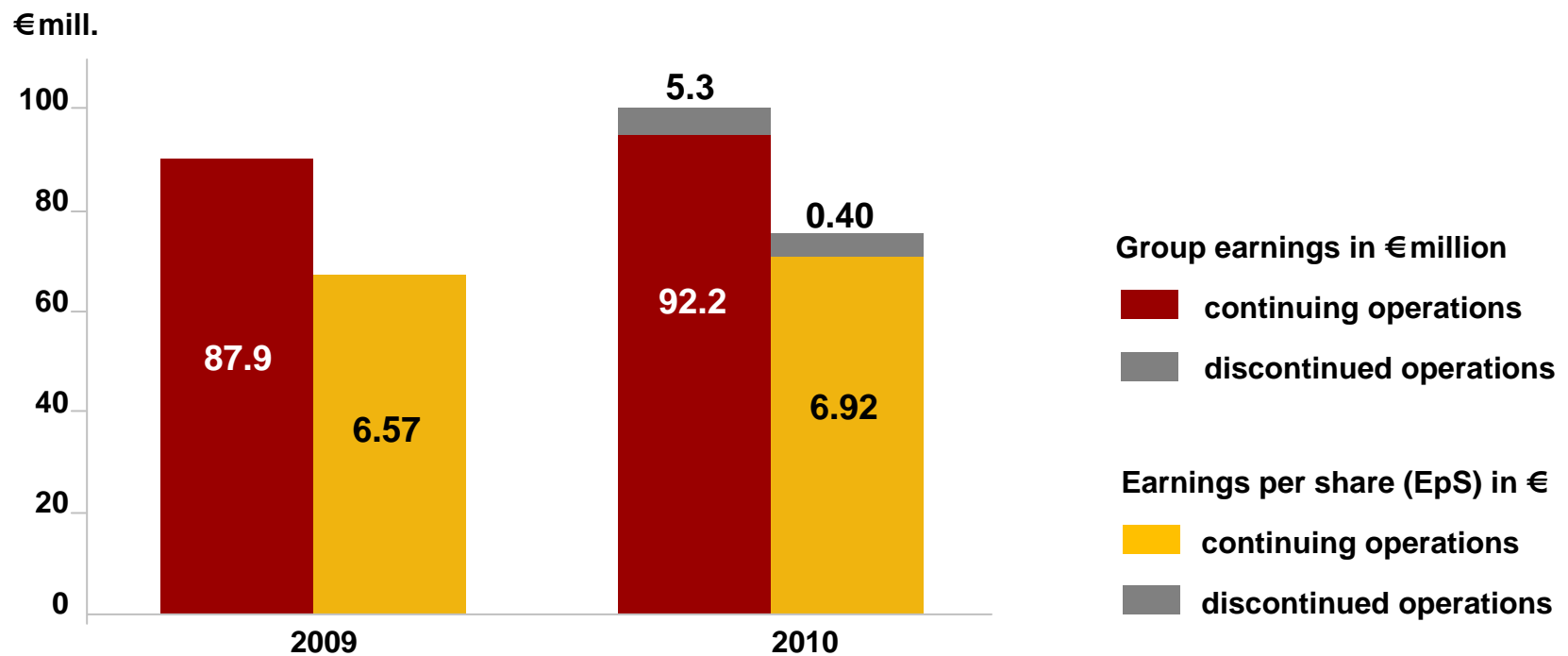
Vossloh Group, fiscal 2010

ROCE year-on-year lower, also due to M&A



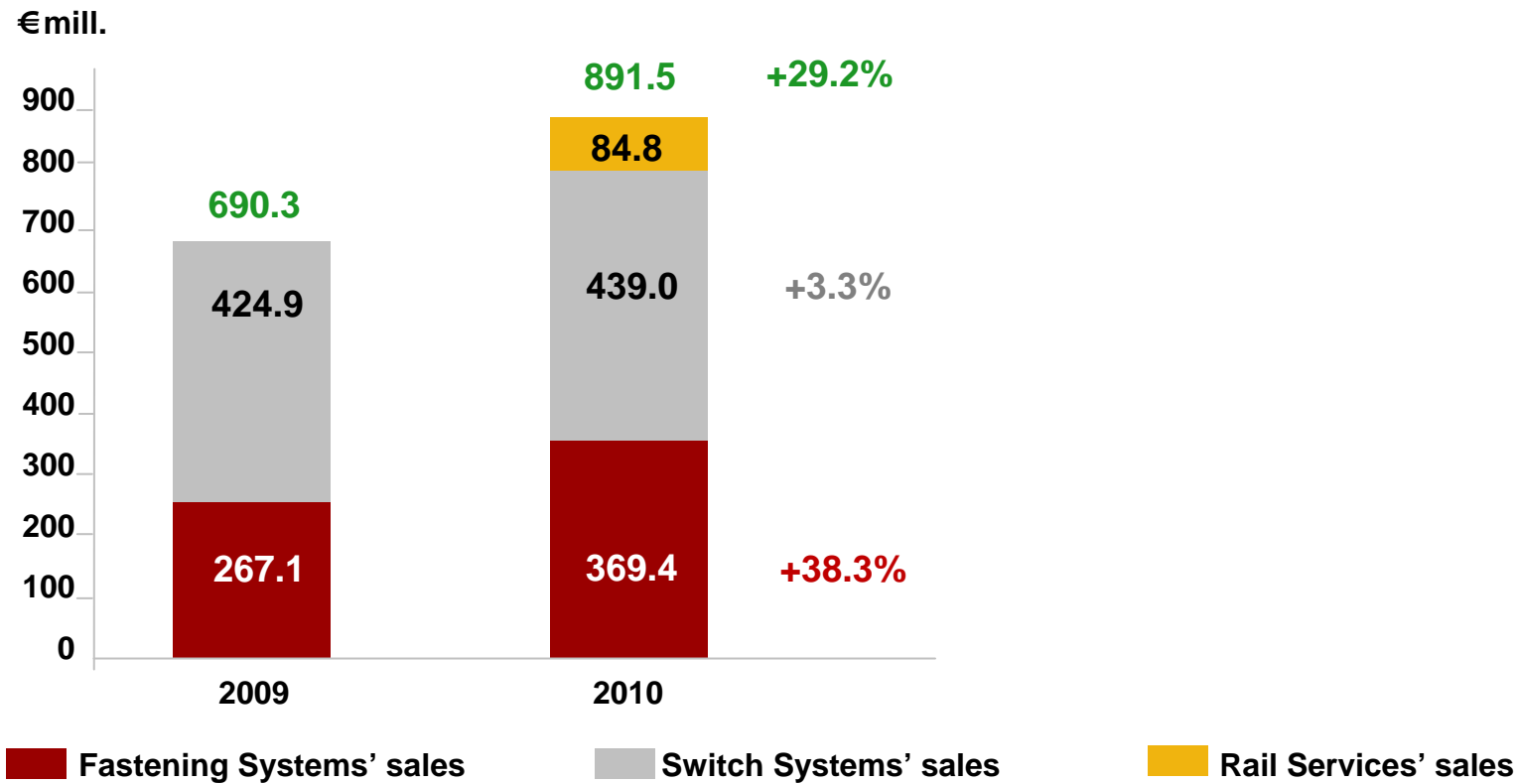
Vossloh Group, fiscal 2010

Earnings per share climbing 11.4%



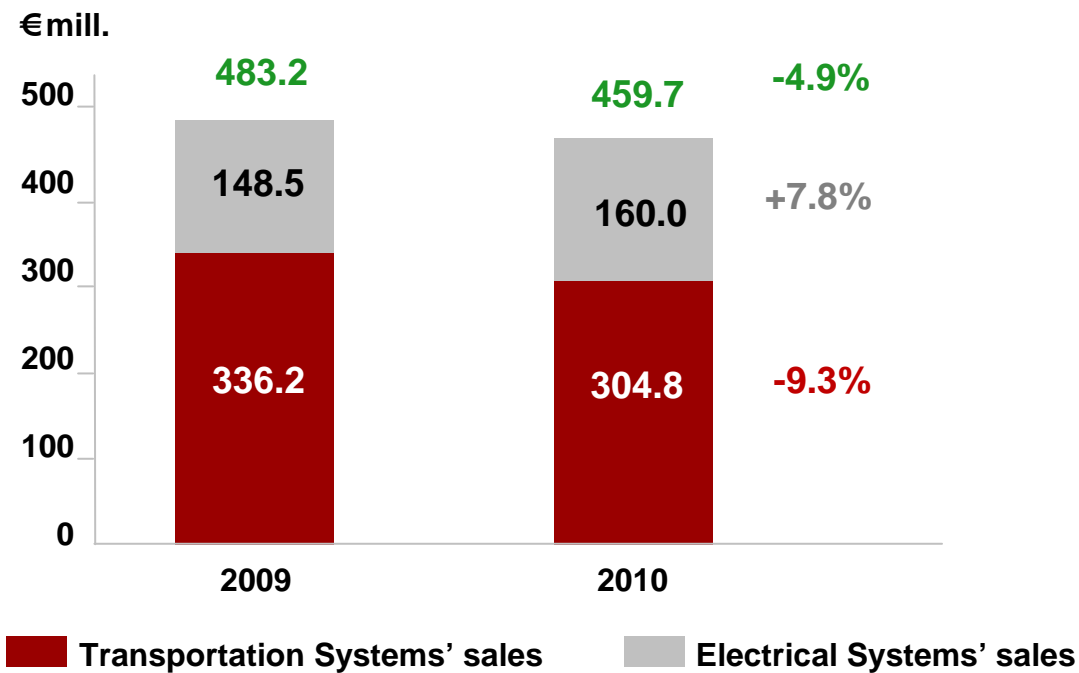
Rail Infrastructure, fiscal 2010

Sales and EBIT easily outgrowing prior year



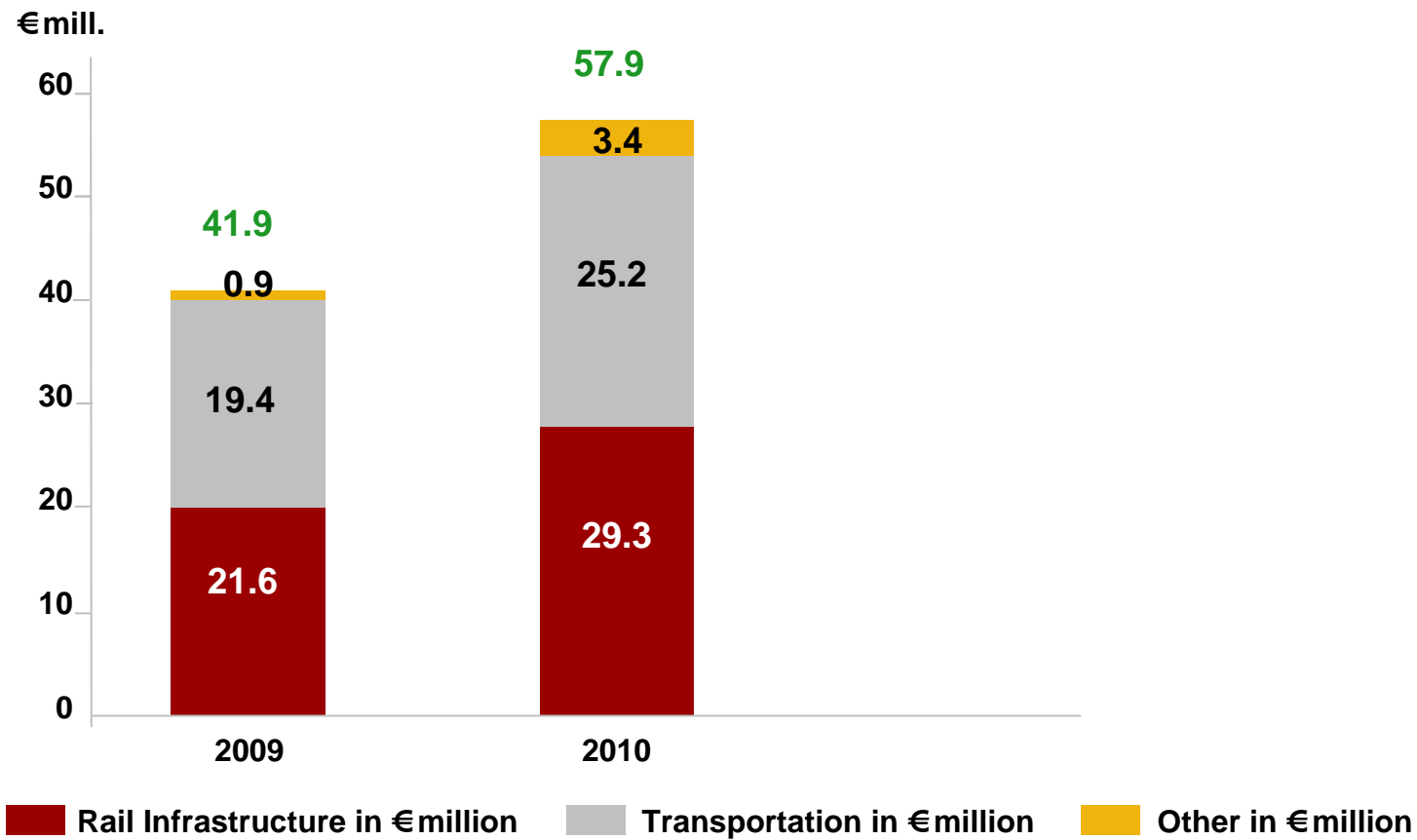
Transportation, fiscal 2010

Locomotive business receding,
local transport vehicle sales improved



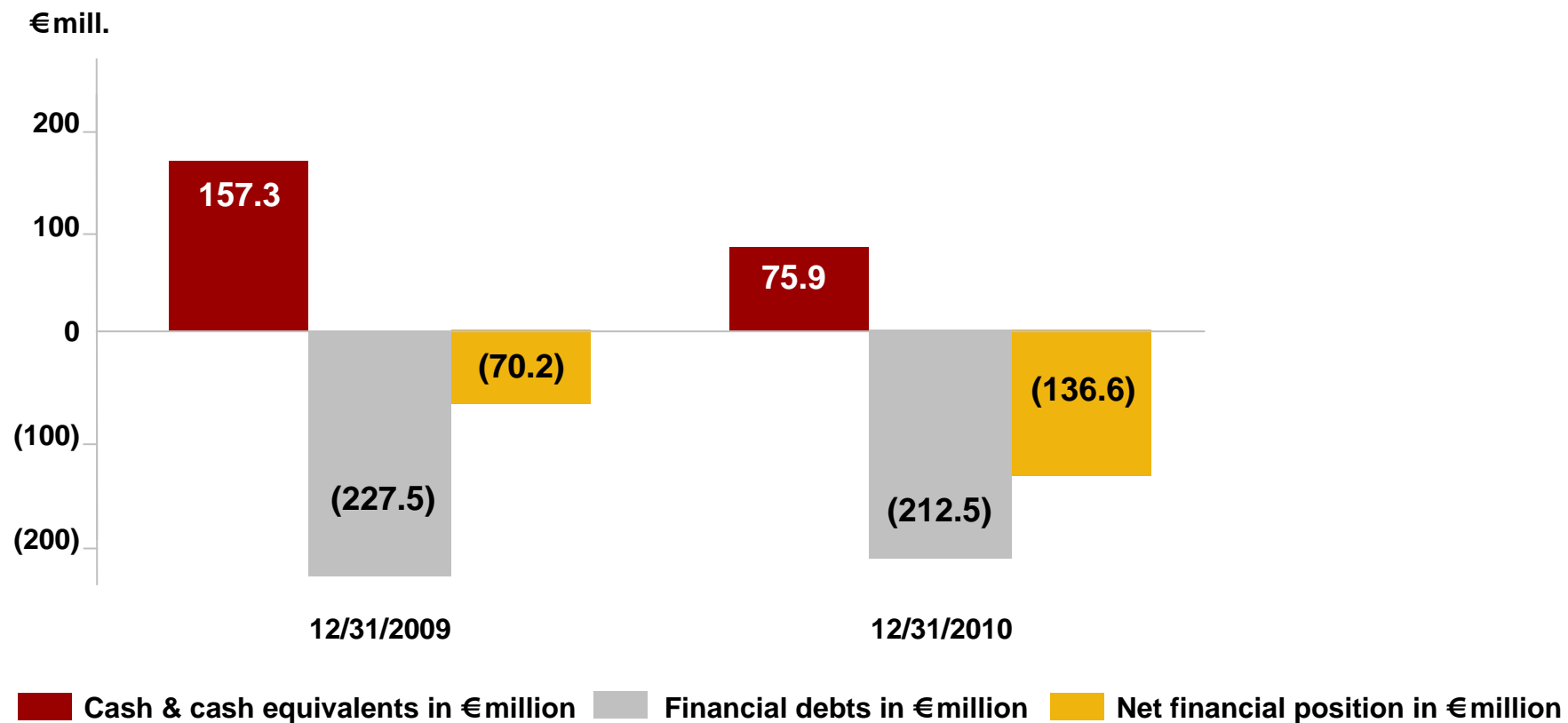
Vossloh Group, fiscal 2010

Capital expenditures pushed up



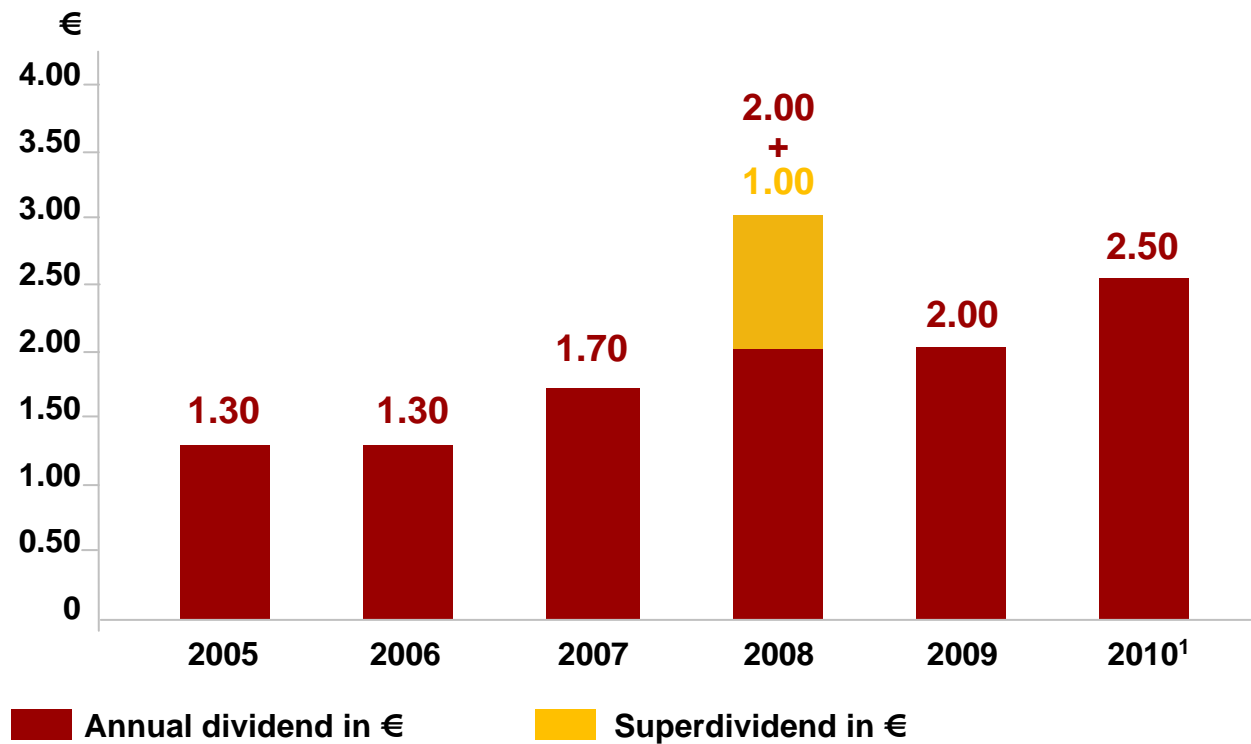
Vossloh Group, fiscal 2010

Acquisition of Rail Services increasing net financial debt



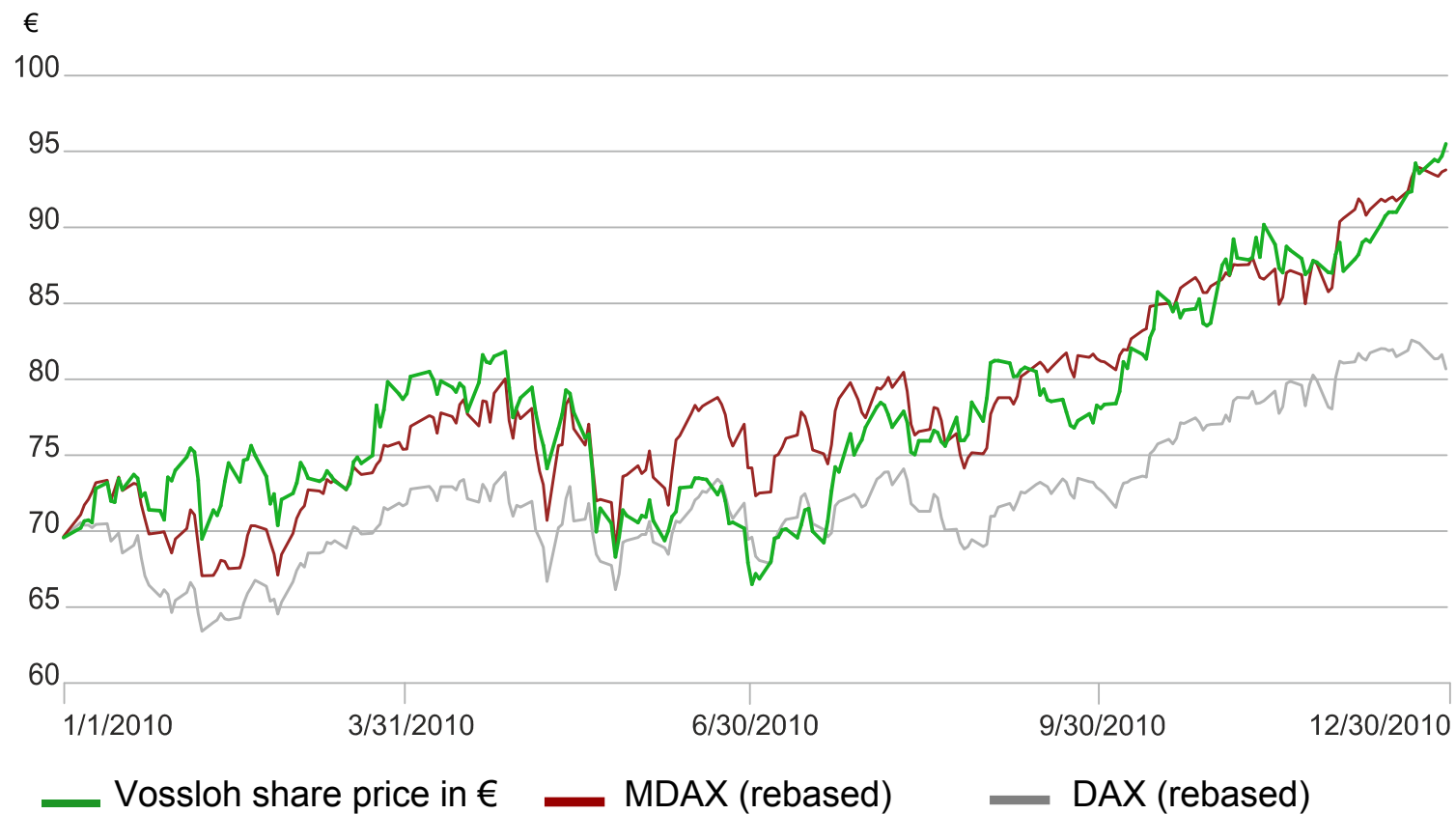
Vossloh Group, fiscal 2010

Proposed annual dividend at record level



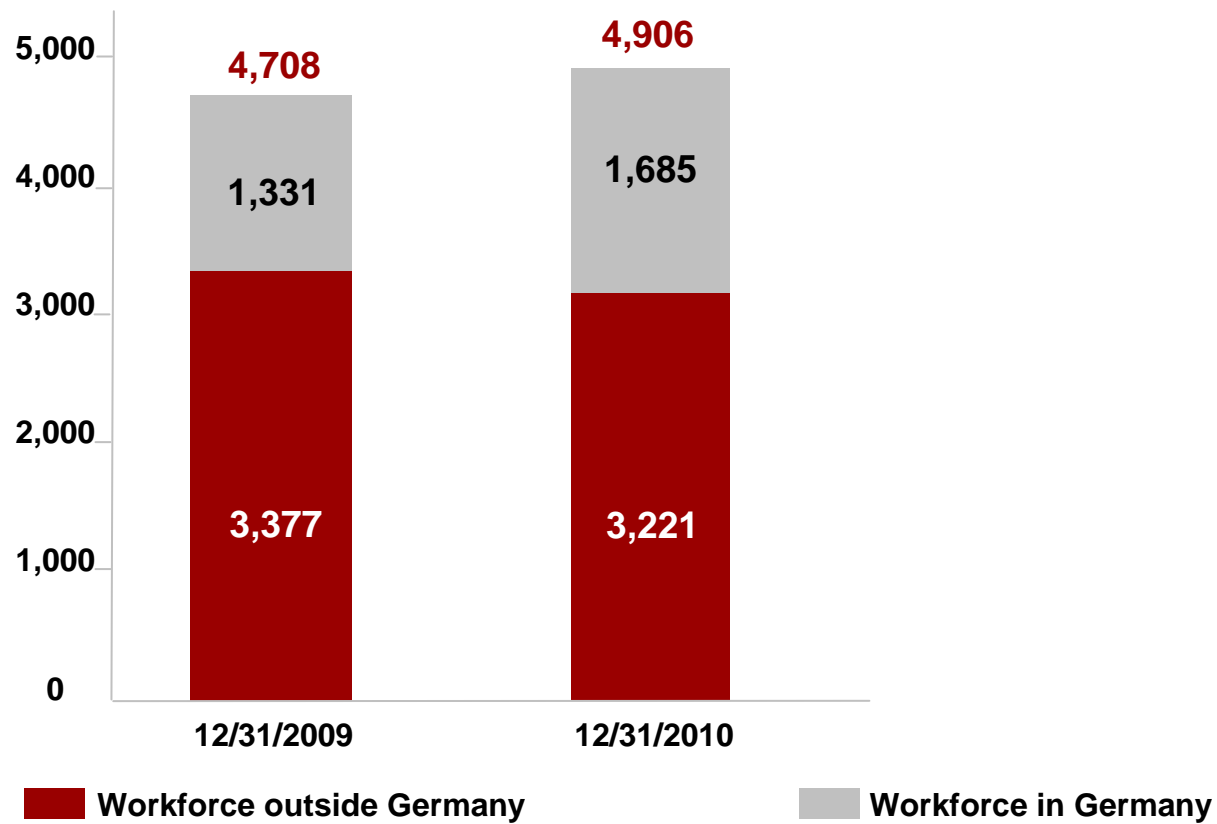
Vossloh stock

Price surging 37.4%: among the best outperformers in 2010



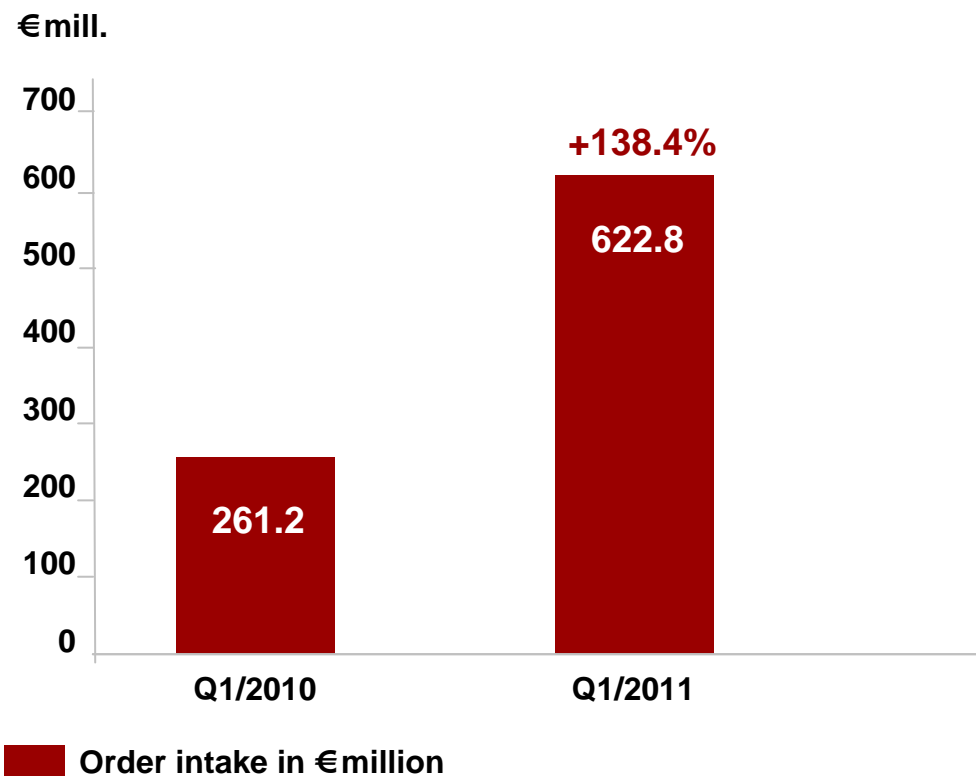
Vossloh Group, fiscal 2010

Headcount rising after M&A



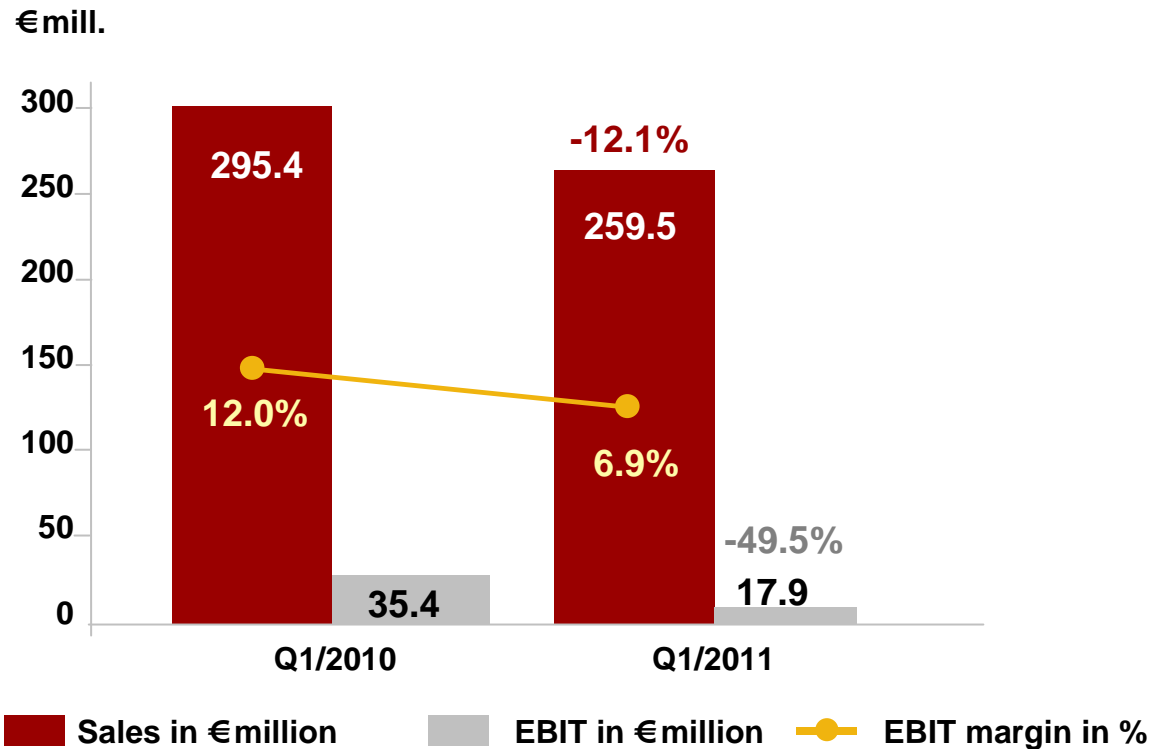
Vossloh Group, Q1/2011

Off to a flying start into 2011



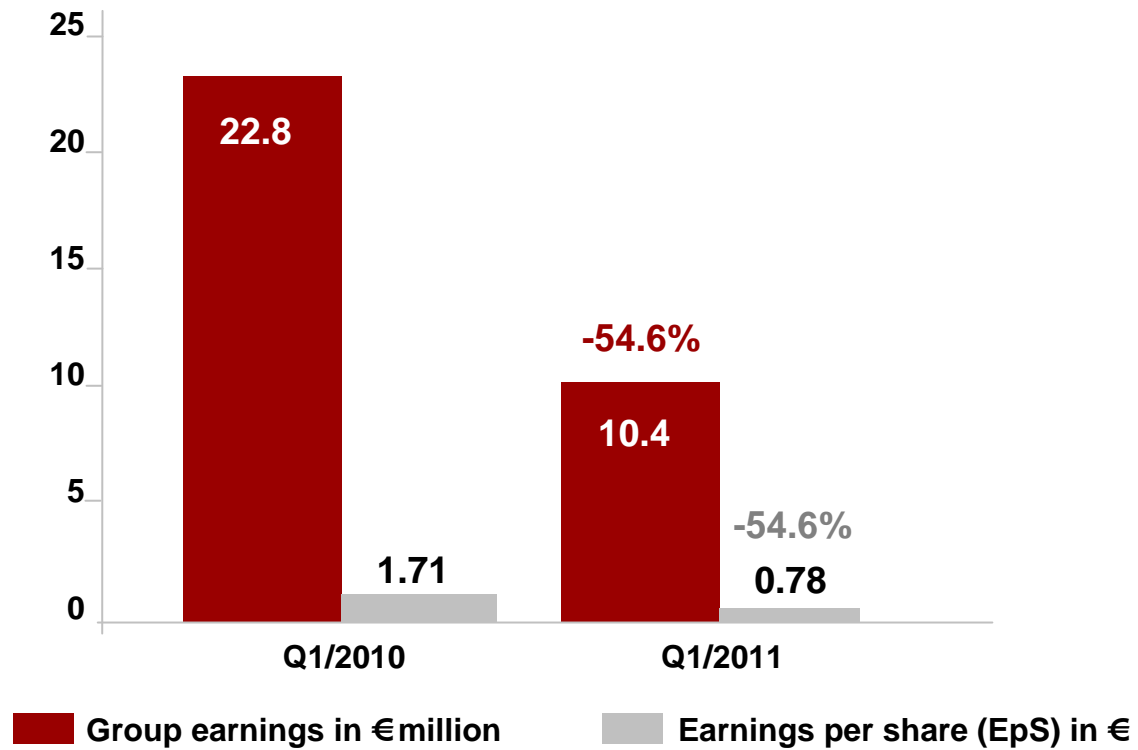
Vossloh Group, Q1/2011

Libya and China depressing sales and EBIT year-on-year,
Transportation Systems business receding, as expected



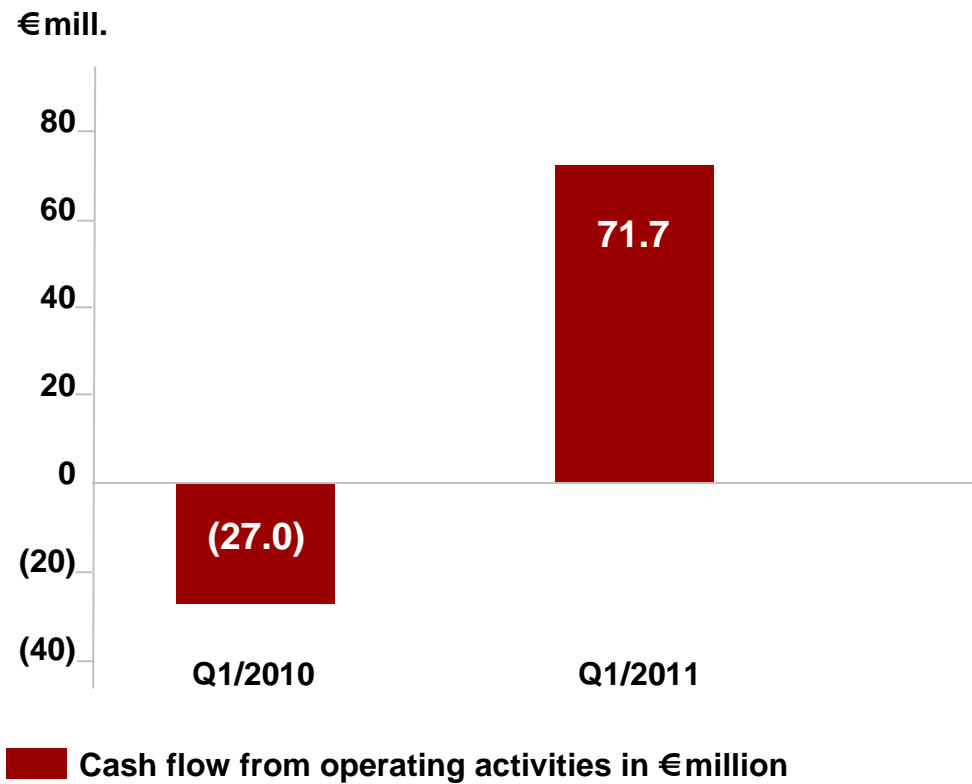
Vossloh Group, Q1/2011

Group earnings and EpS declining



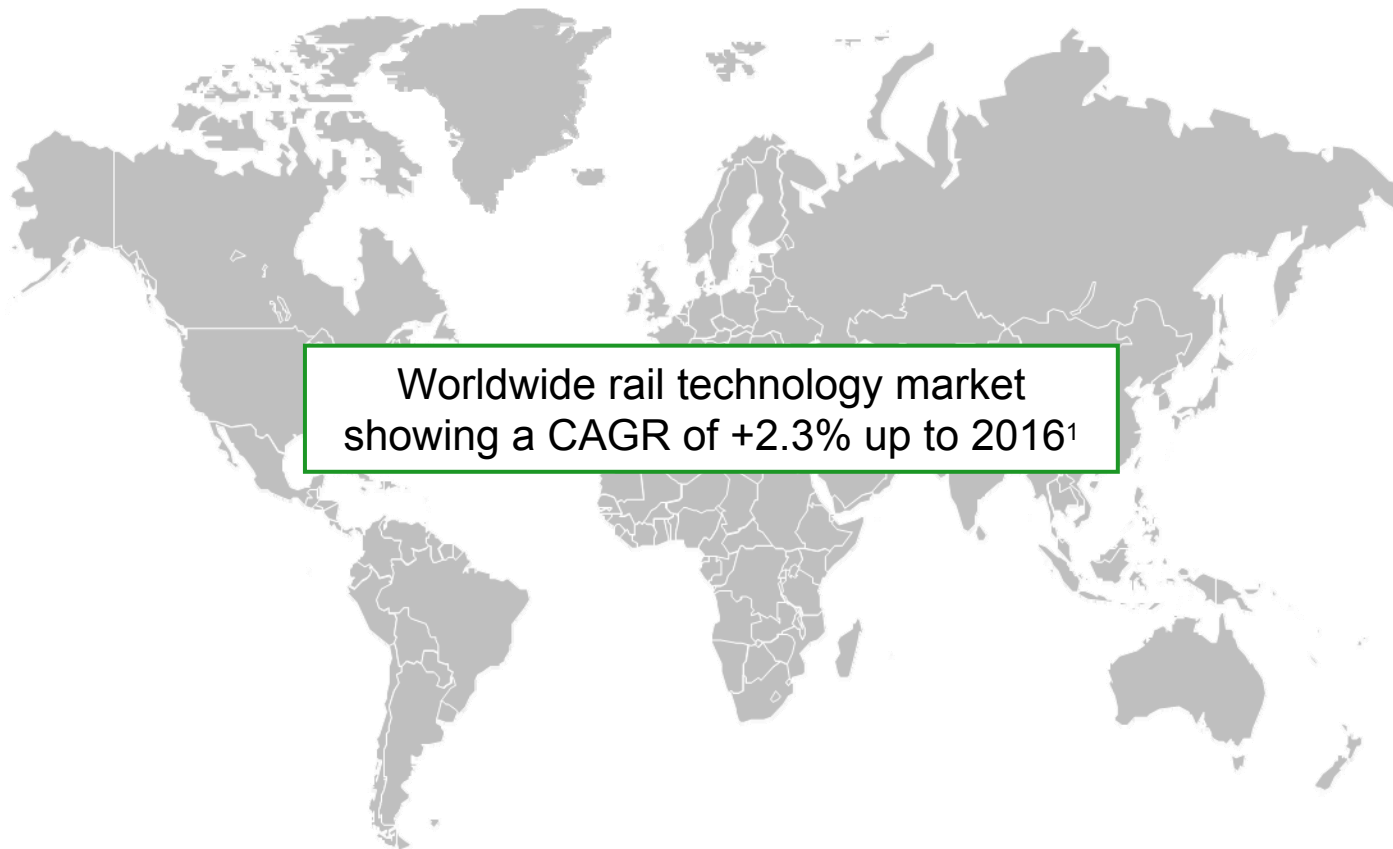
Vossloh Group, Q1/2011

Cash flow from operating activities improved



Vossloh Group

Rail technology market showing sound prospects



Vossloh Group, 2011p to 2012p

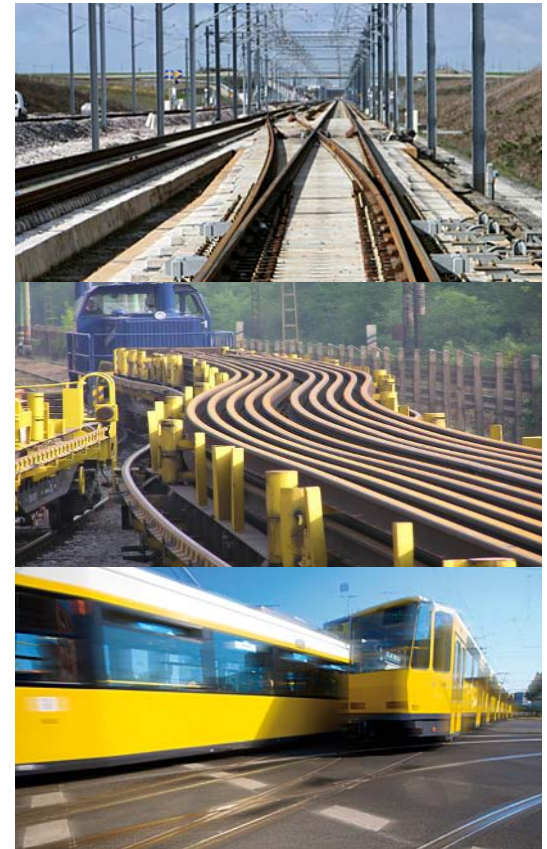
Forecasts reaffirmed

	2010	2011p	2012p
Sales	€1,351.3 mill.	approx. €1.4 bill.	approx. €1.5 bill.
EBIT	€152.1 mill.	>€160 mill.	>€170 mill.
EBIT margin	11.3%	€11%–11.5%	11%–11.5%
Earnings per share	€6.92*	approx. €7.20	approx. €7.50
Average working capital	€309.0 mill.	approx. 310 mill.	appr. €330 mill.
Capital expenditures	€57.9 mill.	approx. €90 mill.	approx. €60 mill.
Average capital employed	€884.5 mill.	appr. €900–950 mill.	>€950 mill.
ROCE	17.2%	approx. 17%	approx. 18%
Value added	€54.8 mill.	approx. €65 mill.	approx. €75 mill.
Net financial debt	€136.6 mill.	appr. €100–150 mill.	<€150 mill.

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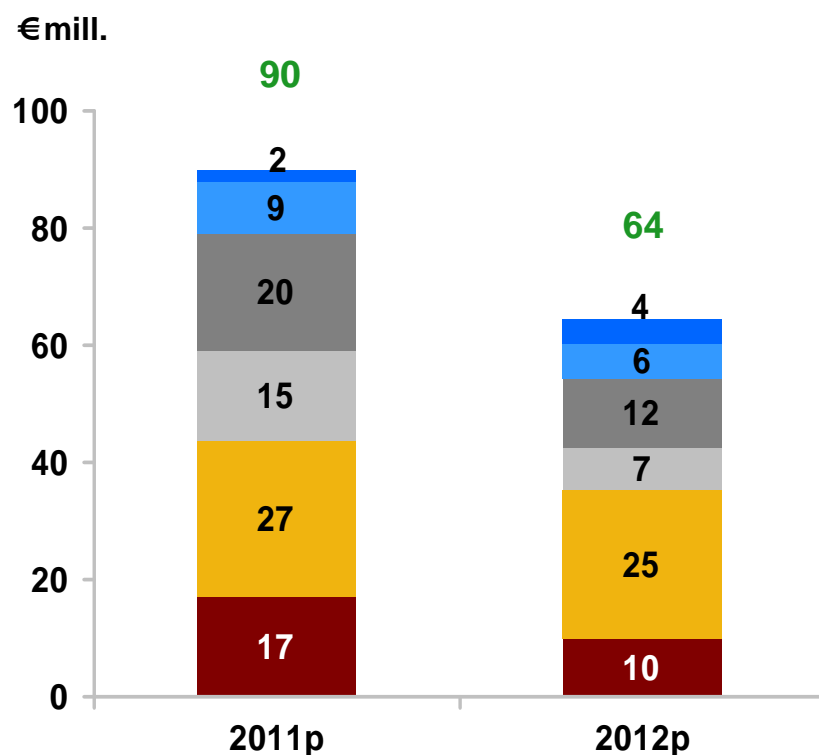
Attractive new business booked

- ▶ Easyswitch for Trafikverket, the Swedish infrastructure agency
- ▶ First shipment of rail fasteners for the Russian state rail RZD
- ▶ New megacontract from the Chinese Railways Ministry for rail fasteners
- ▶ 50 light rail vehicles for Üstra Hannoversche Verkehrsbetriebe AG, the Hannover transit operator
- ▶ Numerous locomotive orders for both locations



Vossloh Group, 2011p to 2012p

Capex boosted for accelerated growth



Other
Rail Services

Electrical Systems
Switch Systems

Transportation Systems
Fastening Systems

- ▶ **Capital expenditures** of the Vossloh Group budgeted at around €90 million in 2011 for expanding and cementing market positions, thereafter returning to the level of amortization/depreciation
- ▶ **Amortization/depreciation** forecast at about €40 million in 2011 and some €45 million in 2012

Vossloh Fastening Systems

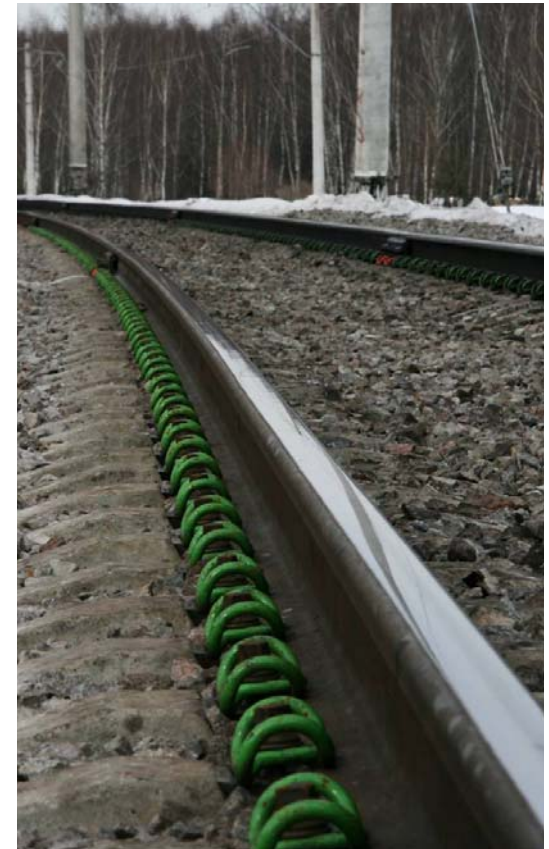
Rail fastening systems for Russia

Setting up a manufacturing plant

- ▶ Capex budgeted at €15 million, including €7 million in 2011; annual capacity of about €60 million
- ▶ Fastening system W 30: homologated specifically for the Russian market since September 2010
- ▶ Award in October 2010 of a contract from the Russian state rail RZD for rail fasteners marks successful entry into the Russian market

Russian rail network to be thoroughly revamped

- ▶ Total capital expenditures of about €380 billion¹ by 2030 reflect substantial efforts toward revamping and extending the Russian rail network



Vossloh Switch Systems

Switches for the Chinese market

Setting up a production plant

- ▶ Vossloh's capex share €15 million, including €10 million budgeted for 2011; total annual capacity over €80 million (2,600 switches per year)
- ▶ Establishment of a venture jointly with China Railway Materials Group (CRMG) and Huaxing close to Nanjing
- ▶ Exponential growth in China's local transport market
- ▶ Targeted segments: local transport, industrial trackage



Vossloh Rail Services

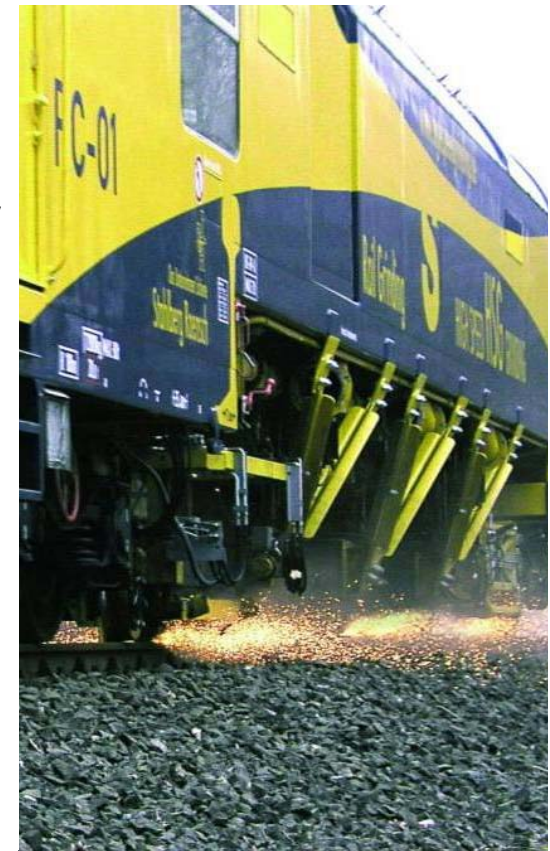
High-speed grinding

Innovative rail maintenance technology

- ▶ Capex totaling about €13 million, including €11 million in 2011; annual capacity in excess of €24 million
- ▶ Development and construction of three grinding trains together with Vossloh Locomotives
- ▶ High-speed grinding (HSG):
 - Preventive grinding technique
 - Doubles rail service-life
 - USP: grinding speed of over 80 km/h
 - No need for line shutdown

Patented and successfully in use at German Rail (DB)

- ▶ Following pilot projects, now operating on the Nürnberg–Ingolstadt high-speed line, as well as in Switzerland



Vossloh Transportation Systems, Locomotives

Modular center-cab locomotive family

Growth from ultramodern, efficient locomotives

- ▶ Capex totaling some €24 million, including €6 million budgeted for 2011
- ▶ Center-cab locomotive family: common-parts strategy enhances customer benefits regarding quality, cost-efficiency, and serviceability
- ▶ Diesel-electric versions with our own driveline, hence:
 - added vertical production integration, less dependence on suppliers
 - possibility of using energy-saving techniques
 - possibility of accessing new markets
- ▶ Complies with new legislation including crashworthiness, noise abatement, emission control, etc.



Vossloh Transportation Systems, Rail Vehicles

EUROLIGHT and trams

EUROLIGHT for limited axle-load lines

- ▶ Capex totaling some €11 million, including €3 million in 2011
- ▶ 4-axle diesel-electric locomotive for freight and passenger haulage, rated at 2,800 kW
- ▶ Access to new markets with low axle loads, e.g. Eastern Europe, Southern Europe, secondary lines in Europe

Trams for the international market

- ▶ Capex of about €14 million, including €6 million in 2011
- ▶ Tramlink: a Vossloh tram with all the mechanical and electric components from Vossloh
- ▶ First market references: Northern Spain and elsewhere
- ▶ Now a complete lineup of local transport rail vehicles: metros, train-trams, and trams



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Mallorca's train-tram



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