

Presentation to Investors and Analysts: Interim Report as of March 31, 2011

May 4, 2011



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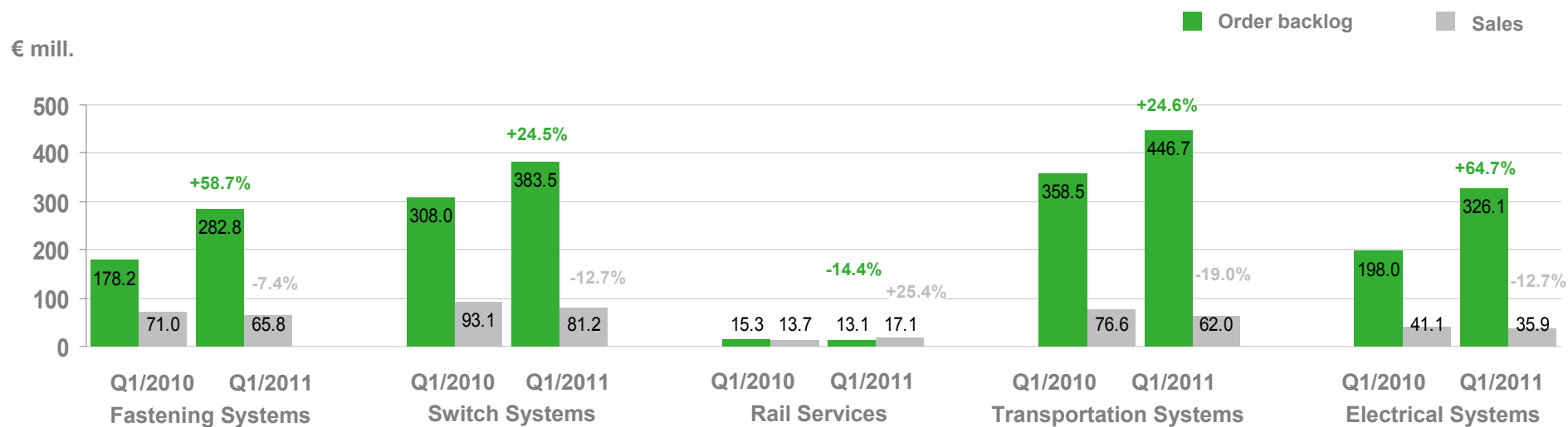
Vossloh Group, Q1/2011

Order intake at €622.8 million and order backlog at €1,448.2 million both reaching all-time highs

Order intake:

- ▶ Fastening Systems: €142.6 million (+49.8%)
- ▶ Switch Systems: €153.8 million (+14.8%)
- ▶ Rail Services: €29.3 million (+1.0%)
- ▶ Transportation Systems: €169.5 million (up from a negative €13.0 million)
- ▶ Electrical Systems: €129.9 million (up from €17.0 million)

Order backlog and sales



Vossloh Group, Q1/2011

Several reasons for a weak start into 2011

- ▶ **Sales** down by 12.1% or €35.9 million; project delays and suspended shipments hamper business at Rail Infrastructure; Transportation sales receding as expected
- ▶ **EBIT** and **EBIT margin** shrinking, also due to higher raw material cost ratio
- ▶ **Value added** negative

		Q1/2010	Q1/2011	Δ in %
Sales	€ mill.	295.4	259.5	-12.1
EBIT	€ mill.	35.4	17.9	-49.5
EBIT margin	%	12.0	6.9	—
Group earnings	€ mill.	22.8	10.4	-54.6
Earnings per share	€	1.71	0.78	-54.6
ROCE	%	16.4	8.8	—
Value added	€ mill.	11.6	(2.3)	—
Quarterly average headcount		4,980	4,937	-0.9



Vossloh Group, Q1/2011

Working capital, capital employed and net financial debt all improved

- ▶ Working capital whittled down
- ▶ Capital employed trimmed
- ▶ Net financial debt and net leverage slashed



		3/31/2010	12/31/2010	3/31/2011
Total assets	€ mill.	1,413.3	1,405.8	1,444.3
Total equity	€ mill.	525.8	580.0	593.9
Equity ratio	%	37.2	41.3	41.1
Average working capital	€ mill.	301.3	309.0	219.8
Average working capital intensity	%	25.5	22.9	21.2
Closing working capital	€ mill.	305.6	258.0	190.7
Closing working capital intensity	%	25.5	19.1	18.4
Average capital employed	€ mill.	864.8	884.5	808.8
Closing capital employed	€ mill.	866.3	848.6	776.3
Net financial debt	€ mill.	196.5	136.6	70.0
Net leverage	%	37.4	23.5	11.8

Vossloh Group, Q1/2011

Cash flow from operating activities far in the black

Cash flow analysis (€ mill.)	Q1/2010	Q1/2011
EBIT	35.4	17.9
Amortization/depreciation/write-down (less write-up) of noncurrent assets	8.4	9.7
Net result of discontinued operations	—	—
Change in noncurrent accruals	(2.8)	(4.3)
Gross cash flow	41.0	23.3
Net book loss/(gain) from the disposal of tangible and intangibles	0.0	(1.6)
Change in working capital	(55.6)	60.0
Noncash change in shares in associated affiliates, other noncash income/expenses (net), change in other assets/liabilities (net)	(6.1)	(3.1)
Cash outflow for income taxes	(6.3)	(6.9)
Net cash (used in)/provided by operating activities	(27.0)	71.7
Cash outflow for additions to tangibles/intangibles	(10.7)	(14.8)
Freely available cash flow¹	(37.7)	56.9

- ▶ **Cash flow from operating activities** improved year-on-year by nigh €100 million
- ▶ **Freely available cash flow** at €56.9 million



¹ Before additions to other noncurrent financial instruments and before M&A, divestment of consolidated subsidiaries and dividend payout

Rail Infrastructure, Q1/2011

Project delays and shipment suspension slacken business

- ▶ **Sales** shrinking year-on-year by 8.2%
- ▶ **EBIT** and **EBIT margin** significantly lower
- ▶ **Fastening Systems sales** down 7.4% to €65.8 million
- ▶ **Switch Systems sales** falling 12.7% to €81.2 million
- ▶ **Rail Services sales** up 25.4% to €17.1 million

		Q1/2010	Q1/2011	Δ in %
Sales	€ mill.	177.6	163.1	-8.2
EBIT	€ mill.	31.0	15.6	-49.6
EBIT margin	%	17.4	9.6	—
Average working capital	€ mill.	261.1	224.5	-14.0
Closing working capital	€ mill.	263.7	217.8	-17.4
Average capital employed	€ mill.	667.9	651.1	-2.5
Closing capital employed	€ mill.	674.9	640.9	-5.0
ROCE	%	18.5	9.6	—
Average value added	€ mill.	12.6	(0.7)	—



Transportation, Q1/2011

Vossloh Rail Vehicles sales wilting as expected, Vossloh Locomotives' doubled

- ▶ **Sales** showing downturn
- ▶ **EBIT** and **EBIT margin** below year-earlier level
- ▶ **ROCE** above 15% benchmark despite weaker operating activities
- ▶ **Transportation Systems sales** down 19.0% to €62.0 million; Vossloh Locomotives doubling sales to €25.5 million (+97.7%); Vossloh Rail Vehicles reporting 42.7% sales drop to €36.5 million
- ▶ **Electrical Systems sales** declining 12.7% to €35.9 million

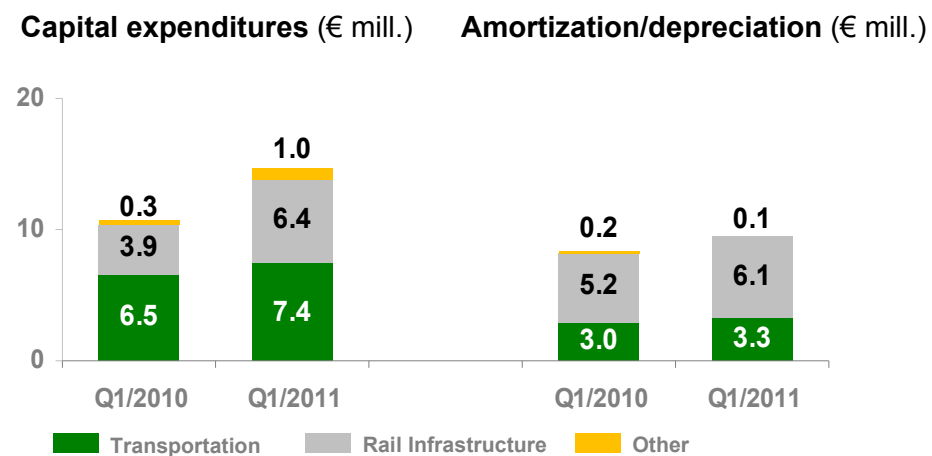
		Q1/2010	Q1/2011	Δ in %
Sales	€ mill.	117.7	96.4	-18.1
EBIT	€ mill.	9.0	6.1	-32.7
EBIT margin	%	7.6	6.3	—
Average working capital	€ mill.	48.0	(1.8)	—
Closing working capital	€ mill.	53.2	(14.1)	—
Average capital employed	€ mill.	186.6	151.2	-19.0
Closing capital employed	€ mill.	193.4	138.9	-28.2
ROCE	%	19.3	16.0	—
Average value added	€ mill.	3.9	2.3	-41.1



Vossloh Group, Q1/2011

High capex and amortization/depreciation as budgeted

- ▶ **Vossloh Group:** in line with current capex program, Q1 outlays boosted by 38.0% to €14.8 million
- ▶ **Rail Infrastructure:** €2.7 million for projects at the Switch Systems business unit, €1.8 million for Vossloh Fastening Systems. Vossloh Rail Services spending €1.9 million
- ▶ **Transportation:** capex of €2.9 million at Transportation Systems, another €4.5 million at Electrical Systems



	Q1/2010	Q1/2011	Δ in %
Group (€ mill.)			
Capex	10.7	14.8	+38.0
Amortization/depreciation	8.4	9.5	+13.8
Rail Infrastructure (€ mill.)			
Capex	3.9	6.4	+63.8
Amortization/depreciation	5.2	6.1	+17.4
Transportation (€ mill.)			
Capex	6.5	7.4	+14.2
Amortization/depreciation	3.0	3.3	+11.4

Vossloh stock

Share price continuing at a high level in Q1/2011

Vossloh stock price trend from 1/1/2011–3/31/2011

► **Performance Q1/2011:**

DAX:	+1.8%
MDAX:	+1.8%
Vossloh:	-1.2%

► **Closing price as per March 31, 2011:**

€94.39

► **Q1/2011 high/low:**

€100.35/€78.03

► **Average daily trading volume (1,000 shares)**

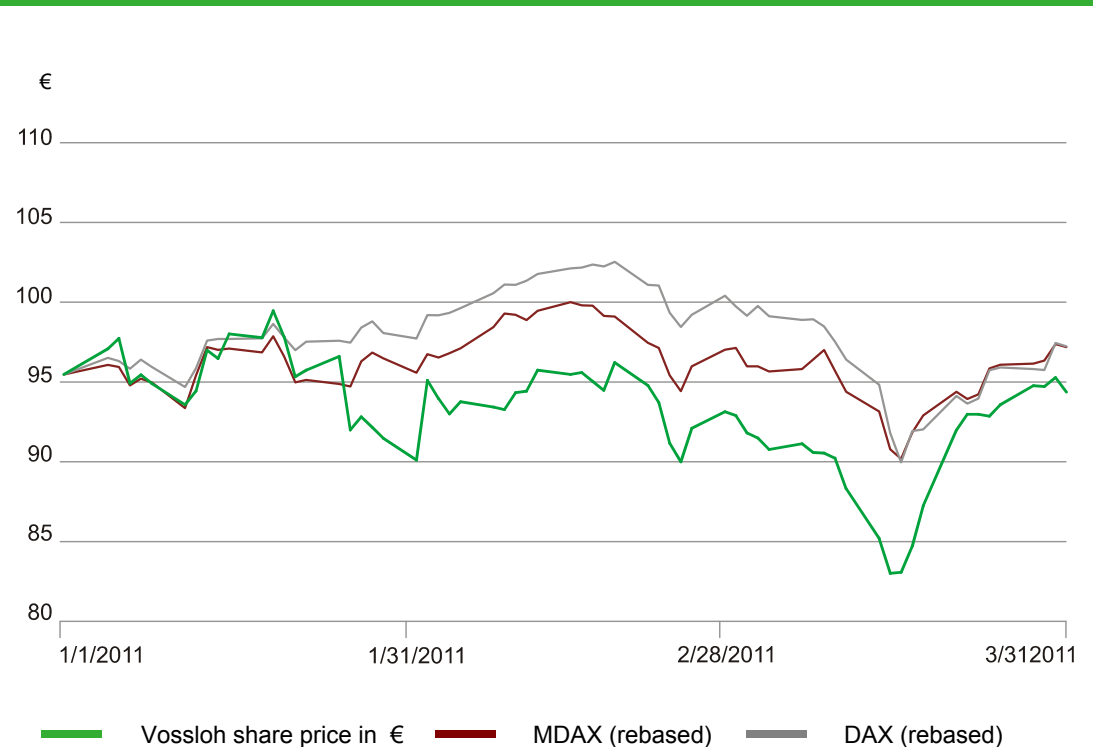
in Q1/2011:	72.4
in Q1/2010:	79.9

► **Number of shares outstanding**

at March 31, 2011: 13.325 mill.

► **Market capitalization**

at March 31, 2011: €1,258 mill.



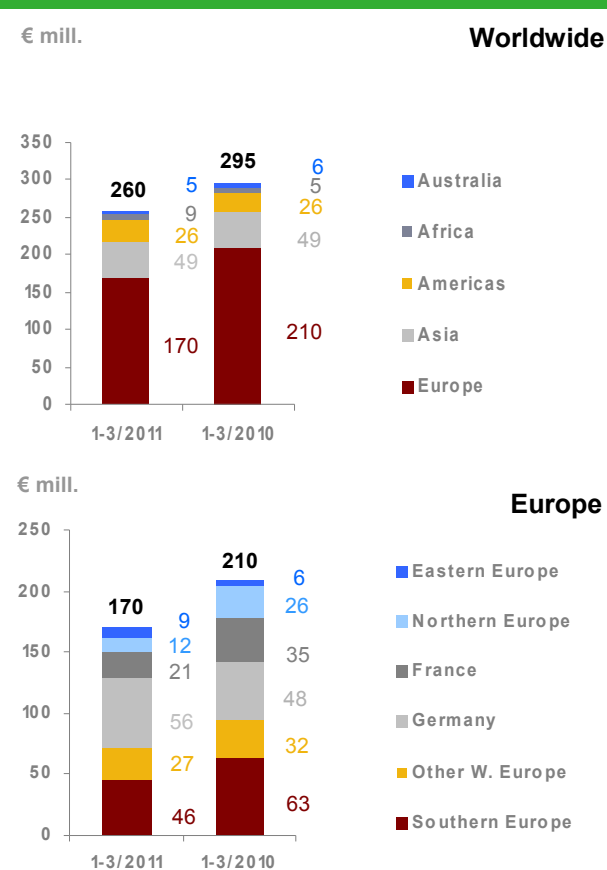
Vossloh Group, Q1/2011

Non-European share of total sales at 34.4%

- ▶ **European sales** down 18.7%
- ▶ German sales climbing to €56.3 million
- ▶ **Non-European sales** edging down 4.0% to €89.3 million, equivalent to 34.4% of group sales (up from 29.1%)
- ▶ Sales growth in the Americas and MENA

	Q1/2010 in € mill.	in %	Q1/2011 in € mill.	in %	Δ in %
Europe	209.5	70.9	170.2	65.6	-18.7
Americas	25.9	8.7	26.3	10.1	+1.5
Asia	49.2	16.7	48.9	18.8	-0.1
Africa	4.7	1.6	9.2	3.6	+95.7
Australia	6.1	2.1	4.9	1.9	-19.7
Total	295.4	100.0	259.5	100.0	-12.2

Sales Trend by Regions (€ mill.)



Vossloh Group, 2010–2012p

Favorable outlook reaffirmed

- ▶ Order backlog supports 2011 and 2012 budgets; large contracts especially upgrade prospects for Transportation
- ▶ Capex program continued in order to seize market opportunities whenever deemed expedient
- ▶ Ample financial scope for M&A in selected areas

	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.	approx. €330 mill.
Capital expenditures	€57.9 mill.	approx. €90 mill.	approx. €60 mill.
Average capital employed	€884.5 mill.	€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.	€100–150 mill.	<€150 mill.

* continuing operations



Financial diary and contacts

Financial diary

- ▶ May 25, 2011 Annual general meeting
- ▶ July 27, 2011 Interim report as of June 30, 2011¹
- ▶ October 27, 2011 Interim report as of September 30, 2011¹
- ▶ December 2, 2011 Investors and analysts conference¹

Contacts

- ▶ Werner Andree, CEO
- ▶ IR contacts: Lucia Mathée, Dr. Thomas Triska

Email: investor.relations@ag.vossloh.com

Phone: (+49-2392) 52-359

Fax: (+49-2392) 52-219

Internet: www.vossloh.com

¹ Conference call with financial analysts planned