

Presentation to Investors

March 29, 2012, Report on Fiscal 2011



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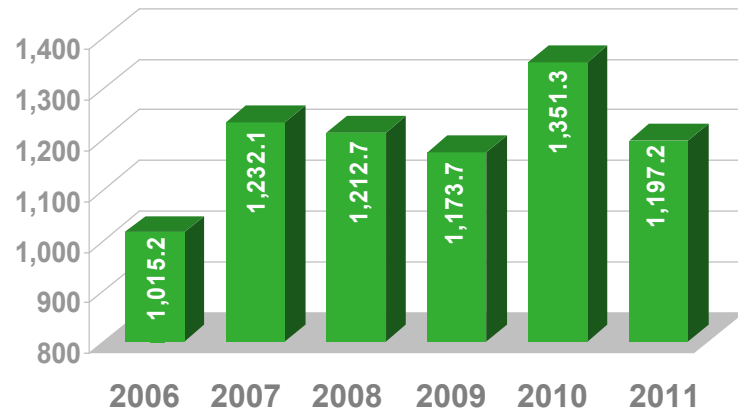
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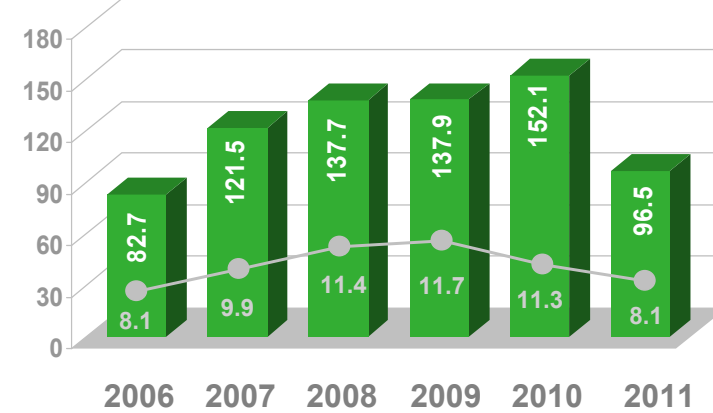
Vossloh Group, 5-year trends

Fiscal 2011 burdened by external factors

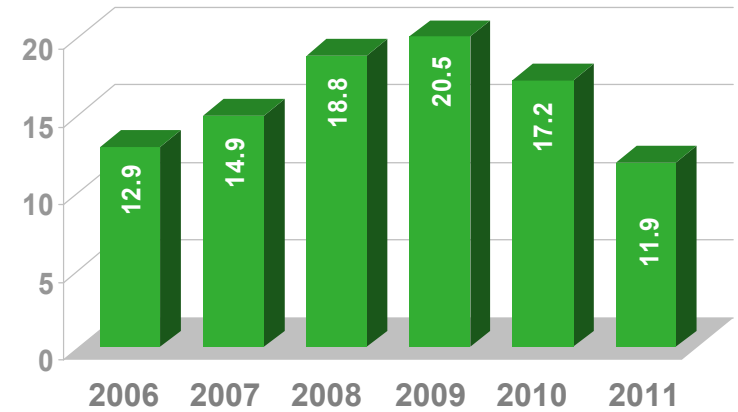
Sales in € million



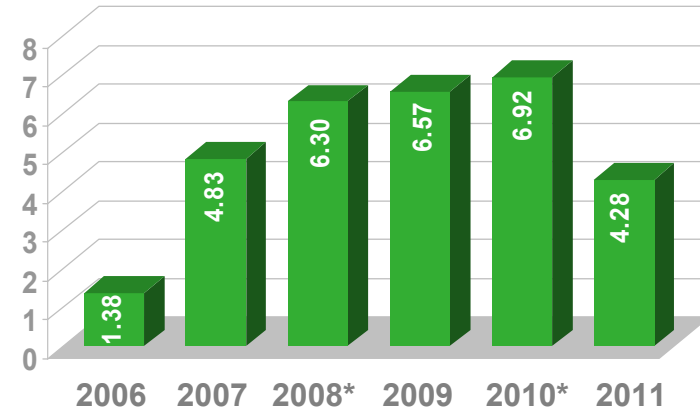
EBIT in € million/EBIT margin in %



ROCE in %



EpS in €



Vossloh Group, fiscal 2011

Project delays slim down sales and performance

- **Suspended shipments to Libya, delayed projects in China and muted demand in some of Europe's core markets depress business**
- **Sales 2011 below prior year's in both divisions**
- **EBIT margin** due to Rail Infrastructure's downtrend for the first time since 2007 below 10% benchmark
- **ROCE for the Group** well below 15% benchmark as Rail Infrastructure's ROCE shrinks
- Regular **dividend per share** to remain at **record level** of €2.50

	2010	2011	Δ in %
Sales (€ million)	1,351.3	1,197.2	-11.4
EBIT (€ million)	152.1	96.5	-36.5
EBIT margin (%)	11.3	8.1	—
Group earnings (€ million)	97.5	55.7	-42.8
Earnings per share (€)	6.92*	4.28	-38.2
ROCE (%)	17.2	11.9	—
Value added (€ million)	54.8	15.4	-71.9
Annual average headcount	4,984	5,000	+0.3



Vossloh Group, fiscal 2011

Financial indicators stay robust

- **Working capital intensity** markedly improved to 17.6% thanks to reviving locomotive business
- Decrease in **capital employed** mirroring lower working capital
- **Net financial debt** mounting after share buyback program

	12/31/2010	12/31/2011	Δ in %
Total assets (€ million)	1,405.8	1,512.3	+7.6
Total equity (€ million)	580.0	482.8	-16.8
Equity ratio (%)	41.3	31.9	—
Average working capital (€ million)	309.0	211.2	-31.7
Average working capital intensity (%)	22.9	17.6	—
Closing working capital (€ million)	258.0	200.3	-22.3
Closing working capital intensity (%)	19.1	16.7	—
Average capital employed (€ million)	884.5	811.4	-8.3
Closing capital employed (€ million)	848.6	825.9	-2.7
Net financial debt (€ million)	136.6	238.8	+74.8
Net leverage (%)	23.5	49.5	—



Vossloh Group, fiscal 2011

Cash flow benefiting from downscaled working capital

Cash flow trend (€ million)	2010	2011
EBIT	152.1	96.5
Amortization/depreciation/write-down (less write-up) of noncurrent assets	39.8	38.8
Net result of discontinued operations	5.3	—
Change in noncurrent accruals	(9.5)	(15.1)
Gross cash flow	187.7	120.2
Net book loss/(gain) from the disposal of tangible and intangibles	0.3	(1.6)
Change in working capital	(7.3)	54.6
Noncash change in shares in associated affiliates, other noncash income/expenses (net), change in other assets/liabilities (net)	(8.9)	(4.2)
Cash outflow for income taxes	(34.7)	(30.5)
Net cash provided by operating activities	137.1	138.5
Cash outflow for additions to tangibles/intangibles	(57.9)	(65.6)
Freely available cash flow¹	79.2	72.9



- **Gross cash flow** down year-on-year after EBIT slumps
- **Net cash provided by operating activities** virtually stable
- **Freely available cash flow** at €72.9 million

Rail Infrastructure, fiscal 2011

Declining business due to project delays and competitive pressure

- Sales below prior-year record level **mainly after business in China recedes**
- Sales dip and **price squeeze** erode **EBIT** and **EBIT margin**
- **Fastening Systems** heavily burdened by project delays; sales shrinking 28.9% to €262.8 million (down from €369.4 million)
- **Switch Systems** reporting virtually unchanged sales at €433.0 million
- **Rail Services** raising sales to €87.7 million (up from €84.8 million)

	2010	2011	Δ in %
Sales (€ million)	891.5	778.8	-12.6
EBIT (€ million)	141.9	86.2	-39.3
EBIT margin (%)	15.9	11.1	—
Average working capital (€ million)	269.4	249.3	-7.5
Closing working capital (€ million)	234.5	249.2	6.3
Average capital employed (€ million)	688.7	683.1	-0.8
Closing capital employed (€ million)	666.5	704.2	5.7
ROCE (%)	20.6	12.6	—
Value added (€ million)	66.1	17.9	-73.0



Transportation, fiscal 2011

Sales down as expected,
Vossloh Locomotives stays on uphill track

- Sales in 2011 still suffering from poor order activity in previous years
- EBIT inching up; EBIT margin and ROCE significantly boosted
- Sales by **Transportation Systems** down 8.2% to €279.9 million (from €304.8 million)
 - **Vossloh Rail Vehicles:** sales contracting 22.7% to €156.4 million (down from €202.5 million)
 - **Vossloh Locomotives:** sales swelling 20.5% to €123.5 million (up from €102.5 million)
- Sales at **Electrical Systems** declining 8.4% to €146.7 million (down from €160.0 million)

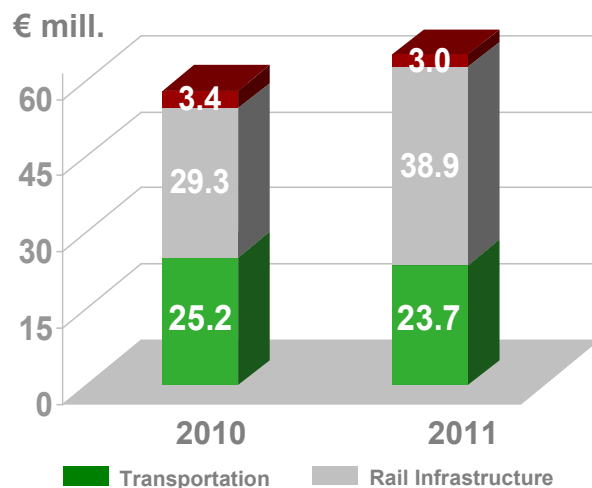
	2010	2011	Δ in %
Sales (€ million)	459.7	420.0	-8.6
EBIT (€ million)	27.5	27.8	+1.1
EBIT margin (%)	6.0	6.6	—
Average working capital (€ million)	45.9	-31.3	—
Closing working capital (€ million)	31.3	-41.4	—
Average capital employed (€ million)	189.5	124.6	-34.2
Closing capital employed (€ million)	180.3	117.8	-34.7
ROCE (%)	14.5	22.3	—
Value added (€ million)	6.6	15.3	+131.1



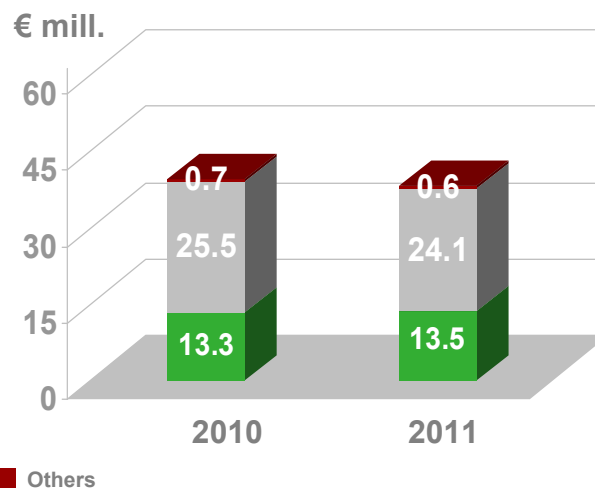
Vossloh Group, fiscal 2011

Climbing capex and constant high-level amortization/depreciation
all as budgeted

Capital expenditures



Amortization/depreciation



€ million	2010	2011	Δ in %
Group			
Capex	57.9	65.6	+7.8
Amortiz./depreciation	39.5	38.2	-3.3
Rail Infrastructure			
Capex	29.3	38.9	+9.5
Amortiz./depreciation	25.5	24.1	-5.5
Transportation			
Capex	25.2	23.7	-1.5
Amortiz./depreciation	13.3	13.5	+0.3

Capital outlays by the **Vossloh Group** up year-on-year as budgeted

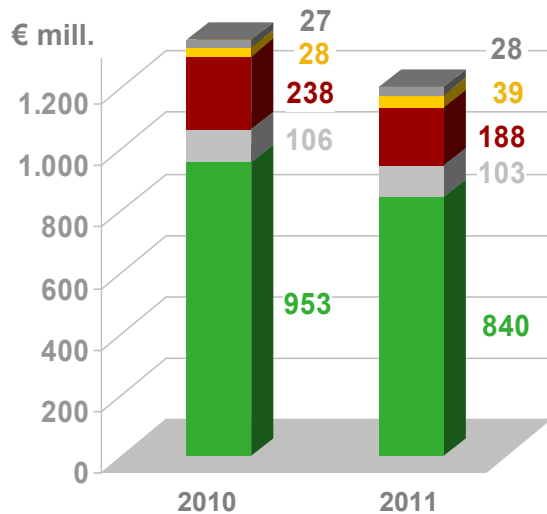
Rail Infrastructure: €17.8 million spent by Vossloh Switch Systems and €10.9 million by Vossloh Fastening Systems. In both business units used for expansion, at Switch Systems also for modernization. Vossloh Rail Services spends €10.1 million on the construction of new high-speed grinding trains

Transportation: Vossloh Transportation Systems invested €15.8 million with focus on the development of new locomotive models and commuter trains. Vossloh Electrical Systems incurred capex of €7.9 million for capacity additions at its head office

Vossloh Group, fiscal 2011

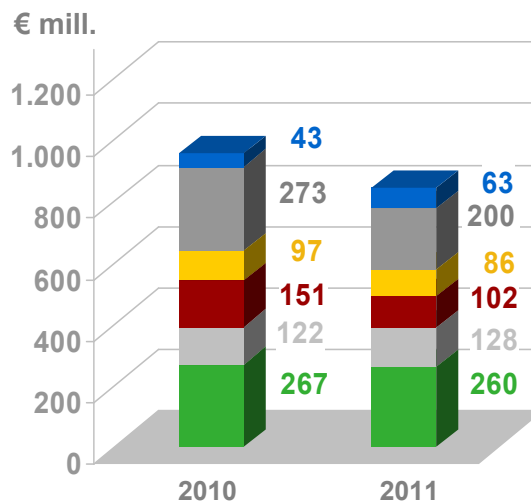
Business in China and Southern Europe wilting, MENA and other Asia buoyant, Americas, Australia, Germany and France stable

■ Sales trend worldwide



■ Europe ■ Americas ■ Asia
 ■ Africa ■ Australia

■ Sales trend in Europe



■ Germany ■ France ■ Other W. Europe
 ■ N. Europe ■ S. Europe ■ Eastern Europe

	% share 2010	% share 2011	Sales Δ in %
Europe	70.5	70.2	-11.9
Americas	7.9	8.6	-3.5
Asia	17.6	15.6	-20.9
Africa	2.0	3.3	+42.2
Australia	2.0	2.3	+2.1
Total	100.0	100.0	-11.4

- Europe's share in total sales at 70.2% virtually unchanged
- Sales in **Germany** inching down, in **France** edging up
- Poor demand in **Southern Europe**; again **steep growth in Eastern Europe** (mainly Poland and Azerbaijan)
- **Outside Europe** sales losing 10.3%; share of total group sales at 29.8% (up from 29.5%)
- Project delays in China weigh on **Asian** business; **Africa** and **Middle East**: sales growth despite halted shipments to Libya

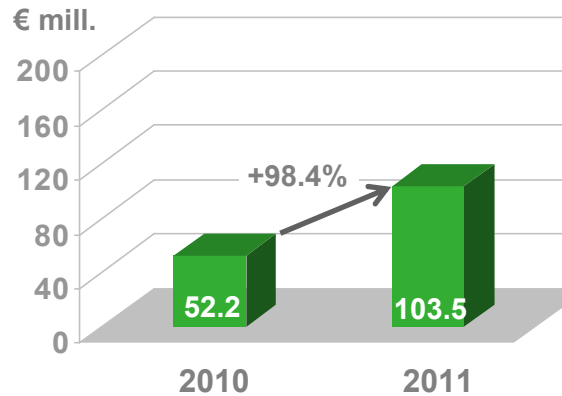
Vossloh Group, Africa and Middle East

Clear growth despite contract suspension in Libya

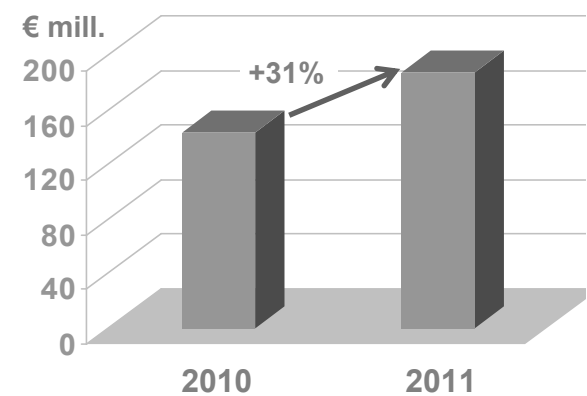
Selected countries of relevance to Vossloh:

- Algeria
- Egypt
- Mauretania
- Morocco
- Tunisia
- South Africa
- Libya
- Israel
- Iran
- Iraq
- Saudi Arabia

Regional sales



Order intake



- Business units engaging in the region: Fastening Systems, Switch Systems, Transportation Systems: Rail Vehicles
- Sustainable growth in Africa, chiefly commodity haulage by rail but also local public transport and long-distance traffic
- Rail infrastructure projects in the Middle East offering prospects for the next 5 to 10 years
- Fastening systems contract for Moroccan high-speed line (200 km, Tangier–Rabat–Casablanca) representing new reference for ballast tracks



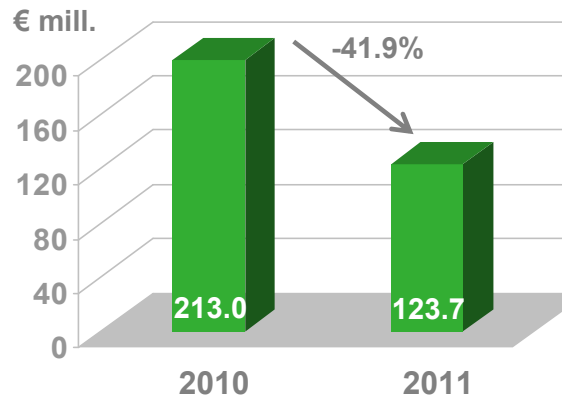
Vossloh Group, Asia

China slumps from 2010 record level; new customers acquired for rail infrastructure projects in several countries

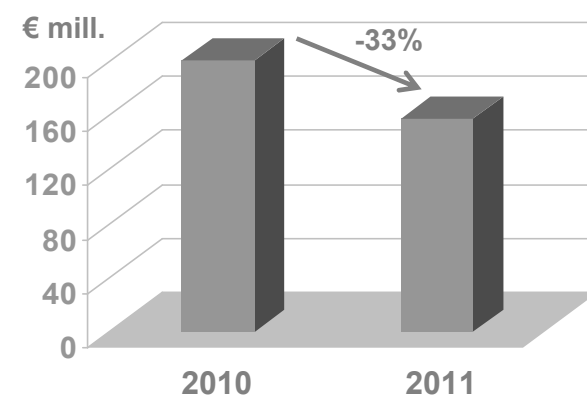
Selected countries of relevance to Vossloh:

- China
- Malaysia
- Taiwan
- India
- Kazakhstan
- Thailand
- Singapore
- Korea

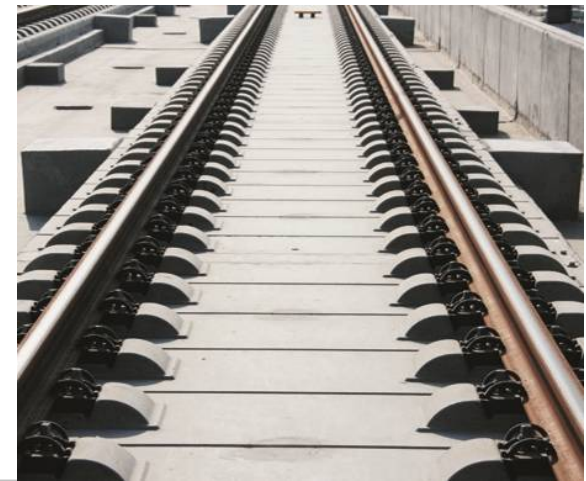
Regional sales



Order intake



- Business units with local activity: Fastening Systems, Switch Systems
- Switch Systems to start in 2012 switch production in China with new joint venturer for local transit; high-speed project progress in China hard to time
- Regional sales outside China booming
- Local public transport expansion and improvement a prime driver for sustainable growth in all countries of the region; selected heavy-haul projects (e.g. in Indonesia) offering bright prospects for the years ahead



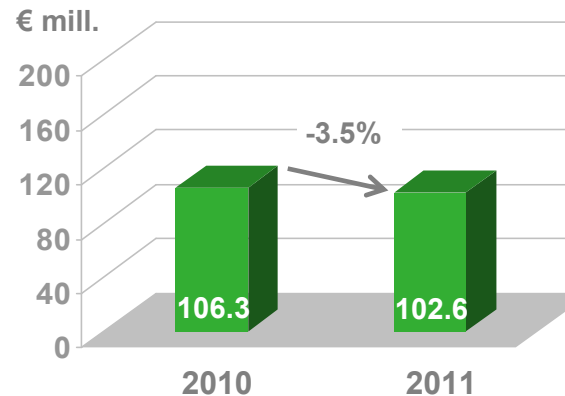
Vossloh Group, Americas

Cargo haulage recovery a buttress of US business;
South America shows added momentum

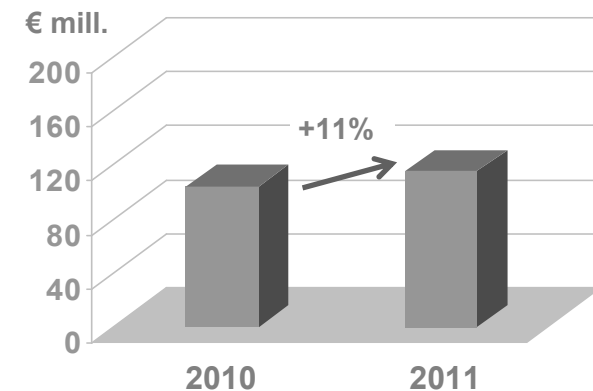
■ Countries of relevance to Vossloh:

- Canada
- USA
- Mexico
- Argentina
- Brazil
- Chile

■ Regional sales



■ Order intake



- Business units: Switch Systems, Fastening Systems, Transportation Systems: Rail Vehicles, Electrical Systems
- Demand for heavy cargo haulage modernization boosting Rail Infrastructure business in the United States; key accounts are Class I transport operators, however, whose order activity will generally remain cyclic
- Public transport/rapid transit offer potential for Electrical Systems and Rail Vehicles
- Metropolitan projects and construction of freight railway lines prime drivers for business in South America, in addition to the upcoming FIFA World Cup and the Olympics

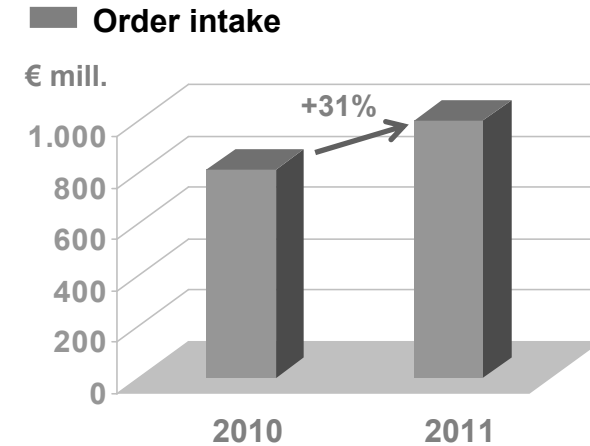
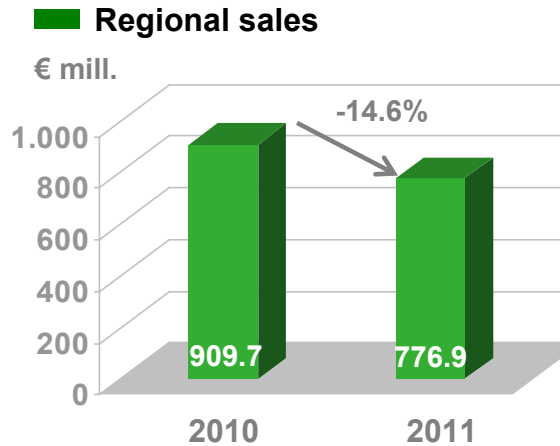


Vossloh Group, Western/Northern/Southern Europe

Frail demand in Southern Europe,
stable business in Western and Northern Europe

■ Countries of relevance to Vossloh:

- Germany
- France
- Belgium
- UK
- Luxembourg
- Netherlands
- Austria
- Switzerland
- Finland
- Denmark
- Norway
- Sweden
- Italy
- Portugal
- Spain
- Turkey



- Business units: Fastening Systems, Switch Systems, Rail Services, Transportation Systems, Electrical Systems
- Replacement purchases and selected projects (e.g. Gotthard AlpTransit initiative, PPP urban projects in France, high-speed line Vienna–St. Pölten) to leave overall business in Western Europe at a high stable level
- Persistent budgetary constraints to tie demand in Southern Europe down to low level of 2011, except only for Turkey where urban projects will continue to boost business over the years to come
- Demand for conventional rail infrastructure products to govern business in Northern Europe



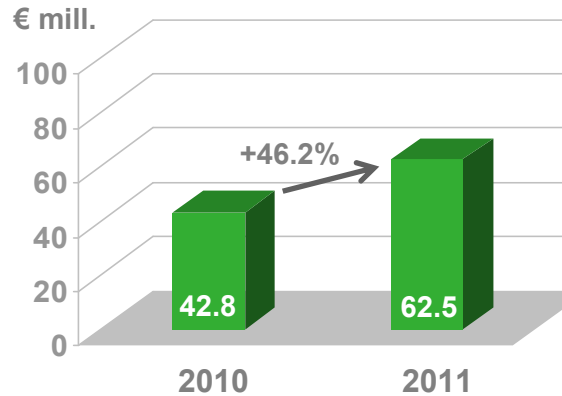
Vossloh Group, Eastern Europe and Russia

Rail network modernization and urban projects ensure bright prospects for the years ahead

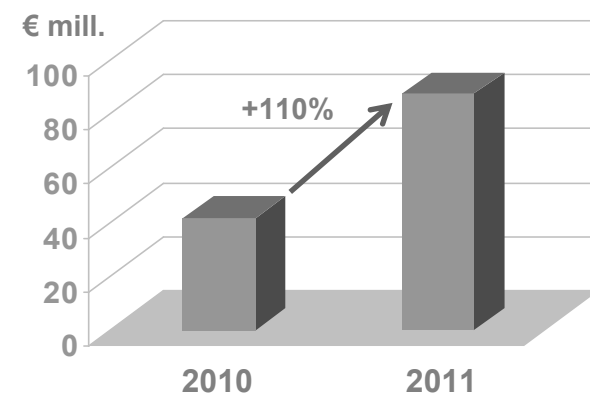
Selected countries of relevance to Vossloh:

- Poland
- Hungary
- Czech Republic
- Serbia
- Bulgaria
- Lithuania
- Russia
- Azerbaijan

Regional sales



Order intake



Business units: Fastening Systems, Switch Systems, Transportation Systems: Vossloh Locomotives, Electrical Systems

Opportunities for each business unit in local markets hinging on different factors:

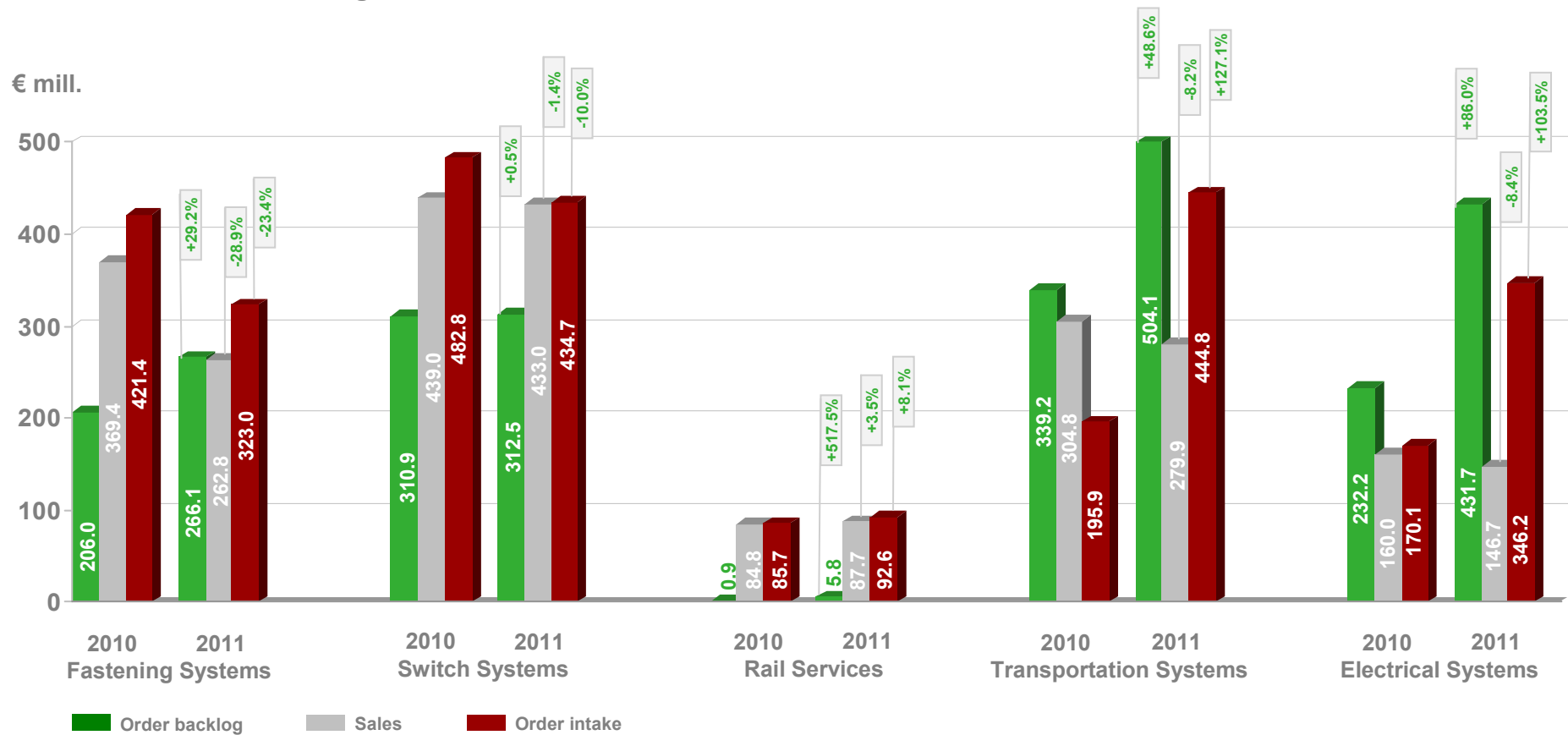
- Fastening Systems supplies products for existing lines and planned high-speed line in Russia
- Switch Systems and Vossloh Locomotives provide products for West-East freight transport corridors
- Electrical Systems benefits from demand for urban projects



Vossloh Group, fiscal 2011

Group order intake of €1,609 million and backlog of €1,496 million at record high

Order intake, order backlog, sales



Vossloh Group, outlook 2011–2013p

Vossloh returning to growth track

- **Outlook** for 2012 and 2013 supported by tall order backlog
- **Value-oriented growth:** organic and through M&A
- **Rail Infrastructure division** to be revitalized through ongoing internationalization and to cement market position also by improving cost structures
- **Transportation division** to benefit increasingly from overwhelming order inflow in 2011

	2011	2012p	2013p
Sales (€ billion)	1.2	1.25–1.3	1.3–1.35
EBIT (€ million)	96.5	approx. 100–110	approx. 120–130
EBIT margin (%)	8.1	8.0–8.5	9.0–10.0
Earnings per share (€)	4.28	4.50–5.00	5.80–6.20
Average working capital (€ million)	211.2	>175	>155
Capital expenditures (€ million)	65.6	approx. 79	approx. 65
Average capital employed (€ million)	811.4	approx. 800	approx. 820
ROCE (%)	11.9	12.5–14.0	14.5–16.0
Value added (€ million)	15.4	>20	>40
Net financial debt (€ million)	238.8	>170	>180



Rail technology specialist in leading market positions

Vossloh AG

Rail Infrastructure



Vossloh Fastening Systems



Vossloh Switch Systems



Vossloh Rail Services

Transportation



Transportation Systems

Vossloh Locomotives



Vossloh Rail Vehicles



Vossloh Electrical Systems

Financial diary and contacts

Financial diary

- April 26, 2012 Interim report as of March 31, 2012¹
- May 23, 2012 Annual general meeting
- July 26, 2012 Interim report as of June 30, 2012¹
- October 31, 2012 Interim report as of September 30, 2012¹
- December 6, 2012 Investors and analysts conference¹

Contacts

- Werner Andree, CEO
- IR contact: Lucia Mathée
- Email: investor.relations@ag.vossloh.com
Phone: (+49-2392) 52-359
Fax: (+49-2392) 52-219
Internet: www.vossloh.com