

Presentation to Investors

April 26, 2012, interim report as of March 31, 2012



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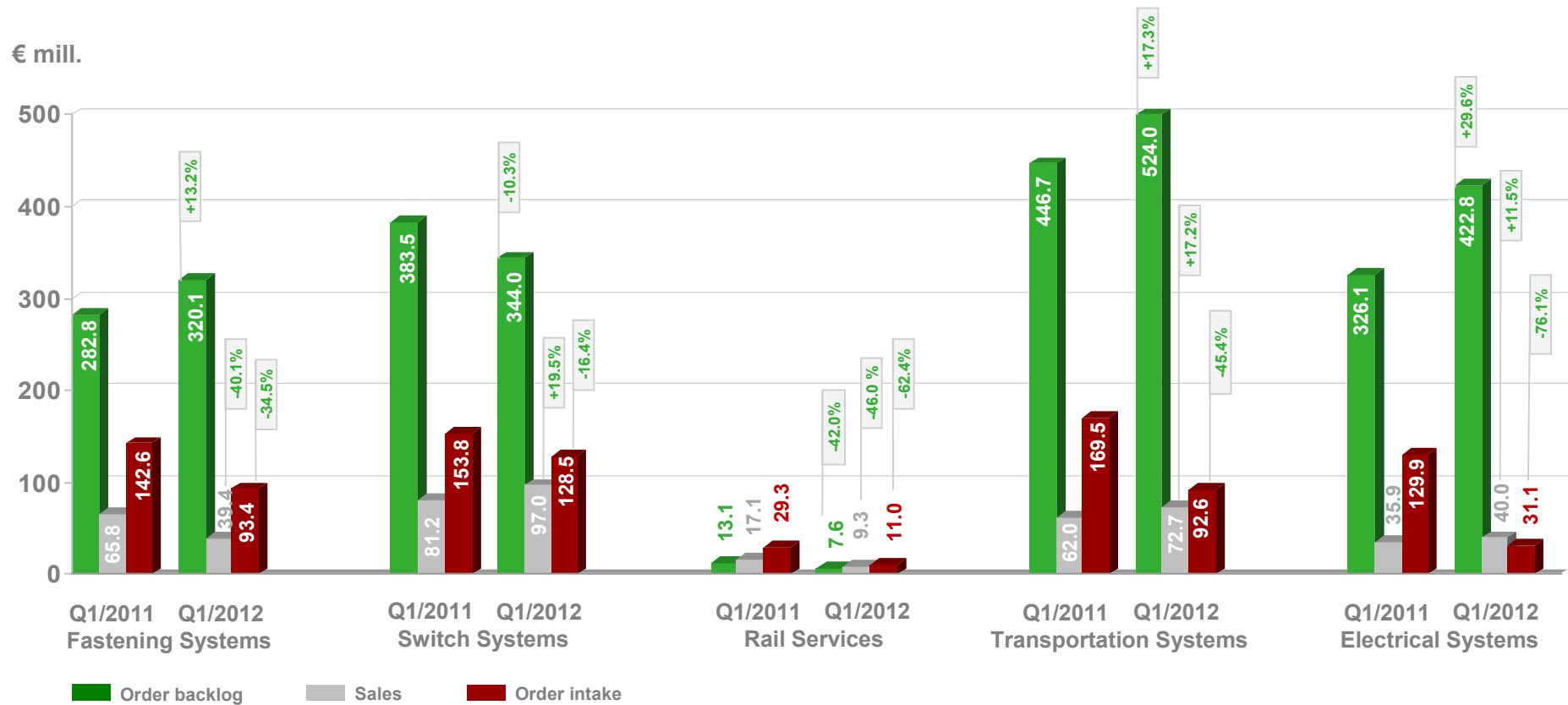
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Vossloh Group, Q1/2012

Order intake at €353.6 million continuing solid,
order backlog at an all-time high of €1,594.2 million

Order intake, order backlog and sales



Vossloh Group, Q1/2012

Vossloh starting at a moderate pace as expected

- Delayed projects in China and muted demand in Southern Europe depress business
- Sales in Q1: Transportation's up, Rail Infrastructure's down
- Q1 EBIT margin of the Group slumping year-on-year after the Rail Infrastructure division's plunged
- Group ROCE below 15% benchmark due to Rail Infrastructure's current poor ROCE
- Group earnings burdened by higher interest expense and tax load ratio

	Q1/2011	Q1/2012	Δ in%
Sales (€ million)	259.5	255.7	-1.5
EBIT (€ million)	18.0	10.2	-43.4
EBIT margin (%)	6.9	4.0	—
Group earnings (€ million)	10.5	4.2	-60.0
Earnings per share (€)	0.78	0.35	-55.5
ROCE (%)	8.9	5.0	—
Value added (€ million)	(2.2)	(10.1)	—
Average headcount	4,937	5,013	+1.5



Vossloh Group, Q1/2012

Working capital again upgraded

- Higher customer prepayments again improve **working capital**; **capital employed** at year-earlier level despite higher fixed assets
- Equity ratio** at a solid 32%; stock buyback slashes equity year-on-year
- Net financial debt** well up from level at March 31, 2011, but down from December 31, 2011

	3/31/2011	3/31/2012	Δ in %
Total assets (€ million)	1,444.3	1,510.4	+4.6
Total equity (€ million)	590.8	486.5	-17.6
Equity ratio (%)	40.9	32.2	—
Average working capital (€ million)	219.8	183.7	-16.4
Average working capital intensity (%)	21.2	18.0	—
Closing working capital (€ million)	190.7	159.2	-16.5
Closing working capital intensity (%)	18.4	15.6	—
Average capital employed (€ million)	808.8	809.0	+0.0
Closing capital employed (€ million)	776.3	783.9	+1.0
Net financial debt (€ million)	70.0	191.5	—
Net leverage (%)	11.8	39.4	—



Vossloh Group, Q1/2012

Freely available cash flow at €46 million

Cash flow trend (€ million)	Q1/2011	Q1/2012
EBIT	18.0	10.2
Amortization/depreciation/write-down (less write-up) of noncurrent assets	9.7	9.8
Net result of discontinued operations	—	—
Change in noncurrent accruals	(4.4)	0.6
Gross cash flow	23.3	20.6
Net book loss/(gain) on disposal of tangible and intangibles	(1.6)	0.0
Change in working capital	60.0	40.7
Noncash change in shares in associated affiliates, other noncash income/expenses (net), change in other assets/liabilities (net)	(3.1)	(1.9)
Cash outflow for income taxes	(6.9)	(2.8)
Net cash provided by operating activities	71.7	56.6
Cash outflow for additions to tangibles/intangibles	(14.8)	(10.7)
Freely available cash flow¹	56.9	45.9



- **Gross cash flow** depressed by weaker EBIT vs. Q1/2011
- **Cash flow from operating activities** down despite repeated working capital upgrade
- **Freely available cash flow** at €45.9 million

Rail Infrastructure, Q1/2012

Project postponements continue to weigh on business

- **Sales down year-on-year mainly due to postponed call-offs in China**
- **Sales dip erodes EBIT and EBIT margin**
- **Fastening Systems:** 40.1% sales plunge to €39.4 million (down from €65.8 million). New orders from Kazakhstan, Germany, Saudi Arabia and France.
- **Switch Systems:** 19.5 sales surge from year-earlier €81.2 million to €97.0 million thanks to brisk business in Iraq and Europe. New contracts from the USA, Europe, and Australia
- **Rail Services:** steeper-than-expected sales downturn by 46.0% from €17.1 million to €9.3 million as rail-welding order volume shrank

	Q1/2011	Q1/2012	Δ in %
Sales (€ million)	163.1	145.2	-11.0
EBIT (€ million)	15.6	7.9	-49.1
EBIT margin (%)	9.6	5.5	—
Average working capital (€ million)	224.5	226.4	+0.8
Average capital employed (€ million)	651.1	680.5	+4.5
Closing capital employed (€ million)	640.9	674.8	+5.3
ROCE (%)	9.6	4.7	—
Value added (€ million)	(0.7)	(9.1)	—



Transportation, Q1/2012

Locomotive business revival boosts sales

- First-quarter **sales** boosted by both business units, as budgeted
- **EBIT** well above year earlier; **EBIT margin** and **ROCE** improved
- **Transportation Systems:** sales reved up y.o.y. by 17.2%, from €62.0 million to €72.7 million
 - **Vossloh Rail Vehicles:** up 15.1% from €36.5 million to €42.0 million
 - **Vossloh Locomotives:** up 20.3% from €25.5 million to €30.7 million
- **Electrical Systems:** sales advancing y.o.y. 11.5%, from €35.9 million to €40.0 million

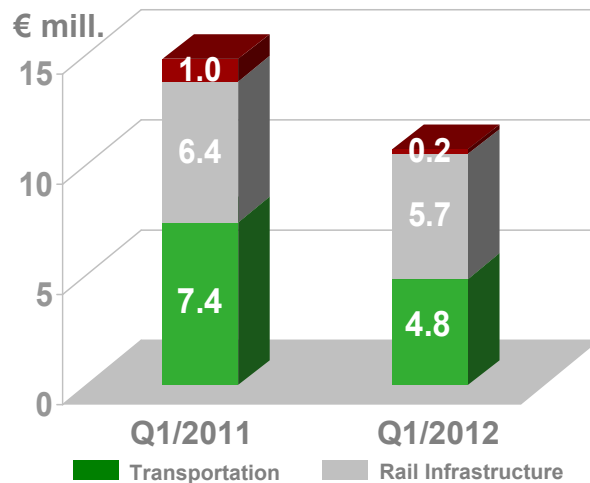
	Q1/2011	Q1/2012	Δ in%
Sales (€ million)	96.4	110.5	+14.6
EBIT (€ million)	6.1	7.5	+23.7
EBIT margin (%)	6.3	6.8	—
Average working capital (€ million)	(1.8)	(35.1)	—
Average capital employed (€ million)	151.2	124.6	-17.6
Closing capital employed (€ million)	138.9	107.2	-22.8
ROCE (%)	16.0	24.0	—
Value added (€ million)	2.3	4.4	+92.1



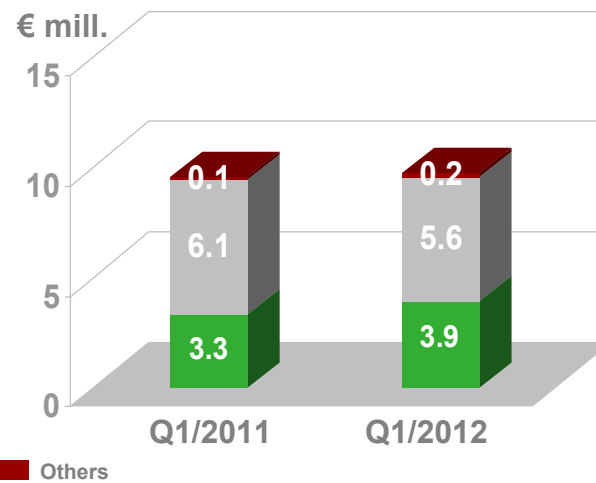
Vossloh Group, Q1/2012

Lower capital outlays at both divisions; full-2012 capex budget again upsized

Capital expenditures



Amortization/depreciation



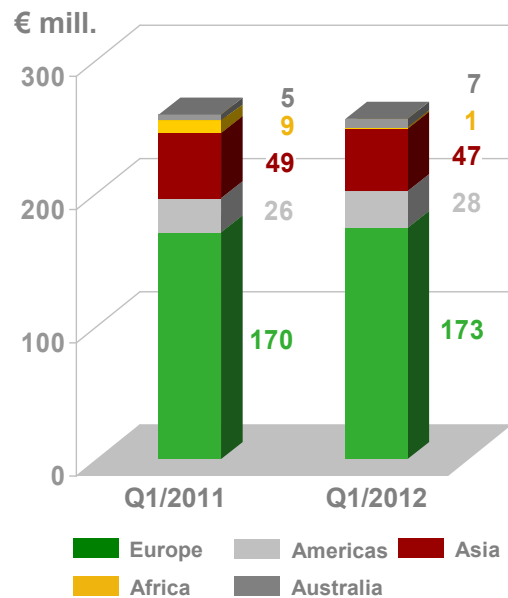
€ million	Q1/2011	Q1/2012	Δ in %
Group			
Capex	14.8	10.7	-27.3
Amort./depreciation	9.5	9.7	+2.1
Rail Infrastructure			
Capex	6.4	5.7	-11.0
Amort./depreciation	6.1	5.6	-6.7
Transportation			
Capex	7.4	4.8	-35.3
Amort./depreciation	3.3	3.9	+16.8

- Rail Infrastructure:** outlays of €3.4 million by Vossloh Switch Systems and €0.5 million by Vossloh Fastening Systems for capacity expansion and restructuring, Vossloh Switch Systems additionally for its switch production plant in China. At Vossloh Rail Services €1.8 million went into the construction of new high-speed grinding trains and into a new mobile rail welder.
- Transportation:** capex at Vossloh Transportation Systems totaled €3.9 million in Q1 and targets the development of new locomotive models and local transport trains. Vossloh Electrical Systems invested €0.9 million to complete the capacity expansion project at its principal location

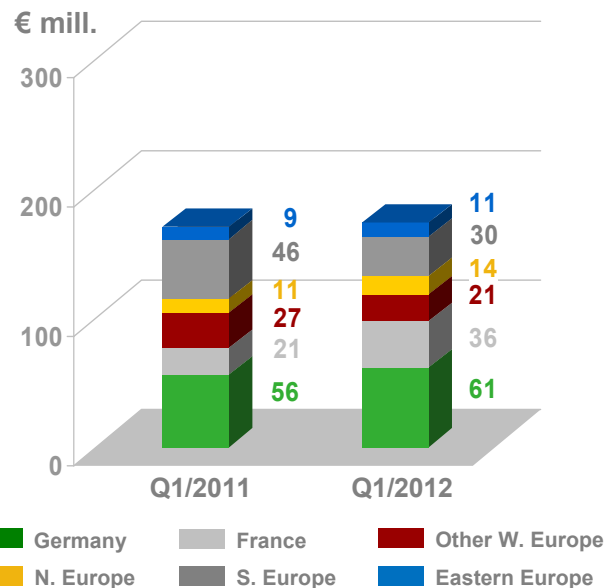
Vossloh Group, Q1/2012

Business downturn in China and Southern Europe continuing, Asia remaining biggest non-European market

■ Sales trend worldwide



■ Sales trend in Europe



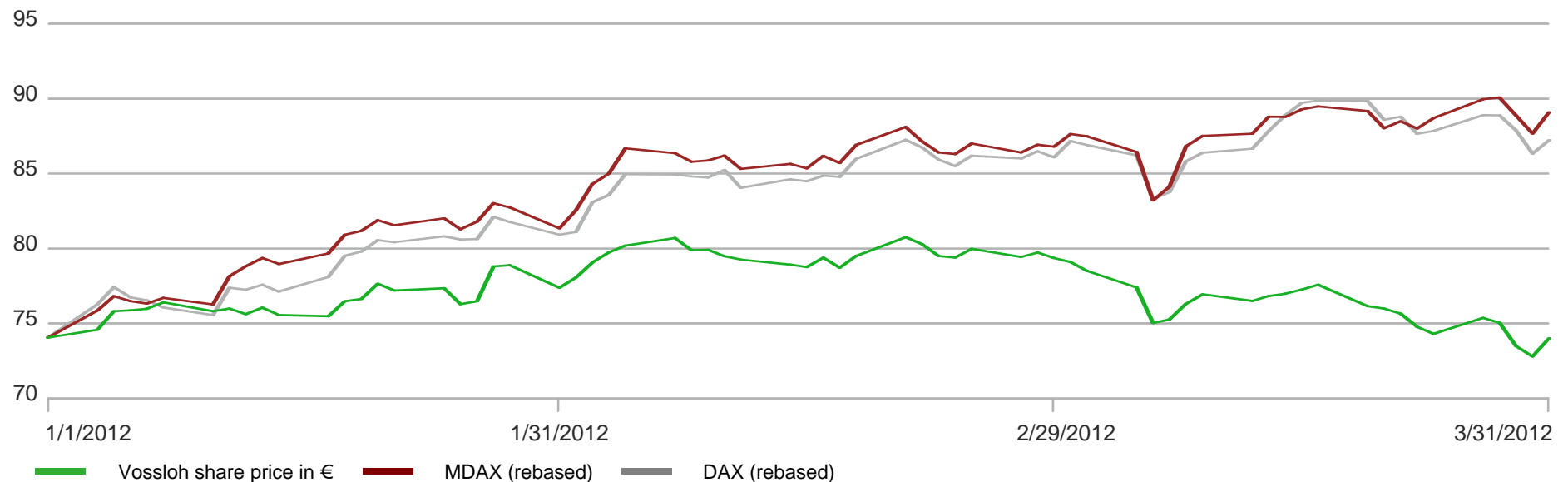
	% share Q1/2011	% share Q1/2012	Sales Δ in %
Europe	65.6	67.6	+1.5
Americas	10.1	11.0	+7.0
Asia	18.8	18.3	-4.1
Africa	3.6	0.5	-86.6
Australia	1.9	2.6	+36.9
Total	100.0	100.0	-1.5

- Europe's share in total sales at 67.6% slightly above year earlier
- Germany and France showing significant sales growth
- Muted demand in Southern Europe; again steep growth in Eastern Europe (mainly Poland and Azerbaijan)
- Share of regions outside Europe in group sales at 32.4% (down from 34.4%)
- Project delays in China burden business in Asia; business in the Americas continues buoyant

Vossloh stock

Vossloh share price level remains unchanged, underperforms overall market

■ Vossloh stock price trend from 1/1/2012–3/31/2012



■ Market capitalization at 3/31/2012:	€887.7 million
■ Closing price at 3/31/2012:	€74.02
■ Performance in Q1/2012:	DAX: 17.8%
	MDAX: 20.3%
	Vossloh: -0.1%

Vossloh Group, outlook 2012–2013p

Vossloh returning to growth track

- **Outlook** for 2012 and 2013 endorsed 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 excellent order inflow in 2011

	2011	2012p	2013p
Sales (€ billion)	1.2	1.25–1.3	1.3–1.35
EBIT (€ million)	96.9	approx. 100–110	approx. 120–130
EBIT margin (%)	8.1	8.0–8.5	9.0–10.0
Earnings per share (€)	4.30	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)	15.8	>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

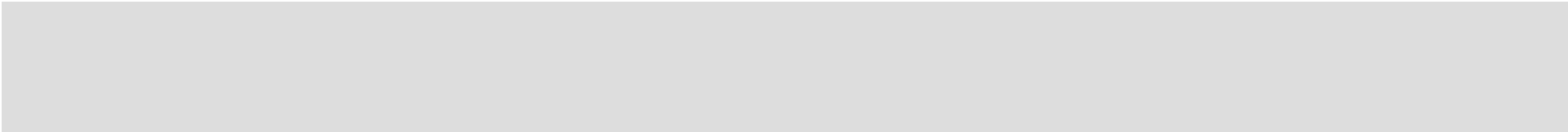


Vossloh Rail Vehicles



Vossloh Electrical Systems

Notes



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Financial diary and contacts

Financial diary

- 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

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