



## **Ad hoc: Electrical Systems business unit is presented as “discontinued operations”**

10/27/2016

### **Publication of inside information pursuant to Article 17 MAR**

As of September 30, 2016, Vossloh has presented the Electrical Systems business unit as “discontinued operations”. As a result of the advanced stage of negotiations on the sale of the business unit, the Executive Board assumes that a sale will, in all likelihood, take place in the coming months. As of September 30, based on the current status of negotiations, an impairment loss of approximately EUR 9 million was incurred on the carrying amount of the Electrical Systems business unit in accordance with IFRS 5. Vossloh currently expects a net cash inflow in the low to middle double-digit million range from the sale of the business unit. Electrical Systems in Duesseldorf is one of the two business units of the Transportation division which is held for sale. Business activities are focused on the production of electric systems for local transport rail and road vehicles. Following the sale of the Rail Vehicles business unit which was completed already in the previous year, the planned sale of the Electrical Systems business unit represents a further step in the implementation of the Group strategy of focusing on rail infrastructure as announced in December 2014.

Sales from continuing operations of the Vossloh Group – not including the Electrical Systems business unit – were €664.1 million in the first nine months of 2016 and thus 4.3% below the level of the previous year (€694.3 million). Earnings before interest and taxes (EBIT) from continuing operations reached €34.7 million in the reporting period. In the first nine months of 2015, the comparable EBIT figure was €29.7 million. The EBIT margin from continuing

operations after nine months of the current year was 5.2% (previous year: 4.3%). A calculation on the basis of the Group structure not including the Electrical Systems business unit which is held for sale results in an adjusted sales expectation for full-year 2016 of between €930 and €970 million and an EBIT margin of between 4.5% and 5.0%. For 2017, the previous expectation including the Electrical Systems business unit was an EBIT margin of between 5.5% and 6.0%. Excluding Electrical Systems, an EBIT margin at the higher end of the range stated is expected for 2017.