Presentation to Investors

November 2012
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Vossloh Group

Rail technology specialist in leading market positions

Rail Infrastructure

Fastening Systems
Switch Systems
Rail Services

Transportation

Transportation Systems
  Vossloh Locomotives

Vossloh Rail Vehicles

Electrical Systems
Vossloh Group

Vossloh Fastening Systems

- Sales 2011: **€263 million**, workforce: 573
- A worldwide market leader in rail fastening systems
- Products used in over 65 countries
- Exports 80% of total sales
- Elastic rail fastening systems, screwed, bolted and maintenance-free, for ballast and ballastless tracks (high-speed), for mainline & conventional lines, heavy-haul tracks and urban rail haulage (LRT)
- More than 120 years of experience.
Vossloh Group

Vossloh Switch Systems

- Sales 2011: **€433 million**, workforce: 2,273
- A *worldwide leader* in switch and crossing systems
- 27 *production locations* in 19 countries
- Exports more than 85% of total sales
- Standard, high-speed and specialty (heavy-haul) switches to all international standards
- Signaling components, switch actuators, locking devices and monitoring systems
- More than a century of experience
Vossloh Group

Vossloh Rail Services

- Since 2010 part of the Vossloh group
- Sales 2011: €88 million, workforce: 360
- Rail grinding, specifically high-speed grinding (HSG—an innovative high-speed grinding technique as preventive maintenance measure), mobile, semi-stationary and stationary rail welding, rail milling, rail testing
- Customers: rail producers and rail operators (e.g. German Rail)
- A leader in the German market for comprehensive rail servicing and logistics
- More than 60 years of experience
Vossloh Group

Transportation Systems, Vossloh Locomotives

- Sales 2011: **€124 million**, workforce: 468
- A leader in the European market for ultramodern **diesel-hydraulic and diesel-electric locomotives** for shunting and mainline applications
- Locomotives from 400 to 2700 kW that regularly set new standards in their respective fields
- One-stop provider of development, construction, production and excellent support services within Europe (maintenance, repair and refurbishment of locomotives).
- Provision of ecologically compatible technologies based on a **modular platform concept**
- Locomotives homologated for a wide range of European countries to permit flexible cross-border operation
- More than 90 years of experience
Vossloh Group

Transportation Systems, Vossloh Rail Vehicles

- Sales 2011: €156 million, workforce: 619
- Europe’s leading manufacturer of diesel-electric locomotives
- Metro and LRV systems
- State-of-the-art technology and optimum quality typify the whole range of our products
- Manufacturer of Europe’s most powerful diesel-electric locomotive, the EURO 4000
- Provision of maintenance services for locomotive bogies and passenger trains
- Exports to the United States, the United Kingdom, France, Switzerland, Portugal, Algeria, Egypt, Brazil, and other countries
- More than a century of experience
Vossloh Group

Vossloh Electrical Systems

- Sales 2011: €147 million, workforce: 661
- Vossloh Kiepe supplies innovative electrical systems for mass transit vehicles as well as traction systems for electric road vehicles and locomotives
- The product range includes integrated systems for new vehicles, vehicle overhaul work, turnkey projects, components, and a wide range of services
- A worldwide service and sales network ensures fast and competent customer support
- More than 100 years of experience—worldwide
- Sustainable development by implementing environment-friendly public transit with zero-emission electric traction, hybrid systems, and fuel-cell applications
Vossloh Group, 9 months 2012

Order intake at €945.5 million continuing healthy, order backlog again at a record €1.550.3 million

Order backlog, sales and order intake, by business unit

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Fastening Systems</td>
<td>275.2</td>
<td>200.8</td>
<td>270.0</td>
<td>281.9</td>
<td>200.8</td>
<td>216.2</td>
<td>+18.9%</td>
</tr>
<tr>
<td>Switch Systems</td>
<td>332.1</td>
<td>308.7</td>
<td>330.0</td>
<td>336.1</td>
<td>308.7</td>
<td>343.3</td>
<td>+12.5%</td>
</tr>
<tr>
<td>Transportation Systems</td>
<td>285.0</td>
<td>206.7</td>
<td>288.7</td>
<td>325.8</td>
<td>206.7</td>
<td>225.5</td>
<td>+11.0%</td>
</tr>
<tr>
<td>Electrical Systems</td>
<td>116.5</td>
<td>100.0</td>
<td>120.7</td>
<td>127.6</td>
<td>100.0</td>
<td>127.6</td>
<td>+19.7%</td>
</tr>
</tbody>
</table>

Change in order intake:
- Fastening Systems: +18.9%
- Switch Systems: +12.5%
- Transportation Systems: +11.0%
- Electrical Systems: +19.7%

Change in order backlog:
- Fastening Systems: +0.2%
- Switch Systems: +0.2%
- Transportation Systems: -21.3%
- Electrical Systems: -19.9%

Change in sales:
- Fastening Systems: +8.3%
- Switch Systems: -42.4%
- Transportation Systems: -50.1%
- Electrical Systems: -37.4%
Vossloh Group, 9 months 2012

Sales slightly up, EBIT lower than a year ago

- Vossloh Group showing upturn in Q3 and record order backlog; sales climbing 5.9%, EBIT surging 28% to €30.1 million
- Transportation division reporting definite sales rise through the year to date, Rail Infrastructure generating 9-month sales at year-earlier level
- 9-month EBIT margin down year-on-year but significantly improved to 9.4% in Q3
- 3-quarter ROCE notching down, yet upgraded to 14.4% in Q3

<table>
<thead>
<tr>
<th></th>
<th>1–9/2011</th>
<th>1–9/2012</th>
<th>Δ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (€ million)</td>
<td>863.8</td>
<td>891.5</td>
<td>+3.2</td>
</tr>
<tr>
<td>EBIT (€ million)</td>
<td>68.2* [67.9]</td>
<td>61.1</td>
<td>-10.4</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>7.9* [7.9]</td>
<td>6.9</td>
<td>–</td>
</tr>
<tr>
<td>Group earnings (€ million)</td>
<td>39.4* [39.2]</td>
<td>31.4</td>
<td>-20.3</td>
</tr>
<tr>
<td>Earnings per share (€)</td>
<td>2.96* [2.95]</td>
<td>2.62</td>
<td>-11.7</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>11.3* [11.3]</td>
<td>10.0</td>
<td>–</td>
</tr>
<tr>
<td>Value added (€ million)</td>
<td>8.0* [7.8]</td>
<td>(0.3)</td>
<td>–</td>
</tr>
<tr>
<td>Average headcount</td>
<td>4,980</td>
<td>5,053</td>
<td>+1.5</td>
</tr>
</tbody>
</table>

* Year-earlier comparatives (bracketed) adjusted due to retroactive application of amended pension accrual accounting policy
Vossloh Group, 9 months 2012

Working capital slashed again, capital employed virtually unchanged

- **Total assets** mounting due to higher total of inventories plus tangible and intangible assets
- **Total equity** below year-earlier level after stock buyback in H2/2011
- **Working capital** again pruned year-on-year
- **Average capital employed** barely changing despite higher fixed assets

<table>
<thead>
<tr>
<th></th>
<th>9/30/2011</th>
<th>9/30/2012</th>
<th>Δ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets (€ million)</td>
<td>1,486.3</td>
<td>1,549.4</td>
<td>+4.2</td>
</tr>
<tr>
<td>Total equity (€ million)</td>
<td>542.4*</td>
<td>486.4</td>
<td>-10.3</td>
</tr>
<tr>
<td>Equity ratio (%)</td>
<td>36.5*</td>
<td>31.4</td>
<td>–</td>
</tr>
<tr>
<td>Average working capital (€ million)</td>
<td>208.0</td>
<td>182.4</td>
<td>-12.3</td>
</tr>
<tr>
<td>Average working capital intensity (%)</td>
<td>18.1</td>
<td>15.3</td>
<td>–</td>
</tr>
<tr>
<td>Closing working capital (€ million)</td>
<td>234.1</td>
<td>194.9</td>
<td>-16.7</td>
</tr>
<tr>
<td>Closing working capital intensity (%)</td>
<td>20.3</td>
<td>16.4</td>
<td>–</td>
</tr>
<tr>
<td>Average capital employed (€ million)</td>
<td>802.3</td>
<td>819.0</td>
<td>+2.1</td>
</tr>
<tr>
<td>Closing capital employed (€ million)</td>
<td>846.4</td>
<td>845.5</td>
<td>-0.1</td>
</tr>
<tr>
<td>Net financial debt (€ million)</td>
<td>199.1</td>
<td>253.2</td>
<td>+27.2</td>
</tr>
<tr>
<td>Net leverage (%)</td>
<td>36.7*</td>
<td>52.0</td>
<td>–</td>
</tr>
</tbody>
</table>

* Year-earlier comparatives (bracketed) adjusted due to retroactive application of amended pension accrual accounting policy
### Vossloh Group, 9 months 2012

Freely available cash flow above year-earlier period

<table>
<thead>
<tr>
<th>Cash flow analysis (€ million)</th>
<th>1–9/2011</th>
<th>1–9/2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>68.2* [67.9]</td>
<td>61.1</td>
</tr>
<tr>
<td>Amortization/depreciation/write-down of noncurrent assets (net after write-up)</td>
<td>28.7</td>
<td>29.8</td>
</tr>
<tr>
<td>Change in noncurrent accruals</td>
<td>(6.7)* [(5.7)]</td>
<td>6.3</td>
</tr>
<tr>
<td>Gross cash flow</td>
<td>90.2* [90.9]</td>
<td>97.2</td>
</tr>
<tr>
<td>Net book gain/loss from the disposal of tangibles/intangibles</td>
<td>(1.7)</td>
<td>0.1</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>15.0</td>
<td>3.3</td>
</tr>
<tr>
<td>Noncash change in shares in associated affiliates, other noncash income/expenses (net), change in other assets/liabilities</td>
<td>(0.8)* [(1.5)]</td>
<td>(9.3)</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>(18.5)</td>
<td>(10.5)</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>84.2</td>
<td>80.8</td>
</tr>
<tr>
<td>Cash outflow for additions to tangibles/intangibles</td>
<td>(50.3)</td>
<td>(39.7)</td>
</tr>
<tr>
<td>Freely available cash flow**</td>
<td>33.9</td>
<td>41.1</td>
</tr>
</tbody>
</table>

- **Gross cash flow** up despite lower EBIT
- **Net cash provided by operating activities** at €80.8 million inching down
- **Freely available cash flow** rising to €41.1 million

* Year-earlier comparatives (bracketed) adjusted due to retroactive application of amended pension accrual accounting policy

** Before investments in other noncurrent financial instruments and before acquisitions, disposal of consolidated subsidiaries and dividend payout
**Rail Infrastructure, 9 months 2012**

Vossloh Switch Systems’ sales up, Vossloh Fastening Systems benefiting from call-offs in China, Vossloh Rail Services weak

- **Sales** almost back to year-earlier level, shipments in China resumed in June
- **EBIT and EBIT margin** in Q3 returning to year-on-year growth, but 9-month performance still below year-earlier magnitude due to weak H1
- **Vossloh Fastening Systems**: sales of €200.5 million at 1–9/2011 level of €200.8 million. Resumed China shipments halt sales downturn. New orders e.g. from Germany, France, Kazakhstan
- **Vossloh Switch Systems** steps up sales by 8.3% to €334.3 million (up from €308.7 million). Major contract from Iraq and general uptrend in the USA, Poland, etc. Euro crisis hurts business in Spain
- **Vossloh Rail Services**: 42.4% sales slump to €39.7 million (down from €68.9 million), caused by still poor demand for rail welding and rail logistics services

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<th>1–9/2012</th>
<th>Δ in %</th>
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</thead>
<tbody>
<tr>
<td>Sales (€ million)</td>
<td>573.9</td>
<td>571.5</td>
<td>-0.4</td>
</tr>
<tr>
<td>EBIT (€ million)</td>
<td>68.3</td>
<td>58.6</td>
<td>-14.1</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>11.9</td>
<td>10.3</td>
<td>-</td>
</tr>
<tr>
<td>Average working capital (€ million)</td>
<td>243.3</td>
<td>235.9</td>
<td>-3.1</td>
</tr>
<tr>
<td>Average capital employed (€ million)</td>
<td>672.8</td>
<td>693.8</td>
<td>+3.1</td>
</tr>
<tr>
<td>Closing capital employed (€ million)</td>
<td>719.5</td>
<td>699.6</td>
<td>-2.8</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>13.5</td>
<td>11.3</td>
<td>-</td>
</tr>
<tr>
<td>Value added (€ million)</td>
<td>17.8</td>
<td>6.6</td>
<td>-</td>
</tr>
</tbody>
</table>
Transportation, 9 months 2012

High order intake in 2011 boost sales, offering growth prospects beyond fiscal 2013

- **Sales** rise borne by both business units, order backlog continuing tall
- **EBIT and EBIT margin, ROCE and value added** all above year-earlier level
- **Vossloh Transportation Systems**: sales climbing 11.0% to €205.7 million (up from €185.4 million)
  - **Vossloh Locomotives** reporting 4.2% sales growth to €80.0 million (up from €76.8 million)
  - **Vossloh Rail Vehicles** showing 15.7% sales leap to €125.7 million (up from €108.6 million)
- **Vossloh Electrical Systems** with 9.7% sales gain to €120.7 million (up from €110.0 million)

<table>
<thead>
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<th>1–9/2012</th>
<th>Δ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (€ million)</td>
<td>291.2</td>
<td>320.4</td>
<td>+10.1</td>
</tr>
<tr>
<td>EBIT (€ million)</td>
<td>14.3</td>
<td>16.1</td>
<td>+13.1</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>4.9</td>
<td>5.0</td>
<td>–</td>
</tr>
<tr>
<td>Average working capital (€ million)</td>
<td>(29.1)</td>
<td>(48.8)</td>
<td>–</td>
</tr>
<tr>
<td>Average capital employed (€ million)</td>
<td>125.7</td>
<td>118.1</td>
<td>-6.0</td>
</tr>
<tr>
<td>Closing capital employed (€ million)</td>
<td>125.9</td>
<td>137.7</td>
<td>+9.4</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>15.1</td>
<td>18.2</td>
<td>–</td>
</tr>
<tr>
<td>Value added (€ million)</td>
<td>4.8</td>
<td>7.3</td>
<td>–</td>
</tr>
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</table>
**Vossloh Group, 9 months 2012**

Both divisions incur year-on-year lower capex

### Capital expenditures

- **Group**

### Rail Infrastructure

- Capex: €27.2 million in 1-9/2011, €22.1 million in 1-9/2012, -18.6% change.
  - Amort./depreciation: €18.3 million in 1-9/2011, €17.5 million in 1-9/2012, -4.4% change.

### Transportation


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**Capital outlays by the Vossloh Group** downsized, also due to rescheduling of certain projects.

**Rail Infrastructure:** Vossloh Fastening Systems’ capex of €2.2 million well below year earlier. Vossloh Switch Systems accounts for the lion’s share of €13.7 million, the key projects being: Production line for switch blade in the USA, further expansion of rail switch production facility in China. Vossloh Rail Services’ capex of €6.2 million went into newly built trains for high-speed grinding and a mobile welding machine.

**Transportation:** Vossloh Transportation Systems spent €13.0 million, again with focus on the development of the EURO 3000 locomotive and the Tramlink. Vossloh Electrical Systems reported capital outlays of €2.6 million.
Vossloh Group, 9 months 2012

Business stimulus in Europe from Germany, France, and Poland
Growth drivers outside Europe: Asia and Americas

- **Sales trend worldwide**
- **Sales trend in Europe**

### Sales share of Europe
- Sliding to 64.8% in the wake of steep uptrend in Asia and the Americas

### Germany
- As biggest individual market and France as Europe’s number two both continue to thrive

### Southern Europe
- Continuing downhill, contrasting with ongoing growth in Eastern Europe, mainly Poland, Hungary, and Lithuania

### Non-European regions
- Swelling to 35.2% (up from 28.9%)
### Vossloh Group, forecast 2012

**Targets for 2012 reaffirmed, more growth budgeted for 2013**

- **Forecast** supported by the again tall order backlog of over €1.5 billion
- **Rail Infrastructure division**: Added growth momentum thanks to ongoing internationalization and improved cost structures to strengthen market position
- **Transportation division**: Thick order cushion from 2011 boosts sales and ensures growth prospects
- **Vossloh Group** aims for 2013 at further growth; budget 2013 is presently being updated and will be published when the annual report 2012 is presented

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (€ billion)</td>
<td>1.2</td>
<td>1.25–1.3</td>
</tr>
<tr>
<td>EBIT (€ million)</td>
<td>96.9* [96.5]</td>
<td>approx. 100–110</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>8.1</td>
<td>8.0–8.5</td>
</tr>
<tr>
<td>Earnings per share (€)</td>
<td>4.30* [4.28]</td>
<td>4.50–5.00</td>
</tr>
<tr>
<td>Average working capital (€ million)</td>
<td>211.2</td>
<td>&gt;175</td>
</tr>
<tr>
<td>Capital expenditures (€ million)</td>
<td>65.6</td>
<td>approx. 79</td>
</tr>
<tr>
<td>Average capital employed (€ million)</td>
<td>811.4</td>
<td>approx. 800</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>11.9</td>
<td>12.5–14.0</td>
</tr>
<tr>
<td>Value added (€ million)</td>
<td>15.8* [15.4]</td>
<td>&gt;20</td>
</tr>
<tr>
<td>Net financial debt (€ million)</td>
<td>238.8</td>
<td>&gt;170</td>
</tr>
</tbody>
</table>

* Year-earlier comparatives (bracketed) adjusted due to retroactive application of amended pension accrual accounting policy
Financial diary and contacts

Financial diary

- March 21, 2013  Publication of annual report 2012; investors and analysts conference\(^1\)
- April 25, 2013  Publication of interim report as of March 31, 2013\(^1\)
- May 29, 2013  Annual general meeting
- July 25, 2013  Publication of interim report as of June 30, 2013\(^1\)
- October 30, 2013  Publication of interim report as of September 30, 2013\(^1\)

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\(^1\) Conference call with financial analysts planned