Investors Conference – Berenberg / Pennyhill
December 2, 2015, London

Oliver Schuster – CFO
Agenda

1. Vossloh Group
2. Integrated Solutions for Rail Infrastructure
3. Vossloh Group – 9M/2015
4. Core Components division
5. Customized Modules division
6. Lifecycle Solutions division
7. Transportation division
8. Outlook
Vossloh Group
Profile

Vossloh is a technologically leading Group in the field of rail infrastructure. We provide our world-wide customers with integrated railway solutions.

As a rail technology company, we produce tried-and-tested key products. To this end, we are a single-source provider of integrated solutions and services that cover the entire rail lifecycle.

More than 100 companies in 30 countries form the Vossloh Group. With over 4,900 employees Vossloh generated sales of €1.1 billion in the financial year 2014, of which almost 36 percent came from outside Europe.
Vossloh Group, global presence

Vossloh subsidiaries: Projects in more than 100 countries worldwide

- **New**
  - **Waco, Texas (USA):** Production of rail fasteners since autumn 2014
  - **Finland:** Joint venture for three switch production locations as well as a long welded rail production
  - **China:** Production of cavity filling elements started in 2015

Countries with Vossloh production sites

Location of Vossloh subsidiaries
Vossloh Group, Corporate Structure
Focus on Rail Infrastructure

Infrastructure

Core Components
Focus: standardized products in large numbers
Sales: €331.0 million\(^1\)
Employees: 636\(^{1,2}\)

Customized Modules
Focus: modular solutions customized to suit specific projects
Sales: €473.1 million\(^1\)
Employees: 2,555\(^{1,2}\)

Lifecycle Solutions
Focus: specialized services over the entire rail lifecycle.
Sales: €69.6 million\(^1\)
Employees: 346\(^{1,2}\)

Transportation
Vossloh Locomotives
Vossloh Kiepe
Sales: €231.9 million\(^{1,3}\)
Employees: 1,295\(^{1,2,3}\)

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\(^1\) Reported figures for financial year 2014
\(^2\) Average number of employees in 2014
\(^3\) Figure excludes discontinued operations of Rail Vehicles business unit
A reliable Partner
Integrated Rail Infrastructure Solutions
Products and solutions from a single source

Vossloh is active in the track system and all its components over the entire lifecycle
Vossloh Group, 9M/2015
Transforming Vossloh – Recovery

- Vossloh is recovering and stabilizing itself
- Group sales above comparable prior-year level – project-related sales decrease at Core Components division, significantly higher sales at Customized Modules and Transportation
- Group EBIT driven by earnings increase in the Customized Modules division and reduction of loss in Transportation division
- Rail Vehicles business unit reported as “discontinued operations”; Vossloh Locomotives and Vossloh Electrical Systems remain in the Transportation division for the time being
- Contract for the sale of the Spanish locomotives business to Stadler Rail AG signed; cash payment of €48 million, additional takeover of debt liabilities of €124 million – completion of transaction targeted for first quarter 2016
Vossloh Group, 9M/2015

Group sales above prior-year level, EBIT margin nearly doubled

- Despite the expected sales decrease in the Core Components division, group sales grew above comparable level of the previous year, Customized Modules with double-digit growth, Lifecycle Solutions picking up speed; sales in the Transportation division considerably up from previous year
- Group EBIT driven by earnings increase in Customized Modules division and reduction of loss in Transportation division
- With refinancing, substantially improved interest result (-€10.9 million after -€20.2 million*** supports positive net income

<table>
<thead>
<tr>
<th></th>
<th>1-9/2014*</th>
<th>1-9/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>€ mill.</td>
<td>819.0</td>
</tr>
<tr>
<td>EBIT</td>
<td>€ mill.</td>
<td>-158.4 (15.3**)</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>%</td>
<td>-19.3 (1.9**)</td>
</tr>
<tr>
<td>Net income</td>
<td>€ mill.</td>
<td>-167.7</td>
</tr>
<tr>
<td>ROCE</td>
<td>%</td>
<td>-24.6</td>
</tr>
<tr>
<td>Value added</td>
<td>€ mill.</td>
<td>-222.7</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>€</td>
<td>-13.52</td>
</tr>
</tbody>
</table>

* Previous year adjusted to current Group structure (Rail Vehicles reported as discontinued operations)
** Calculated on a comparable basis; the six-month financial statements 2014 included the largest share of the necessary restructuring expenses. The reported figures stand for the EBIT or EBIT margin adjusted for one-time items.
*** Thereof €7.3 million prepayment penalty for early repayment of second tranche US-PP
Vossloh Group, 9M/2015

Share of sales from non-European regions at 35.7 percent

- Group sales in Europe increased: higher sales in Germany and the UK, revenues in Northern Europe (Sweden) well above previous year, sales in Southern Europe again rising with good business in Italy, decreasing sales in Eastern Europe (including Poland and Russia)
- Substantial sales increase in America (USA, Brazil, Chile and Argentina), partially due to positive currency translation; as expected lower sales in Asia due to weaker business development in China and declining sales volumes in Thailand and Singapore
- Share of sales from non-European regions at 35.7 percent (previous year: 35.6 percent)
Vossloh Group, 9M/2015

Capital employed decreasing, net debt slightly higher

- Decline in equity primarily due to earnings burdens in Q4/2014
- Average working capital despite sales increase slightly below prior-year level; closing working capital substantially lower in 2015
- Capital employed lower as compared to the previous year as a result of the fully effective write down in 2015 of goodwill in the Customized Modules division
- Net financial debt higher due to the still negative free cash flow

<table>
<thead>
<tr>
<th></th>
<th>1-9/2014*</th>
<th>1-9/2015*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>€ mill.</td>
<td>1,611.6</td>
</tr>
<tr>
<td>Equity</td>
<td>€ mill.</td>
<td>392.8</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>%</td>
<td>24.4</td>
</tr>
<tr>
<td>Average working capital</td>
<td>€ mill.</td>
<td>259.2</td>
</tr>
<tr>
<td>Average working capital intensity</td>
<td>%</td>
<td>23.7</td>
</tr>
<tr>
<td>Closing working capital</td>
<td>€ mill.</td>
<td>283.9</td>
</tr>
<tr>
<td>Average capital employed</td>
<td>€ mill.</td>
<td>857.6</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>€ mill.</td>
<td>300.3</td>
</tr>
</tbody>
</table>

* Reported figure excluding Rail Vehicles business unit which has been reported as discontinued operations
Vossloh Group, 9M/2015

Cash flow from operating activities positive, free cash flow improved

- Gross cash flow after nine months of 2015 clearly positive
- Cash flow from operating activities again positive as well
- Free cash flow improved substantially as compared to prior-year period; positive free cash flow expected for full year

<table>
<thead>
<tr>
<th>Cash flow analysis (in € million)</th>
<th>1-9/2014</th>
<th>1-9/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT from continued operations</td>
<td>-158.4</td>
<td>29.3</td>
</tr>
<tr>
<td>EBIT from discontinued operations</td>
<td>8.0</td>
<td>5.8</td>
</tr>
<tr>
<td>Amortization/depreciation/write-down of noncurrent assets (net, after write-up)</td>
<td>119.9</td>
<td>35.1</td>
</tr>
<tr>
<td>Change in noncurrent provisions</td>
<td>29.9</td>
<td>-15.8</td>
</tr>
<tr>
<td><strong>Gross cash flow</strong></td>
<td>-0.6</td>
<td>54.4</td>
</tr>
<tr>
<td>Income taxes paid</td>
<td>-16.9</td>
<td>-15.0</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>-71.9</td>
<td>-44.1</td>
</tr>
<tr>
<td>Other changes</td>
<td>10.1</td>
<td>21.2</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>-79.3</td>
<td>16.5</td>
</tr>
<tr>
<td>Investments in intangible assets and property, plant and equipment, investments in associated companies</td>
<td>-44.0</td>
<td>-32.3</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>-123.3</td>
<td>-15.8</td>
</tr>
</tbody>
</table>
Lower investment volumes in all divisions

- Investment volume in the Core Components division considerably reduced due to completion and commissioning of the new production facility in the USA in spring 2015
- Investments at Customized Modules decreasing in the course of the upcoming ramp-up of the new forge in Luxembourg
- Focus in the Lifecycle Solutions division continues to be on the further development in high-speed grinding trains and the ongoing development of a milling train
- Declining investment volumes in Transportation division at Vossloh Locomotives and Vossloh Electrical Systems: from € 9.9 million to € 6.2 million

**Reported figure excluding Rail Vehicles business unit which has been reported as discontinued operations
Thereof from discontinued operations during the first nine months 2014: € 4.7 million, during first nine months 2015: € 8.7 million**
Core Components division
Core Components division
Product business

- Vossloh is a globally leading provider of track fastening systems
- Production of more than 65 million tension clamps per year in six main production sites around the world: Germany, Poland, Turkey, the USA, China and Russia
- Products used in more than 65 countries
- More than 90% of sales outside of Germany
- Elastic track fastening systems, screw-mounted and maintenance-free, for ballast tracks and slab tracks, for main and regular lines, high-speed and heavy-haul lines and for rail-based urban public transport as well as cavity-filling elements
- More than 120 years of experience
Core Components division, 9M/2015
Sales well below previous year as expected, orders received declined slightly

- Due to substantially lower sales volume in China and declining volumes in Thailand, Poland and Turkey, sales by 22.9 percent below prior-year level; Extraordinary high volume in 2014 in China
- EBIT below previous year as expected; decrease in EBIT margin held to 11.8 percent through cost reduction measures
- Working capital declined slightly; capital employed nearly unchanged as compared to the previous year
- Important new orders from China and Italy; book-to-bill at 1.20

<table>
<thead>
<tr>
<th></th>
<th>1-9/2014</th>
<th>1-9/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>€ mill.</td>
<td>248.6</td>
</tr>
<tr>
<td>EBIT</td>
<td>€ mill.</td>
<td>37.4*</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>%</td>
<td>15.0*</td>
</tr>
<tr>
<td>Average working capital</td>
<td>€ mill.</td>
<td>78.3</td>
</tr>
<tr>
<td>Average capital employed</td>
<td>€ mill.</td>
<td>130.1</td>
</tr>
<tr>
<td>ROCE</td>
<td>%</td>
<td>49.9</td>
</tr>
<tr>
<td>Value added</td>
<td>€ mill.</td>
<td>39.0</td>
</tr>
</tbody>
</table>

* Calculated on a comparable basis
Customized Modules division
Customized Modules division

Project business

- Vossloh is one of the world’s leading manufacturers of switch systems
- Standard, high-speed and special (heavy-haul) switches in accordance with all international standards as well as urban solutions
- Signaling technology, switch activation and closure mechanisms, manganese frogs and switch blades
- More than 100 years of experience
- 39 production sites in 22 countries, including France, Germany, USA, Brazil, China and Russia
- More than 80 percent of turnover generated outside of the French domestic market
Customized Modules division, 9M/2015
Good sales and earnings development compared to previous year

- Positive revenue development in several countries, especially in Sweden, Brazil, Morocco and—primarily due to exchange rates—in the USA meant that sales for the division expanded by 13.5 percent over the prior-year period
- Comparable EBIT improved by 28.1 percent over previous year
- Working capital increased slightly due to increased sales volumes, capital employed below previous year due to significantly lower fixed assets
- Important new orders from France, USA and Sweden; book-to-bill > 1

### Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>1-9/2014</th>
<th>1-9/2015</th>
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<tbody>
<tr>
<td>Net sales (€ mill.)</td>
<td>342.1</td>
<td>388.1</td>
</tr>
<tr>
<td>EBIT (€ mill.)</td>
<td>18.5*</td>
<td>23.7</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>5.4*</td>
<td>6.1</td>
</tr>
<tr>
<td>Average working capital (€ mill.)</td>
<td>128.7</td>
<td>141.2</td>
</tr>
<tr>
<td>Average capital employed (€ mill.)</td>
<td>439.5</td>
<td>427.2</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>-17.1</td>
<td>7.4</td>
</tr>
<tr>
<td>Value added (€ mill.)</td>
<td>-89.4</td>
<td>-8.3</td>
</tr>
</tbody>
</table>

*Calculated on a comparable basis; the six-month financial statements for 2014 included the vast majority of necessary restructuring expenses. The reported figures represent EBIT and EBIT margin adjusted for one-time items.*
Lifecycle Solutions division
Lifecycle Solutions division
Service business

- Vossloh is a provider of comprehensive service packages as well as services that complement products made by other Vossloh divisions
- Track grinding, especially High-Speed Grinding, switch processing, track milling, track reconditioning, track testing, track welding, track logistics
- Customers: rail manufacturers and rail network operators, including Deutsche Bahn and the Chinese State Railway
- The leading provider of comprehensive track maintenance and logistics solutions in Germany. The activities of Lifecycle Solutions are planned to be further internationalized.
- More than 60 years of experience
Lifecycle Solutions division, 9M/2015
Sales at prior-year level, EBIT making up ground

- Sales in the first nine months at prior-year level; Mobile Services with higher sales revenues in the course of the year to date, Stationary Services with stable development, sales in Transport/Logistics decreasing
- First-time consolidation of the subsidiary in Finland leads to sales contribution in the amount of €2.3 million
- EBIT makes up ground as compared to the comparable figure from the same period in the previous year
- Working capital and capital employed slightly above previous year; increase in capital employed due primarily to higher fixed assets
- Important order for Mobile Services from Croatia; book-to bill > 1

<table>
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<tr>
<th></th>
<th>1-9/2014</th>
<th>1-9/2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>€ mill.</td>
<td>52.9</td>
</tr>
<tr>
<td>EBIT</td>
<td>€ mill.</td>
<td>3.9*</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>%</td>
<td>7.5*</td>
</tr>
<tr>
<td>Average working capital</td>
<td>€ mill.</td>
<td>9.1</td>
</tr>
<tr>
<td>Average capital employed</td>
<td>€ mill.</td>
<td>114.2</td>
</tr>
<tr>
<td>ROCE</td>
<td>%</td>
<td>2.3</td>
</tr>
<tr>
<td>Value added</td>
<td>€ mill.</td>
<td>-6.6</td>
</tr>
</tbody>
</table>

*Calculated on a comparable basis; In the first quarter of 2014, an intra-group sale of the US subsidiary, Vossloh Fastening Systems America Corporation, was carried out. The related income in the amount of €14.9 million had been eliminated at the Group level.
Transportation division
Transportation division
Vossloh Locomotives

- Leading provider within Europe of cutting-edge diesel-hydraulic and diesel-electric shunting locomotives
- Development, design, production and supporting services from a single source
- Locomotives with approval for use in numerous European countries, ensuring flexible, cross-border operation
Transportation division
Vossloh Kiepe

- Innovative fit outs, traction systems as well as electrical components for road and rail-based vehicles used in urban public transport as well as refurbishments of entire vehicle fleets
- Core markets in Europe and North America
- Emission-free electrical traction, hybrid systems and fuel-cell applications
Transportation division, 9M/2015
Substantial sales increase, orders received below prior-year figure

- Sales in the Transportation division - excluding the Rail Vehicles business unit classified as “discontinued operations” - increased by 35.4 percent as compared to the prior-year figure
- EBIT significantly improved as compared to the comparable figure from the previous year
- Capital employed falls below prior-year figure due to the decrease in working capital and the impairments on fixed assets carried out in 2014; primarily amortization on capitalized development costs for the new locomotive family
- Hesitant ordering behavior due to project postponements leads to decrease in orders received; book-to BILL < 1

<table>
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<tr>
<th></th>
<th>1-9/2014*</th>
<th>1-9/2015*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales (€ mill.)</td>
<td>179.0</td>
<td>242.3</td>
</tr>
<tr>
<td>EBIT (€ mill.)</td>
<td>-126.6 (-34.1**)</td>
<td>-11.0</td>
</tr>
<tr>
<td>EBIT margin (%)</td>
<td>-70.7 (-19.0**)</td>
<td>-4.5</td>
</tr>
<tr>
<td>Average working capital (€ mill.)</td>
<td>45.8</td>
<td>36.7</td>
</tr>
<tr>
<td>Average capital employed (€ mill.)</td>
<td>163.1</td>
<td>129.3</td>
</tr>
<tr>
<td>ROCE (%)</td>
<td>-103.5</td>
<td>-11.4</td>
</tr>
<tr>
<td>Value added (€ mill.)</td>
<td>-138.8</td>
<td>-20.7</td>
</tr>
</tbody>
</table>

Reported figure excluding Rail Vehicles business unit which has been reported as discontinued operations
Calculated on a comparable basis; the six-month financial statements 2014 included the largest share of the necessary restructuring expenses. The reported figures stand for the EBIT or EBIT margin adjusted for one-time items.
Vossloh Group, Outlook

Outlook confirmed – Ongoing improvement expected

- Expected sales of approximately €1.13 billion to €1.16 billion
- EBIT margin at approximately 3 to 4 percent
- Positive free cash flow

2015e

- Sales growth of between 5 and 10 percent expected
- EBIT margin between 4.0 and 4.5 percent

2016e

- EBIT margin of between 5.5 and 6.0 percent on the basis of the current Group structure

2017e
Financial calendar and contact

Financial calendar

- March 17, 2016  Publication of Group financial statements 2015
- May 25, 2016   General Annual Meeting
- September 2016 Investor and Analyst Meeting at InnoTrans

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