




Presentation to Investors

April 28, 2016, interim report as of March 31, 2016

Oliver Schuster, CFO

A photograph of railway tracks receding into the distance, set against a backdrop of rolling hills and a clear sky. The tracks are flanked by gravel ballast and green vegetation. The text "Driving transformation. Shaping the future." is overlaid in white on the lower right portion of the image.

Driving transformation. Shaping the future.

Disclaimer

Note:

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Vossloh Group, 3M/2016

Slight decrease in sales, EBIT significantly improved

		1-3/2015/ 3/31/2015*	1-3/2016/ 3/31/2016
Net sales	€ million	259.8	240.1
EBIT	€ million	-2.2	2.3 ✓
EBIT margin	%	-0.9	1.0
Net income	€ million	-1.0	3.8
Earnings per share	€	-0.19	0.21
ROCE	%	-1.1	1.2
Value added	€ million	-22.2	-15.4
Cash flow from operating activities	€ million	-12.4	-50.5
Cash flow from investing activities	€ million	-12.2	-4.6
Cash flow from financing activities	€ million	10.8	32.8
Free cash flow**	€ million	-24.6	-55.1
Orders received	€ million	265.5	289.6 ✓
Order backlog***	€ million	1,147.7	1,080.7

Typical reserved start to the business year; **sales** below previous year due to revenue shifts between the quarters

Efficiency enhancement programs taking effect: **EBIT of the Group** increased significantly despite lower sales

Free cash flow influenced substantially by seasonal working capital increase as well as special tax matters in the previous year

Orders received significantly above previous year; book-to-bill in all core divisions >1

* Prior-year figures adjusted due to the disposal of the former Rail Vehicles business unit

** Free cash flow comprises cash flow from operating activities, investments in intangible assets and property, plant and equipment in addition to inflows and outflows of cash that are in connection with consolidated companies accounted for using the equity method.

*** As of closing date March, 31 in 2015 and 2016, respectively

Vossloh Group, 3M/2016

Equity clearly above previous year, net financial debt declining

		1-3/2015/ 3/31/2015*	1-3/2016/ 3/31/2016
Total equity**	€ million	353.5	426.4
Equity ratio**	%	21.5	31.4 ✓
Working capital (Ø)	€ million	242.7	234.0
Working capital intensity (Ø)	%	23.4	24.4
Closing working capital**	€ million	259.0	257.7
Capital employed (Ø)	€ million	799.1	787.8
Closing capital employed**	€ million	822.9	807.1
Net financial debt**	€ million	298.9	267.8

Total equity markedly increased compared to previous year, among other things, due to book gain from the sale of Rail Vehicles in Q4/2015

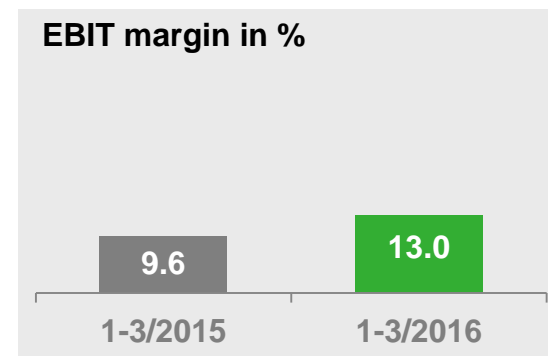
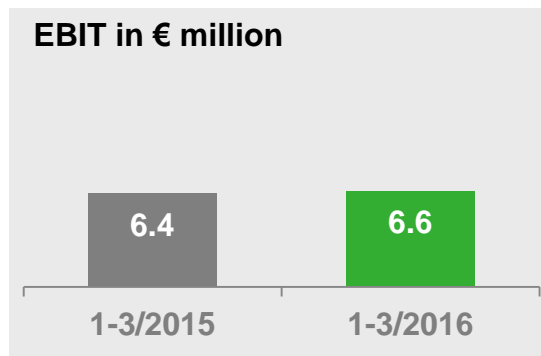
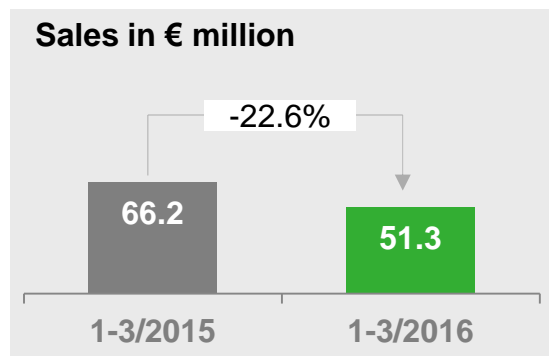
Net financial debt lower compared to previous year primarily due to strong free cash flow in 2015 as well as cash inflow from the sale of the Spanish locomotive business

* Prior-year figures adjusted due to the disposal of the former Rail Vehicles business unit

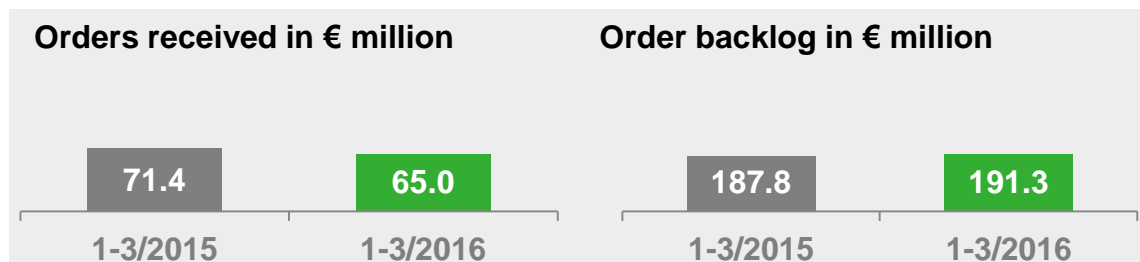
** As of closing date March, 31 in 2015 and 2016, respectively

Core Components division, 3M/2016

Sales declined, significant increase in profitability



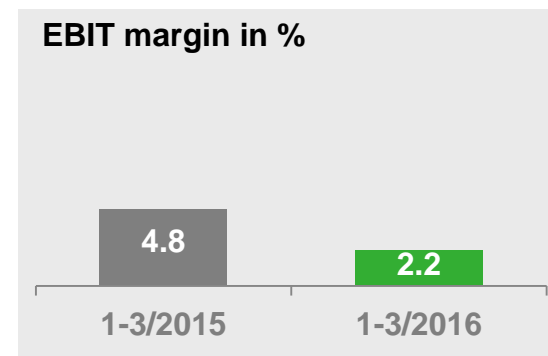
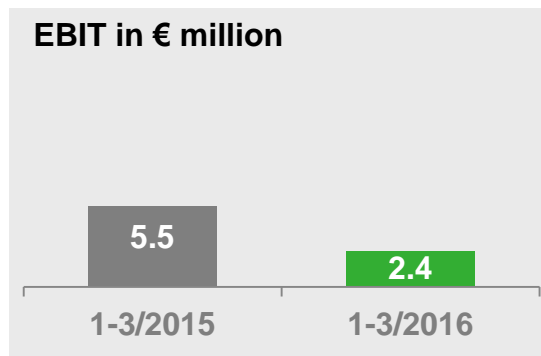
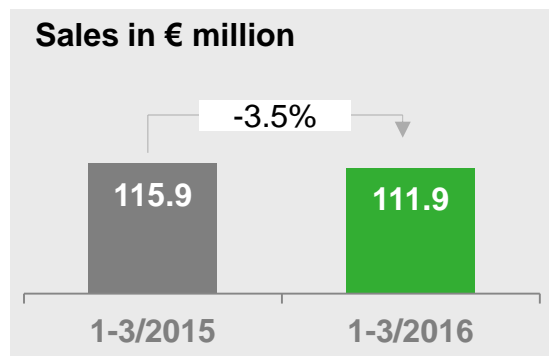
- Lower sales as compared to the previous year mainly due to reduced sales in China and Saudi Arabia
- EBIT margin improved as a result of higher margin project mix, i.a., in China as well as positive effects from implementation of cost reduction measures
- Important orders received for urban rail projects from Riyadh (Saudi Arabia) and Doha (Qatar); book-to-bill at 1.27



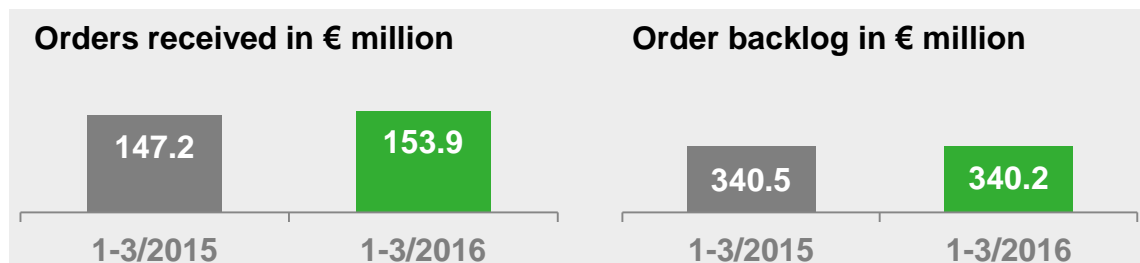
ROCE (%)	1-3/2016	24.0
	1-3/2015	19.9
Value added (€ million)	1-3/2016	4.2
	1-3/2015	3.2

Customized Modules division, 3M/2016

Sales remain at high level, orders received exceed sales



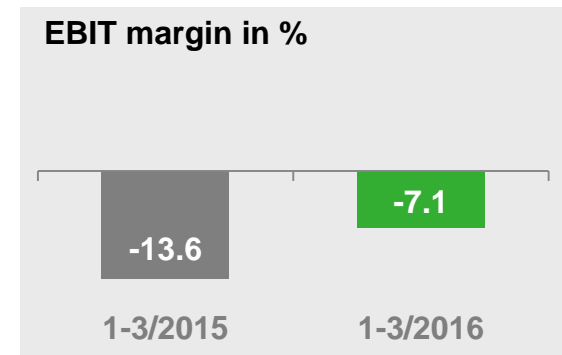
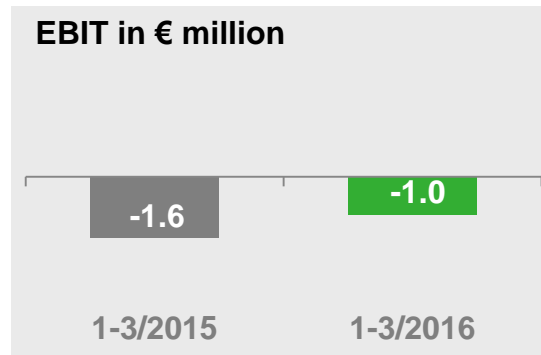
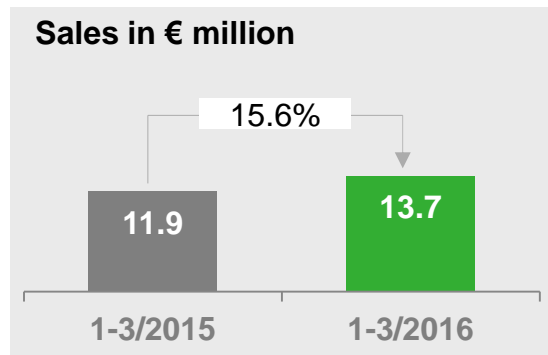
- Moderate sales decrease due, among other things, to lower revenues in the USA and in Poland; positive sales development in France and in Israel
- EBIT and EBIT margin burdened by weaker business in the USA as well as by a fine notice issued in March, 2016 (one-off)
- Important new orders received from France, the USA, Morocco and Sweden



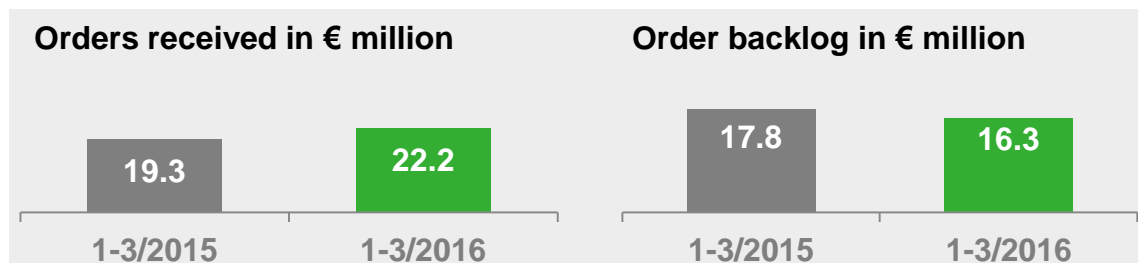
ROCE (%)	1-3/2016	2.3
	1-3/2015	5.3
Value added (€ million)	1-3/2016	-7.0
	1-3/2015	-4.9

Lifecycle Solutions division, 3M/2016

Sales and earnings improved



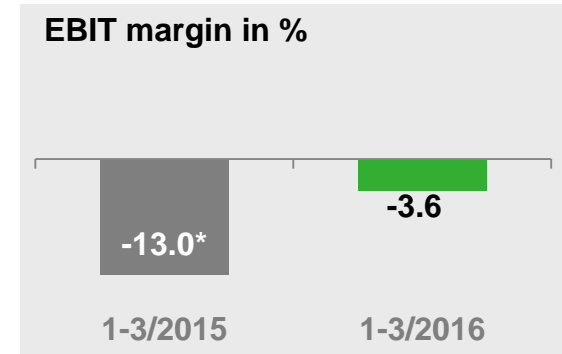
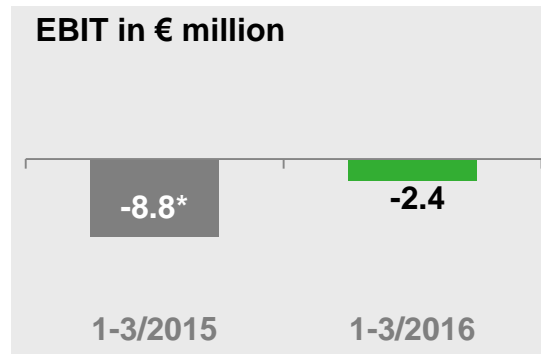
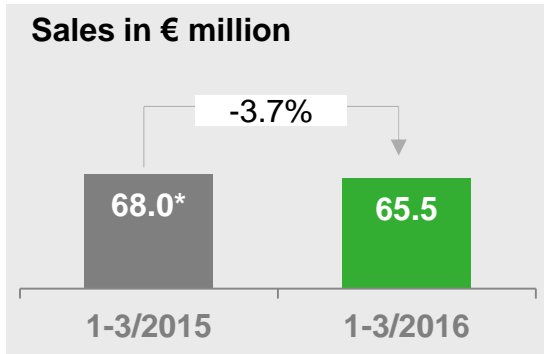
- Significant increase in sales from positive business development in Northern Europe, particularly in Sweden and due to the consolidation in Finland
- Rail Center Services and Transport/Logistics segments positively influenced by higher maintenance tasks at Deutsche Bahn
- Extension of collaboration with Deutsche Bahn in terms of the lifecycle approach: High Speed Grinding on three German high-speed-lines being operated at a speed of 300 kilometers per hour



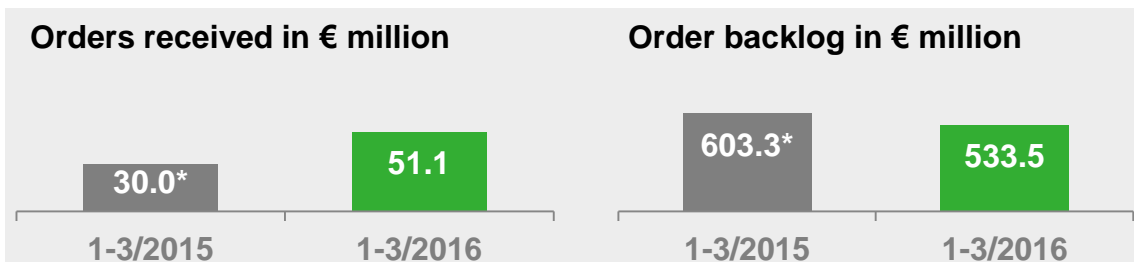
ROCE (%)	1-3/2016	-3.1
	1-3/2015	-5.6
Value added (€ million)	1-3/2016	-3.9
	1-3/2015	-4.5

Transportation division, 3M/2016

Sales nearly unchanged, Earnings improved markedly



- Sales compared to the previous year at Vossloh Electrical Systems +€3.9 million, at Vossloh Locomotives -€6.0 million
- EBIT and EBIT margin significantly improved as a result of systematic implementation of restructuring measures
- Rise in orders received in Electrical Systems business unit as a result of important follow-up order of 25 vehicles for Karlsruhe

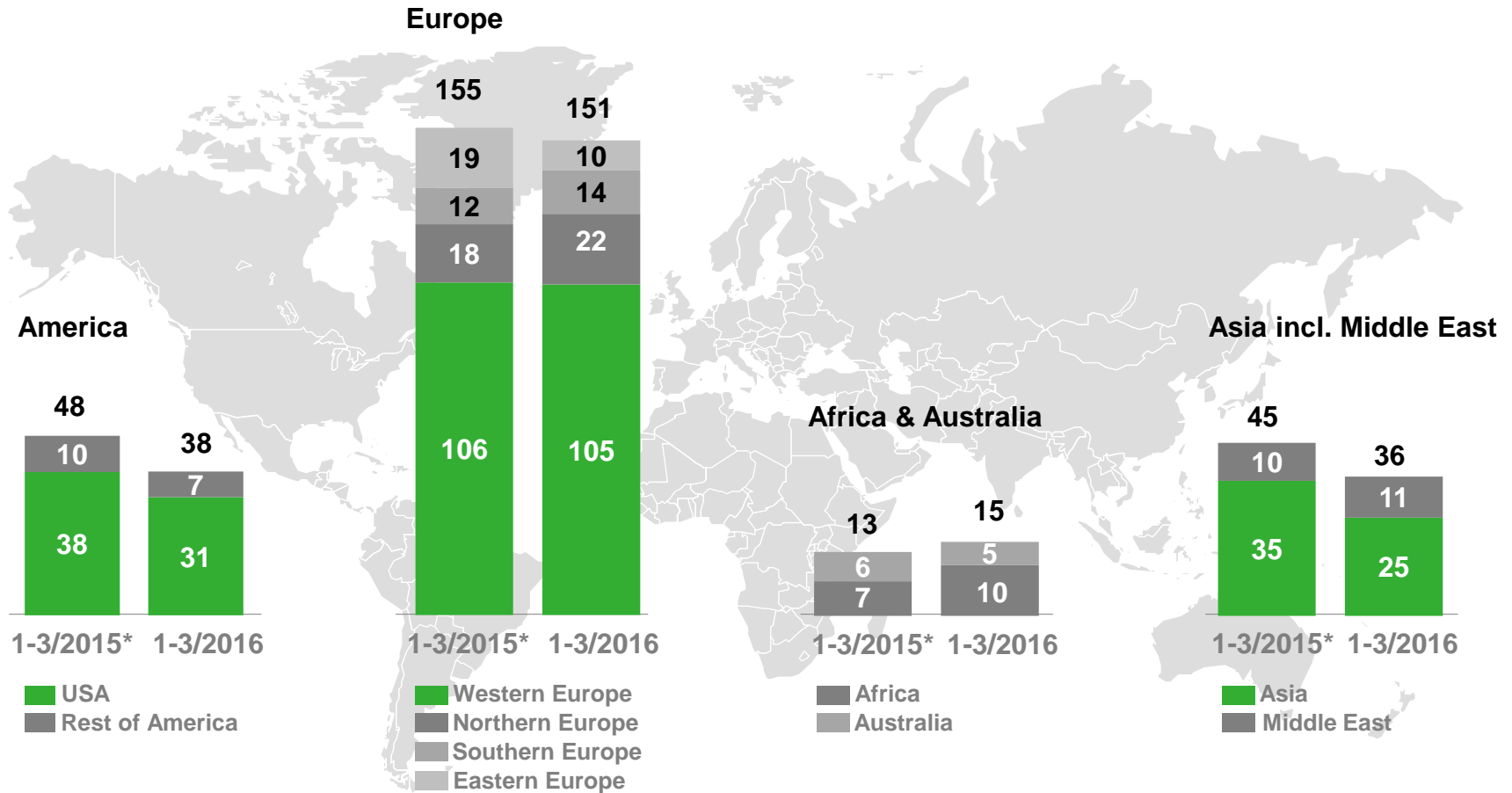


ROCE (%)	1-3/2016	-7.6
	1-3/2015*	-27.8
Value added (€ million)	1-3/2016	-5.2
	1-3/2015*	-12.0

* Prior-year figures adjusted due to the disposal of the former Rail Vehicles business unit

Vossloh Group, 3M/2016

Sales stable in focus market Western Europe



* Prior-year figures adjusted due to the disposal of the former Rail Vehicles business unit

Vossloh Group, Outlook

Outlook confirmed – Ongoing improvement expected

Vossloh Group

2016e*

- **Sales of between €1.2 billion and €1.3 billion (2015: €1,200.7 million)**; particularly strong sales growth at Core Components
- **EBIT margin of between 4.0 percent and 4.5 percent (2015: 3.8 percent)**; margin improvement at Lifecycle Solutions; Core Components and Customized Modules roughly at the same level as in the prior year, Transportation shall provide positive figures, again
- **Value added** is to improve significantly, but will remain negative overall

2017e*

- **EBIT margin of between 5.5 percent and 6.0 percent** on the basis of the current Group structure, significantly higher profitability in the targeted portfolio structure not including the Transportation division

Rail technology market

2014 – 2019**

- Continuous growth in rail technology market with **2.8 percent CAGR** expected
- Relevant accessible markets for rail infrastructure and infrastructure services growing at an above-average rate of **3.8 percent** annually

* On the basis of purely organic growth in the current Group structure

** CAGR 2017-2019 as compared to 2011-2013 Source: World Rail Market Study forecast 2014 to 2019, UNIFE The European Rail Industry, Roland Berger Strategy Consultants; CAGR Infrastructure including Infrastructure Services at + 3,8%

Financial calendar and contact

Financial calendar

- May 25, 2016 Annual General Meeting
- July 27, 2016 Interim report as of June 30, 2016
- September 22, 2016 Press conference – InnoTrans
- September 23, 2016 Meeting with investors/analysts – InnoTrans
- October 27, 2016 Interim statement/Interim report as of September 30, 2016

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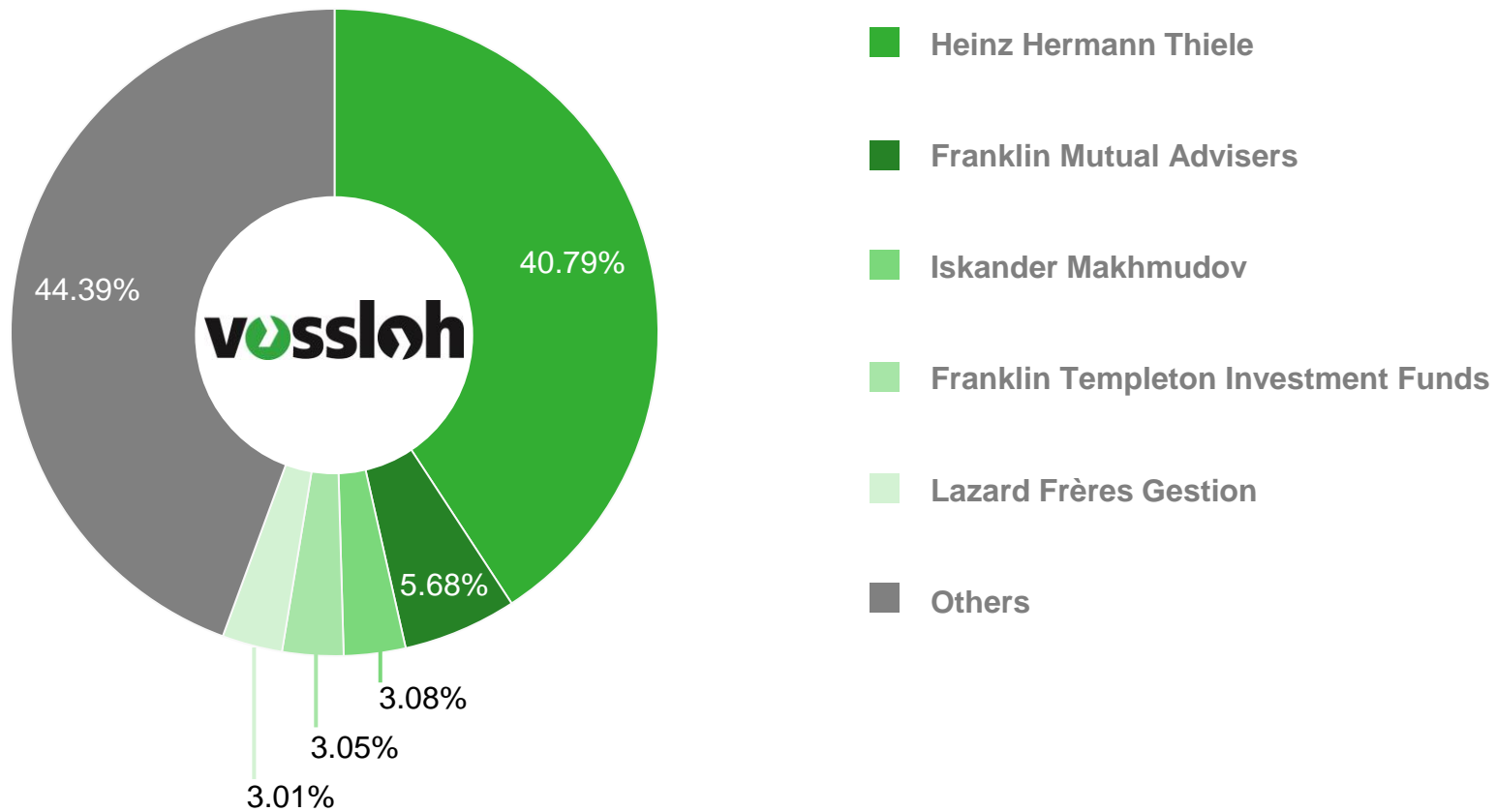
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Appendix

Vossloh stock

Ownership structure



Core divisions, 3M/2016

Key figures

		Core Components		Customized Modules		Lifecycle Solutions	
		1-3/2015	1-3/2016	1-3/2015	1-3/2016	1-3/2015	1-3/2016
Sales	€ million	66.2	51.3	115.9	111.9	11.9	13.7
EBIT	€ million	6.4	6.6	5.5	2.4	-1.6	-1.0
EBIT margin	%	9.6	13.0	4.8	2.2	-13.6	-7.1
Working capital (Ø)	€ million	71.2	59.2	132.0	133.9	8.1	11.0
Working capital intensity (Ø)	%	26.9	28.8	28.5	29.9	17.0	20.0
Capital employed (Ø)	€ million	128.3	110.5	417.9	418.4	116.8	128.4
ROCE	%	19.9	24.0	5.3	2.3	-5.6	-3.1
Value added	€ million	3.2	4.2	-4.9	-7.0	-4.5	-3.9
Orders received	€ million	71.4	65.0	147.2	153.9	19.3	22.2
Order backlog	€ million	187.8	191.3	340.5	340.2	17.8	16.3
Capital expenditure	€ million	2.0	0.7	1.6	0.5	5.7	1.6
Amortization/depreciation	€ million	2.3	2.1	3.2	3.1	1.0	1.5

Transportation division, 3M/2016

Key figures

		Transportation		Vossloh Locomotives		Vossloh Electrical Systems	
		1-3/2015*	1-3/2016	1-3/2015	1-3/2016	1-3/2015	1-3/2016
Sales	€ million	68.0	65.5	21.1	15.1	47.1	51.0
EBIT	€ million	-8.8	-2.4				
EBIT margin	%	-13.0	-3.6				
Working capital (Ø)	€ million	33.6	34.1				
Working capital intensity (Ø)	%	12.4	13.0				
Capital employed (Ø)	€ million	126.7	124.4				
ROCE	%	-27.8	-7.6				
Value added	€ million	-12.0	-5.2	-5.8	-4.0	-5.7	-1.1
Orders received	€ million	30.0	51.1	12.9	11.1	17.4	43.5
Order backlog	€ million	603.3	533.5	84.5	95.2	521.5	444.3
Capital expenditure	€ million	1.4	2.0	0.6	1.3	0.8	0.7
Amortization/depreciation	€ million	2.1	2.1	1.0	1.0	1.1	1.1

* Prior-year figures adjusted due to the disposal of the former Rail Vehicles business unit

Vossloh Group, 3M/2016

Cash flow statement

Cash flow analysis (in € million)	1-3/2015*	1-3/2016
Earnings before interest and taxes (EBIT)	-2.2	2.3
EBIT from discontinued operations	3.2	4.9
Amortization/depreciation/write-downs of noncurrent assets (netted with write-ups)	11.1	9.0
Change in noncurrent provisions	3.1	-2.4
Gross cash flow	15.2	13.8
Income taxes paid	-0.9	-3.8
Change in working capital	-40.4	-46.3
Other changes	13.7	-14.2
Cash flow from operating activities	-12.4	-50.5
Investments in intangible assets and property, plant and equipment	-12.2	-4.6
Free cash flow**	-24.6	-55.1

* Prior-year figures adjusted due to the disposal of the former Rail Vehicles business unit

** Free cash flow comprises cash flow from operating activities, investments in intangible assets and property, plant and equipment in addition to inflows and outflows of cash that are in connection with consolidated companies accounted for using the equity method.