



**INTERIM REPORT FOR FIRST QUARTER  
FISCAL YEAR 2004/2005**

October 1, 2004 to December 31, 2004

**WINCOR**  
**NIXDORF**  
EXPERIENCE MEETS VISION.

# Key Figures

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	1st quarter 2005 <sup>1)</sup>	1st quarter 2004 <sup>2)</sup>	Change
<b>Statement of Income (€ millions)*</b>			
<b>Net sales</b>	<b>455.1</b>	<b>389.8</b>	<b>16.8%</b>
of which Banking	259.3	233.4	11.1%
of which Retail	195.8	156.4	25.2%
<b>Gross profit</b>	<b>131.1</b>	<b>119.8</b>	<b>9.4%</b>
<i>Gross profit as a percentage of net sales</i>	28.8%	30.7%	–
<b>Research &amp; development expenses</b>	<b>-17.3</b>	<b>-15.8</b>	<b>9.5%</b>
<i>R&amp;D expenses as a percentage of net sales</i>	3.8%	4.1%	–
<b>Selling, general and administration expenses**</b>	<b>-79.3</b>	<b>-76.2</b>	<b>4.1%</b>
<i>SG&amp;A expenses as a percentage of net sales</i>	17.4%	19.5%	–
<b>EBITA***</b>	<b>34.5</b>	<b>27.8</b>	<b>6.7</b>
<i>EBITA as a percentage of net sales</i>	7.6%	7.1%	–
of which Banking	25.5	22.0	3.5
<i>as a percentage of Banking net sales</i>	9.8%	9.4%	–
of which Retail	9.0	5.8	3.2
<i>as a percentage of Retail net sales</i>	4.6%	3.7%	–
<b>Amortization/depreciation of fixed assets and licenses</b>	<b>6.4</b>	<b>5.5</b>	<b>0.9</b>
<b>EBITDA</b>	<b>40.9</b>	<b>33.3</b>	<b>7.6</b>
<i>EBITDA as a percentage of net sales</i>	9.0%	8.5%	–
<b>Net profit for the period</b>	<b>12.6</b>	<b>10.5</b>	<b>2.1</b>
<i>Net profit for the period as a percentage of net sales</i>	2.8%	2.7%	–
<b>Net profit for the period (before carve-out)</b>	<b>17.9</b>	<b>14.0</b>	<b>3.9</b>

## Cash Flow (€ millions)

Cash flow from operating activities	64.6	79.0	-14.4
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	Dec. 31, 2004	Sept. 30, 2004	Change
<b>Key Balance Sheet Figures (€ millions)</b>			
<b>Working Capital</b>	<b>169.2</b>	<b>183.3</b>	<b>-14.1</b>
<i>as a percentage of net sales (annualized)</i>	9.3%	11.8%	–
<b>Net debt</b>	<b>186.3</b>	<b>233.6</b>	<b>-47.3</b>
<b>Equity</b>	<b>208.2</b>	<b>194.0</b>	<b>14.2</b>

## Human Resources

Number of employees	6,287	6,114	173
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<sup>1)</sup> October 1 – December 31, 2004 <sup>2)</sup> October 1 – December 31, 2003

\*) before profit charges arising from carve-out

\*\*) including other income and expenses and investment result

\*\*\*) net profit on operating activities before interest, taxes and amortization of product know-how

# Business Performance

## Excellent Q1 performance in fiscal 2004/2005

### Sales:

Net sales up 16.8% (19.2% after adjusting for currency movements)

Operating profit (EBITA) up 24%

Expansion in growth markets, further decrease in Germany

Growth in the Solutions & Services business

Current year forecasts increased

Sustained growth set to continue

Net sales expected to grow by 10%

Operating profit (EBITA) expected to increase 12%

# Key Events

## Key wins – also in new segments

Wincor Nixdorf is transferring its expertise to new areas of application. One example is the order by the German Federal Labor Agency for automated teller machines (ATM) to be used to make benefit payments in cash. Cardpoint, one of the largest independent ATM operators in the United Kingdom, is now also going to use Wincor Nixdorf ATMs for its new off-premises ATM network in Germany (with installations in pubs and restaurants, service stations and supermarkets, etc.). Wincor Nixdorf is also continuing to build up its business with international postal service organizations, one example being the Taiwanese Post Office which will now be using Wincor Nixdorf ATMs to provide its account holders with customer-operated services in branches 24 hours a day.

## Wincor World trade fair established as an international industry event

“Vision at work” is the banner under which this year’s Wincor World is being held between January 25 and 27, 2005, in Paderborn. In conjunction with 70 partners, Wincor Nixdorf is presenting leading-edge products, solutions, consulting and other services for banks and retailers across 7,500 sqm. of exhibition space. As well as the exhibition itself, visitors are also able to participate in a program of workshops and lectures offering expert knowledge and expertise for everyday business, and also two symposia centering on topics looking at the future of banking and retailing. Built into the extensive lecture program is the Innovations Conference on the subject of “The Future of Branch-Based Selling” in cooperation with the “Börsen-Zeitung” gazette and the Fraunhofer Institute.

## Stronger presence in growth regions

In internationalizing its activities, Wincor Nixdorf is reaping the benefit of macro-economic upswings in growth regions, and of expansion drives being undertaken by large international customers in these regions. Whereas, initially, presence in individual countries is secured via partners, increasing levels of business are then accompanied by complementary establishment and growth of in-house resources, enabling partners’ and customers’ country-specific requirements to be converted into tailored solutions with greater speed and precision. In line with this policy of international diversification, the Group has established another subsidiary in Hong Kong, which opened for business during the first quarter of fiscal 2004/2005. With an eye to growing our activities in Russia, which have been highly successful to date, we opened a representative office in Moscow in November 2004. In both banking and retail, Wincor Nixdorf is very well positioned for the future on the Russian market, with as many as 350 of Russia’s 1,300 banks already established as customers of the Group.

# Business Performance between October 1 and December 31, 2004

## Business and Economic Environment

### The world economy

During the period under review there continued to be favorable signs in terms of world economic performance. The powerhouse of global growth is still the U.S. economy which, although it may not enjoy the highest growth rate, still has by far the greatest weight on the world economy. The performance and state of the economies of Europe and Asia were seen to be fairly positive, and the value of the euro against the U.S. dollar climbed to new highs.

### Retail and banking sector performance

Against this background, the performance trends seen among banking and retail businesses remained as hitherto during the period under review, producing investment in greater efficiency, productivity and consumer-friendliness primarily in regions with established economies, and in expansion of business activities both locally and internationally in growth regions.

## Group Business Performance

### Net sales and profit

During Q1 of fiscal 2004/2005 the Group grew its net sales by 16.8% to € 455.1 million (previous year equivalent: € 389.8 million). After adjusting for movements in the exchange rate between the euro and the U.S. dollar, net sales were up 19.2%. This extraordinarily high growth in net sales during Q1 was the result of excellent overall business performance across the Group and also strong growth in the retail segment.

Gross margin on net sales before profit charges arising from the carve-out was down 1.9 percentage points from the same period last year to 28.8% (previous year: 30.7%), mainly due to the disproportionately high growth of retail revenues as a percentage of total business.

Research and development expenses rose by € 1.5 million to € 17.3 million (preceding year: € 15.8 million), representing an increase of 9.5% over the same period last year. The R&D ratio was 3.8% (preceding year: 4.1%).

A reduction in the SG&A ratio (selling, general and administration expenses as a proportion of net sales) by 2.1 percentage points to 17.4% (preceding year: 19.5%) was more than able to compensate for the fall in gross margin. SG&A expenses during Q1 were € 79.3 million (preceding year: € 76.2 million), growing at a proportionately much slower rate than net sales, with the positive effects of the Group-wide "ProImprove" productivity improvement program continuing to yield results.

First quarter operating profit before amortization of product know-how (EBITA) grew by € 6.7 million (24.1%) to € 34.5 million (preceding year: € 27.8 million), with a resultant improvement in return on sales, up 0.5 percentage points to 7.6% (preceding year: 7.1%).

Net profit for the period, before expenses arising from the carve-out, increased to € 17.9 million (preceding year: € 14.0 million), reflecting the Group's much stronger profitability.

### Cash flow

In the first three months of fiscal 2004/2005, cash flow from ordinary activities performed very favorably, finishing the quarter at € 64.6 million (preceding year: € 79.0 million), € 14.4 million less than the comparable period, but nevertheless as expected. Against the rise in

EBITDA was a more modest reduction in working capital, with the effect that cash inflow from ordinary activities remained below the level achieved this time last year.

Cash outflow on investment activities was € 16.5 million, of which a large element (€ 10.9 million) was expended on acquisition activity which primarily included acquisition of the remaining interest in Wincor Nixdorf Oy, Espoo, Finland as well as final consideration payments made in respect of Datalect Group Ltd., Perivale, Middlesex, U.K. and Wincor Nixdorf Systèmes Bancaires S.A.S., Plaisir, France.

Cash outflow on investment activities in tangible and intangible assets was € 5.6 million, € 2.0 million of which was spent on patents and licenses and € 3.6 million on tangible assets.

Cash flow from financing activities showed an inflow of € 9.4 million which was mainly the result of the external financing of a foreign subsidiary. The previous year's cash outflow on financing activities amounted to € 21.3 million. This amount was mainly used for purposes of repaying shareholders from additional paid-in capital and taking out a syndicated loan.

### **Regional performance**

In Europe (excl. Germany) net sales were up 30.3% during the first three months of the fiscal year to € 260.5 million (preceding year: € 199.9 million). Key contributions to this also came from sustained expansion of business activities in the growth region of Eastern Europe. Overall, this meant that the proportion of total Group net sales coming from Europe (excl. Germany) grew to 57.2% (preceding year: 51.3%).

In Germany, a deterioration in banking revenues and muted levels of sales in the retail segment meant that Germany's net sales during the first quarter came in well below last year's comparable figure,

down 8.4% from € 125.8 million to € 115.2 million. Germany made up 25.3% of total net sales (preceding year: 32.3%).

In the Americas, net sales in U.S. dollars increased 44.8% during the first three months of the fiscal year. Expressed in euros, net sales were 30.3% ahead at € 29.7 million as opposed to € 22.8 million during the same period last year. A key element of this growth was down to excellent performance in IT services in the American banking market.

In the Asia-Pacific & Africa region, also U.S. dollar territories, dollar revenues increased 31.5% over the previous first quarter. Expressed in euros, net sales were 20.2% ahead of the same period last year, at € 49.7 million.

### **Segment performance**

In fiscal Q1, business performance in the **banking** segment produced double-digit growth of 11.1%, with net sales of € 259.3 million (preceding year: € 233.4 million). This was driven by solid growth in product business and, significantly, by growth in the banking services market in North America and the United Kingdom. Q1 EBITA reached € 25.5 million, € 3.5 million (15.9%) up on the same period last year.

In fiscal Q1, the **retail** segment reported 25.2% growth in net sales to € 195.8 million (preceding year: € 156.4 million). This strong rise was the result of issues of an exceptional nature affecting the U.K. market as a result of the upcoming conversion to the new international security standard for cashless payments (EMV, driven by Europay, MasterCard and Visa). The conversion caused major retailers to pull forward their investments, providing a very considerable boost to our business since Wincor Nixdorf had produced a timely solution for handling these transactions quickly and securely. Q1 EBITA rose € 3.2 million (55.2%) to € 9.0 million.

### Performance by business stream

Net product sales in fiscal Q1 were up 9.7% to € 273.5 million (preceding year: € 249.4 million). Solutions and services revenue increased 29.3% to € 181.6 million (preceding year: € 140.4 million), thereby continuing the positive trend.

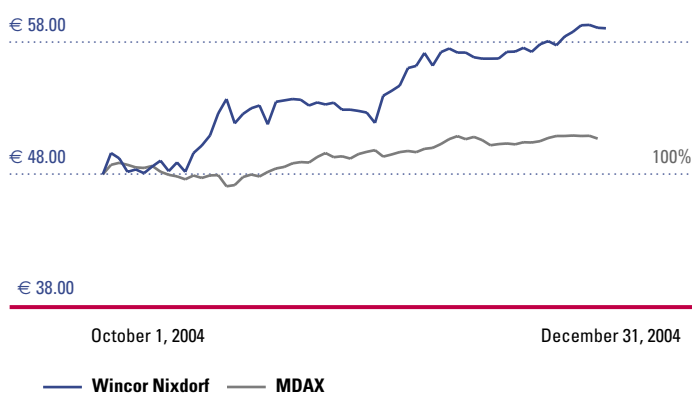
Solutions and services revenue moved up to 39.9% of total net sales (preceding year: 36.0%), with the percentage share of product revenue reducing accordingly to 60.1% (preceding year: 64.0%).

### Employees

In the first quarter, the number of persons employed within the Group rose by 173 to 6,287. This increase was in order to support the continued growth of the services business and the Group's international expansion in growth markets.

## Stock/Investor Relations

### Performance of the Wincor Nixdorf Stock and the MDAX during the reporting period



### Share Price Data

Opening price (Xetra) on October 1, 2004	€ 48.00
High, October through December 2004 (Xetra)	€ 59.50
Low, October through December 2004 (Xetra)	€ 47.31
Closing price (Xetra) on December 30, 2004	€ 59.25
Market capitalization on December 30, 2004	€ 980.1 millions

The German stock market staged a recovery in the final quarter of calendar 2004 against the backdrop of moderate growth in the German economy as measured by production levels and orders at the year-end. During the period under review, shares in Wincor Nixdorf AG performed very well, increasing by 23,4% against a 7.2% rise in the benchmark MDAX index.

### Investor relations

Last quarter, two more well-known research institutes began covering Wincor Nixdorf, namely Morgan Stanley (on October 20, 2004) and ABN AMRO (on October 21, 2004).

It was announced on November 18, 2004 that a partial share sale (of around 2.1% of the Company's nominal share capital) was undertaken in respect of management holdings at the end of the lock-up period (6 months after the IPO) in order to pay down loans used to purchase stock.

Main shareholders of Wincor Nixdorf at the end of the reporting period were Kohlberg Kravis Roberts & Co. L. P. (with 30.5%) and Goldman Sachs Capital Partners (with 7.6% of the Company's stock). Applying the definition used by the German Stock Exchange, this means that 61.9% of Wincor Nixdorf AG stock is in free float.

The Company's executive directors made presentations and discussed matters including the Group's business model, future strategy and growth potential at meetings with investors at the German Equity Forum in November 2004 in Frankfurt, Germany, analyst conferences (including that in December 2004) and at roadshow events.

## Outlook

For 2005, research institutes are expecting the world economy to grow at a reduced – but still high – rate in established markets and in particular also in growth regions. As a result, the world economic environment can be judged to be relatively favorable.

Against this background, we can see good overall conditions for considerable continued growth in Wincor Nixdorf's international business. This, together with the good start made to fiscal 2004/2005, gives us confidence in our expectation that we will be able to beat the growth rates originally quoted for the full fiscal year. The exceptionally high growth seen in the retail segment in Q1 will not continue. As a result, Wincor Nixdorf is increasing its forecast growth for net sales in the current fiscal year from 7% to 10% and its growth forecast for operating profit (EBITA) from 8% to 12%.

# Consolidated Statement of Income

	1st quarter 2005 <sup>1)</sup>	1st quarter 2004 <sup>2)</sup>
	€k	€k
<b>1. Net sales</b>	<b>455,147</b>	<b>389,842</b>
2. Cost of sales	-332,680	-275,788
<b>3. Gross profit</b>	<b>122,467</b>	<b>114,054</b>
4. Research and development expenses	-17,294	-15,753
5. Selling, general and administration expenses	-78,131	-75,440
6. Other operating income	611	90
7. Other operating expenses	-1,733	-1,320
8. Investment result	0	413
<b>9. Net profit on operating activities</b>	<b>25,920</b>	<b>22,044</b>
10. Financial result	-5,098	-5,686
<b>11. Net profit on ordinary activities</b>	<b>20,822</b>	<b>16,358</b>
12. Taxes	-8,121	-5,873
<b>13. Profit after taxes</b>	<b>12,701</b>	<b>10,485</b>
14. Minority interests	-106	-5
<b>15. Net profit for the period</b>	<b>12,595</b>	<b>10,480</b>
<b>Shares for calculation of basic earnings for the period per share (in thousands)</b>	<b>16,542</b>	<b>14,027</b>
<b>Shares for calculation of diluted earnings for the period per share (in thousands)</b>	<b>16,559</b>	<b>14,027</b>
<b>Basic earnings per share (€)</b>	<b>0.76</b>	<b>0.75</b>
<b>Diluted earnings per share (€)</b>	<b>0.76</b>	<b>0.75</b>
<b>Net profit for the period</b>	<b>12,595</b>	<b>10,480</b>
Amortization product know-how	8,625	5,779
Calculated tax effect	-3,364	-2,254
<b>Net profit for the period before carve-out</b>	<b>17,856</b>	<b>14,005</b>
<b>Shares for calculation of basic net profit for the period before carve-out per share (in thousands)</b>	<b>16,542</b>	<b>16,542</b>
<b>Basic net profit for the period before carve-out per share (€)</b>	<b>1.08</b>	<b>0.85</b>

<sup>1)</sup> October 1, 2004 – December 31, 2004

<sup>2)</sup> October 1, 2003 – December 31, 2003

# Group Balance Sheet

## Assets

	December 31, 2004		September 30, 2004	
	€k	€k	€k	€k
<b>A. Fixed assets</b>				
<b>I. Intangible assets</b>	410,471		418,694	
<b>II. Tangible assets</b>	98,135		100,389	
<b>III. Financial assets</b>	208	508,814	233	519,316
<b>B. Current assets</b>				
<b>I. Inventories</b>	225,262		234,958	
<b>II. Receivables and other assets</b>	270,550		259,968	
<b>III. Marketable securities</b>	20,502		26,674	
<b>IV. Cash in hand and at bank (incl. checks)</b>	114,775	631,089	64,788	586,388
<b>C. Deferred tax assets</b>		23,057		23,002
<b>D. Prepaid expenses</b>		13,543		14,809
<b>Balance sheet total</b>		<b>1,176,503</b>		<b>1,143,515</b>

## Liabilities

	December 31, 2004		September 30, 2004	
	€k	€k	€k	€k
<b>A. Equity</b>		208,234		194,015
<b>B. Minority interests</b>		3,186		4,520
<b>C. Accruals</b>		242,995		245,653
<b>D. Liabilities</b>				
1. Financial liabilities	321,541		325,082	
2. Advances received on orders	26,490		39,503	
3. Trade payables	225,897		197,975	
4. Other liabilities	96,582	670,510	85,173	647,733
<b>E. Deferred tax liabilities</b>		8,401		4,553
<b>F. Deferred income</b>		43,177		47,041
<b>Balance sheet total</b>		<b>1,176,503</b>		<b>1,143,515</b>

# Group Cash Flow Statement

	3 months 2005 <sup>1)</sup>	3 months 2004 <sup>2)</sup>
	€k	€k
<b>EBITA</b>	<b>34,545</b>	<b>27,823</b>
Amortization of commercial patents and licenses plus depreciation of tangible assets	6,371	5,447
<b>EBITDA</b>	<b>40,916</b>	<b>33,270</b>
Interest expenses, less interest income, plus other financial expenses, less other financial income	-5,098	-5,686
Taxes on income and profit	-8,121	-5,873
Loss/profit on disposal of fixed assets	17	-31
Increase in accruals	1,137	6,967
Other non-cash expenses, less other non-cash income	3,291	-2,286
Decrease in working capital	22,610	47,590
Decrease in other items with net current assets	9,870	5,078
<b>Cash flow from operating activities</b>	<b>64,622</b>	<b>79,029</b>
Payments received from the disposal of tangible fixed assets	375	128
Payments received from the disposal of financial fixed assets	29	4,898
Payments received from the disposal of consolidated affiliated companies and other business units	0	1,158
Payments made for investment in intangible fixed assets	-2,016	-164
Payments made for investment in tangible fixed assets	-4,013	-4,053
Payments made for acquisition of consolidated affiliated companies and other business units	-10,890	-500
Payments made for investment in financial fixed assets	-4	-726
<b>Cash flow from investment activities</b>	<b>-16,519</b>	<b>741</b>
Payments made to shareholders	0	-160,000
Payments received from loan draw-downs	7,000	140,831
Payments received/made due to special items	2,395	-2,112
<b>Cash flow from financing activities</b>	<b>9,395</b>	<b>-21,281</b>
<b>Change in liquidity</b>	<b>57,498</b>	<b>58,489</b>
Change in cash funds from exchange rate movements	-746	-319
Change in cash funds arising from changes to consolidation group	0	156
Cash funds as of October 1	51,080	-2,103
<b>Cash funds as of December 31</b>	<b>107,832</b>	<b>56,223</b>

<sup>1)</sup> October 1, 2004 – December 31, 2004

<sup>2)</sup> October 1, 2003 – December 31, 2003

# Changes in Group Equity

	Subscribed capital	Add. paid-in capital	Miscellaneous retained earnings	Revaluation reserve	Own shares reserve	Other consolidation-reserve	Consolidated profit/loss	Currency translation adjustments	Total
	€k	€k	€k	€k	€k	€k	€k	€k	€k
<b>As of September 30, 2003</b>	<b>14,061</b>	<b>269,143</b>	<b>7,062</b>	<b>57</b>	<b>-1,011</b>	<b>-28,195</b>	<b>-39,364</b>	<b>-5,488</b>	<b>216,265</b>
Adjustment arising from first time application of IFRS 3	0	0	0	0	0	193	0	0	193
<b>As of October 1, 2003</b>	<b>14,061</b>	<b>269,143</b>	<b>7,062</b>	<b>57</b>	<b>-1,011</b>	<b>-28,002</b>	<b>-39,364</b>	<b>-5,488</b>	<b>216,458</b>
Profit (after minority interests)	0	0	0	0	0	0	10,480	0	10,480
Distributions	0	-160,000	0	0	0	0	0	0	-160,000
Other changes	0	0	538	0	0	0	-1,835	0	-1,297
Exchange rate changes	0	0	0	0	0	0	0	-2,835	-2,835
<b>As of December 31, 2003</b>	<b>14,061</b>	<b>109,143</b>	<b>7,600</b>	<b>57</b>	<b>-1,011</b>	<b>-28,002</b>	<b>-30,719</b>	<b>-8,323</b>	<b>62,806</b>
<b>As of October 1, 2004</b>	<b>16,542</b>	<b>168,289</b>	<b>7,021</b>	<b>241</b>	<b>0</b>	<b>-32,461</b>	<b>41,414</b>	<b>-7,031</b>	<b>194,015</b>
Profit (after minority interests)	0	0	0	0	0	0	12,595	0	12,595
Other changes	0	129	708	3,731	0	0	-2,859	0	1,709
Exchange rate changes	0	0	0	0	0	0	0	-85	-85
<b>As of December 31, 2004</b>	<b>16,542</b>	<b>168,418</b>	<b>7,729</b>	<b>3,972</b>	<b>0</b>	<b>-32,461</b>	<b>51,150</b>	<b>-7,116</b>	<b>208,234</b>

# Selected Explanatory Notes

## Principles of Consolidation, Accounting and Valuation

The Group interim report of Wincor Nixdorf AG has been compiled in accordance with the requirements of the International Accounting Standards Board (IASB) and the bulletins of the International Financial Reporting Interpretations Committee (IFRIC).

The same principles of consolidation, accounting and valuation and calculation methods apply to this interim report, which was compiled in accordance with the requirements of IAS 34 Interim Financial Reporting, as were used in the Group financial statements

as of September 30, 2004. The applied methods of accounting and valuation are described in detail in the Notes to the Group financial statements as of September 30, 2004.

## Consolidation Group

In addition to the parent company Wincor Nixdorf AG, the Group financial statements to December 31, 2004 basically include all domestic and foreign subsidiaries in which Wincor Nixdorf AG owns, either directly or indirectly, over 50% of the shares or voting rights.

## Segment Report by Division

	<b>Banking</b>	<b>Retail</b>	<b>Group</b>
	<b>€k</b>	<b>€k</b>	<b>€k</b>
Net sales to external customers	259,295 (233,388)	195,852 (156,454)	455,147 (389,842)
Operating profit EBITA	25,577 (22,065)	8,968 (5,758)	34,545 (27,823)
Investments in property rights, licenses and tangible assets	4,010 (3,106)	2,040 (1,111)	6,050 (4,217)
Amortization/depreciation of property rights, licenses and tangible assets	4,409 (3,744)	1,962 (1,703)	6,371 (5,447)
Research and development expenses	10,640 (10,085)	6,654 (5,668)	17,294 (15,753)

Comparative figures for the period from October 1, 2003 to December 31, 2003 are given in parentheses.

## Reconciliation of Segment Profit to Group Profit

	1st quarter 2005	1st quarter 2004
	€k	€k
<b>Operating profit EBITA</b>	<b>34,545</b>	<b>27,823</b>
Goodwill amortization	0	0
<b>Operating profit EBIT</b>	<b>34,545</b>	<b>27,823</b>
Profit charges arising from the carve-out	-8,625	-5,779
Financial result	-5,098	-5,686
<b>Net profit on ordinary activities</b>	<b>20,822</b>	<b>16,358</b>
Taxes on profits	-8,121	-5,873
<b>Net profit after taxes</b>	<b>12,701</b>	<b>10,485</b>
Minority interests	-106	-5
<b>Net profit for the period</b>	<b>12,595</b>	<b>10,480</b>

The operating profit (EBITA) is stated here as the net profit before taking into account the profit charges arising from the carve-out, which result from the amortization of product know-how acquired in the course of the carve-out. Since the product know-how is used by both segments, this amortization was not divided across both the segments, Retail and Banking, as in previous years.

### Profit Charges arising from the Carve-out

Wincor Nixdorf was demerged from Siemens Group by means of leveraged buy-out on October 1, 1999. The amount of the purchase price exceeding the net assets acquired was divided as follows:

	October 1, 1999
	€k
Product know-how	206,664
Goodwill	351,623
Negative goodwill	-1,274
	<b>557,013</b>

The amortization arising from this has impacted net profit on ordinary activities as follows:

	1st quarter 2005	1st quarter 2004
	€k	€k
Amortization of product know-how	8,625	5,779
Goodwill amortization and amortization of negative goodwill	0	0
	<b>8,625</b>	<b>5,779</b>

### Group Statement of Income before Profit Charges arising from the Carve-out

	1st quarter 2005	1st quarter 2004
	€k	€k
<b>Net sales</b>	<b>455,147</b>	<b>389,842</b>
Cost of Sales	-324,055	-270,009
<b>Gross profit</b>	<b>131,092</b>	<b>119,833</b>
Research and development expenses	-17,294	-15,753
Selling, general and administration expenses	-78,131	-75,440
Other operating income	611	90
Other operating expenses	-1,733	-1,320
Investment result	0	413
<b>Operating profit (EBIT)</b>	<b>34,545</b>	<b>27,823</b>
Goodwill amortization	0	0
<b>EBITA</b>	<b>34,545</b>	<b>27,823</b>
Depreciation of tangible fixed assets and licenses	6,371	5,447
<b>EBITDA</b>	<b>40,916</b>	<b>33,270</b>

### Other Information

The declaration of compliance with the recommendations of the German Corporate Governance Code required from the Supervisory Board and the Board of Directors of Wincor Nixdorf under Sect. 161 of the German Joint Stock Corporation Law was made in December 2004 and made accessible long-term on the Internet [www.wincor-nixdorf.com](http://www.wincor-nixdorf.com) under the "Investor Relations" heading.

# Financial Calendar/Editorial Details

## Financial Calendar 2005\*

<b>April 27, 2005</b>	Interim report on Quarter 2, 2004/2005
<b>July 21, 2005</b>	Interim report on Quarter 3, 2004/2005

\* All dates are provisional, and we reserve the right to make changes.

Other investor relations dates are published and updated on the Investor Relations pages of the Wincor Nixdorf AG website at [www.wincor-nixdorf.com](http://www.wincor-nixdorf.com).

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This document contains forward-looking statements that are based on current estimates and assumptions made by the management of Wincor Nixdorf AG to the best of its knowledge. Such forward-looking statements are subject to risks and uncertainties, the non-occurrence or occurrence of which could cause the actual results – including the financial condition and profitability of Wincor Nixdorf – to differ materially from or be more negative than those expressed or implied by such forward-looking statements. This also applies to the forward-looking estimates and forecasts derived from third-party studies. Consequently, neither the Company nor its management can give any assurance regarding the future accuracy of the opinions set forth in this document or the actual occurrence of the predicted developments.

**Cover:** Wincor Nixdorf's reverse vending systems use sophisticated camera and image processing technology to differentiate between what is currently over 1,600 different shapes of bottle and allocate the correct deposit amount – all in less than a second. Cameras are used to photograph cross-sectional views of individual bottles and compare these with database entries, also recording the bottle's weight and translucence value. Especially in relation to deposits on non-reusable bottles, barcode scanning (the picture shows a barcode framework on the way into the machine) ensures empty bottles are detected and recognized reliably – which is important for clearing purposes and for correct payment and reconciliation.

In acquiring its reverse vending business unit, Wincor Nixdorf opened up for itself the whole area of image recognition technology, with all its demands and complexities. As well as identification of empty bottles and crates, these technologies can also be applied to other areas of business (i.e. automatic package recognition in the postal services market). Wincor Nixdorf is working with Ilmenau University of Applied Sciences on ongoing development of image recognition technology.

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