

Wincor Nixdorf Aktiengesellschaft

Paderborn
Security identification number: A0CAYB
ISIN: DE000A0CAYB2

Notice is hereby given to shareholders of our Company that the Ordinary Annual General Meeting will be held on

Monday, January 29, 2007, at 11 a.m.

in the
Paderhalle
Heiersmauer 45-51
33098 Paderborn
Germany

I. Agenda

1. Submission of the adopted annual financial statements of Wincor Nixdorf Aktiengesellschaft and the approved group financial statements for the FY 2005/2006, the management report and the group management report of the Company as well as the Supervisory Board report for the FY 2005/2006

The above mentioned documents and the proposal by the Board of Directors on the appropriation of profits are available for inspection at the business premises of Wincor Nixdorf Aktiengesellschaft, Heinz-Nixdorf-Ring 1, 33106 Paderborn, Germany, and can be seen and downloaded in the internet at www.wincor-nixdorf.com. Upon request, every shareholder will receive a copy of the materials without undue delay and free of charge.

2. Resolution on appropriation of net income

The Board of Directors and the Supervisory Board make the following proposal for appropriation of the net income of Wincor Nixdorf AG for the FY 2005/2006 totaling € 55,209,933.36:

Payment of a dividend of € 2.80 for each share entitled to a dividend with respect to 16,542,494 shares in total	€ 46,318,983.20
Transfer to earnings reserves	€ 0.00
Net income brought forward	<u>€ 8,890,950.16</u>

The dividend shall be paid out on January 30, 2007.

3. Resolution on discharge from responsibility of the members of the Board of Directors for the FY 2005/2006.

The Board of Directors and the Supervisory Board propose that the members of the Board of Directors be discharged from responsibility for the FY 2005/2006.

4. Resolution on discharge from responsibility of the members of the Supervisory Board for the FY 2005/2006.

The Board of Directors and the Supervisory Board propose that the members of the Supervisory Board are discharged from responsibility for the FY 2005/2006.

5. Election of Auditor and of Group Auditor for the FY 2006/2007

The Supervisory Board proposes to appoint KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Bielefeld, as auditor and group auditor of Wincor Nixdorf Aktiengesellschaft for the FY 2006/2007.

6. Election of a shareholders' representative with respect to Supervisory Board

The Supervisory Board consists of 12 members according to § 7 sec. 1 of the Articles of Association in connection with § 96 sec. 1 German Stock Corporation Act (Aktiengesetz [AktG]) and § 7 sec. 1 sentence 1 no. 3 of the Mitbestimmungsgesetz of May 4, 1976 (MitbestG), whereas six members are elected by the shareholders according to §§ 96 sec. 1, 101 sec. 1 German Stock Corporation Act (AktG). The Annual General Meeting is not bound to proposals of the existing Supervisory Board members for election of new representatives of the shareholders.

The chairman of the Supervisory Board, Mr. Johannes P. Huth has resigned his office with effect by the end of this Ordinary Annual General Meeting.

The chairman of the Board of Directors, Mr. Karl-Heinz Stiller, has in consent with the Supervisory Board resigned from office with effect by the end of this Ordinary Annual General Meeting.

The Supervisory Board proposes to appoint as successor of the prior to the ordinary expiration of term resigning Johannes P. Huth as new member

- Mr. Karl-Heinz Stiller,
at present chairman of the Board of Directors of Wincor Nixdorf Aktiengesellschaft, Paderborn,

until the end of the Annual General Meeting which approves the actions for the forth financial year after beginning of the period of appointment whereas the financial year of appointment is not taken into account.

Information according to § 125 sec. 1 sentence 3 German Stock Corporation Act (AktG) with respect to existing memberships in other statutory Supervisory Boards and memberships in comparable committees of domestic and foreign enterprises:

Mr Stiller is a member of the Supervisory Board of

- M. P. Media-Print Informationstechnologie GmbH, Paderborn,

as well as a member of the Advisory Board of

- Flughafen Paderborn/ Lippstadt Gesellschaft mit beschränkter Haftung, Büren.

7. Resolution regarding the authorization to purchase and to exploit own shares according to § 71 sec. 1 number 8 German Stock Corporation Act (AktG) and the exclusion of the purchase right

The authorization to acquire own shares as granted on the last Annual General Meeting on February 21, 2006 will expire on August 22, 2007. It shall be replaced by a new authorization.

Board of Directors and Supervisory Board propose adopting the following:

- a) The Company is authorized to purchase the Company's own shares in an amount up to 10 % of the current share capital during the period between January 30, 2007 and July 31, 2008 inclusively. The Company may not trade in its own shares. The Company may purchase the shares on the stock exchange or by means of a public offering extended to all shareholders. The consideration paid by the Company for the acquisition of such shares (without expenses incidental to the acquisition) shall not exceed or fall below the stock market price by more than 5%. The applicable stock market price within the meaning of the foregoing provision in the case of an acquisition over the stock exchange shall be the mean price of the Company's shares in the closing auction of XETRA trading (or the system replacing XETRA) on the Frankfurt Stock Exchange over the last 10 trading days prior to the acquisition of the shares, and in the case of an acquisition by means of a public offering extended to all shareholders, the mean price of the Company shares in the closing auction of XETRA trading (or the system replacing XETRA) on the Frankfurt Stock Exchange over the last 10 trading days prior to the announcement of the public offering. In the case of an acquisition by means of a public offering to all shareholders, the volume of the offering may be limited. If the total number of shares for which the offering is accepted exceeds this volume, the shares must be acquired on a pro rata basis.
- b) The Board of Directors is further authorized to use the shares for all legally permissible purposes, in particular with the consent of the Supervisory Board to effect a sale of the Company's own shares in a manner other than through the stock exchange or by making a public offering to all shareholders, provided the acquired own shares are sold for cash for a price not substantially lower than the stock market price for Company shares of the same class with the same rights on the date of such sale. However, this authorization shall only apply under the condition that the shares so sold may not exceed an aggregate of 10 % of the Company's share capital at the time of such resolution. In calculating this 10% limit, an allowance shall be made for the issuance of shares after this authorization from authorized capital excluding subscription rights in accordance with § 186 sec. 3 sentence 4 German Stock Corporation Act (AktG) and for the granting of option or conversion rights for Company shares after this authorization if the grant excludes subscription rights in accordance with § 186 sec. 3 sentence 4 German Stock Corporation Act (AktG).
- c) In addition, the Board of Directors is also authorized to use the acquired shares in whole or in part as full or partial consideration for third parties for mergers, direct or indirect acquisitions of companies, parts of companies or equity interests.
- d) The Board of Directors is also authorized to use the acquired own shares to fulfill the obligations in connection with stock options (subscription rights) that have been or are granted to Board of Directors members, other executives and employees of the Company and/or its subsidiaries in accordance with this authorization, as resolved in the Annual General Meeting held on May 14, 2004 as well as by respective supplementary resolutions of the Annual General Meeting. The Supervisory Board shall have exclusive authority to issue such shares to members of the Board of Directors.
- e) Finally, the Board of Directors is, with the consent of the Supervisory Board, also authorized to redeem its own shares acquired on the basis of the above authorization. No additional resolution of the Annual General Meeting is required for redemption or the implementation thereof.
- f) The above authorizations may be exercised once or several times, in whole or in part, individually or jointly; however, the acquisition of the Company's own shares may not exceed the limitations set out in sub-clause a). The authorization to acquire own shares adopted at the Annual General Meeting of Wincor Nixdorf Aktiengesellschaft dated February 21, 2006 shall expire when this new authorization takes effect.

- g) Shareholders' subscription rights with respect to the Company's own shares shall be excluded to the extent that the shares are used pursuant to the authorizations specified above in sub-clauses b), c) and d).

8. Resolution on capital increases using corporate funds with a subsequent orderly reduction of capital as well as reduction of conditional capital

According to its annual financial statements as of September 30 2006, the Company has restricted capital reserves (§ 272 sec. 2 no. 1 of the German Commercial Code (Handelsgesetzbuch, ["HGB"])) in the amount of € 115,204,526.10. These reserves result primarily from the agio realized as part of the initial public offering by the Company on May 17, 2004, i.e. the difference between the amount for which the shares were issued and the amount paid for the registered share capital.

The Board of Directors and the Supervisory Board propose to use these restricted capital reserves in a partial amount of € 16,542,494.00 for an increase of the registered share capital using corporate funds in exchange for issuance of new shares (Agenda item 8.1 a). Furthermore, the Board of Directors and the Supervisory Board propose to convert a further partial amount of the restricted capital reserves of € 95,353,533.00 into free capital reserves (§ 272 sec. 2 no. 4 HGB). This aforementioned conversion of the restricted capital reserves into free capital reserves requires a multi-step but overall mandatory process which must be carried out: Initially, a resolution has to be passed on a further capital increase using corporate funds. For this purpose, the amount of the restricted capital reserves to be converted into free capital reserves is converted into registered share capital and the registered share capital is increased without issuing new shares (Agenda item 8.1 c). In a second step, the registered share capital which has been increased in this manner without issuing new shares is reduced by the amount of the previously resolved capital increase by way of an orderly reduction of capital without the number of shares being reduced. The orderly capital reduction is performed for the purpose of transferring the amount of the reduction to the free capital reserves (§ 272 sec. 2 no. 4 HGB). The capital reduction, therefore, merely results in an accounting exchange on the liabilities side of the balance sheet within the equity items of the Company (Agenda item 8.2).

As a result of the capital increase using corporate funds, there is also an increase in the conditional capital of the Company, which had been resolved in order to grant stock options to certain management personnel and employees in accordance with the more detailed provisions in the authorizing resolution of the general shareholders' meeting of May 14, 2004 as amended by the supplemental resolution of the general shareholders' meeting of February 21, 2006, and in this respect, the increase in the conditional capital is proportionate to the increase in the registered share capital (§ 218 sentence 1 of the German Stock Corporation Act (Aktiengesetz ["AktG"]), without a resolution of the general shareholders' meeting being required for this. On the other hand, however, the orderly reduction of capital does not lead to an automatic reduction of the conditional capital to the original amount because an adjustment regulation corresponding to § 218 sentence 1 AktG is missing in the provisions governing the orderly reduction of capital (§§ 222 et seq. AktG). To the extent that the increased conditional capital is not required to secure issued option rights or option rights to be issued under the stock option plan, the increased conditional capital is to be reduced to the required amount pursuant to a resolution of the general shareholders' meeting (Agenda item 8.3). This procedure has the sole purpose of protecting the option holders against dilution and does not lead to a substantive expansion of their rights compared to the current situation.

In light of this background, the Board of Directors and the Supervisory Board propose to adopt the following resolutions which are intended to constitute an indivisible unit, both from an economic and legal perspective:

8.1 Capital Increases using Corporate Funds

- a) Capital increase using corporate funds by issuing new shares

The capital reserves shown in the annual balance sheet as of September 30, 2006 pursuant to § 272 sec. 2 no. 1 HGB is converted into registered share capital in a partial amount of € 16,542,494.00 as follows:

The registered share capital of the Company of € 16,542,494.00, which is divided into 16,542,494 bearer shares without par value, will be increased in accordance with the provisions of the German Stock Corporations Act governing the increase of capital using corporate funds (§§ 207 et seq. AktG) by € 16,542,494.00 to € 33,084,988.00 by issuing 16,542,494 new, no par value bearer shares to the shareholders of the Company. The new shares are issued to the shareholders in a ratio of 1 to 1 so that one new no par value share is issued for each existing no par value share. The new shares (ISIN: DE000A0CAYB2, WKN (German Securities Code Number): A0CAYB) entitle the holder to dividend rights commencing as of October 1, 2006. They will be represented in a global certificate which will be deposited with Clearstream Banking AG, Frankfurt am Main for collective custody.

This resolution is based on the annual balance sheet of the Company as of September 30, 2006 which has been approved by the Board of Directors and the Supervisory Board. The annual balance sheet was audited by KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Bielefeld, and provided with an unrestricted audit opinion. The Board of Directors is authorized to determine the details of the capital increase.

- b) By way of an adjustment in connection with the capital increase resolved under Agenda item 8.1 a), § 4 sec. (1) sentence 1 of the Company's Articles of Association is amended as follows:

"The registered share capital of the Company is € 33,084,988.00 and is divided into 33,084,988 no par value shares."

- c) Capital increase using corporate funds without issuing new shares

A further partial amount of € 95,353,533.00 of the capital reserves shown in the annual balance sheet as of September 30, 2006 pursuant to § 272 sec. 2 no. 1 HGB, is converted into registered share capital as follows:

The registered share capital of the Company increased in accordance with Agenda item 8.1 a) in the amount of € 33,084.988.00 is increased in accordance with the provisions of the German Stock Corporations Act on capital increases using corporate funds (§§ 207 et seq. AktG) by € 95,353.00 to € 128,438,521.00 without issuing new stock by increasing the proportionate amount in the registered share capital attributable to each share.

This resolution is based on the annual balance sheet of the Company as of September 30, 2006 which has been approved by the Board of Directors and the Supervisory Board. The annual balance sheet was audited by KPMG Deutsche Treuhand-Gesellschaft Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Bielefeld, and provided with an unrestricted audit opinion. The Board of Directors is authorized to determine the details of the capital increase.

- d) By way of an adjustment in connection with the capital increase resolved under Agenda item 8.1 a), § 4 sec. (1) sentence 1 of the Company's Articles of Association is amended as follows:

"The registered share capital of the Company is € 128,438,521.00 and is divided into 33,084,988 no par value shares."

- e) The validity of the above resolutions under Agenda item 8.1 a) and b) is subject to the condition of determination by the chairman about adopting the resolution under Agenda item 8.1 c) and d) in accordance with the proposal by the Board of Directors and the Supervisory Board. The Board of Directors is instructed to ensure that when submitting the application of the resolutions under Agenda item 8.1 c) and d), these are only registered in the commercial register of the Company after the registration of the capital measure resolved under Agenda items 8.1 a) and b) has been completed. The validity of the above resolutions under Agenda item 8.1 a), b), c) and d) is furthermore subject to the condition of determination by the chairman about adopting

of the resolution of Agenda item 8.2 in accordance with the proposal by the Board of Directors and the Supervisory Board.

8.2 Orderly Capital Reduction

- a) Subject to the reservation of registration in the commercial register of the Company of the capital increases using corporate funds under Agenda item 8.1, the registered share capital of the Company in the amount of € 128,438,521.00 is reduced by € 95,353,533.00 to € 33,084,988.00. The reduction by € 95,353,533.00 (hereinafter, the "Reduction Amount") is performed in accordance with the provisions of the German Stock Corporations Act on an orderly reduction of capital (§§ 222 et seq. AktG) by reducing the amount of registered share capital attributable to each share to EUR 1 per share for the purpose of transferring the Reduction Amount to the capital reserves of the Company (§ 272 sec. 2 no. 4 HGB). The details of implementation will be determined by the Board of Directors.
- b) By way of an adjustment in connection with the above capital reduction, § 4 sec. (1) sentence 1 of the Company's Articles of Association is amended as follows:

"The registered share capital of the Company is € 33,084,988.00 and is divided into 33,084,988 no par shares."
- c) The Board of Directors is instructed to ensure that when submitting the application of the resolutions under Agenda item 8.2, these are only registered in the commercial register of the Company after the registration of the capital measures resolved under Agenda item 8.1 has been completed.

8.3 Reduction of Conditional Capital

- a) The conditional capital of the Company which serves the purpose of granting stock options to certain management personnel and employees in accordance with the more detailed provisions of the authorizing resolution of the general shareholders' meeting of May 14, 2004 as amended by the supplemental resolution of the general shareholders' meeting of February 21, 2006 and which has, as a result of the capital increases using corporate funds resolved under Agenda item 8.1, increased pursuant to § 218 sentence 1 AktG by € 9,511,162.36, from € 1,406,112.00 to € 10,917,274.36 is reduced by € 8,105,050.36 to € 2,812,224.00.
- b) By way of an adjustment in connection with the above reduction of the conditional capital, § 4 sec. (7) sentence 1 of the Company's Articles of Association is amended as follows:

"The registered share capital is conditionally increased (Conditional Capital) by up to € 2,812,224.00 (in words: two million eight hundred twelve thousand two hundred twenty four Euros), divided into up to 2,812,224 no par value bearer shares."
- c) The validity of the above resolutions under Agenda item 8.3 a) and b) is subject to the condition of determination by the chairman about the adopting of the resolutions on Agenda items 8.1 and 8.2 in accordance with the proposals of the Board of Directors and the Supervisory Board.
- d) The Board of Directors is instructed to ensure that when submitting the application of the resolutions under Agenda item 8.3, these are only registered in the commercial register of the Company after the registration of the capital measures resolved under Agenda items 8.1 and 8.2 has been completed.

9. Stock Option Program: Resolution on the amendment of the resolution on Conditional Capital ("*Bedingtes Kapital*") and the authorization to issue stock options of May 14, 2004 as amended by the supplemental resolution of the Annual General Meeting of February 21, 2006; Amendment of § 4 section (7) sentence 2 of the Articles of Association

The resolution on the authorization to issue stock options of May 14, 2004, which was not amended by the supplemental resolution of the Annual General Meeting of February 21, 2006,

stipulates that of the total volume of stock options the Allottees of Group 1 shall together receive a maximum of 100,000 stock options and that the remainder of the stock options shall be issued to the Allottees of Group 2. This provision shall be replaced by the provision that the Allottees of Group 1 may only be granted stock options in such an amount that, if they exercise their option, a quarter of the Conditional Capital available for this purpose can be distributed to them; the remainder of the stock options shall be allocated to the Allottees of Group 2.

The Board of Directors and Supervisory Board propose that the following resolution shall be adopted:

- a) The allocation of the subscription rights to the individual groups of the Company resolved in regard to agenda item 3 of the Company's Annual General Meeting of May 14, 2004 under sec. 1 subsection 3, which reads as follows:

"The circle of Allottees includes members of the Company's Board of Directors (Group 1) and board members of subordinate associated companies within and outside Germany and other executives and employees of the Company and its subordinate associated companies (Group 2). The total volume of the stock options to new shares shall be distributed to the individual groups of Allottees as follows: The Allottees of Group 1 shall together receive a maximum of 100,000 stock options; the remainder of the stock options shall be distributed to the Allottees of Group 2. Allottees belonging to two groups, shall receive no subscription rights based on their affiliation to a subordinate associated company."

shall be changed and have the following new wording:

"The circle of Allottees includes members of the Company's Board of Directors (Group 1) and board members of subordinate associated companies within and outside Germany and other executives and employees of the Company and its subordinate associated companies (Group 2). The total volume of the stock options to new shares shall be distributed to the individual groups of Allottees as follows: The Allottees of Group 1 shall together receive stock options in such amount that if they exercise their option, no more than 25% (one quarter) of the Conditional Capital available for distribution shall be required; the remainder of the stock options shall be allocated to the Allottees of Group 2. Allottees belonging to both groups shall receive no subscription rights based on their affiliation to a subordinate associated company."

- b) § 4 sec. (7) of the Articles of Association of the Company shall be amended to reflect the foregoing resolution. § 4 sec. (7) sentence 2 of the Articles of Association of the Company shall thus read as follows:

"The Conditional Capital increase is to be used exclusively to cover stock options issued to members of the Company's Board of Directors, board members of subordinate associated companies within and outside Germany and to other executives and employees of the Company and its subordinate associated companies as detailed in the provisions of the authorization resolved by the Annual General Meeting on May 14, 2004 as amended by the supplemental resolution of the Annual General Meeting on February 21, 2006 and as amended by the amendment resolution of the Annual General Meeting on January 29, 2007."

10. Resolution on the adjustment of the remuneration of the Supervisory Board; Amendment of § 12 sec. (2) sentence 1

The much stricter statutory requirements and the increasing professional approach of the Supervisory Board's work considerably increased the workload, in particular of the Chairman of the Supervisory Board. To compensate this increased workload the current remuneration of the Chairman of the Supervisory Board, as resolved in 2004, shall be adjusted. The Board of Directors and the Supervisory Board propose that the Chairman of the Supervisory Board shall receive instead of the double amount, the triple amount of the annual remuneration of the mem-

bers of the Supervisory Board (€ 30,000.00). The attendance allowance in the amount of € 3,000.00 per meeting day for meetings of the Supervisory Board and its committees, paid to the members of the Supervisory Board (including the Chairman of the Supervisory Board) in addition to the annual remuneration shall remain unchanged.

Therefore, the Board of Directors and Supervisory Board propose that the following resolution be adopted:

- a) § 12 sec. (2) sentence 1 of the Articles of Association of the Company shall thus read as follows:

“The Remuneration of the Chairman of the Supervisory Board shall amount to three times, and for the Deputy to one and a half times, the payment stated in section (1) above.”

- b) The following transitional provision shall apply during the fiscal year of the Company, in which the amendment of § 12 sec. (2) sentence 1 of the Articles of Association is registered with the commercial register:

The new provision shall apply for the first time for that fiscal year, in which the amendment of § 12 sec. (2) sentence 1 of the Articles of Association is registered with the commercial register, namely on a *pro rata temporis* basis for the time period beginning with the day of the registration with the commercial register. For the time period until and including the day prior to the registration with the commercial register the former provision shall continue to apply.

II. Reports of the Board of Directors

1. Report of the Board of Directors regarding agenda item 7 of the Annual General Meeting on January 29, 2007 pursuant to section 71 subsection 1 no. 8 Stock Corporation Act (AktG) in conjunction with section 186 subsection 4 sentence 2 Stock Corporation Act (AktG)

The resolution proposed by the Board of Directors and Supervisory Board envisages – in compliance with usual corporate practice on the basis of § 71 sec. 4 number 8 German Stock Corporation Act (AktG) – that the Company be authorized by the Annual General Meeting for at most 18 months to acquire own shares up to an amount of 10 % of the current share capital. The Board of Directors already holds such authorization. This authorization to acquire own shares was adopted up to a fixed date at the Annual General Meeting of Wincor Nixdorf Aktiengesellschaft held on February 21, 2006 and is now to be extended.

The principle of equality of treatment in accordance with § 53a German Stock Corporation Act (AktG) is to be upheld in the acquisition of own shares. The proposed acquisition of shares through the stock exchange or by means of a public offering takes this principle into account. If a public offering is oversubscribed, the shares must be acquired on a *pro rata* basis.

As regards the resale of own shares that the Company acquires, the law in principle envisages their sale through the stock exchange or by means of an offering extended to all shareholders, with the result that the principle of equal treatment in accordance with § 53a German Stock Corporation Act (AktG) is upheld. However, the Annual General Meeting can also adopt another means of selling them in application of § 186 sec. 3 and sec. 4 German Stock Corporation Act (AktG).

In this regard, the resolution envisages authorizing the Board of Directors, with the consent of the Supervisory Board, to effect a sale of the Company's own acquired shares in a manner other than through the stock exchange or by making a public offering to all shareholders, provided the acquired own shares are sold for cash for a price not substantially lower than the stock market price for Company shares of the same class with the same rights on the date of

such sale. A markdown on the current stock exchange price of up to 5 % of the stock exchange price is currently regarded as permissible according to the writings of experts.

With this authorization, the possibility of excluding subscription rights is utilized as permitted in § 71 sec. 1 number 8 German Stock Corporation Act (AktG) in application of § 186 sec. 3 sentence 4 German Stock Corporation Act (AktG). This possibility of excluding the subscription right in the resale of own shares in the Company in application of § 186 sec. 3 sentence 4 German Stock Corporation Act (AktG) serves the interests of the Company as regards selling own shares to other investors, for example, and enables in particular a faster and less expensive placement of the shares than if they were to be sold as part of an offering to all shareholders. Management is therefore enabled to exploit the opportunities offered by the state of the stock exchange quickly, flexibly and inexpensively, in particular, in addition, if a significant fall in price might not be able to be excluded in a sale through the stock exchange due to the volume of the shares to be sold. In addition, new groups of shareholders in Germany and abroad may also be acquired in this way. As a result, the Board of Directors obtains an additional means of financing in order to strengthen the Company's position in domestic and foreign markets.

Overall, the financial and voting right interests of the shareholders in the sale of own shares to third parties with the exclusion of shareholders from the subscription right on the basis of § 71 sec. 1 number 8 German Stock Corporation Act (AktG) are reasonably safeguarded. The authorization is restricted to a maximum total of 10 % of the Company's share capital at the time of such resolution. In calculating this maximum limit, an allowance shall be made for the issuance of shares and subscription or conversion rights to shares after this authorization on the basis of authorized capital in accordance with §§ 203 sec. 2, 186 sec. 3 sentence 4 German Stock Corporation Act (AktG) or on the basis of an authorization in accordance with to §§ 221 sec. 4, 186 sec. 3 sentence 4 German Stock Corporation Act (AktG). Shareholders who are interested in retaining their ratio of voting rights in principle have the possibility of acquiring a further appropriate number of shares on the stock exchange. The Board of Directors and Supervisory Board are of the view that this approach serves the interests of the Company with regard to the Company's strategy, and is also reasonable under consideration of the interests of shareholders.

In addition, the resolution envisages authorizing the Board of Directors to offer or use the acquired own shares in whole or in part to third parties as full or partial consideration for mergers, direct or indirect acquisitions of companies, parts of companies or equity interests.

It is the Company's intention to further strengthen and expand its competitive position in the short or medium term through the systematic acquisition of companies or equity interests within the framework of the purpose of the Company as defined by its Articles, if the opportunity arises. Especially in the international arena, owners of companies and holders of equity interests often expect shares in the acquiring Company as a consideration for selling the Company or interest. The proposed authorization will enable the Company to use its own shares as a quid pro quo in concrete acquisitions in which it may be in competition with other prospective buyers, and may thus enable it to refrain from the need to increase its share capital in exchange for contributions in kind.

The Company should also be authorized to use own shares to fulfill the obligations in connection with stock options that have been issued or will be issued pursuant to the authorization adopted by the Annual General Meeting on May 14, 2004. This authorization is in the interests of the Company and shareholders because it gives the Company the possibility, where this is appropriate in a concrete case, to issue new shares from conditional capital and so avoid a capital increase and a dilution of the voting rights and ratios of the shareholders.

The price at which the shares are issued in the above cases depends on the circumstances of the individual case and the time. The Board of Directors will be guided by the Company's interests in setting the price. If the shares are used for distributing stock options, the price at which the shares are sold shall be the price at which the stock options are exercised.

Given the above considerations, it is the view of the Board of Directors and Supervisory Board that the proposed authorization to acquire own shares is in the interests of shareholders and can justify exclusion of the subscription right of shareholders in individual cases. The Board of

Directors and the Supervisory Board will therefore examine and consider in each single case whether granting own shares with the exclusion of the subscription right is in the predominant interests of the Company.

2. Report of the Board of Directors regarding the Stock Option Program referred to under agenda item 9 of the Annual General Meeting on January 29, 2007

By resolution of the Company's Annual General Meeting on May 14, 2004, the Company's share capital was conditionally increased by up to EUR 1,406,112 through the issue of up to 1,406,112 new no-par value bearer shares (Conditional Capital). The Conditional Capital increase was adopted solely to cover stock options issued to members of the Company's Board of Directors, board members of subordinate associated companies within and outside Germany as well as to other executives and employees of the Company and its subordinate associated companies (Allottees). The Board of Directors was authorized, with the consent of the Supervisory Board, to issue stock options to the Allottees until May 13, 2009. The award of stock options to members of the Company's Board of Directors is the exclusive responsibility of the Supervisory Board. The Board of Directors (with the consent of the Supervisory Board) and the Supervisory Board made use of this authorization in 2004, 2005 and 2006 and issued a total of 554,640 stock options. Of these, 199,250 options have already been exercised. Regarding 13,250 options, the requirements for their exercise are no longer fulfilled as the respective Allottees have meanwhile left Wincor Nixdorf Group. The Conditional Capital available to service the stock options has so far not been made use of.

The terms of the Stock Option Program provide that claims arising from the exercise of options may be satisfied by the following measures:

- through the issue of new shares from Conditional Capital against payment of the exercise price;
- through payment of the difference between the current stock price and the exercise price in cash.
- with the resolution adopted by the Annual General Meeting on February 21, 2006, a third possible option to satisfy such claims was added, i.e. to pay the difference in shares instead of cash.

The resolution of the Company's Annual General Meeting dated May 14, 2004 on agenda item 3 regarding the authorization to issue stock options, which was in this respect not changed or amended by the resolution adopted by the Annual General Meeting on February 21, 2006 provides that a maximum number of 100,000 stock options may be issued to the members of the Company's Board of Directors, the so-called Group 1. The remaining stock options are allocable to the Allottees of Group 2, i.e. the board members of the Company's subordinate associated companies within and outside Germany as well as other executives and employees of the Company and its subordinate associated companies.

The Stock Option Program further requires that each Allottee must hold an investment of 1:10 (shares : stock options); these shares need to be purchased at the time of the grant of the stock options and held during the two years' vesting period of the stock options. The Company found this investment required from each Allottee to be satisfactory in recent years. It increasingly relies on performance-related remuneration structures for its executives. This applies, in particular, to the members of the Company's Board of Directors. At the same time, the Company thus adjusts to capital market requirements. The administration takes the positive performance of the Company's stock price as an indication that this incentive remuneration approach is expedient also in the interest of the Company's stockholders.

The original resolution on the allocation of stock options to the groups of Allottees was adopted at a time when the Company's Board of Directors consisted of two members. Meanwhile, the number of Board of Directors members has increased to four. This increase in the number of

Board of Directors members is *inter alia* a result of the sustained positive development of the business of Wincor Nixdorf Group. In addition, incentive remuneration schemes did not have the same relevance at the time when the resolution was adopted as they have today.

If approved by the Annual General Meeting in the proposed form, the measures affecting the share capital proposed under agenda item 8 will lead to an increase of the Company's share capital as well as the number of issued no-par value shares by 100 %. Accordingly, the Company's statutory Conditional Capital available for the grant of stock options will double as well. The maximum number of 100,000 stock options available for Allottees of Group 1, however, will not be automatically adjusted in the scope of the measures affecting the share capital proposed under agenda item 8.

The change of the allocation of the stock options among the Allottees of Group 1 and Group 2 proposed under agenda item 9 accounts for:

- the fact that the number of Board of Directors members has doubled in the meantime and
- the increased significance of stock options in terms of performance-related components in executive remuneration schemes.

Therefore, the portion of stock options allocable to Group 1 is to be increased. In future, this portion is no longer to be represented by an absolute number but by a percentage rate. This is meant to avoid that any future changes of the Conditional Capital available to cover the stock options will in each case necessarily require an adjustment of the number of stock options allocable to Group 1.

The portion allocable to the Allottees of Group 1 shall be determined on the basis of a percentage of the Conditional Capital, i.e. 25 percent. The number of stock options corresponding to such percentage shall be calculated based on the assumption that all stock options are covered from Conditional Capital.

On the basis of the Conditional Capital of the Company prior to the implementation of the measures affecting the share capital as proposed under agenda item 8, the Allottees of Group 1 are entitled to subscribe to a maximum of 351,528 no-par value shares (25 % of the total Conditional Capital consisting of 1,406,112 no-par value shares). The remaining 75 % of the stock options are allocable to the Allottees of Group 2.

Should the Annual General Meeting resolve the measures affecting the share capital as proposed under agenda item 8, the total number of shares available under the Conditional Capital will double. Regarding any stock options issued to the Allottees of Group 1 and Group 2 prior to the registration with the commercial register of the measures affecting the share capital proposed under agenda item 8, the option terms provide that after registration of the measures affecting the share capital, one stock option shall entitle the respective Allottees to subscribe to two shares instead of one share. This provision of the option terms serves to avoid that the measures affecting the share capital dilute the option rights already acquired by the Allottees. According to agenda item 8, the Conditional Capital is merely adjusted to the capital increase referred to under agenda item 8.1 a) and b) by means of the issue of new shares. As a consequence, the share capital: Conditional Capital ratio remains unchanged.

Neither will the proposed agenda item 9 lead to an increase in the Conditional Capital; there is merely a change in the allocation of the available stock options to Group 1 and Group 2 in favor of Group 1. Already acquired option rights of Allottees of Group 2 are not affected. The amount of stock options so far issued by the Company to Allottees of Group 2 represents less than 75% of the Conditional Capital. The number of stock options allocable to the Allottees of Group 2 after the change in the allocation is sufficient to continue issuing stock options to the Allottees of Group 2 on an ongoing basis and in the same amount as before in order to achieve the desired incentive effect also in this Group.

III. Right to participate in the Annual General Meeting by depositing shares

Pursuant to § 15 of the company's Articles of Association Shareholders are entitled to participate in the Annual General Meeting and to exercise their voting rights only if they have registered with the Company by no later than the close of January 22, 2007, 24:00 hours at the following address:

Wincor Nixdorf Aktiengesellschaft
c/o Deutsche Bank AG
- General Meetings -
60272 Frankfurt am Main
Germany

Registration must be issued in text form (§126b German Civil Code [BGB]) in German or English language. Shareholders must provide proof of their entitlement to participate in the Annual General Meeting and to exercise voting rights by means of a special certificate of share ownership in German or English language, issued in text form (§ 126b German Civil Code [BGB]) by their depository : The certificate of share ownership must relate to the beginning of the 21st day, 0.00 hours before the Annual General Meeting and must reach the Company by no later than the close of January 22, 2007, 24.00 hours (receipt) under the address given above.

Entrance cards for the Annual General Meeting will be sent to the shareholders on receipt of the confirmation of their share ownership by the Company. To ensure that they obtain entrance cards in good time, we request shareholders to submit their share ownership certificate to the Company as early as possible.

IV. Voting by proxy

Shareholders who do not wish to attend the Annual General Meeting in person may have their voting rights exercised by proxy, e.g. by a shareholders' association or by a bank. The respective proxy shall be issued in writing.

As a special service to our shareholders, we offer to authorize Company-nominated proxies before the Annual General Meeting to represent them in the voting. The proxies must be authorized and given instructions on exercising voting rights. The proxy shall be invalid as a whole if such directives are not issued. Proxies are obligated to vote as instructed. Please note, that Company-nominated proxies are not entitled to accept requests to speech, to ask questions or to make motions and are also not entitled to support motions with respect to the procedure or countermotions of shareholders. Authorization and voting instructions can be given to Company-nominated proxies either via the Internet or in writing (or by fax), using the form intended for this purpose on the entrance card. The materials sent to shareholders with the entrance card contain more information on registration and granting proxies. Information can also be found in the internet at www.wincor-nixdorf.com. In order to ensure that the entrance card is sent on time, each shareholder should place an order with his or her depository bank as early as possible. Powers of attorney and directives issued to the representative of the Company must be received by the Company on January 26, 2007, 18.00 hours, at the latest, otherwise they cannot be taken into account. The proxies must be sent to:

By post: Wincor Nixdorf Aktiengesellschaft
Investor Relations
33094 Paderborn
Germany
By fax: +49 (0)5251 693-5056
Electronically: investor-relations@wincor-nixdorf.com

V. Shareholders motions or nominations

If shareholders wish to put forward countermotions pursuant to § 126 German Stock Corporation Act (AktG) and nominations pursuant to § 127 German Stock Corporation Act (AktG) to a specific item on the agenda, these must be sent only to the following address, with proof of the shareholder's status:

By post: Wincor Nixdorf Aktiengesellschaft
 Legal department
 33094 Paderborn
 Germany
By Fax: +49 (0)5251 693-5444

Shareholder motions and nominations sent to another address cannot be taken into account. Countermotions and nominations that are received at the above address at the latest two weeks before the day of the Ordinary Annual General Meeting shall be made accessible to all shareholders immediately in the Internet at www.wincor-nixdorf.com, in accordance with § 126 German Stock Corporation Act (AktG). Management's comments, if any, on the motions shall likewise be published at the above Internet address.

Paderborn, December 2006

Wincor Nixdorf Aktiengesellschaft

The Board of Directors