



**THREE-MONTH INTERIM REPORT**  
**FISCAL YEAR 2005/2006**

October 1, 2005 to December 31, 2005

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

## Key Figures.

	1st quarter 2005/2006 <sup>1)</sup>	1st quarter 2004/2005 <sup>2)</sup>	Change
<b>Statement of Income (€ millions) <sup>3)</sup></b>			
<b>Net sales</b>	<b>488</b>	<b>455</b>	<b>7%</b>
of which Banking	290	259	12%
of which Retail	198	196	1%
<b>Gross profit</b>	<b>134</b>	<b>131</b>	<b>2%</b>
Gross profit as a percentage of net sales	27.5%	28.8%	-
<b>Research &amp; development expenses</b>	<b>-19</b>	<b>-17</b>	<b>12%</b>
R&D expenses as a percentage of net sales	3.9%	3.7%	-
<b>Selling, general and administration expenses <sup>4)</sup></b>	<b>-76</b>	<b>-79</b>	<b>-4%</b>
SG&A expenses as a percentage of net sales	15.6%	17.4%	-
<b>EBITA <sup>5)</sup></b>	<b>39</b>	<b>35</b>	<b>11%</b>
EBITA as a percentage of net sales	8.0%	7.7%	-
of which Banking	29	26	12%
as a percentage of net sales Banking	10.0%	10.0%	-
of which Retail	10	9	11%
as a percentage of net sales Retail	5.1%	4.6%	-
<b>Amortization/depreciation of property, plant and equipment and licenses</b>	<b>8</b>	<b>6</b>	<b>33%</b>
<b>EBITDA</b>	<b>47</b>	<b>41</b>	<b>15%</b>
EBITDA as a percentage of net sales	9.6%	9.0%	-
<b>Net profit for the period</b>	<b>18</b>	<b>13</b>	<b>38%</b>
Net profit for the period as a percentage of net sales	3.7%	2.9%	-
<b>Net profit for the period (before carve-out)</b>	<b>22</b>	<b>18</b>	<b>22%</b>
<b>Cash Flow (€ millions)</b>			
<b>Cash flow from operating activities</b>	<b>63</b>	<b>65</b>	<b>-3%</b>
<b>Key Balance Sheet Figures (€ millions)</b>			
	Dec. 31, 2005	Sept. 30, 2005	Change
<b>Working capital</b>	<b>198</b>	<b>204</b>	<b>-6</b>
as a percentage of net sales (annualized)	10.1%	11.7%	-
<b>Net debt</b>	<b>115</b>	<b>176</b>	<b>-61</b>
<b>Equity <sup>6)</sup></b>	<b>247</b>	<b>228</b>	<b>19</b>
<b>Human Resources</b>			
<b>Number of employees</b>	<b>7,283</b>	<b>6,937</b>	<b>346</b>

<sup>1)</sup> October 1, 2005 – December 31, 2005

<sup>2)</sup> October 1, 2004 – December 31, 2004

<sup>3)</sup> before profit charges arising from carve-out

<sup>4)</sup> including other income and expenses and investment result

<sup>5)</sup> net profit on operating activities before interest, taxes and amortization of product know-how

<sup>6)</sup> excluding minority interest

## BUSINESS PERFORMANCE

### First-quarter performance in line with forecast

**Net sales:**

Up 7% (5% after adjusting for exchange rate effects)

**Operating profit (EBITA):**

Up 11%

Tight cost management compensated for fall in gross margin

German business grew significantly

Growth ahead of markets in Asia and the Americas

### Full-year forecasts firmed up

Net sales: Up 8%

EBITA: Up 10%

## KEY EVENTS

**Changes to the Board of Directors.** On October 1, 2005 the Supervisory Board expanded the size of the Board of Directors of Wincor Nixdorf AG. In addition to President & Chief Executive Officer Karl-Heinz Stiller and Chief Financial Officer Eckard Heidloff, who has been appointed Deputy CEO, it appointed Jürgen Wilde and Stefan Auerbach to the Board with responsibility, respectively, for the worldwide retail and services businesses. Philip Mantle, who was also appointed to the Board of Directors with responsibility for the banking business, died unexpectedly on December 22, 2005. President & CEO Karl-Heinz Stiller has taken over this role for the time being.

**Extra business potential via outsourcing contracts.** At the start of the new 2005/2006 fiscal year Wincor Nixdorf launched several large outsourcing projects within the branching banking businesses of some major banks. The projects are a sign of the continuing changing perception of the business on the part of customers. This goes all the way to removal and outsourcing of those activities no longer regarded as being among the banks' own core competencies. This gives us the opportunity to use our expertise and extensive capability to tap into additional business potential.

**Further progress in opening up additional growth potential.** Wincor Nixdorf is continuing to complement its core activities in the retail and banking sectors successfully by expanding into other attractive markets. For example, Wincor Nixdorf succeeded in winning orders for reverse vending systems (handling empty bottle and can returns, etc.) from a number of major German retail chains. In view of the upcoming new deposit arrangements for non-reusable packaging in Germany – under which retailers have to take back non-reusable containers and refund deposits – this line of business is increasingly growing in importance.

**Wincor World 2006: showing the future of IT for banks and retail companies.** Wincor World has established itself worldwide as a platform for sharing knowledge and experience within the banking and retail industries, and the international specialist trade fair will be held in Paderborn, Germany, between January 24 and 26, 2006 under the banner "Sharing new Perspectives". The high regard in which the event is held can be seen by the fact that Börsen-Zeitung, the German stock market gazette, and the European Retail Institute will be using the exhibition as a forum for their own specialist symposia on retail and banking issues. This year, over 7,000 visitors from more than 50 countries are expected to come to the fair. Wincor Nixdorf will be joined by over 70 partners in presenting propositions consisting of products, software, consulting, maintenance and other services.

## BUSINESS PERFORMANCE DURING THE PERIOD OCTOBER 1 – DECEMBER 31, 2005

### BUSINESS AND ECONOMIC ENVIRONMENT.

**The world economy.** According to an ifo economic forecast, the world economic climate improved again for the first time since the beginning of 2004. Recent surveys had already shown the indicator to be ending its downwards trend. Overall, the World Economic Survey is signaling continuing strength in the world economy. The US dollar has depreciated slightly against the euro in recent months, and in Germany the economic climate has improved again for the first time in over a year.

**Sector performance: retail and banking.** The banking business has seen a continuation of the trend towards steady growth of retail banking as a stable source of income. For the first time in a long while, over a year, capital investment activity by banks in Germany has improved again. Unrelenting competitive pressure continues to be the main driver in terms of deploying the very latest information technology with a view to reducing cost, boosting efficiency and expanding service offerings to banking customers. Retailers, equally driven by competitive pressure, are continuing their efforts to realize productivity and efficiency gains.

Both sectors are consistently tapping into additional business potential through continued investment in IT equipment and by expanding their local presence (stores and branches) in growth regions of the world economy.

### GROUP BUSINESS PERFORMANCE.

**Net sales and profit.** Group net sales in the Q1 2005/2006 increased by 7% to € 488 million (previous year: € 455 million). After adjusting for the effect of exchange rate movements between the euro and the US dollar, revenue was up 5%. This growth in Q1 revenue is the result of both overall favorable business performance within the Group and good business conducted at the year-end.

Gross margin on revenue before profit charges arising from the carve-out was down 1,3 percentage points on the same quarter last year to 27.5% (previous year: 28.8%). This fall was due to growth in lower-margin regions and the relative growth of outsourcing revenues within the overall business.

Research and development expenses increased € 2 million to € 19 million (previous year: € 17 million), 12 percentage points higher than the same quarter last year. The R&D ratio was 3.9% (previous year: 3.7%).

At € 76 million, Q1 selling, general and administration expenses were lower than the same quarter last year (€ 79 million), moving in the opposite direction of the rise in revenue and thus reducing the SG&A/revenue ratio by 1.8 percentage points to 15.6% (previous year: 17.4%), more than compensating for the fall in gross margin. The favorable effects of actions taken within the Group-wide "ProImprove" productivity improvement program continue to make themselves felt clearly.

Within the first three months of the fiscal year, EBITA (operating profit before amortization of product know-how) increased € 4 million or 11% to € 39 million (previous year: € 35 million), improving the return on sales by 0.3 percentage points to 8.0% (previous year: 7.7%).

Net profit for the period in Q1 was € 18 million, € 5 million ahead of the equivalent figure last year. Net profit for the period before carve-out expenses climbed € 4 million to € 22 million (previous year: € 18 million).

**Cash flow.** In the first three months of fiscal 2005/2006, cash flow from ordinary activities was € 63 million (previous year: € 65 million), with € 47 million of this coming from EBITDA (previous year: 41 million). Working capital reduced to a lower level than this time last year, with the effect that incoming cash flow from ordinary activities remained marginally below last year's level.

The € 6 million of outgoing cash flow on investment activities (previous year: € 17 million) was spent largely on capital investment in property, plant and equipment, mainly office and factory equipment. Last year's figure included € 1 million of acquisition expenditure in addition to € 4 million on property, plant and equipment and € 2 million on intangible assets.

Cash flow from financing activities showed outgoings of € 47 million (previous year: inflow of € 9 million), mainly the result of loan repayments of € 52 million during Q1 of the current fiscal year.

**Regional performance.** In Europe (excl. Germany) net sales during the first three months was 2% ahead of an excellent performance in the same period last year to € 265 million (previous year: € 260 million). Europe continues to generate the largest share of Group revenue, namely 55% (previous year: 57%).

In Germany, revenue during the first three months was good, as expected, improving 8% to € 124 million (previous year: € 115 million), having fallen (down 8%) during the same period last year. After years of stagnation, the banking business demonstrated a great upwards trend. Business with the retail sector, on the other hand, experienced a weak quarter as expected. Germany accounted for 25% of total net sales (previous year: 25%).

In the Americas, revenue in US dollar terms improved 18% during the first three months. After conversion to euros, revenue was up 30% to € 39 million as opposed to € 30 million in the same period last year. The Americas make up 8% of total net sales (previous year: 7%).

In Asia-Pacific & Africa, also a US dollar region, dollar revenues were up 8% on last time. In euro terms, revenue improved 20%, ending the quarter as expected up € 60 million on the same period last year. Asia-Pacific & Africa accounts for 12% of total net sales (previous year: 11%).

**Segment performance.** During the first quarter, business performance in **banking** saw revenue increase 12% to € 290 million (previous year: € 259 million), driven mainly by the significant growth in Germany and the Americas as well as overall solid growth in the product business. Q1 EBITA reached € 29 million, € 3 million (12%) ahead of the same period last year.

The **retail** segment saw Q1 revenue move 1% ahead to € 198 million (previous year: € 196 million), benefiting from excellent business at the end of calendar 2005, enabling it to achieve volumes of revenue ahead of last year's equivalent which, at the time, was aided by exceptional items. EBITA in Q1 was up € 1 million (11%) to € 10 million.

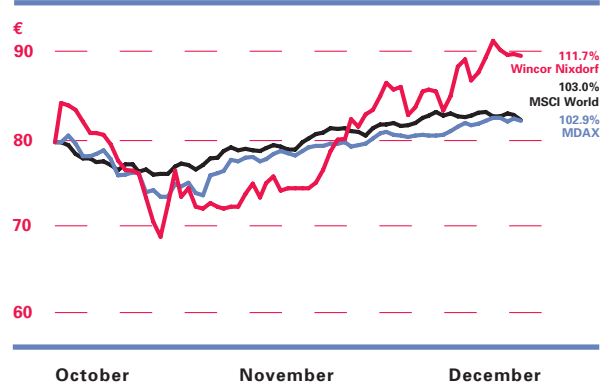
**Performance by business stream.** Product revenues in Q1 grew 9% to € 297 million (previous year: € 273 million). Revenue from solutions and services were 5% ahead at € 191 million (previous year: € 182 million).

As a result, solutions and services accounted for 39% of net sales (previous year: 40%), with product revenues accordingly making up the remaining 61% (previous year: 60%).

**Headcount.** The number of persons employed within the Group increased by 346 to 7,283 (as of December 31, 2005). This increase in headcount was in order to assist the continued growth of the outsourcing business and the Group's international expansion into growth markets.

## STOCK/INVESTOR RELATIONS.

### Performance of Wincor Nixdorf stock compared to the MDAX and the MSCI World Index for the period October 1 through December 31, 2005:



### Share price data

in €

Opening price (Xetra) on October 3, 2005	€ 80.00
High between October and December 2005 (Xetra)	€ 91.00
Low between October and December 2005 (Xetra)	€ 69.74
Closing price (Xetra) on December 30, 2005	€ 89.37
<b>Market capitalization on December 30, 2005</b>	<b>€ 1,478 m</b>

After relatively weak performance in October 2005, the German stock market continued its positive full-year trend during the first three months of fiscal 2005/2006. After strong rises towards the end of the previous quarter, Wincor Nixdorf shares dropped a disproportionately large amount during this phase of stock market weakness before recovering to gain even higher ground as the quarter progressed. While the MDAX rose 2.9% during the period under review, shares in Wincor Nixdorf AG improved 11.7%, reaching their post-IPO high of € 91.00 in December and ending the period at € 89.37.

**Investor Relations.** During the period under review three more prestigious research units – HVB, Merck Finck & Co. and HSBC Trinkaus & Burkhardt – began covering the Company, bringing to 17 the total number of analysts watching the Company and commenting on its performance.

Pursuant to Section 21 of the German Securities Trading Law, the following companies held interests greater than 5% of Wincor Nixdorf's total share capital at the end of the period under review:

- Threadneedle Investments/American Express Group
- Fidelity Investments Ltd.
- Schroders plc.

The Board of Directors and our Investor Relations team gave presentations on the Company and held numerous meetings with institutional investors at investor conferences and roadshows in Germany (Düsseldorf, Frankfurt, Hamburg, Karlsruhe, Cologne, Munich, Münster and Stuttgart) and Spain. Especially noteworthy were Morgan Stanley's TMT Conference on November 18, 2005 in Barcelona and the German Equity Forum on November 21, 2005 in Frankfurt. These events revealed high levels of interest among international investors in talking to Wincor Nixdorf representatives. Telephone conferences were held for analysts at the time of both the announcement of our preliminary 2004/2005 full-year results and publication of our final accounts for the year.

## **OUTLOOK.**

We regard the overall world economic environment in calendar 2006 as continuing to be favorable for the development of the retail and banking sectors.

Against this backdrop, the Company is expecting to see continued growth in both the banking and retail segments. Our Q1 performance therefore confirms the growth forecasts for the Wincor Nixdorf Group in the full fiscal year 2005/2006. These assume growth of 8% in net sales and 10% in EBITA. As well as international growth, this will also be assisted by the German business which is much improved from last year and is being characterized by an increase in capital investment activity in banking and growing levels of business with reverse vending systems in retail.

## CONSOLIDATED STATEMENT OF INCOME

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	1st quarter 2005/2006 <sup>1)</sup>	1st quarter 2004/2005 <sup>2)</sup>
<b>1. Net sales</b>	<b>488,169</b>	<b>455,147</b>
2. Cost of sales	-359,881	-332,680
<b>3. Gross profit</b>	<b>128,288</b>	<b>122,467</b>
4. Research and development expenses	-19,495	-17,294
5. Selling, general and administration expenses	-76,039	-78,131
6. Other operating result	4	-1,122
<b>7. Net profit on operating activities</b>	<b>32,758</b>	<b>25,920</b>
8. Financial result	-3,977	-5,098
<b>9. Net profit on ordinary activities</b>	<b>28,781</b>	<b>20,822</b>
10. Taxes	-10,952	-8,121
<b>11. Profit after taxes</b>	<b>17,829</b>	<b>12,701</b>
12. Minority interests	340	-106
<b>13. Net profit for the period</b>	<b>18,169</b>	<b>12,595</b>
Shares for calculation of basic earnings for the period per share (in thousands)	16,542	16,542
Shares for calculation of diluted earnings for the period per share (in thousands)	16,630	16,559
Basic earnings per share (€)	1.10	0.76
Diluted earnings per share (€)	1.09	0.76
<b>Net profit for the period</b>	<b>18,169</b>	<b>12,595</b>
Amortization product know-how	5,785	8,625
Calculated tax effect	-2,256	-3,364
<b>Net profit for the period before carve-out</b>	<b>21,698</b>	<b>17,856</b>
Shares for calculation of basic net profit for the period before carve-out per share (in thousands)	16,542	16,542
<b>Basic net profit for the period before carve-out per share (€)</b>	<b>1.31</b>	<b>1.08</b>

<sup>1)</sup> October 1, 2005 – December 31, 2005

<sup>2)</sup> October 1, 2004 – December 31, 2004

## GROUP BALANCE SHEET AS OF DECEMBER 31, 2005

### Assets

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	December 31, 2005		September 30, 2005	
<b>Non-current assets</b>				
Intangible assets	394,197		400,800	
Property, plant and equipment	105,859		106,338	
Financial assets	91		106	
Trade receivables	3,874		3,876	
Other assets	2,120		1,499	
Deferred tax assets	25,848	<b>531,989</b>	24,691	<b>537,310</b>
<b>Current assets</b>				
Inventories	252,712		236,948	
Trade receivables	266,031		241,595	
Current tax assets	2,935		2,780	
Other assets	40,354		40,397	
Financial assets	38		42	
Cash and cash equivalents	38,397	<b>600,467</b>	50,928	<b>572,690</b>
<b>Total assets</b>		<b>1,132,456</b>		<b>1,110,000</b>

### Equity & Liabilities

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	December 31, 2005		September 30, 2005	
<b>Equity</b>				
Group equity	246,996		227,633	
Minority interest	5,541	<b>252,537</b>	6,140	<b>233,773</b>
<b>Non-current liabilities</b>				
Accruals for pensions and similar commitments	130,874		122,935	
Other accruals	18,682		20,095	
Financial liabilities	123,397		174,104	
Other liabilities	328		227	
Deferred tax liabilities	15,195	<b>288,476</b>	12,320	<b>329,681</b>
<b>Current liabilities</b>				
Other accruals	118,526		115,298	
Financial liabilities	30,252		52,590	
Advances received on orders	32,028		26,571	
Trade payables	242,418		194,529	
Current income tax liabilities	20,757		20,330	
Other liabilities	147,462	<b>591,443</b>	137,228	<b>546,546</b>
<b>Total equity &amp; liabilities</b>		<b>1,132,456</b>		<b>1,110,000</b>

## GROUP CASH FLOW STATEMENT

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	1st quarter 2005/2006 <sup>1)</sup>	1st quarter 2004/2005 <sup>2)</sup>
<b>Operating profit (EBITA)</b>	<b>38,543</b>	<b>34,545</b>
Amortization/depreciation of property rights, licenses and property, plant and equipment	8,255	6,371
<b>EBITDA</b>	<b>46,798</b>	<b>40,916</b>
Interest expenses, less interest income, plus other financial expenses, less other financial income	-3,977	-5,098
Taxes on income and profit	-10,952	-8,121
Profit/loss on disposal of fixed assets	-34	17
Increase in accruals	7,686	1,137
Other non-cash expenses, less other non-cash income	652	3,291
Decrease in working capital	6,669	22,610
Decrease in other items within net current assets	15,897	9,870
<b>Cash flow from operating activities</b>	<b>62,739</b>	<b>64,622</b>
Payments received from the disposal of property, plant and equipment	199	375
Payments received from the disposal of financial assets	19	29
Payments made for investment in intangible assets	-423	-2,016
Payments made for investment in property, plant and equipment	-6,244	-4,013
Payments made for acquisition of consolidated affiliated companies and other business units	0	-10,890
Payments made for investment in financial assets	0	-4
<b>Cash flow from investment activities</b>	<b>-6,449</b>	<b>-16,519</b>
Payments received from loan draw-downs	0	7,000
Payments made to minority shareholders and other distributions	-578	0
Payments made for repayment of financial loans	-51,500	0
Payments received/made due to special items	5,040	2,395
<b>Cash flow from financing activities</b>	<b>-47,038</b>	<b>9,395</b>
<b>Change in liquidity</b>	<b>9,252</b>	<b>57,498</b>
Change in cash and cash equivalents from exchange rate movements	87	-746
Cash and cash equivalents at beginning of period	-1,185	51,080
<b>Cash and cash equivalents at end of period</b>	<b>8,154</b>	<b>107,832</b>

<sup>1)</sup> October 1, 2005 – December 31, 2005

<sup>2)</sup> October 1, 2004 – December 31, 2004

## CHANGES IN EQUITY

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	Sub- scribed capital	Add. paid-in capital	Misc. retained earnings	Revaluation reserve	Other con- solidation reserves	Consoli- dated profit/loss	Currency translation adjustments	Group equity	Minority interest	Equity
<b>As of October 1, 2004</b>	<b>16,542</b>	<b>168,289</b>	<b>7,021</b>	<b>241</b>	<b>-32,461</b>	<b>41,414</b>	<b>-7,031</b>	<b>194,015</b>	<b>4,520</b>	<b>198,535</b>
Profit	0	0	0	0	0	12,595	0	12,595	106	12,701
Fair value cash flow hedge	0	0	0	6,103	0	0	0	6,103	0	6,103
Fair value other financial assets	0	0	0	8	0	0	0	8	0	8
Deferred tax effect	0	0	0	-2,380	0	0	0	-2,380	0	-2,380
Takeover of shares	0	0	0	0	0	0	0	0	-1,440	-1,440
Other changes	0	129	708	0	0	-2,859	0	-2,022	0	-2,022
Exchange rate changes	0	0	0	0	0	0	-85	-85	0	-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>-32,461</b>	<b>51,150</b>	<b>-7,116</b>	<b>208,234</b>	<b>3,186</b>	<b>211,420</b>
<b>As of October 1, 2005</b>	<b>16,542</b>	<b>169,136</b>	<b>7,098</b>	<b>-4,179</b>	<b>-47,200</b>	<b>91,304</b>	<b>-5,068</b>	<b>227,633</b>	<b>6,140</b>	<b>233,773</b>
Profit	0	0	0	0	0	18,169	0	18,169	-340	17,829
Fair value cash flow hedge	0	0	0	293	0	0	0	293	0	293
Deferred tax effect	0	0	0	-118	0	0	0	-118	0	-118
Takeover of shares	0	0	0	0	0	0	0	0	-260	-260
Other changes	0	272	115	0	0	214	0	601	0	601
Exchange rate changes	0	0	0	0	0	0	418	418	1	419
<b>As of December 31, 2005</b>	<b>16,542</b>	<b>169,408</b>	<b>7,213</b>	<b>-4,004</b>	<b>-47,200</b>	<b>109,687</b>	<b>-4,650</b>	<b>246,996</b>	<b>5,541</b>	<b>252,537</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). With the beginning of the fiscal year 2005/2006 Wincor Nixdorf AG has to apply the standards which have been revised in the course of the "Improvements Project". The first-time application of the revised International Financial Reporting Standards has mainly the following effects on the Group financial statements of Wincor Nixdorf AG to December 31, 2005:

**IAS 1 "Presentation of Financial Statements"**. The IAS 1 revision means the balance sheet has to be presented by current/non-current distinction. Assets and liabilities are divided up into current and non-current items, and equity now also includes minority interest.

Current assets are those

- which are turned over within the entity's normal operating cycle,
- which are primarily held for the purpose of being traded,
- which are expected to be realized within twelve months after the balance sheet date or
- which are cash or cash equivalents.

Current liabilities are those

- which are expected to be settled within the entity's normal operating cycle,
- which are primarily held for the purpose of being traded,

- which are due to be settled within twelve months after the balance sheet date or
- in respect of which the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

This differentiation results in a change to the structure of the balance sheet of Wincor Nixdorf AG in fiscal 2005/2006. The Group balance sheet as of September 30, 2005 has been adjusted accordingly, with trade receivables, other assets, other accruals, financial liabilities and other liabilities split up into current and non-current components. Furthermore, prepaid expenses and deferred income are reported, respectively, under other assets and other liabilities.

Besides, 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, 2005. The applied methods of accounting and valuation are described in detail in the Notes to the Group financial statements as of September 30, 2005.

**Consolidation Group.** In addition to the parent company Wincor Nixdorf AG, the Group financial statements to December 31, 2005 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**

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	Banking	Retail	Group
Net sales to external customers	290,400	197,769	488,169
	(259,295)	(195,852)	(455,147)
Operating profit (EBITA)	28,886	9,657	38,543
	(25,577)	(8,968)	(34,545)
Investments in property rights, licenses and property, plant and equipment	5,011	1,656	6,667
	(4,010)	(2,040)	(6,050)
Amortization/depreciation of property rights, licenses and property, plant and equipment	5,987	2,268	8,255
	(4,409)	(1,962)	(6,371)
Research and development expenses	12,250	7,245	19,495
	(10,640)	(6,654)	(17,294)

Comparative figures for the period from October 1, 2004 to December 31, 2004 are given in parentheses.

**Reconciliation of Segment Profit to Group Profit**

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	1st quarter 2005/2006	1st quarter 2004/2005
<b>Operating profit (EBITA)</b>	<b>38,543</b>	<b>34,545</b>
Goodwill amortization	0	0
<b>Operating profit (EBIT)</b>	<b>38,543</b>	<b>34,545</b>
Profit charges arising from the carve-out	-5,785	-8,625
Financial result	-3,977	-5,098
<b>Net profit on ordinary activities</b>	<b>28,781</b>	<b>20,822</b>
Taxes	-10,952	-8,121
<b>Profit after taxes</b>	<b>17,829</b>	<b>12,701</b>
Minority interests	340	-106
<b>Net profit for the period</b>	<b>18,169</b>	<b>12,595</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.

**Regional Performance**

€k

	1st quarter 2005/2006	1st quarter 2004/2005
<b>Germany</b>	<b>123,604</b>	<b>115,176</b>
in % of total net sales	25.3	25.3
<b>Europe (w/o Germany)</b>	<b>265,416</b>	<b>260,500</b>
in % of total net sales	54.4	57.2
<b>America</b>	<b>39,237</b>	<b>29,769</b>
in % of total net sales	8.0	6.6
<b>Asia/Pacific/Africa</b>	<b>59,912</b>	<b>49,702</b>
in % of total net sales	12.3	10.9
<b>Total</b>	<b>488,169</b>	<b>455,147</b>

**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:

€k

	Oct 1, 1999
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:

€k

	1st quarter 2005/2006	1st quarter 2004/2005
Amortization of product know-how	<b>5,785</b>	<b>8,625</b>

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

€k

	1st quarter 2005/2006	1st quarter 2004/2005
Net sales	488,169	455,147
Cost of Sales	-354,096	-324,055
<b>Gross profit</b>	<b>134,073</b>	<b>131,092</b>
Research and development expenses	-19,495	-17,294
Selling, general and administration expenses	-76,039	-78,131
Other operating result	4	-1,122
<b>Operating profit (EBIT)</b>	<b>38,543</b>	<b>34,545</b>
Goodwill amortization	0	0
<b>Operating profit (EBITA)</b>	<b>38,543</b>	<b>34,545</b>
Depreciation of property, plant and equipment and licenses	8,255	6,371
<b>EBITDA</b>	<b>46,798</b>	<b>40,916</b>

## 2005/2006 FINANCIAL CALENDAR\*

February 21, 2006

Annual General Meeting

April 27, 2006

2005/2006 half-year report

July 27, 2006

2005/2006 nine-month report

October 26, 2006

Announcement of preliminary  
full-year results for 2005/2006

December 13, 2006

Publication of 2005/2006 annual report

\* All dates are provisional and may be subject to change.

Please refer to the Investor Relations section of our Company website at [www.wincor-nixdorf.com](http://www.wincor-nixdorf.com) for further up-to-the-minute investor relations dates.

This interim report is available online at [www.wincor-nixdorf.com](http://www.wincor-nixdorf.com) by clicking on "Investor Relations" and then "Financial Reports".

## COVER

With our highly modern new worldwide standard "eServices platform" we put everything in place to make the data you need flow as quickly as possible and ensure complex service processes are conducted with greater speed and efficiency.

To do this, all the systems involved are connected together online – our service and maintenance systems, those of our partners and customer equipment and applications to be maintained in stores, branches and central departments. Within this family of systems, for example, all faults on customer systems can be recorded and classified automatically, the activities we need to undertake can be initiated automatically and the required service functions such as the Customer Care Center (service desk), spare parts logistics and service technicians brought into play in a coordinated manner.

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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.

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