

**THREE-MONTH INTERIM REPORT**  
**FISCAL YEAR 2006/2007**

October 1, 2006 to December 31, 2006

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

## Key Figures.

	1st quarter 2006/2007 <sup>1)</sup>	1st quarter 2005/2006 <sup>2)</sup>	Change
<b>Statement of Income (€ millions) <sup>3)</sup></b>			
<b>Net sales</b>	<b>549</b>	<b>488</b>	<b>13%</b>
of which Banking	349	290	20%
of which Retail	200	198	1%
<b>Gross profit</b>	<b>147</b>	<b>134</b>	<b>10%</b>
Gross profit as a percentage of net sales	26.8%	27.5%	-
<b>Research &amp; development expenses</b>	<b>-22</b>	<b>-19</b>	<b>16%</b>
R&D expenses as a percentage of net sales	4.0%	3.9%	-
<b>Selling, general and administration expenses <sup>4)</sup></b>	<b>-79</b>	<b>-76</b>	<b>4%</b>
SG&A expenses as a percentage of net sales	14.4%	15.6%	-
<b>EBITA <sup>5)</sup></b>	<b>46</b>	<b>39</b>	<b>18%</b>
EBITA as a percentage of net sales (EBITA margin)	8.4%	8.0%	-
of which Banking	35	29	21%
as a percentage of net sales Banking	10.0%	10.0%	-
of which Retail	11	10	10%
as a percentage of net sales Retail	5.5%	5.1%	-
<b>Amortization/depreciation of property, plant and equipment and licenses and write-down of reworkable service parts</b>	<b>11</b>	<b>8</b>	<b>38%</b>
<b>EBITDA</b>	<b>57</b>	<b>47</b>	<b>21%</b>
EBITDA as a percentage of net sales (EBITDA margin)	10.4%	9.6%	-
<b>Profit for the period</b>	<b>26</b>	<b>18</b>	<b>44%</b>
Profit for the period as a percentage of net sales	4.7%	3.7%	-
<b>Profit for the period (before carve-out)</b>	<b>28</b>	<b>21</b>	<b>33%</b>
Profit for the period (before carve-out) as a percentage of net sales	5.1%	4.3%	-
<b>Cash flow (€ millions)</b>			
<b>Cash flow from operating activities</b>	<b>66</b>	<b>63</b>	<b>5%</b>
<b>Key Balance Sheet Figures (€ millions)</b>			
	Dec. 31, 2006	Sept. 30, 2006	Change
<b>Working capital</b>	<b>206</b>	<b>215</b>	<b>-9</b>
as a percentage of net sales (annualized)	9.4%	11.0%	-
<b>Net debt</b>	<b>156</b>	<b>200</b>	<b>-44</b>
<b>Equity <sup>6)</sup></b>	<b>294</b>	<b>275</b>	<b>19</b>
<b>Human Resources</b>			
<b>Number of employees</b>	<b>7,944</b>	<b>7,787</b>	<b>157</b>

<sup>1)</sup> October 1, 2006 – December 31, 2006<sup>2)</sup> October 1, 2005 – December 31, 2005<sup>3)</sup> before profit charges arising from carve-out<sup>4)</sup> including other income and expenses<sup>5)</sup> net profit on operating activities before interest, taxes and amortization of goodwill and product know-how<sup>6)</sup> including minority interest

## BUSINESS PERFORMANCE

### First quarter provides solid foundation for planned growth in fiscal 2006/2007

**Net sales:**

Up 13% (adjusted for exchange rate effects up 15%)

**Operating profit (EBITA):**

Up 18%

**Profit for the period:**

Up 44%

**Solid business in Germany**

**Significant gains in Asia and Americas**

**Buoyant business in the Banking segment**

**Forecasts for fiscal year confirmed and unchanged**

**Net sales: Up 6%**

**EBITA: Up 8%**

## KEY EVENTS

**Outsourcing activities extended to a German Landesbank for the first time.**

Wincor Nixdorf further bolstered its outsourcing activities for branch operations within the banking sector at the beginning of fiscal 2006/2007. Within this context, Wincor Nixdorf Portavis GmbH will be responsible for running the operation of 5,000 PC workstations at HSH Nordbank, as well as the bank's data centers, networks and telecommunication systems. Specializing in outsourcing, Wincor Nixdorf Portavis GmbH is a joint venture established by Hamburger Sparkasse and Sparkasse Bremen, with Wincor Nixdorf holding a majority interest. Its contract with HSH Nordbank represents the first agreement to have been concluded with a German Landesbank. The deal will give a more international flavor to the activities of Wincor Nixdorf Portavis GmbH, which has also been assigned the task of managing HSH Nordbank's IT systems for its foreign operations.

**Wincor World 2007 in the spotlight of industry experts around the globe.**

Wincor World will be opening its gates to industry experts from January 30 to February 1, 2007 – under the heading Your Compass to Innovation. The fact that Wincor World has secured a firm place in the event calendars of so many international trade magazines and journals is a clear reflection of the fair's appeal as an information platform for the banking and retail sectors. As in the past, the organizers are hoping to attract more than 7,000 visitors, mainly from abroad. Alongside the exhibition with its next-generation solutions for enterprise processes, visitors will be able to choose from a wide range of presentations and workshops. In close cooperation with the financial newspaper Börsen-Zeitung and EHI Retail Institute, the event will also include industry symposia focusing on future trends within the banking and retail sectors.

**Strong growth in the Banking segment.** Wincor Nixdorf is pleased to report positive developments in its retail banking operations thanks to innovations such as intelligent deposit, net-centric solutions, multi-vendor and multi-channel software as well as cutting-edge services. At the same time, the shift towards establishing ourselves as a provider of solutions aimed at the optimization of entire business processes is becoming more pronounced. Examples of the Company's evolution within this area can be seen in our cash management systems and the handling of complete branch processes under outsourcing agreements. Our approach is based on the optimal integration of products, software and services into a single solution that meets the customer's requirements. Meanwhile, the Banking segment is expanding globally in line with economic growth in developing regions such as Asia, Latin America and, increasingly, Africa. In these areas, the growth in retail banking services is creating strong demand for high-volume self-service solutions at branch level.

## BUSINESS PERFORMANCE DURING THE PERIOD OCTOBER 1, 2006 – DECEMBER 31, 2006

### BUSINESS AND ECONOMIC ENVIRONMENT.

**The world economy.** The ifo indicator monitoring the world's economic climate weakened slightly in the fourth quarter of 2006. The decline was attributable to a dip in confidence relating to economic performance over the next six months. The data constellation indicates that the expected slowing of world economic growth will only involve a moderate cooling phase of the economic cycle in the next six months.

In Western Europe the climate indicator for economic growth weakened but remained clearly above its long-term average. The German economy has made significant progress on its road to recovery. The overall assessment of the current economic situation has deteriorated slightly in both the U.S. and in Canada. In contrast, Asia has seen an improvement in its climate indicator.

**Developments in the retail banking and retail sectors.** Alongside various sector-specific challenges, both the retail banking sector and the retail industry have to contend with continuing pressure on prices as well as ever-increasing competition.

Operating against this backdrop, both industries are eager to enhance the quality of their product and service portfolios for customers, to react to market change with greater flexibility and to make business risks more manageable.

### GROUP BUSINESS PERFORMANCE.

**Net sales and profit.** Consolidated net sales increased by 13% to €549 million in the first quarter of fiscal 2006/2007 (previous year: €488 million). Adjusted for movements in the euro/U.S. dollar exchange rate, net sales grew by 15%. The particularly favorable level of growth in net sales over the course of the first quarter was attributable chiefly to strong business toward the end of 2006.

The gross margin on net sales before carve-out charges declined by 0.7 percentage points, down from 27.5% in Q1 2005/2006 to 26.8% in the period under review. This decline was the result of specific effects attributable to year-end business, entry into international growth markets and pressure on prices in some areas of the product-related business.

Research and development expenses rose by €3 million to €22 million (previous year: €19 million), thus edging up 16% compared with the figure recorded a year ago. The R&D ratio remained virtually unchanged year on year at 4.0% (previous year: 3.9%).

Selling, general and administration expenses, including other operating income and expenses, amounted to €79 million in the period under review (previous year: €76 million). The rise in selling, general and administration expenses, which was moderate compared with net sales growth, was attributable to further progress made in connection with the Group-wide "ProImprove" program. Aimed at enhancing productivity levels, "ProImprove" has become an integral part of enterprise processes. Calculated in relation to net sales, selling, general and administration expenses ratio was driven down by 1.2 percentage points to 14.4% (previous year: 15.6%).

In the first quarter of fiscal 2006/2007 earnings before interest, taxes and amortization of goodwill and product know-how (EBITA) grew by 18%, reaching €46 million in total (previous year: €39 million). The EBITA margin improved by 0.4 percentage points to 8.4% (previous year: 8.0%).

Profit for the first quarter rose to €26 million and was thus €8 million or 44% higher than the figure of €18 million posted for the same period a year ago. Profit for the period before carve-out charges grew by 33% to €28 million (previous year: €21 million).

**Cash flow.** In the first quarter of fiscal 2006/2007 cash flow from operating activities totaled €66 million, thus edging slightly above the figure of €63 million recorded a year ago. As was the case in the previous year, growth within this area was driven mainly by EBITDA with an increase of 21% to €57 million (previous year: €47 million).

At €17 million (previous year: €6 million), net cash used in investing activities in the period under review was markedly higher than a year ago. The main focus of investments in property, plant and equipment was on other fixed assets and operating equipment, particularly in view of the Company's growing outsourcing business. In addition, investments in reworkable service parts accounted for €4 million.

Net cash used in financing activities amounted to €62 million (previous year: €47 million). A total of €56 million was used for the repayment of financial loans (previous year: €52 million). Additionally, the purchase of own shares as part of the Company's stock reacquisition plan accounted for a cash outflow of €6 million. There were no stock repurchases in the previous year.

**Regional performance.** In Europe (excluding Germany) net sales increased by 9% to €290 million in the first three months of fiscal 2006/2007, compared with €265 million in the first quarter of the previous fiscal year. At 53% (previous year: 55%), Europe yet again made the largest contribution to total net sales within the Group.

Germany recorded net sales growth of 17% in the period under review, thus establishing itself as a major growth driver. Net sales climbed to €145 million (previous year: €124 million), contributing 26% (previous year: 25%) to total net sales.

In the Americas, net sales in U.S. dollar terms grew by 19% in Q1 2006/2007. Translated into euros, this corresponds to an increase of 10% to €43 million (previous year: €39 million). Thus, as was the case in the same period a year ago, the Americas contributed 8% to total net sales within the Group.

Asia/Pacific/Africa, a region which also forms part of the U.S. dollar zone, increased its net sales by 29% (in U.S. dollars). Calculated on the basis of euros, this constitutes a year-on-year rise of 18%, taking the region's total to €71 million (previous year: €60 million). Asia/Pacific/Africa contributed a share of 13% to total net sales for the Group (previous year: 12%).

**Segment performance.** The [Banking](#) segment performed very well in the first quarter, achieving net sales growth of 20% year on year – net sales increased from €290 million a year ago to €349 million in the period under review. The segment proved particularly successful in Europe, but also generated forward momentum in other regions. Growth was driven by both product and services business. EBITA within the Banking segment rose by

€6 million to €35 million in the first quarter (previous year: €29 million), thus breaching the mark recorded a year ago by 21%.

The **Retail** segment achieved net sales growth of 1% in the first three months of the current fiscal year, taking net sales to €200 million (previous year: €198 million). EBITA generated in the Retail segment rose by 10% to €11 million (previous year: €10 million).

**Performance by business stream.** In the first quarter of fiscal 2006/2007 net sales attributable to Product business rose by 14% year on year to €339 million (previous year: €297 million). Net sales from Solutions/Services increased by 10% to €210 million (previous year: €191 million).

Net sales from Product business in relation to total net sales rose by one percentage point to 62% (previous year: 61%). Correspondingly, the share of net sales attributable to Solutions/Services fell slightly to 38% (previous year: 39%).

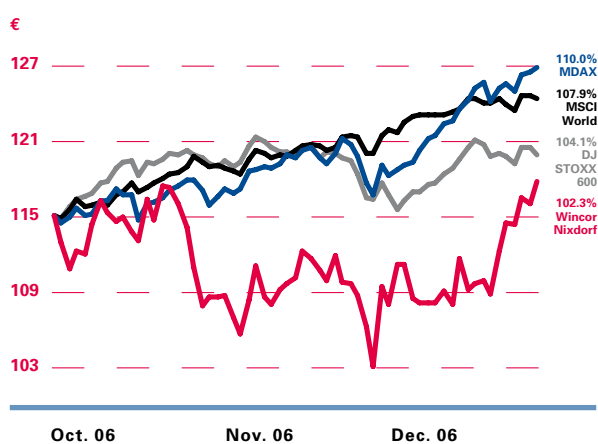
**Employees.** Between September 30 and December 31, 2006, inclusive, the headcount for the Group as a whole rose by 157 to 7,944. Recruitment efforts were directed at the Services business as well as the Group's international expansion in growth markets.

## STOCK/INVESTOR RELATIONS.

The German stock market recorded a very solid performance in the first three months of fiscal 2006/2007, thus maintaining the level of forward momentum seen in the preceding quarter. In contrast, Wincor Nixdorf's share price receded over the course of Q1, before finally clawing its way back toward the end of the quarter under review. Overall, Wincor Nixdorf stock failed to match market performance. While the MDAX Performance Index rose by 10.0% in the period under review, the price of shares in Wincor Nixdorf AG only managed to make gains of 2.3%. In

October, the Company's shares reached a quarterly high of €119.39. Wincor Nixdorf's share price at the end of the period under review stood at €117.86.

### Performance of Wincor Nixdorf stock compared to the MDAX (Performance-Index), MSCI World and DJ Stoxx 600 for the period October 1, 2006 through December 31, 2006:



### Share price data

	€
Opening price (Xetra) on October 2, 2006	115.25
High between October and December 2006 (Xetra)	119.39
Low between October and December 2006 (Xetra)	101.50
Closing price (Xetra) on December 29, 2006	117.86
<b>Market capitalization on December 29, 2006</b>	<b>1,950m</b>

**Stock buy-back.** On December 20, 2006, the Board of Directors of Wincor Nixdorf AG passed a resolution for the repurchase of up to 166,390 of the Company's shares (constituting up to 1.01% of the current capital stock) via the stock exchange. The resolution is based on the corresponding authorization issued by the Annual General Meeting of Shareholders for the repurchase of own equity instruments in an amount of up to 10% of capital stock. The repurchased shares are to be used for the purpose of settling obligations arising from share options already issued or to be issued to members of the Board of Directors, other managers or staff members. By the end of the period under review, 51,346 own equity instruments had

been repurchased. Between December 20, 2006, and January 12, 2007, 166,390 shares were bought at an average price of €117.05. This concludes the share repurchase program.

**Planned capital measures.** The Board of Directors and the Supervisory Board have decided to propose to the AGM taking place on January 29, 2007, that the Company's capital stock be doubled by using Company reserves through the issuance of new shares. Shareholders are to receive, without payment, one additional share for each share held (bonus share). This corresponds to a stock split in a ratio of 1:2. The issuance of bonus shares is aimed at lowering the current price of Wincor Nixdorf shares. Reducing the share price to an investor-friendly level will make Wincor Nixdorf shares more tradeable.

As part of this measure, a proportion of appropriated additional paid-in capital is to be converted into unallocated additional paid-in capital. This is to be implemented by means of a capital increase out of Company reserves followed by an ordinary reduction of capital. The measures are required by law in order to make the capital reserve (i.e. additional paid-in capital) of Wincor Nixdorf AG available for future distributions of profits.

**Investor Relations.** In the period under review, BHF Bank, a prestigious research house, included Wincor Nixdorf on its coverage list. Thus, the number of analysts monitoring Wincor Nixdorf and commenting on its performance rose to 20.

Based on the announcements issued pursuant to Section 21 of the Securities Trading Act (Wertpapierhandelsgesetz – WpHG), at the end of the reporting period the following entities each held an interest of more than 5% in Wincor Nixdorf:

- Fidelity International Ltd.
- Fidelity Management & Research Corp.
- Threadneedle Asset Management/Ameriprise Financial Inc.

The Board of Directors and Investor Relations team presented the Company's business model at a number of investor conferences and roadshows in Germany, France, Spain and Switzerland and met up with several institutional investors. Among the key events were the TMT Conference in Barcelona, organized by Morgan Stanley on November 16, 2006, and the German Equity Forum (Deutsches Eigenkapitalforum), which was held in Frankfurt/Main on November 28, 2006.

Conference calls with market analysts were organized to coincide with the announcement of Wincor Nixdorf's preliminary results for fiscal 2005/2006 and the publication of the 2005/2006 annual report.

## **OUTLOOK.**

On completion of the first quarter, Wincor Nixdorf believes that its favorable assessment of the market environment for future business performance has proved accurate. This applies to recent as well as anticipated economic trends in the global arena. The Company's assessment also holds true for developments in the banking and retail sectors.

Our business performance in the first quarter, which was positive as expected and comparable to last year's accomplishments, provides a solid foundation for profitable growth planned in the current fiscal year. The target for fiscal 2006/2007 is to achieve gains at a level comparable to those announced for medium-term growth by the Group – 6% in net sales and 8% in EBITA. The Board of Directors is of the opinion that this forecast remains valid given the latest financial results and has therefore decided to keep its forecast unchanged.

## CONSOLIDATED STATEMENT OF INCOME

	k€	
	1st quarter 2006/2007 <sup>1)</sup>	1st quarter 2005/2006 <sup>2)</sup>
<b>Net sales</b>	548,551	488,169
Cost of sales	-405,353	-359,881
<b>Gross profit</b>	<b>143,198</b>	<b>128,288</b>
Research and development expenses	-21,522	-19,495
Selling, general and administration expenses	-79,287	-76,039
Other operating result	0	4
<b>Net profit on operating activities</b>	<b>42,389</b>	<b>32,758</b>
Finance income	4,745	492
Finance costs	-7,211	-4,469
<b>Profit before tax</b>	<b>39,923</b>	<b>28,781</b>
Income taxes	-14,357	-10,952
<b>Profit for the period</b>	<b>25,566</b>	<b>17,829</b>
Profit attributable to minority interest	335	-340
Profit attributable to equity holders of Wincor Nixdorf AG	25,231	18,169
<b>Shares for calculation of basic earnings per share (in thousands)</b>	<b>16,539</b>	<b>16,542</b>
<b>Shares for calculation of diluted earnings per share (in thousands)</b>	<b>16,594</b>	<b>16,630</b>
<b>Basic earnings per share (€)</b>	<b>1.53</b>	<b>1.10</b>
<b>Diluted earnings per share (€)</b>	<b>1.52</b>	<b>1.09</b>
<b>Profit attributable to equity holders of Wincor Nixdorf AG</b>	<b>25,231</b>	<b>18,169</b>
Amortization product know-how	3,807	5,785
Calculated tax effect	-1,485	-2,256
<b>Profit attributable to equity holders of Wincor Nixdorf AG before carve-out</b>	<b>27,553</b>	<b>21,698</b>
<b>Shares for calculation of basic profit attributable to equity holders of Wincor Nixdorf AG before carve-out per share (managerial, in thousands)</b>	<b>16,542</b>	<b>16,542</b>
<b>Profit attributable to equity holders of Wincor Nixdorf AG before carve-out per share (in €)</b>	<b>1.67</b>	<b>1.31</b>

<sup>1)</sup> October 1, 2006 – December 31, 2006

<sup>2)</sup> October 1, 2005 – December 31, 2005

## GROUP BALANCE SHEET

### Assets

k€

	December 31, 2006	September 30, 2006
<b>Non-current assets</b>		
Intangible assets	379,718	383,646
Property, plant and equipment	106,686	104,066
Investments	1,038	1,047
Reworkable service parts	18,249	15,710
Trade receivables	4,456	5,301
Other assets	3,114	3,131
Deferred tax assets	9,821	10,786
	<b>523,082</b>	<b>523,687</b>
<b>Current assets</b>		
Inventories	320,590	312,756
Trade receivables	292,739	262,572
Amounts owed by undertakings in which the company has a participating interest	25	25
Current tax assets	2,889	2,458
Other assets	49,409	50,374
Financial assets	22	26
Cash and cash equivalents	39,950	9,604
	<b>705,624</b>	<b>637,815</b>
<b>Total assets</b>	<b>1,228,706</b>	<b>1,161,502</b>

### Equity & Liabilities

k€

	December 31, 2006	September 30, 2006
<b>Equity</b>		
Equity attributable to equity holders of Wincor Nixdorf AG	289,089	269,819
Minority interest	5,261	4,926
	<b>294,350</b>	<b>274,745</b>
<b>Non-current liabilities</b>		
Accruals for pensions and similar commitments	22,337	19,961
Other accruals	27,113	27,050
Financial liabilities	136,313	192,477
Trade payables	274	1,702
Other liabilities	19	193
Deferred tax liabilities	14,037	12,842
	<b>200,093</b>	<b>254,225</b>
<b>Current liabilities</b>		
Other accruals	147,705	139,620
Financial liabilities	59,844	16,873
Advances received on orders	77,971	76,368
Trade payables	249,955	211,708
Amounts owed to undertakings in which the company has a participating interest	535	611
Current income tax liabilities	28,929	21,329
Other liabilities	169,324	166,023
	<b>734,263</b>	<b>632,532</b>
<b>Total equity &amp; liabilities</b>	<b>1,228,706</b>	<b>1,161,502</b>

## GROUP CASH FLOW STATEMENT

k€

	1st quarter 2006/2007 <sup>1)</sup>	1st quarter 2005/2006 <sup>2)</sup>
<b>EBITA <sup>3)</sup></b>	<b>46,196</b>	<b>38,543</b>
Amortization/depreciation of property rights, licenses and property, plant and equipment	9,303	8,053
Write-down of reworkable service parts	1,759	202
<b>EBITDA <sup>3)</sup></b>	<b>57,258</b>	<b>46,798</b>
Interest paid	-1,801	-739
Income taxes paid	-6,140	-10,275
Gain on disposal of intangible assets and property, plant and equipment	-119	-34
Increase in accruals	11,571	5,149
Other non-cash expenses	534	652
Decrease in working capital	9,193	6,669
Increase/decrease in other assets and other liabilities	-4,497	14,519
<b>Cash flow from operating activities</b>	<b>65,999</b>	<b>62,739</b>
Payments received from the disposal of property, plant and equipment	183	199
Payments received from the disposal of investments	13	19
Payments made for investment in intangible assets	-2,179	-423
Payments made for investment in property, plant and equipment	-10,294	-6,244
Payments made for investment in reworkable service parts	-4,298	0
<b>Cash flow from investment activities</b>	<b>-16,575</b>	<b>-6,449</b>
Payments made for repayment of financial loans	-55,975	-51,500
Payments made to minority interest	0	-578
Payments made for repurchase of treasury shares	-5,898	0
Payments made/received due to special items	-65	5,040
<b>Cash flow from financing activities</b>	<b>-61,938</b>	<b>-47,038</b>
<b>Change in liquidity</b>	<b>-12,514</b>	<b>9,252</b>
Change in cash and cash equivalents from exchange rate movements	14	87
Cash and cash equivalents at beginning of period	-5,982	-1,185
<b>Cash and cash equivalents at end of period</b>	<b>-18,482</b>	<b>8,154</b>

<sup>1)</sup> October 1, 2006 – December 31, 2006

<sup>2)</sup> October 1, 2005 – December 31, 2005

<sup>3)</sup> After elimination of profit charges arising from the carve-out (further information under "Effect of Profit Charges arising from the Carve-out").

## CHANGES IN EQUITY

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	Equity attributable to equity holders of Wincor Nixdorf AG							Equity
	Sub-scribed capital	Add. paid-in capital	Retained earnings	Re-valuation reserve	Treasury shares	Total	Minority interest	
<b>As of October 1, 2005</b>	<b>16,542</b>	<b>169,136</b>	<b>46,134</b>	<b>-4,179</b>	<b>0</b>	<b>227,633</b>	<b>6,140</b>	<b>233,773</b>
Fair value cash flow hedges and securities	0	0	0	175	0	175	0	175
Share options	0	272	0	0	0	272	0	272
Exchange rate changes	0	0	418	0	0	418	1	419
Other changes	0	0	329	0	0	329	0	329
<b>Net income recognized directly in equity</b>	<b>0</b>	<b>272</b>	<b>747</b>	<b>175</b>	<b>0</b>	<b>1,194</b>	<b>1</b>	<b>1,195</b>
Profit for the period	0	0	18,169	0	0	18,169	-340	17,829
<b>Total recognized income and expense for the period</b>	<b>0</b>	<b>272</b>	<b>18,916</b>	<b>175</b>	<b>0</b>	<b>19,363</b>	<b>-339</b>	<b>19,024</b>
Takeover of shares	0	0	0	0	0	0	-260	-260
<b>As of December 31, 2005</b>	<b>16,542</b>	<b>169,408</b>	<b>65,050</b>	<b>-4,004</b>	<b>0</b>	<b>246,996</b>	<b>5,541</b>	<b>252,537</b>
<b>As of October 1, 2006</b>	<b>16,542</b>	<b>124,458</b>	<b>128,512</b>	<b>307</b>	<b>0</b>	<b>269,819</b>	<b>4,926</b>	<b>274,745</b>
Fair value cash flow hedges and securities	0	0	0	941	0	941	0	941
Share options	0	361	0	0	0	361	0	361
Exchange rate changes	0	0	-690	0	0	-690	0	-690
Changes in treasury shares	0	0	0	0	-5,898	-5,898	0	-5,898
Other changes	0	0	-675	0	0	-675	0	-675
<b>Net income recognized directly in equity</b>	<b>0</b>	<b>361</b>	<b>-1,365</b>	<b>941</b>	<b>-5,898</b>	<b>-5,961</b>	<b>0</b>	<b>-5,961</b>
Profit for the period	0	0	25,231	0	0	25,231	335	25,566
<b>Total recognized income and expense for the period</b>	<b>0</b>	<b>361</b>	<b>23,866</b>	<b>941</b>	<b>-5,898</b>	<b>19,270</b>	<b>335</b>	<b>19,605</b>
<b>As of December 31, 2006</b>	<b>16,542</b>	<b>124,819</b>	<b>152,378</b>	<b>1,248</b>	<b>-5,898</b>	<b>289,089</b>	<b>5,261</b>	<b>294,350</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) as adopted by the European Union.

The first-time application of the standards, interpretations and amendments becoming initially effective and binding in fiscal year 2006/2007 had no significant influence on the Group interim report of Wincor Nixdorf AG as of December 31, 2006.

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, 2006. The applied methods of accounting and valuation are described in detail in the Notes to the Group financial statements as of September 30, 2006.

### CONSOLIDATION GROUP.

In addition to the parent company Wincor Nixdorf AG, the Group financial statements to December 31, 2006, 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.

### GROUP EQUITY.

The changes in Group equity and individual elements thereof are shown in detail in the Changes in Equity table.

**Treasury shares.** On December 20, 2006, the Board of Directors of Wincor Nixdorf AG passed a resolution for the repurchase of up to 166,390 of the Company's shares (constituting up to 1.01% of the current capital stock) via the stock exchange. The resolution is based on the corresponding authorization issued by the Annual General Meeting of Shareholders for the repurchase of own equity instruments in an amount of up to 10% of capital stock. The purchase price per share (excluding ancillary costs of purchase) shall deviate by no more than 5% in either direction from the average share price at the closing auction of XETRA trading on the Frankfurt Stock Exchange for the final ten trading days prior to the purchase of the shares.

The repurchased shares are to be used for the purpose of settling obligations arising from share options already issued or to be issued to members of Board of Directors, other managers or staff members.

As of December 31, 2006, the number of treasury shares held by the Company was 51,346. The acquisition costs, including ancillary costs of acquisition, amounting to €5,898k were deducted in full from equity.

**Share-based payment program.** Wincor Nixdorf had implemented two share-based payment programs on March 1, 2005, and March 27, 2006 (share-based payment programs 2005 and 2006) for its managers. The changes in the composition of share options are as follows:

	1st quarter 2006/2007		1st quarter 2005/2006	
	Share options number	Average exercise price €	Share options number	Average exercise price €
As of October 1	342,140	92.50	387,750	55.97
Expired during the period	1,000	93.08	0	0
As of December 31	341,140	92.49	387,750	55.97
Exercisable as of December 31	0	92.49	0	55.97

The change in 1st quarter 2006/2007 relates solely to staff members. The share-based payment programs are described in detail in the Notes to the Group financial statements as of September 30, 2006.

## SEGMENT REPORT.

### Segment Report by Division

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	Banking	Retail	Group
Net sales to external customers	348,416	200,135	548,551
	(290,400)	(197,769)	(488,169)
Operating profit (EBITA) <sup>1)</sup>	35,190	11,006	46,196
	(28,886)	(9,657)	(38,543)
Investments in property rights, licenses and property, plant and equipment	10,469	2,004	12,473
	(5,011)	(1,656)	(6,667)
Investments in reworkable service parts	3,395	903	4,298
	(0)	(0)	(0)
Amortization/depreciation of property rights, licenses and property, plant and equipment	7,321	1,982	9,303
	(5,828)	(2,225)	(8,053)
Write-down of reworkable service parts	1,390	369	1,759
	(159)	(43)	(202)
Research and development expenses	13,513	8,009	21,522
	(12,250)	(7,245)	(19,495)

Comparative figures for the period from October 1, 2005 to December 31, 2005 are given in parentheses.

<sup>1)</sup> After elimination of profit charges arising from the carve-out (further information under "Effect of Profit Charges arising from the Carve-out").

### Reconciliation of Segment Profit to Group Profit

	1st quarter 2006/2007	1st quarter 2005/2006
<b>Operating profit (EBITA)</b>	<b>46,196</b>	<b>38,543</b>
Goodwill amortization	0	0
<b>Operating profit (EBIT)</b>	<b>46,196</b>	<b>38,543</b>
Profit charges arising from carve-out	-3,807	-5,785
Finance income and finance costs	-2,466	-3,977
<b>Profit before taxes</b>	<b>39,923</b>	<b>28,781</b>
Income taxes	-14,357	-10,952
<b>Profit for the period</b>	<b>25,566</b>	<b>17,829</b>

The operating profit (EBITA) is stated here as the 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.

### Net Sales by Regions

	1st quarter 2006/2007	1st quarter 2005/2006
<b>Germany</b>	<b>145,273</b>	<b>123,604</b>
in % of total net sales	26.5	25.3
<b>Europe (w/o Germany)</b>	<b>290,384</b>	<b>265,416</b>
in % of total net sales	52.9	54.4
<b>America</b>	<b>42,512</b>	<b>39,237</b>
in % of total net sales	7.8	8.0
<b>Asia/Pacific/Africa</b>	<b>70,382</b>	<b>59,912</b>
in % of total net sales	12.8	12.3
<b>Total</b>	<b>548,551</b>	<b>488,169</b>

### EFFECT OF 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:

	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:

	1st quarter 2006/2007	1st quarter 2005/2006
Amortization of product know-how	<b>3,807</b>	<b>5,785</b>

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

	1st quarter 2006/2007	1st quarter 2005/2006
<b>Net sales</b>	<b>548,551</b>	<b>488,169</b>
Cost of sales	-401,546	-354,096
<b>Gross profit</b>	<b>147,005</b>	<b>134,073</b>
Research and development expenses	-21,522	-19,495
Selling, general and administration expenses	-79,287	-76,039
Other operating result	0	4
<b>Operating profit (EBIT)</b>	<b>46,196</b>	<b>38,543</b>
Goodwill amortization	0	0
<b>Operating profit (EBITA)</b>	<b>46,196</b>	<b>38,543</b>
Amortization/depreciation of pro- perty rights, licenses and property, plant and equipment and write- down of reworkable service parts	11,062	8,255
<b>EBITDA</b>	<b>57,258</b>	<b>46,798</b>

## 2006/2007 FINANCIAL CALENDAR\*

January 29, 2007

Annual General Meeting

April 25, 2007

Half-year interim report

July 24, 2007

Nine-month interim report

October 25, 2007

Announcement of preliminary full-year results for 2006/2007

December 11, 2007

Publication of 2006/2007 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

One of the principal focuses of Wincor Nixdorf's strategy is the development of innovative technologies to ensure that processes in the traditional self-service field can be carried out as smoothly and efficiently as possible. Among the innovation highlights is so-called Intelligent Deposit, which includes cash-recycling systems that redispense banknotes after an authenticity check. In order to ensure effective handling, it is essential that metal objects such as paper clips are recognized early on during processing. Using electromagnetic field simulations, a metal detection module in the cash recycling system's banknote input tray can recognize foreign metal objects and issue an immediate warning. This is just one way in which Wincor Nixdorf is helping retail banks to provide fast and customer-friendly cash transactions. Wincor Nixdorf's metal detection system is an important step forward in assuring the reliability, processing speed and product quality of cash recycling machines. The system was developed in collaboration with the Fraunhofer Institute for the Non-Destructive Testing of Materials in Saarbrücken.

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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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